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# Economic Indicators

**July 1968**

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Council of Economic Advisers*

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

### JOINT RESOLUTION [S.J. Res. 55]

To print the monthly publication entitled "Economic Indicators"

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

Approved June 23, 1949.

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# TOTAL OUTPUT, INCOME, AND SPENDING

## THE NATION'S INCOME, EXPENDITURE, AND SAVING

Preliminary estimates indicate that gross national product advanced \$19½ billion (seasonally adjusted annual rate) in the second quarter, a little less than the revised record increase of nearly \$20¼ billion in the first quarter.

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

| Period                | Persons                    |                                                         |                                                |                                   |                                   | Government                          |                                                       |                      |                    |                                                       |                                         |                                                     |
|-----------------------|----------------------------|---------------------------------------------------------|------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|-------------------------------------------------------|----------------------|--------------------|-------------------------------------------------------|-----------------------------------------|-----------------------------------------------------|
|                       | Disposable personal income |                                                         |                                                | Personal consumption expenditures | Personal saving or dis-saving (—) | Net receipts                        |                                                       |                      | Expenditures       |                                                       |                                         | Surplus or deficit (—), income and product accounts |
|                       | Total <sup>1</sup>         | Less: Interest paid and transfer payments to foreigners | Equals: Total excluding interest and transfers |                                   |                                   | Tax and nontax receipts or accruals | Less: Transfers, interest, and subsidies <sup>2</sup> | Equals: Net receipts | Total expenditures | Less: Transfers, interest, and subsidies <sup>2</sup> | Equals: Purchases of goods and services |                                                     |
|                       |                            |                                                         |                                                |                                   |                                   |                                     |                                                       |                      |                    |                                                       |                                         |                                                     |
| 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.....             | 438.1                      | 10.7                                                    | 427.4                                          | 401.2                             | 26.2                              | 174.1                               | 46.7                                                  | 127.3                | 175.4              | 46.7                                                  | 128.7                                   | -1.4                                                |
| 1965.....             | 473.2                      | 12.0                                                    | 461.3                                          | 432.8                             | 28.4                              | 189.1                               | 49.9                                                  | 139.2                | 186.9              | 49.9                                                  | 137.0                                   | 2.2                                                 |
| 1966.....             | 511.6                      | 13.1                                                    | 498.4                                          | 465.5                             | 32.9                              | 213.2                               | 55.3                                                  | 157.9                | 211.5              | 55.3                                                  | 156.2                                   | 1.7                                                 |
| 1967.....             | 546.3                      | 13.9                                                    | 532.4                                          | 492.2                             | 40.2                              | 227.4                               | 62.9                                                  | 164.6                | 241.3              | 62.9                                                  | 178.4                                   | -13.8                                               |
| 1966: III.....        | 515.4                      | 13.2                                                    | 502.2                                          | 469.3                             | 32.9                              | 216.6                               | 55.6                                                  | 161.0                | 215.3              | 55.6                                                  | 159.5                                   | 1.2                                                 |
| IV.....               | 525.4                      | 13.5                                                    | 511.9                                          | 473.7                             | 38.1                              | 220.5                               | 58.9                                                  | 161.6                | 223.1              | 58.9                                                  | 164.3                                   | -2.6                                                |
| 1967: I.....          | 534.2                      | 13.7                                                    | 520.5                                          | 480.9                             | 39.7                              | 222.3                               | 62.1                                                  | 160.2                | 235.2              | 62.1                                                  | 173.1                                   | -12.9                                               |
| II.....               | 541.5                      | 14.3                                                    | 527.2                                          | 490.3                             | 37.0                              | 223.6                               | 62.1                                                  | 161.5                | 239.5              | 62.1                                                  | 177.3                                   | -15.9                                               |
| III.....              | 550.0                      | 14.0                                                    | 536.0                                          | 495.5                             | 40.5                              | 229.0                               | 63.4                                                  | 165.6                | 243.0              | 63.4                                                  | 179.6                                   | -14.0                                               |
| IV.....               | 559.6                      | 14.0                                                    | 545.6                                          | 502.2                             | 43.4                              | 234.9                               | 63.9                                                  | 171.0                | 247.4              | 63.9                                                  | 183.5                                   | -12.5                                               |
| 1968: I.....          | 574.4                      | 14.1                                                    | 560.3                                          | 519.4                             | 40.8                              | 246.7                               | 66.3                                                  | 180.4                | 256.9              | 66.3                                                  | 190.5                                   | -10.3                                               |
| II <sup>p</sup> ..... | 586.4                      | 14.3                                                    | 572.1                                          | 527.1                             | 45.0                              | -----                               | 69.6                                                  | -----                | 265.3              | 69.6                                                  | 195.6                                   | -----                                               |

| Period                | Business                             |                                                |                          | Net transfers to foreigners by persons and Government | International                     |               |                     | Excess of transfers or of net exports (—) <sup>5</sup> | Total income or receipts | Statistical discrepancy | Gross national product or expenditure |
|-----------------------|--------------------------------------|------------------------------------------------|--------------------------|-------------------------------------------------------|-----------------------------------|---------------|---------------------|--------------------------------------------------------|--------------------------|-------------------------|---------------------------------------|
|                       | Gross retained earnings <sup>3</sup> | Gross private domestic investment <sup>4</sup> | Excess of investment (—) |                                                       | Net exports of goods and services |               |                     |                                                        |                          |                         |                                       |
|                       |                                      |                                                |                          |                                                       | Exports                           | Less: Imports | Equals: Net exports |                                                        |                          |                         |                                       |
|                       |                                      |                                                |                          |                                                       |                                   |               |                     |                                                        |                          |                         |                                       |
| 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.....             | 76.2                                 | 94.0                                           | -17.8                    | 2.8                                                   | 37.1                              | 28.6          | 8.5                 | -5.7                                                   | 633.7                    | -1.3                    | 632.4                                 |
| 1965.....             | 84.7                                 | 108.1                                          | -23.4                    | 2.8                                                   | 39.2                              | 32.3          | 6.9                 | -4.1                                                   | 688.0                    | -3.1                    | 684.9                                 |
| 1966.....             | 91.6                                 | 120.8                                          | -29.2                    | 2.9                                                   | 43.1                              | 38.1          | 5.1                 | -2.2                                                   | 750.9                    | -3.3                    | 747.6                                 |
| 1967.....             | 93.1                                 | 114.3                                          | -21.1                    | 3.1                                                   | 45.8                              | 41.0          | 4.8                 | -1.7                                                   | 793.2                    | -3.5                    | 789.7                                 |
| 1966: III.....        | 91.9                                 | 119.9                                          | -28.0                    | 2.8                                                   | 43.6                              | 39.1          | 4.5                 | -1.7                                                   | 757.9                    | -4.4                    | 753.3                                 |
| IV.....               | 95.3                                 | 125.7                                          | -30.4                    | 2.6                                                   | 44.2                              | 39.7          | 4.5                 | -1.9                                                   | 771.3                    | -3.1                    | 768.2                                 |
| 1967: I.....          | 91.3                                 | 113.0                                          | -21.7                    | 2.9                                                   | 45.5                              | 40.3          | 5.2                 | -2.3                                                   | 774.9                    | -2.8                    | 772.2                                 |
| II.....               | 91.8                                 | 107.6                                          | -15.8                    | 3.4                                                   | 45.5                              | 40.4          | 5.1                 | -1.6                                                   | 783.9                    | -3.8                    | 780.2                                 |
| III.....              | 93.5                                 | 114.7                                          | -21.2                    | 3.4                                                   | 46.1                              | 40.6          | 5.4                 | -2.1                                                   | 798.5                    | -3.4                    | 795.3                                 |
| IV.....               | 95.9                                 | 121.8                                          | -25.9                    | 2.6                                                   | 46.0                              | 42.6          | 3.4                 | -.8                                                    | 815.1                    | -4.2                    | 811.0                                 |
| 1968: I.....          | 92.7                                 | 119.7                                          | -27.0                    | 2.6                                                   | 47.5                              | 46.0          | 1.5                 | 1.1                                                    | 836.0                    | -4.7                    | 831.2                                 |
| II <sup>p</sup> ..... | -----                                | 126.1                                          | -----                    | 2.8                                                   | 49.4                              | 47.4          | 2.0                 | .8                                                     | -----                    | -----                   | 850.8                                 |

<sup>1</sup> Personal income (p. 5) less personal tax and nontax payments (fines, penalties, etc.).

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

<sup>3</sup> 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.

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

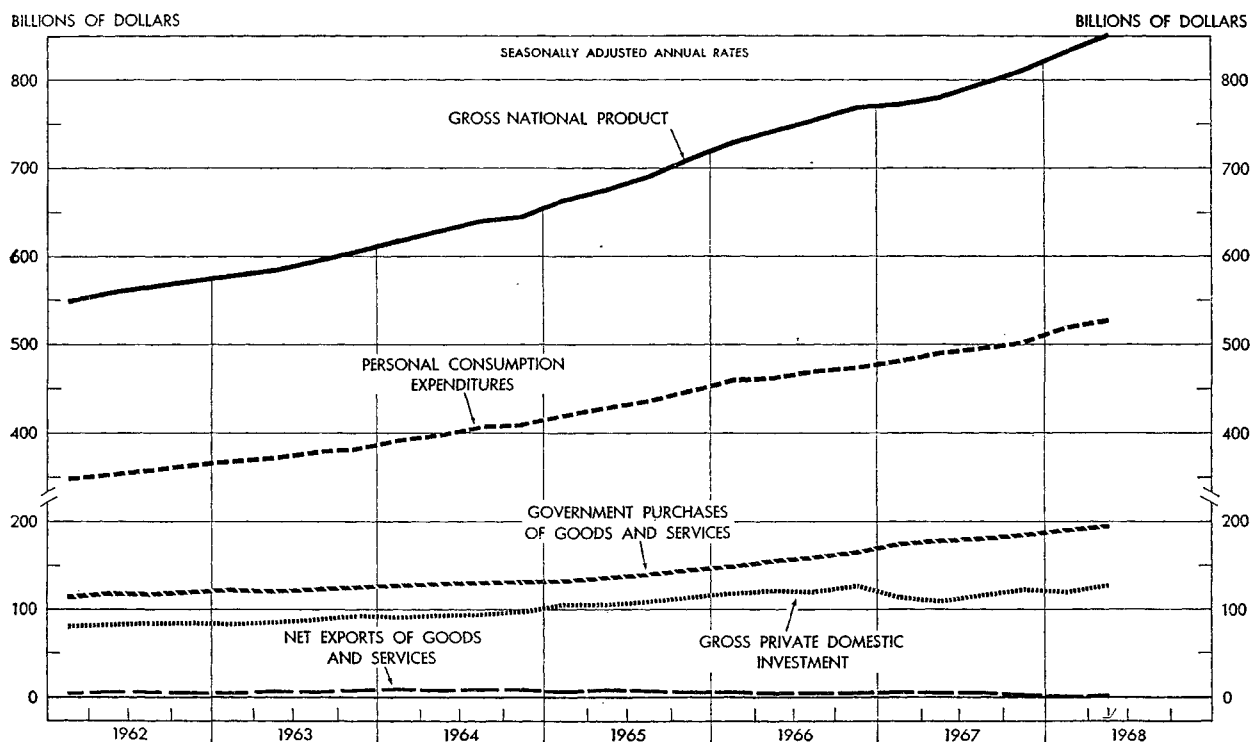
<sup>5</sup> Net foreign investment with sign changed.

NOTE.—Series revised beginning 1965. For details, see *Survey of Current Business*, July 1968. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

# GROSS NATIONAL PRODUCT OR EXPENDITURE

Gross national product (seasonally adjusted) advanced at an annual rate of just under 10 percent in the second quarter, according to preliminary estimates. A little over half of the increase represented a rise in physical output and the rest higher prices.



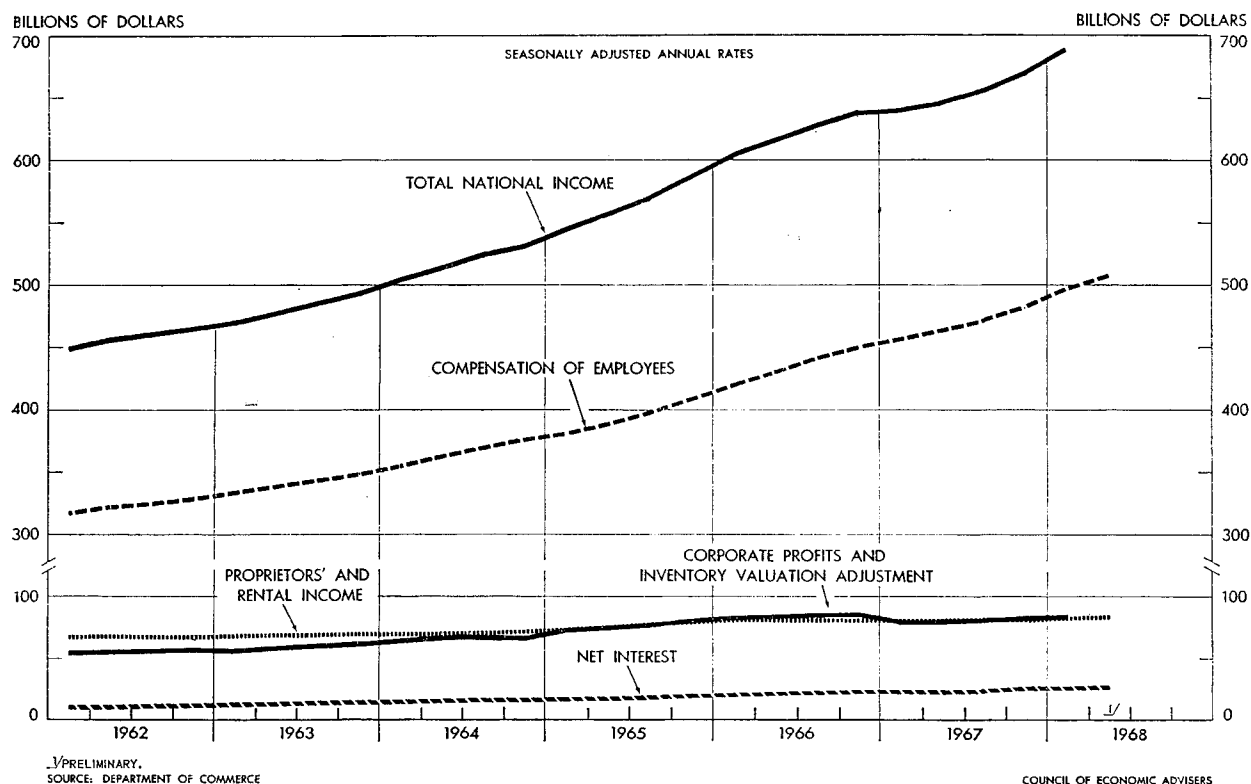
| Period                                                                  | Total gross national product in 1958 prices | Total gross national product | Personal consumption expenditures | Gross private domestic investment | Net exports of goods and services | Government purchases of goods and services |         |                               |                 | Implicit price deflator for total GNP, 1958=100* |
|-------------------------------------------------------------------------|---------------------------------------------|------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|--------------------------------------------|---------|-------------------------------|-----------------|--------------------------------------------------|
|                                                                         |                                             |                              |                                   |                                   |                                   | Total                                      | Federal |                               | State and local |                                                  |
|                                                                         |                                             |                              |                                   |                                   |                                   |                                            | Total   | National defense <sup>1</sup> | Other           |                                                  |
| Billions of dollars; quarterly data at seasonally adjusted annual rates |                                             |                              |                                   |                                   |                                   |                                            |         |                               |                 |                                                  |
| 1957.....                                                               | 452.5                                       | 441.1                        | 281.4                             | 67.8                              | 5.7                               | 86.1                                       | 49.5    | 44.2                          | 5.3             | 97.5                                             |
| 1958.....                                                               | 447.8                                       | 447.3                        | 290.1                             | 60.9                              | 2.2                               | 94.2                                       | 53.6    | 45.9                          | 7.7             | 100.0                                            |
| 1959.....                                                               | 475.9                                       | 483.7                        | 311.2                             | 75.3                              | .1                                | 97.0                                       | 53.7    | 46.0                          | 7.6             | 101.6                                            |
| 1960.....                                                               | 487.7                                       | 503.7                        | 325.2                             | 74.8                              | 4.0                               | 99.6                                       | 53.5    | 44.9                          | 8.6             | 103.3                                            |
| 1961.....                                                               | 497.2                                       | 520.1                        | 335.2                             | 71.7                              | 5.6                               | 107.6                                      | 57.4    | 47.8                          | 9.6             | 104.6                                            |
| 1962.....                                                               | 529.8                                       | 560.3                        | 355.1                             | 83.0                              | 5.1                               | 117.1                                      | 63.4    | 51.6                          | 11.8            | 105.8                                            |
| 1963.....                                                               | 551.0                                       | 590.5                        | 375.0                             | 87.1                              | 5.9                               | 122.5                                      | 64.2    | 50.8                          | 13.5            | 107.2                                            |
| 1964.....                                                               | 581.1                                       | 632.4                        | 401.2                             | 94.0                              | 8.5                               | 128.7                                      | 65.2    | 50.0                          | 15.2            | 108.8                                            |
| 1965.....                                                               | 617.8                                       | 684.9                        | 432.8                             | 108.1                             | 6.9                               | 137.0                                      | 66.9    | 50.1                          | 16.8            | 110.9                                            |
| 1966.....                                                               | 657.1                                       | 747.6                        | 465.5                             | 120.8                             | 5.1                               | 156.2                                      | 77.4    | 60.6                          | 16.8            | 113.8                                            |
| 1967.....                                                               | 673.1                                       | 789.7                        | 492.2                             | 114.3                             | 4.8                               | 178.4                                      | 90.6    | 72.4                          | 18.2            | 117.3                                            |
| 1966: III.....                                                          | 659.5                                       | 753.3                        | 469.3                             | 119.9                             | 4.5                               | 159.5                                      | 79.9    | 63.0                          | 16.9            | 114.2                                            |
| 1966: IV.....                                                           | 667.1                                       | 768.2                        | 473.7                             | 125.7                             | 4.5                               | 164.3                                      | 81.5    | 65.4                          | 16.1            | 115.2                                            |
| 1967: I.....                                                            | 665.7                                       | 772.2                        | 480.9                             | 113.0                             | 5.2                               | 173.1                                      | 87.4    | 70.0                          | 17.4            | 116.0                                            |
| 1967: II.....                                                           | 689.2                                       | 780.2                        | 490.3                             | 107.6                             | 5.1                               | 177.3                                      | 90.0    | 72.1                          | 17.9            | 116.6                                            |
| 1967: III.....                                                          | 675.6                                       | 795.3                        | 495.5                             | 114.7                             | 5.4                               | 179.6                                      | 91.3    | 72.9                          | 18.4            | 117.7                                            |
| 1967: IV.....                                                           | 681.8                                       | 811.0                        | 502.2                             | 121.8                             | 3.4                               | 183.5                                      | 93.5    | 74.6                          | 19.0            | 118.9                                            |
| 1968: I.....                                                            | 692.7                                       | 831.2                        | 519.4                             | 119.7                             | 1.5                               | 190.5                                      | 97.1    | 76.8                          | 20.3            | 120.0                                            |
| 1968: II <sup>2</sup> .....                                             | 701.7                                       | 850.8                        | 527.1                             | 126.1                             | 2.0                               | 195.6                                      | 100.0   | 79.3                          | 20.7            | 121.2                                            |

<sup>1</sup> This category corresponds closely with budget expenditures for national defense, shown on p. 36.  
<sup>2</sup> Gross national product in current prices divided by gross national product in 1958 prices.

NOTE.—Series revised beginning 1965. For details, see *Survey of Current Business*, July 1968. Data for Alaska and Hawaii included beginning 1960.  
 Source: Department of Commerce.

## NATIONAL INCOME

Revised estimates indicate that national income rose \$17 billion (seasonally adjusted annual rate) in the first quarter, reflecting a record \$14 billion advance in compensation of employees. Corporate profits (before taxes) and inventory valuation adjustment increased \$1½ billion. Other types of income also increased. In the second quarter, compensation of employees increased \$10 billion according to preliminary estimates.



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

| Period    | Total national income | Compensation of employees <sup>1</sup> | Proprietors' income |                           | Rental income of persons | Net interest | Corporate profits and inventory valuation adjustment <sup>3</sup> |                                   |                                |
|-----------|-----------------------|----------------------------------------|---------------------|---------------------------|--------------------------|--------------|-------------------------------------------------------------------|-----------------------------------|--------------------------------|
|           |                       |                                        | Farm <sup>2</sup>   | Business and professional |                          |              | Total                                                             | Profits before taxes <sup>3</sup> | Inventory valuation adjustment |
| 1958      | 367.8                 | 257.8                                  | 13.4                | 33.2                      | 15.4                     | 6.8          | 41.1                                                              | 41.4                              | -0.3                           |
| 1959      | 400.0                 | 279.1                                  | 11.4                | 35.1                      | 15.6                     | 7.1          | 51.7                                                              | 52.1                              | -0.5                           |
| 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                              | 0.0                            |
| 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                              | -0.5                           |
| 1964      | 518.1                 | 365.7                                  | 12.1                | 40.2                      | 18.0                     | 15.8         | 66.3                                                              | 66.8                              | -0.5                           |
| 1965      | 564.3                 | 393.8                                  | 14.8                | 42.4                      | 19.0                     | 18.2         | 76.1                                                              | 77.8                              | -1.7                           |
| 1966      | 620.8                 | 435.6                                  | 15.9                | 44.8                      | 19.8                     | 20.8         | 83.9                                                              | 85.6                              | -1.7                           |
| 1967      | 652.9                 | 468.2                                  | 14.4                | 46.3                      | 20.3                     | 23.3         | 80.4                                                              | 81.6                              | -1.2                           |
| 1966: III | 626.7                 | 441.4                                  | 15.5                | 44.7                      | 19.9                     | 21.1         | 84.2                                                              | 86.7                              | -2.5                           |
| 1966: IV  | 637.3                 | 449.7                                  | 15.1                | 45.2                      | 20.0                     | 22.0         | 85.3                                                              | 85.0                              | .3                             |
| 1967: I   | 638.6                 | 456.7                                  | 14.4                | 45.7                      | 20.1                     | 22.2         | 79.5                                                              | 79.9                              | -0.4                           |
| 1967: II  | 645.1                 | 461.8                                  | 14.4                | 46.1                      | 20.2                     | 22.9         | 79.6                                                              | 80.3                              | -0.7                           |
| 1967: III | 656.9                 | 471.5                                  | 14.6                | 46.6                      | 20.4                     | 23.6         | 80.2                                                              | 80.8                              | -0.6                           |
| 1967: IV  | 670.9                 | 482.7                                  | 14.3                | 46.8                      | 20.5                     | 24.3         | 82.3                                                              | 85.4                              | -3.1                           |
| 1968: I   | 688.1                 | 496.8                                  | 14.6                | 47.2                      | 20.7                     | 25.0         | 83.8                                                              | 88.9                              | -5.1                           |
| 1968: II  | ---                   | 506.8                                  | 14.8                | 47.8                      | 20.9                     | 25.8         | ---                                                               | ---                               | -2.6                           |

<sup>1</sup> Includes employer contributions for social insurance. (See also p. 4.)  
<sup>2</sup> 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.

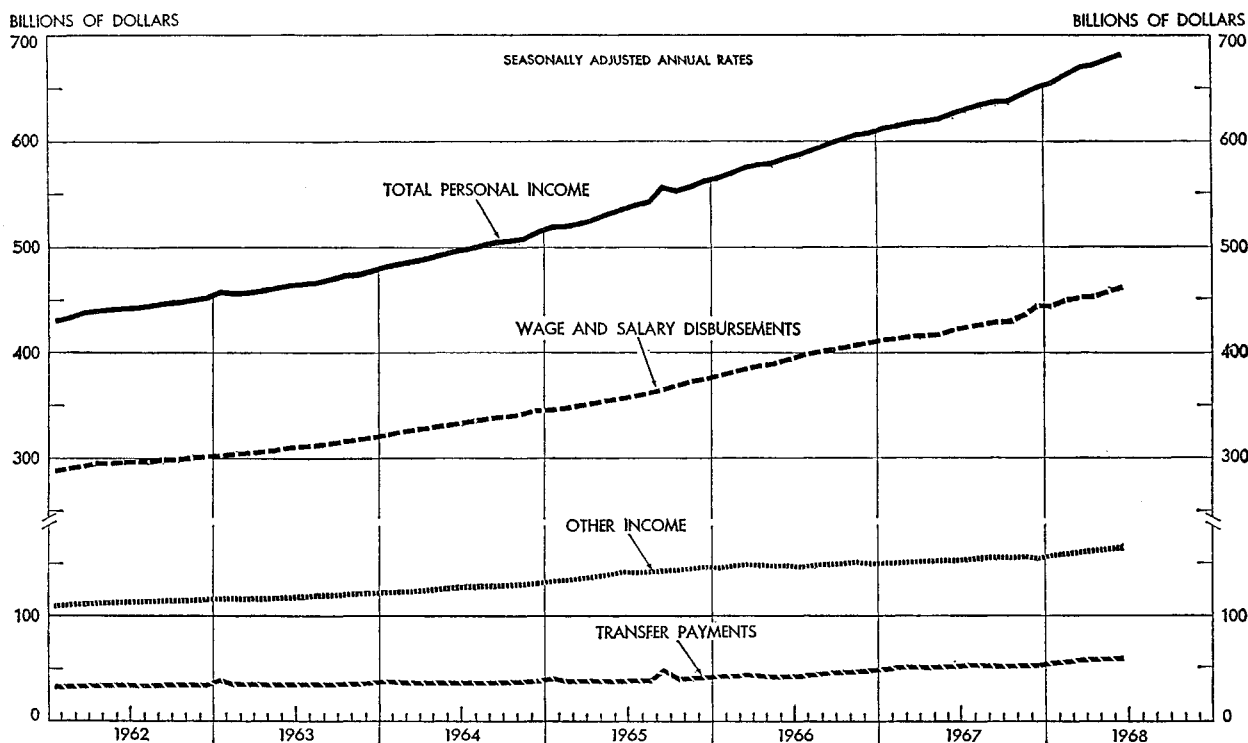
<sup>3</sup> See Note, p. 7.

NOTE.—Series revised beginning 1965. For details, see *Survey of Current Business*, July 1968. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

## SOURCES OF PERSONAL INCOME

In June, personal income rose \$4¾ billion (seasonally adjusted annual rate) following an increase of over \$5½ billion in May. Wages and salaries and other labor income accounted for about \$4¼ billion of the June rise. Compared with June 1967, personal income was up \$57.3 billion.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

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

| Period         | Total personal income | Wage and salary disbursements <sup>1</sup> | Other labor income <sup>2</sup> | Proprietors' income |                           | Rental income of persons | Dividends | Personal interest income | Transfer payments | Less: Personal contributions for social insurance | Nonagricultural personal income <sup>3</sup> |
|----------------|-----------------------|--------------------------------------------|---------------------------------|---------------------|---------------------------|--------------------------|-----------|--------------------------|-------------------|---------------------------------------------------|----------------------------------------------|
|                |                       |                                            |                                 | Farm                | Business and professional |                          |           |                          |                   |                                                   |                                              |
| 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.....      | 497.5                 | 333.7                                      | 16.6                            | 12.1                | 40.2                      | 18.0                     | 17.8      | 34.9                     | 36.7              | 12.5                                              | 480.9                                        |
| 1965.....      | 538.9                 | 358.9                                      | 18.7                            | 14.8                | 42.4                      | 19.0                     | 19.8      | 38.7                     | 39.9              | 13.4                                              | 519.5                                        |
| 1966.....      | 586.8                 | 394.6                                      | 20.8                            | 15.9                | 44.8                      | 19.8                     | 21.7      | 43.1                     | 43.9              | 17.8                                              | 566.1                                        |
| 1967.....      | 628.8                 | 423.4                                      | 23.3                            | 14.4                | 46.3                      | 20.3                     | 22.9      | 46.8                     | 51.7              | 20.4                                              | 609.3                                        |
| 1967: May..... | 620.6                 | 416.2                                      | 22.9                            | 14.4                | 46.0                      | 20.2                     | 23.4      | 46.0                     | 51.6              | 20.2                                              | 601.1                                        |
| June.....      | 625.8                 | 420.7                                      | 23.1                            | 14.4                | 46.5                      | 20.3                     | 23.0      | 46.4                     | 51.8              | 20.3                                              | 606.5                                        |
| July.....      | 629.8                 | 423.4                                      | 23.4                            | 14.3                | 46.5                      | 20.3                     | 23.5      | 46.8                     | 52.0              | 20.5                                              | 610.5                                        |
| Aug.....       | 634.2                 | 426.6                                      | 23.7                            | 14.6                | 46.6                      | 20.4                     | 23.5      | 47.2                     | 52.2              | 20.6                                              | 614.4                                        |
| Sept.....      | 637.0                 | 428.8                                      | 23.9                            | 14.8                | 46.7                      | 20.4                     | 23.4      | 47.6                     | 51.9              | 20.5                                              | 617.1                                        |
| Oct.....       | 638.0                 | 429.6                                      | 24.0                            | 14.2                | 46.5                      | 20.5                     | 23.2      | 48.0                     | 52.6              | 20.7                                              | 618.8                                        |
| Nov.....       | 644.9                 | 435.4                                      | 24.2                            | 14.3                | 46.8                      | 20.5                     | 23.1      | 48.5                     | 53.0              | 20.9                                              | 625.4                                        |
| Dec.....       | 652.6                 | 444.2                                      | 24.4                            | 14.3                | 47.0                      | 20.6                     | 21.1      | 49.0                     | 53.2              | 21.2                                              | 633.0                                        |
| 1968: Jan..... | 654.9                 | 443.0                                      | 24.7                            | 14.4                | 47.1                      | 20.6                     | 23.2      | 49.4                     | 54.5              | 22.1                                              | 635.1                                        |
| Feb.....       | 663.0                 | 449.7                                      | 25.0                            | 14.6                | 47.2                      | 20.7                     | 23.6      | 49.8                     | 54.9              | 22.4                                              | 643.1                                        |
| Mar.....       | 670.0                 | 452.2                                      | 25.2                            | 14.8                | 47.5                      | 20.7                     | 23.9      | 50.2                     | 57.8              | 22.4                                              | 649.9                                        |
| Apr.....       | 672.7                 | 453.2                                      | 25.5                            | 14.8                | 47.6                      | 20.8                     | 24.3      | 50.7                     | 58.1              | 22.4                                              | 652.5                                        |
| May.....       | 678.3                 | 457.5                                      | 25.7                            | 14.8                | 47.8                      | 20.9                     | 24.7      | 51.2                     | 58.2              | 22.6                                              | 658.1                                        |
| June.....      | 683.1                 | 461.5                                      | 26.0                            | 14.8                | 47.9                      | 20.9                     | 24.3      | 51.8                     | 58.5              | 22.7                                              | 662.9                                        |

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

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

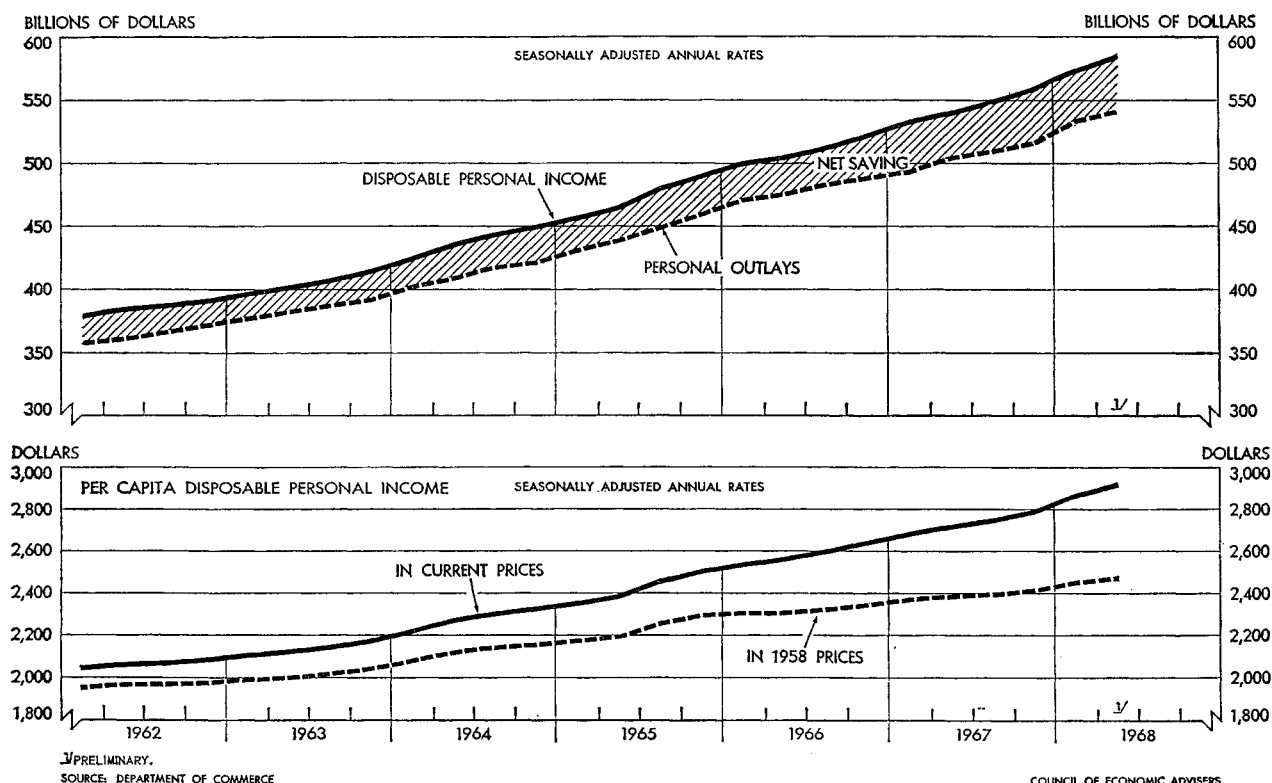
<sup>3</sup> Personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

NOTE.—Series revised beginning 1965. For details, see *Survey of Current Business*, July 1968. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

## DISPOSITION OF PERSONAL INCOME

Preliminary estimates indicate that personal income increased \$15¼ billion (seasonally adjusted annual rate) in the second quarter, and disposable income rose \$12 billion. With personal outlays advancing only \$8 billion, the saving rate jumped sharply from 7.1 to 7.7 percent.



| Period    | Personal income                  | Less: Personal tax and nontax payments | 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) <sup>3</sup> |
|-----------|----------------------------------|----------------------------------------|------------------------------------|-------------------------------------|------------------------------------------------|-------------------|----------|-------------------------|---------------------------------------|-------------|-----------------------------------------------------------|-------------------------------------|
|           |                                  |                                        |                                    | Total personal outlays <sup>1</sup> | Personal consumption expenditures <sup>2</sup> |                   |          |                         | Current prices                        | 1958 prices |                                                           |                                     |
|           |                                  |                                        |                                    |                                     | Durable goods                                  | Non-durable goods | Services |                         |                                       |             |                                                           |                                     |
|           | Billions of dollars              |                                        |                                    |                                     |                                                |                   |          |                         | Dollars                               |             |                                                           |                                     |
| 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----- | 497.5                            | 59.4                                   | 438.1                              | 411.9                               | 59.2                                           | 178.7             | 163.3    | 26.2                    | 2,280                                 | 2,123       | 6.0                                                       | 192,120                             |
| 1965----- | 538.9                            | 65.7                                   | 473.2                              | 444.8                               | 66.3                                           | 191.1             | 175.5    | 28.4                    | 2,432                                 | 2,235       | 6.0                                                       | 194,592                             |
| 1966----- | 586.8                            | 75.3                                   | 511.6                              | 478.6                               | 70.5                                           | 206.7             | 188.3    | 32.9                    | 2,598                                 | 2,332       | 6.4                                                       | 196,920                             |
| 1967----- | 628.8                            | 82.5                                   | 546.3                              | 506.2                               | 72.6                                           | 215.8             | 203.8    | 40.2                    | 2,744                                 | 2,401       | 7.4                                                       | 199,118                             |
|           | Seasonally adjusted annual rates |                                        |                                    |                                     |                                                |                   |          |                         |                                       |             |                                                           |                                     |
| 1966: III | 592.1                            | 76.8                                   | 515.4                              | 482.5                               | 71.0                                           | 208.3             | 190.0    | 32.9                    | 2,613                                 | 2,340       | 6.4                                                       | 197,216                             |
| IV        | 604.5                            | 79.2                                   | 525.4                              | 487.3                               | 71.1                                           | 209.3             | 193.3    | 38.1                    | 2,656                                 | 2,359       | 7.3                                                       | 197,834                             |
| 1967: I   | 614.8                            | 80.5                                   | 534.2                              | 494.6                               | 69.8                                           | 212.9             | 198.2    | 39.7                    | 2,693                                 | 2,379       | 7.4                                                       | 198,356                             |
| II        | 621.6                            | 80.1                                   | 541.5                              | 504.5                               | 73.4                                           | 215.3             | 201.6    | 37.0                    | 2,723                                 | 2,395       | 6.8                                                       | 198,852                             |
| III       | 633.7                            | 83.6                                   | 550.0                              | 509.5                               | 73.1                                           | 216.4             | 205.9    | 40.5                    | 2,758                                 | 2,404       | 7.4                                                       | 199,425                             |
| IV        | 645.2                            | 85.6                                   | 559.6                              | 516.1                               | 74.2                                           | 218.4             | 209.6    | 43.4                    | 2,798                                 | 2,418       | 7.8                                                       | 200,006                             |
| 1968: I   | 662.7                            | 88.3                                   | 574.4                              | 533.5                               | 79.0                                           | 226.5             | 213.9    | 40.8                    | 2,866                                 | 2,454       | 7.1                                                       | 200,433                             |
| II        | 678.0                            | 91.6                                   | 586.4                              | 541.4                               | 81.0                                           | 227.9             | 218.2    | 45.0                    | 2,919                                 | 2,469       | 7.7                                                       | 200,911                             |

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

<sup>2</sup>See p. 2 for total personal consumption expenditures.

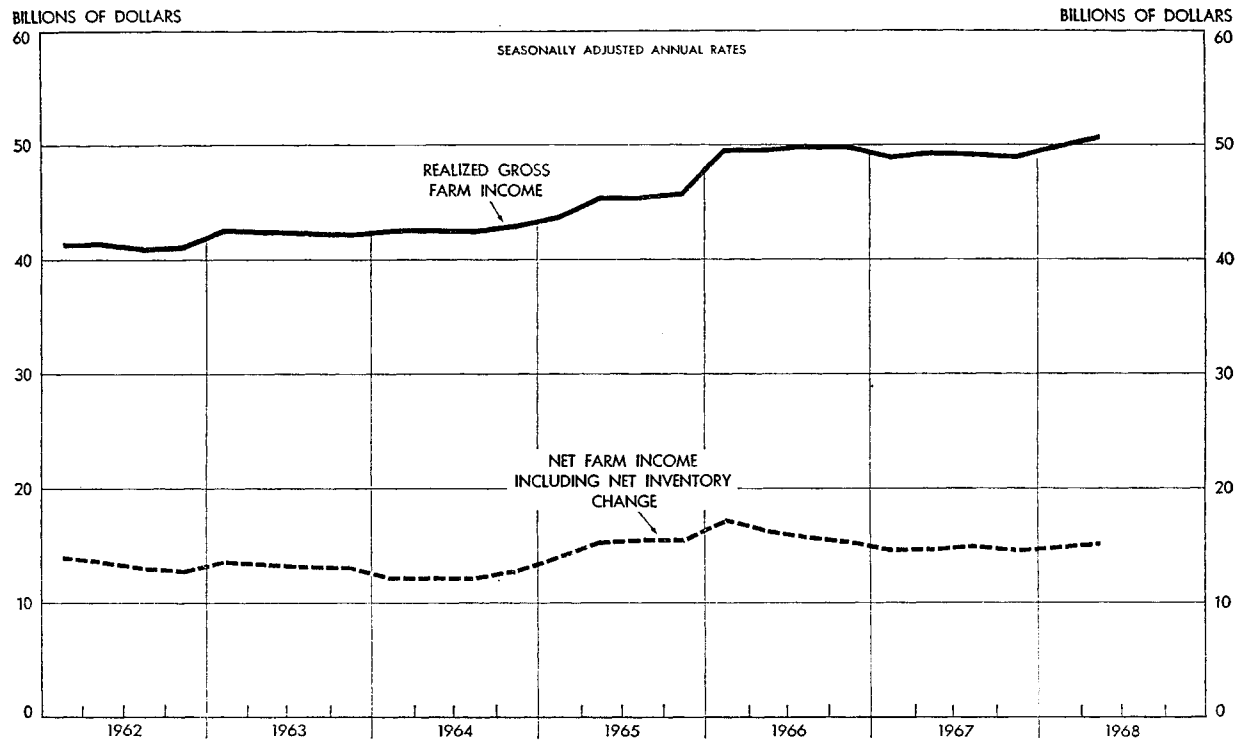
<sup>3</sup>Includes armed forces abroad. Annual data are for July 1; quarterly data are for middle of period, interpolated from monthly data.

NOTE.—Series revised beginning 1965. For details, see *Survey of Current Business*, July 1968. Data for Alaska and Hawaii included beginning 1960.

Sources: Department of Commerce and Council of Economic Advisers.

## FARM INCOME

According to preliminary estimates, net farm income excluding inventory change (seasonally adjusted) advanced 2¾ percent in the second quarter. Including inventory change, there was a rise of 2 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 <sup>3</sup> |         |  |
|----------------------------------|---------------------------------------------------|-------------------|----------------------|------------------------------|-------------------------------|---------------------|--------------------------------|---------------------------------------------|----------------|-----------------------------------------------------------------|---------|--|
|                                  | From all sources                                  | From farm sources | From nonfarm sources | Realized gross               |                               | Production expenses | Net to farm operators          |                                             | Current prices | 1967 prices <sup>4</sup>                                        |         |  |
|                                  |                                                   |                   |                      | Total <sup>1</sup>           | Cash receipts from marketings |                     | Excluding net inventory change | Including net inventory change <sup>2</sup> |                |                                                                 |         |  |
|                                  |                                                   |                   |                      |                              |                               |                     |                                |                                             |                |                                                                 |         |  |
| Billions of dollars              |                                                   |                   |                      |                              |                               |                     |                                |                                             |                |                                                                 | Dollars |  |
| 1959                             | 18.1                                              | 11.0              | 7.0                  | 37.5                         | 33.5                          | 26.1                | 11.4                           | 11.5                                        | 2,795          | 3,106                                                           |         |  |
| 1960                             | 18.7                                              | 11.5              | 7.2                  | 38.1                         | 34.2                          | 26.4                | 11.7                           | 12.1                                        | 3,049          | 3,388                                                           |         |  |
| 1961                             | 19.7                                              | 12.2              | 7.5                  | 39.8                         | 35.1                          | 27.1                | 12.6                           | 13.0                                        | 3,399          | 3,735                                                           |         |  |
| 1962                             | 20.4                                              | 12.2              | 8.2                  | 41.3                         | 36.4                          | 28.6                | 12.6                           | 13.2                                        | 3,586          | 3,898                                                           |         |  |
| 1963                             | 20.6                                              | 12.1              | 8.5                  | 42.3                         | 37.4                          | 29.7                | 12.6                           | 13.2                                        | 3,708          | 3,987                                                           |         |  |
| 1964                             | 20.6                                              | 11.3              | 9.3                  | 42.6                         | 37.2                          | 29.5                | 13.1                           | 12.3                                        | 3,564          | 3,832                                                           |         |  |
| 1965                             | 23.6                                              | 13.6              | 10.0                 | 44.9                         | 39.3                          | 30.9                | 14.0                           | 15.0                                        | 4,487          | 4,723                                                           |         |  |
| 1966                             | 24.8                                              | 14.3              | 10.5                 | 49.6                         | 43.2                          | 33.4                | 16.2                           | 16.1                                        | 4,967          | 5,068                                                           |         |  |
| 1967                             | 23.7                                              | 13.0              | 10.7                 | 49.1                         | 42.8                          | 34.8                | 14.2                           | 14.6                                        | 4,654          | 4,654                                                           |         |  |
| Seasonally adjusted annual rates |                                                   |                   |                      |                              |                               |                     |                                |                                             |                |                                                                 |         |  |
| 1966: III                        |                                                   |                   |                      | 49.7                         | 43.2                          | 33.8                | 15.9                           | 15.7                                        | 4,850          | 4,900                                                           |         |  |
| IV                               |                                                   |                   |                      | 49.7                         | 43.1                          | 33.9                | 15.8                           | 15.3                                        | 4,720          | 4,770                                                           |         |  |
| 1967: I                          |                                                   |                   |                      | 48.9                         | 42.5                          | 34.4                | 14.5                           | 14.6                                        | 4,640          | 4,690                                                           |         |  |
| II                               |                                                   |                   |                      | 49.3                         | 43.0                          | 34.9                | 14.4                           | 14.7                                        | 4,670          | 4,670                                                           |         |  |
| III                              |                                                   |                   |                      | 49.2                         | 43.0                          | 35.0                | 14.2                           | 14.8                                        | 4,700          | 4,650                                                           |         |  |
| IV                               |                                                   |                   |                      | 48.9                         | 42.7                          | 35.0                | 13.9                           | 14.5                                        | 4,610          | 4,560                                                           |         |  |
| 1968: I                          |                                                   |                   |                      | 49.8                         | 43.2                          | 35.4                | 14.4                           | 14.8                                        | 4,840          | 4,750                                                           |         |  |
| II <sup>2</sup>                  |                                                   |                   |                      | 50.7                         | 44.0                          | 35.9                | 14.8                           | 15.1                                        | 4,940          | 4,750                                                           |         |  |

<sup>1</sup> Cash receipts from marketings, Government payments, and nonmoney income furnished by farms.

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

<sup>3</sup> Based on Census of Agriculture definition of a farm. The number of farms is held constant within a year.

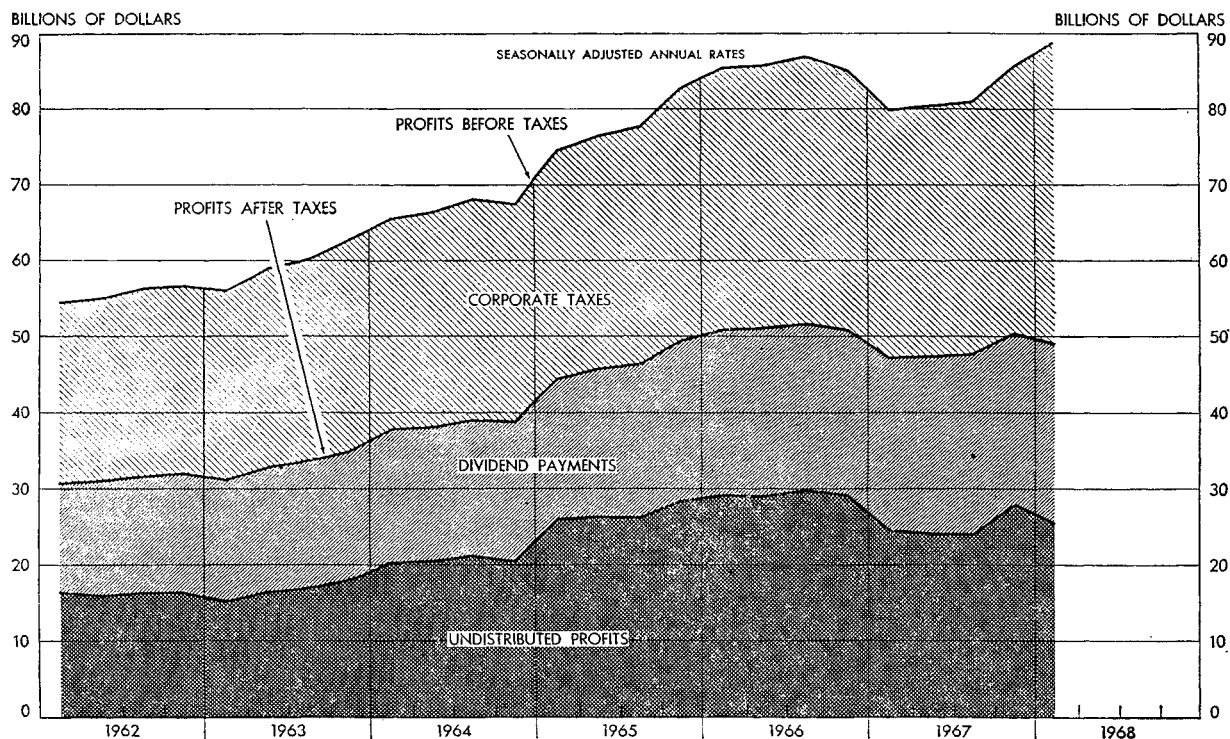
<sup>4</sup> Income in current prices divided by the index of prices paid by farmers for family living items on a 1967 base.

NOTE.—Series revised beginning 1965. For details, see *Farm Income Situation*, July 1968. Beginning 1960, series revised to include data for Alaska and Hawaii.

Source: Department of Agriculture.

## CORPORATE PROFITS

In the first quarter, according to revised estimates, corporate profits before taxes increased \$3½ billion (seasonally adjusted annual rate) to a record of almost \$90 billion. Dividend payments increased \$1 billion in the first quarter and almost that much again in the second quarter, according to preliminary figures.



SOURCE: DEPARTMENT OF COMMERCE

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 <sup>2</sup> | Profits plus capital consumption allowances <sup>3</sup> |
|----------------|---------------------------------------------------------------------|---------------|--------------------------|------------------------------|------------------------------------------------------|------------------------|--------------------------------|-------------------------|-------------------------------|-------------------|-----------------------|-------------------------------------------------------|----------------------------------------------------------|
|                | All industries                                                      | Manufacturing |                          |                              | Transportation, communications, and public utilities | All other <sup>1</sup> |                                |                         | Total                         | Dividend payments | Undistributed profits |                                                       |                                                          |
|                |                                                                     | Total         | Durable goods industries | Non-durable goods industries |                                                      |                        |                                |                         |                               |                   |                       |                                                       |                                                          |
| 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.....      | 66.3                                                                | 32.7          | 17.8                     | 14.9                         | 10.1                                                 | 23.5                   | 66.8                           | 28.3                    | 38.4                          | 17.8              | 20.6                  | 33.9                                                  | 72.3                                                     |
| 1965.....      | 76.1                                                                | 39.3          | 22.8                     | 16.6                         | 11.1                                                 | 25.6                   | 77.8                           | 31.3                    | 46.5                          | 19.8              | 26.7                  | 36.4                                                  | 82.9                                                     |
| 1966.....      | 83.9                                                                | 42.8          | 24.1                     | 18.8                         | 12.0                                                 | 29.0                   | 85.6                           | 34.6                    | 51.0                          | 21.7              | 29.3                  | 39.7                                                  | 90.7                                                     |
| 1967.....      | 80.4                                                                | 39.2          | 21.2                     | 18.0                         | 11.8                                                 | 29.4                   | 81.6                           | 33.5                    | 48.1                          | 22.9              | 25.2                  | 43.4                                                  | 91.5                                                     |
| 1966: III..... | 84.2                                                                | 42.7          | 23.6                     | 19.0                         | 12.1                                                 | 29.4                   | 86.7                           | 35.0                    | 51.6                          | 21.9              | 29.7                  | 40.1                                                  | 91.7                                                     |
| IV.....        | 85.3                                                                | 43.3          | 24.5                     | 18.8                         | 12.0                                                 | 30.1                   | 85.0                           | 34.4                    | 50.7                          | 21.6              | 29.1                  | 41.0                                                  | 91.7                                                     |
| 1967: I.....   | 79.5                                                                | 39.3          | 21.0                     | 18.3                         | 11.7                                                 | 28.4                   | 79.9                           | 32.8                    | 47.1                          | 22.5              | 24.6                  | 41.9                                                  | 89.0                                                     |
| II.....        | 79.6                                                                | 39.1          | 21.2                     | 17.9                         | 11.8                                                 | 28.8                   | 80.3                           | 33.0                    | 47.3                          | 23.2              | 24.1                  | 42.9                                                  | 90.2                                                     |
| III.....       | 80.2                                                                | 38.5          | 20.6                     | 17.9                         | 12.0                                                 | 29.7                   | 80.8                           | 33.2                    | 47.6                          | 23.5              | 24.1                  | 44.1                                                  | 91.7                                                     |
| IV.....        | 82.3                                                                | 39.9          | 21.9                     | 18.0                         | 11.9                                                 | 30.6                   | 85.4                           | 35.1                    | 50.3                          | 22.5              | 27.9                  | 44.9                                                  | 95.2                                                     |
| 1968: I.....   | 83.8                                                                | 41.3          | 22.3                     | 19.0                         | 12.5                                                 | 30.0                   | 88.9                           | 39.8                    | 49.1                          | 23.6              | 25.5                  | 45.7                                                  | 94.8                                                     |
| II.....        |                                                                     |               |                          |                              |                                                      |                        |                                |                         |                               | 24.4              |                       | 46.7                                                  |                                                          |

<sup>1</sup>Includes all other industries and financial institutions.

<sup>2</sup>Includes depreciation, capital outlays charged to current account, and accidental damages.

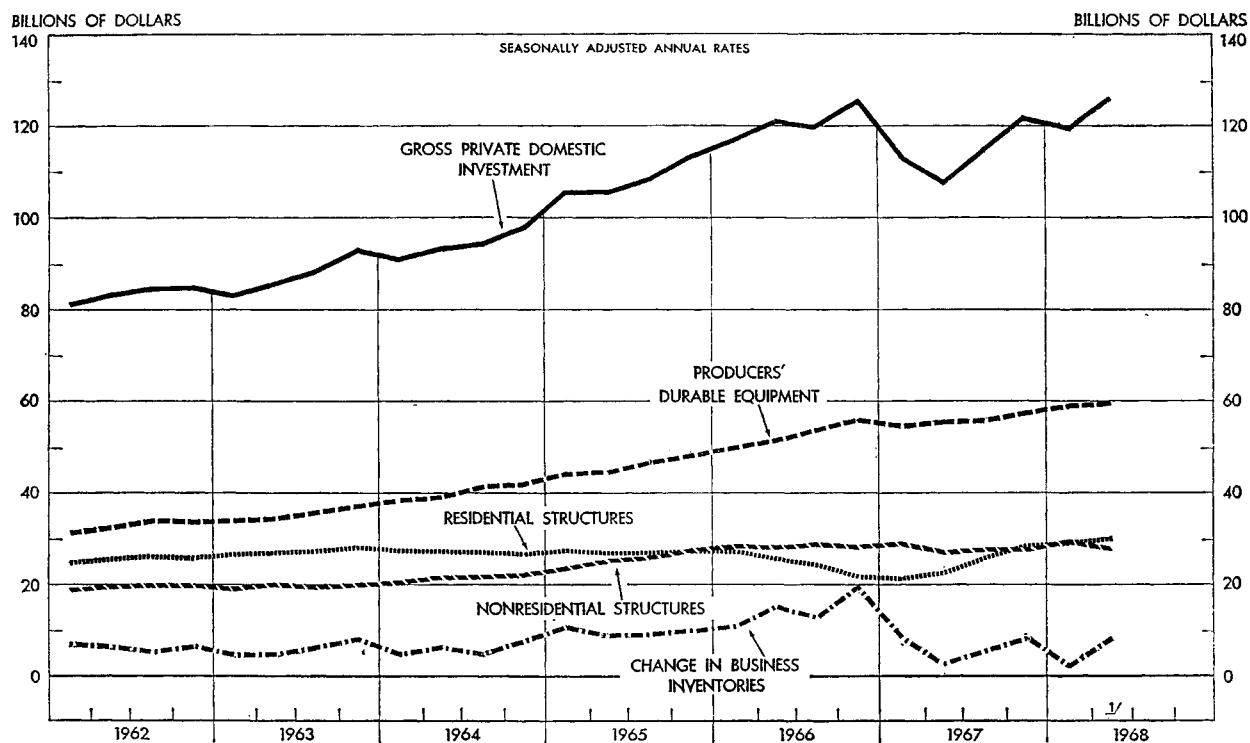
<sup>3</sup>Corporate profits after taxes plus corporate capital consumption allowances.

NOTE.—Series revised beginning 1965. For details, see *Survey of Current Business*, July 1968. Data beginning 1962 adjusted for effects of new depreciation guidelines (\$2½ billion for 1962) and therefore not comparable with preceding data. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

## GROSS PRIVATE DOMESTIC INVESTMENT

Led by a \$6½ billion (seasonally adjusted annual rate) rise in inventory accumulation, gross private domestic investment rose by almost \$6½ billion in the second quarter, according to preliminary estimates. Fixed investment was almost unchanged as a \$1 billion decline in business investment from its revised record high of \$88.6 billion in the first quarter was offset by a \$1 billion rise in residential construction.



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

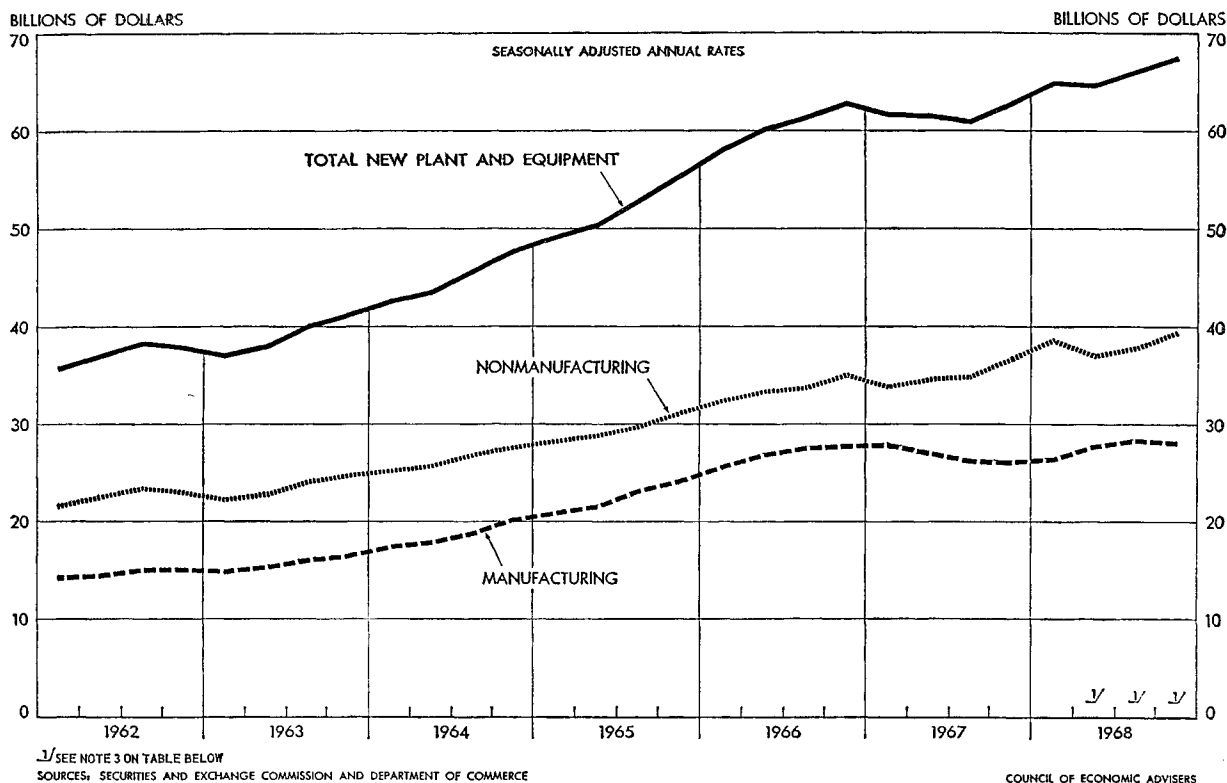
| Period    | Total gross private domestic investment | Fixed investment |                |            |          |                              |                        |       |          | Change in business inventories |      |
|-----------|-----------------------------------------|------------------|----------------|------------|----------|------------------------------|------------------------|-------|----------|--------------------------------|------|
|           |                                         | Total            | Nonresidential |            |          |                              | Residential structures |       |          |                                |      |
|           |                                         |                  | Total          | Structures |          | Producers' durable equipment |                        | Total | Non-farm |                                |      |
|           |                                         |                  |                | Total      | Non-farm | Total                        | Non-farm               |       |          |                                |      |
| 1957      | 67.8                                    | 66.5             | 46.4           | 18.0       | 17.2     | 28.4                         | 25.9                   | 20.2  | 19.5     | 1.3                            | 0.8  |
| 1958      | 60.9                                    | 62.4             | 41.6           | 16.6       | 15.8     | 25.0                         | 22.2                   | 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      | 94.0                                    | 88.2             | 61.1           | 21.2       | 20.5     | 39.9                         | 36.3                   | 27.1  | 26.6     | 5.8                            | 6.4  |
| 1965      | 108.1                                   | 98.5             | 71.3           | 25.5       | 24.9     | 45.8                         | 41.6                   | 27.2  | 26.7     | 9.6                            | 8.6  |
| 1966      | 120.8                                   | 106.1            | 81.3           | 28.5       | 27.8     | 52.8                         | 48.1                   | 24.8  | 24.3     | 14.7                           | 14.9 |
| 1967      | 114.3                                   | 108.2            | 83.6           | 27.9       | 27.1     | 55.7                         | 51.0                   | 24.6  | 24.0     | 6.1                            | 5.6  |
| 1966: III | 119.9                                   | 107.0            | 82.6           | 28.9       | 28.2     | 53.7                         | 49.3                   | 24.4  | 23.9     | 12.8                           | 13.3 |
| 1966: IV  | 125.7                                   | 105.9            | 84.2           | 28.2       | 27.5     | 55.9                         | 50.4                   | 21.7  | 21.1     | 19.8                           | 20.2 |
| 1967: I   | 113.0                                   | 104.6            | 83.5           | 29.0       | 28.3     | 54.5                         | 49.8                   | 21.1  | 20.5     | 8.4                            | 8.3  |
| 1967: II  | 107.6                                   | 105.4            | 82.7           | 27.2       | 26.4     | 55.5                         | 50.7                   | 22.7  | 22.1     | 2.3                            | 2.2  |
| 1967: III | 114.7                                   | 109.3            | 83.3           | 27.7       | 27.0     | 55.6                         | 50.9                   | 26.0  | 25.4     | 5.3                            | 4.8  |
| 1967: IV  | 121.8                                   | 113.5            | 85.0           | 27.7       | 26.9     | 57.3                         | 52.6                   | 28.5  | 27.9     | 8.3                            | 7.1  |
| 1968: I   | 119.7                                   | 117.6            | 88.6           | 29.6       | 28.8     | 59.0                         | 54.3                   | 29.1  | 28.5     | 2.1                            | 1.6  |
| 1968: II  | 126.1                                   | 117.7            | 87.6           | 28.0       | 27.2     | 59.6                         | 54.7                   | 30.1  | 29.5     | 8.4                            | 8.1  |

NOTE.—Series revised beginning 1965. For details, see *Survey of Current Business*, July 1968. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

## EXPENDITURES FOR NEW PLANT AND EQUIPMENT

According to the latest survey of investment intentions, business expenditures for new plant and equipment in the second quarter of 1968 should change little from the upward revised first quarter level. A pick-up is anticipated in the second half of the year, leading to a projected increase of 7⅓ percent from the fourth quarter of 1967 to the fourth quarter of 1968.



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

| Period            | Total <sup>1</sup> | Manufacturing |               |                  | Mining | Transportation |       | Public utilities | Commercial and other <sup>2</sup> |
|-------------------|--------------------|---------------|---------------|------------------|--------|----------------|-------|------------------|-----------------------------------|
|                   |                    | Total         | Durable goods | Nondurable goods |        | Railroads      | Other |                  |                                   |
| 1954              | 26.83              | 11.04         | 5.09          | 5.95             | 0.98   | 0.85           | 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             | 10.88                             |
| 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              | 60.63              | 26.99         | 13.99         | 13.00            | 1.47   | 1.98           | 3.44  | 8.41             | 18.36                             |
| 1967              | 61.66              | 26.69         | 13.70         | 13.00            | 1.42   | 1.53           | 3.88  | 9.88             | 18.25                             |
| 1968 <sup>3</sup> | 65.78              | 27.63         | 14.40         | 13.21            | 1.63   | 1.44           | 4.46  | 11.17            | 19.44                             |
| 1967: I           | 61.65              | 27.85         | 14.20         | 13.70            | 1.40   | 1.80           | 3.05  | 9.20             | 18.30                             |
| II                | 61.50              | 27.00         | 13.75         | 13.25            | 1.30   | 1.55           | 3.90  | 9.70             | 18.05                             |
| III               | 60.90              | 26.15         | 13.50         | 12.65            | 1.45   | 1.40           | 4.10  | 9.80             | 17.95                             |
| IV                | 62.70              | 26.00         | 13.50         | 12.55            | 1.50   | 1.40           | 4.45  | 10.65            | 18.70                             |
| 1968: I           | 64.90              | 26.35         | 13.65         | 12.70            | 1.55   | 1.65           | 4.35  | 11.60            | 19.35                             |
| II <sup>3</sup>   | 64.60              | 27.65         | 14.45         | 13.20            | 1.55   | 1.30           | 3.65  | 11.40            | 19.00                             |
| III <sup>3</sup>  | 66.05              | 28.30         | 14.90         | 13.40            | 1.60   | 1.35           | 4.75  | 10.75            | 19.30                             |
| IV <sup>3</sup>   | 67.50              | 28.05         | 14.50         | 13.55            | 1.75   | 1.45           | 5.20  | 11.00            | 20.05                             |

<sup>1</sup> Excludes agriculture.

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

<sup>3</sup> Estimates based on anticipated capital expenditures as reported by business in late April and May 1968. Includes adjustments when necessary for systematic tendencies in anticipatory data.

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

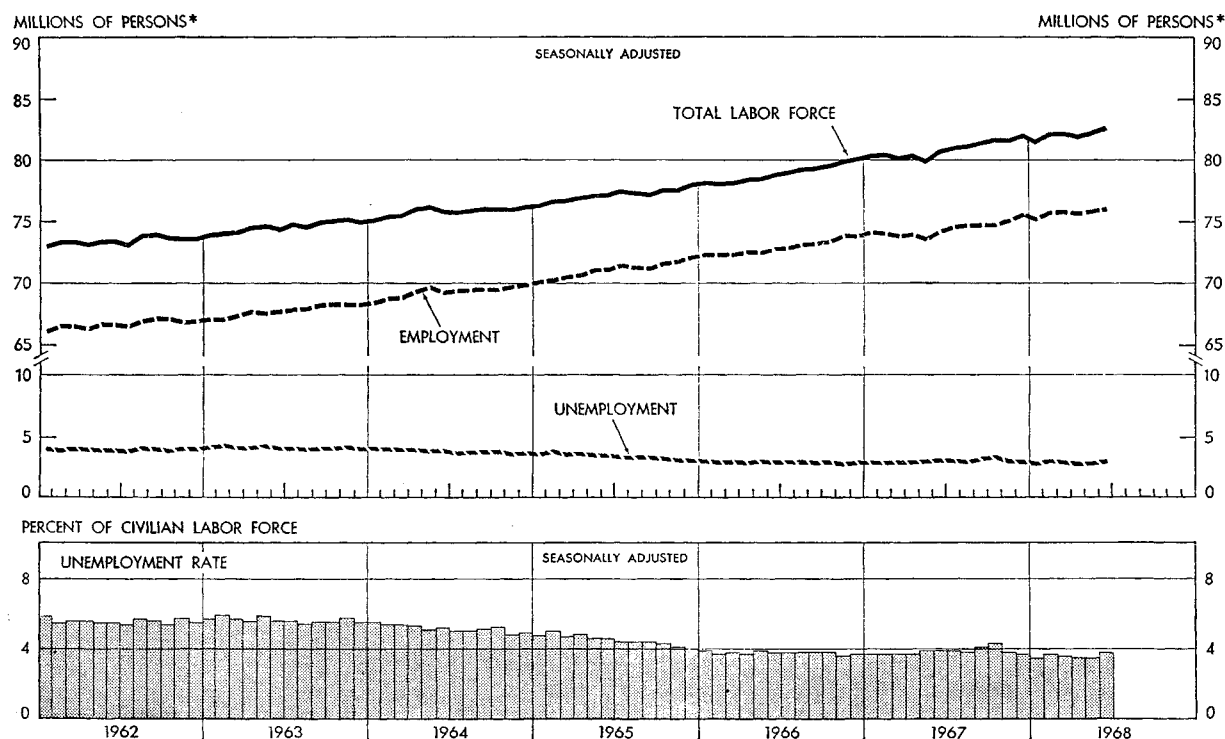
Annual total is the sum of unadjusted expenditures; it does not necessarily coincide with the average of seasonally adjusted figures.

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

The civilian labor force, seasonally adjusted, rose substantially (405,000) in June. Thus, although employment gained nearly 220,000 to pass the 76 million mark, unemployment also increased considerably, rising by about 185,000.



\* 16 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 |
|-----------------------------------------------|--------------------------------------------|---------------------|------------------|--------------|--------------------------------------------|----------------------|---------------------|--------------|------------------|--------------|-----------------------------------------------------|---------------------|--------------------------------------------|
|                                               |                                            | Total               | Non-agricultural |              |                                            |                      | Total               | Agricultural | Non-agricultural |              | Unadjusted                                          | Seasonally adjusted |                                            |
|                                               |                                            |                     |                  |              |                                            |                      |                     |              |                  |              |                                                     |                     |                                            |
| Thousands of persons 16 years of age and over |                                            |                     |                  |              |                                            |                      |                     |              |                  |              | Percent                                             |                     |                                            |
| 1963---                                       | 74, 571                                    | 67, 762             | 63, 076          | 4, 070       | 74, 571                                    | 71, 833              | 67, 762             | 4, 687       | 63, 076          | 4, 070       | 5. 7                                                | -----               | 59. 6                                      |
| 1964---                                       | 75, 830                                    | 69, 305             | 64, 782          | 3, 786       | 75, 830                                    | 73, 091              | 69, 305             | 4, 523       | 64, 782          | 3, 786       | 5. 2                                                | -----               | 59. 6                                      |
| 1965---                                       | 77, 178                                    | 71, 088             | 66, 726          | 3, 366       | 77, 178                                    | 74, 455              | 71, 088             | 4, 361       | 66, 726          | 3, 366       | 4. 5                                                | -----               | 59. 7                                      |
| 1966---                                       | 78, 893                                    | 72, 895             | 68, 915          | 2, 875       | 78, 893                                    | 75, 770              | 72, 895             | 3, 979       | 68, 915          | 2, 875       | 3. 8                                                | -----               | 60. 1                                      |
| 1967---                                       | 80, 793                                    | 74, 372             | 70, 527          | 2, 975       | 80, 793                                    | 77, 347              | 74, 372             | 3, 844       | 70, 527          | 2, 975       | 3. 8                                                | -----               | 60. 6                                      |
|                                               | Unadjusted                                 |                     |                  |              |                                            | Seasonally adjusted  |                     |              |                  |              |                                                     |                     |                                            |
| 1967:                                         |                                            |                     |                  |              |                                            |                      |                     |              |                  |              |                                                     |                     |                                            |
| May...                                        | 79, 551                                    | 73, 637             | 69, 812          | 2, 457       | 79, 958                                    | 76, 502              | 73, 550             | 3, 728       | 69, 822          | 2, 952       | 3. 2                                                | 3. 9                | 59. 8                                      |
| June...                                       | 82, 464                                    | 75, 391             | 70, 996          | 3, 628       | 80, 658                                    | 77, 214              | 74, 169             | 3, 739       | 70, 430          | 3, 045       | 4. 6                                                | 3. 9                | 61. 9                                      |
| July...                                       | 82, 920                                    | 76, 221             | 71, 705          | 3, 250       | 80, 944                                    | 77, 495              | 74, 478             | 3, 847       | 70, 631          | 3, 017       | 4. 1                                                | 3. 9                | 62. 2                                      |
| Aug...                                        | 82, 571                                    | 76, 170             | 71, 792          | 2, 942       | 81, 057                                    | 77, 598              | 74, 664             | 3, 956       | 70, 708          | 2, 934       | 3. 7                                                | 3. 8                | 61. 8                                      |
| Sept...                                       | 80, 982                                    | 74, 631             | 70, 700          | 2, 895       | 81, 263                                    | 77, 807              | 74, 638             | 3, 697       | 70, 941          | 3, 169       | 3. 7                                                | 4. 1                | 60. 5                                      |
| Oct...                                        | 81, 595                                    | 75, 181             | 71, 148          | 2, 951       | 81, 535                                    | 78, 072              | 74, 735             | 3, 718       | 71, 017          | 3, 337       | 3. 8                                                | 4. 3                | 60. 9                                      |
| Nov...                                        | 81, 582                                    | 75, 218             | 71, 460          | 2, 894       | 81, 459                                    | 77, 989              | 75, 005             | 3, 839       | 71, 166          | 2, 984       | 3. 7                                                | 3. 8                | 60. 8                                      |
| Dec...                                        | 81, 527                                    | 75, 338             | 71, 793          | 2, 719       | 81, 942                                    | 78, 473              | 75, 577             | 4, 216       | 71, 361          | 2, 896       | 3. 5                                                | 3. 7                | 60. 7                                      |
| 1968:                                         |                                            |                     |                  |              |                                            |                      |                     |              |                  |              |                                                     |                     |                                            |
| Jan...                                        | 79, 811                                    | 73, 273             | 69, 908          | 3, 074       | 81, 386                                    | 77, 923              | 75, 167             | 4, 003       | 71, 164          | 2, 756       | 4. 0                                                | 3. 5                | 59. 3                                      |
| Feb...                                        | 80, 869                                    | 74, 114             | 70, 653          | 3, 288       | 82, 138                                    | 78, 672              | 75, 731             | 4, 127       | 71, 604          | 2, 941       | 4. 2                                                | 3. 7                | 60. 0                                      |
| Mar...                                        | 80, 938                                    | 74, 517             | 70, 980          | 2, 929       | 82, 150                                    | 78, 658              | 75, 802             | 4, 014       | 71, 788          | 2, 856       | 3. 8                                                | 3. 6                | 60. 0                                      |
| Apr...                                        | 81, 141                                    | 75, 143             | 71, 292          | 2, 491       | 81, 849                                    | 78, 343              | 75, 636             | 3, 980       | 71, 656          | 2, 707       | 3. 2                                                | 3. 5                | 59. 2                                      |
| May...                                        | 81, 770                                    | 75, 931             | 71, 935          | 2, 303       | 82, 149                                    | 78, 613              | 75, 829             | 3, 893       | 71, 936          | 2, 784       | 2. 9                                                | 3. 5                | 59. 6                                      |
| June...                                       | 84, 454                                    | 77, 273             | 72, 757          | 3, 614       | 82, 585                                    | 79, 018              | 76, 048             | 3, 851       | 72, 197          | 2, 970       | 4. 5                                                | 3. 8                | 62. 4                                      |

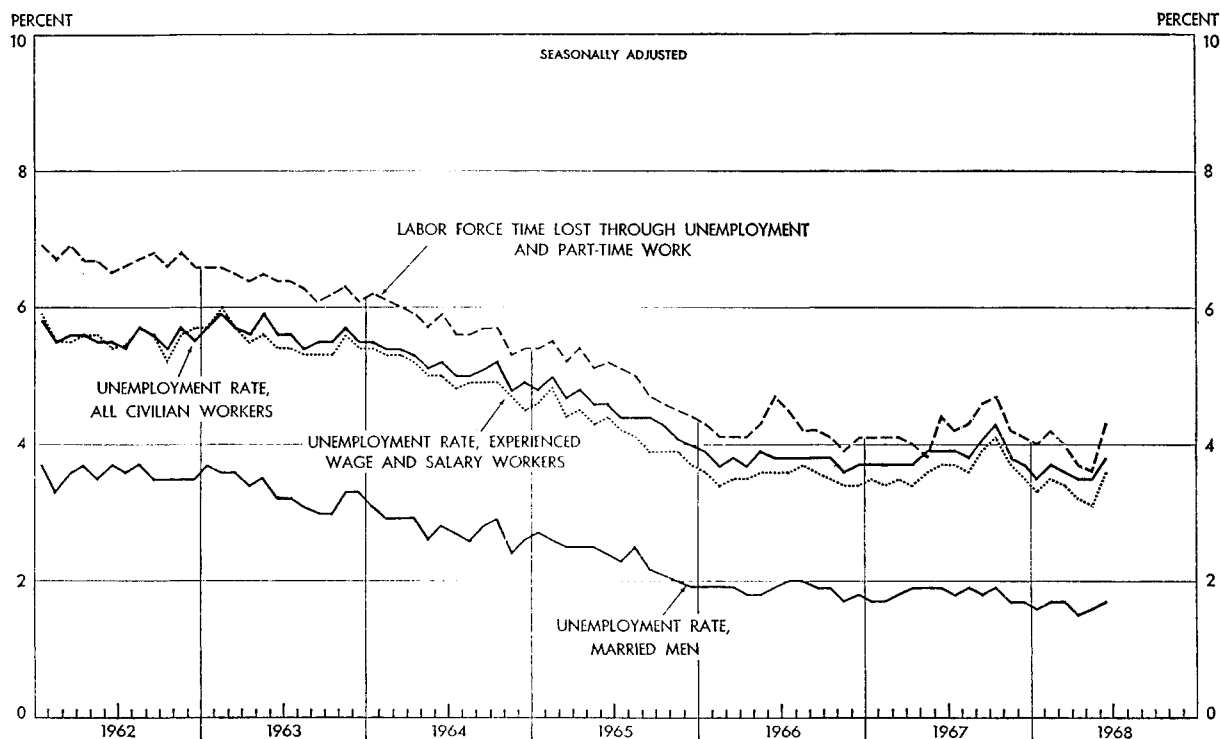
<sup>1</sup> Total labor force as percent of noninstitutional population.

Source: Department of Labor.

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

## SELECTED MEASURES OF UNEMPLOYMENT AND PART-TIME EMPLOYMENT

In June, the seasonally adjusted unemployment rate rose to 3.8 percent as a result of an increase in unemployment of teenagers and young adults.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

| Period         | Unemployment rate<br>(percent of civilian labor<br>force in group) |                                                   |                                     | Labor<br>force<br>time lost<br>through<br>unem-<br>ployment<br>and part-<br>time<br>work <sup>1</sup> | Persons at work in nonagricultural industries<br>by hours worked per week <sup>2</sup> |                |        |                                       |                                       |                                       |                                       |  |
|----------------|--------------------------------------------------------------------|---------------------------------------------------|-------------------------------------|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|----------------|--------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|
|                | All<br>workers                                                     | Experi-<br>enced<br>wage and<br>salary<br>workers | Married<br>men<br>(wife<br>present) |                                                                                                       | Over 40<br>hours                                                                       | 35-40<br>hours | Total  | Under 35 hours                        |                                       |                                       |                                       |  |
|                |                                                                    |                                                   |                                     |                                                                                                       |                                                                                        |                |        | Part-time for<br>economic reasons     |                                       | Part-time for<br>economic reasons     |                                       |  |
|                |                                                                    |                                                   |                                     |                                                                                                       |                                                                                        |                |        | Usually<br>full-<br>time <sup>3</sup> | Usually<br>part-<br>time <sup>4</sup> | Usually<br>full-<br>time <sup>3</sup> | Usually<br>part-<br>time <sup>4</sup> |  |
|                | Percent                                                            |                                                   |                                     |                                                                                                       | Thousands of persons 16 years of age and over                                          |                |        |                                       |                                       |                                       |                                       |  |
| 1963-----      | 5.7                                                                | 5.5                                               | 3.4                                 | 16.4                                                                                                  |                                                                                        |                |        | 1,069                                 | 1,222                                 |                                       |                                       |  |
| 1964-----      | 5.2                                                                | 5.0                                               | 2.8                                 | 5.8                                                                                                   | 19,271                                                                                 | 29,100         | 13,101 | 986                                   | 1,151                                 |                                       |                                       |  |
| 1965-----      | 4.5                                                                | 4.3                                               | 2.4                                 | 5.0                                                                                                   | 20,788                                                                                 | 30,768         | 11,818 | 897                                   | 1,031                                 |                                       |                                       |  |
| 1966-----      | 3.8                                                                | 3.5                                               | 1.9                                 | 4.2                                                                                                   | 21,334                                                                                 | 32,088         | 12,034 | 871                                   | 793                                   |                                       |                                       |  |
| 1967-----      | 3.8                                                                | 3.6                                               | 1.8                                 | 4.2                                                                                                   | 20,920                                                                                 | 32,616         | 13,290 | 1,060                                 | 853                                   |                                       |                                       |  |
|                | Seasonally adjusted                                                |                                                   |                                     |                                                                                                       | Unadjusted                                                                             |                |        |                                       |                                       | Seasonally adjusted                   |                                       |  |
| 1967: May----- | 3.9                                                                | 3.6                                               | 1.9                                 | 3.8                                                                                                   | 20,677                                                                                 | 33,273         | 13,473 | 885                                   | 568                                   | 903                                   | 638                                   |  |
| June-----      | 3.9                                                                | 3.7                                               | 1.9                                 | 4.4                                                                                                   | 20,577                                                                                 | 33,082         | 12,323 | 1,133                                 | 1,091                                 | 1,063                                 | 869                                   |  |
| July-----      | 3.9                                                                | 3.7                                               | 1.8                                 | 4.2                                                                                                   | 22,143                                                                                 | 32,608         | 12,477 | 997                                   | 1,226                                 | 1,049                                 | 884                                   |  |
| Aug-----       | 3.8                                                                | 3.6                                               | 1.9                                 | 4.3                                                                                                   | 22,485                                                                                 | 33,390         | 12,066 | 1,012                                 | 1,163                                 | 1,023                                 | 893                                   |  |
| Sept-----      | 4.1                                                                | 3.9                                               | 1.8                                 | 4.6                                                                                                   | 22,019                                                                                 | 33,145         | 12,219 | 1,073                                 | 810                                   | 1,094                                 | 873                                   |  |
| Oct-----       | 4.3                                                                | 4.1                                               | 1.9                                 | 4.7                                                                                                   | 21,411                                                                                 | 31,641         | 15,246 | 922                                   | 765                                   | 976                                   | 890                                   |  |
| Nov-----       | 3.8                                                                | 3.7                                               | 1.7                                 | 4.2                                                                                                   | 21,628                                                                                 | 33,413         | 13,952 | 1,078                                 | 751                                   | 1,108                                 | 842                                   |  |
| Dec-----       | 3.7                                                                | 3.5                                               | 1.7                                 | 4.1                                                                                                   | 21,954                                                                                 | 33,628         | 14,026 | 911                                   | 774                                   | 944                                   | 863                                   |  |
| 1968: Jan----- | 3.5                                                                | 3.3                                               | 1.6                                 | 4.0                                                                                                   | 19,746                                                                                 | 32,031         | 14,753 | 805                                   | 720                                   | 729                                   | 808                                   |  |
| Feb-----       | 3.7                                                                | 3.5                                               | 1.7                                 | 4.2                                                                                                   | 20,557                                                                                 | 32,383         | 15,081 | 942                                   | 799                                   | 915                                   | 860                                   |  |
| Mar-----       | 3.6                                                                | 3.4                                               | 1.7                                 | 4.0                                                                                                   | 20,912                                                                                 | 33,566         | 13,976 | 866                                   | 804                                   | 851                                   | 892                                   |  |
| Apr-----       | 3.5                                                                | 3.2                                               | 1.5                                 | 3.7                                                                                                   | 17,651                                                                                 | 28,705         | 21,414 | 828                                   | 665                                   | 827                                   | 764                                   |  |
| May-----       | 3.5                                                                | 3.1                                               | 1.6                                 | 3.6                                                                                                   | 21,170                                                                                 | 34,005         | 14,182 | 790                                   | 679                                   | 806                                   | 763                                   |  |
| June-----      | 3.8                                                                | 3.6                                               | 1.7                                 | 4.3                                                                                                   | 20,748                                                                                 | 33,981         | 12,986 | <sup>5</sup> 1,120                    | <sup>6</sup> 1,079                    | 1,051                                 | 860                                   |  |

<sup>1</sup> 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.

<sup>2</sup> Differs from total nonagricultural employment (p. 10), which includes persons with jobs but not at work for such reasons as vacation, illness, bad weather, and industrial disputes.

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

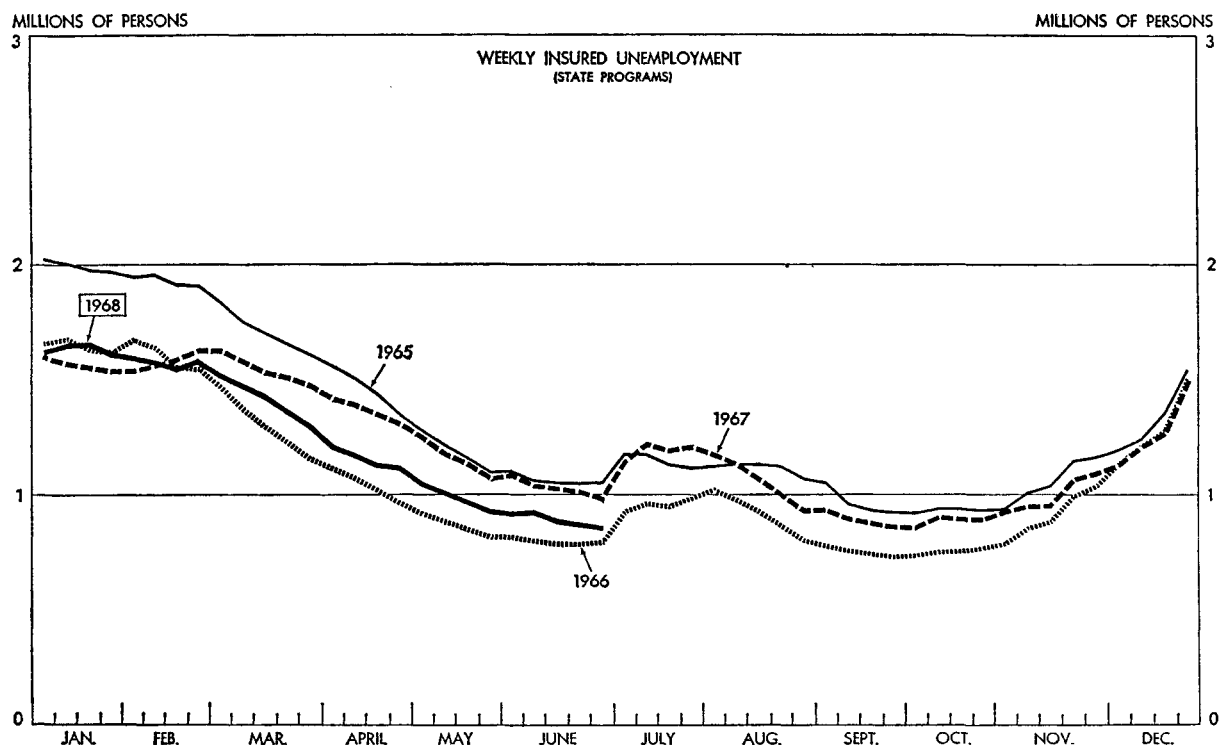
<sup>4</sup> Primarily includes persons who could find only part-time work.

<sup>5</sup> Average hours worked: usually full-time, 23.6; usually part-time, 17.8.

Source: Department of Labor.

# UNEMPLOYMENT INSURANCE PROGRAMS

In June, insured unemployment under State programs averaged 136,000 lower than a year earlier. The seasonally adjusted insured unemployment rate remained at 2.2 percent for the third consecutive month.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

| 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                                               |                     |                             |                                |
| 1964.....         | 49,637             | 1,753                                 | 2,749.2                                   | 1,605                     | 268            | 26          | 3.8                                                   |                     | 2,522.1                     | 35.92                          |
| 1965.....         | 51,580             | 1,450                                 | 2,360.4                                   | 1,328                     | 232            | 21          | 3.0                                                   |                     | 2,166.0                     | 37.19                          |
| 1966.....         | 54,739             | 1,129                                 | 1,890.9                                   | 1,061                     | 203            | 15          | 2.3                                                   |                     | 1,771.3                     | 39.75                          |
| 1967.....         |                    | 1,270                                 | 2,220.1                                   | 1,205                     | 226            | 17          | 2.5                                                   |                     | 2,101.0                     | 41.25                          |
| 1967: May.....    | 55,985             | 1,197                                 | 193.1                                     | 1,142                     | 188            | 19          | 2.4                                                   | 2.7                 | 183.6                       | 40.99                          |
| June.....         | 57,017             | 1,071                                 | 165.4                                     | 1,019                     | 186            | 19          | 2.1                                                   | 2.6                 | 156.1                       | 39.99                          |
| July.....         | 56,934             | 1,245                                 | 155.3                                     | 1,184                     | 288            | 17          | 2.4                                                   | 2.8                 | 147.3                       | 40.10                          |
| Aug.....          | 57,358             | 1,123                                 | 184.0                                     | 1,060                     | 187            | 17          | 2.2                                                   | 2.6                 | 172.8                       | 41.08                          |
| Sept.....         | 57,201             | 956                                   | 132.3                                     | 894                       | 158            | 15          | 1.8                                                   | 2.4                 | 122.6                       | 40.10                          |
| Oct.....          |                    | 953                                   | 133.0                                     | 889                       | 180            | 15          | 1.8                                                   | 2.4                 | 122.1                       | 40.70                          |
| Nov.....          |                    | 1,068                                 | 146.5                                     | 997                       | 208            | 15          | 2.0                                                   | 2.3                 | 134.9                       | 41.19                          |
| Dec.....          |                    | 1,339                                 | 171.8                                     | 1,259                     | 278            | 16          | 2.6                                                   | 2.3                 | 159.2                       | 41.85                          |
| 1968: Jan.....    |                    | 1,719                                 | 264.8                                     | 1,624                     | 316            | 19          | 3.3                                                   | 2.3                 | 248.5                       | 42.59                          |
| Feb.....          |                    | 1,653                                 | 259.4                                     | 1,556                     | 227            | 19          | 3.2                                                   | 2.3                 | 243.7                       | 43.58                          |
| Mar.....          |                    | 1,480                                 | 247.4                                     | 1,390                     | 183            | 18          | 2.8                                                   | 2.3                 | 231.1                       | 43.64                          |
| Apr.....          |                    | 1,216                                 | 205.6                                     | 1,142                     | 183            | 20          | 2.3                                                   | 2.2                 | 195.1                       | 43.12                          |
| May.....          |                    | 1,027                                 | 170.2                                     | 964                       | 156            | 19          | 2.0                                                   | 2.2                 | 159.1                       | 42.42                          |
| June.....         |                    | 944                                   | 145.0                                     | 883                       | 157            | 19          | 1.8                                                   | 2.2                 | 132.5                       | 41.50                          |
| Week ended:       |                    |                                       |                                           |                           |                |             |                                                       |                     |                             |                                |
| 1968: June 8..... |                    | 983                                   |                                           | 921                       | 149            |             | 1.9                                                   |                     |                             |                                |
| 15.....           |                    | 944                                   |                                           | 883                       | 154            |             | 1.8                                                   |                     |                             |                                |
| 22.....           |                    | 931                                   |                                           | 872                       | 152            |             | 1.8                                                   |                     |                             |                                |
| 29.....           |                    | 917                                   |                                           | 857                       | 174            |             | 1.7                                                   |                     |                             |                                |
| July 6.....       |                    | 1,044                                 |                                           | *982                      | 267            |             | 2.0                                                   |                     |                             |                                |
| 13.....           |                    |                                       |                                           |                           | 243            |             |                                                       |                     |                             |                                |

Source: For definitions and coverage, see the 1967 Supplement to Economic Indicators. Data for Alaska and Hawaii included for all periods and for Puerto Rico since January 1961.

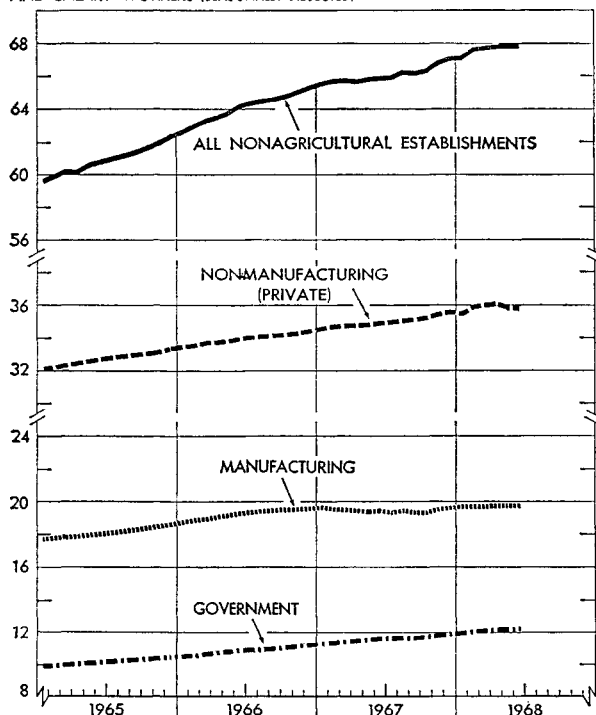
\* Not charted.

Source: Department of Labor.

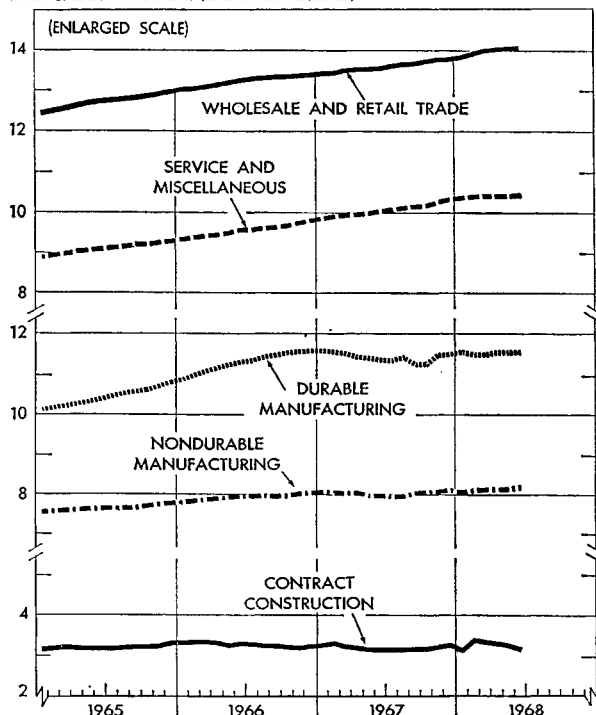
# NONAGRICULTURAL EMPLOYMENT

Total nonfarm payroll employment rose 82,000 (seasonally adjusted) in June to 67.9 million. Gains of about 40,000 each in manufacturing, transportation and public utilities, services, and State and local government more than offset a decline of about 80,000 in contract construction. Other industries showed little or no change.

MILLIONS OF WAGE  
AND SALARY WORKERS (SEASONALLY ADJUSTED)



MILLIONS OF WAGE  
AND SALARY WORKERS (SEASONALLY ADJUSTED)



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

(Thousands of wage and salary workers; <sup>1</sup> 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 |
| 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-----                    | 60,832 | 18,062                  | 10,406        | 7,656             | 32,678                     | 632    | 3,186                 | 4,036                               | 12,716                     | 3,023                               | 9,087                     | 2,378      | 7,714           |
| 1966 <sup>2</sup> -----      | 64,034 | 19,214                  | 11,284        | 7,930             | 33,949                     | 627    | 3,275                 | 4,151                               | 13,245                     | 3,100                               | 9,551                     | 2,564      | 8,307           |
| 1967 <sup>2</sup> -----      | 66,030 | 19,434                  | 11,422        | 8,012             | 34,980                     | 616    | 3,203                 | 4,271                               | 13,613                     | 3,217                               | 10,060                    | 2,719      | 8,897           |
| 1967 <sup>2</sup> : May----- | 65,677 | 19,346                  | 11,389        | 7,957             | 34,813                     | 622    | 3,159                 | 4,273                               | 13,564                     | 3,199                               | 9,996                     | 2,701      | 8,817           |
| June-----                    | 65,821 | 19,356                  | 11,369        | 7,987             | 34,847                     | 621    | 3,131                 | 4,276                               | 13,573                     | 3,214                               | 10,032                    | 2,747      | 8,871           |
| July-----                    | 65,920 | 19,288                  | 11,335        | 7,953             | 34,979                     | 626    | 3,168                 | 4,296                               | 13,610                     | 3,223                               | 10,056                    | 2,743      | 8,910           |
| Aug-----                     | 66,186 | 19,407                  | 11,433        | 7,974             | 35,062                     | 610    | 3,165                 | 4,288                               | 13,648                     | 3,241                               | 10,110                    | 2,740      | 8,977           |
| Sept-----                    | 66,123 | 19,285                  | 11,272        | 8,013             | 35,140                     | 606    | 3,182                 | 4,278                               | 13,684                     | 3,251                               | 10,139                    | 2,718      | 8,980           |
| Oct-----                     | 66,286 | 19,302                  | 11,264        | 8,038             | 35,215                     | 603    | 3,184                 | 4,267                               | 13,729                     | 3,261                               | 10,171                    | 2,718      | 9,051           |
| Nov-----                     | 66,778 | 19,518                  | 11,463        | 8,055             | 35,448                     | 603    | 3,214                 | 4,297                               | 13,791                     | 3,273                               | 10,270                    | 2,692      | 9,120           |
| Dec-----                     | 67,060 | 19,593                  | 11,498        | 8,095             | 35,578                     | 603    | 3,275                 | 4,302                               | 13,793                     | 3,289                               | 10,316                    | 2,709      | 9,180           |
| 1968 <sup>2</sup> : Jan----- | 67,058 | 19,612                  | 11,541        | 8,071             | 35,468                     | 604    | 3,107                 | 4,317                               | 13,818                     | 3,291                               | 10,331                    | 2,721      | 9,257           |
| Feb-----                     | 67,600 | 19,612                  | 11,514        | 8,098             | 35,967                     | 608    | 3,388                 | 4,342                               | 13,920                     | 3,304                               | 10,405                    | 2,721      | 9,300           |
| Mar-----                     | 67,656 | 19,607                  | 11,495        | 8,112             | 35,996                     | 609    | 3,330                 | 4,332                               | 13,999                     | 3,311                               | 10,415                    | 2,718      | 9,335           |
| Apr-----                     | 67,755 | 19,657                  | 11,533        | 8,124             | 36,010                     | 632    | 3,313                 | 4,331                               | 14,009                     | 3,323                               | 10,402                    | 2,717      | 9,371           |
| May <sup>2</sup> -----       | 67,781 | 19,685                  | 11,541        | 8,144             | 35,957                     | 631    | 3,248                 | 4,283                               | 14,039                     | 3,333                               | 10,423                    | 2,721      | 9,418           |
| June <sup>2</sup> -----      | 67,863 | 19,725                  | 11,548        | 8,177             | 35,961                     | 627    | 3,169                 | 4,320                               | 14,048                     | 3,337                               | 10,460                    | 2,721      | 9,456           |

<sup>1</sup> Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked during or received pay for any part of the pay period which includes the 12th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. <sup>2</sup> 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 enu-

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

<sup>2</sup> Revised series; see note p. 14.

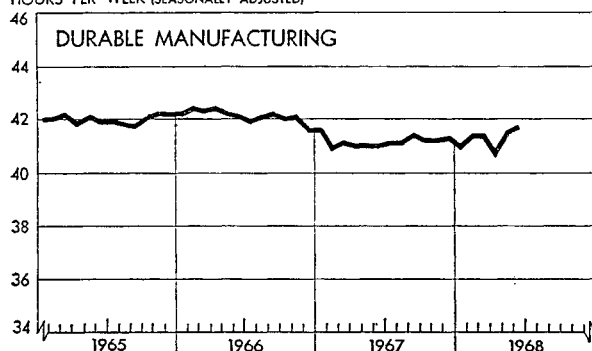
NOTE.—Beginning 1959, data include Alaska and Hawaii.

Source: Department of Labor.

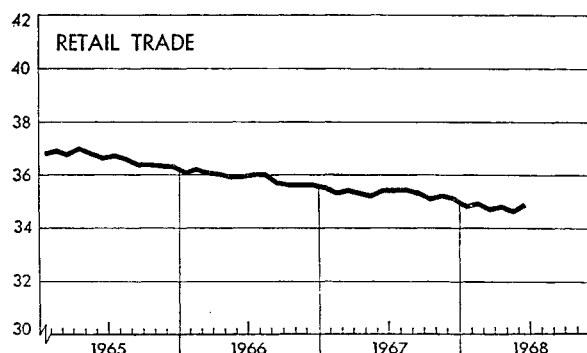
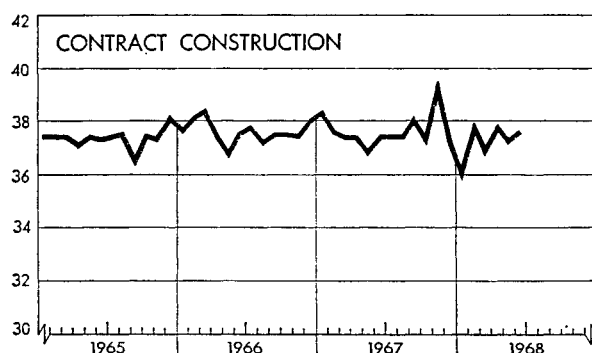
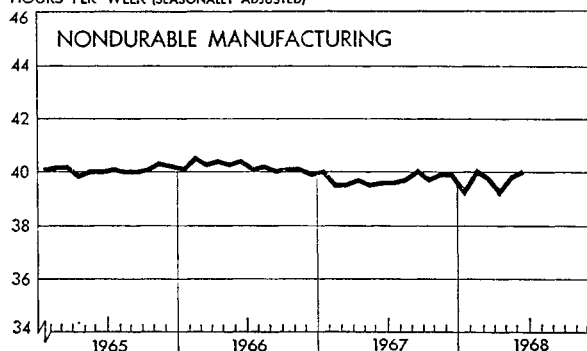
## WEEKLY HOURS OF WORK - SELECTED INDUSTRIES

The seasonally adjusted workweek in manufacturing in June was unchanged from the upward-revised May level of 40.9 hours—equaling the highest level in the last 17 months. Weekly hours in contract construction and retail trade rose slightly.

HOURS PER WEEK (SEASONALLY ADJUSTED)



HOURS PER WEEK (SEASONALLY ADJUSTED)



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Average hours per week; <sup>1</sup> seasonally adjusted]

| Period                  | Manufacturing industries |               |                  | Contract construction | Retail trade <sup>2</sup> |
|-------------------------|--------------------------|---------------|------------------|-----------------------|---------------------------|
|                         | All                      | Durable goods | Nondurable goods |                       |                           |
| 1958.....               | 39.2                     | 39.5          | 38.8             | 36.8                  | 38.1                      |
| 1959.....               | 40.3                     | 40.7          | 39.7             | 37.0                  | 38.2                      |
| 1960.....               | 39.7                     | 40.1          | 39.2             | 36.7                  | 38.0                      |
| 1961.....               | 39.8                     | 40.3          | 39.3             | 36.9                  | 37.6                      |
| 1962.....               | 40.4                     | 40.9          | 39.6             | 37.0                  | 37.4                      |
| 1963.....               | 40.5                     | 41.1          | 39.6             | 37.3                  | 37.3                      |
| 1964.....               | 40.7                     | 41.4          | 39.7             | 37.2                  | 37.0                      |
| 1965.....               | 41.2                     | 42.0          | 40.1             | 37.4                  | 36.6                      |
| 1966.....               | 41.3                     | 42.1          | 40.2             | 37.6                  | 35.9                      |
| 1967.....               | 40.6                     | 41.2          | 39.7             | 37.7                  | 35.3                      |
| 1967: May.....          | 40.5                     | 41.0          | 39.5             | 36.8                  | 35.2                      |
| June.....               | 40.4                     | 41.0          | 39.6             | 37.4                  | 35.4                      |
| July.....               | 40.5                     | 41.1          | 39.6             | 37.4                  | 35.4                      |
| Aug.....                | 40.6                     | 41.1          | 39.7             | 37.4                  | 35.4                      |
| Sept.....               | 40.9                     | 41.4          | 40.0             | 38.0                  | 35.3                      |
| Oct.....                | 40.7                     | 41.2          | 39.7             | 37.2                  | 35.1                      |
| Nov.....                | 40.7                     | 41.2          | 39.9             | 39.4                  | 35.2                      |
| Dec.....                | 40.7                     | 41.3          | 39.9             | 37.2                  | 35.1                      |
| 1968: Jan.....          | 40.2                     | 40.9          | 39.2             | 36.0                  | 34.8                      |
| Feb.....                | 40.8                     | 41.4          | 40.0             | 37.9                  | 34.9                      |
| Mar.....                | 40.7                     | 41.4          | 39.8             | 36.8                  | 34.7                      |
| Apr.....                | 40.1                     | 40.7          | 39.2             | 37.8                  | 34.8                      |
| May <sup>p</sup> .....  | 40.9                     | 41.5          | 39.8             | 37.2                  | 34.6                      |
| June <sup>p</sup> ..... | 40.9                     | 41.7          | 40.0             | 37.6                  | 34.9                      |

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

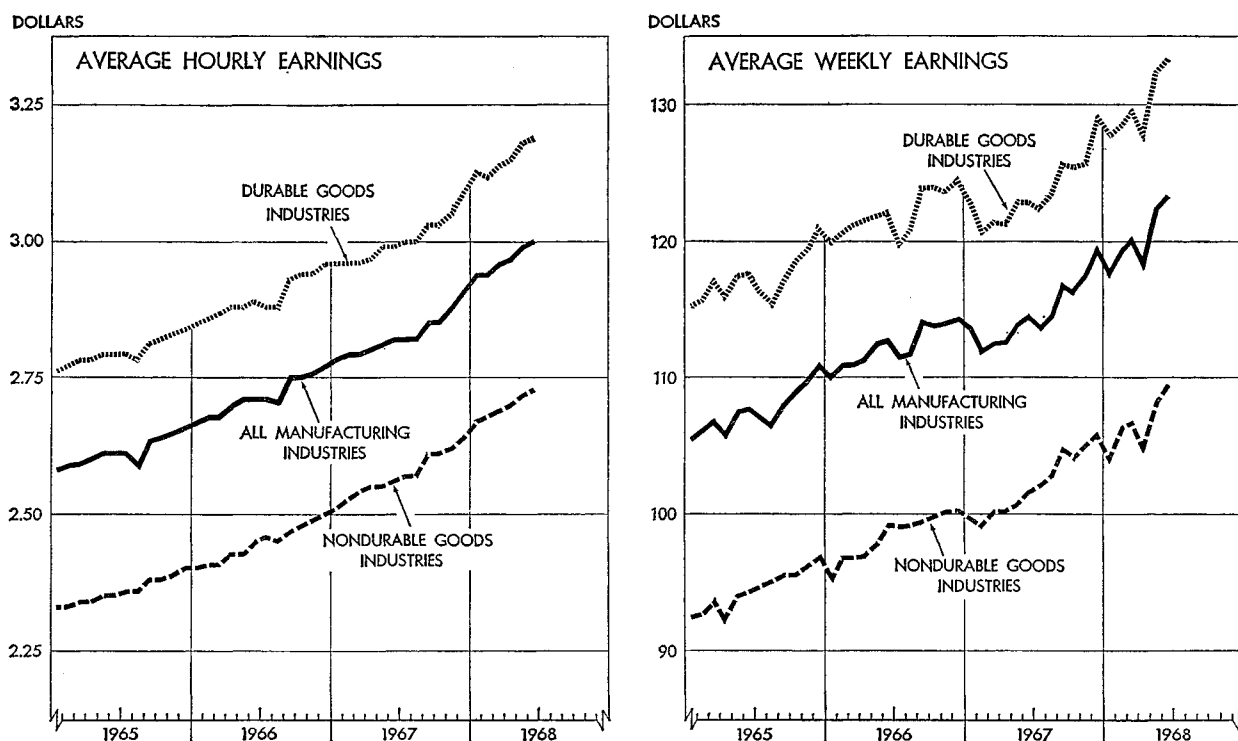
<sup>2</sup> Includes eating and drinking places.

NOTE.—Series revised to March 1967 benchmark beginning 1966. For details, see *Employment and Earnings*, June 1968.

Source: Department of Labor.

## AVERAGE HOURLY AND WEEKLY EARNINGS - SELECTED INDUSTRIES

In June, earnings in manufacturing averaged \$3.00 an hour for the first time. This rise and a slightly higher workweek (seasonally unadjusted) combined to raise average weekly earnings to \$123.30—\$1.01 higher than in May and \$8.81 above June 1967.



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 <sup>1</sup> | Manufacturing industries               |               |                   | Contract construction | Retail trade <sup>1</sup> | Adjusted hourly earnings, 1957-59=100 <sup>2</sup> | Average weekly earnings, 1957-59 prices <sup>3</sup> |
|                              | All                                    | Durable goods | Non-durable goods |                       |                           | All                                    | Durable goods | Non-durable goods |                       |                           |                                                    |                                                      |
| 1958-----                    | 2.11                                   | 2.26          | 1.91              | 2.82                  | 1.42                      | 82.71                                  | 89.27         | 74.11             | 103.78                | 54.10                     | 100.2                                              | 82.14                                                |
| 1959-----                    | 2.19                                   | 2.36          | 1.98              | 2.93                  | 1.47                      | 88.26                                  | 96.05         | 78.61             | 108.41                | 56.15                     | 103.5                                              | 86.96                                                |
| 1960-----                    | 2.26                                   | 2.43          | 2.05              | 3.08                  | 1.52                      | 89.72                                  | 97.44         | 80.36             | 113.04                | 57.76                     | 106.6                                              | 87.02                                                |
| 1961-----                    | 2.32                                   | 2.49          | 2.11              | 3.20                  | 1.56                      | 92.34                                  | 100.35        | 82.92             | 118.08                | 58.66                     | 109.6                                              | 88.62                                                |
| 1962-----                    | 2.39                                   | 2.56          | 2.17              | 3.31                  | 1.63                      | 96.56                                  | 104.70        | 85.93             | 122.47                | 60.96                     | 112.3                                              | 91.61                                                |
| 1963-----                    | 2.46                                   | 2.63          | 2.22              | 3.41                  | 1.68                      | 99.63                                  | 108.09        | 87.91             | 127.19                | 62.66                     | 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              | 3.70                  | 1.82                      | 107.53                                 | 117.18        | 94.64             | 138.38                | 66.61                     | 121.1                                              | 97.84                                                |
| 1966 <sup>4</sup> -----      | 2.72                                   | 2.90          | 2.45              | 3.89                  | 1.91                      | 112.34                                 | 122.09        | 98.49             | 146.26                | 68.57                     | 125.1                                              | 99.33                                                |
| 1967 <sup>4</sup> -----      | 2.83                                   | 3.00          | 2.57              | 4.11                  | 2.01                      | 114.90                                 | 123.60        | 102.03            | 154.95                | 70.95                     | 130.9                                              | 98.80                                                |
| 1967 <sup>4</sup> : May----- | 2.81                                   | 2.99          | 2.55              | 4.04                  | 2.00                      | 113.81                                 | 122.89        | 100.73            | 150.29                | 69.80                     | 130.2                                              | 98.45                                                |
| June-----                    | 2.82                                   | 2.99          | 2.56              | 4.03                  | 2.01                      | 114.49                                 | 122.89        | 101.63            | 153.95                | 71.56                     | 130.5                                              | 98.70                                                |
| July-----                    | 2.82                                   | 3.00          | 2.57              | 4.10                  | 2.01                      | 113.65                                 | 122.40        | 102.03            | 158.67                | 72.96                     | 130.8                                              | 97.55                                                |
| Aug-----                     | 2.82                                   | 3.00          | 2.57              | 4.11                  | 2.00                      | 114.49                                 | 123.30        | 102.80            | 159.06                | 72.60                     | 131.1                                              | 97.94                                                |
| Sept-----                    | 2.85                                   | 3.03          | 2.61              | 4.20                  | 2.03                      | 116.85                                 | 125.75        | 104.92            | 162.96                | 71.66                     | 131.9                                              | 99.79                                                |
| Oct-----                     | 2.85                                   | 3.03          | 2.61              | 4.22                  | 2.04                      | 116.28                                 | 125.44        | 104.14            | 160.78                | 71.20                     | 132.4                                              | 98.96                                                |
| Nov-----                     | 2.88                                   | 3.05          | 2.62              | 4.22                  | 2.05                      | 117.50                                 | 125.66        | 105.06            | 161.63                | 71.34                     | 133.4                                              | 99.75                                                |
| Dec-----                     | 2.91                                   | 3.09          | 2.64              | 4.25                  | 2.04                      | 119.60                                 | 129.16        | 105.86            | 155.13                | 72.22                     | 134.3                                              | 101.18                                               |
| 1968 <sup>4</sup> : Jan----- | 2.94                                   | 3.13          | 2.67              | 4.34                  | 2.09                      | 117.60                                 | 127.70        | 103.86            | 151.90                | 72.11                     | 135.7                                              | 99.16                                                |
| Feb-----                     | 2.94                                   | 3.12          | 2.68              | 4.27                  | 2.11                      | 119.36                                 | 128.54        | 106.40            | 154.57                | 72.80                     | 136.5                                              | 100.30                                               |
| Mar-----                     | 2.96                                   | 3.14          | 2.69              | 4.28                  | 2.12                      | 120.18                                 | 129.68        | 106.79            | 154.94                | 72.93                     | 137.0                                              | 100.57                                               |
| Apr-----                     | 2.97                                   | 3.15          | 2.70              | 4.27                  | 2.13                      | 118.21                                 | 127.58        | 104.76            | 159.27                | 73.49                     | 137.7                                              | 98.59                                                |
| May <sup>p</sup> -----       | 2.99                                   | 3.18          | 2.72              | 4.32                  | 2.14                      | 122.29                                 | 132.29        | 108.26            | 162.43                | 73.40                     | 138.2                                              | 101.65                                               |
| June <sup>p</sup> -----      | 3.00                                   | 3.19          | 2.73              | 4.27                  | 2.16                      | 123.30                                 | 133.34        | 109.47            | 163.97                | 75.82                     | -----                                              | -----                                                |

<sup>1</sup> Includes eating and drinking places.

<sup>2</sup> Earnings in current prices, adjusted to exclude overtime and interindustry shifts.

<sup>3</sup> Earnings in current prices divided by the consumer price index.

<sup>4</sup> See note, p. 14.

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

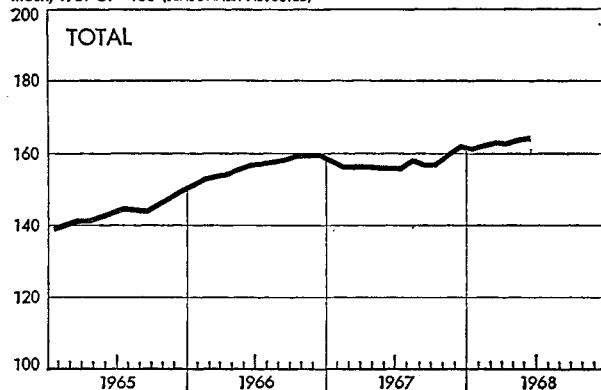
Source: Department of Labor.

# PRODUCTION AND BUSINESS ACTIVITY

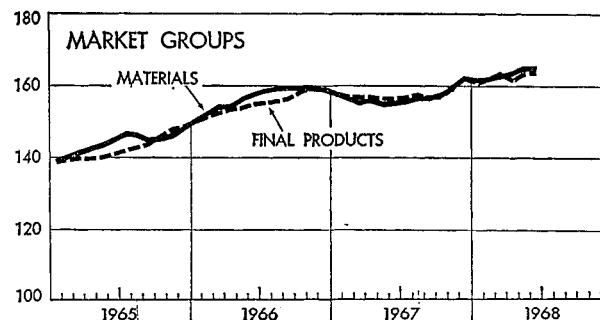
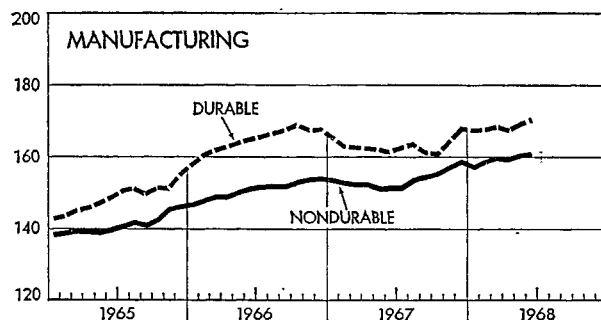
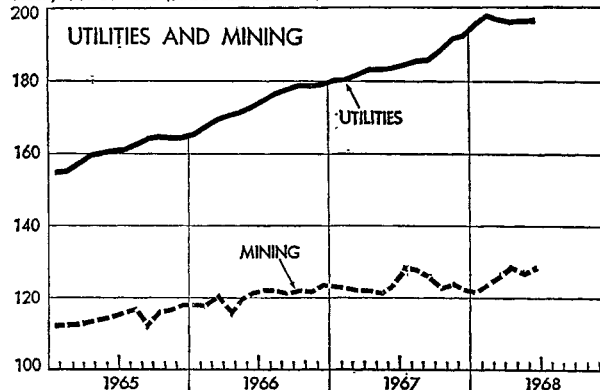
## INDUSTRIAL PRODUCTION

Industrial production, seasonally adjusted, rose slightly (0.2 percent) in June following a 1 percent rise in May. At 164.4 (1957-59=100), the index was 5 $\frac{2}{3}$  percent above its June 1967 level.

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]

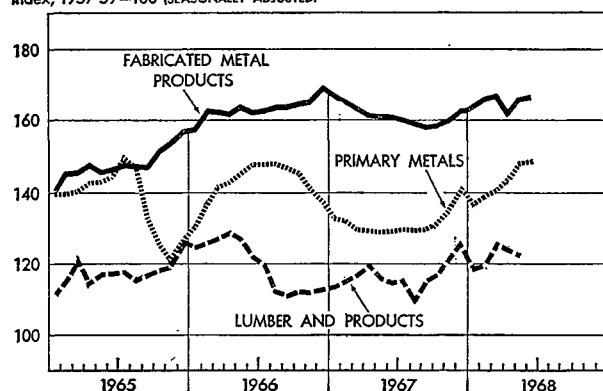
| Period         | Total industrial production | Industry      |         |             |        |           | Market         |                |           |           |
|----------------|-----------------------------|---------------|---------|-------------|--------|-----------|----------------|----------------|-----------|-----------|
|                |                             | Manufacturing |         |             | Mining | Utilities | Final products |                |           | Materials |
|                |                             | Total         | Durable | Non-durable |        |           | Total          | Consumer goods | Equipment |           |
| 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                       | 158.6         | 164.8   | 150.8       | 120.5  | 173.9     | 155.5          | 147.5          | 172.6     | 157.0     |
| 1967.....      | 158.0                       | 159.6         | 163.8   | 154.4       | 123.5  | 184.4     | 158.3          | 148.4          | 179.6     | 157.7     |
| 1967: May..... | 155.6                       | 157.2         | 162.2   | 151.1       | 120.2  | 183.1     | 156.3          | 146.0          | 178.5     | 154.6     |
| June.....      | 155.6                       | 157.0         | 161.5   | 151.4       | 123.8  | 183.7     | 156.8          | 146.9          | 178.1     | 154.9     |
| July.....      | 156.6                       | 157.6         | 162.5   | 151.5       | 128.0  | 184.6     | 157.1          | 147.1          | 178.4     | 156.1     |
| Aug.....       | 158.1                       | 159.4         | 163.6   | 154.0       | 127.8  | 185.4     | 158.2          | 148.6          | 178.9     | 157.9     |
| Sept.....      | 156.8                       | 158.1         | 161.1   | 154.2       | 124.3  | 185.6     | 157.0          | 147.0          | 178.6     | 156.7     |
| Oct.....       | 156.9                       | 158.3         | 160.7   | 155.2       | 122.4  | 188.7     | 156.9          | 147.9          | 176.1     | 157.4     |
| Nov.....       | 159.5                       | 161.1         | 164.1   | 157.2       | 123.6  | 191.5     | 160.0          | 150.1          | 181.1     | 159.5     |
| Dec.....       | 162.0                       | 164.0         | 168.1   | 158.9       | 122.3  | 192.6     | 161.9          | 152.8          | 181.5     | 162.2     |
| 1968: Jan..... | 161.2                       | 162.7         | 167.2   | 157.1       | 121.6  | 195.9     | 160.8          | 151.3          | 181.4     | 161.7     |
| Feb.....       | 162.0                       | 163.6         | 167.6   | 158.6       | 123.9  | 197.5     | 162.0          | 152.9          | 181.6     | 161.8     |
| Mar.....       | 163.0                       | 164.6         | 168.2   | 160.0       | 126.2  | 196.8     | 163.5          | 155.0          | 181.8     | 162.8     |
| Apr.....       | 162.5                       | 163.7         | 167.2   | 159.3       | 128.5  | 195.8     | 161.7          | 153.3          | 179.8     | 163.4     |
| May.....       | 164.1                       | 165.8         | 169.6   | 160.8       | 126.9  | 195.9     | 163.1          | 155.1          | 180.2     | 164.9     |
| June.....      | 164.4                       | 166.1         | 170.1   | 160.9       | 128.3  | 196.0     | 163.9          | 155.7          | 181.5     | 164.9     |

Source: Board of Governors of the Federal Reserve System.

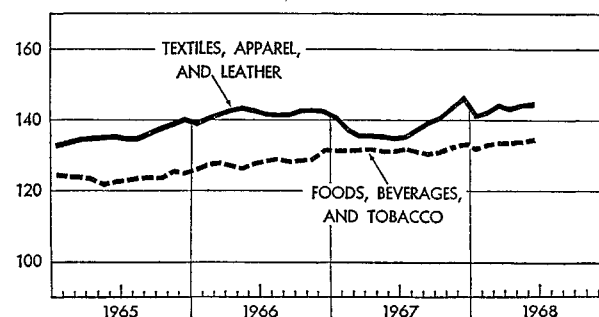
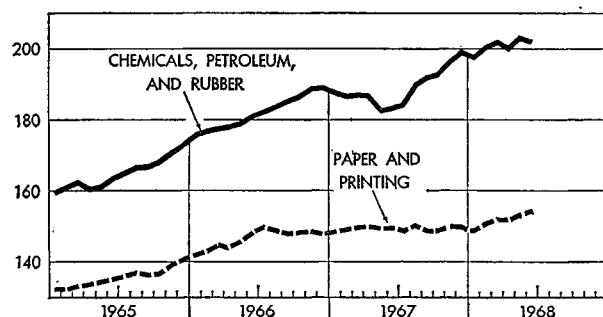
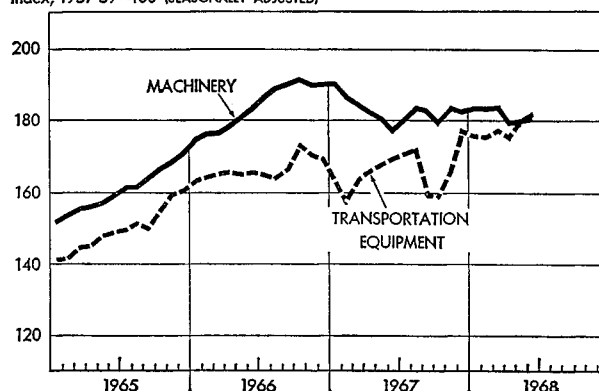
## PRODUCTION OF SELECTED MANUFACTURES

June, most durable and nondurable manufactures (seasonally adjusted) continued their production gains of May, though generally at a much slower pace.

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]

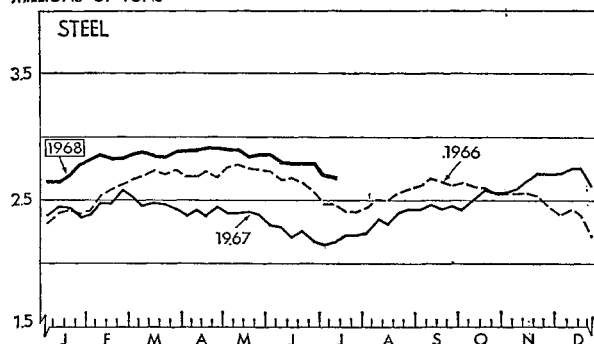
| Period         | Durable manufactures |                           |           |                          |                     | Nondurable manufactures        |                    |                                  |                               |
|----------------|----------------------|---------------------------|-----------|--------------------------|---------------------|--------------------------------|--------------------|----------------------------------|-------------------------------|
|                | 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 |
| 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.....      | 142.7                | 163.0                     | 183.8     | 166.9                    | 119.4               | 141.6                          | 146.4              | 181.9                            | 128.1                         |
| 1967.....      | 132.5                | 162.0                     | 183.4     | 166.0                    | 116.5               | 139.6                          | 149.6              | 189.5                            | 131.5                         |
| 1967: May..... | 128.9                | 160.8                     | 180.5     | 167.5                    | 115.6               | 135.3                          | 149.1              | 182.2                            | 130.9                         |
| June.....      | 129.0                | 160.8                     | 177.5     | 169.3                    | 114.9               | 134.8                          | 149.4              | 183.0                            | 131.3                         |
| July.....      | 129.6                | 159.8                     | 180.0     | 170.8                    | 115.5               | 135.3                          | 148.6              | 184.0                            | 130.9                         |
| Aug.....       | 129.3                | 159.1                     | 182.8     | 171.9                    | 109.2               | 137.6                          | 150.3              | 189.5                            | 131.0                         |
| Sept.....      | 129.2                | 158.1                     | 182.2     | 159.2                    | 114.3               | 139.1                          | 148.5              | 191.2                            | 130.4                         |
| Oct.....       | 131.7                | 158.2                     | 179.6     | 159.2                    | 117.0               | 140.4                          | 148.6              | 192.8                            | 131.1                         |
| Nov.....       | 135.0                | 159.8                     | 183.2     | 165.6                    | 120.6               | 143.0                          | 149.9              | 195.8                            | 132.2                         |
| Dec.....       | 140.9                | 162.4                     | 182.2     | 177.5                    | 125.7               | 145.9                          | 149.5              | 199.0                            | 133.1                         |
| 1968: Jan..... | 136.3                | 163.9                     | 183.4     | 175.6                    | 118.1               | 141.0                          | 148.6              | 197.7                            | 132.0                         |
| Feb.....       | 139.3                | 165.7                     | 183.2     | 175.1                    | 119.3               | 141.9                          | 150.6              | 200.2                            | 133.1                         |
| Mar.....       | 140.2                | 166.6                     | 183.3     | 177.6                    | 125.0               | 143.9                          | 152.0              | 201.6                            | 133.7                         |
| Apr.....       | 143.3                | 161.3                     | 179.4     | 175.3                    | 123.3               | 142.8                          | 151.5              | 200.4                            | 133.5                         |
| May.....       | 148.2                | 165.4                     | 179.6     | 180.2                    | 122.1               | 144.0                          | 153.4              | 202.9                            | 133.7                         |
| June.....      | 148                  | 166                       | 180       | 182                      | -----               | 144                            | 154                | 202                              | 135                           |

Source: Board of Governors of the Federal Reserve System.

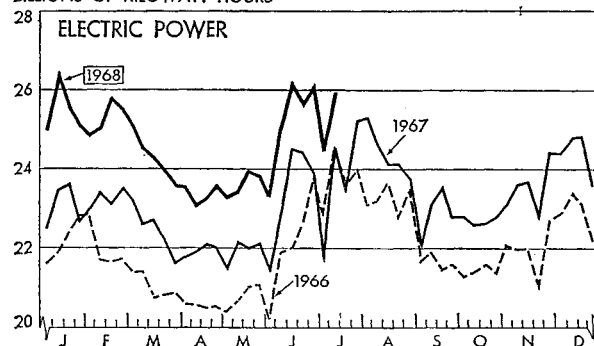
## WEEKLY INDICATORS OF PRODUCTION

In June, steel production declined again on a seasonally unadjusted basis. Other weekly indicators of production posted gains for the month.

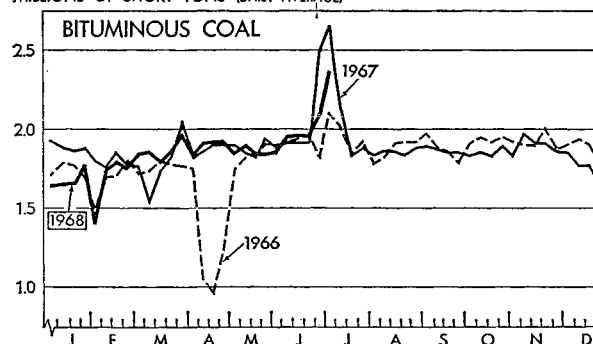
MILLIONS OF TONS



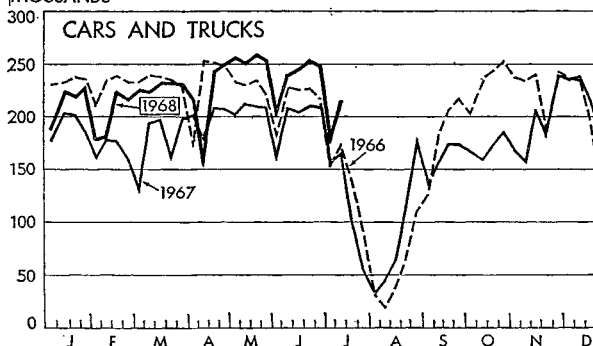
BILLIONS OF KILOWATT HOURS



MILLIONS OF SHORT TONS (DAILY AVERAGE)



THOUSANDS



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

COUNCIL OF ECONOMIC ADVISERS

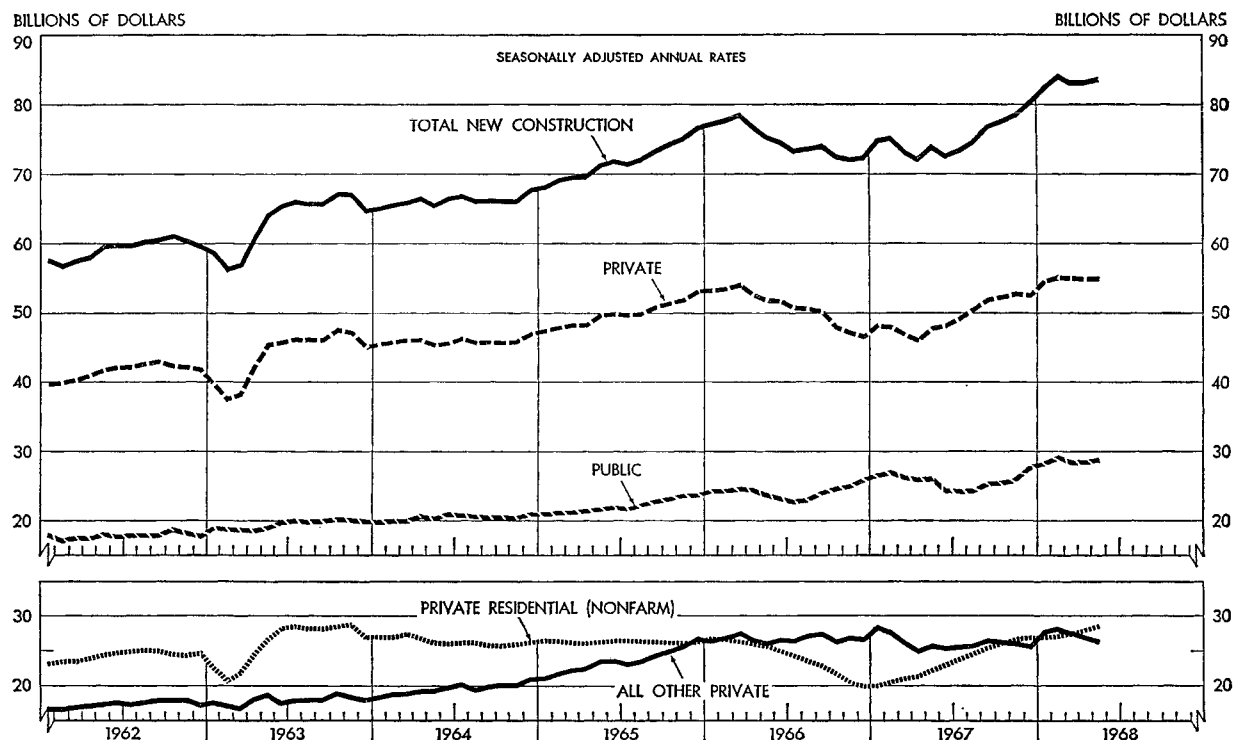
| Period                    | Steel produced        |                     | Electric power distributed (millions of kilowatt-hours) | Bituminous coal mined (thousands of short tons) <sup>1</sup> | Freight loaded (thousands of cars) | Paperboard produced (thousands of tons) | Cars and trucks assembled (thousands) |       |        |
|---------------------------|-----------------------|---------------------|---------------------------------------------------------|--------------------------------------------------------------|------------------------------------|-----------------------------------------|---------------------------------------|-------|--------|
|                           | Thousands of net tons | Index (1957-59=100) |                                                         |                                                              |                                    |                                         | Total                                 | Cars  | Trucks |
| Weekly average:           |                       |                     |                                                         |                                                              |                                    |                                         |                                       |       |        |
| 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                                                        | 558                                | 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-----                 | 2,572                 | 138.1               | 21,971                                                  | 1,798                                                        | 570                                | 446                                     | 199.3                                 | 165.4 | 33.9   |
| 1967-----                 | 2,440                 | 131.0               | 23,169                                                  | 1,863                                                        | 539                                | 439                                     | 172.9                                 | 142.4 | 30.5   |
| 1967: May-----            | 2,388                 | 128.2               | 21,841                                                  | 1,904                                                        | 559                                | 452                                     | 198.8                                 | 164.5 | 34.2   |
| June-----                 | 2,232                 | 119.8               | 23,938                                                  | 1,939                                                        | 555                                | 454                                     | 207.5                                 | 172.8 | 34.7   |
| July-----                 | 2,176                 | 116.8               | 23,747                                                  | 2,015                                                        | 492                                | 376                                     | 119.0                                 | 95.4  | 23.7   |
| Aug-----                  | 2,325                 | 124.8               | 24,400                                                  | 1,885                                                        | 558                                | 448                                     | 86.5                                  | 64.4  | 22.1   |
| Sept-----                 | 2,439                 | 130.9               | 22,871                                                  | 1,819                                                        | 551                                | 413                                     | 160.4                                 | 135.3 | 25.0   |
| Oct-----                  | 2,522                 | 135.4               | 22,662                                                  | 1,873                                                        | 586                                | 463                                     | 171.2                                 | 146.7 | 24.6   |
| Nov-----                  | 2,634                 | 141.4               | 23,533                                                  | 1,923                                                        | 552                                | 458                                     | 190.1                                 | 158.6 | 31.4   |
| Dec-----                  | 2,704                 | 145.2               | 24,405                                                  | 1,727                                                        | 496                                | 421                                     | 219.8                                 | 185.0 | 34.7   |
| 1968: Jan-----            | 2,712                 | 145.6               | 25,365                                                  | 1,738                                                        | 487                                | 421                                     | 207.3                                 | 172.9 | 34.4   |
| Feb-----                  | 2,849                 | 152.9               | 25,338                                                  | 1,753                                                        | 514                                | 486                                     | 211.0                                 | 174.5 | 36.5   |
| Mar-----                  | 2,872                 | 154.1               | 24,081                                                  | 1,827                                                        | 535                                | 480                                     | 229.5                                 | 189.2 | 40.2   |
| Apr-----                  | 2,902                 | 155.8               | 23,344                                                  | 1,887                                                        | 548                                | 480                                     | 215.4                                 | 177.7 | 37.6   |
| May-----                  | 2,867                 | 153.9               | 23,560                                                  | 1,898                                                        | 571                                | 488                                     | 244.0                                 | 200.4 | 43.6   |
| June <sup>p</sup> -----   | 2,777                 | 149.1               | 25,772                                                  | 1,918                                                        | 578                                | 489                                     | 246.8                                 | 202.2 | 44.6   |
| Week ended:               |                       |                     |                                                         |                                                              |                                    |                                         |                                       |       |        |
| 1968: June 15-----        | 2,776                 | 149.0               | 26,188                                                  | 1,957                                                        | 591                                | 495                                     | 245.7                                 | 200.9 | 44.8   |
| 22-----                   | 2,790                 | 149.8               | 25,632                                                  | 1,948                                                        | 598                                | 489                                     | 254.0                                 | 208.4 | 45.6   |
| 29-----                   | 2,785                 | 149.5               | 26,114                                                  | 2,104                                                        | 539                                | 491                                     | 248.7                                 | 201.8 | 46.9   |
| July 6 <sup>p</sup> ----- | 2,697                 | 144.8               | 24,485                                                  | 2,379                                                        | 443                                | 392                                     | 174.7                                 | 141.3 | 33.4   |
| 13 <sup>p</sup> -----     | 2,667                 | 143.2               | 25,960                                                  | <sup>2</sup> 2,131                                           | 550                                | 362                                     | 214.8                                 | 173.6 | 41.2   |

<sup>1</sup> Daily average. Includes data for Alaska.  
<sup>2</sup> 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

Expenditures for new construction rose about ½ percent (seasonally adjusted) in May, following no change in April and a 1 percent decline in March, according to revised estimates. Residential building rose strongly again (2½ percent), while other private construction fell for the third straight month, and public construction rose 1 percent.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

| Period                 | Total new construction expenditures | Private                          |                     |                   |                           |       |                                  | Federal, State, and local | Construction contracts <sup>2</sup>                             |                                  |
|------------------------|-------------------------------------|----------------------------------|---------------------|-------------------|---------------------------|-------|----------------------------------|---------------------------|-----------------------------------------------------------------|----------------------------------|
|                        |                                     | Total                            | Residential nonfarm |                   | Commercial and industrial | Other | Total value (index, 1957-59=100) |                           | Commercial and industrial floor space (millions of square feet) |                                  |
|                        |                                     |                                  | Total <sup>1</sup>  | New housing units |                           |       |                                  |                           |                                                                 |                                  |
|                        |                                     | Billions of dollars              |                     |                   |                           |       |                                  |                           |                                                                 |                                  |
| 1962.....              | 59.7                                | 41.8                             | 24.3                | 18.6              | 8.0                       | 9.5   | 17.9                             | 119.7                     | 500                                                             |                                  |
| 1963.....              | 63.4                                | 44.1                             | 26.2                | 20.4              | 7.9                       | 10.0  | 19.4                             | 132.0                     | 534                                                             |                                  |
| 1964.....              | 66.2                                | 45.8                             | 26.3                | 20.4              | 9.0                       | 10.6  | 20.4                             | 137.0                     | 599                                                             |                                  |
| 1965.....              | 71.9                                | 49.8                             | 26.3                | 20.4              | 11.9                      | 11.7  | 22.1                             | 142.8                     | 680                                                             |                                  |
| 1966.....              | 74.4                                | 50.4                             | 23.8                | 18.0              | 13.6                      | 13.0  | 23.9                             | 145.3                     | 769                                                             |                                  |
| 1967.....              | 74.9                                | 49.6                             | 23.6                | 17.9              | 13.1                      | 12.9  | 25.4                             | 153.3                     | 694                                                             |                                  |
|                        |                                     | Seasonally adjusted annual rates |                     |                   |                           |       |                                  |                           | Seasonally adjusted                                             | Seasonally adjusted annual rates |
| 1967: Apr.....         | 72.0                                | 46.0                             | 21.1                | 15.5              | 12.5                      | 12.4  | 25.9                             | 138                       | 699                                                             |                                  |
| May.....               | 73.9                                | 47.8                             | 22.1                | 16.5              | 13.1                      | 12.6  | 26.1                             | 154                       | 657                                                             |                                  |
| June.....              | 72.4                                | 48.1                             | 22.9                | 17.3              | 12.6                      | 12.6  | 24.3                             | 164                       | 748                                                             |                                  |
| July.....              | 73.4                                | 49.2                             | 23.7                | 18.0              | 12.9                      | 12.6  | 24.2                             | 149                       | 681                                                             |                                  |
| Aug.....               | 74.4                                | 50.2                             | 24.6                | 18.9              | 12.4                      | 13.1  | 24.2                             | 165                       | 740                                                             |                                  |
| Sept.....              | 76.9                                | 51.7                             | 25.3                | 19.6              | 13.3                      | 13.1  | 25.2                             | 168                       | 725                                                             |                                  |
| Oct.....               | 77.5                                | 52.2                             | 26.0                | 20.3              | 13.2                      | 13.0  | 25.3                             | 171                       | 701                                                             |                                  |
| Nov.....               | 78.4                                | 52.6                             | 26.6                | 21.0              | 12.8                      | 13.2  | 25.8                             | 168                       | 758                                                             |                                  |
| Dec.....               | 80.0                                | 52.4                             | 26.9                | 21.2              | 12.6                      | 12.9  | 27.7                             | 166                       | 769                                                             |                                  |
| 1968: Jan.....         | 82.6                                | 54.5                             | 26.9                | 21.0              | 14.1                      | 13.5  | 28.0                             | 166                       | 774                                                             |                                  |
| Feb.....               | 84.1                                | 55.1                             | 27.0                | 21.0              | 14.3                      | 13.7  | 29.1                             | 152                       | 737                                                             |                                  |
| Mar.....               | 83.2                                | 54.9                             | 27.4                | 21.5              | 13.8                      | 13.7  | 28.4                             | 169                       | 799                                                             |                                  |
| Apr.....               | 83.2                                | 54.8                             | 27.9                | 22.1              | 13.7                      | 13.2  | 28.4                             | 164                       | 565                                                             |                                  |
| May <sup>a</sup> ..... | 83.6                                | 54.9                             | 28.6                | 23.0              | 13.1                      | 13.1  | 28.7                             | 172                       | 804                                                             |                                  |

<sup>1</sup> Includes nonhousekeeping residential construction and additions and alterations, not shown separately.

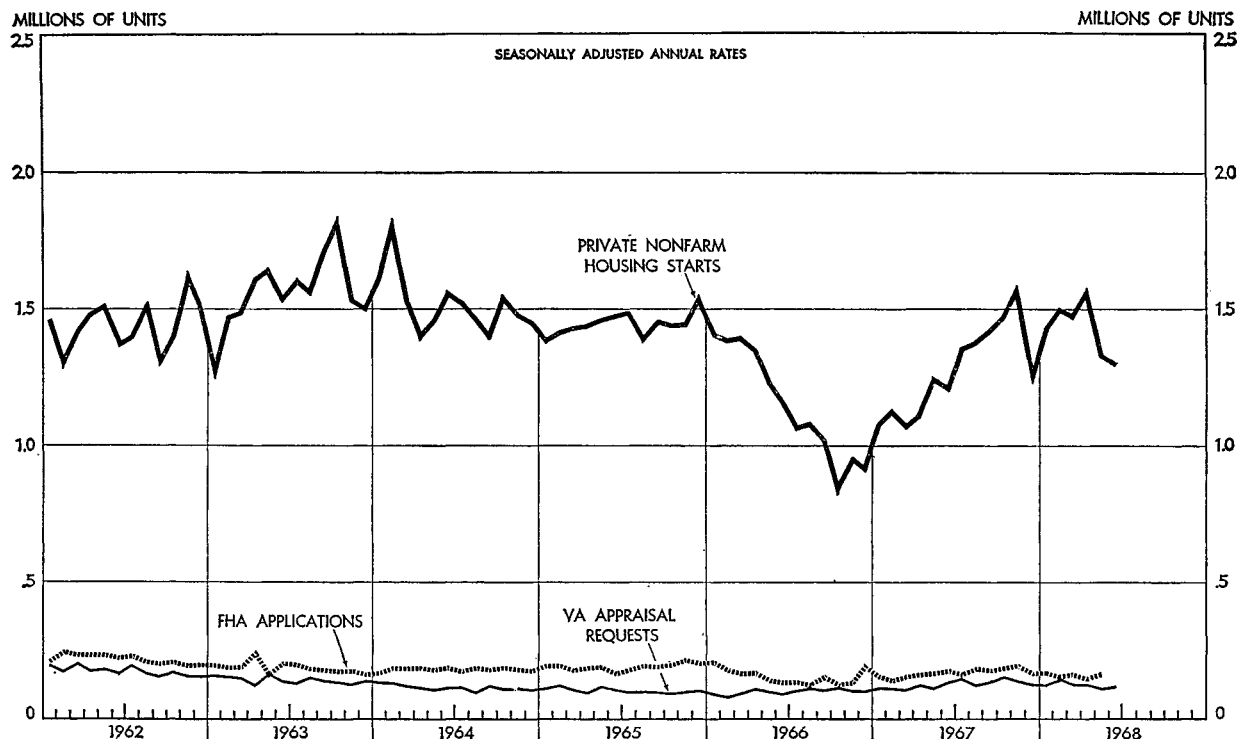
<sup>2</sup> Compiled by F. W. Dodge Company and relates to 48 States.

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

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

# NEW HOUSING STARTS AND APPLICATIONS FOR FINANCING

In June, private nonfarm housing starts declined (seasonally adjusted) for the second straight month. At an annual rate of 1.30 million units, they were 2 percent below the May level of 1.33 million and 17 percent below this year's high of 1.56 million in April. Permits for future starts dropped in June for the third consecutive month.



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 <sup>1</sup> | 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 <sup>2</sup> | Requests for VA appraisals <sup>2</sup> |
|                                  |                                           |                                | Total           | One-family | Two or more families |                                | Total           | Government home programs |      |                                                   |                                               |                                         |
|                                  |                                           |                                |                 |            |                      |                                |                 | FHA                      | VA   |                                                   |                                               |                                         |
| 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-----                        | 1,642.0                                   | 1,610.3                        | 1,582.9         | 993.2      | 589.7                | 1,610.3                        | 1,582.9         | 166.2                    | 71.0 | 1,334.7                                           | 190.2                                         | 139.3                                   |
| 1964-----                        | 1,501.6                                   | 1,529.3                        | 1,502.3         | 944.5      | 557.8                | 1,529.3                        | 1,502.3         | 154.0                    | 59.2 | 1,285.8                                           | 182.1                                         | 113.6                                   |
| 1965-----                        | 1,509.6                                   | 1,472.9                        | 1,450.6         | 941.4      | 509.2                | 1,472.9                        | 1,450.6         | 159.9                    | 49.4 | 1,239.8                                           | 188.9                                         | 102.1                                   |
| 1966-----                        | 1,196.2                                   | 1,165.0                        | 1,141.5         | 755.3      | 386.2                | 1,165.0                        | 1,141.5         | 129.1                    | 36.8 | 971.9                                             | 153.0                                         | 99.2                                    |
| 1967-----                        | 1,321.9                                   | 1,291.6                        | 1,268.4         | 820.7      | 447.7                | 1,291.6                        | 1,268.4         | 141.9                    | 52.5 | 1,111.7                                           | 167.2                                         | 124.3                                   |
| Seasonally adjusted annual rates |                                           |                                |                 |            |                      |                                |                 |                          |      |                                                   |                                               |                                         |
| 1967: May--                      | 134.2                                     | 132.0                          | 129.7           | 85.0       | 44.7                 | 1,274                          | 1,254           | 143                      | 49   | 1,066                                             | 162                                           | 109                                     |
| June--                           | 131.6                                     | 125.4                          | 123.4           | 85.6       | 37.8                 | 1,233                          | 1,214           | 144                      | 51   | 1,143                                             | 169                                           | 135                                     |
| July--                           | 126.1                                     | 125.3                          | 124.0           | 81.1       | 42.9                 | 1,369                          | 1,356           | 140                      | 53   | 1,129                                             | 155                                           | 146                                     |
| Aug--                            | 130.2                                     | 127.4                          | 123.6           | 80.0       | 43.6                 | 1,407                          | 1,381           | 141                      | 57   | 1,161                                             | 180                                           | 122                                     |
| Sept--                           | 125.8                                     | 121.9                          | 119.5           | 75.8       | 43.7                 | 1,445                          | 1,415           | 150                      | 56   | 1,192                                             | 176                                           | 131                                     |
| Oct--                            | 137.0                                     | 135.4                          | 133.1           | 79.4       | 53.7                 | 1,496                          | 1,478           | 155                      | 58   | 1,221                                             | 185                                           | 151                                     |
| Nov--                            | 120.2                                     | 118.4                          | 116.8           | 67.4       | 49.4                 | 1,590                          | 1,567           | 154                      | 54   | 1,194                                             | 189                                           | 136                                     |
| Dec--                            | 83.1                                      | 80.1                           | 79.1            | 46.1       | 33.0                 | 1,250                          | 1,235           | 149                      | 55   | 1,358                                             | 162                                           | 125                                     |
| 1968: Jan--                      | 82.7                                      | 80.5                           | 79.8            | 44.5       | 35.3                 | 1,456                          | 1,430           | 157                      | 52   | 1,148                                             | 163                                           | 122                                     |
| Feb--                            | 87.2                                      | 84.6                           | 82.8            | 53.5       | 29.3                 | 1,537                          | 1,499           | 164                      | 63   | 1,394                                             | 152                                           | 141                                     |
| Mar--                            | 128.6                                     | 126.6                          | 123.9           | 76.6       | 47.3                 | 1,511                          | 1,479           | 149                      | 63   | 1,416                                             | 160                                           | 127                                     |
| Apr--                            | 165.2                                     | 162.0                          | 159.1           | 95.0       | 64.1                 | 1,591                          | 1,562           | 147                      | 59   | 1,340                                             | 144                                           | 126                                     |
| May <sup>p</sup>                 | 143.1                                     | 138.8                          | 137.0           | 84.0       | 53.0                 | 1,345                          | 1,326           | 133                      | 57   | 1,280                                             | 161                                           | 110                                     |
| June <sup>p</sup>                | 138.8                                     | 132.7                          | 130.8           | 77.7       | 53.1                 | 1,313                          | 1,296           | -----                    | 54   | 1,259                                             | -----                                         | 119                                     |

<sup>1</sup> Authorized by issuance of local building permit; in 13,000 permit-issuing places beginning 1967; 12,000 for 1963-66; and 10,000 prior to 1963.

<sup>2</sup> Units represented by mortgage applications for new home construction.

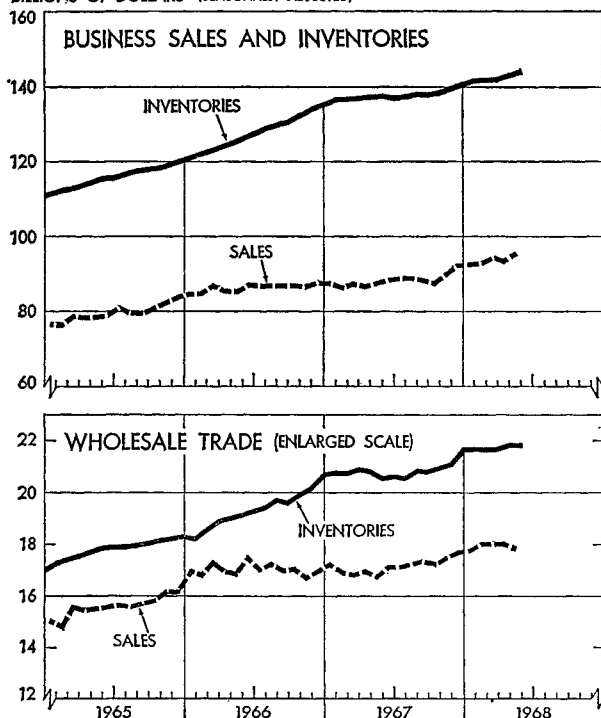
NOTE.—Data include Alaska and Hawaii.

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

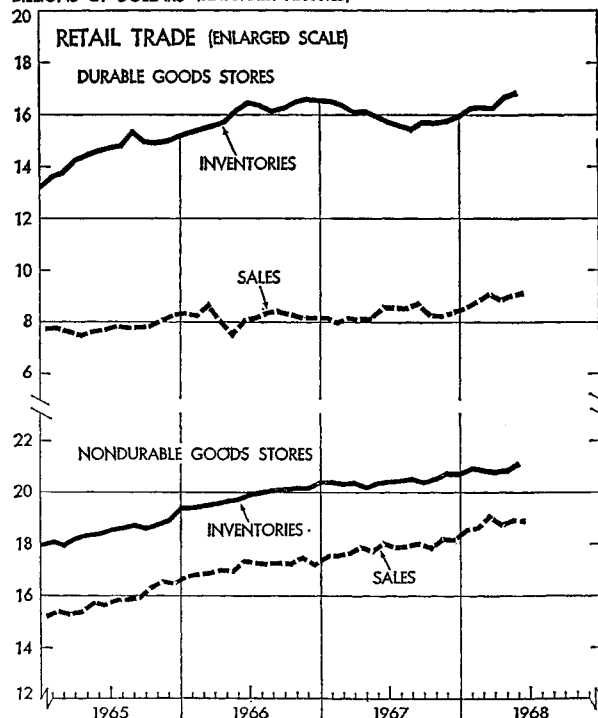
# BUSINESS SALES AND INVENTORIES — TOTAL AND TRADE

According to preliminary estimates, retail sales (seasonally adjusted) increased slightly (0.2 percent) in June. Total business inventories increased \$920 million in May with \$400 million of the rise occurring at retail. Total business sales advanced 2 percent, following a dip in April.

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

| Period                                   | Total business <sup>1</sup> |                               | Wholesale <sup>4</sup> |                               | Retail <sup>5</sup> |                            |                                    |                          |                            |                                    |
|------------------------------------------|-----------------------------|-------------------------------|------------------------|-------------------------------|---------------------|----------------------------|------------------------------------|--------------------------|----------------------------|------------------------------------|
|                                          | Sales <sup>2</sup>          | Inven-<br>tories <sup>3</sup> | Sales <sup>2</sup>     | Inven-<br>tories <sup>3</sup> | Sales <sup>2</sup>  |                            |                                    | Inventories <sup>3</sup> |                            |                                    |
|                                          |                             |                               |                        |                               | Total               | Durable<br>goods<br>stores | Non-<br>durable<br>goods<br>stores | Total                    | Durable<br>goods<br>stores | Non-<br>durable<br>goods<br>stores |
| Millions of dollars, seasonally adjusted |                             |                               |                        |                               |                     |                            |                                    |                          |                            |                                    |
| 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.....                                | 79,528                      | 120,896                       | 15,595                 | 18,274                        | 23,654              | 7,810                      | 15,844                             | 34,607                   | 15,194                     | 19,413                             |
| 1966.....                                | <sup>6</sup> 86,254         | <sup>6</sup> 135,233          | 16,979                 | 20,691                        | 25,306              | 8,151                      | 17,155                             | 36,961                   | 16,536                     | 20,425                             |
| 1967.....                                | <sup>7</sup> 87,969         | 140,742                       | 17,099                 | 21,635                        | 26,125              | 8,306                      | 17,820                             | 36,682                   | 15,977                     | 20,705                             |
| 1967: Apr.....                           | 86,643                      | 137,080                       | 16,972                 | 20,785                        | 25,918              | 8,104                      | 17,814                             | 36,236                   | 16,033                     | 20,203                             |
| May.....                                 | 87,286                      | 137,191                       | 16,769                 | 20,587                        | 25,897              | 8,187                      | 17,710                             | 36,263                   | 15,904                     | 20,359                             |
| June.....                                | 88,244                      | 136,805                       | 17,117                 | 20,599                        | 26,544              | 8,546                      | 17,998                             | 36,087                   | 15,661                     | 20,426                             |
| July.....                                | 88,454                      | 137,111                       | 17,145                 | 20,511                        | 26,444              | 8,592                      | 17,852                             | 35,997                   | 15,549                     | 20,448                             |
| Aug.....                                 | 88,768                      | 137,850                       | 17,198                 | 20,789                        | 26,422              | 8,508                      | 17,914                             | 36,028                   | 15,503                     | 20,525                             |
| Sept.....                                | 88,323                      | 137,794                       | 17,330                 | 20,810                        | 26,732              | 8,743                      | 17,989                             | 36,143                   | 15,711                     | 20,432                             |
| Oct.....                                 | 87,196                      | 138,268                       | 17,195                 | 20,945                        | 26,089              | 8,235                      | 17,854                             | 36,217                   | 15,681                     | 20,536                             |
| Nov.....                                 | 89,612                      | 139,331                       | 17,419                 | 21,061                        | 26,411              | 8,221                      | 18,190                             | 36,474                   | 15,728                     | 20,746                             |
| Dec.....                                 | 92,057                      | 140,742                       | 17,641                 | 21,635                        | 26,470              | 8,327                      | 18,143                             | 36,682                   | 15,977                     | 20,705                             |
| 1968: Jan.....                           | 92,544                      | 141,342                       | 17,694                 | 21,641                        | 27,065              | 8,523                      | 18,542                             | 37,130                   | 16,238                     | 20,892                             |
| Feb.....                                 | 92,595                      | 141,624                       | 17,953                 | 21,623                        | 27,399              | 8,765                      | 18,634                             | 37,082                   | 16,268                     | 20,814                             |
| Mar.....                                 | 94,327                      | 141,840                       | 18,021                 | 21,618                        | 28,120              | 9,053                      | 19,067                             | 37,003                   | 16,253                     | 20,750                             |
| Apr.....                                 | 93,368                      | 143,331                       | 18,006                 | 21,863                        | 27,620              | 8,832                      | 18,788                             | 37,512                   | 16,684                     | 20,828                             |
| May <sup>p</sup> .....                   | 95,227                      | 144,250                       | 17,826                 | 21,824                        | 27,981              | 9,022                      | 18,959                             | 37,921                   | 16,839                     | 21,082                             |
| June <sup>p</sup> .....                  |                             |                               |                        |                               | 28,044              | 9,096                      | 18,948                             |                          |                            |                                    |

<sup>1</sup>The term "business" also includes manufacturing (see page 22).

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

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

<sup>4</sup>Beginning 1961, data include Alaska and Hawaii.

<sup>5</sup>Beginning 1960, data include Alaska and Hawaii.

<sup>6</sup>Series revised beginning 1966.

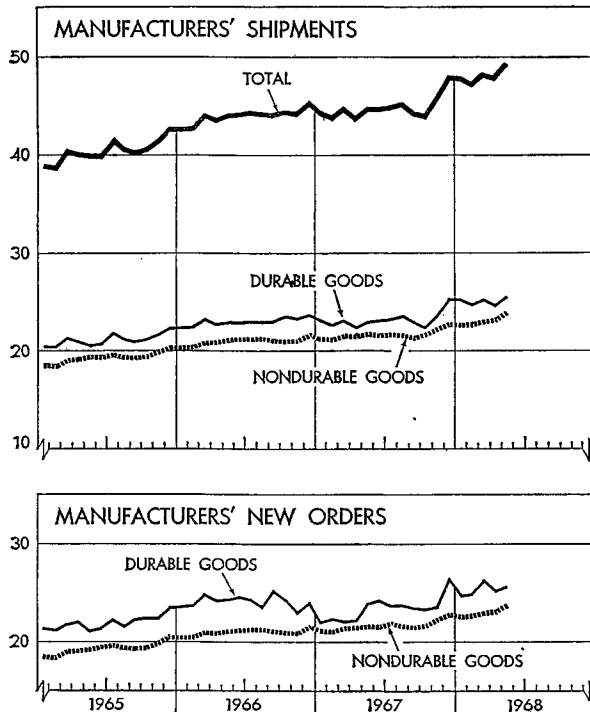
<sup>7</sup>Series revised beginning 1967.

Source: Department of Commerce.

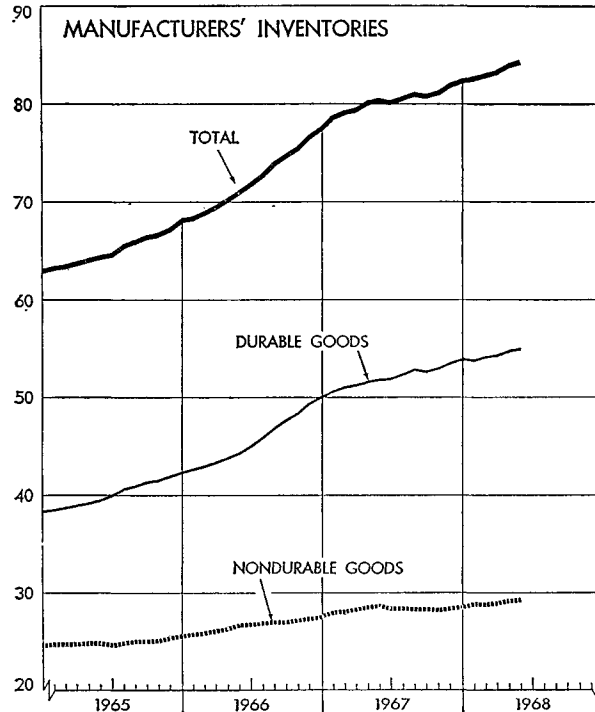
# MANUFACTURERS' SHIPMENTS, INVENTORIES, AND NEW ORDERS

Manufacturers' new orders for durable goods increased 1½ percent (seasonally adjusted) in May. New orders for nondurable goods rose 3⅓ percent to a record high. With an increase in manufacturers' inventories of \$0.5 billion and an increase in shipments of \$1.7 billion, the inventory-shipments ratio fell sharply from 1.76 to 1.71.

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

| Period                                   | Manufacturers' shipments <sup>1</sup> |               |                     | Manufacturers' inventories <sup>2</sup> |               |                     | Manufacturers' new orders <sup>1</sup> |               |                         |                     | Manufacturers' inventory-shipments ratio <sup>3</sup> |
|------------------------------------------|---------------------------------------|---------------|---------------------|-----------------------------------------|---------------|---------------------|----------------------------------------|---------------|-------------------------|---------------------|-------------------------------------------------------|
|                                          | 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 |                                       |               |                     |                                         |               |                     |                                        |               |                         |                     |                                                       |
| 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.....                                | <sup>4</sup> 43,969                   | 23,006        | <sup>4</sup> 20,963 | <sup>4</sup> 77,581                     | 50,037        | <sup>4</sup> 27,544 | <sup>4</sup> 45,106                    | 24,153        | 4,731                   | <sup>4</sup> 20,953 | 1.64                                                  |
| 1967.....                                | <sup>5</sup> 44,745                   | 23,123        | <sup>5</sup> 21,622 | 82,425                                  | 53,930        | 28,495              | <sup>5</sup> 44,999                    | 23,378        | 4,641                   | <sup>5</sup> 21,621 | 1.79                                                  |
| 1967: Apr.....                           | 43,753                                | 22,269        | 21,484              | 80,059                                  | 51,593        | 28,466              | 43,676                                 | 22,226        | 4,443                   | 21,450              | 1.83                                                  |
| May.....                                 | 44,620                                | 22,900        | 21,720              | 80,341                                  | 51,784        | 28,557              | 45,474                                 | 23,857        | 4,607                   | 21,617              | 1.80                                                  |
| June.....                                | 44,583                                | 23,052        | 21,531              | 80,119                                  | 51,809        | 28,310              | 45,757                                 | 24,263        | 4,794                   | 21,494              | 1.80                                                  |
| July.....                                | 44,865                                | 23,192        | 21,673              | 80,603                                  | 52,346        | 28,257              | 45,481                                 | 23,715        | 4,853                   | 21,766              | 1.80                                                  |
| Aug.....                                 | 45,148                                | 23,633        | 21,515              | 81,033                                  | 52,784        | 28,249              | 45,322                                 | 23,726        | 5,058                   | 21,596              | 1.79                                                  |
| Sept.....                                | 44,261                                | 22,949        | 21,312              | 80,841                                  | 52,572        | 28,269              | 44,818                                 | 23,416        | 4,665                   | 21,402              | 1.83                                                  |
| Oct.....                                 | 43,912                                | 22,311        | 21,601              | 81,106                                  | 52,918        | 28,188              | 44,975                                 | 23,381        | 4,614                   | 21,594              | 1.85                                                  |
| Nov.....                                 | 45,782                                | 23,487        | 22,295              | 81,796                                  | 53,506        | 28,290              | 45,882                                 | 23,545        | 4,791                   | 22,337              | 1.79                                                  |
| Dec.....                                 | 47,946                                | 25,290        | 22,656              | 82,425                                  | 53,930        | 28,495              | 49,264                                 | 26,492        | 4,827                   | 22,772              | 1.72                                                  |
| 1968: Jan.....                           | 47,785                                | 25,227        | 22,558              | 82,571                                  | 53,742        | 28,829              | 47,280                                 | 24,771        | 4,866                   | 22,509              | 1.73                                                  |
| Feb.....                                 | 47,243                                | 24,646        | 22,597              | 82,919                                  | 54,136        | 28,783              | 47,432                                 | 24,829        | 4,494                   | 22,603              | 1.76                                                  |
| Mar.....                                 | 48,186                                | 25,260        | 22,926              | 83,219                                  | 54,274        | 28,945              | 49,163                                 | 26,278        | 4,622                   | 22,885              | 1.73                                                  |
| Apr.....                                 | 47,742                                | 24,628        | 23,114              | 83,956                                  | 54,754        | 29,202              | 48,266                                 | 25,165        | 4,713                   | 23,101              | 1.76                                                  |
| May.....                                 | 49,420                                | 25,483        | 23,937              | 84,505                                  | 54,977        | 29,528              | 49,400                                 | 25,541        | 4,864                   | 23,859              | 1.71                                                  |
| June.....                                |                                       | *25,472       |                     |                                         |               |                     |                                        | *24,475       | 5,111                   |                     |                                                       |

<sup>1</sup> Monthly average for year and total for month.

<sup>2</sup> Book value, end of period, seasonally adjusted.

<sup>3</sup> 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.

\*Not charted.

<sup>4</sup> Series revised beginning 1966.

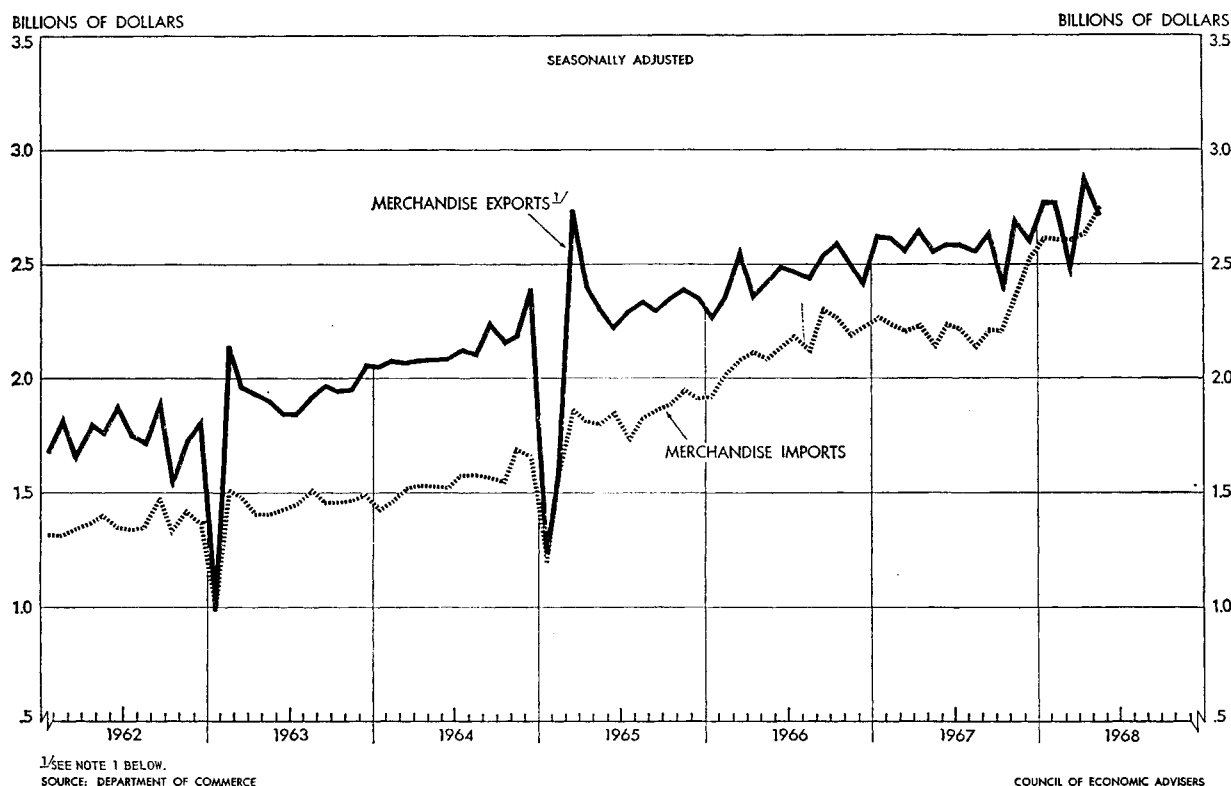
<sup>5</sup> Series revised beginning 1967.

NOTE.—Data for Alaska and Hawaii included beginning 1958.

Source: Department of Commerce.

# MERCHANDISE EXPORTS AND IMPORTS

The U.S. merchandise trade balance in May recorded a deficit of \$32 million (seasonally adjusted) as a result of higher imports and lower exports.



[Millions of dollars]

| Period              | Merchandise exports                      |                     |                    |                              |                          |                    | Merchandise imports          |            |                              |                           |                    | Gross-merchandise trade surplus, seasonally adjusted |
|---------------------|------------------------------------------|---------------------|--------------------|------------------------------|--------------------------|--------------------|------------------------------|------------|------------------------------|---------------------------|--------------------|------------------------------------------------------|
|                     | Total (including reexports) <sup>1</sup> |                     | Domestic exports   |                              |                          |                    | General imports <sup>2</sup> |            |                              |                           |                    |                                                      |
|                     |                                          |                     | Total <sup>1</sup> | Food, beverages, and tobacco | Crude materials and fuel | Manufactured goods | Total <sup>3</sup>           |            | Food, beverages, and tobacco | Crude materials and fuels | Manufactured goods |                                                      |
| Seasonally adjusted | Unadjusted                               | Seasonally adjusted |                    |                              |                          |                    | Unadjusted                   |            |                              |                           |                    |                                                      |
| Monthly average:    |                                          |                     |                    |                              |                          |                    |                              |            |                              |                           |                    |                                                      |
| 1959-----           |                                          | 1,368               | 1,353              | 239                          | 252                      | 897                |                              | 1,302      | 298                          | 382                       | 591                | 66                                                   |
| 1960-----           |                                          | 1,636               | 1,620              | 264                          | 329                      | 1,047              |                              | 1,251      | 283                          | 365                       | 571                | 385                                                  |
| 1961-----           |                                          | 1,682               | 1,662              | 289                          | 322                      | 1,062              |                              | 1,226      | 288                          | 359                       | 544                | 456                                                  |
| 1962-----           |                                          | 1,748               | 1,725              | 312                          | 280                      | 1,138              |                              | 1,366      | 306                          | 387                       | 636                | 382                                                  |
| 1963-----           |                                          | 1,869               | 1,845              | 349                          | 315                      | 1,188              |                              | 1,428      | 322                          | 391                       | 672                | 441                                                  |
| 1964-----           |                                          | 2,141               | 2,111              | 387                          | 361                      | 1,366              |                              | 1,557      | 335                          | 415                       | 758                | 584                                                  |
| 1965-----           |                                          | 2,225               | 2,196              | 377                          | 356                      | 1,449              |                              | 1,780      | 334                          | 449                       | 936                | 444                                                  |
| 1966-----           |                                          | 2,448               | 2,412              | 432                          | 367                      | 1,592              |                              | 2,129      | 382                          | 473                       | 1,201              | 320                                                  |
| 1967-----           |                                          | 2,578               | 2,546              | 393                          | 394                      | 1,729              |                              | 2,235      | 392                          | 445                       | 1,310              | 344                                                  |
|                     |                                          |                     | Unadjusted         |                              |                          |                    |                              | Unadjusted |                              |                           |                    |                                                      |
| 1967: Apr..         | 2,654                                    | 2,666               | 2,630              | 387                          | 377                      | 1,829              | 2,226                        | 2,091      | 385                          | 428                       | 1,182              | 428                                                  |
| May.....            | 2,547                                    | 2,683               | 2,650              | 387                          | 421                      | 1,822              | 2,140                        | 2,222      | 352                          | 454                       | 1,330              | 407                                                  |
| June.....           | 2,576                                    | 2,618               | 2,586              | 382                          | 410                      | 1,779              | 2,227                        | 2,270      | 389                          | 458                       | 1,334              | 349                                                  |
| July.....           | 2,584                                    | 2,376               | 2,347              | 363                          | 377                      | 1,581              | 2,208                        | 2,127      | 366                          | 396                       | 1,273              | 376                                                  |
| Aug.....            | 2,548                                    | 2,395               | 2,358              | 366                          | 383                      | 1,559              | 2,125                        | 2,166      | 372                          | 444                       | 1,263              | 423                                                  |
| Sept.....           | 2,643                                    | 2,505               | 2,473              | 404                          | 364                      | 1,688              | 2,208                        | 2,112      | 362                          | 413                       | 1,245              | 434                                                  |
| Oct.....            | 2,392                                    | 2,440               | 2,411              | 390                          | 408                      | 1,595              | 2,202                        | 2,342      | 417                          | 445                       | 1,367              | 191                                                  |
| Nov.....            | 2,692                                    | 2,761               | 2,730              | 481                          | 452                      | 1,767              | 2,376                        | 2,435      | 409                          | 437                       | 1,482              | 316                                                  |
| Dec.....            | 2,604                                    | 2,813               | 2,782              | 425                          | 373                      | 1,935              | 2,525                        | 2,431      | 439                          | 478                       | 1,431              | 79                                                   |
| 1968: Jan..         | 2,785                                    | 2,674               | 2,645              | 398                          | 377                      | 1,828              | 2,609                        | 2,728      | 441                          | 506                       | 1,692              | 176                                                  |
| Feb.....            | 2,773                                    | 2,667               | 2,636              | 407                          | 387                      | 1,833              | 2,602                        | 2,448      | 421                          | 444                       | 1,496              | 171                                                  |
| Mar.....            | 2,455                                    | 2,639               | 2,601              | 391                          | 412                      | 1,767              | 2,612                        | 2,558      | 395                          | 487                       | 1,598              | -158                                                 |
| Apr.....            | 2,888                                    | 2,944               | 2,908              | 381                          | 426                      | 2,074              | 2,640                        | 2,755      | 455                          | 466                       | 1,728              | 248                                                  |
| May.....            | 2,720                                    | 2,944               | 2,907              | 366                          | 417                      | 2,076              | 2,752                        | 2,815      | 451                          | 488                       | 1,772              | -32                                                  |

<sup>1</sup> Total excludes Department of Defense shipments of grant-aid military supplies and equipment under the Military Assistance Program.  
<sup>2</sup> Total arrivals of imported goods other than intransit shipments.

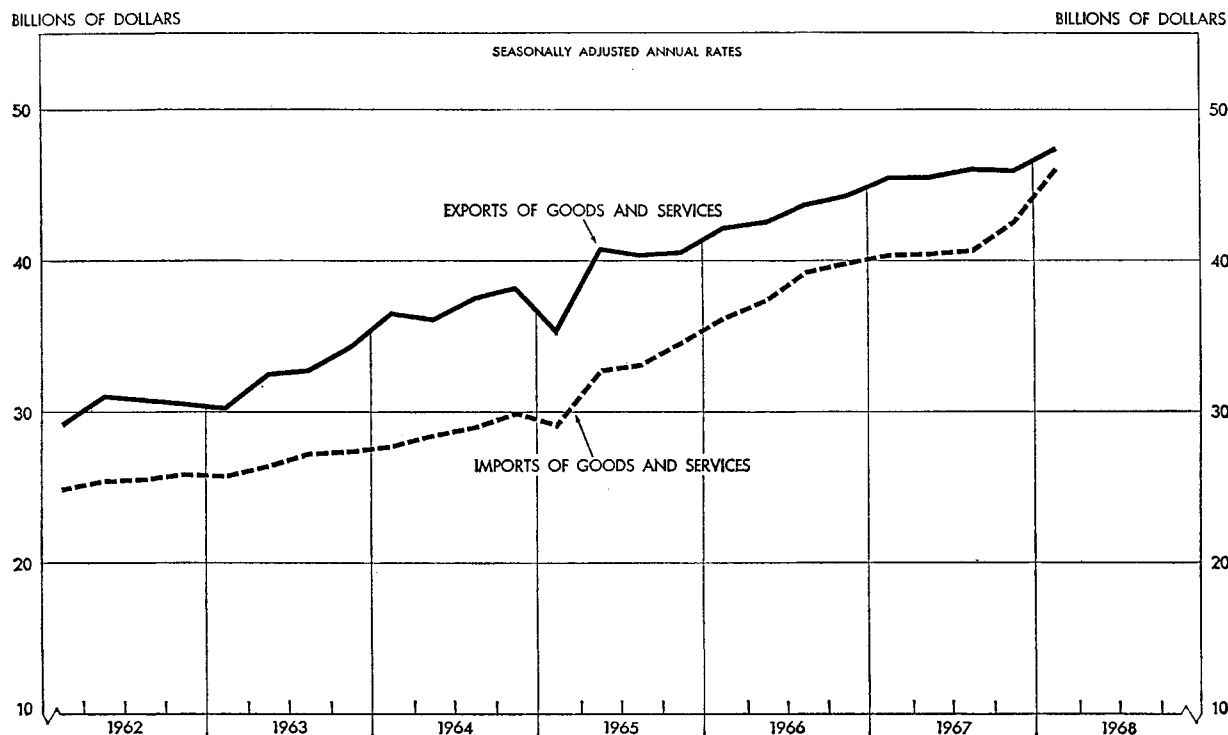
<sup>3</sup> Total includes commodities and transactions not classified according to kind.

NOTE.—Because of revisions subgroups do not include all data in totals. Data include uranium ore and thorium.

Source: Department of Commerce.

# U.S. EXPORTS AND IMPORTS OF GOODS AND SERVICES

The surplus in the balance on goods and services declined sharply to a level of \$1.5 billion (seasonally adjusted annual rate) in the first quarter.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

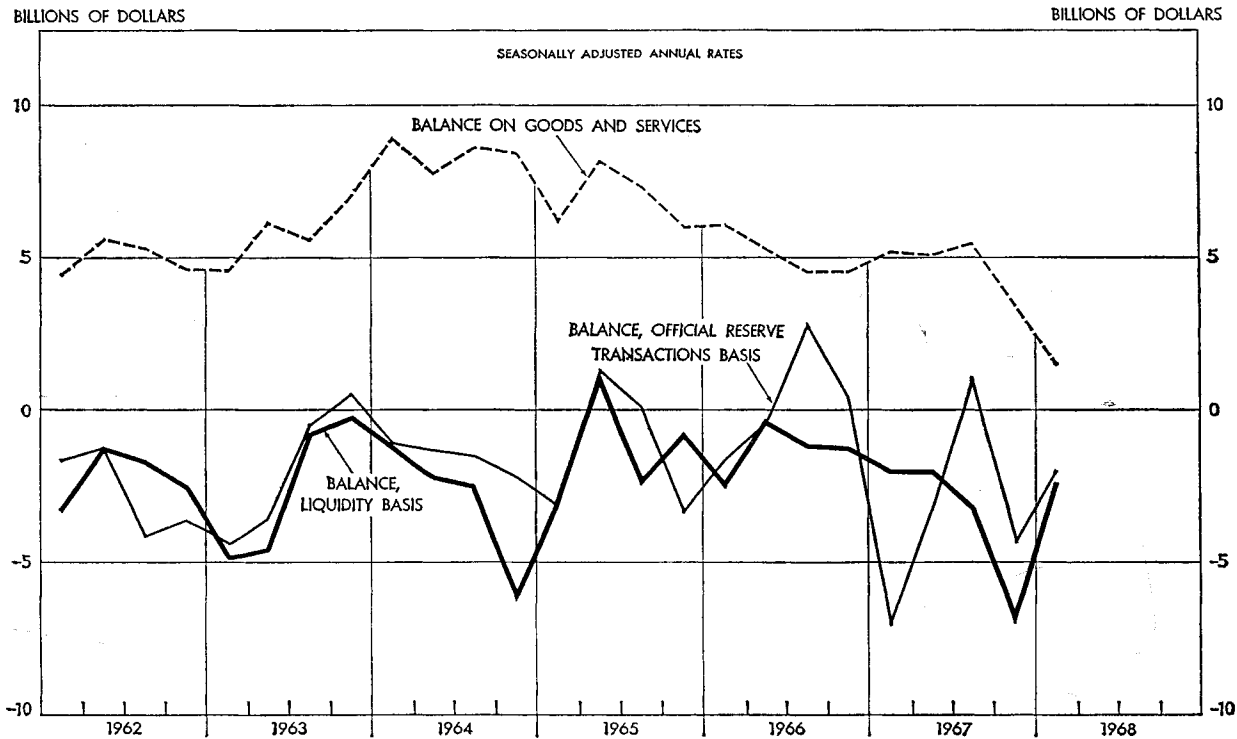
| Period                           | Exports of goods and services |                          |                |                       |     |                | Imports of goods and services |                          |                       |                | Balance on goods and services |
|----------------------------------|-------------------------------|--------------------------|----------------|-----------------------|-----|----------------|-------------------------------|--------------------------|-----------------------|----------------|-------------------------------|
|                                  | Total                         | Merchandise <sup>1</sup> | Military sales | Income on investments |     | Other services | Total                         | Merchandise <sup>1</sup> | Military expenditures | Other services |                               |
| 1963.....                        | 32,432                        | 22,071                   | 657            | 4,151                 | 498 | 5,055          | 26,620                        | 17,014                   | 2,961                 | 6,645          | 5,812                         |
| 1964.....                        | 37,098                        | 25,297                   | 747            | 4,930                 | 456 | 5,668          | 28,688                        | 18,648                   | 2,876                 | 7,164          | 8,409                         |
| 1965.....                        | 39,196                        | 26,244                   | 830            | 5,384                 | 509 | 6,229          | 32,295                        | 21,516                   | 2,945                 | 7,834          | 6,901                         |
| 1966.....                        | 43,142                        | 29,176                   | 829            | 5,659                 | 593 | 6,885          | 38,063                        | 25,541                   | 3,735                 | 8,787          | 5,080                         |
| 1967.....                        | 45,756                        | 30,468                   | 1,240          | 6,235                 | 624 | 7,189          | 40,989                        | 26,991                   | 4,340                 | 9,658          | 4,768                         |
| Seasonally adjusted annual rates |                               |                          |                |                       |     |                |                               |                          |                       |                |                               |
| 1966: III.....                   | 43,648                        | 29,476                   | 820            | 5,768                 | 588 | 6,996          | 39,112                        | 26,268                   | 3,848                 | 8,996          | 4,536                         |
| IV.....                          | 44,236                        | 29,760                   | 820            | 5,996                 | 596 | 7,064          | 39,716                        | 26,700                   | 3,916                 | 9,100          | 4,520                         |
| 1967: I.....                     | 45,484                        | 30,644                   | 1,340          | 5,772                 | 604 | 7,124          | 40,312                        | 26,744                   | 4,288                 | 9,280          | 5,172                         |
| II.....                          | 45,508                        | 30,812                   | 1,344          | 5,564                 | 660 | 7,128          | 40,432                        | 26,420                   | 4,260                 | 9,752          | 5,076                         |
| III.....                         | 46,052                        | 30,504                   | 980            | 6,684                 | 624 | 7,260          | 40,616                        | 26,164                   | 4,392                 | 10,060         | 5,436                         |
| IV.....                          | 45,984                        | 29,912                   | 1,292          | 6,916                 | 612 | 7,252          | 42,592                        | 28,636                   | 4,416                 | 9,540          | 3,392                         |
| 1968: I <sup>2</sup> .....       | 47,468                        | 31,696                   | 1,224          | 6,252                 | 792 | 7,504          | 45,972                        | 31,360                   | 4,432                 | 10,180         | 1,496                         |

<sup>1</sup> Adjusted from customs data for differences in timing and coverage.

Source: Department of Commerce.

## U.S. BALANCE OF INTERNATIONAL PAYMENTS

The U.S. deficit on the liquidity basis was reduced markedly to a \$2.4 billion level (seasonally adjusted annual rate) in the first quarter. On the official reserve transactions basis, the first quarter deficit was at a \$2.0 billion level, less than half the deficit recorded in the fourth quarter of 1967.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

| Period                           | U.S. Government grants and capital, net <sup>1</sup> | U.S. private capital, net |                 |            | Foreign capital, net <sup>1</sup> | Errors and unrecorded transactions | Balance                      |                                                  | Changes in selected liabilities (decrease (-) <sup>4</sup> |            |                                       | Changes in gold, convertible currencies, and IMF gold tranche position (increase (-) <sup>5</sup> |
|----------------------------------|------------------------------------------------------|---------------------------|-----------------|------------|-----------------------------------|------------------------------------|------------------------------|--------------------------------------------------|------------------------------------------------------------|------------|---------------------------------------|---------------------------------------------------------------------------------------------------|
|                                  |                                                      | Direct investment         | Other long-term | Short-term |                                   |                                    | Liquidity basis <sup>2</sup> | Official reserve transactions basis <sup>3</sup> | To foreign official holders <sup>5</sup>                   |            | To other foreign holders <sup>6</sup> |                                                                                                   |
|                                  |                                                      |                           |                 |            |                                   |                                    |                              |                                                  | Liquid                                                     | Non-liquid |                                       |                                                                                                   |
| 1963                             | -3,578                                               | -1,976                    | -1,698          | -784       | 690                               | -244                               | -2,670                       | -2,011                                           | 1,673                                                      | -39        | 620                                   | 377                                                                                               |
| 1964                             | -3,564                                               | -2,328                    | -2,103          | -2,147     | 689                               | -860                               | -2,800                       | -1,564                                           | 1,075                                                      | 318        | 1,554                                 | 171                                                                                               |
| 1965                             | -3,370                                               | -3,468                    | -1,079          | 753        | 271                               | -315                               | -1,335                       | -1,289                                           | -18                                                        | 85         | 131                                   | 1,222                                                                                             |
| 1966                             | -3,444                                               | -3,623                    | -256            | -418       | 2,532                             | -210                               | -1,357                       | 266                                              | -1,595                                                     | 761        | 2,384                                 | 568                                                                                               |
| 1967                             | -4,211                                               | -3,020                    | -1,270          | -1,214     | 3,185                             | -532                               | -3,571                       | -3,405                                           | 2,062                                                      | 1,291      | 1,457                                 | 52                                                                                                |
| Seasonally adjusted annual rates |                                                      |                           |                 |            |                                   |                                    |                              |                                                  | Quarterly totals, unadjusted                               |            |                                       |                                                                                                   |
| 1966:                            |                                                      |                           |                 |            |                                   |                                    |                              |                                                  |                                                            |            |                                       |                                                                                                   |
| III                              | -2,992                                               | -3,488                    | -28             | -524       | 1,500                             | 924                                | -1,204                       | 2,768                                            | -598                                                       | 90         | 1,211                                 | 82                                                                                                |
| IV                               | -2,988                                               | -4,216                    | 244             | -680       | 3,184                             | -408                               | -1,332                       | 396                                              | -199                                                       | 390        | 671                                   | -6                                                                                                |
| 1967:                            |                                                      |                           |                 |            |                                   |                                    |                              |                                                  |                                                            |            |                                       |                                                                                                   |
| I                                | -4,704                                               | -2,612                    | -696            | -592       | 3,460                             | -1,000                             | -2,020                       | -7,056                                           | -80                                                        | 332        | -709                                  | 1,027                                                                                             |
| II                               | -4,156                                               | -2,604                    | -724            | -1,088     | 4,808                             | -1,832                             | -2,088                       | -3,224                                           | 544                                                        | 580        | 95                                    | -419                                                                                              |
| III                              | -3,952                                               | -3,608                    | -2,024          | -1,520     | 3,064                             | 828                                | -3,208                       | 988                                              | 281                                                        | 119        | 1,306                                 | -375                                                                                              |
| IV                               | -4,032                                               | -3,260                    | -1,632          | -1,656     | 1,412                             | -136                               | -6,968                       | -4,328                                           | 1,317                                                      | 260        | 765                                   | -181                                                                                              |
| 1968:                            |                                                      |                           |                 |            |                                   |                                    |                              |                                                  |                                                            |            |                                       |                                                                                                   |
| I                                | -4,652                                               | -1,872                    | -640            | -332       | 5,244                             | -592                               | -2,424                       | -2,040                                           | -1,358                                                     | 364        | 678                                   | 7904                                                                                              |

<sup>1</sup> Includes certain special Government transactions.

<sup>2</sup> 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.

<sup>3</sup> 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.

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

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

<sup>6</sup> Private holders; includes banks and international and regional organizations; excludes IMF.

<sup>7</sup> On March 31, U.S. reserve assets consisted of gold stock, \$10,703 million (down \$1,862 million from December 31); IMF position including gold portion of increased U.S. subscription, \$477 million; convertible currencies, \$2,746 million.

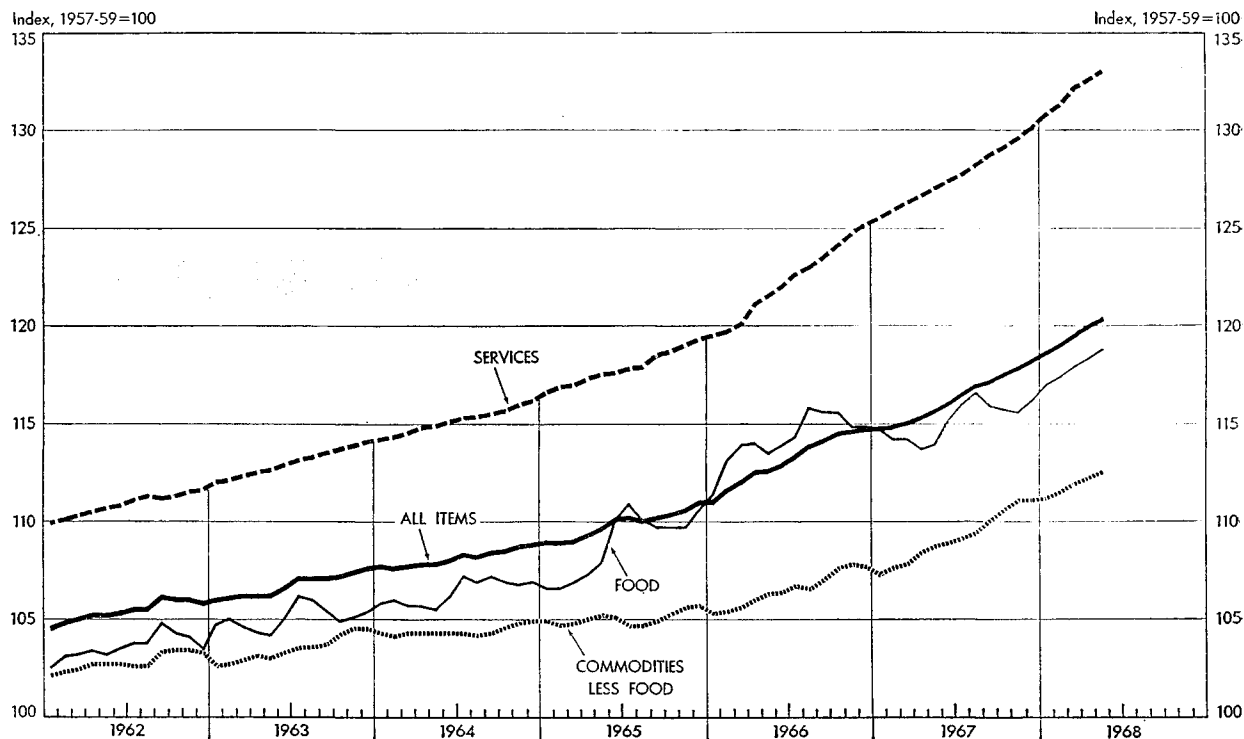
NOTE.—Data exclude military grant-aid and U.S. subscriptions to IMF.

Source: Department of Commerce.

# PRICES

## CONSUMER PRICES

Consumer prices rose rapidly again in May with another gain of 0.3 percent. Food and services prices increased by 0.4 percent each, while nondurables other than food rose 0.5 percent. Durable goods prices were unchanged.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

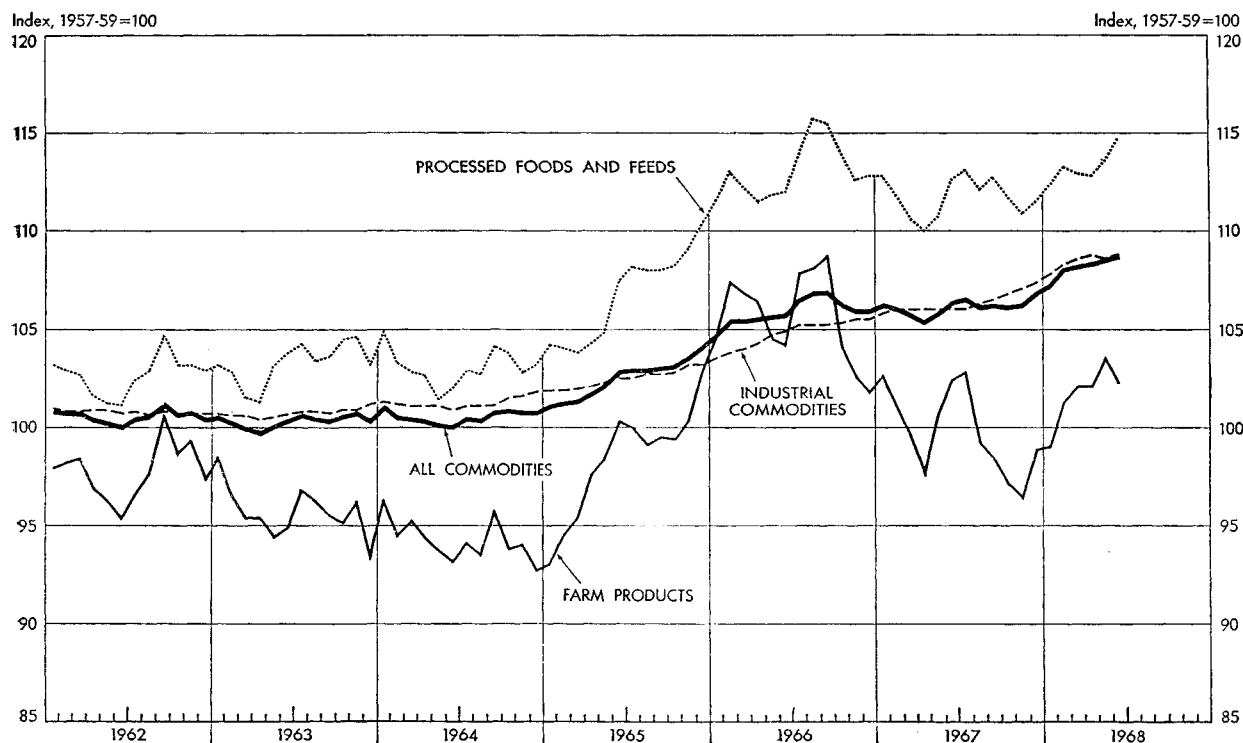
[1957-59=100]

| Period     | All items | Commodities     |       |                       |         |             | Services     |       |                    |
|------------|-----------|-----------------|-------|-----------------------|---------|-------------|--------------|-------|--------------------|
|            |           | All commodities | Food  | Commodities less food |         |             | All services | Rent  | Services less rent |
|            |           |                 |       | All                   | Durable | Non-durable |              |       |                    |
| 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              |
| 1967       | 116.3     | 111.2           | 115.2 | 109.2                 | 104.3   | 113.1       | 127.7        | 112.4 | 131.1              |
| 1967: Apr. | 115.3     | 110.2           | 113.7 | 108.4                 | 103.4   | 112.4       | 126.6        | 111.9 | 130.0              |
| May        | 115.6     | 110.5           | 113.9 | 108.7                 | 103.9   | 112.7       | 127.0        | 112.1 | 130.4              |
| June       | 116.0     | 111.0           | 115.1 | 108.9                 | 104.1   | 112.7       | 127.4        | 112.2 | 130.8              |
| July       | 116.5     | 111.5           | 116.0 | 109.1                 | 104.4   | 112.8       | 127.7        | 112.4 | 131.2              |
| Aug.       | 116.9     | 111.9           | 116.6 | 109.4                 | 104.7   | 113.2       | 128.2        | 112.6 | 131.7              |
| Sept.      | 117.1     | 112.0           | 115.9 | 110.0                 | 104.8   | 114.1       | 128.7        | 112.8 | 132.3              |
| Oct.       | 117.5     | 112.4           | 115.7 | 110.6                 | 105.7   | 114.5       | 129.1        | 113.0 | 132.7              |
| Nov.       | 117.8     | 112.6           | 115.6 | 111.1                 | 106.0   | 115.2       | 129.6        | 113.2 | 133.2              |
| Dec.       | 118.2     | 112.9           | 116.2 | 111.1                 | 106.1   | 115.2       | 130.1        | 113.5 | 133.8              |
| 1968: Jan. | 118.6     | 113.2           | 117.0 | 111.2                 | 106.3   | 115.1       | 130.8        | 113.7 | 134.6              |
| Feb.       | 119.0     | 113.5           | 117.4 | 111.5                 | 106.4   | 115.6       | 131.3        | 113.9 | 135.2              |
| Mar.       | 119.5     | 113.9           | 117.9 | 111.9                 | 106.6   | 116.1       | 132.1        | 114.2 | 136.1              |
| Apr.       | 119.9     | 114.3           | 118.3 | 112.2                 | 106.9   | 116.4       | 132.5        | 114.4 | 136.6              |
| May        | 120.3     | 114.7           | 118.8 | 112.5                 | 106.9   | 117.0       | 133.0        | 114.6 | 137.1              |

Source: Department of Labor.

## WHOLESALE PRICES

The wholesale price index increased slightly again (0.2 percent) in June, according to preliminary estimates. A 1.3 percent decline in farm product prices (the first decrease since November) was more than offset by a 1 percent rise in processed foods and feeds and an 0.2 percent rise in industrial commodities, which had declined in May for the first time in nearly 4 years.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[1957-59=100]

| Period                  | All commodities | Farm products | Processed foods and feeds | Industrial commodities       |                 |                                     |                         |                                        |             |
|-------------------------|-----------------|---------------|---------------------------|------------------------------|-----------------|-------------------------------------|-------------------------|----------------------------------------|-------------|
|                         |                 |               |                           | All industrials <sup>1</sup> | Crude materials | Intermediate materials <sup>2</sup> | Producer finished goods | Consumer finished goods excluding food |             |
|                         |                 |               |                           |                              |                 |                                     |                         | Durable                                | Non-durable |
| 1958.....               | 100.4           | 103.6         | 102.5                     | 99.5                         | 96.9            | 99.4                                | 100.2                   | 100.1                                  | 99.3        |
| 1959.....               | 100.6           | 97.2          | 99.9                      | 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          | 101.6                     | 100.8                        | 97.2            | 100.1                               | 102.5                   | 100.5                                  | 101.5       |
| 1962.....               | 100.6           | 97.7          | 102.7                     | 100.8                        | 95.6            | 99.9                                | 102.9                   | 100.0                                  | 101.6       |
| 1963.....               | 100.3           | 95.7          | 103.3                     | 100.7                        | 94.3            | 99.6                                | 103.1                   | 99.5                                   | 101.9       |
| 1964.....               | 100.5           | 94.3          | 103.1                     | 101.2                        | 97.1            | 100.2                               | 104.1                   | 99.9                                   | 101.6       |
| 1965.....               | 102.5           | 98.4          | 106.7                     | 102.5                        | 100.9           | 101.5                               | 105.4                   | 99.6                                   | 102.8       |
| 1966.....               | 105.9           | 105.6         | 113.0                     | 104.7                        | 104.5           | 103.6                               | 108.0                   | 100.2                                  | 104.8       |
| 1967.....               | 106.1           | 99.7          | 111.7                     | 106.3                        | 100.0           | 104.8                               | 111.5                   | 101.7                                  | 107.2       |
| 1967: May.....          | 105.8           | 100.7         | 110.7                     | 106.0                        | 99.4            | 104.5                               | 111.1                   | 101.3                                  | 106.9       |
| June.....               | 106.3           | 102.4         | 112.6                     | 106.0                        | 99.4            | 104.4                               | 111.2                   | 101.0                                  | 107.2       |
| July.....               | 106.5           | 102.8         | 113.1                     | 106.0                        | 99.0            | 104.5                               | 111.2                   | 101.1                                  | 107.4       |
| Aug.....                | 106.1           | 99.2          | 112.1                     | 106.3                        | 99.0            | 104.6                               | 111.4                   | 101.2                                  | 108.0       |
| Sept.....               | 106.2           | 98.4          | 112.7                     | 106.5                        | 99.5            | 104.9                               | 111.6                   | 101.4                                  | 108.0       |
| Oct.....                | 106.1           | 97.1          | 111.7                     | 106.8                        | 99.4            | 105.0                               | 112.6                   | 102.8                                  | 107.8       |
| Nov.....                | 106.2           | 96.4          | 110.9                     | 107.1                        | 100.6           | 105.5                               | 113.0                   | 103.0                                  | 107.9       |
| Dec.....                | 106.8           | 98.9          | 111.5                     | 107.4                        | 101.3           | 105.9                               | 113.4                   | 103.0                                  | 108.0       |
| 1968: Jan.....          | 107.2           | 99.0          | 112.4                     | 107.8                        | 101.4           | 106.3                               | 114.0                   | 103.5                                  | 108.0       |
| Feb.....                | 108.0           | 101.3         | 113.3                     | 108.3                        | 102.4           | 107.0                               | 114.2                   | 103.5                                  | 108.4       |
| Mar.....                | 108.2           | 102.1         | 112.9                     | 108.6                        | 103.1           | 107.3                               | 114.4                   | 103.6                                  | 108.6       |
| Apr.....                | 108.3           | 102.1         | 112.8                     | 108.8                        | 101.7           | 107.5                               | 114.8                   | 103.5                                  | 109.0       |
| May.....                | 108.5           | 103.6         | 113.6                     | 108.6                        | 100.5           | 107.3                               | 114.9                   | 103.4                                  | 109.1       |
| June <sup>a</sup> ..... | 108.7           | 102.3         | 114.7                     | 108.8                        |                 |                                     |                         |                                        |             |

<sup>a</sup> Coverage of the subgroups does not correspond exactly to coverage of this index.

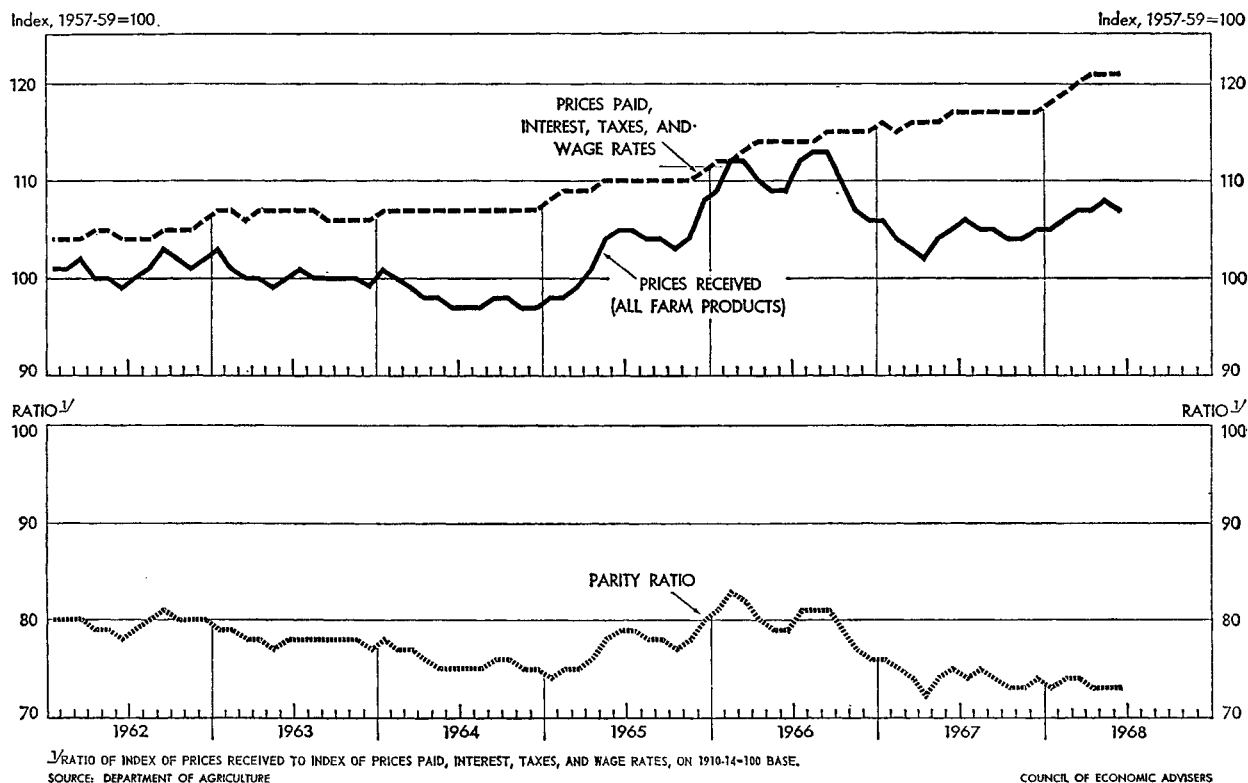
<sup>b</sup> Excludes intermediate materials for food manufacturing and manufactured animal feeds; includes, in part, grain products for further processing.

NOTE.—Beginning January 1967, the indexes incorporate a revised weighting structure reflecting 1963 values of shipments. The classification structure also changed.

Source: Department of Labor.

## PRICES RECEIVED AND PAID BY FARMERS

During the month ended June 15, prices received by farmers decreased 1 percent as lower prices received for wheat and milk were only partially offset by higher prices for hogs and eggs. Prices paid were again unchanged and the parity ratio remained at 73.



| Period             | Prices received by farmers |       |                        | Prices paid by farmers                     |                     |                  | Parity ratio <sup>1</sup> |                       |
|--------------------|----------------------------|-------|------------------------|--------------------------------------------|---------------------|------------------|---------------------------|-----------------------|
|                    | All farm products          | Crops | Livestock and products | All items, interest, taxes, and wage rates | Family living items | Production items | Actual                    | Adjusted <sup>2</sup> |
| Index, 1957-59=100 |                            |       |                        |                                            |                     |                  |                           |                       |
| 1958.....          | 104                        | 100   | 106                    | 100                                        | 100                 | 100              | 85                        | 88                    |
| 1959.....          | 100                        | 99    | 100                    | 102                                        | 101                 | 102              | 81                        | 82                    |
| 1960.....          | 99                         | 99    | 98                     | 102                                        | 102                 | 101              | 80                        | 81                    |
| 1961.....          | 99                         | 102   | 98                     | 103                                        | 102                 | 101              | 80                        | 83                    |
| 1962.....          | 101                        | 104   | 99                     | 105                                        | 103                 | 103              | 80                        | 83                    |
| 1963.....          | 100                        | 107   | 95                     | 107                                        | 104                 | 104              | 78                        | 81                    |
| 1964.....          | 98                         | 107   | 91                     | 107                                        | 105                 | 103              | 76                        | 80                    |
| 1965.....          | 103                        | 104   | 101                    | 110                                        | 107                 | 105              | 77                        | 82                    |
| 1966.....          | 110                        | 106   | 113                    | 114                                        | 110                 | 108              | 80                        | 86                    |
| 1967.....          | 104                        | 100   | 107                    | 116                                        | 113                 | 109              | 74                        | 79                    |
| 1967: May 15.....  | 104                        | 99    | 108                    | 116                                        | 112                 | 109              | 74                        | 79                    |
| June 15.....       | 105                        | 102   | 108                    | 117                                        | 112                 | 110              | 75                        | 80                    |
| July 15.....       | 106                        | 99    | 110                    | 117                                        | 113                 | 110              | 74                        | 80                    |
| Aug 15.....        | 105                        | 99    | 110                    | 117                                        | 113                 | 108              | 75                        | 80                    |
| Sept 15.....       | 105                        | 98    | 110                    | 117                                        | 113                 | 109              | 74                        | 79                    |
| Oct 15.....        | 104                        | 101   | 107                    | 117                                        | 113                 | 109              | 73                        | 78                    |
| Nov 15.....        | 104                        | 102   | 105                    | 117                                        | 114                 | 109              | 73                        | 78                    |
| Dec 15.....        | 105                        | 103   | 105                    | 117                                        | 114                 | 109              | 74                        | 79                    |
| 1968: Jan 15.....  | 105                        | 103   | 107                    | 118                                        | 115                 | 110              | 73                        | 79                    |
| Feb 15.....        | 106                        | 102   | 109                    | 119                                        | 115                 | 111              | 74                        | 80                    |
| Mar 15.....        | 107                        | 103   | 109                    | 120                                        | 116                 | 111              | 74                        | 79                    |
| Apr 15.....        | 107                        | 104   | 109                    | 121                                        | 117                 | 111              | 73                        | 79                    |
| May 15.....        | 108                        | 105   | 109                    | 121                                        | 117                 | 112              | 73                        | 79                    |
| June 15.....       | 107                        | 103   | 111                    | 121                                        | 117                 | 112              | 73                        | 79                    |

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

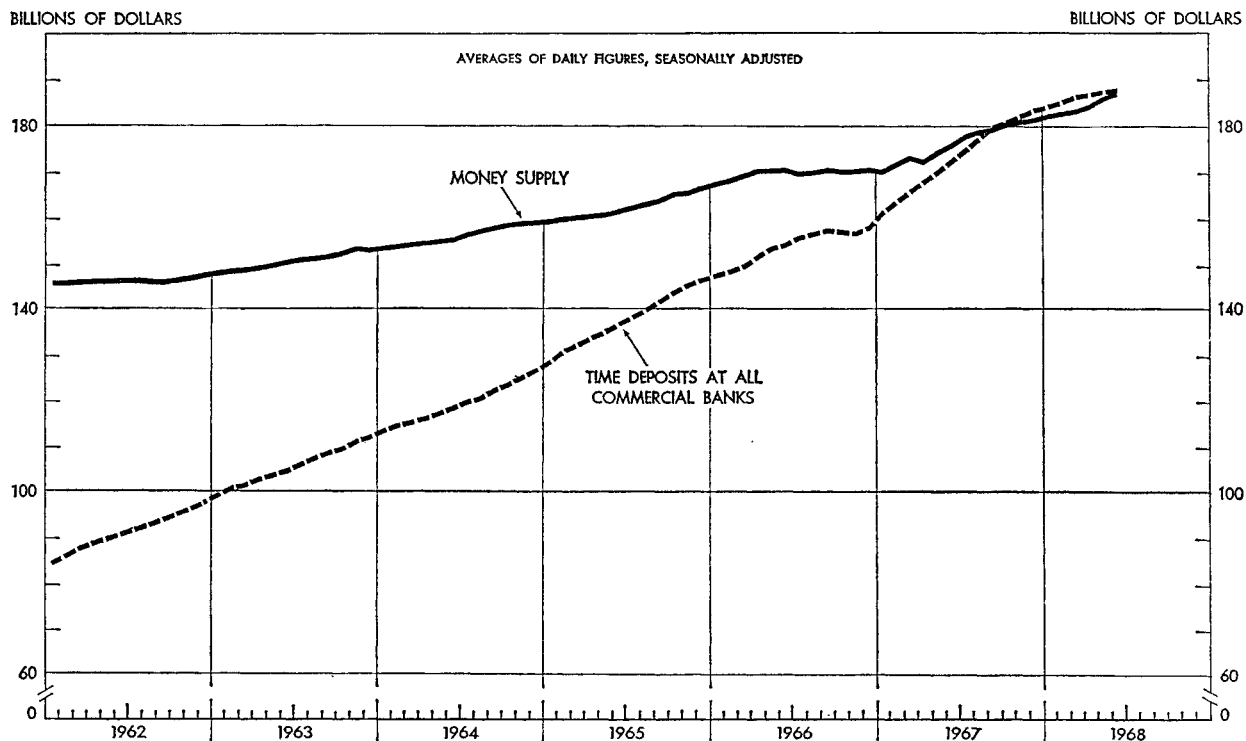
<sup>2</sup> The adjusted parity ratio reflects Government payments made directly to farmers.

Source: Department of Agriculture.

# MONEY, CREDIT, AND SECURITY MARKETS

## MONEY SUPPLY

The seasonally adjusted money supply increased \$1.1 billion in June. Time deposits, however, rose only \$0.5 billion, continuing the slower growth rate evident in recent months.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Averages of daily figures, billions of dollars]

| Period         | Money supply        |                                   |                              |                                    | Money supply |                                   |                              |                                    | U.S. Gov-<br>ern-<br>ment<br>demand<br>deposits <sup>1</sup> |
|----------------|---------------------|-----------------------------------|------------------------------|------------------------------------|--------------|-----------------------------------|------------------------------|------------------------------------|--------------------------------------------------------------|
|                | Total               | Currency<br>out-<br>side<br>banks | De-<br>mand<br>de-<br>posits | Time<br>de-<br>posits <sup>1</sup> | Total        | Currency<br>out-<br>side<br>banks | De-<br>mand<br>de-<br>posits | Time<br>de-<br>posits <sup>1</sup> |                                                              |
|                | Seasonally adjusted |                                   |                              |                                    | Unadjusted   |                                   |                              |                                    |                                                              |
| 1962: Dec..... | 147.4               | 30.6                              | 116.8                        | 97.8                               | 151.6        | 31.2                              | 120.3                        | 96.7                               | 5.6                                                          |
| 1963: Dec..... | 153.0               | 32.5                              | 120.5                        | 112.2                              | 157.3        | 33.1                              | 124.1                        | 111.0                              | 5.1                                                          |
| 1964: Dec..... | 159.3               | 34.2                              | 125.1                        | 126.6                              | 164.0        | 35.0                              | 129.1                        | 125.2                              | 5.5                                                          |
| 1965: Dec..... | 166.8               | 36.3                              | 130.5                        | 146.6                              | 172.0        | 37.1                              | 134.9                        | 145.2                              | 4.6                                                          |
| 1966: Dec..... | 170.4               | 38.3                              | 132.1                        | 158.1                              | 175.8        | 39.1                              | 136.7                        | 156.9                              | 3.4                                                          |
| 1967: Dec..... | 181.3               | 40.4                              | 140.9                        | 183.5                              | 187.1        | 41.2                              | 145.9                        | 182.0                              | 5.0                                                          |
| 1967: Apr..... | 172.5               | 39.0                              | 133.5                        | 168.1                              | 173.6        | 38.6                              | 134.9                        | 168.8                              | 4.8                                                          |
| May.....       | 174.4               | 39.1                              | 135.3                        | 170.1                              | 171.0        | 38.8                              | 132.2                        | 170.8                              | 6.6                                                          |
| June.....      | 176.0               | 39.3                              | 136.7                        | 172.6                              | 174.2        | 39.2                              | 135.0                        | 173.0                              | 4.0                                                          |
| July.....      | 177.8               | 39.4                              | 138.4                        | 174.8                              | 175.7        | 39.6                              | 136.2                        | 175.2                              | 5.7                                                          |
| Aug.....       | 178.9               | 39.5                              | 139.4                        | 177.2                              | 175.8        | 39.6                              | 136.2                        | 177.8                              | 4.3                                                          |
| Sept.....      | 179.1               | 39.7                              | 139.4                        | 179.4                              | 178.3        | 39.7                              | 138.5                        | 179.0                              | 5.0                                                          |
| Oct.....       | 180.2               | 39.9                              | 140.2                        | 180.6                              | 180.5        | 40.0                              | 140.5                        | 180.4                              | 6.3                                                          |
| Nov.....       | 181.0               | 40.1                              | 141.0                        | 182.0                              | 182.4        | 40.4                              | 141.9                        | 181.3                              | 5.3                                                          |
| Dec.....       | 181.3               | 40.4                              | 140.9                        | 183.5                              | 187.1        | 41.2                              | 145.9                        | 182.0                              | 5.0                                                          |
| 1968: Jan..... | 182.3               | 40.6                              | 141.7                        | 184.1                              | 187.6        | 40.5                              | 147.1                        | 183.7                              | 5.0                                                          |
| Feb.....       | 182.7               | 40.7                              | 141.9                        | 185.2                              | 181.4        | 40.3                              | 141.1                        | 185.8                              | 7.2                                                          |
| Mar.....       | 183.4               | 41.1                              | 142.2                        | 186.7                              | 182.0        | 40.7                              | 141.2                        | 187.7                              | 6.6                                                          |
| Apr.....       | 184.3               | 41.4                              | 143.0                        | 187.1                              | 185.6        | 41.1                              | 144.5                        | 187.9                              | 4.2                                                          |
| May.....       | 186.1               | 41.6                              | 144.5                        | 187.6                              | 182.5        | 41.4                              | 141.1                        | 188.4                              | 6.4                                                          |
| June.....      | 187.2               | 42.0                              | 145.3                        | 188.1                              | 185.4        | 41.9                              | 143.5                        | 188.5                              | 5.4                                                          |

<sup>1</sup> Deposits at all commercial banks.

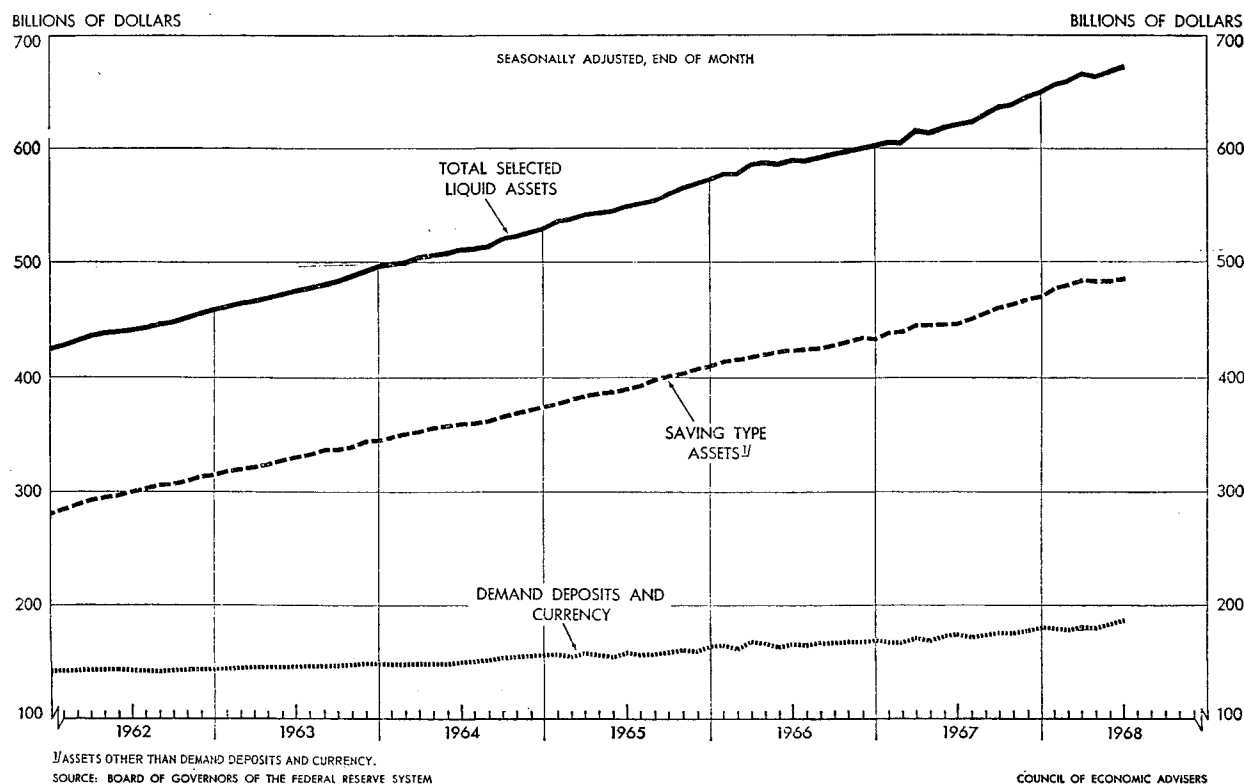
Data include Alaska and Hawaii.

NOTE: Series revised beginning 1963. For details, see *Federal Reserve Bulletin*, June 1968. Effective June 9, 1966, balances accumulated for payment of personal loans (about \$1.1 billion) are excluded from time deposits and from loans at all commercial banks.

Source: Board of Governors of the Federal Reserve System.

## SELECTED LIQUID ASSETS HELD BY THE PUBLIC

Public holdings of demand deposits and currency increased by \$3 billion (seasonally adjusted) in June, the second large monthly rise in a row. Holdings of time deposits and savings shares, on the other hand, continued to rise only moderately.



[Billions of dollars, seasonally adjusted]

| End of period                | Total selected liquid assets | Demand deposits and currency <sup>1</sup> | Time deposits         |                      | Postal Savings System | Savings and loan shares | U.S. Gov-<br>ernment savings bonds <sup>2</sup> | U.S. Gov-<br>ernment securities maturing within one year <sup>2</sup> |
|------------------------------|------------------------------|-------------------------------------------|-----------------------|----------------------|-----------------------|-------------------------|-------------------------------------------------|-----------------------------------------------------------------------|
|                              |                              |                                           | Com-<br>mercial banks | Mutual savings banks |                       |                         |                                                 |                                                                       |
| 1961.....                    | 424.6                        | 142.6                                     | 82.5                  | 38.3                 | 0.6                   | 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.....                    | 573.1                        | 164.1                                     | 147.1                 | 52.6                 | .3                    | 109.8                   | 50.5                                            | 48.6                                                                  |
| 1966.....                    | 601.5                        | 168.6                                     | 159.3                 | 55.2                 | .1                    | 113.4                   | 50.9                                            | 53.9                                                                  |
| 1967.....                    | 650.5                        | 180.7                                     | 183.1                 | 60.3                 | -----                 | 123.9                   | 51.9                                            | 50.5                                                                  |
| 1967: May.....               | 619.8                        | 173.0                                     | 170.7                 | 57.4                 | .1                    | 118.0                   | 51.1                                            | 49.5                                                                  |
| June.....                    | 620.8                        | 173.7                                     | 172.4                 | 58.0                 | .1                    | 118.9                   | 51.2                                            | 46.5                                                                  |
| July.....                    | 623.1                        | 172.0                                     | 174.7                 | 58.4                 | .1                    | 119.9                   | 51.3                                            | 46.7                                                                  |
| Aug.....                     | 630.3                        | 174.2                                     | 177.2                 | 58.7                 | .1                    | 121.0                   | 51.3                                            | 47.8                                                                  |
| Sept.....                    | 635.7                        | 176.3                                     | 178.1                 | 59.1                 | .1                    | 122.5                   | 51.4                                            | 48.2                                                                  |
| Oct.....                     | 638.1                        | 175.8                                     | 180.1                 | 59.5                 | -----                 | 123.0                   | 51.4                                            | 48.3                                                                  |
| Nov.....                     | 645.9                        | 177.9                                     | 183.8                 | 59.9                 | -----                 | 123.7                   | 51.5                                            | 49.1                                                                  |
| Dec.....                     | 650.5                        | 180.7                                     | 183.1                 | 60.3                 | -----                 | 123.9                   | 51.9                                            | 50.5                                                                  |
| 1968: Jan <sup>p</sup> ..... | 655.9                        | 179.6                                     | 186.5                 | <sup>3</sup> 60.6    | -----                 | <sup>3</sup> 123.6      | 51.9                                            | 53.6                                                                  |
| Feb <sup>p</sup> .....       | 658.7                        | 178.3                                     | 187.6                 | 61.1                 | -----                 | 124.6                   | 51.8                                            | 55.4                                                                  |
| Mar <sup>p</sup> .....       | 665.3                        | 181.6                                     | 187.8                 | 61.4                 | -----                 | 125.9                   | 51.8                                            | 57.0                                                                  |
| Apr <sup>p</sup> .....       | 664.0                        | 180.8                                     | 187.3                 | 61.7                 | -----                 | 125.6                   | 51.8                                            | 56.5                                                                  |
| May <sup>p</sup> .....       | 666.7                        | 183.5                                     | 187.3                 | 62.1                 | -----                 | 126.4                   | 51.8                                            | 55.8                                                                  |
| June <sup>p</sup> .....      | 671.6                        | 186.5                                     | 187.8                 | 62.4                 | -----                 | 126.9                   | 51.9                                            | 56.2                                                                  |

<sup>1</sup> 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.

<sup>2</sup> Excludes holdings of Government agencies and trust funds, domestic commercial and mutual savings banks, Federal Reserve Banks, and beginning

February 1960, savings and loan association.

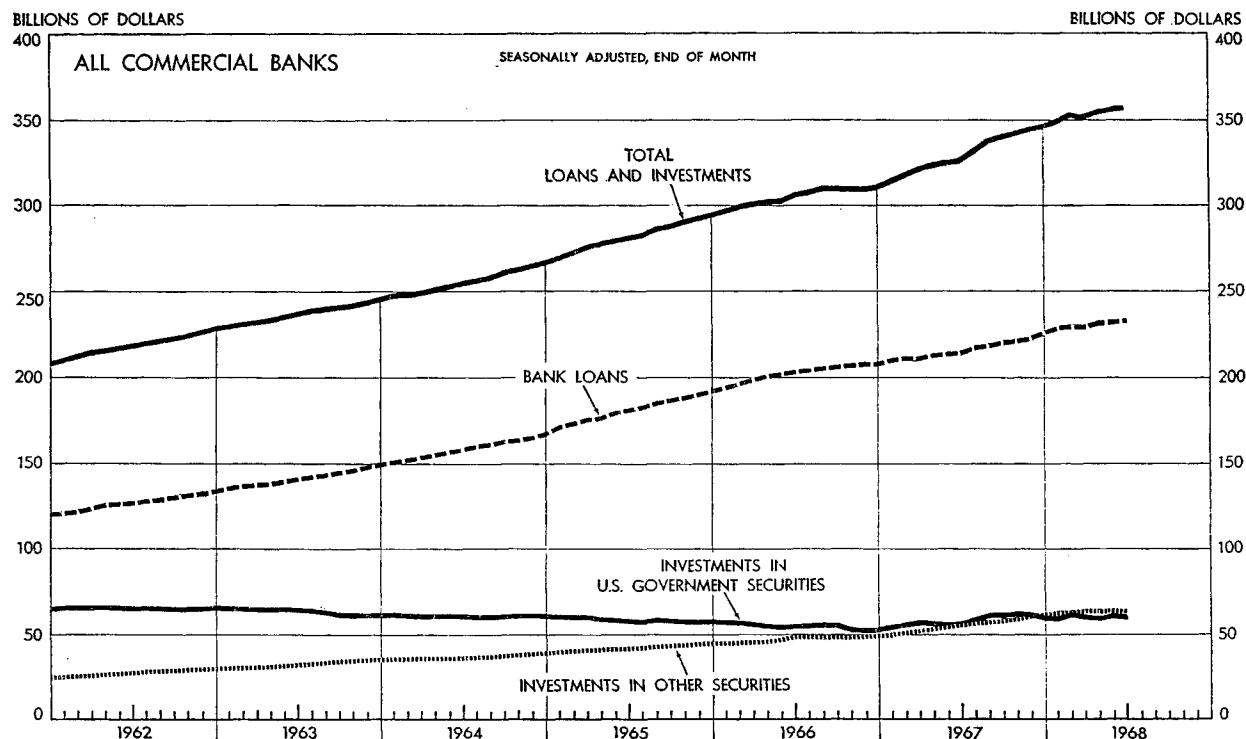
<sup>3</sup> Reflects conversion of a savings and loan association with share capital of about \$175 million to a mutual savings bank.

NOTE.—Series revised beginning 1965. See Note, p. 29.

Source: Board of Governors of the Federal Reserve System.

## BANK LOANS, INVESTMENTS, DEBITS, AND RESERVES

Total bank loans and investments, seasonally adjusted, rose only \$0.3 billion in June. Loans increased by \$1.2 billion, but banks liquidated some of their holdings of Government and other securities. Free reserves were little changed from the May average.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

| End of period                | All commercial banks<br>(seasonally adjusted data) |                                       |                                    |                          | Weekly<br>reporting<br>large com-<br>mercial<br>banks | Bank<br>debits<br>outside<br>New York<br>City (232<br>centers),<br>seasonally<br>adjusted<br>annual<br>rates <sup>1</sup> | All member banks <sup>2</sup> |                    |                                                   |                  |
|------------------------------|----------------------------------------------------|---------------------------------------|------------------------------------|--------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------|---------------------------------------------------|------------------|
|                              | Total<br>loans<br>and<br>invest-<br>ments          | Loans,<br>excluding<br>inter-<br>bank | Investments                        |                          |                                                       |                                                                                                                           | Total<br>reserves             | Excess<br>reserves | Borrow-<br>ings at<br>Federal<br>Reserve<br>Banks | Free<br>reserves |
|                              |                                                    |                                       | U.S. Gov-<br>ernment<br>securities | Other<br>securi-<br>ties | Commercial<br>and indus-<br>trial loans               |                                                                                                                           |                               |                    |                                                   |                  |
|                              | Billions of dollars                                |                                       |                                    |                          |                                                       |                                                                                                                           | Millions of dollars           |                    |                                                   |                  |
| 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                                              | 167.7                                 | 60.7                               | 38.7                     | 42.1                                                  | 2,706                                                                                                                     | 21,609                        | 411                | 243                                               | 168              |
| 1965-----                    | 294.4                                              | 192.4                                 | 57.3                               | 44.8                     | <sup>3</sup> 53.1                                     | 3,013                                                                                                                     | 22,719                        | 452                | 454                                               | -2               |
| 1966-----                    | 310.2                                              | 207.8                                 | 53.7                               | 48.7                     | 60.7                                                  | 3,421                                                                                                                     | 23,830                        | 392                | 557                                               | -165             |
| 1967-----                    | 345.9                                              | 224.9                                 | 59.6                               | 61.4                     | 65.8                                                  | 3,740                                                                                                                     | 25,260                        | 345                | 238                                               | 107              |
| 1967: May-----               | 324.6                                              | 213.5                                 | 56.1                               | 55.0                     | 61.8                                                  | 3,614                                                                                                                     | 23,284                        | 370                | 101                                               | 269              |
| June-----                    | 325.6                                              | 213.9                                 | 55.4                               | 56.3                     | 63.8                                                  | 3,733                                                                                                                     | 23,518                        | 420                | 123                                               | 297              |
| July-----                    | 332.4                                              | 217.1                                 | 58.8                               | 56.5                     | 63.7                                                  | 3,832                                                                                                                     | 23,907                        | 359                | 87                                                | 272              |
| Aug-----                     | 337.3                                              | 218.2                                 | 61.8                               | 57.3                     | 62.2                                                  | 3,882                                                                                                                     | 23,791                        | 387                | 89                                                | 298              |
| Sept-----                    | 339.5                                              | 220.2                                 | 61.6                               | 57.7                     | 63.4                                                  | 3,847                                                                                                                     | 24,200                        | 358                | 90                                                | 268              |
| Oct-----                     | 342.6                                              | 221.8                                 | 62.3                               | 58.6                     | 63.1                                                  | 3,891                                                                                                                     | 24,608                        | 286                | 126                                               | 160              |
| Nov-----                     | 344.4                                              | 222.3                                 | 61.8                               | 60.3                     | 63.7                                                  | 3,897                                                                                                                     | 24,740                        | 403                | 133                                               | 270              |
| Dec-----                     | 345.9                                              | 224.9                                 | 59.6                               | 61.4                     | 65.8                                                  | 3,897                                                                                                                     | 25,260                        | 345                | 238                                               | 107              |
| 1968: Jan <sup>p</sup> ----- | 349.0                                              | 227.5                                 | 59.1                               | 62.4                     | 65.0                                                  | 4,046                                                                                                                     | 25,834                        | 381                | 237                                               | 144              |
| Feb <sup>p</sup> -----       | 353.0                                              | 228.7                                 | 61.8                               | 62.6                     | 65.1                                                  | 4,047                                                                                                                     | 25,610                        | 399                | 361                                               | 38               |
| Mar <sup>p</sup> -----       | 351.8                                              | 228.5                                 | 59.9                               | 63.5                     | 66.5                                                  | 4,021                                                                                                                     | 25,580                        | 356                | 671                                               | -315             |
| Apr <sup>p</sup> -----       | 354.6                                              | 231.9                                 | 59.2                               | 63.4                     | 67.6                                                  | 4,215                                                                                                                     | 25,546                        | 270                | 683                                               | -413             |
| May <sup>p</sup> -----       | 356.3                                              | 232.0                                 | 60.7                               | 63.5                     | 67.1                                                  | 4,243                                                                                                                     | 25,505                        | 420                | 746                                               | -326             |
| June <sup>p</sup> -----      | 356.6                                              | 233.2                                 | 60.0                               | 63.4                     | 69.2                                                  | 4,354                                                                                                                     | 25,700                        | 344                | 692                                               | -348             |

<sup>1</sup>Debits during period to demand deposit accounts except interbank and U.S. Government. New series beginning January 1964.

<sup>2</sup>Averages of daily figures. Annual data are for December.

<sup>3</sup>New series; see *Federal Reserve Bulletin*, March 1967.

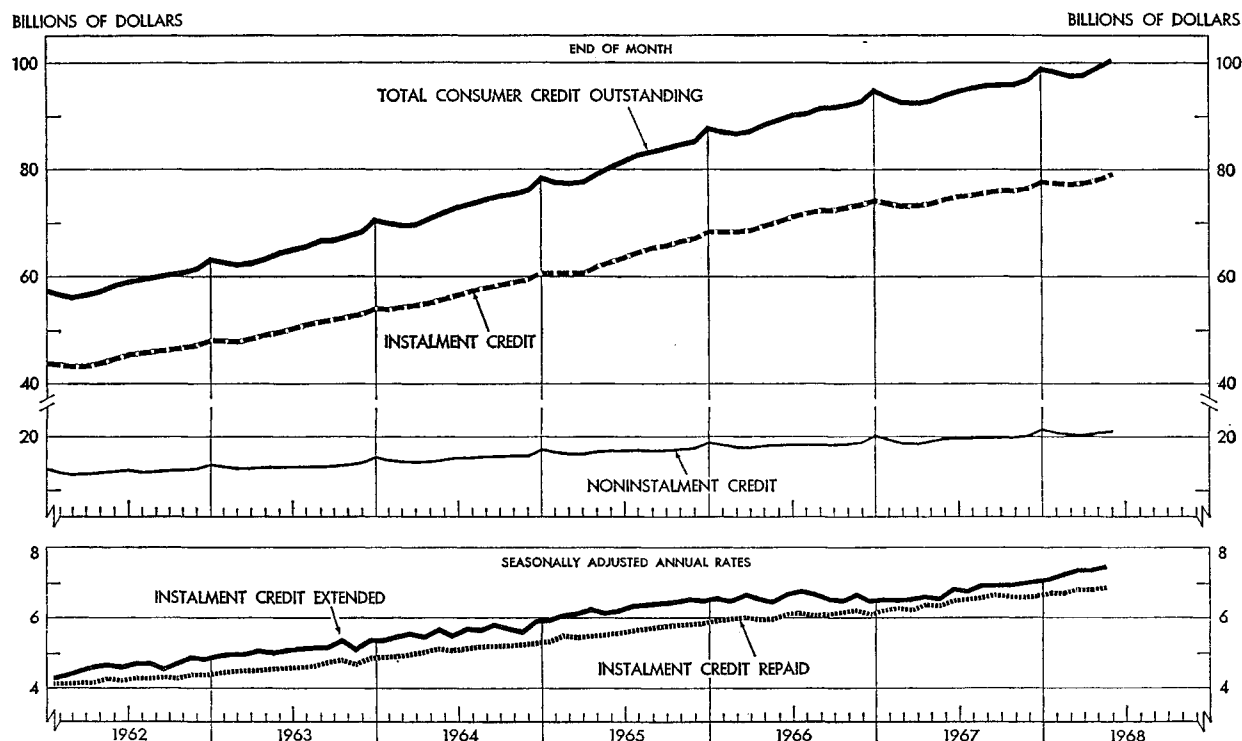
NOTE.—Effective June 1966, balances accumulated for payment of personal and other checks (about \$1.1 billion) are excluded from loans at all commercial banks, and

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

Source: Board of Governors of the Federal Reserve System.

## CONSUMER AND REAL ESTATE CREDIT

Total consumer credit outstanding increased considerably more than seasonally in May. The seasonally adjusted rise in instalment credit outstanding (\$610 million) was the highest since the March 1966 advance of \$649 million.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

| Period         | Consumer credit outstanding (end of period;<br>unadjusted) |                    |                     |                   |                                      | Consumer instalment credit extended<br>and repaid (seasonally adjusted) |         |                  |         | Mortgage<br>debt out-<br>standing<br>nonfarm.<br>1- to 4-<br>family<br>houses <sup>3</sup> |
|----------------|------------------------------------------------------------|--------------------|---------------------|-------------------|--------------------------------------|-------------------------------------------------------------------------|---------|------------------|---------|--------------------------------------------------------------------------------------------|
|                | Total                                                      | Instalment         |                     |                   | Non-<br>instal-<br>ment <sup>2</sup> | Total                                                                   |         | Automobile paper |         |                                                                                            |
|                |                                                            | Total <sup>1</sup> | Automobile<br>paper | Personal<br>loans |                                      | Extended                                                                | Repaid  | Extended         | Repaid  |                                                                                            |
| 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, 700                                                                                   |
| 1965.....      | 87, 884                                                    | 68, 565            | 28, 843             | 18, 354           | 19, 319                              | 75, 508                                                                 | 67, 495 | 27, 914          | 24, 267 | 213, 200                                                                                   |
| 1966.....      | 94, 786                                                    | 74, 656            | 30, 961             | 20, 110           | 20, 130                              | 78, 896                                                                 | 72, 805 | 28, 491          | 26, 373 | 223, 700                                                                                   |
| 1967.....      | 99, 228                                                    | 77, 946            | 31, 197             | 21, 690           | 21, 282                              | 81, 263                                                                 | 77, 973 | 27, 221          | 26, 985 | 236, 100                                                                                   |
| 1967: Apr..... | 93, 089                                                    | 73, 840            | 30, 635             | 20, 193           | 19, 249                              | 6, 606                                                                  | 6, 393  | 2, 217           | 2, 235  | -----                                                                                      |
| May.....       | 93, 917                                                    | 74, 290            | 30, 852             | 20, 326           | 19, 627                              | 6, 554                                                                  | 6, 361  | 2, 238           | 2, 219  | -----                                                                                      |
| June.....      | 94, 813                                                    | 75, 051            | 31, 208             | 20, 567           | 19, 762                              | 6, 823                                                                  | 6, 531  | 2, 338           | 2, 281  | 228, 200                                                                                   |
| July.....      | 95, 115                                                    | 75, 348            | 31, 364             | 20, 666           | 19, 767                              | 6, 776                                                                  | 6, 551  | 2, 266           | 2, 228  | -----                                                                                      |
| Aug.....       | 95, 684                                                    | 75, 889            | 31, 455             | 20, 936           | 19, 795                              | 6, 929                                                                  | 6, 585  | 2, 285           | 2, 240  | -----                                                                                      |
| Sept.....      | 95, 886                                                    | 76, 039            | 31, 296             | 21, 087           | 19, 847                              | 6, 973                                                                  | 6, 689  | 2, 322           | 2, 280  | 232, 200                                                                                   |
| Oct.....       | 96, 094                                                    | 76, 223            | 31, 237             | 21, 198           | 19, 871                              | 6, 942                                                                  | 6, 631  | 2, 321           | 2, 301  | -----                                                                                      |
| Nov.....       | 96, 802                                                    | 76, 680            | 31, 217             | 21, 375           | 20, 122                              | 7, 032                                                                  | 6, 614  | 2, 305           | 2, 240  | -----                                                                                      |
| Dec.....       | 99, 228                                                    | 77, 946            | 31, 197             | 21, 690           | 21, 282                              | 7, 035                                                                  | 6, 652  | 2, 306           | 2, 250  | 236, 100                                                                                   |
| 1968: Jan..... | 98, 225                                                    | 77, 467            | 31, 061             | 21, 631           | 20, 758                              | 7, 089                                                                  | 6, 691  | 2, 437           | 2, 302  | -----                                                                                      |
| Feb.....       | 97, 672                                                    | 77, 327            | 31, 137             | 21, 752           | 20, 345                              | 7, 245                                                                  | 6, 679  | 2, 519           | 2, 308  | -----                                                                                      |
| Mar.....       | 97, 875                                                    | 77, 581            | 31, 380             | 21, 873           | 20, 294                              | 7, 380                                                                  | 6, 814  | 2, 567           | 2, 330  | -----                                                                                      |
| Apr.....       | 99, 142                                                    | 78, 345            | 31, 766             | 22, 128           | 20, 797                              | 7, 342                                                                  | 6, 800  | 2, 517           | 2, 339  | -----                                                                                      |
| May.....       | 100, 275                                                   | 79, 270            | 32, 240             | 22, 378           | 21, 005                              | 7, 479                                                                  | 6, 869  | 2, 578           | 2, 343  | -----                                                                                      |

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

<sup>2</sup> Consists of single-payment loans, charge accounts, and service credit.

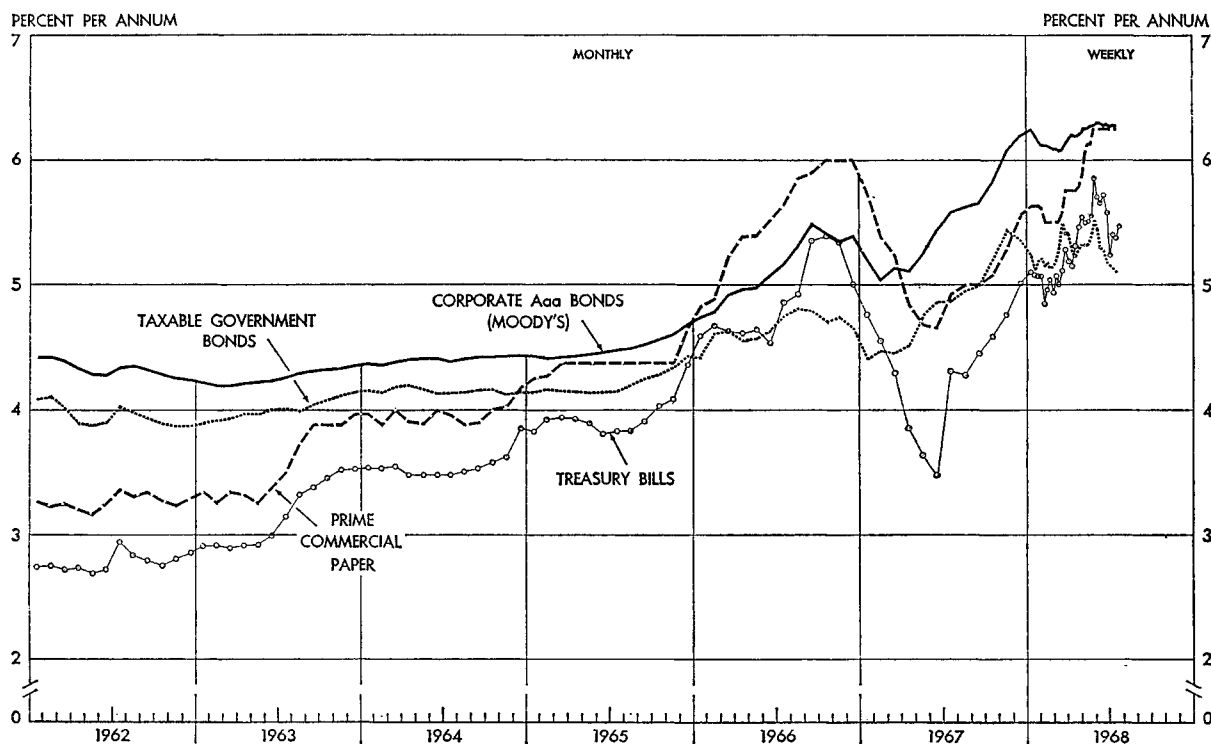
<sup>3</sup> End of period, unadjusted.

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

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

## BOND YIELDS AND INTEREST RATES

The decline in most interest rates that began in late May was extended somewhat further during June and early July. Most rates are still higher than at the beginning of the year, however.



SOURCE: SEE TABLE BELOW

COUNCIL OF ECONOMIC ADVISERS

[Percent per annum]

| Period          | U.S. Government security yields     |                              |                            | High-grade municipal bonds (Standard & Poor's) <sup>4</sup> | Corporate bonds (Moody's) |      | Prime commercial paper, 4-6 months | FHA new home mortgage yields <sup>5</sup> |
|-----------------|-------------------------------------|------------------------------|----------------------------|-------------------------------------------------------------|---------------------------|------|------------------------------------|-------------------------------------------|
|                 | 3-month Treasury bills <sup>1</sup> | 3-5 year issues <sup>2</sup> | Taxable bonds <sup>3</sup> |                                                             | Aaa                       | Baa  |                                    |                                           |
| 1961-----       | 2.378                               | 3.60                         | 3.90                       | 3.46                                                        | 4.35                      | 5.08 | 2.97                               | 5.80                                      |
| 1962-----       | 2.778                               | 3.57                         | 3.95                       | 3.18                                                        | 4.33                      | 5.02 | 3.26                               | 5.61                                      |
| 1963-----       | 3.157                               | 3.72                         | 4.00                       | 3.23                                                        | 4.26                      | 4.86 | 3.55                               | 5.47                                      |
| 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                                      |
| 1967-----       | 4.321                               | 5.07                         | 4.85                       | 3.98                                                        | 5.51                      | 6.23 | 5.10                               | 6.55                                      |
| 1967: May-----  | 3.640                               | 4.68                         | 4.76                       | 3.92                                                        | 5.24                      | 5.96 | 4.67                               | 6.29                                      |
| June-----       | 3.480                               | 4.96                         | 4.86                       | 3.99                                                        | 5.44                      | 6.15 | 4.65                               | 6.44                                      |
| July-----       | 4.308                               | 5.17                         | 4.86                       | 4.05                                                        | 5.58                      | 6.26 | 4.92                               | 6.51                                      |
| Aug-----        | 4.275                               | 5.28                         | 4.95                       | 4.03                                                        | 5.62                      | 6.33 | 5.00                               | 6.53                                      |
| Sept-----       | 4.451                               | 5.40                         | 4.99                       | 4.15                                                        | 5.65                      | 6.40 | 5.00                               | 6.60                                      |
| Oct-----        | 4.588                               | 5.52                         | 5.19                       | 4.31                                                        | 5.82                      | 6.52 | 5.07                               | 6.63                                      |
| Nov-----        | 4.762                               | 5.73                         | 5.44                       | 4.36                                                        | 6.07                      | 6.72 | 5.28                               | 6.65                                      |
| Dec-----        | 5.012                               | 5.72                         | 5.36                       | 4.49                                                        | 6.19                      | 6.93 | 5.56                               | 6.77                                      |
| 1968: Jan-----  | 5.081                               | 5.53                         | 5.18                       | 4.34                                                        | 6.17                      | 6.84 | 5.60                               | 6.81                                      |
| Feb-----        | 4.969                               | 5.59                         | 5.16                       | 4.39                                                        | 6.10                      | 6.80 | 5.50                               | 6.81                                      |
| Mar-----        | 5.144                               | 5.77                         | 5.39                       | 4.56                                                        | 6.11                      | 6.85 | 5.64                               | 6.78                                      |
| Apr-----        | 5.365                               | 5.69                         | 5.28                       | 4.41                                                        | 6.21                      | 6.97 | 5.81                               | 6.83                                      |
| May-----        | 5.621                               | 5.95                         | 5.40                       | 4.56                                                        | 6.27                      | 7.03 | 6.18                               | 6.94                                      |
| June-----       | 5.544                               | 5.71                         | 5.23                       | 4.56                                                        | 6.28                      | 7.07 | 6.25                               | -----                                     |
| Week ended:     |                                     |                              |                            |                                                             |                           |      |                                    |                                           |
| 1968: June 14-- | 5.713                               | 5.75                         | 5.27                       | 4.61                                                        | 6.28                      | 7.08 | 6.25                               | -----                                     |
| 21--            | 5.578                               | 5.61                         | 5.18                       | 4.52                                                        | 6.29                      | 7.07 | 6.25                               | -----                                     |
| 28--            | 5.238                               | 5.67                         | 5.15                       | 4.50                                                        | 6.27                      | 7.04 | 6.25                               | -----                                     |
| July 5--        | 5.400                               | 5.58                         | 5.12                       | 4.50                                                        | 6.28                      | 7.04 | 6.25                               | -----                                     |
| 12--            | 5.368                               | 5.51                         | 5.10                       | 4.44                                                        | 6.27                      | 7.03 | 6.25                               | -----                                     |
| 19--            | 5.467                               | 5.51                         | *5.14                      | 4.41                                                        | *6.26                     | 6.99 | *6.25                              | -----                                     |

<sup>1</sup> Rate on new issues within period. <sup>2</sup> Selected note and bond issues.

<sup>3</sup> April 1963 to date, bonds due or callable 10 years and after.

<sup>4</sup> Weekly data are Wednesday figures.

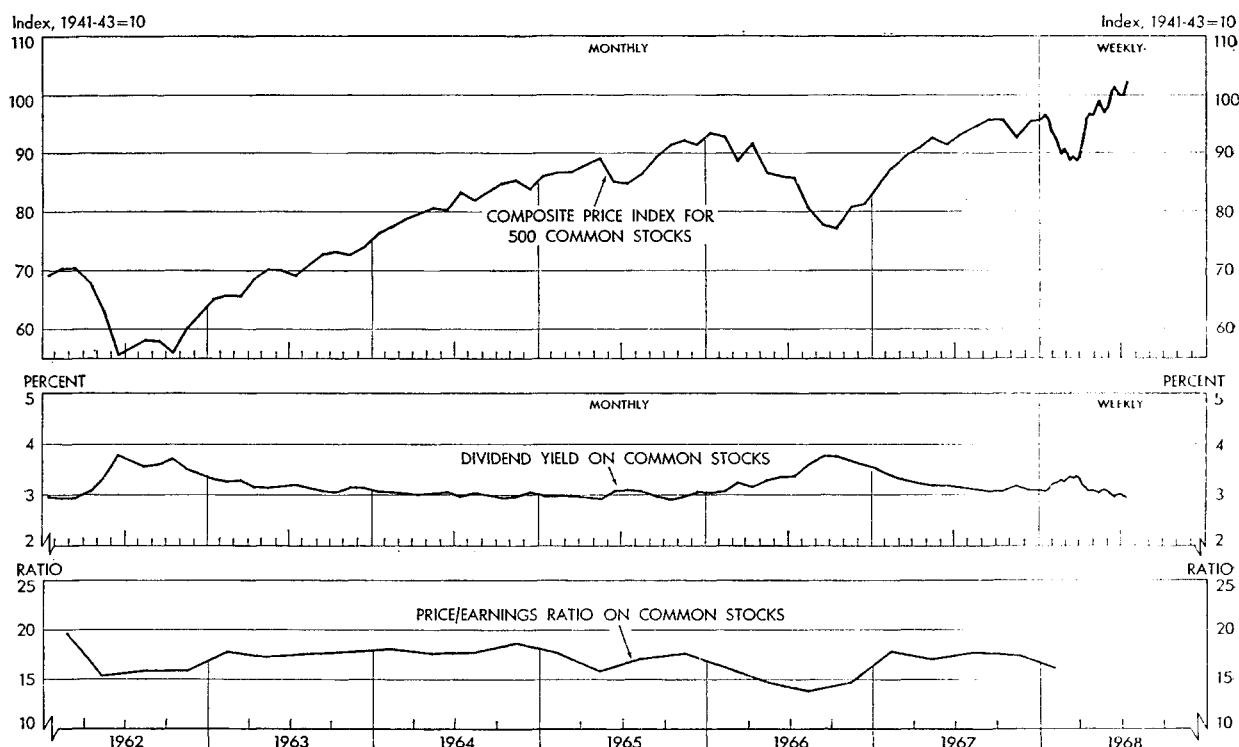
<sup>5</sup> Not charted.

<sup>6</sup> Data for first of the month, based on the maximum permissible interest rate (6 percent beginning October 1966 and 6 1/4 percent beginning early May 1968) less fees on 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

The common stock price index paused temporarily toward the end of June but then climbed to a new record in early July.



SOURCE: STANDARD & POOR'S CORPORATION

COUNCIL OF ECONOMIC ADVISERS

| Period       | Price index <sup>1</sup> |             |                  |                     |                     |           | Dividend<br>yield <sup>2</sup><br>(percent) | Price/<br>earnings<br>ratio <sup>3</sup> |
|--------------|--------------------------|-------------|------------------|---------------------|---------------------|-----------|---------------------------------------------|------------------------------------------|
|              | Total                    | Industrials |                  |                     | Public<br>utilities | Railroads |                                             |                                          |
|              |                          | Total       | Capital<br>goods | Consumers'<br>goods |                     |           |                                             |                                          |
|              | 1941-43=10               |             |                  |                     |                     |           |                                             |                                          |
| 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       | 76.35            | 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                    | 91.08       | 84.86            | 74.10               | 68.21               | 46.34     | 3.40                                        | 14.92                                    |
| 1967         | 91.93                    | 99.18       | 96.96            | 79.18               | 68.10               | 46.72     | 3.20                                        | 17.54                                    |
| 1967: June   | 91.43                    | 98.61       | 96.34            | 78.94               | 67.39               | 48.19     | 3.19                                        | 17.01                                    |
| July         | 93.01                    | 100.38      | 98.35            | 81.27               | 67.77               | 49.91     | 3.15                                        |                                          |
| Aug.         | 94.49                    | 102.11      | 101.01           | 83.88               | 68.03               | 50.43     | 3.11                                        |                                          |
| Sept.        | 95.81                    | 103.84      | 104.17           | 84.62               | 67.45               | 49.27     | 3.07                                        | 17.81                                    |
| Oct.         | 95.66                    | 104.16      | 106.64           | 83.60               | 64.93               | 46.28     | 3.07                                        |                                          |
| Nov.         | 92.66                    | 100.90      | 103.58           | 80.47               | 63.48               | 42.95     | 3.18                                        |                                          |
| Dec.         | 95.30                    | 103.91      | 106.41           | 81.92               | 64.61               | 43.46     | 3.09                                        | 17.41                                    |
| 1968: Jan.   | 95.04                    | 103.11      | 102.87           | 81.06               | 68.02               | 43.38     | 3.13                                        |                                          |
| Feb.         | 90.75                    | 98.33       | 98.13            | 77.99               | 65.61               | 42.35     | 3.28                                        |                                          |
| Mar.         | 89.09                    | 96.77       | 96.32            | 77.49               | 62.62               | 41.68     | 3.34                                        | 16.22                                    |
| Apr.         | 95.67                    | 104.42      | 104.08           | 84.79               | 63.66               | 44.79     | 3.12                                        |                                          |
| May          | 97.87                    | 107.02      | 106.86           | 87.75               | 62.92               | 48.00     | 3.07                                        |                                          |
| June         | 100.53                   | 109.73      | 110.65           | 89.04               | 65.21               | 51.72     | 3.00                                        |                                          |
| Week ended:  |                          |             |                  |                     |                     |           |                                             |                                          |
| 1968: June 7 | 100.44                   | 109.95      | 110.92           | 88.62               | 63.08               | 51.33     | 3.02                                        |                                          |
| 14           | 101.36                   | 110.90      | 113.52           | 90.01               | 63.85               | 52.52     | 2.96                                        |                                          |
| 21           | 100.32                   | 109.30      | 109.16           | 89.04               | 66.63               | 51.52     | 3.01                                        |                                          |
| 28           | 100.01                   | 108.74      | 108.98           | 88.49               | 67.83               | 51.62     | 3.01                                        |                                          |
| July 5       | 100.02                   | 108.79      | 109.80           | 89.21               | 67.51               | 51.69     | 2.98                                        |                                          |
| 12           | 102.23                   | 111.32      | 111.35           | 90.36               | 68.07               | 52.96     | 2.94                                        |                                          |
| 19           | *101.47                  | 110.49      | 109.52           | 90.24               | 68.07               | 51.26     | *2.96                                       |                                          |

<sup>1</sup> Includes 500 common stocks; 425 are industrials; 55 are public utilities, and 20 are railroads. Weekly indexes for capital and consumer goods are Wednesday figures; all other weekly indexes are averages of daily figures.

<sup>2</sup> Aggregate cash dividends (based on latest known annual rate) divided by the aggregate monthly market value of the stocks in the group. Annual yields

are averages of monthly data. Weekly data are Wednesday figures.

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

<sup>4</sup> Tuesday prices.

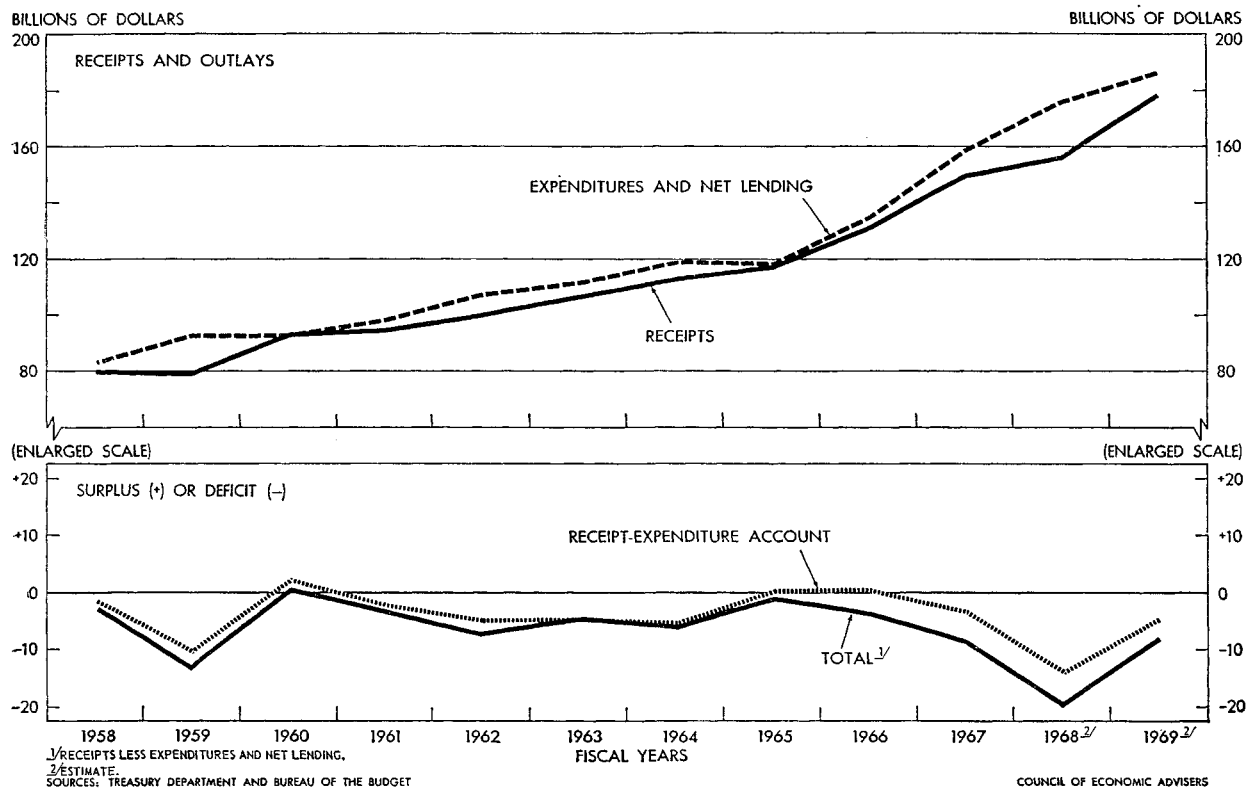
\* Not charted.

Source: Standard & Poor's Corporation.

# FEDERAL FINANCE

## FEDERAL BUDGET RECEIPTS, EXPENDITURES, AND NET LENDING

For the first 11 months of fiscal 1968, receipts totaled \$134.0 billion and expenditures \$158.5 billion, yielding a receipt-expenditure account deficit of \$24.5 billion. Including net lending, the total deficit was \$29.4 billion.



[Billions of dollars]

| Period                            | Budget receipts, expenditures, and net lending |              |                           |                 |                                    | Public debt<br>(end of<br>period) |
|-----------------------------------|------------------------------------------------|--------------|---------------------------|-----------------|------------------------------------|-----------------------------------|
|                                   | Receipt-expenditure account                    |              |                           | Loan<br>account | Total<br>surplus or<br>deficit (-) |                                   |
|                                   | Receipts                                       | Expenditures | Surplus or<br>deficit (-) | Net<br>lending  |                                    |                                   |
| <b>Fiscal year:</b>               |                                                |              |                           |                 |                                    |                                   |
| 1958                              | 79.6                                           | 81.2         | -1.6                      | 1.5             | -3.1                               | 279.1                             |
| 1959                              | 79.0                                           | 89.7         | -10.6                     | 2.7             | -13.3                              | 286.7                             |
| 1960                              | 92.5                                           | 90.4         | 2.1                       | 1.9             | .2                                 | 289.2                             |
| 1961                              | 94.4                                           | 96.7         | -2.3                      | 1.2             | -3.5                               | 291.0                             |
| 1962                              | 99.7                                           | 104.7        | -5.0                      | 2.4             | -7.4                               | 301.1                             |
| 1963                              | 106.6                                          | 111.5        | -4.9                      | -1.1            | -4.7                               | 308.5                             |
| 1964                              | 112.7                                          | 118.1        | -5.4                      | .5              | -6.0                               | 314.4                             |
| 1965                              | 116.9                                          | 116.7        | .1                        | 1.2             | -1.1                               | 320.8                             |
| 1966                              | 130.9                                          | 130.7        | .2                        | 3.8             | -3.7                               | 329.5                             |
| 1967                              | 149.6                                          | 153.2        | -3.6                      | 5.2             | -8.8                               | 341.3                             |
| 1968 <sup>1</sup>                 | 155.8                                          | 169.9        | -14.0                     | 5.8             | -19.8                              | 370.0                             |
| 1969 <sup>1</sup>                 | 178.1                                          | 182.8        | -4.7                      | 3.3             | -8.0                               | 387.2                             |
| <b>Fiscal year 1968:</b>          |                                                |              |                           |                 |                                    |                                   |
| May                               | 11.7                                           | 15.4         | -3.7                      | .9              | -4.5                               |                                   |
| Cumulative total, first 11 months | 134.0                                          | 158.5        | -24.5                     | 5.0             | -29.4                              |                                   |

<sup>1</sup> Estimates in the 1969 Budget, submitted in January 1968.

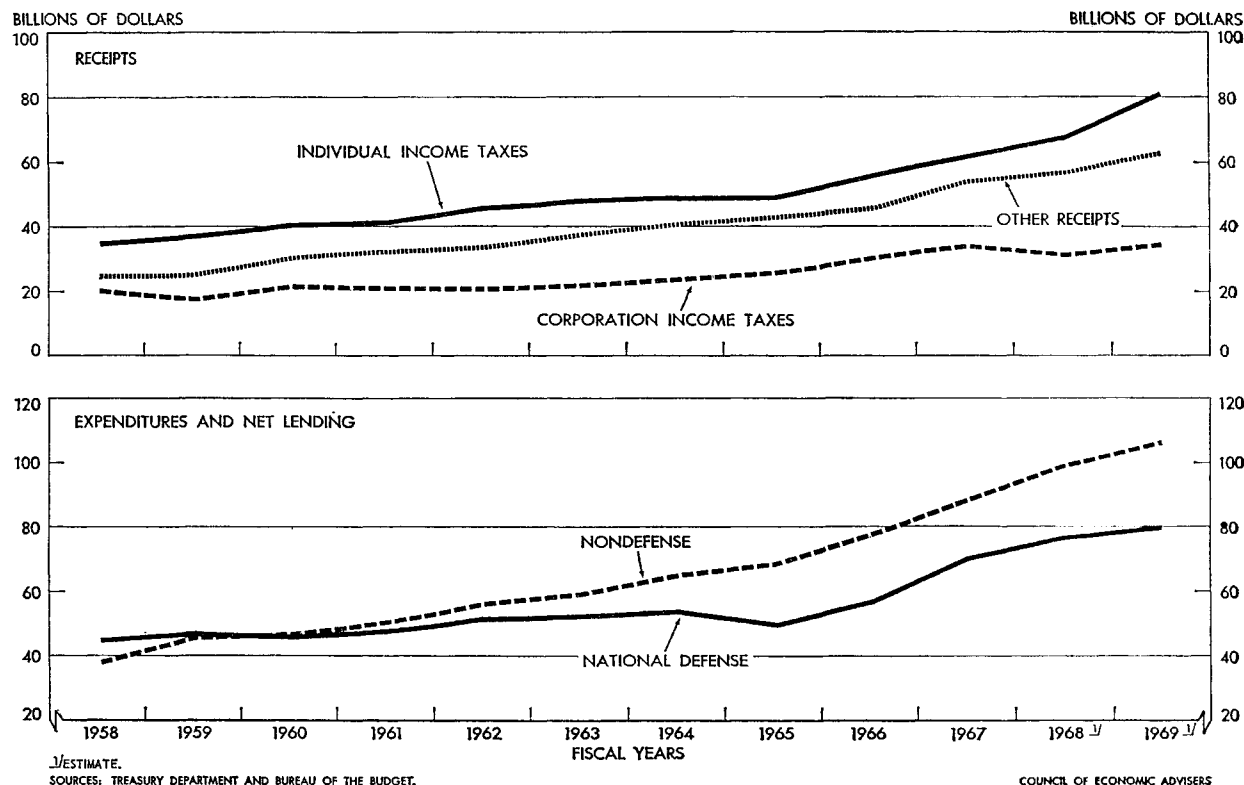
NOTE.—Budget receipts and expenditures, net lending, and the public debt are based on *The Budget of the United States Government, 1969*, which shows data on the basis of budget concepts adopted pursuant to the recommendations of the

President's Commission on Budget Concepts. As soon as all of the data are available on a monthly basis, the table will be expanded to include them.

Sources: Treasury Department and Bureau of the Budget.

## FEDERAL BUDGET RECEIPTS BY SOURCE AND OUTLAYS BY FUNCTION

In the Budget submitted in January 1968, individual income taxes for fiscal 1968 were estimated to increase by \$6.2 billion, corporation income taxes to decline by \$2.7 billion, and other receipts to increase by \$2.7 billion. National defense outlays were estimated to increase by \$6.4 billion and nondefense outlays by \$10.8 billion.



COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

| Period                                 | Receipts |                         |                          |       | Expenditures and net lending |                  |                                              |                            |                    |      |
|----------------------------------------|----------|-------------------------|--------------------------|-------|------------------------------|------------------|----------------------------------------------|----------------------------|--------------------|------|
|                                        | Total    | Individual income taxes | Corporation income taxes | Other | Total                        | National defense | International affairs and finance            | Health, labor, and welfare | Other <sup>2</sup> |      |
|                                        |          |                         |                          |       |                              | Total            | Department of Defense, military <sup>1</sup> |                            |                    |      |
| Fiscal year:                           |          |                         |                          |       |                              |                  |                                              |                            |                    |      |
| 1958.....                              | 79.6     | 34.7                    | 20.1                     | 24.8  | 82.7                         | 44.5             | 39.1                                         | 3.3                        | 15.8               | 19.2 |
| 1959.....                              | 79.0     | 36.7                    | 17.3                     | 25.0  | 92.4                         | 46.7             | 41.2                                         | 3.2                        | 18.0               | 24.5 |
| 1960.....                              | 92.5     | 40.7                    | 21.5                     | 30.3  | 92.3                         | 45.8             | 41.2                                         | 3.1                        | 19.1               | 24.2 |
| 1961.....                              | 94.4     | 41.3                    | 21.0                     | 32.1  | 97.9                         | 47.5             | 43.2                                         | 3.4                        | 22.4               | 24.7 |
| 1962.....                              | 99.7     | 45.6                    | 20.5                     | 33.6  | 107.0                        | 51.2             | 46.8                                         | 4.6                        | 24.0               | 27.3 |
| 1963.....                              | 106.6    | 47.6                    | 21.6                     | 37.4  | 111.3                        | 52.2             | 48.3                                         | 4.2                        | 25.7               | 29.2 |
| 1964.....                              | 112.7    | 48.7                    | 23.5                     | 40.5  | 118.7                        | 53.7             | 49.8                                         | 4.2                        | 27.2               | 33.7 |
| 1965.....                              | 116.9    | 48.8                    | 25.5                     | 42.6  | 118.0                        | 49.6             | 46.2                                         | 4.2                        | 28.2               | 36.0 |
| 1966.....                              | 130.9    | 55.4                    | 30.1                     | 45.4  | 134.6                        | 56.8             | 54.4                                         | 4.4                        | 33.2               | 40.1 |
| 1967.....                              | 149.6    | 61.5                    | 34.0                     | 54.1  | 158.4                        | 70.1             | 67.5                                         | 4.6                        | 40.1               | 43.6 |
| 1968 <sup>3</sup> .....                | 155.8    | 67.7                    | 31.3                     | 56.8  | 175.6                        | 76.5             | 73.7                                         | 5.0                        | 46.4               | 47.7 |
| 1969 <sup>3</sup> .....                | 178.1    | 80.9                    | 34.3                     | 62.9  | 186.1                        | 79.8             | 76.7                                         | 5.2                        | 51.4               | 49.7 |
| Fiscal year 1968:                      |          |                         |                          |       |                              |                  |                                              |                            |                    |      |
| May.....                               | 11.7     | 3.8                     | .7                       | 7.3   | 16.2                         |                  | 6.9                                          |                            |                    |      |
| Cumulative total, first 11 months..... | 134.0    | 61.1                    | 21.4                     | 51.6  | 163.5                        |                  | 70.1                                         |                            |                    |      |

<sup>1</sup> Expenditure account.

<sup>2</sup> Includes undistributed adjustments to amounts for all functions and special allowances for 1968 and 1969.

<sup>3</sup> Estimates in the 1969 Budget, submitted in January 1968.

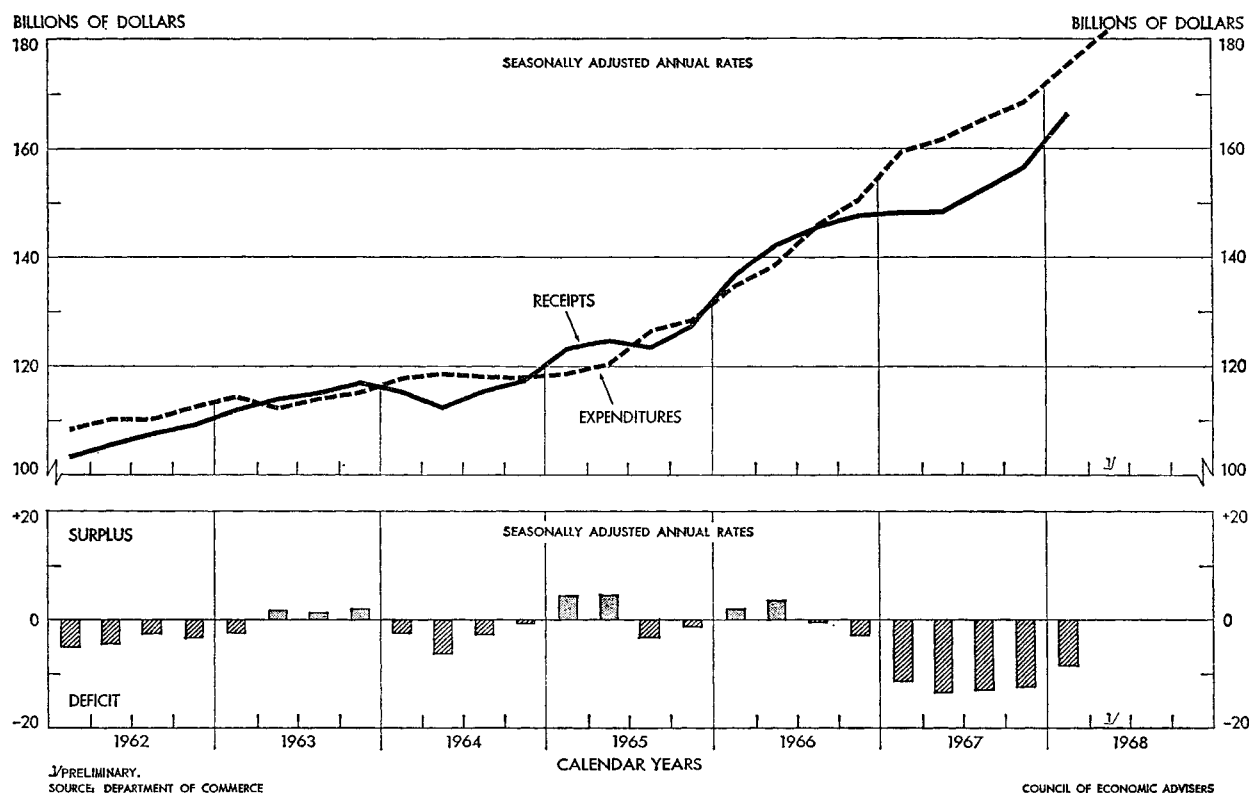
NOTE.—Receipts and outlays in this table are based on *The Budget of the United States Government, 1968*, which shows data on the basis of budget concepts

adopted pursuant to the recommendations of the President's Commission on Budget Concepts. As soon as all of the data are available on a monthly basis, the table will be expanded to include them.

Sources: Treasury Department and Bureau of the Budget.

## FEDERAL SECTOR, NATIONAL INCOME ACCOUNTS BASIS

According to revised data, Federal receipts in the first quarter rose \$10 billion (seasonally adjusted annual rate) and expenditures \$6½ billion, resulting in a deficit of \$8½ billion, some \$3½ billion below the revised fourth quarter level. In the second quarter, expenditures again rose about \$6½ billion, according to preliminary data.



1/2 PRELIMINARY.  
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 (—), income and product accounts |
|-------------------|-----------------------------|----------------------------------|--------------------------------|-------------------------------------------|------------------------------------|---------------------------------|---------------------------------|-------------------|----------------------------------------------|-------------------|-----------------------------------------------------|-----------------------------------------------------|
|                   | 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:      |                             |                                  |                                |                                           |                                    |                                 |                                 |                   |                                              |                   |                                                     |                                                     |
| 1964              | 115.5                       | 50.7                             | 25.7                           | 15.6                                      | 23.5                               | 116.9                           | 65.7                            | 29.5              | 9.8                                          | 8.1               | 3.8                                                 | —1.4                                                |
| 1965              | 120.5                       | 51.3                             | 27.8                           | 16.9                                      | 24.6                               | 118.6                           | 64.3                            | 30.5              | 10.9                                         | 8.6               | 4.1                                                 | 2.1                                                 |
| 1966              | 133.0                       | 57.5                             | 31.2                           | 15.7                                      | 28.5                               | 131.9                           | 71.7                            | 34.1              | 12.7                                         | 9.0               | 4.4                                                 | 1.1                                                 |
| 1967              | 147.8                       | 64.5                             | 31.4                           | 16.0                                      | 35.8                               | 154.3                           | 84.9                            | 39.4              | 14.8                                         | 9.9               | 5.4                                                 | —6.7                                                |
| 1968 <sup>1</sup> |                             | 71.2                             |                                | 16.8                                      | 39.1                               | 172.6                           | 95.5                            | 44.6              | 17.2                                         | 11.0              | 4.3                                                 |                                                     |
| Calendar year:    |                             |                                  |                                |                                           |                                    |                                 |                                 |                   |                                              |                   |                                                     |                                                     |
| 1964              | 115.0                       | 48.6                             | 26.4                           | 16.1                                      | 23.8                               | 118.1                           | 65.2                            | 29.9              | 10.4                                         | 8.3               | 4.2                                                 | —3.0                                                |
| 1965              | 124.7                       | 53.8                             | 29.3                           | 16.5                                      | 25.1                               | 123.5                           | 66.9                            | 32.5              | 11.1                                         | 8.7               | 4.3                                                 | 1.2                                                 |
| 1966              | 143.0                       | 61.7                             | 32.4                           | 15.8                                      | 33.1                               | 142.4                           | 77.4                            | 35.7              | 14.4                                         | 9.5               | 5.4                                                 | .7                                                  |
| 1967              | 151.2                       | 67.3                             | 30.9                           | 16.2                                      | 36.8                               | 163.6                           | 90.6                            | 42.3              | 15.7                                         | 10.3              | 4.8                                                 | —12.4                                               |
| 1966: III         | 145.5                       | 62.9                             | 32.8                           | 16.0                                      | 33.8                               | 145.8                           | 79.9                            | 35.5              | 14.9                                         | 9.5               | 5.9                                                 | —1.3                                                |
| IV                | 147.7                       | 64.9                             | 32.2                           | 16.1                                      | 34.5                               | 150.5                           | 81.5                            | 38.4              | 15.1                                         | 10.0              | 5.5                                                 | —2.8                                                |
| 1967: I           | 148.1                       | 66.0                             | 30.3                           | 15.9                                      | 35.9                               | 159.3                           | 87.4                            | 41.5              | 15.1                                         | 10.2              | 5.1                                                 | —11.2                                               |
| II                | 148.2                       | 65.1                             | 30.5                           | 16.1                                      | 36.5                               | 161.5                           | 90.0                            | 42.1              | 14.6                                         | 9.9               | 4.8                                                 | —13.3                                               |
| III               | 152.2                       | 68.2                             | 30.6                           | 16.3                                      | 37.0                               | 165.1                           | 91.3                            | 42.9              | 15.9                                         | 10.2              | 4.8                                                 | —12.9                                               |
| IV                | 156.4                       | 69.7                             | 32.4                           | 16.4                                      | 37.9                               | 168.6                           | 93.5                            | 42.7              | 17.0                                         | 10.7              | 4.6                                                 | —12.2                                               |
| 1968: I           | 166.6                       | 72.0                             | 37.0                           | 17.0                                      | 40.5                               | 175.1                           | 97.1                            | 45.1              | 17.7                                         | 11.3              | 3.9                                                 | —8.6                                                |
| II                |                             | 74.9                             |                                | 17.5                                      | 41.0                               | 181.7                           | 100.0                           | 47.7              | 18.3                                         | 11.7              | 4.0                                                 |                                                     |

<sup>1</sup> Preliminary, based on seasonally adjusted data; not strictly comparable with preceding data.

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

## Contents

| TOTAL OUTPUT, INCOME, AND SPENDING                               |  | Page |
|------------------------------------------------------------------|--|------|
| The Nation's Income, Expenditure, and Saving .....               |  | 1    |
| Gross National Product or Expenditure .....                      |  | 2    |
| National Income .....                                            |  | 3    |
| Sources of Personal Income .....                                 |  | 4    |
| Disposition of Personal Income .....                             |  | 5    |
| Farm Income .....                                                |  | 6    |
| Corporate Profits .....                                          |  | 7    |
| Gross Private Domestic Investment .....                          |  | 8    |
| Expenditures for New Plant and Equipment .....                   |  | 9    |
| EMPLOYMENT, UNEMPLOYMENT, AND WAGES                              |  |      |
| Status of the Labor Force .....                                  |  | 10   |
| Selected Measures of Unemployment and Part-Time Employment ..... |  | 11   |
| Unemployment Insurance Programs .....                            |  | 12   |
| Nonagricultural Employment .....                                 |  | 13   |
| Weekly Hours of Work—Selected Industries .....                   |  | 14   |
| Average Hourly and Weekly Earnings—Selected Industries .....     |  | 15   |
| PRODUCTION AND BUSINESS ACTIVITY                                 |  |      |
| Industrial Production .....                                      |  | 16   |
| Production of Selected Manufactures .....                        |  | 17   |
| Weekly Indicators of Production .....                            |  | 18   |
| New Construction .....                                           |  | 19   |
| New Housing Starts and Applications for Financing .....          |  | 20   |
| Business Sales and Inventories—Total and Trade .....             |  | 21   |
| Manufacturers' Shipments, Inventories, and New Orders .....      |  | 22   |
| Merchandise Exports and Imports .....                            |  | 23   |
| U.S. Exports and Imports of Goods and Services .....             |  | 24   |
| U.S. Balance of International Payments .....                     |  | 25   |
| PRICES                                                           |  |      |
| Consumer Prices .....                                            |  | 26   |
| Wholesale Prices .....                                           |  | 27   |
| Prices Received and Paid by Farmers .....                        |  | 28   |
| MONEY, CREDIT, AND SECURITY MARKETS                              |  |      |
| Money Supply .....                                               |  | 29   |
| Selected Liquid Assets Held by the Public .....                  |  | 30   |
| Bank Loans, Investments, Debits, and Reserves .....              |  | 31   |
| Consumer and Real Estate Credit .....                            |  | 32   |
| Bond Yields and Interest Rates .....                             |  | 33   |
| Common Stock Prices, Yield, and Earnings .....                   |  | 34   |
| FEDERAL FINANCE                                                  |  |      |
| Federal Budget Receipts, Expenditures, and Net Lending .....     |  | 35   |
| Federal Budget Receipts by Source and Outlays by Function .....  |  | 36   |
| Federal Sector, National Income Accounts Basis .....             |  | 37   |

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.