

95th Congress, 2d Session

Economic Indicators

January 1978

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

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1978

JOINT ECONOMIC COMMITTEE

(Created pursuant to Sec. 5(a) of Public Law 304, 79th Cong.)

RICHARD BOLLING, Missouri, *Chairman*
LLOYD M. BENTSEN, Jr., Texas, *Vice Chairman*

HOUSE OF REPRESENTATIVES

HENRY S. REUSS (Wisconsin)
WILLIAM S. MOORHEAD (Pennsylvania)
LEE H. HAMILTON (Indiana)
GILLIS W. LONG (Louisiana)
OTIS G. PIKE (New York)
CLARENCE J. BROWN (Ohio)
GARRY BROWN (Michigan)
MARGARET M. HECKLER (Massachusetts)
JOHN H. ROUSSELOT (California)

SENATE

JOHN SPARKMAN (Alabama)
WILLIAM PROXMIRE (Wisconsin)
ABRAHAM RIBICOFF (Connecticut)
EDWARD M. KENNEDY (Massachusetts)
JACOB K. JAVITS (New York)
WILLIAM V. ROTH, Jr. (Delaware)
JAMES A. McCLURE (Idaho)
ORRIN G. HATCH (Utah)
GEORGE McGOVERN (South Dakota)

JOHN R. STARK, *Executive Director*

COUNCIL OF ECONOMIC ADVISERS

CHARLES L. SCHULTZE, *Chairman*
LYLE E. GRAMLEY
WILLIAM D. NORDHAUS

[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 numbers of copies to the Superintendent of Documents for distribution to depository libraries; and that the Superintendent of Documents be authorized to have copies printed for sale to the public.

Approved June 23, 1949.

Charts drawn by Art Production Branch, Office of the Secretary, Department of Commerce.

Economic Indicators, published monthly, is available at 85 cents a single copy or by subscription at \$10.10 per year (\$2.55 additional for foreign mailing) from:

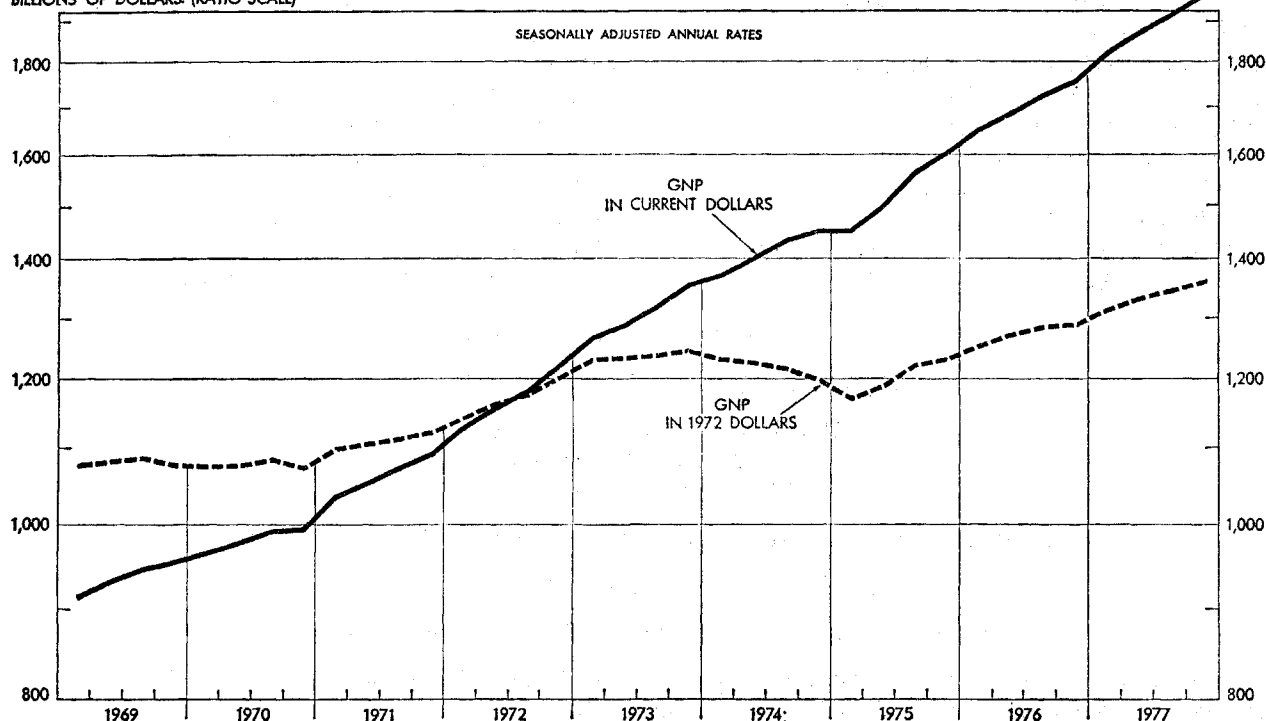
SUPERINTENDENT OF DOCUMENTS
GOVERNMENT PRINTING OFFICE
WASHINGTON, D.C. 20402

TOTAL OUTPUT, INCOME, AND SPENDING

GROSS NATIONAL PRODUCT

According to preliminary estimates for the fourth quarter, gross national product rose \$49.2 billion or 10.7 percent, both at annual rates. Real output (GNP adjusted for price changes) increased at an annual rate of 4.2 percent and the implicit price deflator rose at a 6.2 percent annual rate.

BILLIONS OF DOLLARS (RATIO SCALE)



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

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

Period	Gross national product	Personal consumption expenditures	Gross private domestic investment	Exports and imports of goods and services			Government purchases of goods and services					Final sales
				Net exports	Exports	Imports	Total	Federal			State and local	
								Total	National defense ¹	Non-defense		
1967-----	796. 3	490. 4	120. 8	4. 9	45. 6	40. 6	180. 2	90. 9	71. 5	19. 5	89. 3	786. 2
1968-----	868. 5	535. 9	131. 5	2. 3	49. 9	47. 7	198. 7	98. 0	76. 9	21. 2	100. 7	860. 8
1969-----	935. 5	579. 7	146. 2	1. 8	54. 7	52. 9	207. 9	97. 5	76. 3	21. 2	110. 4	926. 2
1970-----	982. 4	618. 8	140. 8	3. 9	62. 5	58. 5	218. 9	95. 6	73. 5	22. 1	123. 2	978. 6
1971-----	1, 063. 4	668. 2	160. 0	1. 6	65. 6	64. 0	233. 7	96. 2	70. 2	26. 0	137. 5	1, 057. 1
1972-----	1, 171. 1	733. 0	188. 3	- 3. 3	72. 7	75. 9	253. 1	102. 1	73. 5	28. 6	151. 0	1, 161. 7
1973-----	1, 306. 6	809. 9	220. 0	7. 1	101. 6	94. 4	269. 5	102. 2	73. 5	28. 7	167. 3	1, 288. 6
1974-----	1, 412. 9	889. 6	214. 6	6. 0	137. 9	131. 9	302. 7	111. 1	77. 0	34. 1	191. 5	1, 404. 0
1975-----	1, 528. 8	980. 4	189. 1	20. 4	147. 3	126. 9	338. 9	123. 3	83. 9	39. 4	215. 6	1, 540. 3
1976-----	1, 706. 5	1, 094. 0	243. 3	7. 8	162. 9	155. 1	361. 4	130. 1	86. 8	43. 3	231. 2	1, 693. 1
1977 ^p -----	1, 890. 4	1, 210. 1	294. 3	-9. 0	175. 6	184. 7	395. 0	145. 4	94. 3	51. 1	249. 5	1, 872. 7
1976: I-----	1, 651. 2	1, 056. 0	231. 3	10. 2	153. 9	143. 7	353. 6	127. 6	86. 3	41. 3	225. 9	1, 636. 7
II-----	1, 691. 9	1, 078. 5	244. 4	10. 2	160. 6	150. 4	358. 9	128. 5	86. 0	42. 5	230. 4	1, 673. 7
III-----	1, 727. 3	1, 102. 2	254. 3	7. 9	168. 4	160. 6	363. 0	130. 2	86. 4	43. 8	232. 7	1, 705. 8
IV-----	1, 755. 4	1, 139. 0	243. 4	3. 0	168. 5	165. 6	370. 0	134. 2	88. 4	45. 8	235. 8	1, 756. 3
1977: I-----	1, 810. 8	1, 172. 4	271. 8	- 8. 2	170. 4	178. 6	374. 9	136. 3	89. 7	46. 7	238. 5	1, 797. 0
II-----	1, 869. 9	1, 194. 0	294. 9	- 9. 7	178. 1	187. 7	390. 6	143. 6	93. 4	50. 2	247. 0	1, 848. 2
III-----	1, 915. 9	1, 218. 9	303. 6	- 7. 5	179. 9	187. 4	400. 9	148. 1	95. 6	52. 5	252. 9	1, 892. 2
IV ^p -----	1, 965. 1	1, 255. 3	307. 0	-10. 8	174. 3	185. 1	413. 6	153. 8	98. 6	55. 2	259. 8	1, 953. 2

¹ This category corresponds closely with budget outlays for national defense, shown on p. 38

Source: Department of Commerce, Bureau of Economic Analysis.

GROSS NATIONAL PRODUCT IN 1972 DOLLARS

[Billions of 1972 dollars; quarterly data at seasonally adjusted annual rates]

Period	Gross national product	Personal consumption expenditures	Gross private domestic investment			Exports of goods and services			Government purchases of goods and services			Final sales
			Non-residential fixed	Residential fixed	Change in business inventories	Net exports	Exports	Imports	Total	Federal	State and local	
1967-----	1,007.7	603.2	103.5	37.2	12.0	3.5	54.2	50.7	248.3	125.3	123.1	995.7
1968-----	1,051.8	633.4	108.0	42.8	8.7	-4.4	58.5	58.9	259.2	128.3	130.9	1,043.1
1969-----	1,078.8	655.4	114.3	43.2	10.6	-1.3	62.2	63.5	256.7	121.8	134.9	1,068.2
1970-----	1,075.3	668.9	110.0	40.4	4.3	1.4	67.1	65.7	250.2	110.7	139.5	1,071.0
1971-----	1,107.5	691.9	108.0	52.2	6.6	-6.6	67.9	68.5	249.4	103.9	145.5	1,100.9
1972-----	1,171.1	733.0	116.8	62.0	9.4	-3.3	72.7	75.9	253.1	102.1	151.0	1,161.7
1973-----	1,235.0	767.7	131.0	59.7	16.5	7.6	87.4	79.9	252.5	96.6	155.9	1,218.5
1974-----	1,217.8	760.7	130.6	45.0	8.0	15.9	93.0	77.1	257.7	95.8	161.8	1,209.9
1975-----	1,202.1	775.1	112.7	38.8	-9.9	22.5	89.9	67.4	263.0	96.7	166.3	1,212.0
1976-----	1,274.7	821.3	116.8	47.7	8.5	16.0	95.8	79.8	264.4	96.5	167.9	1,266.2
1977 ^a -----	1,337.6	860.3	127.1	56.9	11.6	10.7	98.0	87.3	271.1	101.4	169.7	1,326.1
1976: I-----	1,256.0	807.2	113.7	44.8	9.7	16.8	93.1	76.3	263.9	96.4	167.5	1,246.3
II-----	1,271.5	815.5	115.9	47.1	12.1	16.4	95.2	78.9	264.4	96.1	168.4	1,259.4
III-----	1,283.7	822.7	118.5	47.1	13.8	17.0	97.9	80.9	264.6	96.7	168.0	1,269.8
IV-----	1,287.4	839.8	119.0	52.0	-1.8	13.8	96.9	83.1	264.6	97.1	167.5	1,289.2
1977: I-----	1,311.0	850.4	124.3	52.7	9.7	10.6	96.9	86.3	263.3	97.0	166.4	1,301.2
II-----	1,330.7	854.1	126.4	57.6	13.2	9.4	98.5	89.1	270.0	101.1	168.9	1,317.5
III-----	1,347.4	860.4	127.6	57.5	15.7	12.2	99.8	87.6	274.0	103.3	170.7	1,331.8
IV ^a -----	1,361.4	876.4	130.2	59.8	7.7	10.6	96.8	86.2	276.8	104.1	172.8	1,353.8

IMPLICIT PRICE DEFLATORS FOR GROSS NATIONAL PRODUCT

[1972=100]

Period	Gross national product	Personal consumption expenditures				Gross private domestic investment		Exports and imports of goods and services		Government purchases of goods and services	
		Total	Durable goods	Non-durable goods	Services	Nonresidential fixed	Residential fixed	Exports	Imports	Federal	State and local
1967-----	79.02	81.3	87.4	81.9	78.8	79.3	77.0	84.0	80.1	72.6	72.5
1968-----	82.57	84.6	90.7	85.3	82.0	82.6	80.7	85.3	80.9	76.4	76.9
1969-----	86.72	88.5	93.1	89.4	86.1	86.6	87.7	87.9	83.3	80.0	81.9
1970-----	91.36	92.5	95.5	93.6	90.5	91.3	90.6	93.1	89.1	86.4	88.3
1971-----	96.02	96.6	99.0	96.6	95.8	96.4	94.9	96.6	93.5	92.6	94.5
1972-----	100.00	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1973-----	105.80	105.5	101.6	107.9	104.7	103.8	110.8	116.2	118.2	105.8	107.3
1974-----	116.02	116.9	108.4	123.8	113.6	115.3	122.3	148.3	171.0	115.9	118.4
1975-----	127.18	126.5	117.9	133.1	123.5	132.3	132.8	163.8	188.2	127.5	129.7
1976-----	133.88	133.2	124.7	137.7	132.3	138.7	142.5	170.0	194.3	134.8	137.7
1977 ^a -----	141.32	140.7	130.0	144.1	141.5	146.0	159.9	179.2	211.5	143.5	147.1
1976: I-----	131.47	130.8	122.2	136.2	129.2	136.8	137.1	165.3	188.2	132.4	134.9
II-----	133.06	132.3	123.8	136.9	131.1	137.8	140.7	168.6	190.7	133.7	136.8
III-----	134.56	134.0	125.3	138.3	133.2	139.2	144.1	172.0	198.4	134.7	138.6
IV-----	136.35	135.6	127.2	139.3	135.4	140.9	147.5	174.0	199.3	138.2	140.7
1977: I-----	138.13	137.9	129.3	141.5	137.8	142.5	153.7	175.9	207.0	140.6	143.4
II-----	140.52	139.8	129.5	143.8	140.1	144.4	157.6	180.8	210.6	142.0	146.2
III-----	142.19	141.7	130.1	144.9	142.9	146.9	160.9	180.2	213.9	143.3	148.1
IV ^a -----	144.34	143.2	131.2	146.0	145.1	150.2	166.5	180.0	214.6	147.8	150.4

Source: Department of Commerce, Bureau of Economic Analysis.

CHANGES IN GNP AND GNP PRICE MEASURES

[Percent change from previous period; quarterly data at seasonally adjusted annual rates]

Period	Gross national product					Gross domestic product				
	Current dollars	Constant (1972) dollars	Implicit price deflator	Chain price index	Fixed-weighted price index (1972 weights)	Current dollars	Constant (1972) dollars	Implicit price deflator	Chain price index	Fixed-weighted price index (1972 weights)
1967	5.8	2.7	2.9	3.0	3.0	5.7	2.7	3.0	3.1	3.0
1968	9.1	4.4	4.5	4.4	4.3	9.1	4.4	4.5	4.4	4.4
1969	7.7	2.6	5.0	5.0	5.0	7.8	2.6	5.1	5.0	5.0
1970	5.0	- .3	5.4	5.3	5.2	5.0	- .3	5.3	5.3	5.2
1971	8.2	3.0	5.1	5.0	4.9	8.1	2.8	5.1	5.0	4.9
1972	10.1	5.7	4.1	4.1	4.0	10.1	5.8	4.1	4.1	4.0
1973	11.6	5.5	5.8	6.0	6.0	11.5	5.4	5.7	5.9	5.9
1974	8.1	-1.4	9.7	9.9	10.2	7.9	-1.3	9.3	9.6	9.9
1975	8.2	-1.3	9.6	9.5	9.4	8.5	-1.1	9.7	9.5	9.4
1976	11.6	6.0	5.3	5.6	5.6	11.4	5.9	5.2	5.6	5.6
1977 ^a	10.8	4.9	5.6	6.0	6.1	10.7	4.9	5.5	5.9	6.1
1976: I	13.2	8.8	4.1	4.9	4.6	12.4	8.3	3.8	4.8	4.6
II	10.2	5.1	4.9	5.3	5.2	10.5	5.2	5.0	5.4	5.2
III	8.6	3.9	4.6	4.6	4.8	8.2	3.7	4.4	4.5	4.6
IV	6.7	1.2	5.4	5.9	6.0	6.9	1.3	5.5	6.0	6.1
1977: I	13.2	7.5	5.3	6.9	7.1	12.6	7.2	5.0	6.7	7.0
II	13.7	6.2	7.1	7.0	7.0	13.6	6.1	7.1	7.0	7.0
III	10.2	5.1	4.8	4.3	4.8	10.5	5.3	4.9	4.3	4.8
IV ^a	10.7	4.2	6.2	6.0	6.1	11.1	4.5	6.3	6.0	6.2

NOTE.—Annual changes from previous year and quarterly changes from previous quarter.

Source: Department of Commerce, Bureau of Economic Analysis.

NONFINANCIAL CORPORATE BUSINESS—OUTPUT, COSTS, AND PROFITS

[Quarterly data at seasonally adjusted annual rates]

Period	Gross domestic product of nonfinancial corporate business (billions of dollars)		Current-dollar cost and profit per unit of output (dollars) ¹								Output per hour of all employees (1972 dollars)	Compensation per hour of all employees (dollars)
			Total cost and profit ²	Capital consumption allowances with capital consumption adjustment	Indirect business taxes ³	Compensation of employees	Net interest	Corporate profits with inventory valuation and capital consumption adjustments				
	Current dollars	1972 dollars						Total	Profits tax liability	Profits after tax ⁴		
1967-----	452.9	545.8	0.830	0.072	0.084	0.535	0.016	0.123	0.051	0.072	6.873	3.676
1968-----	498.4	581.6	.857	.074	.089	.553	.017	.124	.058	.066	7.105	3.929
1969-----	541.8	607.3	.892	.079	.094	.589	.022	.109	.055	.055	7.139	4.198
1970-----	560.6	600.6	.933	.088	.103	.628	.028	.086	.045	.041	7.132	4.478
1971-----	602.5	619.3	.973	.094	.110	.645	.029	.095	.048	.046	7.374	4.757
1972-----	671.0	671.0	1.000	.093	.110	.661	.028	.107	.050	.057	7.595	5.024
1973-----	752.0	720.4	1.044	.095	.112	.699	.032	.105	.055	.050	7.781	5.441
1974-----	808.8	695.0	1.164	.116	.123	.796	.043	.086	.061	.024	7.506	5.972
1975-----	875.2	678.9	1.289	.143	.136	.849	.045	.115	.060	.055	7.766	6.596
1976-----	991.0	731.0	1.356	.146	.136	.890	.044	.139	.073	.066	8.055	7.166
1977 ^a -----	1,104.9	774.1	1.427	.151	.140	.947	.047	.143	.074	.069		
1976: I-----	958.4	719.4	1.332	.145	.134	.870	.044	.139	.072	.067	7.988	6.953
II-----	983.6	731.3	1.345	.144	.135	.880	.044	.142	.075	.066	8.073	7.101
III-----	1,004.7	736.6	1.364	.147	.136	.892	.044	.145	.074	.071	8.112	7.238
IV-----	1,017.2	736.5	1.381	.150	.139	.916	.045	.132	.072	.060	8.052	7.373
1977: I-----	1,049.3	753.3	1.393	.149	.140	.930	.046	.128	.070	.058	8.170	7.599
II-----	1,094.9	771.7	1.419	.148	.139	.943	.047	.142	.075	.068	8.209	7.737
III-----	1,124.8	781.2	1.440	.151	.140	.949	.048	.152	.073	.079	8.298	7.873

¹ Output is measured by gross domestic product of nonfinancial corporate business in 1972 dollars.

² This is equal to the deflator for gross domestic product of nonfinancial corporate business with the decimal point shifted two places to the left.

³ Indirect business tax and nontax liability plus business transfer payments less subsidies.

⁴ With inventory valuation and capital consumption adjustments.

Sources: Department of Commerce (Bureau of Economic Analysis) and Department of Labor (Bureau of Labor Statistics).

NATIONAL INCOME

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

Period	National income	Compensation of employees ¹	Proprietors' income with inventory valuation and capital consumption adjustments		Rental income of persons with capital consumption adjustment	Corporate profits with inventory valuation and capital consumption adjustments					Net interest
			Farm	Non-farm		Total	Profits with inventory valuation adjustment and without capital consumption adjustment			Capital consumption adjustment	
							Total	Profits before tax	Inventory valuation adjustment		
1967.....	655.8	471.9	12.1	48.9	19.4	79.3	75.6	77.3	-1.7	3.7	24.3
1968.....	714.4	519.8	12.0	51.4	18.6	85.8	82.1	85.6	-3.4	3.7	26.8
1969.....	767.9	571.4	13.9	52.3	18.1	81.4	77.9	83.4	-5.5	3.5	30.8
1970.....	798.4	609.2	13.9	51.2	18.6	67.9	66.4	71.5	-5.1	1.5	37.5
1971.....	858.1	650.3	14.3	53.4	20.1	77.2	76.9	82.0	-5.0	.3	42.8
1972.....	951.9	715.1	18.0	58.1	21.5	92.1	89.6	96.2	-6.6	2.5	47.0
1973.....	1,064.6	799.2	32.0	60.4	21.6	99.1	97.2	115.8	-18.6	1.9	52.3
1974.....	1,136.0	875.8	25.4	60.9	21.4	83.6	86.5	126.9	-40.4	-2.9	69.0
1975.....	1,217.0	930.3	23.2	62.8	22.3	99.3	111.5	123.5	-12.0	-12.2	79.1
1976.....	1,364.1	1,036.3	18.6	69.4	23.3	128.1	142.7	156.9	-14.1	-14.7	88.4
1977 ^a	1,520.3	1,155.8	19.5	78.4	25.3	140.3	157.5	172.1	-14.5	-17.2	100.9
1976: I.....	1,321.0	999.6	20.0	66.9	23.0	126.5	141.1	153.5	-12.4	-14.6	85.0
II.....	1,353.9	1,024.9	21.6	68.8	22.9	129.2	143.7	159.2	-15.5	-14.6	86.5
III.....	1,379.6	1,046.5	16.2	70.0	23.3	133.5	148.2	159.9	-11.7	-14.7	90.1
IV.....	1,402.1	1,074.2	16.6	72.0	24.1	123.1	137.9	154.8	-16.9	-14.8	92.0
1977: I.....	1,450.2	1,109.9	20.7	74.3	24.5	125.4	141.0	161.7	-20.6	-15.6	95.3
II.....	1,505.7	1,144.7	19.7	77.3	24.9	140.2	156.2	174.0	-17.8	-15.9	98.9
III.....	1,540.5	1,167.4	15.5	80.0	25.5	149.0	166.9	172.8	-5.9	-17.9	103.1
IV ^a	1,201.3	1,201.3	22.1	82.0	26.4	-----	-----	-----	-13.8	-19.4	106.4

¹ Includes employer contributions for social insurance. (See also p. 5.)

Source: Department of Commerce, Bureau of Economic Analysis.

PERSONAL CONSUMPTION EXPENDITURES

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

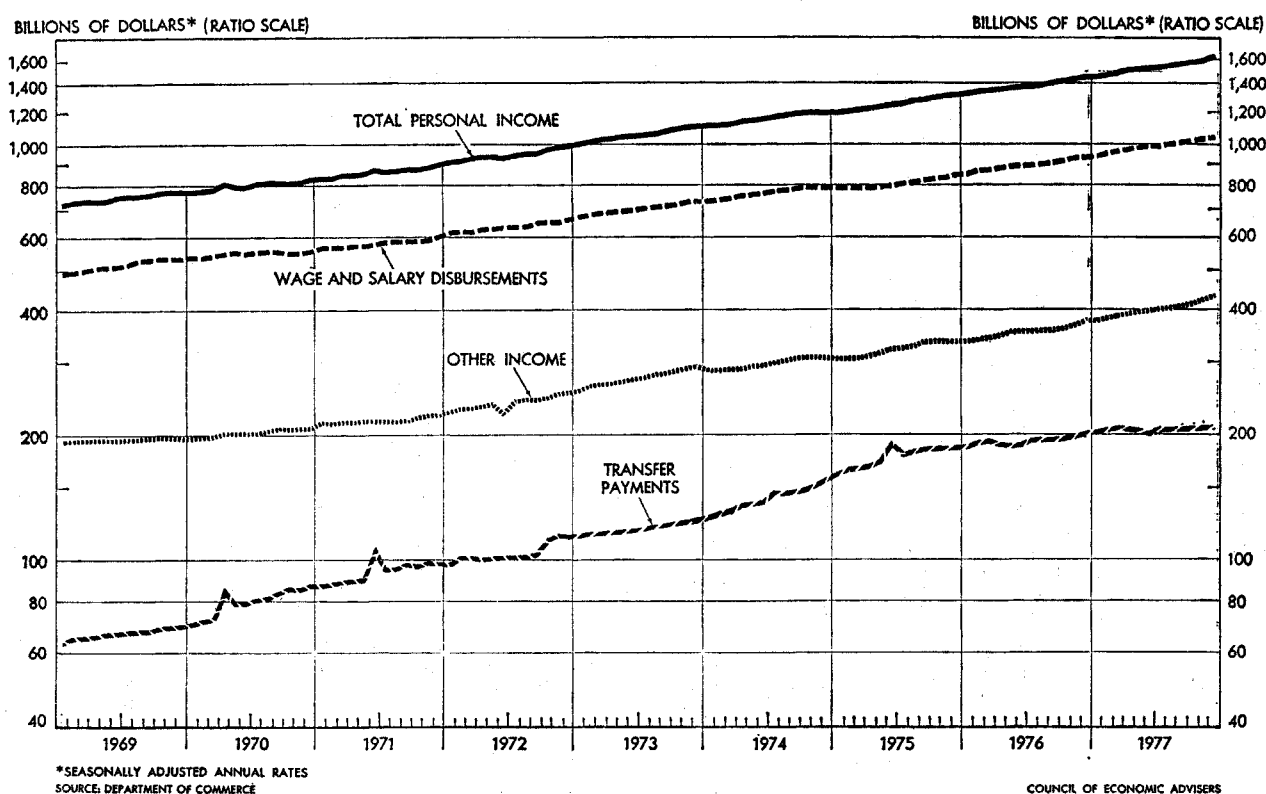
Period	Total personal consumption expenditures	Durable goods			Nondurable goods				Services	Retail sales of new passenger cars (millions of units)	
		Total durable goods ¹	Motor vehicles and parts	Furniture and household equipment	Total non-durable goods ¹	Food	Clothing and shoes	Gasoline and oil		Domestics	Imports
1967-----	490. 4	69. 6	29. 7	29. 5	212. 6	109. 6	38. 2	17. 0	208. 1	7. 6	0. 8
1968-----	535. 9	80. 0	35. 8	32. 6	230. 4	118. 3	41. 8	18. 4	225. 6	8. 6	1. 0
1969-----	579. 7	85. 5	37. 7	35. 0	247. 0	126. 1	45. 1	20. 4	247. 2	8. 5	1. 1
1970-----	618. 8	84. 9	34. 9	36. 7	264. 7	136. 3	46. 6	22. 0	269. 1	7. 1	1. 3
1971-----	668. 2	97. 1	43. 8	39. 4	277. 7	140. 6	50. 5	23. 4	293. 4	8. 7	1. 6
1972-----	733. 0	111. 2	50. 6	44. 8	299. 3	150. 4	55. 1	24. 9	322. 4	9. 3	1. 6
1973-----	809. 9	123. 7	55. 2	50. 7	333. 8	168. 1	61. 3	27. 8	352. 3	9. 7	1. 8
1974-----	889. 6	122. 0	48. 0	54. 9	376. 3	189. 8	65. 3	36. 4	391. 3	7. 5	1. 4
1975-----	980. 4	132. 9	53. 9	58. 0	409. 3	209. 5	70. 2	39. 1	438. 2	7. 1	1. 6
1976-----	1, 094. 0	158. 9	71. 9	63. 9	442. 7	225. 5	76. 3	41. 4	492. 3	8. 6	1. 5
1977 ^a -----	1, 210. 1	179. 4	83. 8	70. 3	480. 1	246. 3	82. 6	44. 8	550. 6	9. 1	2. 1
1976: I-----	1, 056. 0	153. 3	68. 8	61. 9	430. 4	219. 3	74. 2	40. 6	472. 4	8. 8	1. 3
II-----	1, 078. 5	156. 7	71. 0	63. 0	437. 1	223. 8	74. 3	40. 3	484. 6	8. 7	1. 4
III-----	1, 102. 2	159. 3	72. 1	63. 9	444. 7	227. 0	76. 9	41. 2	498. 2	8. 4	1. 5
IV-----	1, 139. 0	166. 3	75. 7	66. 5	458. 8	232. 0	79. 9	43. 5	513. 9	8. 5	1. 7
1977: I-----	1, 172. 4	177. 0	85. 3	67. 4	466. 6	237. 9	79. 3	44. 1	528. 8	9. 4	1. 8
II-----	1, 194. 0	178. 6	84. 5	69. 3	474. 4	244. 8	80. 4	44. 3	541. 1	9. 3	2. 4
III-----	1, 218. 9	177. 6	81. 2	70. 9	481. 8	248. 3	83. 3	44. 2	559. 5	8. 9	2. 0
IV ^a -----	1, 255. 3	184. 6	84. 1	73. 4	497. 7	254. 2	87. 5	46. 4	572. 9	8. 9	2. 0

¹ Total includes other items not shown separately.

Source: Department of Commerce, Bureau of Economic Analysis.

SOURCES OF PERSONAL INCOME

Personal income rose \$18.3 billion (annual rate) in December, following a \$15.7 billion (revised) increase in November. Wages and salaries were up \$3.6 billion in December. All other major types of personal income also rose.



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

Period	Total personal income	Wage and salary disbursements ¹	Other labor income ^{1,2}	Proprietors' income ³		Rental income of persons ⁴	Dividends	Personal interest income	Transfer payments ⁵	Less: Personal contributions for social insurance	Non-farm personal income ⁶
				Farm	Nonfarm						
1970.....	801.3	546.5	32.0	13.9	51.2	18.6	22.9	64.3	79.9	28.0	780.7
1971.....	859.1	579.4	36.2	14.3	53.4	20.1	23.0	69.3	94.1	30.8	838.0
1972.....	942.5	633.8	42.0	18.0	58.1	21.5	24.6	74.6	104.1	34.2	917.3
1973.....	1,052.4	701.3	48.7	32.0	60.4	21.6	27.8	84.1	118.9	42.2	1,011.9
1974.....	1,154.9	764.6	55.6	25.4	60.9	21.4	31.0	103.0	140.8	47.7	1,119.3
1975.....	1,253.4	805.7	64.9	23.2	62.8	22.3	32.4	115.6	176.8	50.4	1,218.8
1976.....	1,382.7	891.8	75.9	18.6	69.4	23.3	35.8	130.3	192.8	55.2	1,351.3
1977 ^a	1,536.1	989.5	88.6	19.5	78.4	25.3	41.2	147.9	206.9	61.2	1,502.3
1976: Dec.....	1,450.2	931.7	81.0	18.1	73.2	24.4	41.2	137.6	200.0	57.0	1,418.5
1977: Jan.....	1,454.3	937.3	82.1	19.6	72.5	24.4	37.9	139.0	200.5	59.0	1,421.1
Feb.....	1,477.0	951.7	83.2	21.0	74.4	24.6	38.5	140.3	203.0	59.6	1,442.4
Mar.....	1,499.1	964.9	84.4	21.7	76.0	24.6	39.0	141.8	206.9	60.2	1,463.7
Apr.....	1,510.1	974.1	85.5	20.9	76.9	24.3	39.3	143.5	206.0	60.6	1,475.3
May.....	1,517.3	982.0	86.7	19.8	77.2	24.8	39.6	145.2	202.9	60.9	1,483.5
June.....	1,524.3	986.5	87.9	18.4	77.6	25.6	41.9	147.4	200.0	61.0	1,491.6
July.....	1,539.2	992.9	89.1	16.5	79.2	24.7	42.0	149.1	207.2	61.5	1,508.3
Aug.....	1,549.0	997.9	90.3	15.1	80.2	25.7	42.4	150.4	208.6	61.6	1,519.5
Sept.....	1,561.3	1,006.0	91.5	14.9	80.8	26.0	42.6	151.3	210.2	62.0	1,531.8
Oct.....	1,583.8	1,022.1	92.8	17.2	81.5	26.2	42.7	153.1	210.9	62.6	1,551.9
Nov.....	1,599.6	1,027.8	94.0	20.6	82.1	26.4	42.9	155.5	213.1	62.9	1,564.1
Dec ^a	1,617.9	1,031.4	95.3	28.5	82.5	26.6	45.2	158.2	213.4	63.1	1,574.3

¹ The total of wage and salary disbursements and other labor income differs from compensation of employees (see p. 4) in that it excludes employer contributions for social insurance and the excess of wage accruals over wage disbursements.

² Consists of employer contributions to private pension, health, and welfare funds; workmen's compensation; directors' fees; and a few other minor items.

³ With inventory valuation and capital consumption adjustments.

⁴ With capital consumption adjustment.

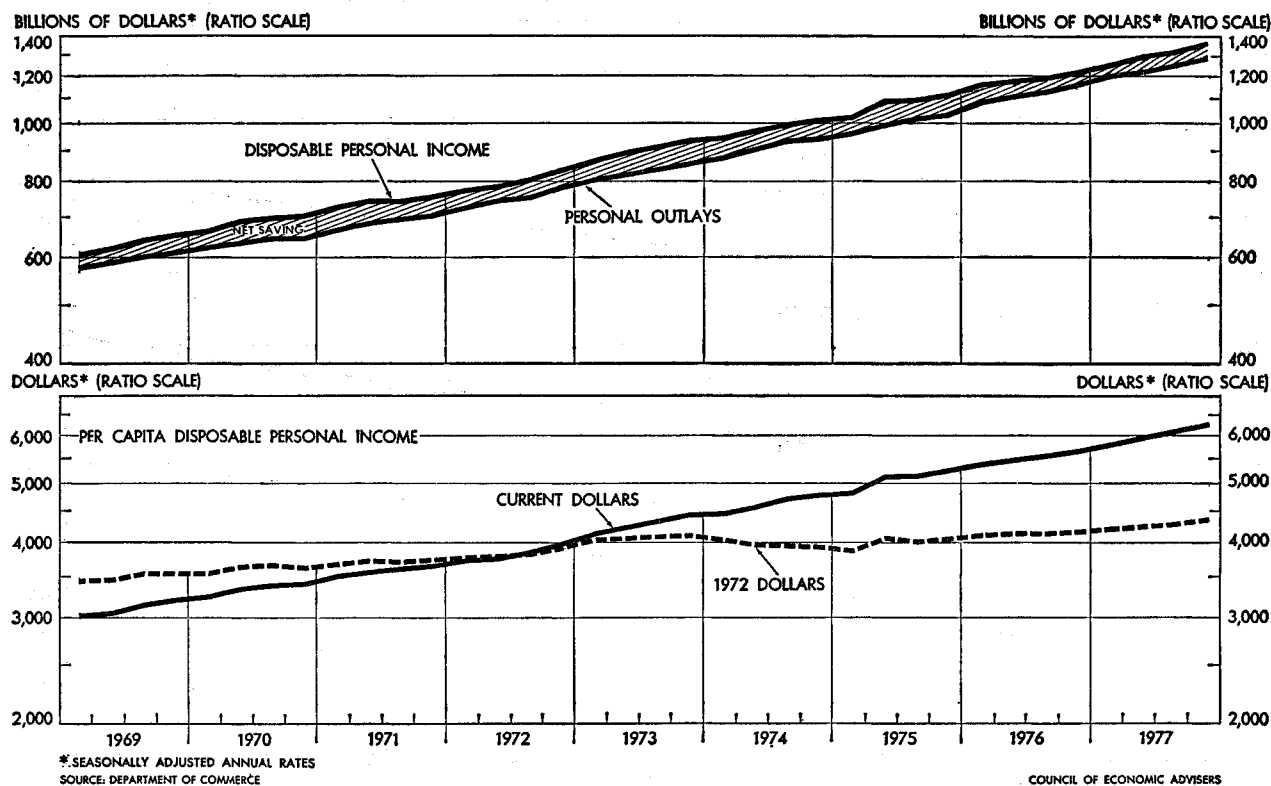
⁵ Consists mainly of social insurance benefits, direct relief, and veterans payments.

⁶ Personal income exclusive of farm proprietors' income, farm wages, farm other labor income, and agricultural net interest.

Source: Department of Commerce, Bureau of Economic Analysis.

DISPOSITION OF PERSONAL INCOME

Real per capita disposable income rose again in the fourth quarter.



Period	Per-sonal income	Less: Per-sonal tax and non-tax pay-ments	Equals: Dispos-able per-sonal income	Less: Per-sonal out-lays ¹	Equals: Per-sonal saving	Per capita disposable personal income		Per capita per-sonal consump-tion expenditures		Percent change in real per capita dispos-able per-sonal income	Saving as per-cent of dispos-able per-sonal income	Popula-tion (thou-sands) ²	
						Current dollars	1972 dollars	Current dollars	1972 dollars				
	Billions of dollars					Dollars							
1969-----	745. 8	115. 4	630. 4	595. 3	35. 1	3, 111	3, 515	2, 860	3, 234	1. 5	5. 6	202, 677	
1970-----	801. 3	115. 3	685. 9	635. 4	50. 6	3, 348	3, 619	3, 020	3, 265	3. 0	7. 4	204, 878	
1971-----	859. 1	116. 3	742. 8	685. 5	57. 3	3, 588	3, 714	3, 227	3, 342	2. 6	7. 7	207, 053	
1972-----	942. 5	141. 2	801. 3	751. 9	49. 4	3, 837	3, 837	3, 510	3, 510	3. 3	6. 2	208, 846	
1973-----	1, 052. 4	150. 8	901. 7	831. 3	70. 3	4, 285	4, 062	3, 849	3, 648	5. 9	7. 8	210, 410	
1974-----	1, 154. 9	170. 3	984. 6	913. 0	71. 7	4, 646	3, 973	4, 197	3, 589	-2. 2	7. 3	211, 945	
1975-----	1, 253. 4	169. 0	1, 084. 4	1, 004. 2	80. 2	5, 077	4, 014	4, 591	3, 629	1. 0	7. 4	213, 566	
1976-----	1, 382. 7	196. 9	1, 185. 8	1, 119. 9	65. 9	5, 511	4, 137	5, 084	3, 817	3. 1	5. 6	215, 191	
1977 ² -----	1, 536. 1	227. 5	1, 308. 6	1, 240. 9	67. 8	6, 035	4, 290	5, 580	3, 967	3. 7	5. 2	216, 856	
	Seasonally adjusted annual rates												
1976: I----	1, 338. 1	184. 8	1, 153. 3	1, 080. 9	72. 4	5, 374	4, 107	4, 921	3, 761	4. 5	6. 3	214, 608	
II-----	1, 366. 7	192. 6	1, 174. 1	1, 103. 8	70. 3	5, 462	4, 130	5, 018	3, 794	2. 3	6. 0	214, 948	
III-----	1, 393. 9	200. 6	1, 193. 3	1, 128. 5	64. 8	5, 540	4, 135	5, 117	3, 820	. 5	5. 4	215, 380	
IV-----	1, 432. 2	209. 5	1, 222. 6	1, 166. 3	56. 3	5, 665	4, 177	5, 278	3, 891	4. 1	4. 6	215, 827	
1977: I----	1, 476. 8	224. 4	1, 252. 4	1, 201. 0	51. 4	5, 793	4, 202	5, 422	3, 933	2. 4	4. 1	216, 206	
II-----	1, 517. 2	224. 8	1, 292. 5	1, 223. 9	68. 5	5, 967	4, 268	5, 513	3, 943	6. 4	5. 3	216, 603	
III-----	1, 549. 8	226. 1	1, 323. 8	1, 250. 5	73. 3	6, 098	4, 305	5, 615	3, 964	3. 5	5. 5	217, 073	
IV ² -----	1, 600. 5	234. 6	1, 365. 9	1, 288. 1	77. 8	6, 279	4, 383	5, 770	4, 028	7. 4	5. 7	217, 542	

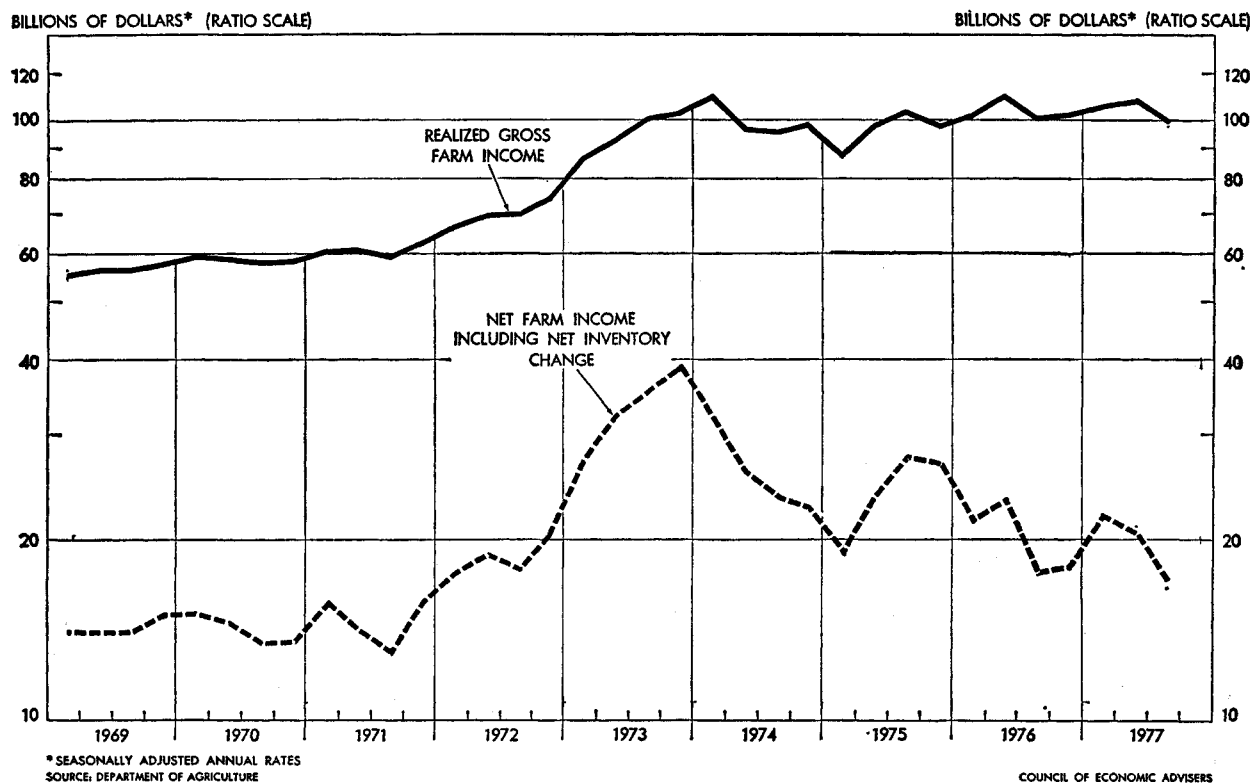
¹ Includes personal consumption expenditures, interest paid by consumers to business, and personal transfer payments to foreigners (net).

² Includes Armed Forces abroad. Annual data are for July 1 through 1973 and are averages of quarterly data beginning 1974. Quarterly data are average for the period.

Source: Department of Commerce (Bureau of Economic Analysis and Bureau of the Census).

FARM INCOME

In the third quarter of 1977, farm income excluding inventory change fell \$3.8 billion (annual rate) while income including inventory change fell \$3.3 billion.



[Quarterly data at seasonally adjusted annual rates]

Period	Personal income received by total farm population			Income received from farming								Net income per farm including net inventory change ³		
	From all sources	From farm sources	From nonfarm sources	Realized gross					Net to farm operators					
				Total ¹	Cash receipts from marketings			Production expenses	Excluding net inventory change	Including net inventory change ²				
					Total	Live-stock and products	Crops							
Billions of dollars													Dollars	
1970-----	27. 4	13. 0	14. 4	58. 6	50. 5	29. 6	21. 0	44. 4	14. 1	14. 2	4, 790	4, 202		
1971-----	28. 7	13. 4	15. 3	60. 6	52. 9	30. 6	22. 3	47. 4	13. 2	14. 6	5, 030	4, 263		
1972-----	34. 4	16. 8	17. 6	70. 1	61. 2	35. 7	25. 5	52. 3	17. 8	18. 7	6, 504	5, 288		
1973-----	48. 6	29. 0	19. 5	95. 5	87. 1	45. 9	41. 1	65. 6	29. 9	33. 3	11, 727	8, 817		
1974-----	44. 7	23. 1	21. 6	100. 0	92. 4	41. 4	51. 1	72. 2	27. 7	26. 1	9, 232	6, 114		
1975-----	44. 3	21. 5	22. 8	96. 7	88. 1	43. 0	45. 1	75. 9	20. 8	24. 3	8, 637	5, 203		
1976-----	42. 0	17. 8	24. 2	103. 6	94. 3	46. 4	47. 9	81. 7	21. 9	20. 0	7, 203	4, 093		
1977 ^a -----	44. 5	18. 6	25. 9											
1976: I-----				102. 1	93. 0	46. 3	46. 7	79. 1	23. 0	21. 5	7, 740	4, 500		
II-----				109. 6	100. 4	48. 3	52. 1	84. 2	25. 4	23. 2	8, 350	4, 800		
III-----				100. 9	91. 5	45. 5	46. 0	82. 3	18. 6	17. 6	6, 330	3, 580		
IV-----				101. 9	92. 4	45. 4	47. 0	81. 2	20. 7	18. 0	6, 480	3, 600		
1977: I-----				105. 8	96. 1	45. 7	50. 4	83. 5	22. 3	21. 8	7, 920	4, 320		
II-----				107. 5	97. 7	47. 7	50. 0	87. 5	20. 0	20. 5	7, 450	4, 000		
III-----				99. 5	89. 3	47. 6	41. 7	83. 3	16. 2	17. 2	6, 250	3, 290		

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

² Inventory of crops and livestock valued at the average price for the year.

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

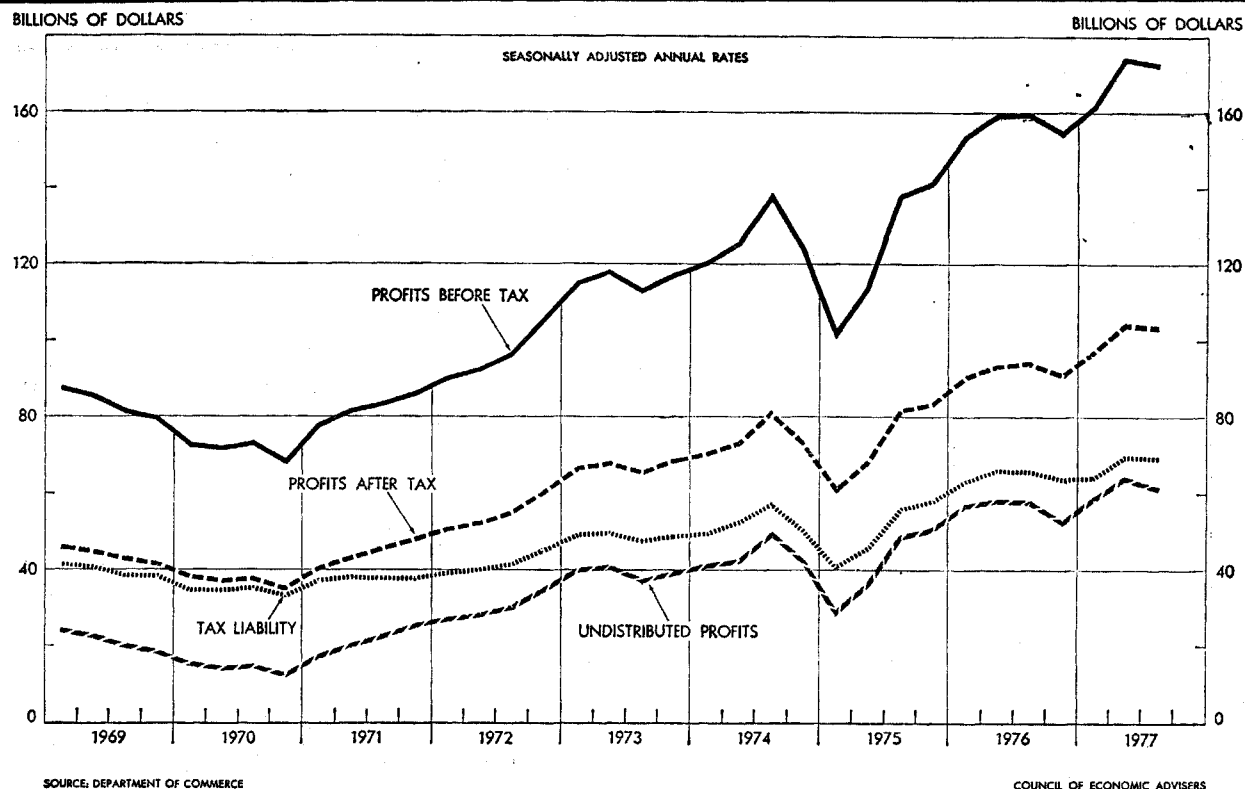
⁴ Income in current dollars divided by the index of prices paid by farmers for

family living items on a 1967 base. As of January 1977 movement is based on the overall change in the consumer price index.

Source: Department of Agriculture.

CORPORATE PROFITS

In 1977, according to preliminary estimates, profits before tax with and without inventory valuation adjustment rose about 10 percent. Profits after tax rose about 11½ percent.



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

Period	Profits (before tax) with inventory valuation adjustment ¹						Profits before tax	Tax liability	Profits after tax			Inventory valuation adjustment
	Total ²	Domestic industries							Total	Dividends	Un-distributed profits	
		Total	Finan- cial	Nonfinancial								
				Total ³	Manu- fac- tur- ing	Whole- sale and retail trade						
1967	75.6	72.6	9.0	63.6	37.9	8.9	77.3	32.5	44.9	20.1	24.7	-1.7
1968	82.1	78.9	10.4	68.5	41.2	10.1	85.6	39.4	46.2	21.9	24.2	-3.4
1969	77.9	74.2	11.3	62.9	36.8	10.1	83.4	39.7	43.8	22.6	21.2	-5.5
1970	66.4	62.6	12.6	50.1	27.1	9.4	71.5	34.5	37.0	22.9	14.1	-5.1
1971	76.9	72.4	14.1	58.2	32.4	11.7	82.0	37.7	44.3	23.0	21.3	-5.0
1972	89.6	84.7	15.4	69.3	40.6	13.3	96.2	41.5	54.6	24.6	30.0	-6.6
1973	97.2	90.4	16.2	74.1	44.1	14.7	115.8	48.7	67.1	27.8	39.3	-18.6
1974	86.5	76.9	14.4	62.5	36.6	12.9	126.9	52.4	74.5	31.0	43.6	-40.4
1975	111.5	105.4	15.0	90.3	47.9	22.1	123.5	50.2	73.4	32.4	41.0	-12.0
1976	142.7	134.6	18.2	116.4	66.3	27.1	156.9	64.7	92.1	35.8	56.4	-14.1
1977 ^p	157.5	147.9	20.6	127.3	74.7		172.1	69.2	102.9	41.2	61.7	-14.5
1976: I	141.1	132.4	17.8	114.6	65.3	26.5	153.5	63.1	90.4	33.6	56.8	-12.4
1976: II	143.7	136.1	18.1	118.0	68.7	25.5	159.2	66.1	93.1	35.0	58.1	-15.5
1976: III	143.2	139.8	18.4	121.3	68.4	29.1	159.9	65.9	94.0	36.0	58.0	-11.7
1976: IV	137.9	130.2	18.4	111.8	62.9	27.4	154.8	63.9	90.9	38.4	52.5	-16.9
1977: I	141.0	131.0	19.2	111.8	65.2	24.0	161.7	64.4	97.2	38.5	58.8	-20.6
1977: II	156.2	145.5	19.9	125.5	76.4	25.4	174.0	69.7	104.3	40.3	64.1	-17.8
1977: III	166.9	157.4	21.2	136.1	77.6	31.2	172.8	69.3	103.6	42.3	61.2	-5.9
1977: IV ^p										43.6		-13.8

¹ See p. 4 for profits with inventory valuation and capital consumption adjustments.

² Includes rest of the world, not shown separately.

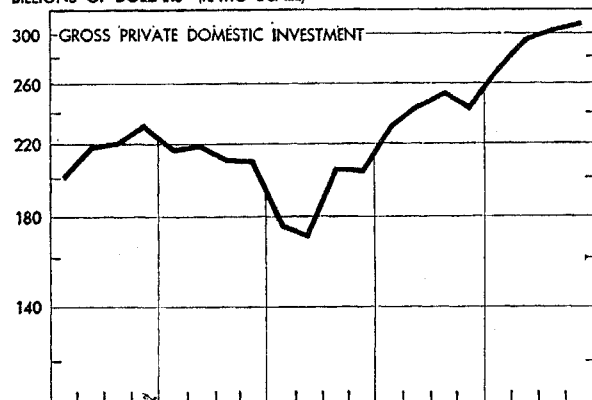
³ Includes industries not shown separately.

Source: Department of Commerce, Bureau of Economic Analysis.

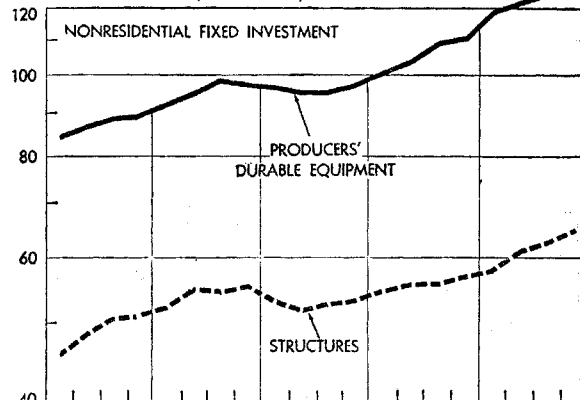
GROSS PRIVATE DOMESTIC INVESTMENT

Business fixed investment rose \$8.0 billion (annual rate) in the fourth quarter as purchases of producers' durable equipment increased \$5.8 billion and investment in structures rose \$2.3 billion. Residential investment increased \$7.0 billion. Inventory investment amounted to \$11.9 billion, down \$11.7 billion from the third quarter level.

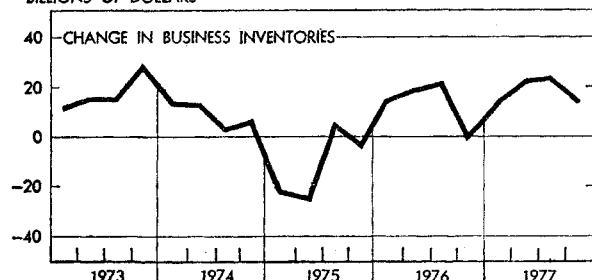
BILLIONS OF DOLLARS* (RATIO SCALE)



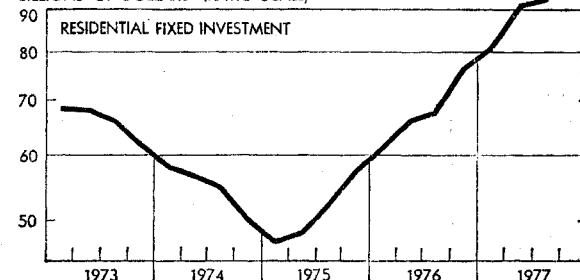
BILLIONS OF DOLLARS* (RATIO SCALE)



BILLIONS OF DOLLARS



BILLIONS OF DOLLARS (RATIO SCALE)



*SEASONALLY ADJUSTED ANNUAL RATES
SOURCE, DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

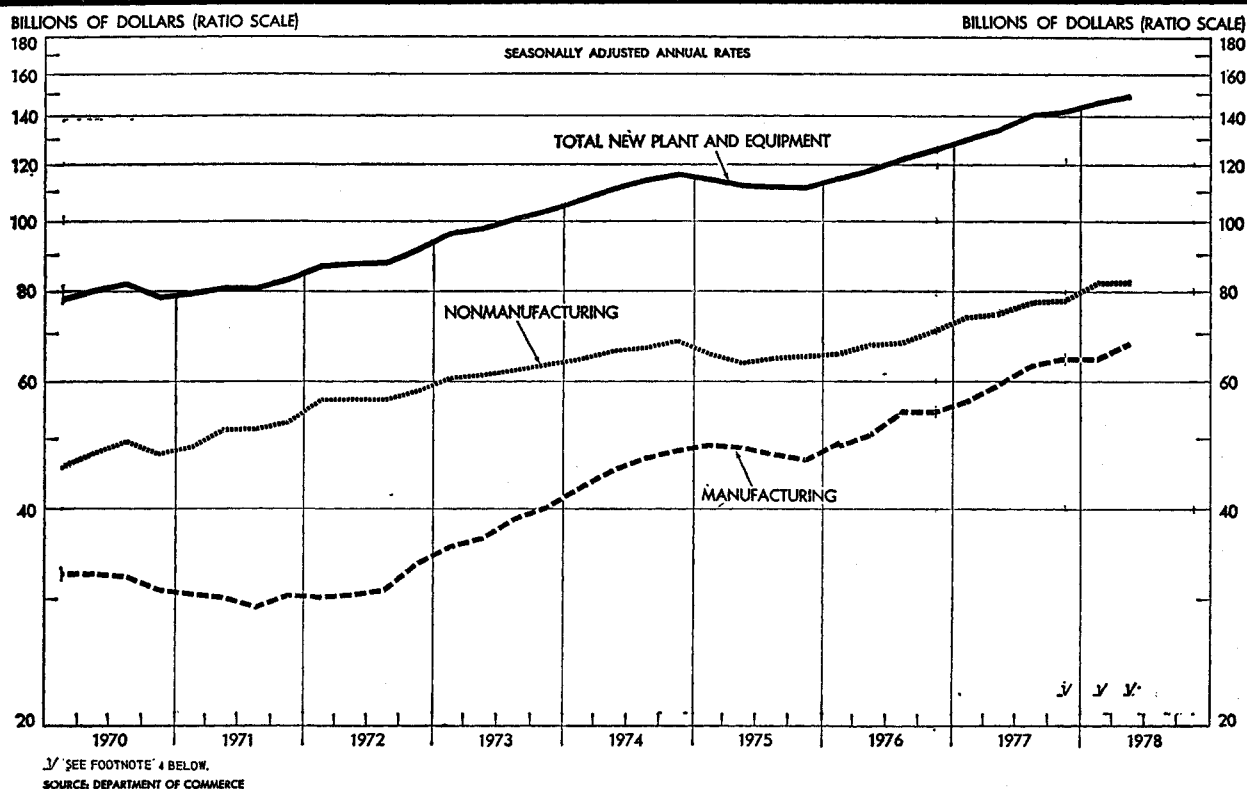
[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Gross private domestic investment	Nonresidential fixed investment					Residential fixed investment				Change in business inventories	
		Total	Structures		Producers' durable equipment		Total	Non-farm structures	Farm structures	Producers' durable equipment	Total	Non-farm
			Total	Non-farm	Total	Non-farm						
1967	120.8	82.1	29.5	28.2	52.6	48.0	28.6	27.2	0.7	0.7	10.1	9.4
1968	131.5	89.3	31.6	30.4	57.7	53.4	34.5	33.1	.6	.8	7.7	7.6
1969	146.2	98.9	35.7	34.3	63.3	58.9	37.9	36.3	.7	.9	9.4	9.2
1970	140.8	100.5	37.7	36.1	62.8	58.1	36.6	35.1	.6	.9	3.8	3.7
1971	160.0	104.1	39.3	37.8	64.7	59.9	49.6	47.9	.7	1.0	6.4	5.1
1972	188.3	116.8	42.5	41.1	74.3	69.1	62.0	60.3	.7	1.1	9.4	8.8
1973	220.0	136.0	49.0	46.9	87.0	80.1	66.1	64.3	.6	1.2	17.9	14.7
1974	214.6	150.6	54.5	51.8	96.2	88.2	55.1	52.7	1.2	1.2	8.9	10.8
1975	189.1	149.1	52.9	50.4	96.3	87.1	51.5	49.5	.9	1.1	-11.5	-15.1
1976	243.3	161.9	55.8	53.4	106.1	95.9	68.0	65.7	1.0	1.3	13.3	14.9
1977	294.3	185.6	61.6	58.9	124.0	112.9	90.9	88.4	1.1	1.4	17.8	17.5
1976: I	231.3	155.4	54.7	52.1	100.8	90.5	61.4	58.9	1.2	1.2	14.5	15.9
II	244.4	159.8	55.8	53.4	104.0	93.8	66.3	64.1	1.0	1.2	18.3	20.4
III	254.3	164.9	56.0	53.6	109.0	98.4	67.8	65.7	.9	1.2	21.5	22.0
IV	243.4	167.6	57.0	54.4	110.6	100.7	76.7	74.3	1.1	1.3	-.9	1.4
1977: I	271.8	177.0	57.9	55.1	119.2	107.8	81.0	78.5	1.1	1.4	13.8	14.1
II	294.9	182.4	61.0	58.2	121.4	110.0	90.8	88.2	1.2	1.4	21.7	22.4
III	303.6	187.5	62.6	60.1	124.9	114.0	92.5	89.9	1.1	1.5	23.6	23.1
IV	307.0	195.5	64.9	62.1	130.7	119.7	99.5	97.0	1.0	1.5	11.9	10.4

Source: Department of Commerce, Bureau of Economic Analysis.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Business plans to increase capital spending 10.1 percent in 1978, according to the Commerce Department survey conducted in November and December. Spending in 1977 was 13.7 percent above the 1976 level, according to the estimates released in December.



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

Period	Expenditures for plant and equipment										Starts of plant and equipment projects ³	
	Total ¹	Manufacturing			Nonmanufacturing						Manufacturing	Public utilities
		Total	Durable goods	Non-durable goods	Total	Mining	Transportation	Public utilities	Communication	Commercial and other ²		
1971.....	81. 21	29. 99	14. 15	15. 84	51. 22	2. 16	4. 93	15. 30	10. 77	18. 05	28. 00	22. 22
1972.....	88. 44	31. 35	15. 64	15. 72	57. 09	2. 42	5. 72	17. 00	11. 89	20. 07	35. 21	28. 60
1973.....	99. 74	38. 01	19. 25	18. 76	61. 73	2. 74	6. 03	18. 71	12. 85	21. 40	47. 57	38. 13
1974.....	112. 40	46. 01	22. 62	23. 39	66. 39	3. 18	6. 66	20. 55	13. 96	22. 05	52. 49	45. 74
1975.....	112. 78	47. 95	21. 84	26. 11	64. 82	3. 79	7. 57	20. 14	12. 74	20. 60	48. 24	34. 50
1976.....	120. 49	52. 48	23. 68	28. 81	68. 01	4. 00	7. 45	22. 28	13. 30	20. 99	51. 05	29. 66
1977 ⁴	137. 02	61. 03	28. 26	32. 77	75. 99	4. 44	6. 99	26. 14	15. 36	23. 06	-----	-----
1978 ⁴	150. 89	67. 35	31. 57	35. 78	83. 54	5. 27	7. 39	29. 27	41. 61		-----	-----
1976: III.....	122. 55	54. 78	24. 59	30. 20	67. 76	4. 21	7. 25	21. 67	13. 64	20. 99	13. 22	7. 54
IV.....	125. 22	54. 44	25. 50	28. 93	70. 78	4. 13	7. 53	23. 46	14. 30	21. 36	12. 88	10. 22
1977: I.....	130. 16	56. 43	26. 30	30. 13	73. 74	4. 24	7. 29	25. 35	14. 19	22. 67	15. 26	9. 76
II.....	134. 24	59. 46	27. 26	32. 19	74. 78	4. 49	6. 96	25. 29	15. 32	22. 73	15. 15	3. 79
III.....	140. 38	63. 02	29. 23	33. 79	77. 36	4. 74	6. 85	26. 22	16. 40	23. 14	19. 81	10. 23
IV ⁴	142. 38	64. 42	29. 88	34. 54	77. 96	4. 30	7. 17	27. 41	39. 09		-----	-----
1978: I ⁴	146. 26	64. 14	30. 46	33. 68	82. 12	4. 61	8. 02	28. 72	40. 76		-----	-----
II ⁴	149. 86	67. 73	31. 82	35. 91	82. 13	-----	-----	-----	-----	-----	-----	-----

¹ Excludes agricultural business; real estate operators; medical, legal, educational, and cultural service; and nonprofit organizations. These figures do not agree precisely with the nonresidential fixed investment data in gross national product estimates, mainly because those data include investment by farmers, professionals, nonprofit institutions, and real estate firms, and certain outlays charged to current account.

² Includes trade, service, construction, finance, and insurance.

³ Starts are estimated by adding changes in carryover to expenditures during given period.

⁴ Expenditures estimates based on expected capital expenditures as reported by business in October-December 1977.

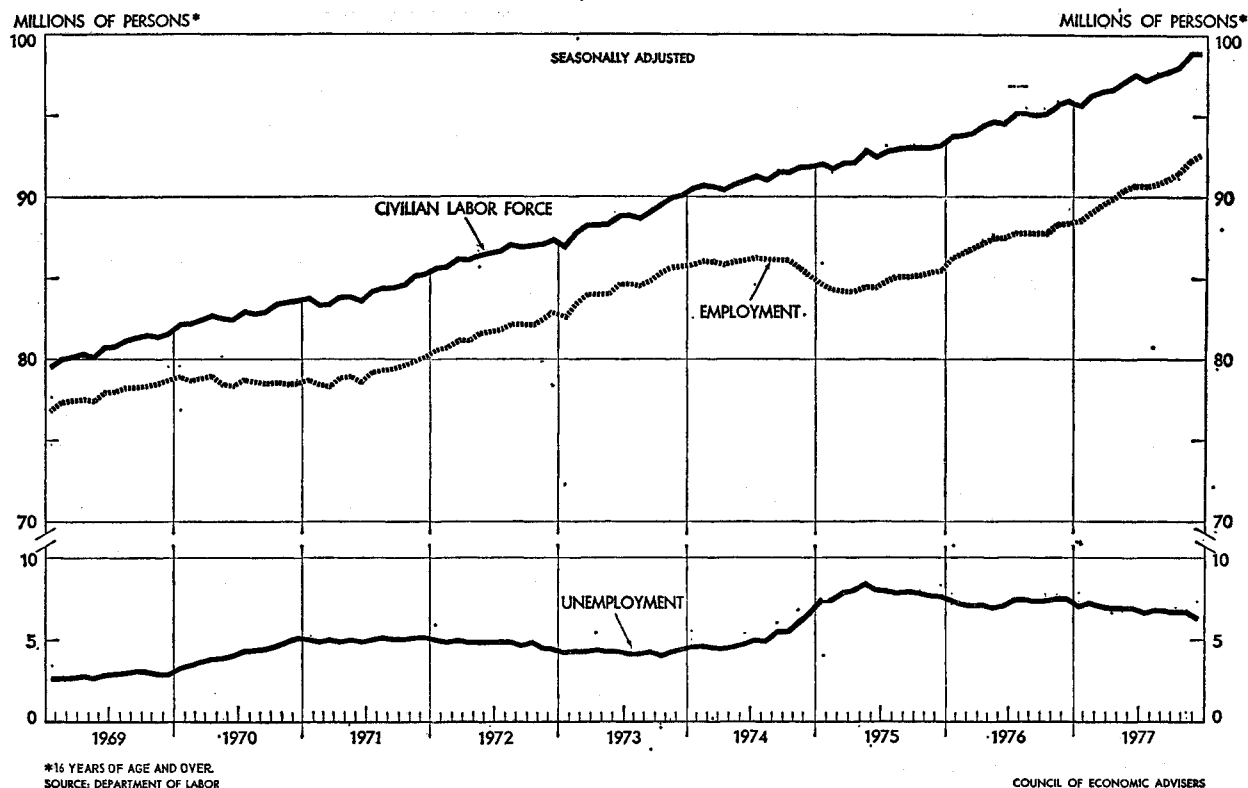
NOTE.—Annual total is the sum of unadjusted quarterly totals. Estimates (as noted in footnote 4) include adjustments when necessary for systematic biases in expectations data.

Source: Department of Commerce, Bureau of Economic Analysis.

EMPLOYMENT, UNEMPLOYMENT, AND WAGES

STATUS OF THE LABOR FORCE

Seasonally adjusted employment grew by 395,000 in December, bringing the increase in unadjusted civilian employment to 4.1 million since the end of 1976. Unemployment declined sharply in December—by 353,000.



[Thousands of persons 16 years of age and over]

Period	Non-institutional population	Civilian employment	Unemployment	Total labor force (including Armed Forces)	Civilian labor force	Civilian employment				Unemployment		Labor force participation rate (percent) ²
						Total	Agricultural	Nonagricultural		Total	15 weeks and over	
								Total	Part-time for economic reasons ¹			
1973-----	148,263	84,409	4,304	91,040	88,714	84,409	3,452	80,957	2,311	4,304	812	61.4
1974-----	150,827	85,935	5,076	93,240	91,011	85,935	3,492	82,443	2,709	5,076	937	61.8
1975-----	153,449	84,783	7,830	94,793	92,613	84,783	3,380	81,403	3,490	7,830	2,483	61.8
1976-----	156,048	87,485	7,288	96,917	94,773	87,485	3,297	84,188	3,272	7,288	2,339	62.1
1977-----	158,559	90,546	6,855	99,534	97,401	90,546	3,244	87,302	3,297	6,855	1,911	62.8
	Unadjusted			Seasonally adjusted								
1976: Dec..	157,176	88,494	7,022	98,082	95,936	88,446	3,240	85,206	3,392	7,490	2,462	62.4
1977: Jan..	157,381	86,856	7,848	97,852	95,719	88,653	3,121	85,532	3,243	7,066	2,244	62.2
Feb..	157,584	87,231	8,109	98,457	96,320	89,047	3,164	85,883	3,441	7,273	2,168	62.5
Mar..	157,782	88,215	7,556	98,761	96,623	89,478	3,179	86,299	3,271	7,145	2,008	62.6
Apr..	157,986	89,258	6,568	98,878	96,746	89,877	3,256	86,621	3,192	6,869	1,828	62.6
May..	158,228	90,042	6,151	99,289	97,161	90,267	3,335	86,932	3,268	6,894	1,869	62.8
June..	158,456	91,682	7,453	99,681	97,552	90,648	3,330	87,318	3,390	6,904	1,788	62.9
July..	158,682	92,372	6,941	99,442	97,307	90,588	3,206	87,382	3,464	6,719	1,824	62.7
Aug..	158,899	92,315	6,757	99,751	97,614	90,793	3,224	87,569	3,253	6,821	1,800	62.8
Sept..	159,114	91,247	6,437	99,887	97,756	91,088	3,199	87,889	3,306	6,668	1,834	62.8
Oct..	159,334	92,230	6,221	100,205	98,071	91,383	3,243	88,140	3,263	6,688	1,848	62.9
Nov..	159,522	92,473	6,346	101,009	98,877	92,214	3,357	88,857	3,285	6,663	1,829	63.3
Dec..	159,736	92,623	5,880	101,048	98,919	92,609	3,323	89,286	3,220	6,310	1,797	63.3

¹Persons at work in nonagricultural industries.

²Total labor force as percent of noninstitutional population 16 years of age and over.

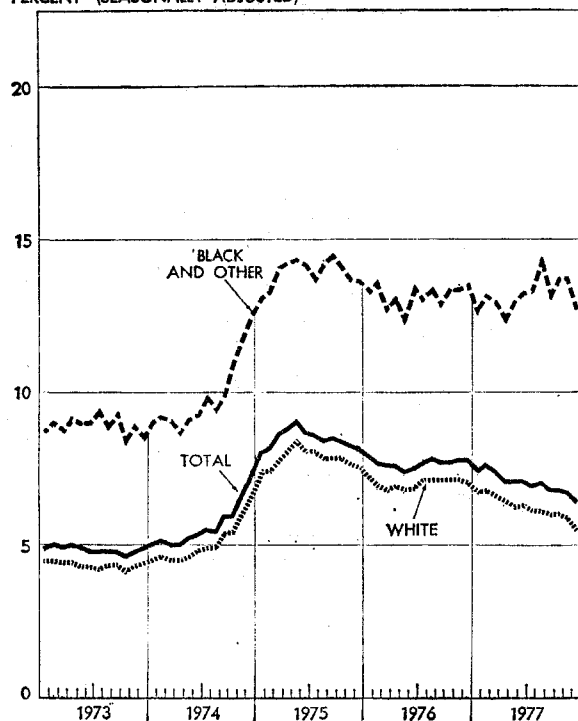
NOTE.—Seasonally adjusted data revised beginning 1973.

Source: Department of Labor, Bureau of Labor Statistics.

SELECTED UNEMPLOYMENT RATES

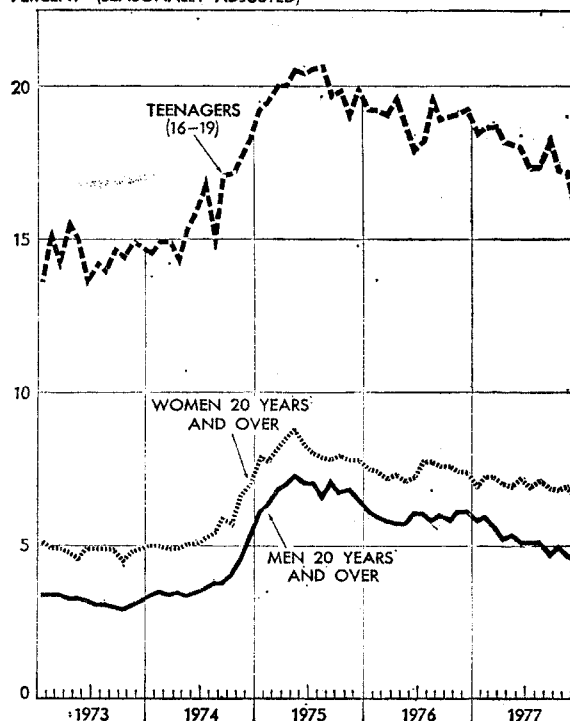
The seasonally adjusted unemployment rate declined to a 3 year low of 6.4 percent in December; and the newly revised seasonal adjustments now show a steadier decline throughout the year in the unemployment rate than earlier indicated.

PERCENT* (SEASONALLY ADJUSTED)



*UNEMPLOYMENT AS PERCENT OF CIVILIAN LABOR FORCE IN GROUP SPECIFIED.
SOURCE: DEPARTMENT OF LABOR

PERCENT* (SEASONALLY ADJUSTED)



COUNCIL OF ECONOMIC ADVISERS

[Monthly data seasonally adjusted]

Period	Unemployment rate (percent of civilian labor force in group)										Labor force time lost (percent) ¹
	Total (all civilian workers)	By sex and age			By race		By selected groups				
		Men 20 years and over	Women 20 years and over	Both sexes 16-19 years	White	Black and other	Experienced wage and salary workers	Household heads	Full-time workers	Part-time workers	
1973.....	4.9	3.2	4.8	14.5	4.3	8.9	4.5	2.9	4.3	7.9	5.2
1974.....	5.6	3.8	5.5	16.0	5.0	9.9	5.3	3.3	5.1	8.6	6.1
1975.....	8.5	6.7	8.0	19.9	7.8	13.9	8.2	5.8	8.1	10.3	9.1
1976.....	7.7	5.9	7.4	19.0	7.0	13.1	7.3	5.1	7.3	10.1	8.3
1977.....	7.0	5.2	7.0	17.7	6.2	13.1	6.6	4.5	6.5	9.8	7.6
1976: Dec.....	7.8	6.1	7.4	19.3	7.0	13.5	7.4	5.1	7.4	9.9	8.4
1977: Jan.....	7.4	5.8	6.9	18.4	6.7	12.6	7.0	4.9	6.9	10.1	8.1
Feb.....	7.6	5.9	7.2	18.6	6.8	13.1	7.1	4.9	6.9	10.6	8.0
Mar.....	7.4	5.6	7.2	18.7	6.6	12.9	6.9	4.7	6.8	10.9	7.8
Apr.....	7.1	5.2	7.0	18.2	6.4	12.3	6.6	4.5	6.6	9.9	7.4
May.....	7.1	5.3	6.9	18.1	6.3	12.9	6.7	4.5	6.6	9.9	7.6
June.....	7.1	5.1	7.2	18.0	6.3	13.2	6.5	4.3	6.5	10.5	7.6
July.....	6.9	5.1	6.9	17.3	6.1	13.3	6.4	4.4	6.5	9.3	7.5
Aug.....	7.0	5.1	7.1	17.3	6.1	14.3	6.5	4.5	6.6	9.0	7.6
Sept.....	6.8	4.7	6.9	18.3	6.0	13.1	6.3	4.4	6.4	9.7	7.4
Oct.....	6.8	5.0	6.8	17.3	6.0	13.7	6.5	4.4	6.4	9.6	7.4
Nov.....	6.7	4.7	6.9	17.2	5.9	13.7	6.3	4.2	6.2	9.6	7.3
Dec.....	6.4	4.6	6.6	15.6	5.5	12.7	6.0	3.9	5.9	8.9	7.0

¹ Aggregate hours lost by the unemployed and persons on part-time for economic reasons as percent of potentially available labor force hours.

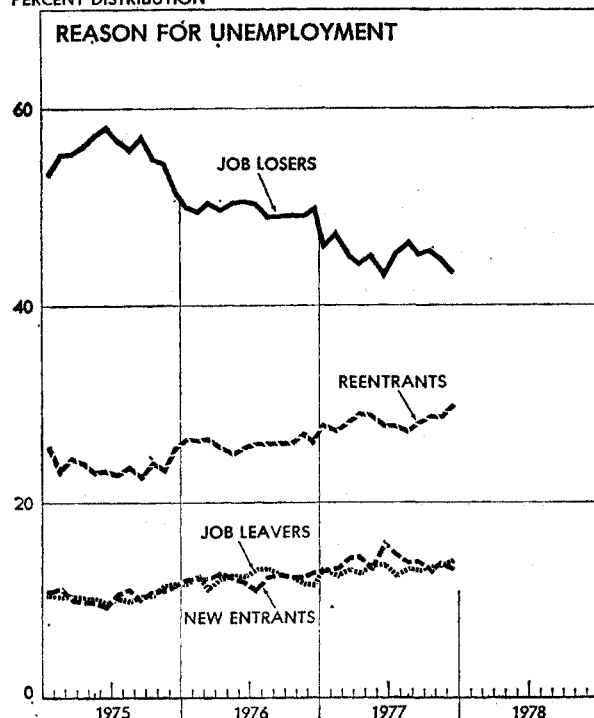
NOTE.—Seasonally adjusted data revised beginning 1973.

Source: Department of Labor, Bureau of Labor Statistics.

SELECTED MEASURES OF UNEMPLOYMENT AND UNEMPLOYMENT INSURANCE PROGRAMS

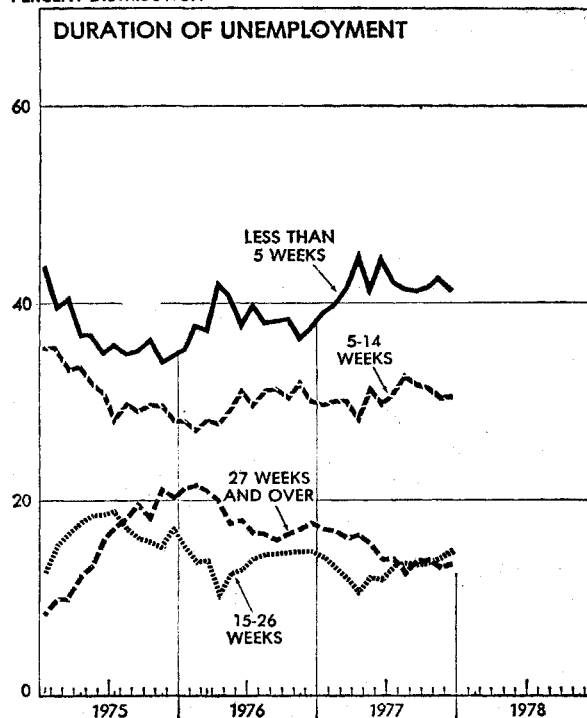
The decrease of 353,000 in seasonally adjusted unemployment in December was accompanied by a decline in the proportion of job losers and new entrants and an increase in job leavers and reentrants.

PERCENT DISTRIBUTION*



*SEASONALLY ADJUSTED
SOURCE: DEPARTMENT OF LABOR

PERCENT DISTRIBUTION*



COUNCIL OF ECONOMIC ADVISERS

[Monthly data seasonally adjusted, except as noted]

Period	Unem- employ- ment (thou- sands)	Percent distribution of unem- ployment by reason ¹				Percent distribution of unem- ployment by duration ¹				State programs		Insured unem- employ- ment, all regular programs ² (unad- justed)	Special unem- employ- ment benefit claims ³ (unad- justed)
		Job losers	Job leavers	Reen- trants	New en- trants	Less than 5 weeks	5-14 weeks	15-26 weeks	27 weeks and over	Insured unem- employ- ment	Initial claims		
Weekly average, thousands													
1973.....	4,304	38.7	15.7	30.7	14.9	51.0	30.1	11.0	7.8	1,632	246	1,793	-----
1974.....	5,076	43.4	14.9	28.4	13.3	50.6	31.0	11.1	7.3	2,262	363	2,558	-----
1975.....	7,830	55.4	10.4	23.8	10.4	37.0	31.3	16.5	15.2	3,992	478	4,943	1,173
1976.....	7,288	49.8	12.2	26.0	12.1	38.3	29.6	13.8	18.3	2,968	382	3,822	1,152
1977.....	6,855	45.3	13.0	28.1	13.7	41.7	30.5	13.1	14.8	2,473	375	3,112	572
1976: Dec..	7,490	49.8	11.4	26.0	12.8	37.4	30.2	14.8	17.6	2,915	365	3,884	903
1977: Jan..	7,066	46.0	13.1	27.9	12.9	39.0	29.6	14.3	17.1	2,823	407	4,442	823
Feb..	7,273	47.4	12.2	27.3	13.0	39.9	29.9	13.4	16.9	2,822	430	4,448	911
Mar..	7,145	45.1	12.9	28.1	14.0	41.5	30.2	12.1	16.2	2,636	344	3,972	901
Apr..	6,869	44.2	12.6	28.9	14.3	44.9	28.1	10.6	16.4	2,565	374	3,506	784
May..	6,894	45.0	13.3	28.7	13.0	41.1	31.4	12.0	15.6	2,565	383	3,105	538
June..	6,904	43.0	13.6	27.7	15.7	44.5	29.6	11.9	13.9	2,568	372	2,939	484
July..	6,719	45.3	12.5	27.7	14.5	42.1	30.6	13.2	14.1	2,626	385	3,065	540
Aug..	6,821	46.3	12.9	27.1	13.7	41.5	32.4	13.5	12.6	2,733	385	2,751	535
Sept..	6,668	45.3	12.9	27.9	13.9	41.1	31.8	13.6	13.7	2,664	368	2,643	412
Oct..	6,688	45.5	13.1	28.6	12.8	41.4	31.3	13.6	13.7	2,624	361	2,649	364
Nov..	6,663	44.7	13.3	28.5	13.6	42.4	30.3	13.9	13.3	2,602	354	2,853	315
Dec..	6,310	43.4	13.9	29.8	13.0	41.3	30.4	14.8	13.5	2,516	346	3,225	259

¹ Detail may not add to 100 percent because of rounding.

² Includes State (50 States, District of Columbia, and Puerto Rico), ex-service-men (UCX), Federal (UCFE), and railroad (RR) programs. Also includes Federal and State extended benefit programs. Does not include FSB (Federal supplemental benefits) and SUA (special unemployment assistance).

³ FSB and SUA. These programs started January 1975 and regular reporting began March 1975.

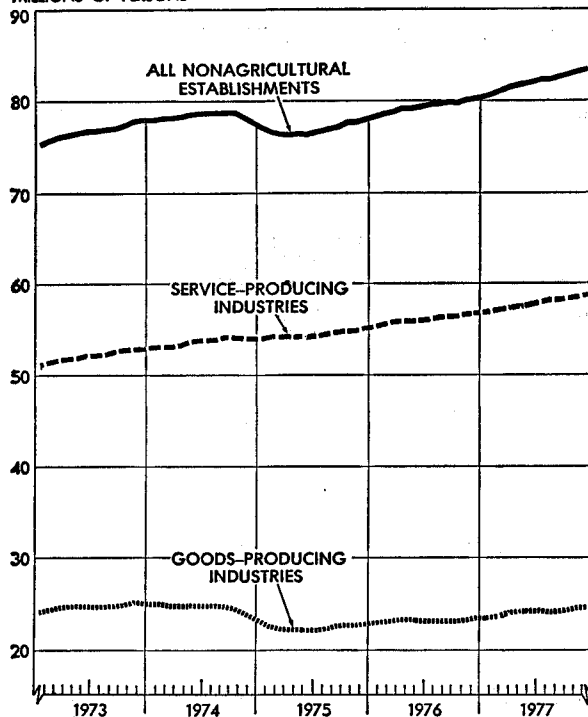
NOTE.—Seasonally adjusted data revised beginning 1973.

Source: Department of Labor (Bureau of Labor Statistics and Employment and Training Administration).

NONAGRICULTURAL EMPLOYMENT

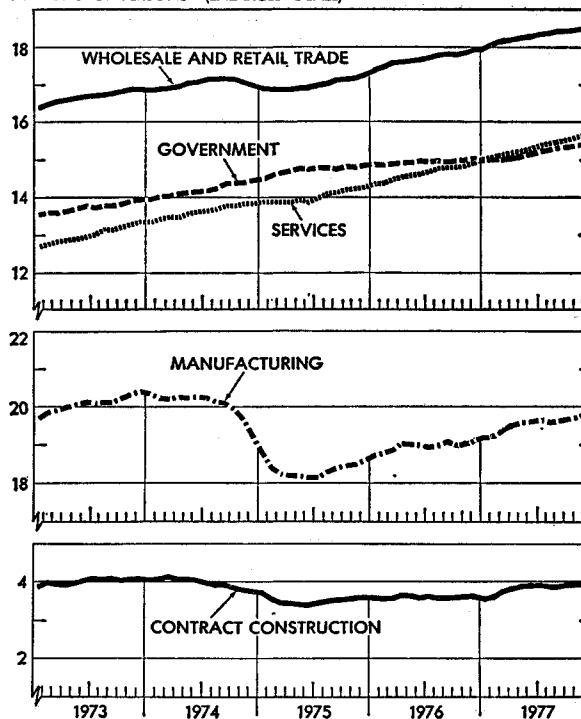
Nonfarm payroll employment increased by 217,000 in December. The increase since December 1976 was 3.1 million. The largest employment gains over the year were in services, wholesale and retail trade, and durable goods manufacturing.

MILLIONS OF PERSONS*



*SEASONALLY ADJUSTED
SOURCE: DEPARTMENT OF LABOR

MILLIONS OF PERSONS* (ENLARGED SCALE)



COUNCIL OF ECONOMIC ADVISERS

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

Period	Total nonagri-cultural employment	Goods-producing industries					Service-producing industries						
		Total ²	Contract construction	Manufacturing			Total	Transportation and public utilities	Wholesale and retail trade	Finance, insurance, and real estate	Services	Government	
				Total	Durable goods	Non-durable goods						Federal	State and local
1973.....	76,896	24,727	4,015	20,068	11,839	8,229	52,169	4,644	16,674	4,091	13,021	2,663	11,075
1974.....	78,413	24,697	3,957	20,046	11,895	8,151	53,715	4,696	17,017	4,208	13,617	2,724	11,453
1975.....	77,051	22,603	3,512	18,347	10,679	7,668	54,448	4,498	17,000	4,223	14,006	2,748	11,973
1976.....	79,443	23,332	3,594	18,956	11,026	7,930	56,111	4,509	17,694	4,316	14,644	2,733	12,215
1977 ²	82,140	24,232	3,845	19,555	11,480	8,075	57,909	4,590	18,281	4,509	15,334	2,727	12,468
1976: Dec..	80,370	23,528	3,605	19,114	11,165	7,949	56,842	4,549	17,925	4,398	14,936	2,720	12,314
1977: Jan...	80,574	23,585	3,549	19,219	11,236	7,983	56,989	4,544	17,994	4,419	15,010	2,721	12,301
Feb...	80,870	23,763	3,661	19,278	11,261	8,017	57,107	4,553	18,039	4,431	15,068	2,721	12,295
Mar...	81,331	24,017	3,759	19,417	11,373	8,044	57,314	4,563	18,118	4,453	15,149	2,725	12,306
Apr...	81,620	24,176	3,830	19,499	11,404	8,095	57,444	4,575	18,175	4,463	15,182	2,721	12,328
May...	81,837	24,264	3,853	19,566	11,451	8,115	57,573	4,586	18,202	4,481	15,197	2,725	12,382
June...	82,157	24,355	3,888	19,611	11,484	8,127	57,802	4,588	18,264	4,494	15,260	2,735	12,461
July...	82,407	24,412	3,913	19,666	11,548	8,118	57,995	4,572	18,322	4,506	15,372	2,721	12,502
Aug...	82,474	24,305	3,893	19,594	11,527	8,067	58,169	4,581	18,377	4,524	15,448	2,732	12,507
Sept...	82,763	24,360	3,892	19,612	11,545	8,067	58,403	4,616	18,431	4,545	15,482	2,728	12,601
Oct...	82,902	24,436	3,911	19,666	11,604	8,062	58,466	4,610	18,414	4,572	15,533	2,730	12,607
Nov ² ...	83,222	24,526	3,946	19,717	11,627	8,090	58,696	4,630	18,486	4,600	15,601	2,727	12,652
Dec ²	83,439	24,553	3,964	19,876	11,746	8,130	58,886	4,660	18,511	4,618	15,676	2,722	12,699

¹Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked during or received pay for any part of the pay period which includes the 12th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the Armed Forces. Total derived from this table not comparable with estimates of nonagricultural employment of the civilian labor force, shown on p. 11, which include proprietors, self-employed persons, and domestic servants; which count persons as employed when they

are not at work because of industrial disputes; and which are based on a sample of the working-age population, whereas the estimates in this table are based on reports from employing establishments.

²Includes mining, not shown separately.

Source: Department of Labor, Bureau of Labor Statistics.

AVERAGE WEEKLY HOURS AND HOURLY EARNINGS

PRIVATE NONAGRICULTURAL INDUSTRIES

[For production or nonsupervisory workers; monthly data seasonally adjusted]

Period	Average weekly hours			Average gross hourly earnings		Adjusted hourly earnings index—total private nonagricultural ²			
	Total private nonagricultural ¹	Manufacturing		Total private nonagricultural ¹	Manufacturing	Index, 1967=100		Percent change from a year earlier ⁴	
		Total	Overtime			Current dollars	1967 dollars ³	Current dollars	1967 dollars
1969.....	37.7	40.6	3.6	\$3.04	\$3.19	113.2	103.1	6.6	1.2
1970.....	37.1	39.8	3.0	3.22	3.36	120.7	103.8	6.6	.7
1971.....	37.0	39.9	2.9	3.44	3.57	129.2	106.5	7.0	2.6
1972.....	37.1	40.6	3.5	3.67	3.81	137.7	109.9	6.6	3.2
1973.....	37.1	40.7	3.8	3.92	4.08	146.5	110.0	6.4	.1
1974.....	36.6	40.0	3.2	4.22	4.41	158.5	107.3	8.2	-2.5
1975.....	36.1	39.4	2.6	4.54	4.81	172.5	107.0	8.8	-.3
1976.....	36.2	40.0	3.1	4.87	5.19	185.0	108.5	7.2	1.4
1977 ^p	36.1	40.3	3.4	5.24	5.63	198.5	109.4	7.3	.8
1976: Dec.....	36.2	40.0	3.2	5.02	5.38	190.7	109.5	6.9	2.0
1977: Jan.....	35.8	39.5	3.2	5.07	5.43	192.6	109.7	7.2	2.0
Feb.....	36.2	40.3	3.3	5.10	5.45	193.2	109.0	7.0	1.0
Mar.....	36.2	40.4	3.3	5.13	5.49	194.2	108.8	7.0	.6
Apr.....	36.2	40.3	3.4	5.17	5.53	195.6	108.8	7.2	.4
May.....	36.3	40.4	3.4	5.20	5.57	196.4	108.6	7.0	.2
June.....	36.2	40.5	3.4	5.22	5.61	197.4	108.5	7.1	.3
July.....	36.1	40.2	3.4	5.27	5.66	199.4	109.2	7.5	.7
Aug.....	36.0	40.3	3.3	5.28	5.68	199.9	109.1	7.1	.4
Sept.....	36.0	40.3	3.3	5.32	5.73	201.2	109.5	7.3	.7
Oct.....	36.2	40.4	3.5	5.38	5.79	203.3	110.3	7.9	1.3
Nov ^p	36.1	40.5	3.5	5.39	5.81	204.0	110.1	7.5	.7
Dec ^p	36.0	40.3	3.4	5.41	5.82	204.8	110.2	7.4	.6

AVERAGE WEEKLY EARNINGS—PRIVATE NONAGRICULTURAL INDUSTRIES

[For production or nonsupervisory workers; monthly data seasonally adjusted, except as noted]

Period	Average gross weekly earnings					Percent change from a year earlier, total private non-agricultural ⁵	
	Total private non-agricultural ¹		Manufacturing	Contract construction	Wholesale and retail trade	Current dollars	1967 dollars
	Current dollars	1967 dollars ²	Current dollars				
1969-----	\$114. 61	\$104. 38	\$129. 51	\$181. 54	\$90. 78	6. 4	1. 0
1970-----	119. 46	102. 72	133. 73	195. 45	95. 66	4. 2	-1. 6
1971-----	127. 28	104. 93	142. 44	211. 67	100. 39	6. 5	2. 2
1972-----	136. 16	108. 67	154. 69	222. 51	105. 65	7. 0	3. 6
1973-----	145. 43	109. 26	166. 06	235. 69	111. 04	6. 8	. 5
1974-----	154. 45	104. 57	176. 40	249. 08	118. 33	6. 2	-4. 3
1975-----	163. 89	101. 67	189. 51	265. 35	126. 75	6. 1	-2. 8
1976-----	176. 29	103. 40	207. 60	284. 93	133. 39	7. 6	1. 7
1977 ^p -----	189. 16	104. 22	226. 89	295. 87	142. 52	7. 3	. 8
1976: Dec-----	181. 72	104. 32	215. 20	291. 28	138. 10	6. 7	1. 8
1977: Jan-----	181. 51	103. 37	214. 49	280. 37	138. 20	5. 6	. 4
Feb-----	184. 62	104. 13	219. 64	296. 25	139. 28	7. 1	1. 0
Mar-----	185. 71	104. 10	221. 80	294. 25	140. 28	7. 7	1. 2
Apr-----	187. 15	104. 09	222. 86	296. 54	141. 28	8. 3	1. 5
May-----	188. 76	104. 34	225. 03	298. 08	142. 04	7. 5	. 7
June-----	188. 96	103. 88	227. 21	295. 87	141. 86	7. 6	. 7
July-----	190. 25	104. 19	227. 53	297. 41	143. 19	7. 7	1. 0
Aug-----	190. 08	103. 76	228. 90	294. 92	143. 09	7. 3	. 6
Sept-----	191. 52	104. 20	230. 92	294. 48	143. 76	8. 1	1. 4
Oct-----	194. 76	105. 68	233. 92	300. 66	146. 40	8. 4	1. 8
Nov ^p -----	194. 58	105. 06	235. 31	301. 10	145. 85	7. 9	1. 1
Dec ^p -----	194. 76	104. 77	234. 55	298. 21	146. 74	7. 2	. 4

¹ Also includes other private industry groups shown on p. 14.

² Adjusted for interindustry employment shifts and for overtime in manufacturing.

³ Current dollar index (or earnings) divided by the consumer price index.

⁴ Monthly changes based on indexes to two decimal places.

⁵ Based on unadjusted data.

Source: Department of Labor, Bureau of Labor Statistics.

PRODUCTIVITY AND RELATED DATA, PRIVATE BUSINESS ECONOMY

Period	Output ¹		Hours of all persons ²		Output per hour of all persons		Compensation per hour ³		Unit labor costs		Implicit price deflator ⁴	
	Private business sector	Non-farm business sector	Private business sector	Non-farm business sector	Private business sector	Non-farm business sector	Private business sector	Non-farm business sector	Private business sector	Non-farm business sector	Private business sector	Non-farm business sector
1967=100; quarterly data seasonally adjusted												
1966-----	98.0	98.1	100.3	100.0	97.8	98.1	94.7	94.5	96.8	96.4	97.2	96.8
1967-----	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1968-----	105.1	105.4	101.7	102.1	103.3	103.2	107.6	107.3	104.1	103.9	103.9	104.0
1969-----	108.3	108.6	104.5	105.3	103.7	103.1	115.1	114.3	111.0	110.9	108.8	108.7
1970-----	107.4	107.4	102.8	104.0	104.5	103.3	123.3	121.9	118.1	118.1	113.9	114.0
1971-----	110.3	110.3	102.3	103.7	107.8	106.3	131.5	129.9	121.9	122.2	118.9	119.2
1972-----	117.6	117.9	106.0	107.6	111.0	109.5	138.9	137.4	125.2	125.5	123.2	122.9
1973-----	124.5	125.0	110.1	112.2	113.1	111.4	150.3	148.1	132.9	133.0	130.3	128.0
1974-----	121.5	121.9	110.6	112.7	109.9	108.1	164.3	162.0	149.5	149.8	143.1	141.5
1975-----	118.7	118.7	106.1	108.1	111.8	109.9	180.2	177.6	161.1	161.7	158.0	156.9
1976-----	126.9	127.4	108.9	111.4	116.5	114.3	196.5	193.1	168.7	168.9	165.6	165.0
1977 ^a -----	134.6	134.9	112.8	115.7	119.3	116.7	213.6	209.6	179.0	179.7	174.2	174.0
1975: I-----	115.1	115.3	105.7	107.8	108.9	106.9	176.2	173.2	161.7	162.0	154.2	153.4
II-----	117.2	117.1	104.9	106.8	111.7	109.6	179.2	176.3	160.4	160.9	156.5	155.6
III-----	120.6	120.6	106.0	107.7	113.8	112.0	181.1	179.1	159.1	160.0	159.4	158.1
IV-----	121.8	121.8	107.5	109.7	113.3	111.0	184.6	181.9	163.0	163.9	161.6	160.3
1976: I-----	124.9	125.2	108.2	111.0	115.4	112.9	190.5	186.9	165.1	165.6	162.9	162.1
II-----	126.7	127.2	108.9	111.2	116.4	114.5	194.5	191.3	167.1	167.1	164.8	163.6
III-----	127.7	128.3	109.0	111.4	117.2	115.2	198.6	195.2	169.4	169.5	166.5	166.0
IV-----	128.4	128.7	109.6	112.3	117.2	114.6	202.7	198.7	173.0	173.3	168.3	168.1
1977: I-----	131.3	131.6	110.4	113.4	118.9	116.1	208.4	204.3	175.2	176.0	170.1	169.6
II-----	134.0	134.5	113.0	115.6	118.6	116.3	211.7	208.1	178.5	178.9	173.1	172.7
III-----	135.7	136.0	112.9	115.9	120.2	117.4	216.0	211.9	179.7	180.5	175.4	175.6
IV ^a -----	137.3	137.5	113.9	116.8	120.6	117.8	219.7	215.7	182.2	183.2	177.7	177.7
Percent change; quarterly data at seasonally adjusted annual rates												
1966-----	5.5	6.0	2.3	3.3	3.2	2.5	7.0	6.1	3.7	3.4	3.2	2.9
1967-----	2.0	1.9	-1.3	-1.0	2.3	1.9	5.6	5.8	3.3	3.8	2.9	3.3
1968-----	5.1	5.4	1.7	2.1	3.3	3.2	7.6	7.3	4.1	3.9	3.9	4.0
1969-----	3.0	3.0	2.7	3.2	.3	-1.2	7.0	6.5	6.6	6.6	4.7	4.5
1970-----	-1.9	-1.1	-1.6	-1.2	.7	.2	7.2	6.7	6.4	6.5	4.7	4.9
1971-----	2.8	2.7	-1.4	-1.3	3.2	2.9	6.6	6.6	3.2	3.5	4.4	4.5
1972-----	6.6	6.9	3.6	3.7	2.9	3.0	5.7	5.8	2.7	2.7	3.6	3.1
1973-----	5.9	6.0	3.9	4.3	1.9	1.7	8.2	7.8	6.2	6.0	5.8	4.1
1974-----	-2.4	-2.5	.4	.4	-2.8	-2.9	9.4	9.4	12.5	12.7	9.8	10.5
1975-----	-2.4	-2.6	-4.1	-4.1	1.8	1.6	9.6	9.6	7.7	7.9	10.4	10.9
1976-----	7.0	7.3	2.7	3.1	4.2	4.1	9.1	8.7	4.7	4.5	4.8	5.1
1977 ^a -----	6.0	5.9	3.6	3.8	2.4	2.0	8.7	8.5	6.1	6.4	5.1	5.5
1975: I-----	-11.6	-11.6	-12.7	-12.5	1.3	1.0	13.1	12.1	11.7	10.9	12.9	14.2
II-----	7.5	6.5	-2.8	-3.6	10.6	10.5	6.9	7.4	-3.3	-2.8	6.2	5.7
III-----	12.2	12.5	4.2	3.3	7.7	8.9	4.4	6.5	-3.0	-2.2	7.5	6.6
IV-----	3.9	4.1	5.9	7.6	-1.9	-3.3	8.1	6.4	10.2	10.0	5.9	5.8
1976: I-----	10.8	11.7	2.8	4.6	7.8	6.8	13.3	11.4	5.1	4.3	3.1	4.4
II-----	5.9	6.6	2.3	.8	3.5	5.7	8.6	9.7	4.9	3.8	4.8	3.8
III-----	3.1	3.2	.3	.6	2.8	2.6	8.7	8.5	5.8	5.7	4.1	6.0
IV-----	2.1	1.3	2.2	3.3	-1.1	-1.9	8.5	7.3	8.6	9.4	4.6	5.3
1977: I-----	9.6	9.5	3.3	4.2	6.1	5.1	11.8	11.7	5.4	6.3	4.4	3.5
II-----	8.5	8.8	9.5	7.9	-1.0	.8	6.5	7.7	7.6	6.8	7.2	7.5
III-----	5.2	4.8	-1.2	.9	5.4	3.8	8.5	7.5	2.9	3.5	5.2	7.0
IV ^a -----	4.8	4.5	3.4	3.2	1.4	1.2	7.0	7.5	5.6	6.1	5.5	4.8

¹ Output refers to gross domestic product originating in the sector in 1972 dollars.
² Hours of all persons in private industry engaged in production, including hours of proprietors and unpaid family workers. Estimates based primarily on establishment data.

³ Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Also includes an estimate of wages, salaries, and supplemental payments for the self-employed.

⁴ Current dollar gross domestic product divided by constant dollar gross domestic product.

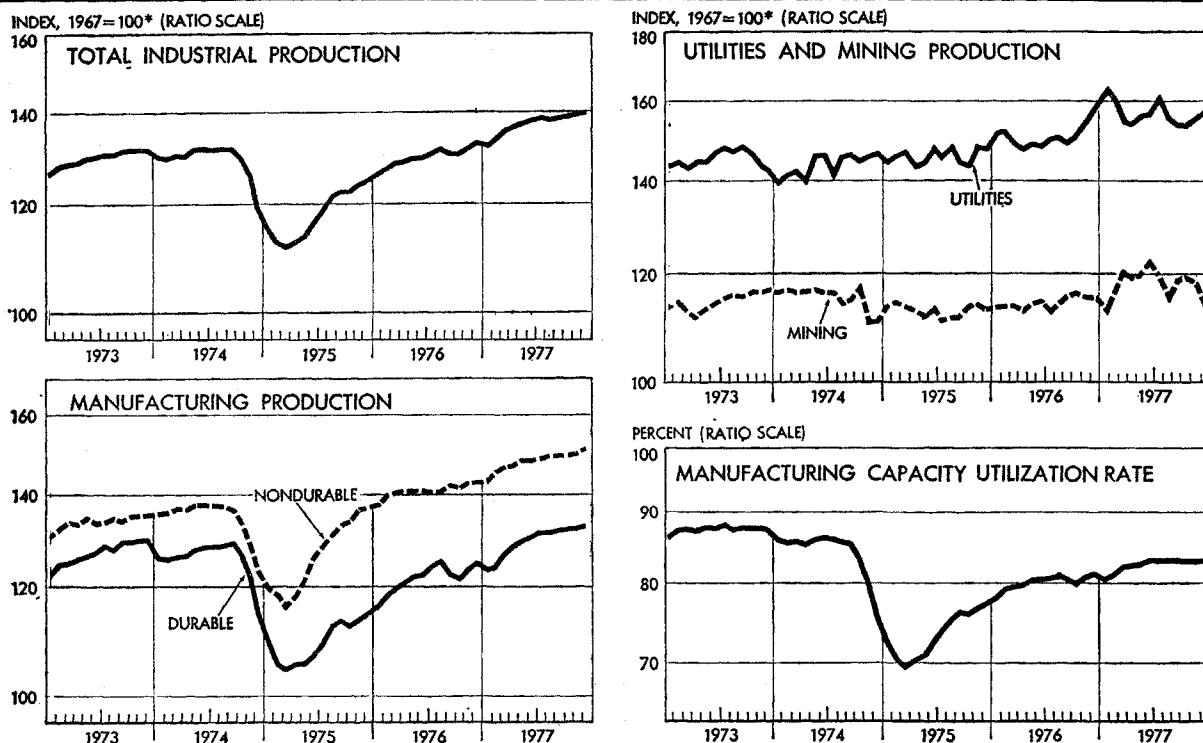
NOTE.—Percent changes are from preceding period and are based on original data; they therefore may differ slightly from percent changes based on indexes shown here. Seasonally adjusted data revised beginning 1972.

Source: Department of Labor, Bureau of Labor Statistics.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION AND CAPACITY UTILIZATION

Industrial production increased 0.2 percent in December following gains of 0.4 percent in November and 0.2 percent in October. The December increase in the index would have been twice as large if it were not for the nearly 50 percent cut in bituminous output due to the coal strike.



* SEASONALLY ADJUSTED

SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Seasonally adjusted]

Period	Total industrial production		Industry production indexes, 1967=100					Manufacturing capacity utilization rate, percent ¹			
	Index, 1967=100	Percent change from year earlier	Manufacturing			Mining	Utilities	Federal Reserve series		Commerce series ²	Wharton series ³
			Total	Durable	Non-durable			Total manufacturing	Materials		
1967 proportion.....	100.00	-----	87.95	51.98	35.97	6.36	5.69	-----	-----	-----	-----
1972.....	119.7	9.2	118.9	113.7	126.5	113.1	139.4	83.1	88.0	83	91.8
1973.....	129.8	8.4	129.8	127.1	133.8	114.7	145.4	87.5	92.4	86	97.1
1974.....	129.3	- .4	129.4	125.7	134.6	115.3	143.7	84.2	87.7	83	93.0
1975.....	117.8	-8.9	116.3	109.3	126.4	112.8	146.0	73.6	73.6	77	80.4
1976.....	129.8	10.2	129.5	121.7	140.9	114.2	151.0	80.2	80.4	81	87.5
1977 ^a	137.1	5.6	137.1	129.4	148.1	117.8	156.8	82.4	81.9	-----	90.2
1976: Dec.....	133.0	6.9	132.5	125.0	143.3	115.4	157.9	81.2	80.2	81	87.7
1977: Jan.....	132.3	5.1	131.6	123.4	143.4	112.8	163.8	80.4	79.4	-----	-----
Feb.....	133.2	4.4	132.6	124.0	145.3	116.3	160.3	80.9	80.2	-----	-----
Mar.....	135.3	5.5	135.1	126.8	147.0	120.6	154.8	82.1	81.6	83	88.4
Apr.....	136.1	5.7	135.8	128.0	147.0	119.2	154.0	82.3	82.1	-----	-----
May.....	137.0	5.6	137.1	129.3	148.5	119.5	156.7	82.8	82.7	-----	-----
June.....	137.8	6.2	137.8	130.5	148.4	122.8	156.8	83.0	83.0	84	90.4
July.....	138.7	6.1	138.5	131.6	148.6	119.8	161.4	83.1	82.9	-----	-----
Aug.....	138.1	5.2	138.6	131.3	149.4	115.4	155.7	82.9	82.0	-----	-----
Sept.....	138.5	6.0	139.0	131.7	149.5	118.0	154.1	82.9	82.0	82	90.9
Oct.....	138.8	6.6	139.2	132.3	149.4	119.1	153.5	82.8	82.3	-----	-----
Nov ^b	139.3	5.9	139.6	132.2	150.3	118.3	155.7	82.8	82.4	-----	-----
Dec ^c	139.6	5.0	140.4	133.0	151.1	113.4	157.4	83.0	82.1	-----	91.0

¹ Output as percent of capacity.

² Annual data are averages of four monthly indexes.

³ Quarterly data entered in last month of quarter. Annual data are averages of quarterly data.

Sources: Board of Governors of the Federal Reserve System, Department of Commerce (Bureau of Economic Analysis), and Wharton School of Finance.

INDUSTRIAL PRODUCTION—MAJOR MARKET GROUPS AND SELECTED MANUFACTURES

[1967=100, seasonally adjusted]

Period	Products								Ma- terials	Sup- ple- men- tary group: Energy total
	Final products						Intermediate products			
	Total	Consumer goods			Equipment					
		Total	Durable goods	Non- durable goods	Total	Busi- ness				
							Total	Con- struction supplies		
1967 proportion.....	47.82	27.68	7.89	19.79	20.14	12.63	12.89	6.42	39.29	12.23
1969.....	109.6	109.8	115.0	107.7	109.3	112.5	112.9	112.3	112.5	111.1
1970.....	105.3	109.0	106.1	110.1	100.1	107.0	112.9	111.0	109.2	117.0
1971.....	106.3	114.7	118.8	113.1	94.7	104.1	116.7	116.8	111.3	119.5
1972.....	115.7	124.4	133.8	120.6	103.8	118.0	126.5	128.4	122.3	125.2
1973.....	124.4	131.5	146.2	125.6	114.5	134.2	137.2	139.8	133.9	128.3
1974.....	125.1	128.9	135.3	126.3	120.0	142.4	135.3	134.5	132.4	125.5
1975.....	118.2	124.0	121.4	125.1	110.2	128.2	123.1	116.3	115.5	125.5
1976.....	127.2	136.2	141.4	134.1	114.6	136.3	137.2	132.6	130.6	128.8
1976: Dec.....	131.5	141.3	150.5	137.6	118.0	142.3	140.5	135.5	132.0	133.3
1977: Jan.....	130.8	139.9	145.4	137.7	118.4	142.3	142.2	136.2	131.1	134.1
Feb.....	131.6	140.5	146.1	138.3	119.2	143.5	141.6	135.6	132.7	132.9
Mar.....	133.3	142.9	152.4	139.1	120.0	144.8	141.8	136.4	135.5	132.3
Apr.....	134.1	142.9	151.5	139.4	122.1	147.1	142.3	137.2	136.5	132.1
May.....	134.7	143.1	152.2	139.5	123.2	148.9	143.5	138.7	137.8	132.5
June.....	135.4	143.8	155.8	139.1	124.1	150.1	144.7	139.9	138.7	133.5
July.....	136.8	145.4	158.0	140.3	124.8	151.2	146.3	141.2	138.9	135.6
Aug.....	136.3	144.7	154.7	140.6	124.9	151.1	146.1	141.7	137.6	131.4
Sept.....	136.8	144.9	155.6	140.7	125.6	152.1	146.5	143.2	137.9	132.5
Oct.....	136.6	145.2	157.2	140.5	124.9	152.3	147.0	144.4	138.8	132.8
Nov.....	137.0	145.7	155.6	141.6	125.3	152.7	147.9	146.0	139.2	132.6
Dec.....	137.6	146.2	155.9	142.2	126.0	153.3	149.2	147.1	139.1	130.1

[1967=100, seasonally adjusted]

Period	Durable manufactures						Nondurable manufactures					
	Primary metals		Fabi- cated metal prod- ucts	Non- elec- trical mach- inery	Elec- trical mach- inery	Transportation equipment		Lum- ber and prod- ucts	Ap- parel prod- ucts	Print- ing and pub- lishing	Chem- icals and prod- ucts	Foods
	Total	Iron and steel				Total	Motor ve- hicles and parts					
1967 proportion.....	6.57	4.21	5.93	9.15	8.05	9.27	4.50	1.64	3.31	4.72	7.74	8.75
1969.....	113.8	112.6	107.9	109.3	111.9	108.4	116.5	107.9	106.7	107.4	118.4	106.1
1970.....	106.6	104.7	102.4	104.4	108.1	89.5	92.3	105.6	101.4	107.0	120.4	108.9
1971.....	100.2	96.1	103.5	100.2	107.7	97.9	118.6	113.8	104.7	107.1	125.9	112.8
1972.....	112.1	107.1	112.1	116.0	122.2	108.2	135.8	120.8	109.4	112.7	143.6	116.8
1973.....	126.7	122.3	124.7	133.7	143.1	118.3	148.8	126.0	117.3	118.2	154.5	120.9
1974.....	123.1	119.8	124.2	140.1	143.8	108.7	128.2	116.2	114.3	118.2	159.4	124.0
1975.....	96.4	95.8	109.9	125.1	116.5	97.4	111.1	107.6	107.6	113.3	147.2	123.4
1976.....	108.9	104.9	123.3	135.0	131.6	110.6	140.7	125.1	122.2	120.6	169.3	132.3
1976: Dec.....	101.5	93.4	128.1	141.5	135.1	117.4	155.0	128.1	124.9	123.0	173.1	132.9
1977: Jan.....	100.8	89.7	125.7	139.9	134.0	113.5	145.5	132.7	123.0	124.7	172.2	134.2
Feb.....	100.2	91.3	125.8	139.8	137.6	113.4	145.4	132.2	124.4	122.4	174.9	136.4
Mar.....	108.3	97.9	127.5	139.8	137.6	120.5	161.2	132.1	122.2	124.8	180.0	138.7
Apr.....	112.2	103.9	127.6	142.9	139.6	119.8	158.1	130.6	121.4	123.4	180.6	138.0
May.....	117.1	111.0	128.2	142.6	141.8	120.3	157.7	133.0	123.5	124.4	182.8	138.3
June.....	114.7	109.2	130.8	144.0	142.6	123.7	163.2	132.4	122.1	124.1	183.5	136.9
July.....	114.4	110.9	132.0	145.7	143.6	125.6	166.2	132.9	121.1	124.9	182.6	138.3
Aug.....	112.5	110.6	134.0	145.2	143.9	124.3	164.4	131.8	124.1	125.0	182.6	139.3
Sept.....	109.0	104.6	133.6	147.4	144.6	125.5	165.6	137.1	127.7	124.2	181.3	138.3
Oct.....	113.7	108.1	134.4	148.2	144.2	124.1	167.9	136.2	129.2	124.8	180.8	137.6
Nov.....	111.9	105.6	135.2	148.9	145.1	121.9	163.0	137.4	124.7	124.7	183.0	138.4
Dec.....	111.2	105.6	136.0	150.4	146.6	122.2	161.9	137.4	124.7	124.7	183.0	138.4

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

Period	Total new construction expenditures	Private						Federal, State, and local	Construction contracts ²	
		Total	Residential		Commercial and industrial	Other	Total value index (1967=100)		Commercial and industrial floor space (millions of square feet)	
			Total ¹	New housing units						
		Billions of dollars								
1971-----	110.0	80.1	43.3	35.1	17.0	19.8	29.9	145.4	727	
1972-----	124.1	93.9	54.3	44.9	18.1	21.5	30.2	165.3	854	
1973-----	137.9	105.4	59.7	50.1	21.7	24.0	32.5	179.5	1,010	
1974-----	138.5	100.2	50.4	40.6	23.8	25.9	38.3	169.7	840	
1975-----	134.3	93.6	46.5	34.4	20.8	26.3	40.7	167.9	555	
1976-----	147.5	109.5	60.5	47.3	19.9	29.0	38.0	199.4	592	
1977 ^p -----	170.7	133.7	81.1	65.1	21.8	30.8	37.0	252.2	738	
		Seasonally adjusted annual rates							Seasonally adjusted	Seasonally adjusted annual rates
1976: Nov-----	153.8	119.0	69.6	52.7	19.3	30.1	34.9	210	631	
Dec-----	155.4	121.2	71.1	54.8	19.4	30.7	34.3	183	658	
1977: Jan-----	148.1	116.2	66.5	52.1	18.7	30.9	32.0	203	643	
Feb-----	156.9	122.4	72.1	58.3	18.8	31.5	34.5	212	615	
Mar-----	163.8	128.4	76.7	62.2	20.8	30.9	35.4	207	309	
Apr-----	167.5	131.3	79.5	63.5	21.1	30.7	36.2	250	671	
May-----	172.1	133.7	82.4	65.8	20.9	30.4	38.4	317	758	
June-----	174.6	135.2	82.5	66.0	22.3	30.4	39.4	307	733	
July-----	173.0	133.8	80.8	65.1	22.7	30.2	39.2	218	702	
Aug-----	172.0	133.8	80.7	65.1	22.9	30.2	38.2	267	853	
Sept-----	175.9	136.7	82.4	66.4	23.5	30.8	39.3	279	813	
Oct-----	177.8	140.1	85.7	68.8	23.4	31.0	37.7	244	757	
Nov-----	177.8	142.2	87.7	70.5	23.1	31.4	35.6	258	847	
Dec ^p -----	180.3	144.1	89.9	72.9	21.9	32.2	36.2	299	864	

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

² F. W. Dodge series. Relates to 50 States beginning 1969 for value index and beginning 1971 for floor space.

NOTE.—New construction expenditures data prior to 1973 not comparable with later data.

Sources: Department of Commerce (Bureau of the Census) and McGraw-Hill Information Systems Company, F. W. Dodge Division.

NEW PRIVATE HOUSING AND VACANCY RATES

[Thousands of units or homes, except as noted]

Period	New private housing units						New private homes		Vacancy rate for rental housing units (percent) ²
	Units started, by type of structure				Units authorized	Units completed	Homes sold	Homes for sale at end of period ¹	
	Total	1 unit	2-4 units	5 or more units					
1970.....	1,433.6	812.9	84.8	535.9	1,351.5	1,418.4	485	220	5.3
1971.....	2,052.2	1,151.0	120.3	780.9	1,924.6	1,706.1	656	287	5.4
1972.....	2,356.6	1,309.2	141.3	906.2	2,218.9	1,971.5	718	409	5.6
1973.....	2,045.3	1,132.0	118.3	795.0	1,819.5	2,013.8	620	450	5.8
1974.....	1,337.7	888.1	68.1	381.6	1,074.4	1,691.7	501	403	6.2
1975.....	1,160.4	892.2	64.0	204.3	939.2	1,296.8	544	380	6.0
1976.....	1,537.5	1,162.4	85.9	289.2	1,296.2	1,362.1	639	431	5.6
1977 ^p	1,986.4	1,451.3	122.0	413.1	1,680.0	-----	-----	-----	-----
Seasonally adjusted annual rates									
1976: Dec.....	1,889	1,324	120	445	1,532	1,444	808	431	5.3
1977: Jan.....	1,384	1,006	103	275	1,333	1,416	827	431	-----
Feb.....	1,802	1,424	120	258	1,526	1,637	893	434	-----
Mar.....	2,089	1,503	113	473	1,687	1,707	867	435	5.1
Apr.....	1,880	1,413	116	351	1,605	1,540	775	441	-----
May.....	1,937	1,455	120	362	1,615	1,536	774	441	-----
June.....	1,897	1,389	105	403	1,678	1,647	805	444	5.3
July.....	2,083	1,437	127	519	1,639	1,671	694	453	-----
Aug.....	2,029	1,453	113	463	1,772	1,699	825	467	-----
Sept.....	2,065	1,523	128	414	1,695	1,901	882	468	5.4
Oct ^p	2,203	1,562	132	509	1,850	1,624	868	477	-----
Nov ^p	2,121	1,543	136	442	1,893	1,789	843	481	-----
Dec ^p	2,295	1,605	169	521	1,858	-----	-----	-----	-----

¹ Seasonally adjusted.

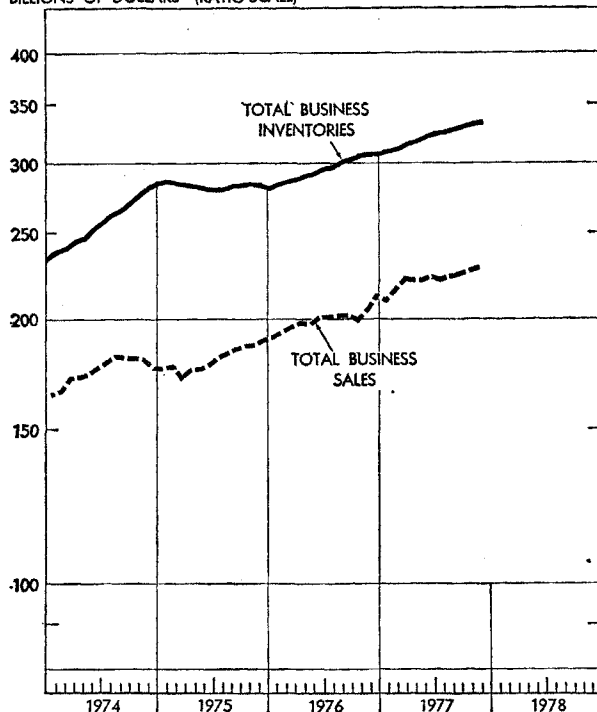
² Quarterly data entered in last month of quarter.

Source: Department of Commerce, Bureau of the Census.

BUSINESS SALES AND INVENTORIES—TOTAL AND TRADE

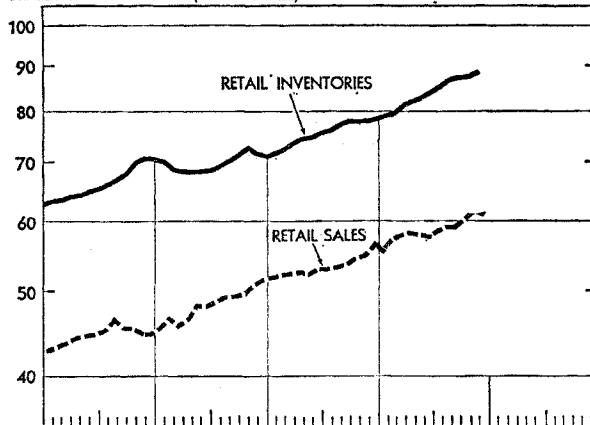
Business inventories rose \$1½ billion in November and business sales increased 1 percent. According to the advance survey, retail sales fell nearly ¾ percent in December, following an increase of more than 1 percent in November.

BILLIONS OF DOLLARS* (RATIO SCALE)

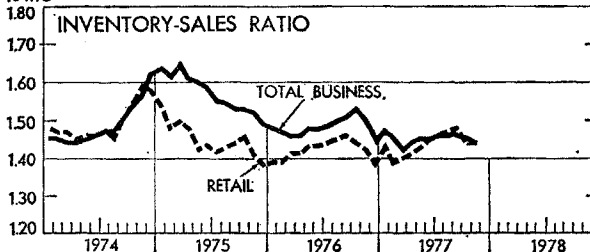


* SEASONALLY ADJUSTED
SOURCE: DEPARTMENT OF COMMERCE

BILLIONS OF DOLLARS* (RATIO SCALE)



RATIO*



COUNCIL OF ECONOMIC ADVISERS

Period	Total business ¹		Wholesale		Retail						Inventory-sales ratio ⁴	
	Sales ²	Inven- tories ³	Sales ²	Inven- tories ³	Sales ²			Inventories ³			Total busi- ness ¹	Retail
					Total	Dur- able goods stores	Non- durable goods stores	Total	Dur- able goods stores	Non- durable goods stores		
	Millions of dollars, seasonally adjusted											
1971-----	116, 351	188, 180	26, 257	35, 823	34, 169	10, 827	23, 342	49, 867	21, 706	28, 161	1. 58	1. 39
1972-----	130, 049	202, 291	29, 584	39, 786	37, 422	12, 369	25, 054	54, 433	23, 929	30, 504	1. 49	1. 38
1973-----	151, 647	233, 340	36, 822	46, 254	41, 871	14, 091	27, 781	62, 691	27, 725	34, 966	1. 43	1. 40
1974-----	174, 991	285, 275	45, 836	56, 537	44, 543	13, 820	30, 723	70, 767	32, 007	38, 760	1. 48	1. 49
1975-----	180, 229	281, 837	44, 633	55, 113	48, 370	14, 907	33, 463	71, 031	31, 632	39, 399	1. 57	1. 45
1976-----	200, 118	306, 325	48, 408	61, 307	53, 542	17, 544	35, 998	78, 431	35, 067	43, 364	1. 47	1. 41
1976: Nov-----	203, 731	306, 151	48, 990	61, 049	54, 822	18, 098	36, 724	77, 988	34, 875	43, 113	1. 50	1. 42
Dec-----	212, 095	306, 325	50, 935	61, 307	56, 685	19, 038	37, 647	78, 431	35, 067	43, 364	1. 44	1. 38
1977: Jan-----	209, 950	309, 063	50, 678	62, 123	55, 703	18, 860	36, 843	79, 458	35, 588	43, 870	1. 47	1. 43
Feb-----	215, 281	311, 232	51, 857	63, 062	57, 291	19, 382	37, 909	79, 721	35, 516	44, 205	1. 45	1. 39
Mar-----	221, 903	314, 875	52, 672	64, 300	57, 990	19, 863	38, 127	81, 196	36, 150	45, 046	1. 42	1. 40
Apr-----	221, 167	317, 873	53, 385	65, 301	58, 142	19, 833	38, 309	81, 825	36, 094	45, 731	1. 44	1. 41
May-----	221, 327	320, 492	53, 866	64, 838	58, 003	19, 516	38, 487	83, 025	36, 818	46, 207	1. 45	1. 43
June-----	222, 240	322, 899	53, 735	64, 947	57, 825	19, 436	38, 389	84, 134	37, 104	47, 030	1. 45	1. 45
July-----	221, 255	324, 107	53, 495	64, 210	58, 552	19, 505	39, 047	85, 326	38, 130	47, 196	1. 46	1. 46
Aug-----	223, 604	326, 849	53, 208	65, 095	59, 020	19, 984	39, 036	86, 650	38, 577	48, 073	1. 46	1. 47
Sept-----	224, 242	329, 510	53, 307	66, 119	59, 014	19, 763	39, 251	87, 227	38, 515	48, 712	1. 47	1. 48
Oct-----	227, 536	330, 460	53, 639	66, 209	60, 778	20, 895	39, 883	87, 462	38, 752	48, 710	1. 45	1. 44
Nov ^p -----	229, 848	332, 049	55, 126	66, 422	61, 482	20, 640	40, 842	88, 465	39, 134	49, 331	1. 44	1. 44
Dec ^p -----					61, 048	20, 335	40, 713					

¹The term "business" also includes manufacturing (see page 21).

²Monthly average for year and total for month.

³Book value, end of period, seasonally adjusted.

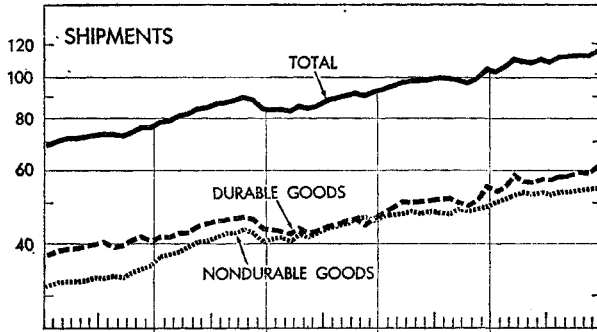
⁴For annual periods, ratio of weighted average inventories to average monthly sales; for monthly data, ratio of inventories at end of month to sales for month.

Source: Department of Commerce (Bureau of Economic Analysis and Bureau of the Census).

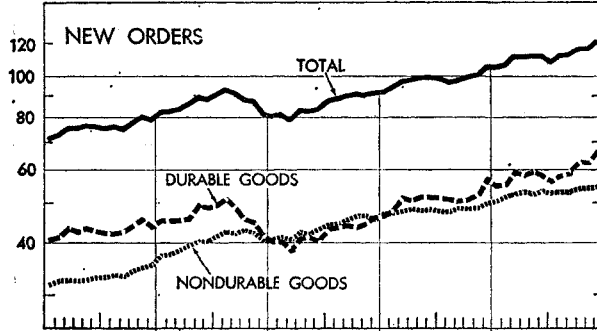
MANUFACTURERS' SHIPMENTS, INVENTORIES, AND NEW ORDERS

Manufacturers' new orders rose 4 percent in December and shipments rose 2½ percent. Inventories were about unchanged from their November level.

BILLIONS OF DOLLARS* (RATIO SCALE)

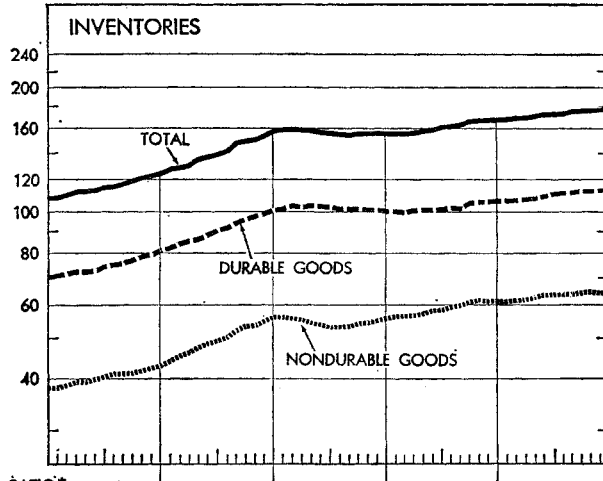


BILLIONS OF DOLLARS* (RATIO SCALE)

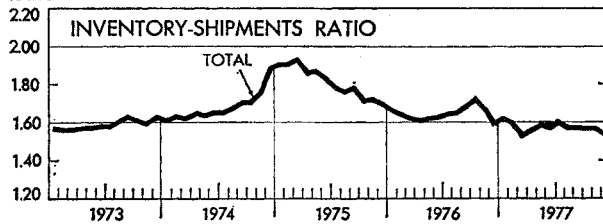


*SEASONALLY ADJUSTED
SOURCE: DEPARTMENT OF COMMERCE

BILLIONS OF DOLLARS* (RATIO SCALE)



RATIO*



COUNCIL OF ECONOMIC ADVISERS

Period	Manufacturers' shipments ¹			Manufacturers' inventories ²			Manufacturers' new orders ¹				Manu- fac- turers' inven- tory— ship- ments ratio ⁴
	Total	Durable goods	Non- durable goods	Total	Durable goods	Non- durable goods	Total	Durable goods		Non- durable goods	
								Total	Capital goods indus- tries, non- defense		
Millions of dollars, seasonally adjusted											
1971	55,925	29,973	25,953	102,490	66,149	36,341	55,937	29,951	7,575	25,986	1.83
1972	63,042	34,042	28,999	108,072	70,098	37,974	64,246	35,142	8,947	29,104	1.67
1973	72,954	39,704	33,250	124,395	81,218	43,177	76,217	42,888	11,169	33,329	1.58
1974	84,612	44,043	40,569	157,971	101,780	56,191	86,988	46,570	12,656	40,418	1.66
1975	87,226	43,912	43,313	155,693	100,310	55,382	85,659	42,164	10,899	43,495	1.80
1976	98,168	50,376	47,792	166,587	105,729	60,858	98,497	50,681	12,820	47,816	1.64
1977 ³	110,560	57,693	52,867	177,352	112,845	64,507	112,113	59,185	15,320	52,927	1.56
1976: Dec...	104,475	55,295	49,180	166,587	105,729	60,858	106,600	57,040	13,835	49,560	1.59
1977: Jan...	103,569	53,341	50,228	167,482	106,562	60,920	105,288	55,037	14,621	50,251	1.62
Feb...	106,133	54,703	51,430	168,449	107,222	61,227	106,575	55,133	14,249	51,442	1.59
Mar...	111,241	58,849	52,392	169,379	107,685	61,694	111,788	59,160	14,561	52,628	1.52
Apr...	109,640	56,764	52,876	170,747	108,190	62,557	111,547	58,652	14,679	52,895	1.56
May...	109,458	56,717	52,741	172,629	109,154	63,475	111,693	59,176	15,000	52,517	1.58
June...	110,680	57,570	53,110	173,818	110,421	63,397	111,524	58,378	15,535	53,146	1.57
July...	109,208	56,820	52,388	174,571	110,978	63,593	108,598	56,031	14,409	52,567	1.60
Aug...	111,376	58,087	53,289	175,104	111,452	63,652	111,494	58,270	14,678	53,224	1.57
Sept...	111,921	58,608	53,313	176,164	111,787	64,377	112,441	59,048	16,189	53,393	1.57
Oct...	113,119	59,262	53,857	176,789	111,904	64,885	116,543	62,503	16,502	54,040	1.56
Nov...	113,240	59,154	54,086	177,162	112,548	64,614	116,068	61,984	15,883	54,084	1.56
Dec ² ...	116,184	61,650	54,534	177,352	112,845	64,507	120,765	66,028	17,329	54,737	1.53

¹ Monthly average for year and total for month. Shipments are the same as sales.

² Book value, end of period.

³ End of period.

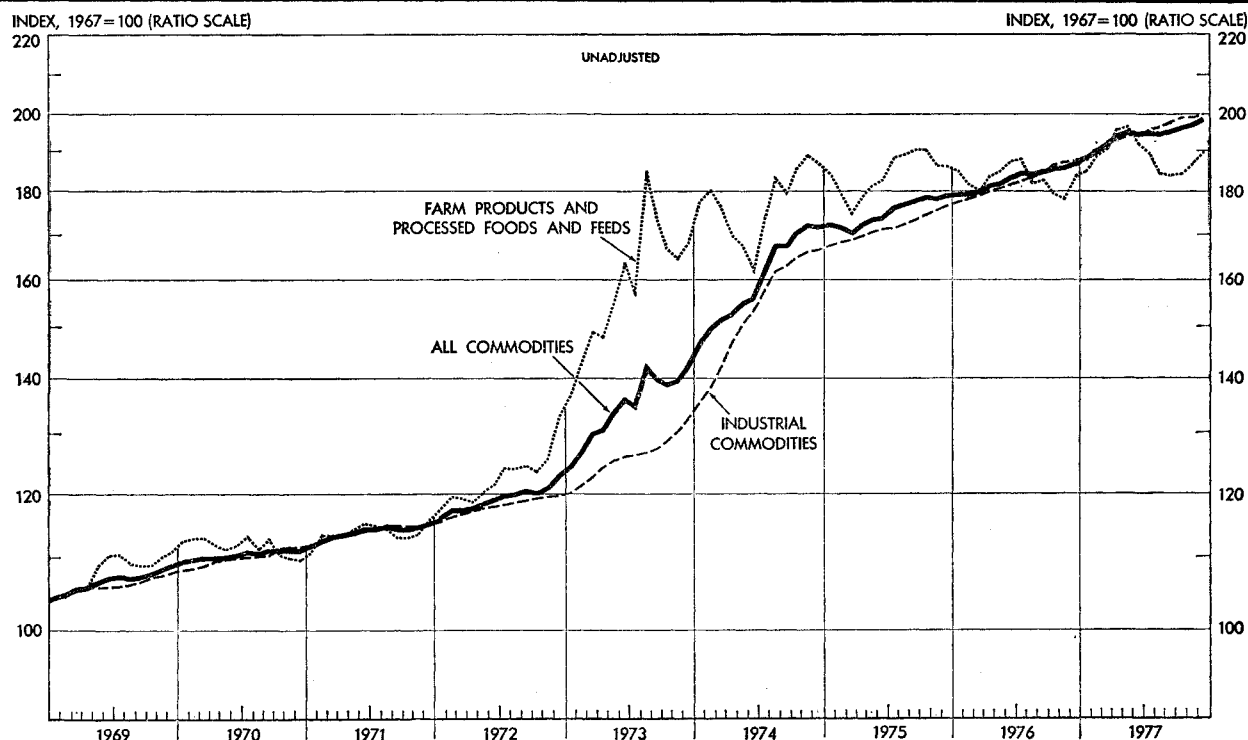
⁴ For annual periods, ratio of weighted average inventories to average monthly shipments; for monthly data, ratio of inventories at end of month to shipments for month.

Source: Department of Commerce, Bureau of the Census.

PRICES

WHOLESALE PRICES

In December, the wholesale price index rose 0.6 percent (0.5 percent seasonally adjusted). Prices of farm products and processed foods and feeds rose 1.4 percent (0.4 percent seasonally adjusted). Industrial commodities prices were up 0.4 percent (0.5 percent seasonally adjusted).



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[1967=100]

Period	All commodities	Farm products and processed foods and feeds	Industrial commodities	Farm products	Processed foods and feeds	Special groupings					
						Crude materials ¹	Intermediate materials ²	Producer finished goods	Consumer finished goods excluding foods		
									Total	Durable	Non-durable
1970-----	110.4	111.7	110.0	111.0	112.1	118.9	109.9	112.0	107.7	106.9	108.3
1971-----	114.0	113.9	114.1	112.9	114.5	123.1	114.3	116.6	111.4	110.8	111.7
1972-----	119.1	122.4	117.9	125.0	120.8	131.1	118.9	119.5	113.4	113.2	113.6
1973-----	134.7	159.1	125.9	176.3	148.1	155.2	128.1	123.5	118.5	115.8	120.5
1974-----	160.1	177.4	153.8	187.7	170.9	219.1	159.5	141.0	138.6	126.3	146.8
1975-----	174.9	184.2	171.5	186.7	182.6	225.1	178.6	162.5	153.1	138.2	163.0
1976-----	183.0	183.1	182.4	191.0	178.0	249.9	189.5	173.2	161.8	144.4	173.3
1977-----	194.2	188.8	195.1	192.5	186.1	280.4	202.4	184.5	172.1	152.1	185.4
Unadjusted											
Seasonally adjusted											
1976: Dec-----	187.1	183.9	187.4	191.9	178.8	265.9	195.5	178.4	165.8	146.9	178.4
1977: Jan-----	188.1	184.8	188.4	194.0	178.5	262.6	196.4	179.0	167.5	148.1	180.5
Feb-----	190.2	188.4	190.0	198.3	181.9	273.0	197.6	180.1	168.1	148.9	181.0
Mar-----	192.0	190.9	191.7	203.5	185.3	279.3	199.3	180.8	169.3	149.4	182.7
Apr-----	194.3	195.9	193.3	210.4	190.1	280.1	200.5	181.8	170.5	150.6	183.8
May-----	195.2	196.8	194.2	205.5	193.4	282.3	200.9	182.8	171.3	151.1	184.8
June-----	194.5	191.5	194.7	191.4	190.1	277.8	201.5	183.5	172.0	151.7	185.7
July-----	194.8	188.7	195.9	187.6	185.0	277.7	202.7	184.4	172.4	152.1	186.0
Aug-----	194.6	184.2	196.9	179.9	184.2	283.0	203.7	185.2	172.9	153.5	185.9
Sept-----	195.3	183.9	197.8	179.6	183.1	283.9	205.2	186.1	174.1	153.6	187.8
Oct-----	196.3	184.2	199.1	184.0	184.5	283.2	206.3	188.9	175.1	155.3	188.4
Nov-----	197.0	186.8	199.2	189.5	187.7	286.8	206.7	190.2	175.6	155.5	189.1
Dec-----	198.2	189.5	200.0	189.0	189.3	296.0	207.8	191.2	176.0	155.9	189.5

¹ Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.

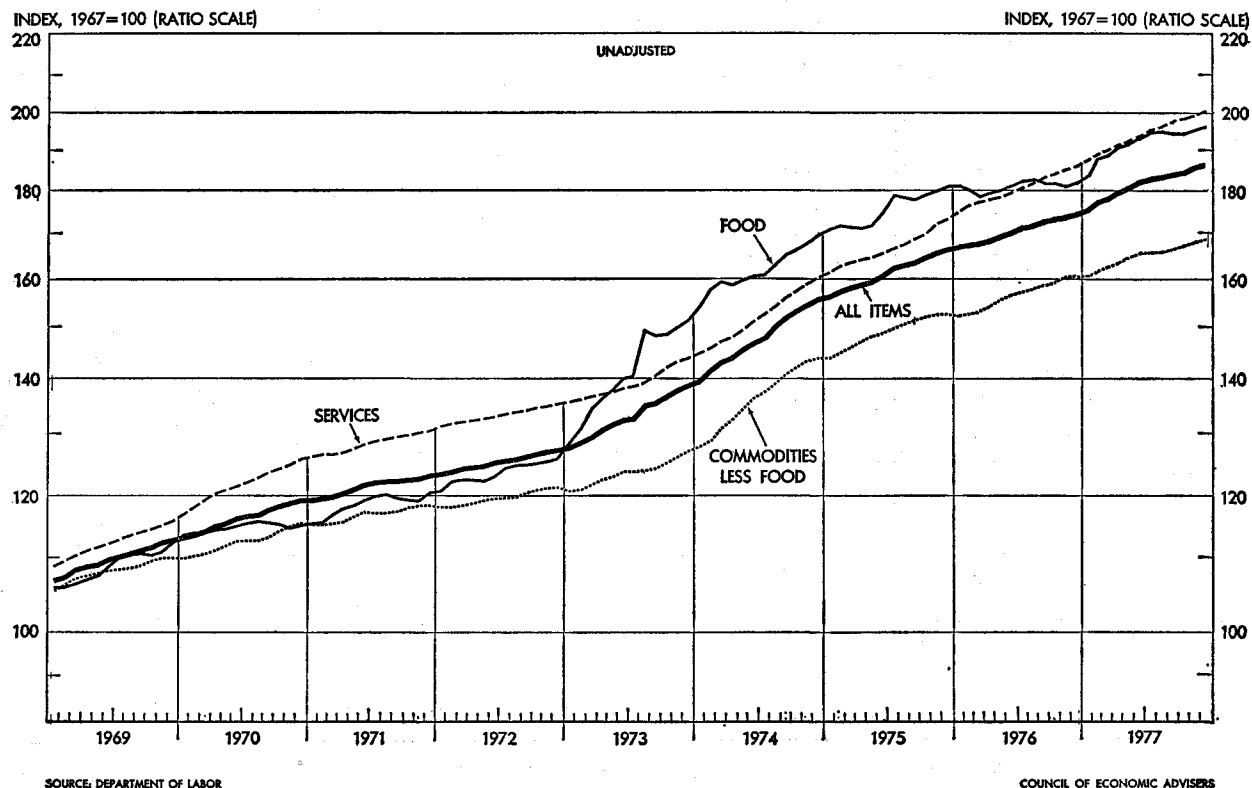
² Includes supplies and components; excludes intermediate materials for food manufacturing and manufactured animal feeds.

Note.—Data for June and July 1977 revised.

Source: Department of Labor, Bureau of Labor Statistics.

CONSUMER PRICES

In December, the consumer price index rose 0.4 percent (also 0.4 percent seasonally adjusted). Food prices increased 0.4 percent (0.2 percent seasonally adjusted). Nonfood commodity prices rose 0.2 percent (0.5 percent seasonally adjusted) and services prices were up 0.5 percent (also 0.5 percent seasonally adjusted).



[1967=100]

Period	All items	Food	Commodities less food	Services	All commodities	Food			Commodities less food			Services
						All	Food at home	Food away from home	All	Durable	Non-durable	
1970.....	116.3	114.9	112.5	121.6	113.5	114.9	113.7	119.9	112.5	111.8	113.1	121.6
1971.....	121.3	118.4	116.8	128.4	117.4	118.4	116.4	126.1	116.8	116.5	117.0	128.4
1972.....	125.3	123.5	119.4	133.3	120.9	123.5	121.6	131.1	119.4	118.9	119.8	133.3
1973.....	133.1	141.4	123.5	139.1	129.9	141.4	141.4	141.4	123.5	121.9	124.8	139.1
1974.....	147.7	161.7	136.6	152.1	145.5	161.7	162.4	159.4	136.6	130.6	140.9	152.1
1975.....	161.2	175.4	149.1	166.6	158.4	175.4	175.8	174.3	149.1	145.5	151.7	166.6
1976.....	170.5	180.8	156.6	180.4	165.2	180.8	179.5	186.1	156.6	154.3	158.3	180.4
1977.....	181.5	192.2	165.1	194.3	174.7	192.2	190.2	200.3	165.1	163.2	166.5	194.3
Unadjusted					Seasonally adjusted							
1976: Dec....	174.3	181.7	160.6	185.8	168.0	181.9	179.7	190.4	160.5	158.4	162.0	185.5
1977: Jan....	175.3	183.4	160.6	187.4	169.4	183.5	181.3	192.0	161.6	159.9	162.8	187.0
Feb.....	177.1	187.7	161.6	188.7	171.4	187.1	185.4	194.0	162.7	161.4	163.7	188.4
Mar.....	178.2	188.6	162.6	190.0	172.2	188.2	186.4	195.4	163.4	162.4	164.2	189.9
Apr.....	179.6	190.9	163.6	191.2	173.6	191.0	189.3	197.5	164.0	163.2	164.7	191.4
May.....	180.6	191.7	164.7	192.2	174.5	192.4	190.7	199.5	164.7	163.5	165.6	192.6
June.....	181.8	193.6	165.4	193.7	175.3	193.9	192.1	201.2	165.1	163.4	166.3	194.2
July.....	182.6	194.6	165.6	195.3	175.5	194.0	191.9	202.1	165.3	163.4	166.8	195.7
Aug.....	183.3	195.2	166.0	196.3	176.0	194.5	192.3	203.2	165.8	163.5	167.5	196.7
Sept.....	184.0	194.5	166.7	197.7	176.3	194.7	192.4	203.7	166.2	163.8	168.0	197.7
Oct.....	184.5	194.4	167.4	198.5	176.7	194.9	192.5	204.2	166.7	163.8	168.8	198.4
Nov.....	185.4	195.6	168.1	199.5	177.6	196.1	193.9	204.8	167.5	164.8	169.5	199.2
Dec.....	186.1	196.3	168.4	200.5	178.3	196.5	194.1	205.6	168.3	165.9	170.1	200.1

Source: Department of Labor, Bureau of Labor Statistics.

CHANGES IN WHOLESALE PRICES

Period	Percent change from preceding period; seasonally adjusted ¹				Percent change from 3 months earlier; seasonally adjusted annual rates				Percent change from 6 months earlier; seasonally adjusted annual rates			
	All commodities	Farm products	Processed foods and feeds	Industrial commodities	All commodities	Farm products	Processed foods and feeds	Industrial commodities	All commodities	Farm products	Processed foods and feeds	Industrial commodities
1969.....	4.8	8.4	6.8	3.9	-----	-----	-----	-----	-----	-----	-----	-----
1970.....	2.2	-4.7	.8	3.6	-----	-----	-----	-----	-----	-----	-----	-----
1971.....	4.1	8.1	4.7	3.4	-----	-----	-----	-----	-----	-----	-----	-----
1972.....	6.3	18.7	11.6	3.4	-----	-----	-----	-----	-----	-----	-----	-----
1973.....	15.4	36.1	20.3	10.7	-----	-----	-----	-----	-----	-----	-----	-----
1974.....	20.9	-1.9	20.9	25.6	-----	-----	-----	-----	-----	-----	-----	-----
1975.....	4.2	5.5	-3.8	6.0	-----	-----	-----	-----	-----	-----	-----	-----
1976.....	4.7	-1.1	-1.1	6.4	-----	-----	-----	-----	-----	-----	-----	-----
1977.....	5.9	-1.7	5.8	6.7	-----	-----	-----	-----	-----	-----	-----	-----
1976: Dec..	.6	2.6	1.8	.3	7.1	5.8	6.5	7.6	5.3	-3.5	-3.1	7.8
1977: Jan..	.5	1.1	-2.2	.5	7.1	12.9	8.5	6.1	5.5	-.2	-2.2	7.7
Feb....	1.0	2.2	1.9	.7	8.9	26.2	15.1	6.3	8.0	11.6	6.9	7.9
Mar....	1.1	2.6	1.9	.7	10.6	26.5	15.4	8.1	8.9	15.7	10.8	7.8
Apr....	1.1	3.4	2.6	.6	13.4	38.3	28.6	8.5	10.2	25.0	18.1	7.3
May....	.4	-2.3	1.7	.4	10.5	15.3	27.8	7.1	9.7	20.6	21.3	6.7
June....	-.6	-6.9	-1.7	.3	3.6	-21.7	10.8	5.3	7.0	-.5	13.0	6.7
July....	-.2	-2.0	-2.7	.5	-1.4	-36.8	-10.3	4.9	5.7	-6.5	7.4	6.7
Aug....	.1	-4.1	-.4	.5	-2.6	-41.3	-17.7	5.3	3.7	-17.7	2.5	6.2
Sept....	.5	-.2	-.6	.8	1.5	-22.5	-13.9	7.4	2.5	-22.1	-2.4	6.4
Oct....	.8	2.4	.8	.6	5.5	-7.5	-1.1	7.6	2.0	-23.5	-5.8	6.2
Nov....	.7	3.0	1.7	.4	8.3	23.1	7.8	7.3	2.7	-15.0	-5.8	6.3
Dec....	.5	-.3	.9	.5	8.3	22.6	14.2	6.0	4.8	-2.5	-.8	6.7

¹Annual changes are from December to December (unadjusted).

Source: Department of Labor, Bureau of Labor Statistics.

NOTE.—Data for June and July 1977 revised.

CHANGES IN CONSUMER PRICES

Period	Percent change from preceding period; seasonally adjusted ¹				Percent change from 3 months earlier; seasonally adjusted annual rates				Percent change from 6 months earlier; seasonally adjusted annual rates			
	All items	Food	Commodities less food	Services	All items	Food	Commodities less food	Services	All items	Food	Commodities less food	Services
1969.....	6.1	7.2	4.5	7.4	-----	-----	-----	-----	-----	-----	-----	-----
1970.....	5.5	2.2	4.8	8.2	-----	-----	-----	-----	-----	-----	-----	-----
1971.....	3.4	4.3	2.3	4.1	-----	-----	-----	-----	-----	-----	-----	-----
1972.....	3.4	4.7	2.5	3.6	-----	-----	-----	-----	-----	-----	-----	-----
1973.....	8.8	20.1	5.0	6.2	-----	-----	-----	-----	-----	-----	-----	-----
1974.....	12.2	12.2	13.2	11.3	-----	-----	-----	-----	-----	-----	-----	-----
1975.....	7.0	6.5	6.2	8.1	-----	-----	-----	-----	-----	-----	-----	-----
1976.....	4.8	.6	5.1	7.3	-----	-----	-----	-----	-----	-----	-----	-----
1977.....	6.8	8.0	4.9	7.9	-----	-----	-----	-----	-----	-----	-----	-----
1976: Dec..	.4	.1	.6	.4	4.2	0.0	5.7	5.1	4.8	0.8	5.6	6.3
1977: Jan..	.8	.9	.7	.8	6.1	2.9	6.7	6.7	5.5	2.3	6.1	6.6
Feb....	1.0	2.0	.7	.7	9.1	12.4	8.0	8.0	6.5	5.9	6.3	6.9
Mar....	.6	.6	.4	.8	10.0	14.6	7.4	9.8	7.1	7.0	6.5	7.4
Apr....	.8	1.5	.4	.8	9.9	17.4	6.1	9.7	8.0	9.9	6.4	8.2
May....	.6	.7	.4	.6	8.4	11.8	5.0	9.2	8.7	12.1	6.5	8.6
June....	.6	.8	.2	.8	8.1	12.7	4.2	9.4	9.0	13.6	5.8	9.6
July....	.4	.1	.1	.8	6.4	6.4	3.2	9.3	8.1	11.8	4.6	9.5
Aug....	.3	.3	.3	.5	5.2	4.4	2.7	8.8	6.8	8.1	3.8	9.0
Sept....	.3	.1	.2	.5	4.2	1.7	2.7	7.4	6.1	7.0	3.5	8.4
Oct....	.3	.1	.3	.4	3.8	1.9	3.4	5.6	5.1	4.1	3.3	7.4
Nov....	.5	.6	.5	.4	4.4	3.3	4.2	5.2	4.8	3.9	3.4	7.0
Dec....	.4	.2	.5	.5	4.6	3.7	5.2	4.9	4.4	2.7	3.9	6.2

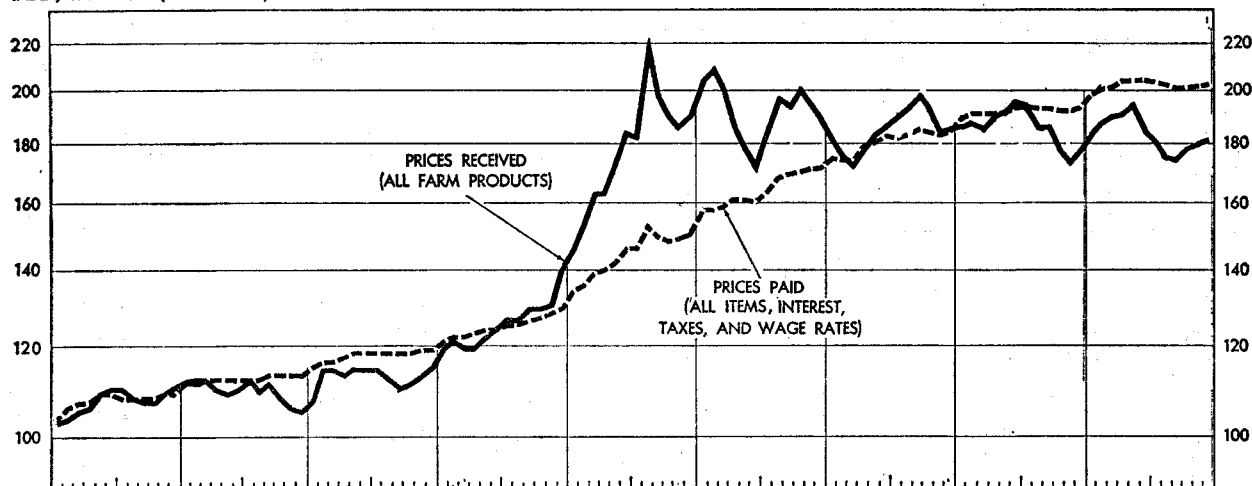
¹Annual changes are from December to December (unadjusted).

Source: Department of Labor, Bureau of Labor Statistics.

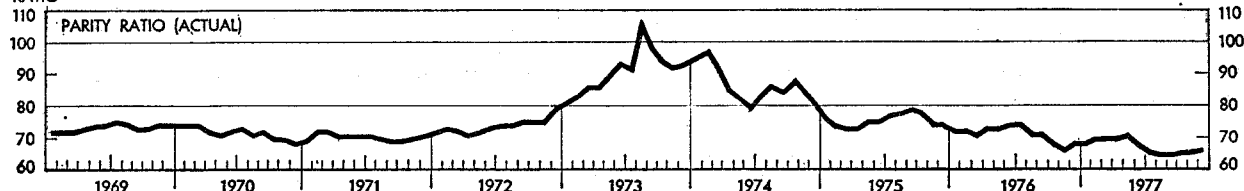
PRICES RECEIVED AND PAID BY FARMERS

Prices received by farmers rose 2 percent in the month ended January 15. Contributing most to the increase were higher prices for cattle, hogs, broilers, lettuce, and tomatoes. Partially offsetting were lower prices for eggs, milk, grapefruit, and soybeans. Prices paid by farmers were up 2 percent from the December 15 level.

INDEX, 1967=100 (RATIO SCALE)



RATIO $\sqrt{}$



$\sqrt{}$ RATIO OF INDEX OF PRICES RECEIVED TO INDEX OF PRICES PAID, INTEREST, TAXES, AND WAGE RATES, ON 1910-14=100 BASE.

SOURCE: DEPARTMENT OF AGRICULTURE

COUNCIL OF ECONOMIC ADVISERS

Period	Prices received by farmers			Prices paid by farmers			Parity ratio ¹	
	All farm products	Crops	Livestock and products	All items, interest, taxes, and wage rates	Family living items	Production items	Actual	Adjusted ²
Index, 1967=100								
1970.....	110	100	118	112	114	108	72	77
1971.....	113	108	118	118	118	113	71	75
1972.....	125	114	136	125	123	121	74	79
1973.....	179	175	183	144	133	146	91	94
1974.....	192	224	165	164	151	166	86	87
1975.....	185	201	172	180	166	182	76	76
1976.....	186	197	177	191	176	193	71	72
1977.....	183	193	175	202	(*)	200	67	68
1976: Dec 15.....	178	190	169	192	181	192	68	69
1977: Jan 15.....	183	198	170	198	182	196	68	69
Feb 15.....	186	203	174	200	(*)	199	69	70
Mar 15.....	190	211	171	202	(*)	201	69	70
Apr 15.....	191	213	172	204	(*)	204	69	70
May 15.....	193	214	176	204	(*)	205	70	71
June 15.....	184	198	173	204	(*)	203	66	68
July 15.....	180	182	179	203	(*)	201	65	66
Aug 15.....	175	173	177	201	(*)	198	64	65
Sept 15.....	174	171	177	201	(*)	197	63	65
Oct 15.....	178	178	177	201	(*)	198	65	66
Nov 15.....	179	185	174	202	(*)	199	65	66
Dec 15.....	181	183	180	203	(*)	199	66	67
1978: Jan 15 ⁴	185	186	185	208	(*)	203	65	67

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

² The adjusted parity ratio reflects Government payments made directly to farmers.

³ Index discontinued. Consumer price index (Department of Labor) substituted in calculating total prices paid beginning January 1977.

⁴ Not charted.

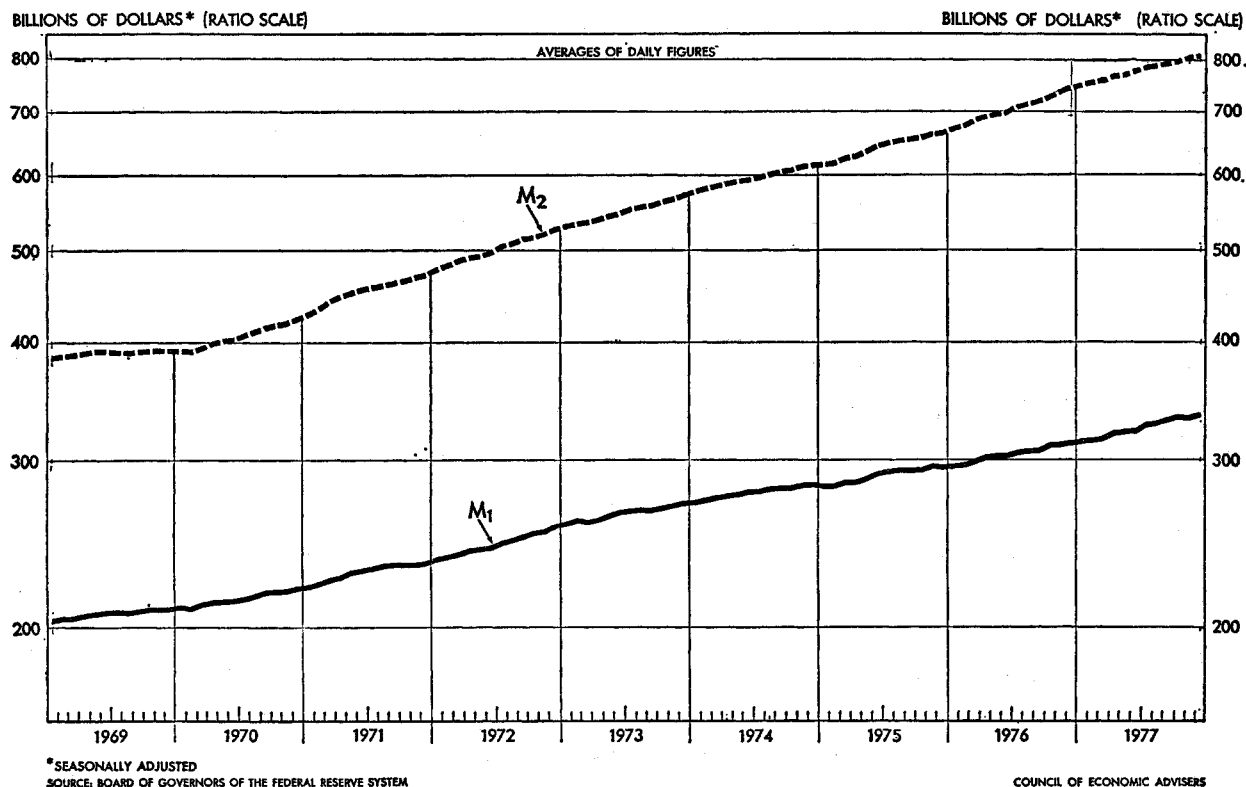
NOTE.—Data revised beginning January 1976.

Source: Department of Agriculture.

MONEY, CREDIT, AND SECURITY MARKETS

MONEY STOCK

The growth in M_1 during the fourth quarter was 6.2 percent (annual rate).



[Averages of daily figures; billions of dollars, seasonally adjusted, except as noted]

Period	Overall measures ¹			Components and related items							Percent change ²	
	M ₁	M ₂	M ₃	Cur- rency	Deposits at commercial banks			Deposits at nonbank thrift institu- tions	U.S. Gov- ernment demand deposits (unadjust- ed)	M ₁	M ₂	
					Demand	Time and savings						
						Total	Large CDs	Other				
1972: Dec...	255. 3	525. 3	844. 5	56. 9	198. 4	313. 5	43. 5	270. 0	319. 3	7. 4	9. 2	11. 4
1973: Dec...	270. 5	571. 4	919. 6	61. 5	209. 0	363. 9	63. 0	300. 9	348. 1	6. 3	6. 0	8. 8
1974: Dec...	283. 1	612. 4	981. 5	67. 8	215. 3	418. 3	89. 0	329. 3	369. 1	4. 9	4. 7	7. 2
1975: Dec...	294. 8	664. 3	1, 092. 6	73. 7	221. 0	451. 7	82. 1	369. 6	428. 3	4. 1	4. 1	8. 5
1976: Dec...	312. 4	740. 3	1, 237. 1	80. 5	231. 9	491. 1	63. 3	427. 9	496. 8	4. 7	6. 0	11. 4
1977: Dec ²	335. 4	806. 5	1, 374. 1	88. 4	247. 0	545. 8	74. 7	471. 1	567. 6	5. 5	7. 4	8. 9
1977: Jan...	313. 8	746. 3	1, 248. 9	81. 1	232. 7	495. 6	63. 1	432. 5	502. 6	4. 2	5. 9	12. 0
Feb...	314. 0	750. 7	1, 258. 2	81. 8	232. 1	500. 0	63. 3	436. 7	507. 5	4. 4	5. 0	11. 7
Mar...	315. 4	756. 1	1, 268. 1	82. 2	233. 2	502. 8	62. 2	440. 6	512. 1	4. 5	5. 6	11. 4
Apr...	320. 5	764. 6	1, 281. 2	83. 1	237. 4	505. 7	61. 6	444. 1	516. 6	5. 6	6. 6	10. 9
May...	320. 7	767. 6	1, 289. 0	83. 6	237. 1	509. 2	62. 3	446. 9	521. 4	3. 8	6. 7	9. 9
June...	321. 9	772. 8	1, 299. 5	84. 0	238. 0	514. 8	63. 9	450. 9	526. 7	5. 2	6. 2	9. 0
July...	326. 8	783. 5	1, 316. 9	85. 1	241. 7	519. 5	62. 8	456. 7	533. 5	3. 9	8. 5	10. 2
Aug...	328. 4	787. 7	1, 329. 5	85. 5	242. 9	522. 5	63. 2	459. 3	541. 7	3. 7	9. 4	10. 1
Sept...	330. 4	792. 9	1, 343. 1	86. 4	244. 0	525. 8	63. 2	462. 6	550. 2	5. 4	9. 7	10. 0
Oct...	333. 7	799. 6	1, 357. 1	87. 1	246. 6	532. 2	66. 4	465. 9	557. 5	4. 1	8. 4	9. 4
Nov...	333. 3	802. 7	1, 365. 6	87. 8	245. 5	540. 3	70. 9	469. 4	563. 0	3. 8	8. 0	9. 3
Dec ²	335. 4	806. 5	1, 374. 1	88. 4	247. 0	545. 8	74. 7	471. 1	567. 6	5. 5	8. 6	8. 9

¹ M_1 is currency plus demand deposits; M_2 is M_1 plus time deposits at commercial banks other than large certificates of deposit (CDs); and M_3 is M_2 plus deposits at nonbank thrift institutions.

² Annual changes are from December to December and monthly changes are from 6 months earlier at a seasonally adjusted annual rate.

Source: Board of Governors of the Federal Reserve system.

PRIVATE LIQUID ASSET HOLDINGS—NONFINANCIAL INVESTORS

[Averages of daily figures; billions of dollars, seasonally adjusted]

Period	Total liquid assets	Currency and deposits					U.S. Treasury securities		Negotiable certificates of deposit	Other private money market instruments
		Total	Currency	Demand deposits	Time deposits		Savings bonds	Short-term marketable securities		
					Commercial banks	Nonbank thrift institutions				
1970: Dec.....	769.5	632.4	49.1	151.8	198.9	232.7	52.0	41.9	21.8	21.4
1971: Dec.....	851.8	718.9	52.6	161.6	233.6	271.1	54.3	31.3	27.7	19.6
1972: Dec.....	967.4	817.0	56.9	176.4	264.5	319.3	57.6	34.4	36.3	22.2
1973: Dec.....	1,079.2	887.5	61.5	183.3	294.5	348.1	60.4	43.3	53.8	34.3
1974: Dec.....	1,166.9	945.2	67.8	187.2	321.2	369.1	63.3	47.5	70.4	40.5
1975: Dec.....	1,290.4	1,054.4	73.7	191.7	360.6	428.3	67.2	66.5	59.4	43.0
1976: Dec.....	1,423.7	1,194.2	80.5	198.8	418.1	496.8	71.9	66.1	44.2	47.4
1977: Dec ¹	1,599.6	1,330.8	88.4	214.7	460.3	567.4	76.6	76.4	55.0	60.9
1977: Jan.....	1,438.5	1,207.6	81.1	200.9	423.0	502.6	72.3	66.9	43.6	48.1
Feb.....	1,453.6	1,216.7	81.8	200.1	427.2	507.5	72.6	70.3	44.2	49.7
Mar.....	1,464.3	1,226.0	82.2	200.9	430.8	512.1	73.0	70.3	43.3	51.7
Apr.....	1,478.6	1,239.4	83.1	205.5	434.2	516.6	73.4	70.0	42.5	53.3
May.....	1,486.8	1,246.3	83.6	204.5	436.8	521.4	73.8	69.2	42.8	54.7
June.....	1,499.6	1,256.0	84.0	205.0	440.4	526.7	74.2	68.4	44.3	56.6
July.....	1,519.4	1,273.4	85.1	208.7	446.1	533.5	74.7	69.8	43.4	58.1
Aug.....	1,534.1	1,284.7	85.5	208.6	448.9	541.7	75.1	71.8	43.8	58.7
Sept.....	1,549.7	1,299.0	86.4	209.9	452.5	550.2	75.4	72.5	43.5	59.3
Oct.....	1,570.2	1,313.5	87.1	213.3	455.7	557.5	75.8	74.4	46.8	59.9
Nov.....	1,585.1	1,321.4	87.8	212.4	458.5	562.7	76.2	75.8	51.3	60.4
Dec ²	1,599.6	1,330.8	88.4	214.7	460.3	567.4	76.6	76.4	55.0	60.9

Source: Board of Governors of the Federal Reserve System.

CONSUMER INSTALMENT CREDIT

[Millions of dollars; monthly data seasonally adjusted]

Period	Instalment credit extended			Instalment credit liquidated			Net change in amount outstanding		
	Total ¹	Auto-mobile	Bank credit cards	Total ¹	Auto-mobile	Bank credit cards	Total ¹	Auto-mobile	Bank credit cards
1970.....	112,296	30,094	6,768	107,444	30,440	5,615	4,852	-347	1,153
1971.....	123,826	35,820	8,377	113,784	31,614	7,679	10,043	4,207	699
1972.....	137,117	42,700	10,390	121,926	37,188	9,472	15,191	5,512	918
1973.....	157,863	48,399	13,863	138,156	42,642	12,433	19,707	5,758	1,430
1974.....	157,200	45,429	17,098	147,920	44,929	15,655	9,280	500	1,443
1975.....	164,169	51,413	20,428	156,665	48,406	19,208	7,504	3,007	1,220
1976.....	193,328	62,988	25,862	172,795	52,750	24,012	20,533	10,238	1,850
1977 ²	225,974	72,946	31,563	195,115	59,526	28,910	30,859	13,420	2,653
1976: Nov.....	16,712	5,312	2,260	15,077	4,630	2,148	1,634	682	112
Dec.....	17,677	5,869	2,297	15,236	4,667	2,228	2,442	1,201	69
1977: Jan.....	17,241	5,511	2,182	15,084	4,712	2,176	2,156	799	6
Feb.....	17,595	5,819	2,408	15,610	4,801	2,201	1,984	1,019	207
Mar.....	18,496	6,199	2,406	15,525	4,816	2,142	2,971	1,383	263
Apr.....	18,784	6,106	2,576	15,886	4,901	2,298	2,898	1,205	278
May.....	18,503	6,048	2,621	15,849	4,801	2,430	2,655	1,247	192
June.....	18,810	6,063	2,640	16,388	5,100	2,403	2,422	963	238
July.....	18,631	5,966	2,566	16,167	4,897	2,382	2,464	1,069	184
Aug.....	19,204	6,158	2,711	16,553	5,104	2,396	2,651	1,054	315
Sept.....	19,164	6,109	2,847	16,814	5,005	2,567	2,351	1,105	279
Oct.....	19,787	6,083	2,973	17,160	5,234	2,687	2,626	850	287
Nov.....	19,680	6,330	2,828	16,826	5,089	2,585	2,853	1,241	243
Dec ²	20,079	6,554	2,805	17,253	5,066	2,643	2,826	1,488	162

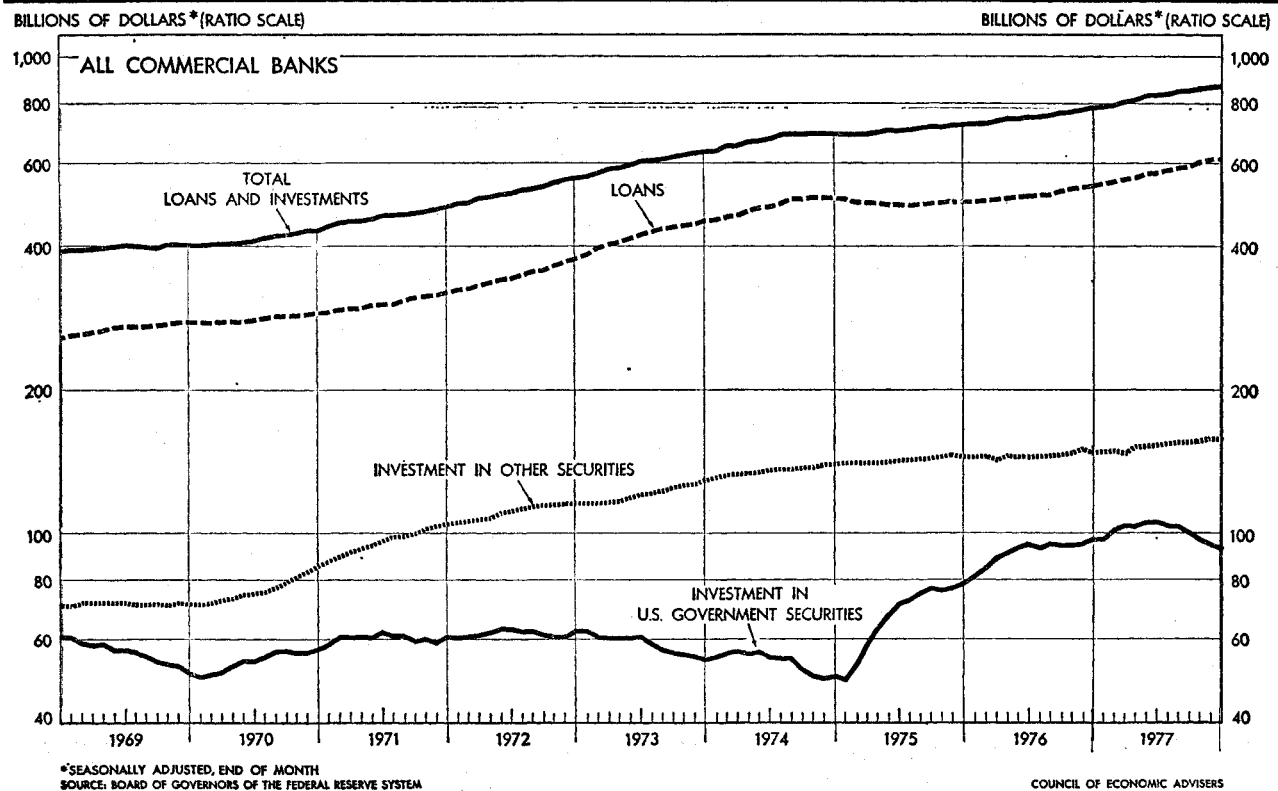
¹ Includes some items not shown separately.

² Preliminary; December by Council of Economic Advisers.

Source: Board of Governors of the Federal Reserve System.

BANK LOANS, INVESTMENTS, AND RESERVES

Growth of business loans was quite modest in December and total loans and investments declined at commercial banks.



[Billions of dollars, seasonally adjusted, except as noted]

Period	All commercial banks ¹					All member banks			Borrowings (mil- lions of dollars, unadjusted) ³	
	Total loans and invest- ments	Loans		Investments		Reserves ² ³			Total	Sea- sonal
		Total ex- cluding inter- bank	Commer- cial and industrial	U.S. Gov- ernment securities	Other secu- rities	Total	Non- borrowed	Re- quired		
1970-----	435.5	292.0	110.0	57.8	85.7	29.12	28.79	28.87	321	-----
1971-----	485.7	320.9	116.1	60.6	104.2	31.22	31.10	31.04	107	-----
1972-----	558.0	378.9	130.2	62.6	116.5	31.41	30.36	31.12	1,049	-----
1973-----	633.4	449.0	156.4	54.5	129.9	34.94	33.64	34.64	1,298	41
1974-----	690.4	500.2	183.3	50.4	139.8	36.60	35.87	36.34	703	32
1975-----	721.1	496.9	176.0	79.4	144.8	34.73	34.60	34.46	127	13
1976-----	784.4	538.9	⁵ 179.5	97.3	148.2	34.95	34.90	34.68	62	12
1977 ² -----	865.4	612.9	⁶ 202.2	93.5	159.0	36.21	35.64	36.02	558	54
1977: Jan-----	787.3	541.4	180.4	97.0	148.9	34.78	34.71	34.51	61	8
Feb-----	797.9	546.6	182.2	101.7	149.6	34.40	34.33	34.20	79	12
Mar-----	805.1	552.9	184.4	103.8	148.4	34.31	34.20	34.09	110	13
Apr-----	815.7	560.7	186.7	103.2	151.8	34.68	34.61	34.49	73	14
May-----	823.9	566.1	188.2	105.1	152.7	34.72	34.52	34.51	200	31
June-----	830.5	572.4	190.2	105.2	152.9	34.86	34.60	34.71	262	55
July ² -----	837.0	579.0	192.4	103.6	154.4	35.35	35.03	35.08	336	60
Aug ² -----	845.6	587.0	194.6	103.1	155.5	35.64	34.58	35.44	1,071	101
Sept ² -----	848.4	592.2	195.1	100.1	156.1	35.63	35.00	35.42	634	112
Oct ² -----	857.9	602.5	199.3	97.8	157.6	35.90	34.59	35.69	1,319	114
Nov ² -----	866.1	611.2	201.6	95.0	159.9	36.01	35.15	35.76	840	83
Dec ² -----	865.4	612.9	⁶ 202.2	93.5	159.0	36.21	35.64	36.02	558	54

¹ Data are for end of period.

² Averages of daily figures. Annual data are for December.

³ Member bank reserves series reflects actual reserve requirement percentages with no adjustment to eliminate the effect of changes in Regulations D and M.

⁴ During 1974, total loans and investments were increased \$0.6 billion due to

a bank merger and were reduced \$1.5 billion due to liquidation of a large bank.

⁵ Loan reclassifications reduced these loans by \$1.2 billion as of March 31, 1976.

⁶ Loan reclassifications reduced these loans by \$0.3 billion in December 1977.

Source: Board of Governors of the Federal Reserve System.

SOURCES AND USES OF FUNDS, NONFARM NONFINANCIAL CORPORATE BUSINESS

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

Period	Sources							Uses			Discrepancy (sources less uses)
	Total	Internal ¹	External					Total	Purchase of physical assets ⁴	Increase in financial assets	
			Total	Credit market funds			Other				
				Total	Long-term ²	Short-term ³					
1970.....	104.3	58.9	45.5	40.7	32.1	8.6	4.8	95.9	80.3	15.6	8.4
1971.....	127.1	68.6	58.5	44.5	40.6	3.9	14.1	114.6	86.0	28.6	12.5
1972.....	152.9	80.8	72.2	57.7	40.7	17.0	14.5	136.5	100.3	36.2	16.5
1973.....	180.7	83.8	96.9	72.7	37.0	35.7	24.2	162.6	123.3	39.3	18.1
1974.....	180.7	75.7	105.0	81.8	39.1	42.7	23.2	163.5	134.7	28.9	17.1
1975.....	148.4	107.8	40.6	36.6	49.3	-12.7	4.1	132.3	98.6	33.7	16.2
1976.....	213.5	125.8	87.7	58.3	48.6	9.7	29.4	197.2	140.3	56.9	16.3
1976: I.....	219.8	125.4	94.4	52.1	50.1	2.1	42.3	203.2	134.3	68.9	16.6
II.....	220.4	125.0	95.5	60.2	46.8	13.4	35.3	202.5	143.1	59.4	17.9
III.....	204.3	130.5	73.8	51.7	51.0	.7	22.1	192.6	150.4	42.1	11.7
IV.....	209.5	122.3	87.2	69.4	46.6	22.8	17.8	190.5	133.4	57.1	19.0
1977: I.....	268.6	125.7	143.0	86.6	42.4	44.3	56.3	257.4	153.7	103.7	11.3
II.....	240.4	134.8	105.6	87.7	55.8	31.8	17.9	233.6	169.5	64.1	6.8
III.....	240.7	145.3	95.4	65.5	49.3	16.2	29.9	232.0	173.7	58.3	8.7

¹ Undistributed profits (after inventory valuation and capital consumption adjustments), capital consumption allowances, and foreign branch profits.
² Stocks, bonds, and mortgages.
³ Bank loans, commercial paper, finance company loans, bankers' acceptances, and Government loans.

⁴ Plant and equipment, residential structures, inventory investment, and mineral rights.

Source: Board of Governors of the Federal Reserve System.

CURRENT ASSETS AND LIABILITIES OF NONFINANCIAL CORPORATIONS

[Billions of dollars]

End of period	Current assets							Current liabilities					Net working capital
	Total	Cash on hand and in banks ¹	U.S. Government securities ²	Receivables from U.S. Government ³	Notes and accounts receivable	Inventories	Other current assets ⁴	Total	Advances and prepayments, U.S. Government ⁵	Notes and accounts payable	Federal income tax liabilities	Other current liabilities ⁶	
1970.....	492.3	50.2	7.7	4.2	201.9	193.3	35.0	304.9	6.6	204.7	10.0	83.6	187.4
1971.....	529.6	53.3	11.0	3.5	217.6	200.4	43.8	326.0	4.9	215.6	13.1	92.4	203.6
1972.....	573.5	57.5	9.3	3.4	240.0	215.2	48.1	352.2	4.0	230.4	15.1	102.6	221.3
1973.....	643.3	61.6	11.0	3.5	266.1	246.7	54.4	401.0	4.3	261.6	18.1	117.0	242.3
1974.....	712.2	62.7	11.7	3.5	289.7	288.0	56.6	450.6	5.2	287.5	23.2	134.8	261.5
1975.....	731.6	68.1	19.4	3.6	294.6	285.8	60.0	457.5	6.4	281.6	20.7	148.8	274.1
1976.....	816.8	77.0	26.4	4.3	323.9	315.4	69.8	499.9	7.0	295.9	26.8	170.2	316.9
1975: III.....	716.5	65.6	14.3	3.3	294.7	279.6	59.0	444.7	6.2	273.4	19.4	145.6	271.8
IV.....	731.6	68.1	19.4	3.6	294.6	285.8	60.0	457.5	6.4	281.6	20.7	148.8	274.1
1976: I.....	753.5	68.4	21.7	3.6	307.3	288.8	63.6	465.9	6.4	280.5	23.9	155.0	287.6
II.....	775.4	70.8	23.3	3.7	318.1	295.6	63.9	475.9	6.8	287.0	22.0	160.1	299.4
III.....	791.8	71.1	23.9	4.3	324.2	302.1	66.3	484.1	7.0	284.7	24.9	167.5	307.7
IV.....	816.8	77.0	26.4	4.3	323.9	315.4	69.8	499.9	7.0	295.9	26.8	170.2	316.9
1977: I.....	845.3	75.0	27.3	4.6	342.0	322.1	74.3	516.6	6.8	302.2	28.6	179.0	328.7
II.....	874.7	77.9	24.1	4.8	356.6	332.5	78.8	532.0	5.7	313.2	24.5	188.6	342.7
III.....	909.8	79.1	24.1	5.3	373.8	343.1	84.5	556.3	6.2	323.6	26.9	199.7	353.5

¹ Includes time certificates of deposit.

² Includes Federal agency issues.

³ Receivables from and payables to the U.S. Government do not include amounts offset against each other on corporations' books or amounts arising from subcontracting which are not directly due from or to the U.S. Government. Wherever possible, adjustments have been made to include U.S. Government advances offset against inventories on corporations' books.

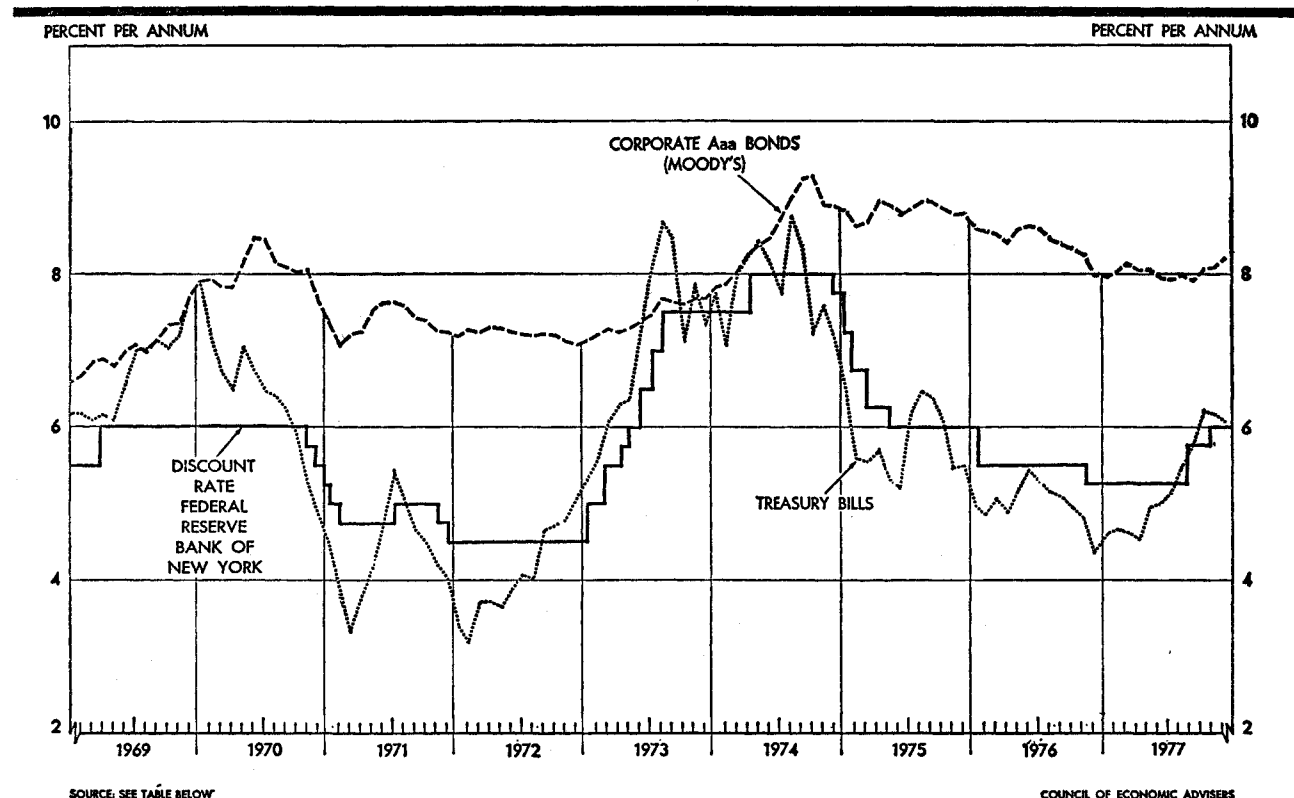
⁴ Includes marketable investments (other than Government securities and time certificates of deposit) as well as sundry current assets.

⁵ Includes commercial paper outstanding, the portion of long-term debt due in less than 1 year, and miscellaneous current liabilities not elsewhere classified.

Source: Securities and Exchange Commission.

INTEREST RATES AND BOND YIELDS

Short-term interest rates moved up early in January when the discount rate was increased, but subsequently declined a little.



SOURCE: SEE TABLE BELOW

COUNCIL OF ECONOMIC ADVISERS

Period	U.S. Government security yields			High-grade municipal bonds (Standard & Poor's) ⁴	Corporate Aaa bonds (Moody's)	Prime commercial paper, 4-6 months	Discount rate (N.Y. F.R. Bank) ⁵	Prime rate charged by banks ⁶	New-home mortgage yields (FHLBB) ⁶
	3-month Treasury bills ¹	3-5 year issues ²	Taxable bonds ³						
1972-----	4.071	5.85	5.63	5.27	7.21	4.69	4.50	5.25	7.60
1973-----	7.041	6.92	6.30	5.18	7.44	8.15	6.45	8.03	7.95
1974-----	7.886	7.81	6.99	6.09	8.57	9.87	7.83	10.81	8.92
1975-----	5.838	7.55	6.98	6.89	8.83	6.33	6.25	7.86	9.01
1976-----	4.989	6.94	6.78	6.49	8.43	5.35	5.50	6.84	8.99
1977-----	5.265	6.85	7.06	5.56	8.02	5.60	5.46	6.83	9.01
1977: Jan-----	4.597	6.49	6.68	5.70	7.96	4.74	5 1/4-5 1/4	6 1/4-6 1/4	9.05
Feb-----	4.662	6.69	7.15	5.75	8.04	4.82	5 1/4-5 1/4	6 1/4-6 1/4	8.99
Mar-----	4.613	6.73	7.20	5.76	8.10	4.87	5 1/4-5 1/4	6 1/4-6 1/4	8.95
Apr-----	4.540	6.58	7.14	5.61	8.04	4.87	5 1/4-5 1/4	6 1/4-6 1/4	8.94
May-----	4.942	6.76	7.17	5.64	8.05	5.35	5 1/4-5 1/4	6 1/4-6 1/4	8.96
June-----	5.004	6.58	6.99	5.53	7.95	5.49	5 1/4-5 1/4	6 1/4-6 1/4	8.98
July-----	5.146	6.67	6.97	5.50	7.94	5.41	5 1/4-5 1/4	6 1/4-6 1/4	9.00
Aug-----	5.500	6.90	7.00	5.46	7.98	5.84	5 1/4-5 1/4	6 1/4-6 1/4	9.02
Sept-----	5.770	6.92	6.94	5.37	7.92	6.17	5 1/4-5 1/4	7 -7 1/4	9.04
Oct-----	6.188	7.23	7.08	5.53	8.04	6.55	5 1/4-6	7 1/4-7 3/4	9.07
Nov-----	6.160	7.28	7.14	5.38	8.03	6.59	6-6	7 1/4-7 3/4	9.07
Dec-----	6.063	7.40	7.23	5.48	8.19	6.64	6-6	7 1/4-7 3/4	9.08
1978: Jan ⁷ -----	6.448	7.71	7.50	5.60	8.41	6.79	6-6 1/2	7 1/4-8	-----
Week ended:									
1977: Dec 30-----	6.152	7.51	7.34	5.54	8.28	6.68	6-6	7 1/4-7 3/4	-----
1978: Jan 6-----	6.144	7.52	7.36	5.54	8.30	6.69	6-6	7 1/4-7 3/4	-----
13-----	6.682	7.78	7.54	5.64	8.40	6.77	6-6 1/2	7 1/4-8	-----
20-----	6.535	7.75	7.54	5.61	8.44	6.85	6 1/2-6 1/2	8-8	-----
27-----	6.429	7.74	7.55	5.60	8.47	6.83	6 1/2-6 1/2	8-8	-----
Feb 3-----	6.440	7.68	7.54	5.54	8.46	6.81	6 1/2-6 1/2	8-8	-----

¹ Rate on new issues within period.

² Selected note and bond issues.

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

⁴ Weekly data are Wednesday figures.

⁵ Average effective rate for year; opening and closing rate for month and week.

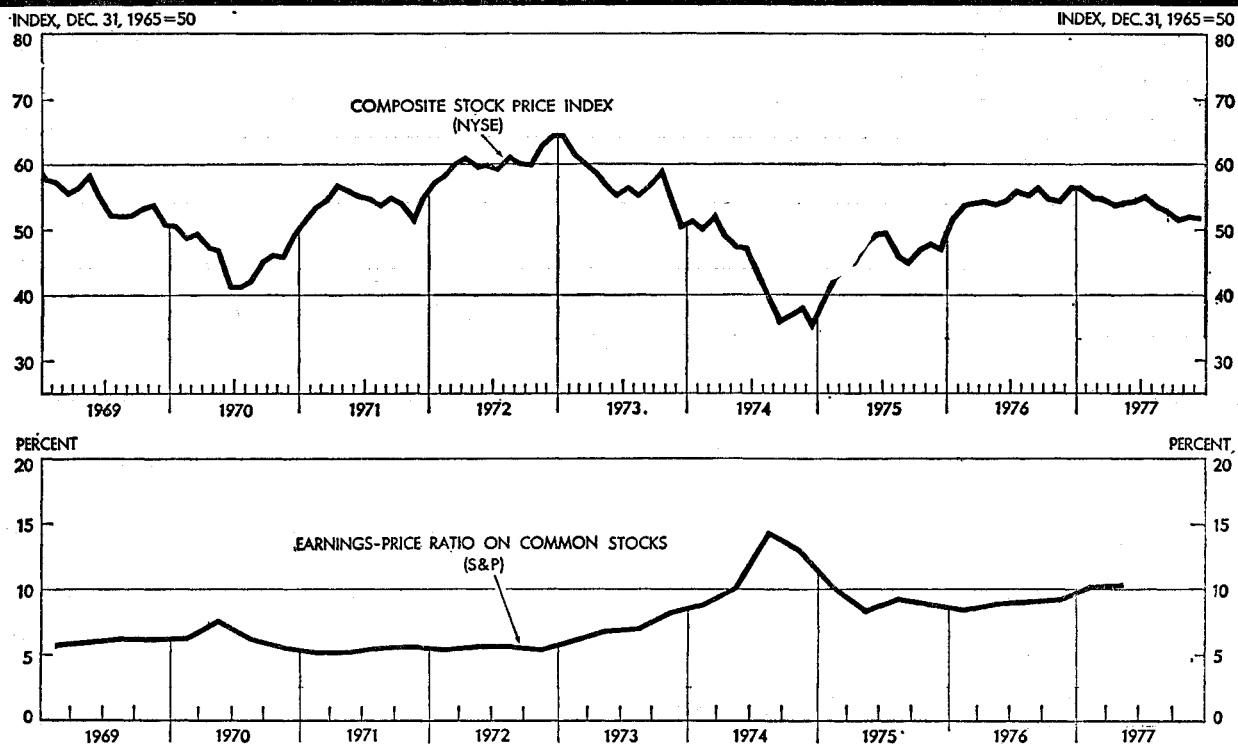
⁶ Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years. Rates beginning January 1973 not strictly comparable with prior rates.

⁷ Not charted.

Sources: Board of Governors of the Federal Reserve System, Federal Home Loan Bank Board, Moody's Investors Service, and Standard & Poor's Corporation.

COMMON STOCK PRICES AND YIELDS

Stock prices moved erratically in January but were somewhat lower than at the end of 1977.



SOURCES: NEW YORK STOCK EXCHANGE AND STANDARD & POOR'S CORPORATION

COUNCIL OF ECONOMIC ADVISERS

Period	Common stock prices ¹							Common stock yields (percent) ²	
	New York Stock Exchange indexes (Dec. 31, 1965=50) ²						Standard & Poor's composite index (1941-43=10) ⁴	Dividend-price ratio	Earnings-price ratio
	Composite	Industrial	Transportation	Utility	Finance	Dow-Jones industrial average ³			
1972-----	60.29	65.73	50.17	38.48	78.35	950.71	109.20	2.84	5.50
1973-----	57.42	63.08	37.74	37.69	70.12	923.88	107.43	3.06	7.12
1974-----	43.84	48.08	31.89	29.79	49.67	759.37	82.85	4.47	11.59
1975-----	45.73	50.52	31.10	31.50	47.14	802.49	86.16	4.31	9.15
1976-----	54.46	60.44	39.57	36.97	52.94	974.92	102.01	3.77	8.90
1977-----	53.69	57.86	41.09	40.92	55.25	894.63	98.20	4.62	-----
1977: Jan-----	56.28	61.26	41.93	41.13	57.86	970.62	103.81	3.99	-----
Feb-----	54.93	59.65	40.59	40.86	55.65	941.77	100.96	4.21	-----
Mar-----	54.67	59.56	40.52	40.18	54.84	946.11	100.57	4.37	10.24
Apr-----	53.92	58.47	41.51	40.24	54.30	929.10	99.05	4.47	-----
May-----	53.96	58.13	43.25	41.14	54.80	926.31	98.76	4.57	-----
June-----	54.30	58.44	43.29	41.59	55.29	916.56	99.29	4.60	10.37
July-----	54.94	58.90	43.52	42.44	57.29	908.20	100.18	4.59	-----
Aug-----	53.51	57.30	41.04	41.50	56.52	872.26	97.75	4.72	-----
Sept-----	52.66	56.41	39.99	40.93	55.33	853.30	96.23	4.82	⁶ 11.09
Oct-----	51.37	54.99	38.33	40.38	53.24	823.96	93.74	4.97	-----
Nov-----	51.87	55.62	39.30	40.33	54.04	828.51	94.28	5.02	-----
Dec-----	51.83	53.55	39.75	40.36	53.85	818.80	93.82	5.11	-----
1978: Jan-----	⁶ 49.89	53.45	39.15	39.06	50.91	781.09	90.25	5.32	-----
Week ended:									
1978: Jan 6-----	51.34	55.02	39.73	40.15	52.59	807.43	92.93	5.15	-----
13-----	49.70	53.19	38.60	39.20	50.62	779.17	90.01	5.37	-----
20-----	49.73	53.26	39.36	38.85	50.71	778.53	89.97	5.33	-----
27-----	49.28	52.80	39.14	38.49	50.32	768.43	89.01	5.42	-----
Feb 3-----	49.66	53.24	39.15	38.78	50.58	772.59	89.65	5.42	-----

¹ Averages of daily closing prices.

² Includes all the stocks (more than 1,500) listed on the NYSE.

³ Includes 30 stocks. ⁴ Includes 500 stocks.

⁵ Standard & Poor's series. Dividend-price ratios based on Wednesday closing prices. Earnings-price ratios based on prices at end of quarter. ⁶ Not charted.

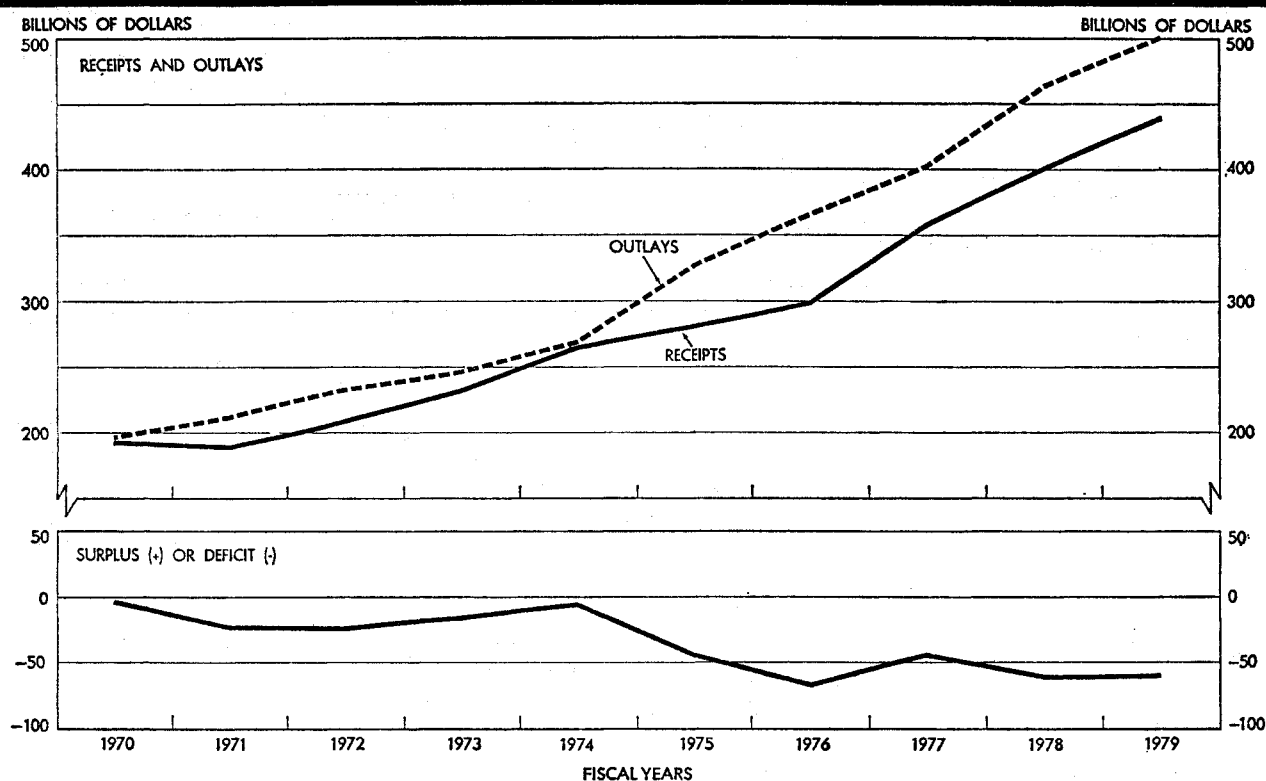
NOTE.—All data relate to stocks listed on the New York Stock Exchange (NYSE).

Sources: New York Stock Exchange, Dow-Jones & Company, Inc., and Standard & Poor's Corporation.

FEDERAL FINANCE

FEDERAL BUDGET RECEIPTS AND OUTLAYS AND DEBT

According to the Budget submitted in January, the budget deficit is estimated at \$61.8 billion for fiscal year 1978 and at \$60.6 billion for fiscal year 1979.



SOURCES: DEPARTMENT OF THE TREASURY AND OFFICE OF MANAGEMENT AND BUDGET

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]					
Period	Receipts	Outlays	Surplus or deficit (-)	Federal debt (end of period)	
				Total ¹	Held by the public
Fiscal year or period:					
1969.....	187.8	184.5	3.2	367.1	279.5
1970.....	193.7	196.6	-2.8	382.6	284.9
1971.....	188.4	211.4	-23.0	409.5	304.3
1972.....	208.6	232.0	-23.4	437.3	323.8
1973.....	232.2	247.1	-14.8	468.4	343.0
1974.....	264.9	269.6	-4.7	486.2	346.1
1975.....	281.0	326.1	-45.1	544.1	396.9
1976.....	299.2	365.6	-66.4	631.9	480.3
Transition quarter.....	81.7	94.7	-13.0	646.4	498.3
1977.....	356.9	401.9	-45.0	709.1	551.8
1978 (estimates) ²	400.4	462.2	-61.8	785.6	617.8
1979 (estimates) ²	439.6	500.2	-60.6	873.7	690.8
Cumulative total first 3 months:					
Fiscal year 1977.....	76.2	99.0	-22.8	664.8	515.8
Fiscal year 1978.....	84.5	113.3	-28.8	729.2	572.5

¹ Excludes non-interest-bearing public debt securities held by IMF.

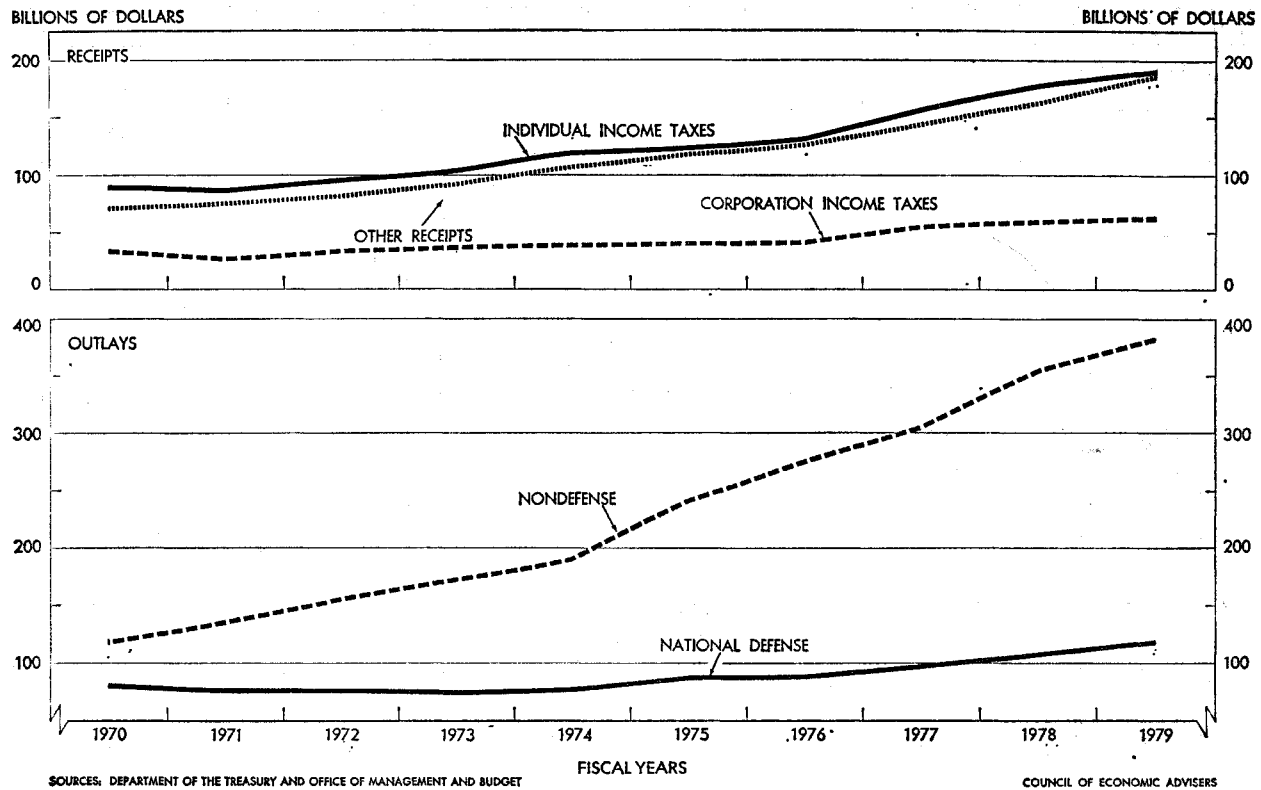
² Estimates from *Budget of the United States Government, Fiscal Year, 1979*.

NOTE.—See Note, p. 33.

Sources: Department of the Treasury and Office of Management and Budget.

FEDERAL BUDGET RECEIPTS BY SOURCE AND OUTLAYS BY FUNCTION

Fiscal 1978 budget receipts are estimated at \$400.4 billion and budget outlays at \$462.2 billion, according to the January Budget. Corresponding figures for fiscal 1979 are \$439.6 billion and \$500.2 billion.



Period	Receipts				Outlays						
	Total	Individual income taxes	Corporation income taxes	Other	Total	National defense		International affairs	Health and income security	Interest	Other
						Total	Department of Defense, military				
Fiscal year or period:											
1969	187.8	87.2	36.7	63.9	184.5	79.4	77.9	4.6	49.0	15.8	35.7
1970	193.7	90.4	32.8	70.5	196.6	78.6	77.2	4.3	56.1	18.3	39.3
1971	188.4	86.2	26.8	75.4	211.4	75.8	74.5	4.1	70.1	19.6	41.8
1972	208.6	94.7	32.2	81.7	232.0	76.6	75.2	4.7	81.4	20.6	48.8
1973	232.2	103.2	36.2	92.8	247.1	74.5	73.3	4.0	91.8	22.8	53.9
1974	264.9	119.0	38.6	107.4	269.6	77.8	77.6	5.6	106.5	28.1	51.7
1975	281.0	122.4	40.6	118.0	326.1	85.6	85.0	6.9	136.3	31.0	66.5
1976	299.2	130.8	41.4	127.0	365.6	89.4	88.0	5.6	160.0	34.6	76.0
Transition quarter	81.7	38.7	8.5	34.5	94.7	22.3	21.9	2.2	41.4	7.2	21.5
1977	356.9	156.7	54.9	145.2	401.9	97.5	95.6	4.8	175.8	38.1	85.7
1978 (estimates) ¹	400.4	178.8	58.9	162.6	462.2	107.6	105.3	6.7	191.9	43.8	112.1
1979 (estimates) ¹	439.6	190.1	62.5	187.0	500.2	117.8	115.2	7.7	209.7	49.0	116.0
Cumulative total first 3 months:											
Fiscal year 1977	76.2	36.3	9.4	30.5	99.0	22.6	23.3	1.3	43.0	11.1	21.0
Fiscal year 1978	84.5	40.4	11.6	32.6	113.3	25.5	24.9	1.1	45.7	11.9	29.1

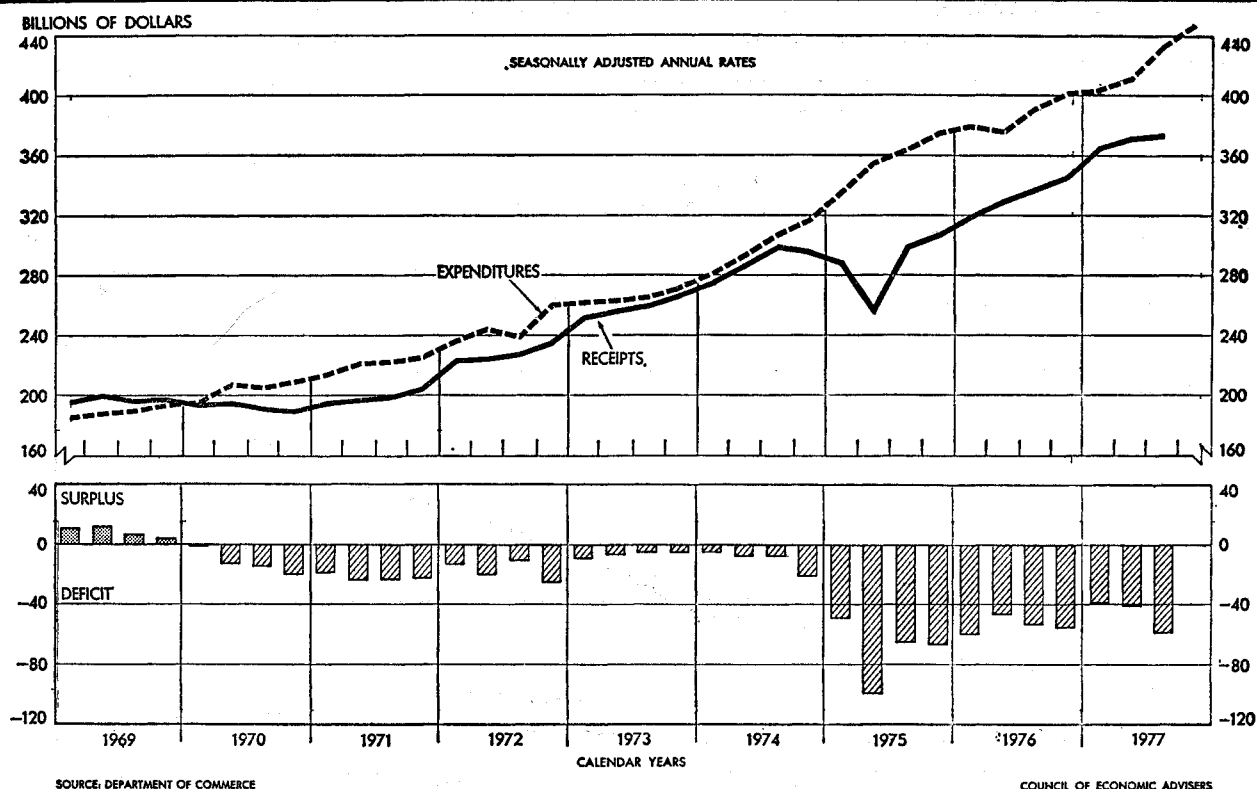
¹ Estimates from *Budget of the United States Government, Fiscal Year 1979*.

Source: Department of the Treasury and Office of Management and Budget.

NOTE.—Earned income credit payments in excess of an individual's tax liability are classified as income tax refunds beginning 1976 and as outlays prior to 1976.

FEDERAL SECTOR, NATIONAL INCOME ACCOUNTS BASIS

According to preliminary estimates for calendar 1977, Federal receipts rose \$41.6 billion and expenditures \$37.2 billion, yielding a deficit of \$49.6 billion, \$4.4 billion less than in 1976.



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

Period	Federal Government receipts					Federal Government expenditures							Surplus or deficit (-), national 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 Government enterprises	Less: Wage accruals less disbursements	
Fiscal year:													
1974-----	271.8	122.6	43.7	21.4	84.2	278.8	104.6	104.7	41.6	19.8	8.0	-0.2	-7.0
1975-----	283.6	127.3	42.1	22.1	92.1	328.7	117.9	134.2	48.4	21.9	5.7	-0.4	-45.0
1976-----	314.1	137.2	52.2	24.2	100.5	372.3	126.5	156.8	57.5	25.4	6.1	.0	-58.2
1977 ^p -----	364.0	165.5	57.4	24.6	116.5	411.8	140.7	169.7	66.0	29.3	6.1	.0	-47.8
Calendar year:													
1974-----	288.6	131.1	45.9	21.7	89.9	299.3	111.1	117.6	43.9	20.9	5.3	-0.5	-10.7
1975-----	286.9	125.6	43.1	24.0	94.2	357.1	123.3	149.1	54.6	23.3	6.7	.0	-70.2
1976-----	332.3	147.3	55.9	23.4	105.7	386.3	130.1	162.0	61.0	27.2	5.9	.0	-54.0
1977 ^p -----	373.9	170.7	59.5	24.8	118.9	423.5	145.4	173.1	67.6	29.5	7.9	.0	-49.6
1976: I-----	318.4	138.0	54.4	22.7	103.2	378.7	127.6	160.2	58.5	26.2	6.2	.0	-60.3
II-----	329.1	143.9	57.0	23.2	105.0	375.3	128.5	157.8	56.8	26.7	5.5	.0	-46.2
III-----	337.1	150.3	56.9	23.7	106.2	390.6	130.2	163.9	63.1	27.3	6.1	.0	-53.5
IV-----	344.5	157.1	55.1	23.8	108.4	400.4	134.2	166.3	65.5	28.5	6.0	.0	-55.9
1977: I-----	364.9	170.0	55.4	24.2	115.4	403.7	136.3	170.7	62.0	28.6	6.1	.0	-38.8
II-----	371.2	168.6	59.9	24.6	118.1	411.5	143.6	169.3	63.6	29.1	5.9	.0	-40.3
III-----	373.2	168.6	59.5	25.4	119.7	432.1	148.1	174.8	72.7	29.4	7.2	.0	-58.9
IV ^p -----	175.5	-----	-----	25.2	122.4	446.7	153.8	177.6	72.2	30.9	12.3	.0	-----

Sources: Department of Commerce (Bureau of Economic Analysis), Department of the Treasury, and Office of Management and Budget.

INTERNATIONAL STATISTICS

INDUSTRIAL PRODUCTION AND CONSUMER PRICES—MAJOR INDUSTRIAL COUNTRIES

[1967=100]

Period	Industrial production (seasonally adjusted)							Consumer prices (unadjusted)						
	United States	Canada	Japan	France	Germany	Italy	United Kingdom	United States	Canada	Japan	France	Germany	Italy	United Kingdom
1971-----	109.6	121.5	155.8	128	133.6	117.5	110.8	121.3	115.6	126.5	123.5	112.7	114.4	128.5
1972-----	119.7	130.0	167.2	135	138.7	122.7	113.2	125.3	121.2	132.3	131.1	119.0	121.0	137.6
1973-----	129.8	141.7	193.3	145	147.7	134.6	122.5	133.1	130.3	147.9	140.7	127.2	134.1	150.3
1974-----	129.3	145.8	187.4	148	145.1	140.6	120.3	147.7	144.5	184.0	160.0	136.1	159.7	174.4
1975-----	117.8	139.0	167.5	137	137.1	127.6	114.5	161.2	160.1	205.8	178.9	144.2	186.8	216.5
1976-----	129.8	145.4	190.3	149	149.1	143.5	116.0	170.5	172.1	224.9	196.1	150.7	218.1	252.4
1977 ^a -----	137.1	150.3	200.8	152	152	144.9	117.5	181.5	185.9	-----	-----	156.6	256.0	292.4
1977: Apr-----	136.1	150.3	200.8	152	152	144.9	117.5	179.6	182.5	242.6	210.0	156.2	249.5	289.6
May-----	137.0	151.2	196.7	151	151	144.4	119.2	180.6	184.0	244.9	212.0	156.9	252.6	291.9
June-----	137.8	152.2	199.4	156	152	136.1	114.6	181.8	185.3	243.6	213.6	157.6	254.3	294.9
July-----	138.7	150.7	195.4	151	152	135.9	117.7	182.6	187.1	243.0	215.5	157.4	255.8	295.3
Aug-----	138.1	151.4	197.0	152	152	132.8	117.6	183.3	187.9	243.0	216.7	157.3	258.2	296.7
Sept-----	138.5	151.3	198.6	152	153	140.9	117.6	184.0	188.9	247.3	218.6	157.1	263.9	298.3
Oct-----	138.8	151.6	197.9	149	152	136.0	115.6	184.5	190.8	248.6	220.3	157.3	266.7	299.6
Nov-----	139.3	152.6	203.3	155	153	142.7	116.3	185.4	192.0	245.7	221.1	157.5	270.7	301.0
Dec-----	139.6	152.6	203.3	155	153	142.7	116.3	186.1	193.3	245.7	221.1	157.9	272.0	302.6

Source: National sources as reported by Department of Commerce, Bureau of International Economic Policy and Research, Office of International Economic Research, in *International Economic Indicators*.

U.S. MERCHANDISE EXPORTS AND IMPORTS

[Millions of dollars; monthly data seasonally adjusted]

Period	Merchandise exports					Merchandise imports					Merchandise trade balance		
	Total domestic and foreign exports	Domestic exports				General imports ³				Total (c.i.f. value) ⁴	Exports (f.a.s.) less imports (c.u.s. value)	Exports (f.a.s.) less imports (f.a.s.)	Exports (f.a.s.) less imports (c.i.f.)
		Total ^{1,2}	Food, beverages, and tobacco	Crude materials and fuels	Manufactured goods	Total ²	Food, beverages, and tobacco	Crude materials and fuels	Manufactured goods				
Monthly average:	F.a.s. value ⁵					Customs value				Total (c.i.f. value) ⁴			
1973-----	5, 902	5, 811	1, 078	895	3, 728	5, 790	770	1, 120	3, 750	6, 131	112	-----	-229
1974-----	8, 159	8, 045	1, 269	1, 317	5, 294	8, 416	892	2, 653	4, 684	9, 000	-257	-195	-841
						F.a.s. value ⁵							
1974-----	8, 159	8, 045	1, 269	1, 317	5, 294	8, 354	892	2, 672	4, 602	9, 000	-257	-195	-841
1975-----	8, 928	8, 803	1, 399	1, 266	5, 913	8, 010	827	2, 716	4, 257	8, 616	852	918	312
1976-----	9, 567	9, 427	1, 436	1, 341	6, 437	10, 057	991	3, 456	5, 398	10, 797	-583	-490	-1, 230
1977-----	10, 009	9, 825	1, 329	1, 528	6, 704	12, 235	1, 179	4, 397	6, 434	13, 058	-2, 312	-2, 226	-3, 050
1976: Dec-----	10, 397	-----	1, 379	1, 475	7, 324	11, 020	1, 142	3, 808	5, 832	11, 789	-720	-623	-1, 392
1977: Jan-----	9, 599	-----	1, 250	1, 409	6, 459	11, 269	1, 150	3, 946	5, 861	12, 059	-1, 758	-1, 670	-2, 460
Feb-----	9, 808	-----	1, 265	1, 574	6, 483	11, 674	1, 261	4, 111	5, 920	12, 463	-1, 956	-1, 866	-2, 655
Mar-----	10, 072	-----	1, 451	1, 482	6, 745	12, 459	1, 291	4, 964	6, 069	13, 283	-2, 484	-2, 387	-3, 212
Apr-----	9, 970	-----	1, 350	1, 684	6, 479	12, 593	1, 468	4, 572	6, 244	13, 419	-2, 707	-2, 623	-3, 449
May-----	10, 395	-----	1, 376	1, 789	6, 794	11, 616	1, 354	3, 974	6, 313	12, 404	-1, 326	-1, 221	-2, 009
June-----	10, 112	-----	1, 315	1, 575	6, 700	12, 932	1, 170	4, 829	6, 629	13, 810	-2, 934	-2, 820	-3, 698
July-----	10, 150	-----	1, 366	1, 607	6, 695	12, 476	1, 107	4, 459	6, 631	13, 330	-2, 408	-2, 326	-3, 180
Aug-----	9, 563	-----	1, 305	1, 247	6, 531	12, 232	1, 071	4, 231	6, 724	13, 051	-2, 721	-2, 670	-3, 488
Sept-----	10, 916	-----	1, 430	1, 477	7, 473	12, 631	1, 106	4, 674	6, 807	13, 484	-1, 778	-1, 715	-2, 569
Oct-----	9, 190	-----	1, 040	1, 451	6, 258	12, 288	980	4, 471	6, 650	13, 121	-3, 182	-3, 098	-3, 931
Nov-----	9, 304	-----	1, 256	1, 475	6, 369	11, 386	897	4, 472	6, 077	12, 127	-2, 163	-2, 082	-2, 823
Dec-----	11, 030	-----	1, 577	1, 495	7, 512	13, 059	1, 347	4, 175	7, 474	13, 933	-2, 121	-2, 030	-2, 903

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

² Total includes commodities and transactions not classified according to kind.

³ Total arrivals of imported goods other than intransit shipments.

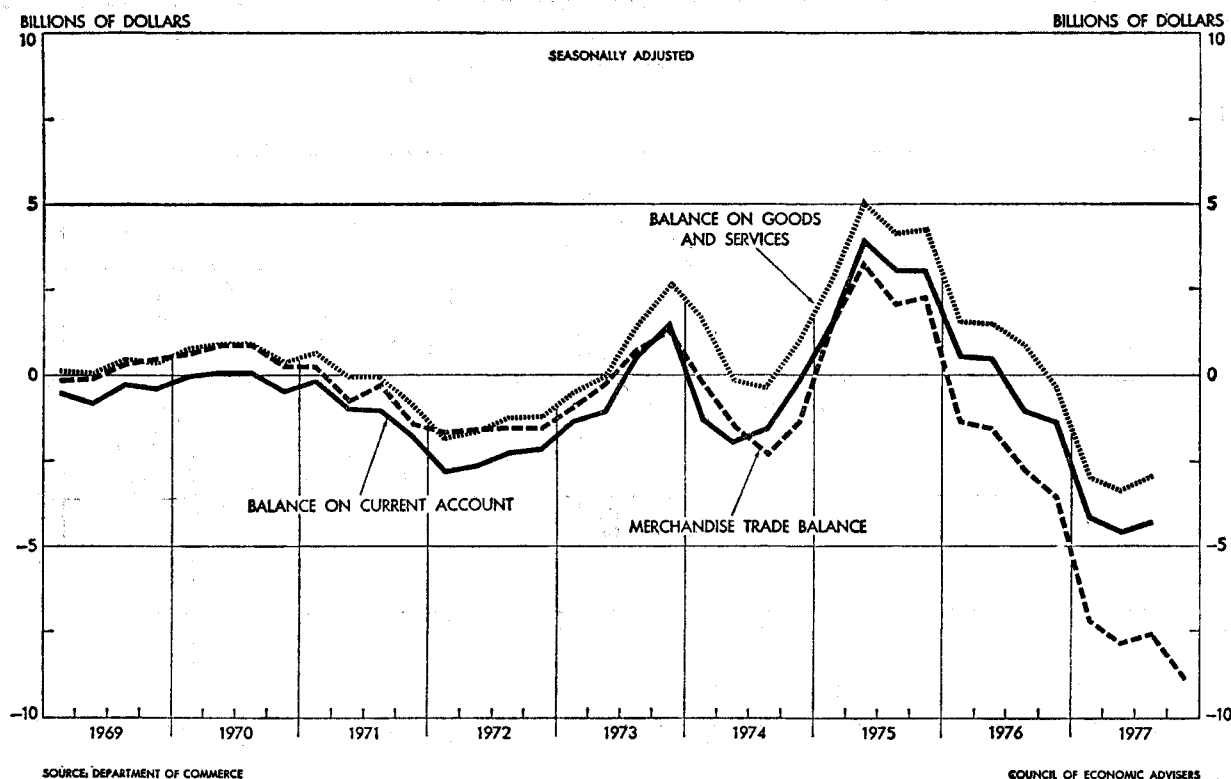
⁴ C.i.f. (cost, insurance, and freight) import value at first port of entry in the United States. Data for 1972 are estimates.

⁵ F.a.s. (free alongside ship) value basis: at U.S. port of exportation for exports and at foreign port of exportation for imports.

Source: Department of Commerce, Bureau of the Census.

U.S. INTERNATIONAL TRANSACTIONS

The merchandise trade balance deficit increased further in the fourth quarter. For the year 1977 the deficit was \$31.4 billion compared with \$9.3 billion in 1976.



[Millions of dollars; quarterly data seasonally adjusted]

Period	Merchandise ^{1 2}			Military transactions			Net investment income		Net travel and transportation receipts	Other services, net ³	Balance on goods and services ¹	Remittances, pensions, and other unilateral transfers ¹	Balance on current account
	Ex-ports	Im-ports	Net balance	Direct expenditures	Sales	Net balance	Pri- vate ³	U.S. Gov- ernment					
1970.....	42,469	-39,866	2,603	-4,855	1,501	-3,354	3,605	-112	-2,023	2,190	2,912	-3,294	-382
1971.....	43,319	-45,579	-2,260	-4,819	1,926	-2,893	5,575	-956	-2,315	2,509	-340	-3,701	-4,041
1972.....	49,381	-55,797	-6,416	-4,784	1,163	-3,621	6,074	-1,888	-3,028	2,789	-6,088	-3,854	-9,942
1973.....	71,410	-70,499	911	-4,629	2,342	-2,287	7,806	-3,010	-3,086	3,185	3,520	-3,887	-367
1974.....	98,306	-103,673	-5,367	-5,035	2,952	-2,083	11,978	-3,234	-3,105	3,970	2,160	-7,188	-5,028
1975.....	107,088	-98,043	9,045	-4,795	3,919	-876	9,377	-3,423	-2,552	4,594	16,164	-4,612	11,552
1976.....	114,694	-124,014	-9,320	-4,847	5,213	366	13,041	-3,233	-2,145	4,888	3,596	-5,023	-1,427
1977 P.....	120,402	-151,803	-31,401										
1976: I.....	27,000	-28,343	-1,343	-1,160	1,095	-65	3,210	-773	-669	1,192	1,552	-1,029	523
II.....	28,380	-29,955	-1,575	-1,228	1,189	-39	3,025	-745	-337	1,176	1,505	-1,015	490
III.....	29,603	-32,411	-2,808	-1,237	1,472	235	3,455	-788	-458	1,239	875	-1,936	-1,061
IV.....	29,711	-33,305	-3,594	-1,222	1,457	235	3,351	-927	-681	1,279	-337	-1,045	-1,382
1977: I.....	29,457	-36,612	-7,155	-1,329	1,845	516	4,121	-869	-953	1,293	-2,995	-1,163	-4,158
II.....	30,589	-38,397	-7,808	-1,403	1,714	311	4,399	-895	-785	1,338	-3,389	-1,215	-4,604
III P.....	30,867	-38,429	-7,562	-1,431	2,008	577	4,202	-987	-727	1,494	-2,950	-1,352	-4,302
IV P.....	29,489	-38,365	-8,876										

¹ Excludes military grants.

² Adjusted from Census data for differences in timing and coverage.

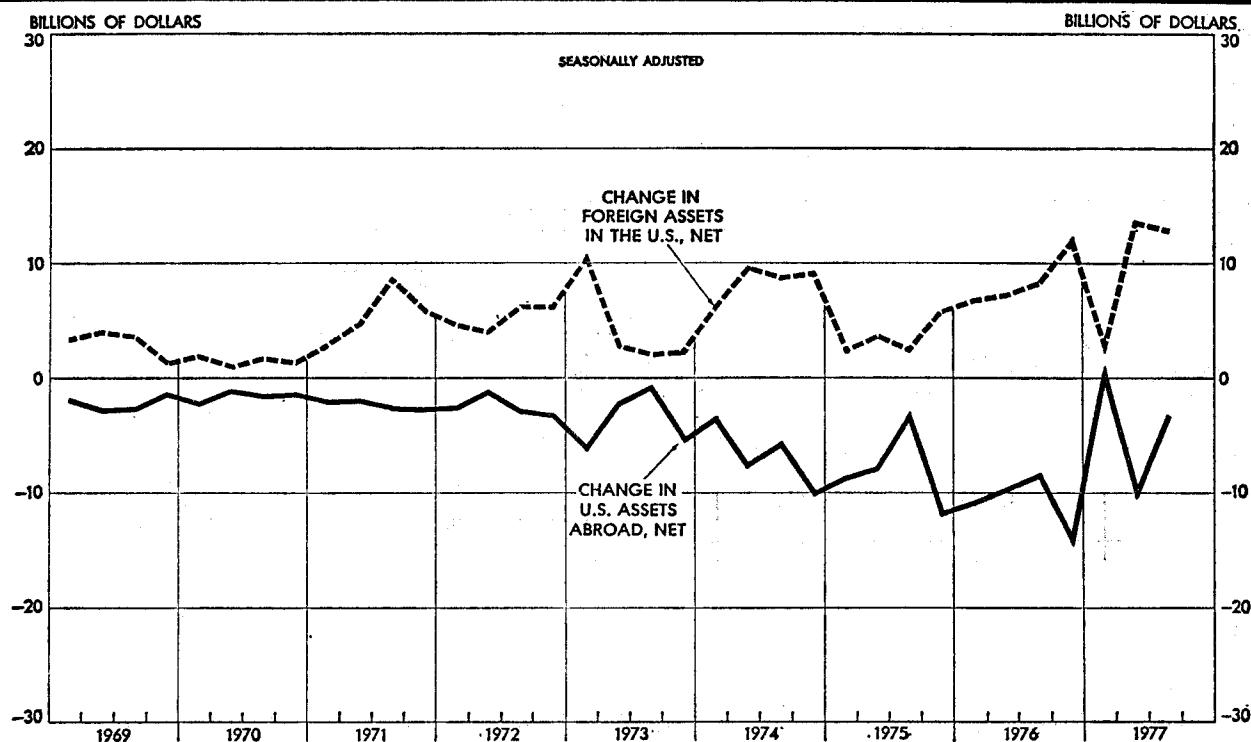
³ Fees and royalties from U.S. direct investments abroad or from foreign direct investments in the United States are excluded from net investment income and included in other services, net.

NOTE.—Merchandise trade data revised for 1977. Other data to be revised later.

Source: Department of Commerce, Bureau of Economic Analysis.

U.S. INTERNATIONAL TRANSACTIONS—Continued

Foreign assets in the United States grew slightly less in the third quarter of 1977 than in the second, but the increase in official assets was greater. The increase in U.S. assets abroad in the third quarter was smaller than in the second.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars; quarterly data seasonally adjusted, except as noted]

Period	U.S. assets abroad, net [increase/capital outflow (-)]				Foreign assets in the U.S., net [increase/capital inflow (+)] ²				Alloca- tions of special drawing rights (SDR)	Statistical discrepancy		U.S. official reserve assets, net ¹ (unad- justed, end of period)
	Total	U.S. official reserve assets ^{1,2}	Other U.S. Govern- ment assets	U.S. private assets ²	Total	Foreign official assets		Other foreign assets		Total (sum of the items with sign reversed)	Of which: Seasonal adjust- ment discrepan- cy	
						Total	Assets of foreign official reserve agencies					
1970.....	-6,164	2,477	-1,589	-7,052	5,923	6,907	7,362	-984	867	-244	-----	14,487
1971.....	-9,299	2,348	-1,884	-9,763	22,445	26,895	27,405	-4,450	717	-9,822	-----	12,167
1972.....	-9,929	32	-1,568	-8,392	21,127	10,705	10,322	10,422	710	-1,966	-----	13,151
1973.....	-14,666	209	-2,645	-12,230	17,753	6,299	5,145	11,454	-----	-2,720	-----	14,378
1974.....	-27,029	-1,434	365	-25,960	33,612	10,981	10,257	22,631	-----	-1,555	-----	15,883
1975.....	-31,548	-607	-3,463	-27,478	14,336	6,960	5,259	7,376	-----	5,660	-----	16,226
1976.....	-42,959	-2,530	-4,213	-36,216	34,520	17,945	13,007	16,575	-----	9,866	-----	18,747
1976: I.....	-10,751	-773	-723	-9,254	6,856	3,847	2,323	3,009	-----	3,372	717	16,941
II.....	-9,779	-1,578	-944	-7,257	7,385	4,051	3,308	3,333	-----	1,905	129	18,477
III.....	-8,409	-407	-1,405	-6,597	8,201	3,070	1,251	5,131	-----	1,268	-2,622	18,945
IV.....	-14,022	228	-1,142	-13,108	12,079	6,977	6,125	5,102	-----	3,325	1,780	18,747
1977: I.....	331	-388	-909	1,627	2,510	5,719	5,007	-3,209	-----	1,317	524	19,120
II.....	-10,283	6	-825	-9,464	13,781	7,908	7,452	5,873	-----	1,106	-215	19,156
III.....	-3,396	151	-1,175	-2,372	12,923	8,243	7,924	4,680	-----	-5,225	-2,506	18,988
IV.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	19,317

¹ Consists of gold, special drawing rights (SDR), convertible currencies, and the U.S. reserve position in the IMF.

² Quarterly data are not seasonally adjusted.

Sources: Department of Commerce (Bureau of Economic Analysis) and Department of the Treasury.

OFFICIAL BUSINESS
First-Class Mail

Contents

TOTAL OUTPUT, INCOME, AND SPENDING

	Page
Gross National Product.....	1
Gross National Product in 1972 Dollars.....	2
Implicit Price Deflators for Gross National Product.....	2
Changes in GNP and GNP Price Measures.....	3
Nonfinancial Corporate Business—Output, Costs, and Profits.....	3
National Income.....	4
Personal Consumption Expenditures.....	4
Sources of Personal Income.....	5
Disposition of Personal Income.....	6
Farm Income.....	7
Corporate Profits.....	8
Gross Private Domestic Investment.....	9
Expenditures for New Plant and Equipment.....	10

EMPLOYMENT, UNEMPLOYMENT, AND WAGES

Status of the Labor Force.....	11
Selected Unemployment Rates.....	12
Selected Measures of Unemployment and Unemployment Insurance Programs.....	13
Nonagricultural Employment.....	14
Average Weekly Hours and Hourly Earnings—Private Nonagricultural Industries.....	15
Average Weekly Earnings—Private Nonagricultural Industries.....	15
Productivity and Related Data, Private Business Economy.....	16

PRODUCTION AND BUSINESS ACTIVITY

Industrial Production and Capacity Utilization.....	17
Industrial Production—Major Market Groups and Selected Manufactures.....	18
New Construction.....	19
New Private Housing and Vacancy Rates.....	19
Business Sales and Inventories—Total and Trade.....	20
Manufacturers' Shipments, Inventories, and New Orders.....	21

PRICES

Wholesale Prices.....	22
Consumer Prices.....	23
Changes in Wholesale Prices.....	24
Changes in Consumer Prices.....	24
Prices Received and Paid by Farmers.....	25

MONEY, CREDIT, AND SECURITY MARKETS

Money Stock.....	26
Private Liquid Asset Holdings—Nonfinancial Investors.....	27
Consumer Instalment Credit.....	27
Bank Loans, Investments, and Reserves.....	28
Sources and Uses of Funds, Nonfarm Nonfinancial Corporate Business.....	29
Current Assets and Liabilities of Nonfinancial Corporations.....	29
Interest Rates and Bond Yields.....	30
Common Stock Prices and Yields.....	31

FEDERAL FINANCE

Federal Budget Receipts and Outlays and Debt.....	32
Federal Budget Receipts by Source and Outlays by Function.....	33
Federal Sector, National Income Accounts Basis.....	34

INTERNATIONAL STATISTICS

Industrial Production and Consumer Prices—Major Industrial Countries.....	35
U.S. Merchandise Exports and Imports.....	35
U.S. International Transactions.....	36

For sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402
Price 85 cents (single copy). Subscription price: \$10.10 per year; \$2.55 additional
for foreign mailing.