OCTOBER 1996

National Economic Trends

THE FEDERAL RESERVE BANK of ST. LOUIS

Low Wages and Foreign Investment

Foreign direct investment by U.S. companies—the establishment or expansion of a foreign subsidiary—has expanded rapidly, growing at a rate of 10 percent per year between 1982 and 1995. The value of U.S. direct investment abroad reached $712 billion in 1995, a $91 billion increase over 1994. A common explanation for this rise is that U.S. companies are lured overseas by low wages in developing countries, where they produce goods for export to the United States.

An examination of the data suggests that such claims are exaggerated. In 1995, 72 percent of the stock of U.S. direct investment abroad was in industrialized countries (see table). These high-wage countries are also the primary destination for new investment, accounting for 67 percent of the increase in the value of direct investment in 1994 and 74 percent of the increase in 1995.

Employment data presents a similar picture. Foreign affiliates of U.S. companies employ 6.7 million workers. As the table shows, 65 percent of these workers hold jobs in industrialized countries. Moreover, nearly half of the 6.7 million jobs are located in six major economies: Canada, France, Germany, Italy, Japan and the United Kingdom.

Market access is one explanation for the preponderance of foreign direct investment in industrialized countries. When locating abroad, firms choose stable and prosperous markets. Furthermore, the presence of trade barriers may make direct investment preferable to exporting.

While these data indicate that access to cheap labor is not the driving force for most foreign direct investment, U.S. companies do have a strong presence in some developing countries. Brazil and Mexico, for example, rank among the top ten recipients of U.S. direct investment based on employment data. Even in developing countries, market access appears to be an important determinant of investment, since most of what is produced by U.S. affiliates is not simply exported to the United States. In actuality, only 12 percent of sales by U.S. foreign affiliates in developing countries are exported to the United States, somewhat higher than the 7 percent exported to the United States by affiliates in industrialized countries. Moreover, although 25 percent of the sales of U.S. affiliates in Mexico were exported to the United States in 1993, this is no greater than the 26 percent exported to the United States by U.S. affiliates in Canada.

—Patricia S. Pollard

U.S. Direct Investment Abroad

	Value of Investment: 1995		Employment: 1993	
Country	**$ billions**	**Percent of Total**	**thousands**	**Percent of Total**
United Kingdom	120	17	866	13
Canada	81	11	875	13
Germany	43	6	569	8
Japan	39	6	411	6
France	33	5	403	6
Italy	17	2	164	2
All Industrial	509	72	4379	65
Mexico	14	2	666	10
Total All Countries	712	100	6731	100

Notes: Dollar figures are based on historical cost. Employment data are for nonbank foreign affiliates. "All industrial" is comprised of Western Europe, Canada, Japan, Australia and New Zealand.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

National Economic Trends is published monthly by the Research Division of the Federal Reserve Bank of St. Louis. For more information on data, please call (314) 444-8573. Single-copy subscriptions are available free of charge by writing Public Affairs Office, Federal Reserve Bank of St. Louis, Post Office Box 442, St. Louis, MO 63166-0442 or by calling (314) 444-8808 or (314) 444-8809. Information in this publication is also included in the Federal Reserve Economic Data (FRED) electronic bulletin board at (314) 621-1824 or internet World Wide Web server at http://www.stls.frb.org/fred.

Table of Contents

How to Use the Triangles in This Publication

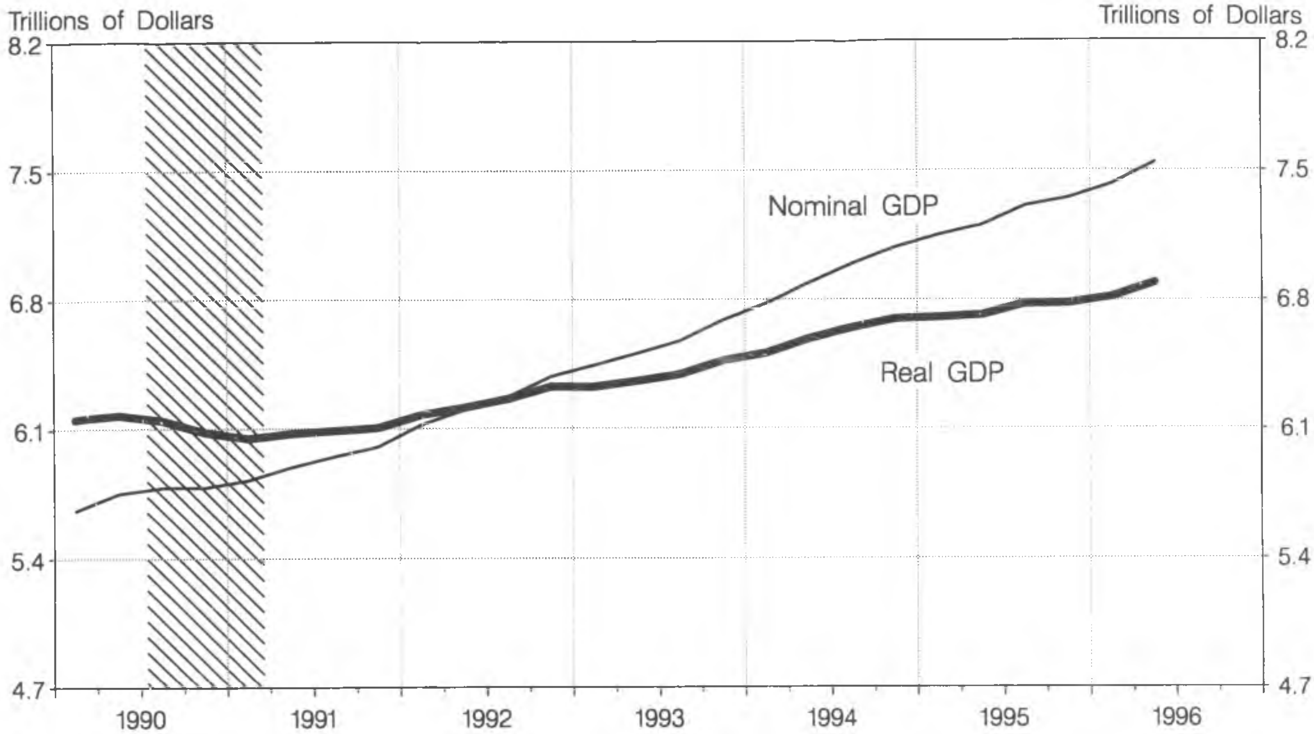
This publication makes extensive use of "triangles" to present compound annual rates of change over various periods. Consider the simple, abbreviated triangle below for quarterly Real Gross Domestic Product from the third quarter of 1994 to the second quarter of 1996. From this triangle, the reader can obtain rates of change from any date on the top row to any date along the left column; actual dollar figures for the periods in the left-most column are shown in the right-most column. In our example, the compound annual rate of growth from IV/1994 to I/1996 can be found at the intersection of the IV/1994 column and the I/1996 row, a 1.4 percent rate; similarly, the annual rate of change from III/1994 to II/1996 is 2.1 percent. Reading down the diagonal gives the growth rate from one quarter to the next.

Real Gross Domestic Product
(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter							Billions of Chained 1992 Dollars Annual Rates
	3-94	4-94	1-95	2-95	3-95	4-95	1-96	
4-94	3.0							6693.854
1-95	1.7	0.4						6701.036
2-95	1.4	0.6	0.7					6713.524
3-95	2.0	1.6	2.3	3.8				6776.406
4-95	1.6	1.3	1.6	2.0	0.3			6780.715
1-96	1.7	1.4	1.7	2.0	1.1	2.0		6814.310
2-96	2.1	2.0	2.3	2.7	2.3	3.3	4.7	6892.553

Gross Domestic Product

Seasonally Adjusted



Real GDP is chain – weight quantity index scaled to 1992 dollars.

Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Gross Domestic Product

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter 3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Dollars Annual Rates
4-91	3.6																			6,002.3
1-92	5.9	8.2																		6,121.8
2-92	5.7	6.7	5.3																	6,201.2
3-92	5.4	6.0	5.0	4.6																6,271.7
4-92	5.8	6.3	5.7	5.9	7.3															6,383.0
1-93	5.4	5.8	5.2	5.2	5.5	3.8														6,442.6
2-93	5.2	5.5	5.0	4.9	5.0	3.9	4.0													6,506.2
3-93	5.1	5.3	4.9	4.8	4.8	4.0	4.1	4.3												6,574.4
4-93	5.3	5.6	5.2	5.2	5.3	4.8	5.1	5.7	7.1											6,688.6
1-94	5.3	5.5	5.2	5.2	5.3	4.9	5.2	5.6	6.2	5.3										6,776.0
2-94	5.5	5.7	5.4	5.4	5.5	5.2	5.5	5.9	6.5	6.1	6.9									6,890.5
3-94	5.5	5.7	5.5	5.5	5.6	5.4	5.6	5.9	6.4	6.1	6.5	6.1								6,993.1
4-94	5.5	5.7	5.4	5.5	5.6	5.3	5.6	5.8	6.1	5.9	6.1	5.7	5.3							7,083.2
1-95	5.4	5.5	5.3	5.3	5.4	5.2	5.3	5.5	5.8	5.5	5.5	5.0	4.5	3.8						7,149.8
2-95	5.2	5.4	5.1	5.1	5.2	5.0	5.1	5.2	5.4	5.1	5.0	4.6	4.1	3.5	3.1					7,204.9
3-95	5.3	5.4	5.2	5.2	5.2	5.1	5.2	5.3	5.4	5.2	5.2	4.8	4.5	4.3	4.5	6.0				7,309.8
4-95	5.1	5.2	5.0	5.0	5.0	4.8	4.9	5.0	5.1	4.8	4.8	4.4	4.1	3.8	3.8	4.1	2.3			7,350.6
1-96	5.1	5.1	4.9	4.9	4.9	4.8	4.9	4.9	5.0	4.8	4.7	4.4	4.1	3.9	3.9	4.1	3.2	4.2		7,426.8
2-96	5.1	5.2	5.0	5.0	5.1	4.9	5.0	5.1	5.1	4.9	4.9	4.6	4.4	4.3	4.4	4.7	4.3	5.4	6.5	7,545.1
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

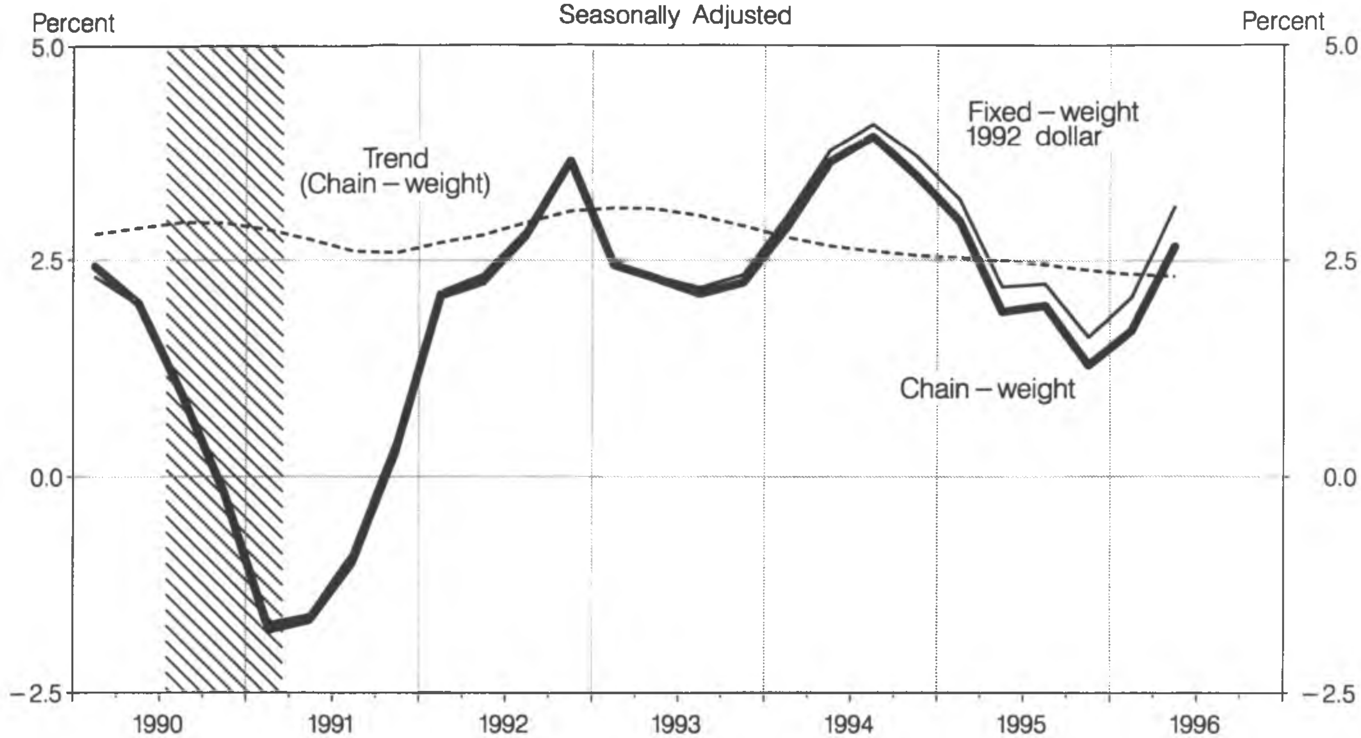
Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Gross Domestic Product

Percent Change From Previous Year

Seasonally Adjusted



Trend is ten – year moving average of chain – weight (1992 dollar) growth rate. The fixed – weight trend (not shown) differs only slightly.

Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Real Gross Domestic Product

(Compound Annual Rates of Change)

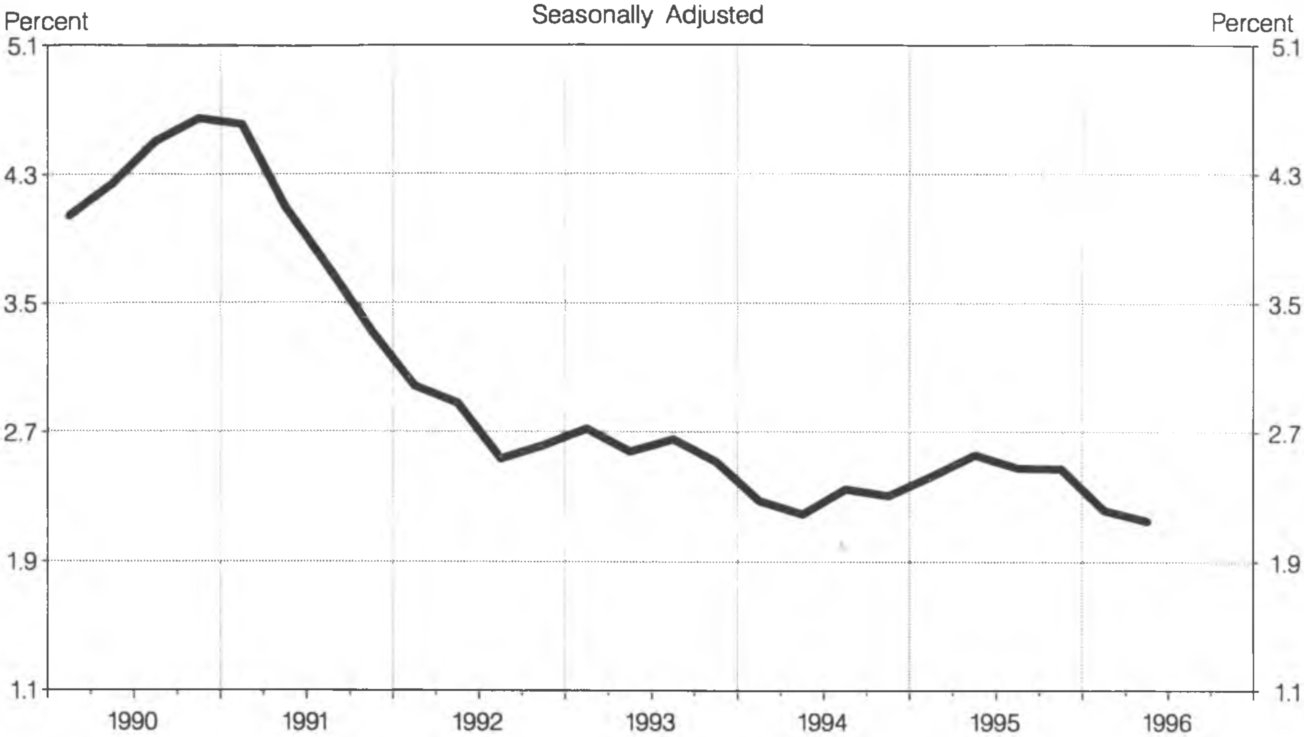
Terminal Quarter	Initial Quarter 3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Chained 1992 Dollars Annual Rates
4-91	1.0																			6104.442
1-92	2.8	4.7																		6175.316
2-92	2.7	3.6	2.5																	6214.219
3-92	2.8	3.4	2.8	3.0																6260.927
4-92	3.1	3.7	3.3	3.7	4.3															6327.306
1-93	2.6	2.9	2.4	2.4	2.1	-0.1														6326.432
2-93	2.5	2.7	2.3	2.3	2.0	0.9	1.9													6356.530
3-93	2.5	2.7	2.3	2.3	2.1	1.4	2.1	2.3												6393.434
4-93	2.7	2.9	2.7	2.7	2.7	2.2	3.0	3.6	4.8											6469.055
1-94	2.7	2.9	2.7	2.7	2.6	2.3	2.9	3.2	3.6	2.5										6508.519
2-94	2.9	3.1	2.9	3.0	2.9	2.7	3.3	3.6	4.1	3.7	4.9									6587.574
3-94	3.0	3.1	3.0	3.0	3.0	2.8	3.3	3.6	3.9	3.6	4.2	3.5								6644.898
4-94	3.0	3.1	3.0	3.0	3.0	2.9	3.3	3.5	3.7	3.5	3.8	3.3	3.0							6693.854
1-95	2.8	2.9	2.8	2.8	2.8	2.6	2.9	3.1	3.2	2.9	3.0	2.3	1.7	0.4						6701.036
2-95	2.6	2.8	2.6	2.6	2.6	2.4	2.7	2.8	2.8	2.5	2.5	1.9	1.4	0.6	0.7					6713.524
3-95	2.7	2.8	2.7	2.7	2.7	2.5	2.8	2.9	3.0	2.7	2.7	2.3	2.0	1.6	2.3	3.8				6776.406
4-95	2.6	2.7	2.5	2.5	2.5	2.3	2.6	2.6	2.6	2.4	2.4	1.9	1.8	1.3	1.6	2.0	0.3			6780.715
1-96	2.5	2.6	2.5	2.5	2.4	2.3	2.5	2.6	2.6	2.3	2.3	2.0	1.7	1.4	1.7	2.0	1.1	2.0		6814.310
2-96	2.6	2.7	2.6	2.6	2.6	2.5	2.7	2.7	2.8	2.6	2.6	2.3	2.1	2.0	2.3	2.7	2.3	3.3	4.7	6892.553
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

GDP Chain Price Index

Percent Change From Previous Year
Seasonally Adjusted



Prepared by Federal Reserve Bank of St. Louis

GDP Chain Price Index

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter																			1992=100
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	
4-91	2.5																			98.304
1-92	3.0	3.4																		99.137
2-92	2.9	3.1	2.8																	99.813
3-92	2.5	2.5	2.1	1.5																100.174
4-92	2.6	2.6	2.3	2.1	2.8															100.876
1-93	2.8	2.9	2.7	2.7	3.3	3.8														101.832
2-93	2.7	2.7	2.6	2.6	3.0	3.0	2.2													102.386
3-93	2.6	2.6	2.5	2.4	2.7	2.6	2.0	1.8												102.833
4-93	2.6	2.6	2.4	2.4	2.6	2.5	2.1	2.0	2.3											103.415
1-94	2.6	2.6	2.5	2.5	2.6	2.6	2.3	2.3	2.6	2.9										104.149
2-94	2.5	2.5	2.4	2.4	2.5	2.5	2.2	2.2	2.3	2.4	1.9									104.632
3-94	2.5	2.5	2.4	2.4	2.5	2.5	2.2	2.2	2.3	2.4	2.1	2.4								105.248
4-94	2.5	2.5	2.4	2.4	2.5	2.4	2.2	2.2	2.3	2.3	2.1	2.2	2.1							105.802
1-95	2.5	2.5	2.5	2.4	2.5	2.5	2.4	2.4	2.5	2.5	2.4	2.6	2.7	3.3						106.676
2-95	2.5	2.5	2.5	2.4	2.5	2.5	2.4	2.4	2.5	2.5	2.4	2.6	2.6	2.9	2.4					107.309
3-95	2.5	2.5	2.4	2.4	2.5	2.5	2.3	2.3	2.4	2.4	2.4	2.5	2.5	2.6	2.2	2.1				107.855
4-95	2.5	2.5	2.4	2.4	2.5	2.4	2.3	2.3	2.4	2.4	2.3	2.4	2.4	2.5	2.2	2.1	2.1			108.419
1-96	2.5	2.5	2.4	2.4	2.5	2.4	2.3	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.2	2.2	2.2	2.3		109.043
2-96	2.5	2.5	2.4	2.4	2.4	2.4	2.3	2.3	2.4	2.4	2.3	2.4	2.4	2.4	2.2	2.2	2.2	2.2	2.1	109.619
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

GDP Fixed-Weight Price Index

(Compound Annual Rates of Change)

Terminal Quarter	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	1992=100
	Initial Quarter																			
4-91	2.5																			98.3
1-92	2.9	3.3																		99.1
2-92	2.9	3.1	2.9																	99.8
3-92	2.6	2.6	2.2	1.6																100.2
4-92	2.6	2.6	2.4	2.2	2.8															100.9
1-93	2.8	2.8	2.7	2.7	3.2	3.6														101.8
2-93	2.7	2.8	2.7	2.8	2.9	3.0	2.4													102.4
3-93	2.6	2.6	2.5	2.5	2.7	2.7	2.2	2.0												102.9
4-93	2.6	2.6	2.5	2.5	2.6	2.6	2.2	2.2	2.4											103.5
1-94	2.6	2.7	2.6	2.6	2.7	2.7	2.5	2.5	2.7	3.1										104.3
2-94	2.6	2.6	2.5	2.5	2.6	2.6	2.4	2.3	2.5	2.5	1.9									104.8
3-94	2.6	2.6	2.5	2.5	2.6	2.6	2.4	2.4	2.5	2.6	2.3	2.7								105.5
4-94	2.6	2.6	2.5	2.5	2.6	2.5	2.4	2.4	2.5	2.5	2.3	2.5	2.3							106.1
1-95	2.6	2.6	2.6	2.6	2.7	2.6	2.5	2.5	2.6	2.7	2.6	2.8	2.9	3.4						107.0
2-95	2.6	2.6	2.6	2.6	2.7	2.6	2.5	2.6	2.6	2.7	2.6	2.8	2.8	3.0	2.6					107.7
3-95	2.6	2.6	2.6	2.5	2.6	2.6	2.5	2.5	2.6	2.6	2.5	2.7	2.7	2.8	2.4	2.2				108.3
4-95	2.6	2.6	2.5	2.5	2.6	2.6	2.5	2.5	2.6	2.6	2.5	2.6	2.6	2.6	2.4	2.2	2.2			108.9
1-96	2.6	2.6	2.5	2.5	2.6	2.6	2.5	2.5	2.6	2.6	2.5	2.6	2.6	2.6	2.4	2.4	2.4	2.6		109.6
2-96	2.6	2.6	2.5	2.5	2.6	2.6	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.6	2.4	2.3	2.3	2.4	2.2	110.2
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Personal Consumption Expenditure Chain Price Index

(Compound Annual Rates of Change)

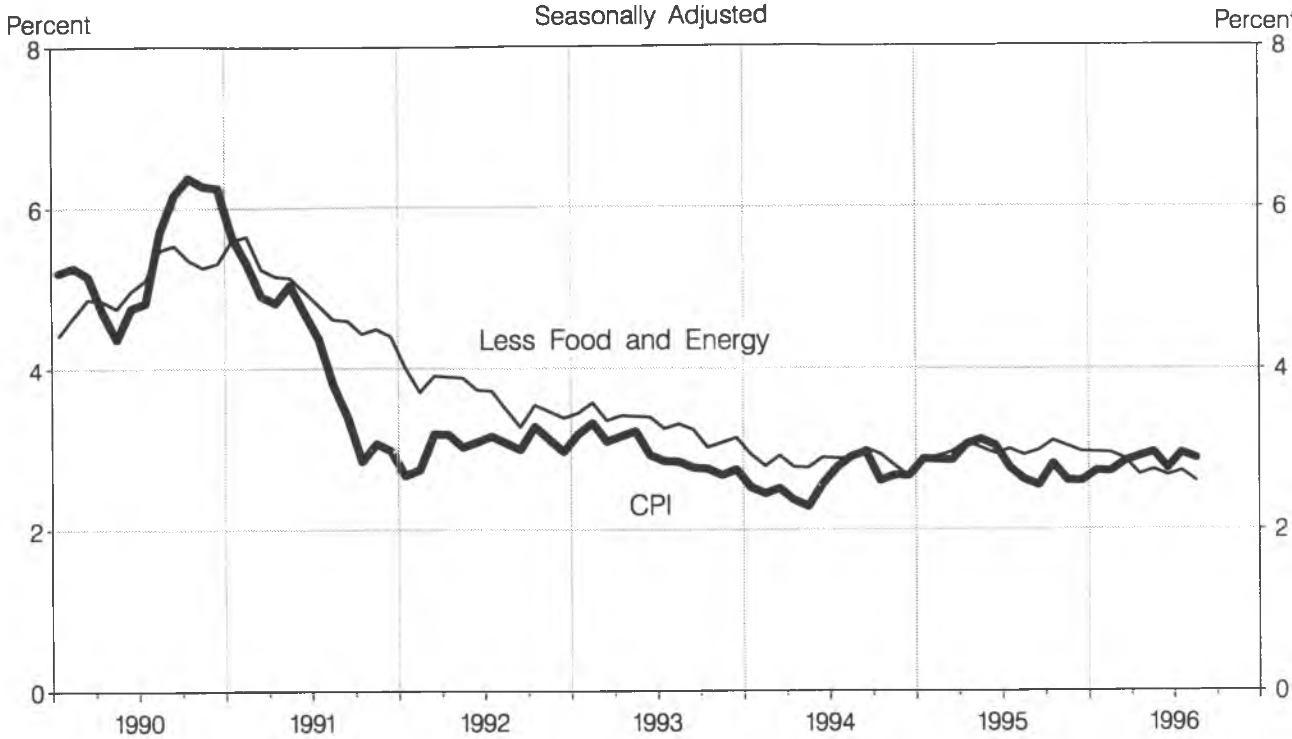
Terminal Quarter	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	1992=100
	Initial Quarter																			
4-91	3.6																			98.007
1-92	3.7	3.7																		98.903
2-92	3.5	3.5	3.3																	99.703
3-92	3.3	3.1	2.8	2.4																100.298
4-92	3.2	3.2	3.0	2.8	3.2															101.097
1-93	3.2	3.1	2.9	2.8	3.1	2.9														101.817
2-93	3.1	3.0	2.9	2.8	2.9	2.7	2.6													102.473
3-93	2.9	2.8	2.6	2.5	2.5	2.2	1.9	1.3												102.792
4-93	2.9	2.8	2.6	2.5	2.5	2.4	2.2	2.0	2.7											103.483
1-94	2.8	2.7	2.6	2.5	2.5	2.4	2.2	2.1	2.5	2.4										104.089
2-94	2.8	2.7	2.6	2.5	2.5	2.3	2.2	2.1	2.4	2.3	2.3									104.675
3-94	2.8	2.7	2.6	2.6	2.6	2.5	2.4	2.4	2.7	2.7	2.8	3.4								105.549
4-94	2.7	2.7	2.6	2.5	2.5	2.4	2.4	2.3	2.5	2.5	2.5	2.7	1.9							106.054
1-95	2.7	2.7	2.6	2.5	2.5	2.4	2.4	2.4	2.5	2.5	2.5	2.6	2.3	2.6						106.739
2-95	2.7	2.7	2.6	2.5	2.5	2.5	2.4	2.4	2.6	2.5	2.6	2.7	2.4	2.7	2.7					107.457
3-95	2.6	2.6	2.5	2.4	2.4	2.4	2.3	2.3	2.4	2.4	2.4	2.4	2.2	2.3	2.1	1.5				107.846
4-95	2.6	2.5	2.4	2.4	2.4	2.3	2.3	2.2	2.3	2.3	2.3	2.3	2.1	2.1	1.9	1.5	1.6			108.279
1-96	2.6	2.5	2.4	2.4	2.4	2.3	2.3	2.2	2.3	2.3	2.3	2.3	2.1	2.1	2.0	1.8	2.0	2.4		108.911
2-96	2.6	2.5	2.5	2.4	2.4	2.4	2.3	2.3	2.4	2.4	2.4	2.4	2.3	2.3	2.3	2.1	2.4	2.8	3.2	109.763
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Consumer Price Index

Percent Change From Previous Year
Seasonally Adjusted



Prepared by Federal Reserve Bank of St. Louis

Consumer Price Index

(Compound Annual Rates of Change)

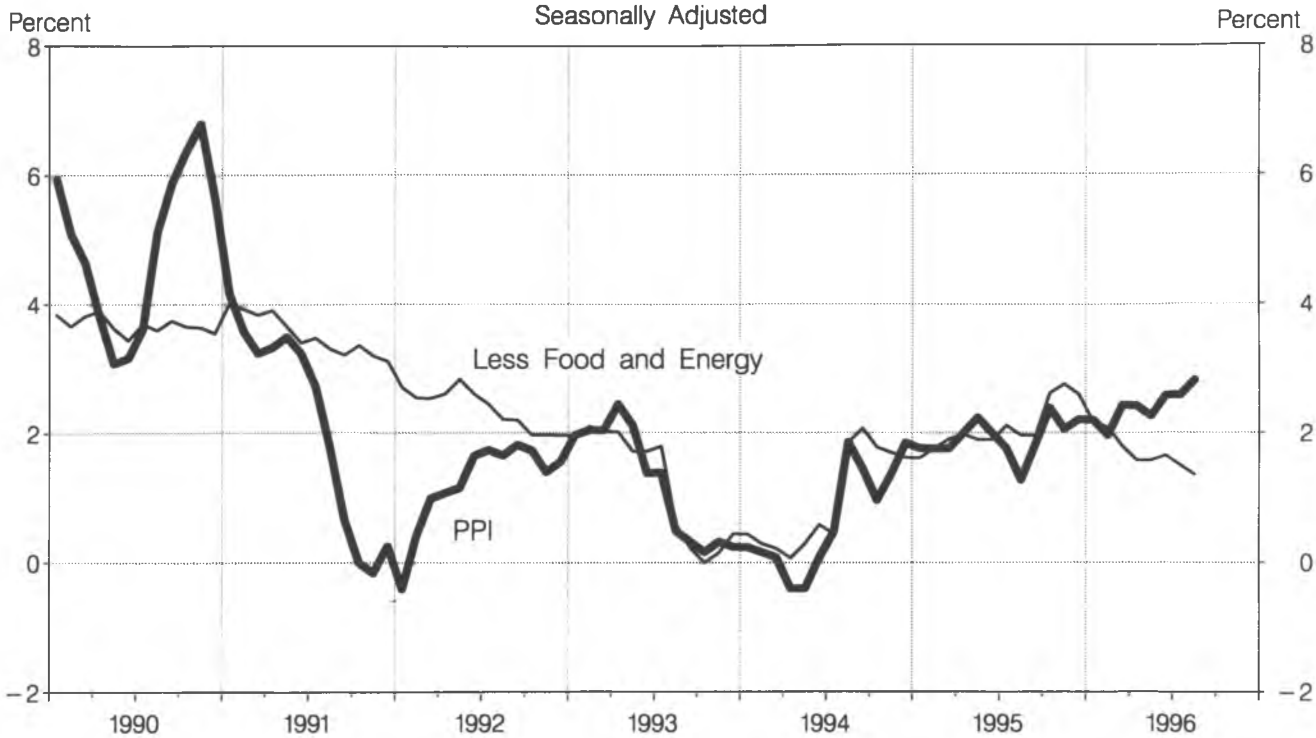
Terminal Month	Initial Month 1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	1982-84=100
2-95	2.4																			150.9
3-95	2.8	3.2																		151.3
4-95	3.2	3.6	4.0																	151.8
5-95	3.2	3.5	3.6	3.2																152.2
6-95	3.2	3.4	3.5	3.2	3.2															152.6
7-95	2.8	2.9	2.8	2.4	2.0	0.8														152.7
8-95	2.7	2.8	2.7	2.4	2.1	1.6	2.4													153.0
9-95	2.6	2.6	2.5	2.2	2.0	1.6	2.0	1.6												153.2
10-95	2.8	2.8	2.7	2.5	2.4	2.2	2.6	2.8	4.0											153.7
11-95	2.6	2.6	2.5	2.3	2.1	1.9	2.2	2.1	2.4	0.8										153.8
12-95	2.5	2.6	2.5	2.3	2.1	2.0	2.2	2.2	2.4	1.6	2.4									154.1
1-96	2.7	2.8	2.7	2.6	2.5	2.4	2.6	2.7	3.0	2.6	3.6	4.8								154.7
2-96	2.7	2.7	2.7	2.5	2.5	2.4	2.6	2.6	2.8	2.6	3.2	3.6	2.4							155.0
3-96	2.8	2.9	2.8	2.7	2.7	2.6	2.9	2.9	3.2	3.0	3.6	4.0	3.5	4.7						155.6
4-96	3.0	3.0	3.0	2.9	2.9	2.8	3.1	3.2	3.4	3.3	3.8	4.1	3.9	4.7	4.7					156.2
5-96	3.0	3.1	3.1	3.0	3.0	2.9	3.2	3.2	3.4	3.4	3.8	4.1	3.9	4.5	4.3	3.9				156.7
6-96	2.9	2.9	2.9	2.8	2.8	2.8	2.9	3.0	3.1	3.0	3.4	3.5	3.3	3.5	3.1	2.3	0.8			156.8
7-96	2.9	2.9	2.9	2.8	2.8	2.8	2.9	3.0	3.1	3.0	3.3	3.5	3.3	3.4	3.1	2.6	1.9	3.1		157.2
8-96	2.8	2.9	2.8	2.8	2.7	2.7	2.8	2.9	3.0	2.9	3.1	3.2	3.0	3.1	2.8	2.3	1.8	2.3	1.5	157.4
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Producer Price Index – Finished Goods

Percent Change From Previous Year

Seasonally Adjusted



Prepared by Federal Reserve Bank of St. Louis

Producer Price Index - Finished Goods

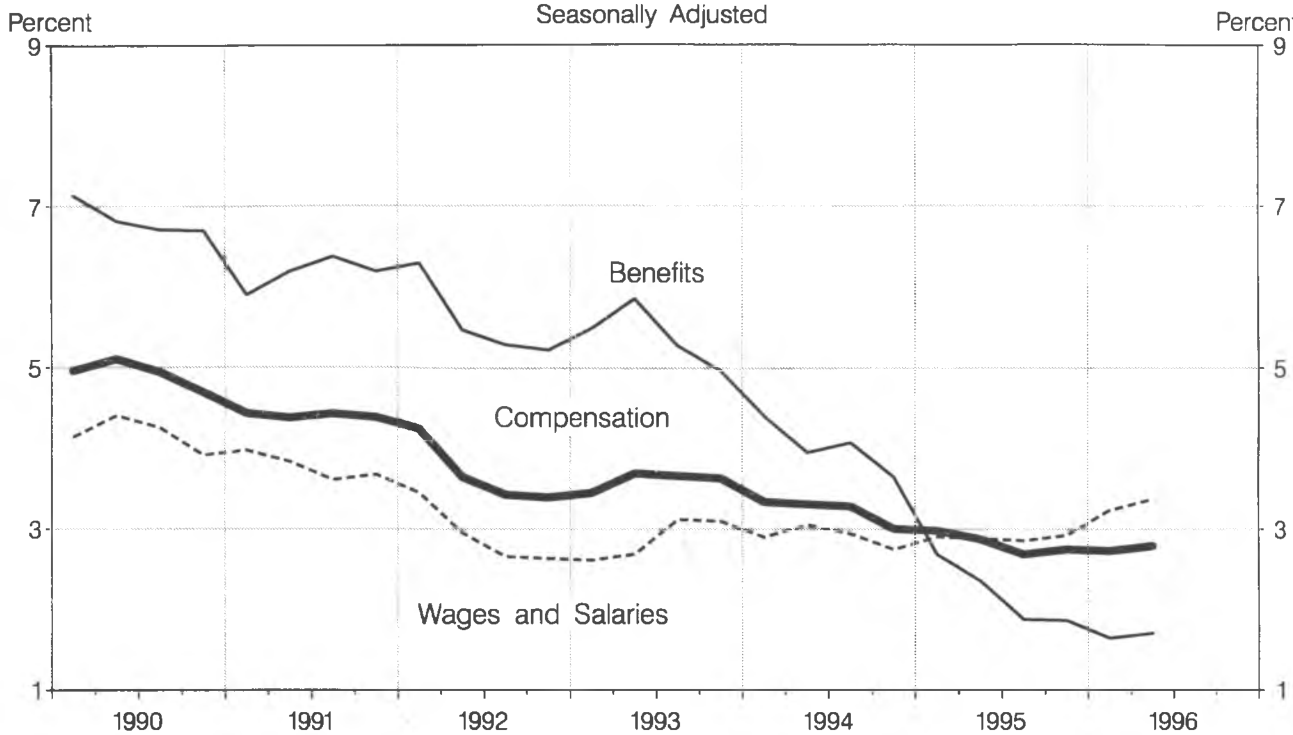
(Compound Annual Rates of Change)

Terminal Month	Initial Month 1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	1982=100
2-95	1.9																			127.2
3-95	1.4	0.9																		127.3
4-95	1.9	1.9	2.9																	127.6
5-95	2.1	2.2	2.9	2.9																127.9
6-95	1.3	1.2	1.3	0.5	-1.9															127.7
7-95	1.1	0.9	0.9	0.3	-0.9	0.0														127.7
8-95	1.1	0.9	0.9	0.5	-0.3	0.5	0.9													127.8
9-95	1.4	1.4	1.4	1.1	0.7	1.6	2.4	3.8												128.2
10-95	1.5	1.4	1.5	1.3	0.9	1.7	2.2	2.9	1.9											128.4
11-95	1.7	1.7	1.8	1.6	1.4	2.1	2.6	3.2	2.8	3.8										128.8
12-95	2.2	2.3	2.4	2.4	2.3	3.0	3.6	4.3	4.4	5.7	7.7									129.6
1-96	2.2	2.2	2.4	2.3	2.2	2.8	3.3	3.8	3.8	4.4	4.7	1.9								129.8
2-96	2.0	2.0	2.1	2.0	1.9	2.4	2.7	3.0	2.8	3.1	2.8	0.5	-0.9							129.7
3-96	2.3	2.3	2.4	2.4	2.4	2.8	3.2	3.5	3.5	3.8	3.8	2.5	2.8	6.7						130.4
4-96	2.3	2.4	2.5	2.4	2.4	2.8	3.1	3.4	3.4	3.6	3.6	2.6	2.8	4.7	2.8					130.7
5-96	2.2	2.3	2.4	2.3	2.3	2.7	2.9	3.1	3.1	3.2	3.1	2.2	2.3	3.4	1.9	0.9				130.8
6-96	2.2	2.2	2.3	2.3	2.2	2.6	2.8	3.0	2.9	3.1	2.9	2.2	2.2	3.0	1.9	1.4	1.9			131.0
7-96	2.1	2.1	2.2	2.1	2.1	2.4	2.6	2.7	2.6	2.7	2.6	1.9	1.9	2.4	1.4	0.9	0.9	0.0		131.0
8-96	2.2	2.2	2.3	2.2	2.2	2.5	2.7	2.8	2.7	2.8	2.7	2.1	2.1	2.6	1.9	1.8	1.8	1.8	3.7	131.4
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Employment Cost Index and Its Components

Percent Change From Previous Year
Seasonally Adjusted



Compensation is the sum of wages, salaries and benefits for private industry workers.

Prepared by Federal Reserve Bank of St. Louis

Employment Cost Index - Compensation

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter																			June 1989=100
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	
4-91	3.7																			111.9
1-92	3.8	4.0																		113.0
2-92	3.4	3.2	2.5																	113.7
3-92	3.4	3.4	3.0	3.6																114.7
4-92	3.4	3.4	3.2	3.5	3.5															115.7
1-93	3.6	3.6	3.5	3.8	3.9	4.2														116.9
2-93	3.6	3.5	3.5	3.7	3.7	3.8	3.5													117.9
3-93	3.5	3.5	3.5	3.6	3.7	3.7	3.5	3.4												118.9
4-93	3.5	3.5	3.4	3.6	3.6	3.6	3.4	3.4	3.4											119.9
1-94	3.5	3.5	3.4	3.5	3.5	3.5	3.3	3.3	3.2	3.0										120.8
2-94	3.5	3.4	3.4	3.5	3.5	3.5	3.3	3.3	3.3	3.2	3.4									121.8
3-94	3.5	3.4	3.4	3.5	3.5	3.5	3.3	3.3	3.3	3.2	3.3	3.3								122.8
4-94	3.4	3.3	3.3	3.4	3.3	3.3	3.2	3.1	3.1	3.0	3.0	2.8	2.3							123.5
1-95	3.3	3.3	3.3	3.3	3.3	3.3	3.2	3.1	3.1	3.0	3.0	2.9	2.6	2.9						124.4
2-95	3.3	3.3	3.2	3.3	3.3	3.2	3.1	3.1	3.0	3.0	3.0	2.9	2.7	2.9	2.9					125.3
3-95	3.3	3.2	3.2	3.2	3.2	3.2	3.1	3.0	3.0	2.9	2.9	2.8	2.7	2.8	2.8	2.6				126.1
4-95	3.2	3.2	3.1	3.2	3.2	3.1	3.0	3.0	2.9	2.9	2.9	2.8	2.7	2.8	2.7	2.6	2.6			126.9
1-96	3.2	3.2	3.1	3.2	3.1	3.1	3.0	3.0	2.9	2.9	2.9	2.8	2.7	2.8	2.7	2.7	2.7	2.9		127.8
2-96	3.2	3.2	3.1	3.2	3.1	3.1	3.0	3.0	3.0	2.9	2.9	2.8	2.8	2.8	2.8	2.8	2.9	3.0	3.2	128.8
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

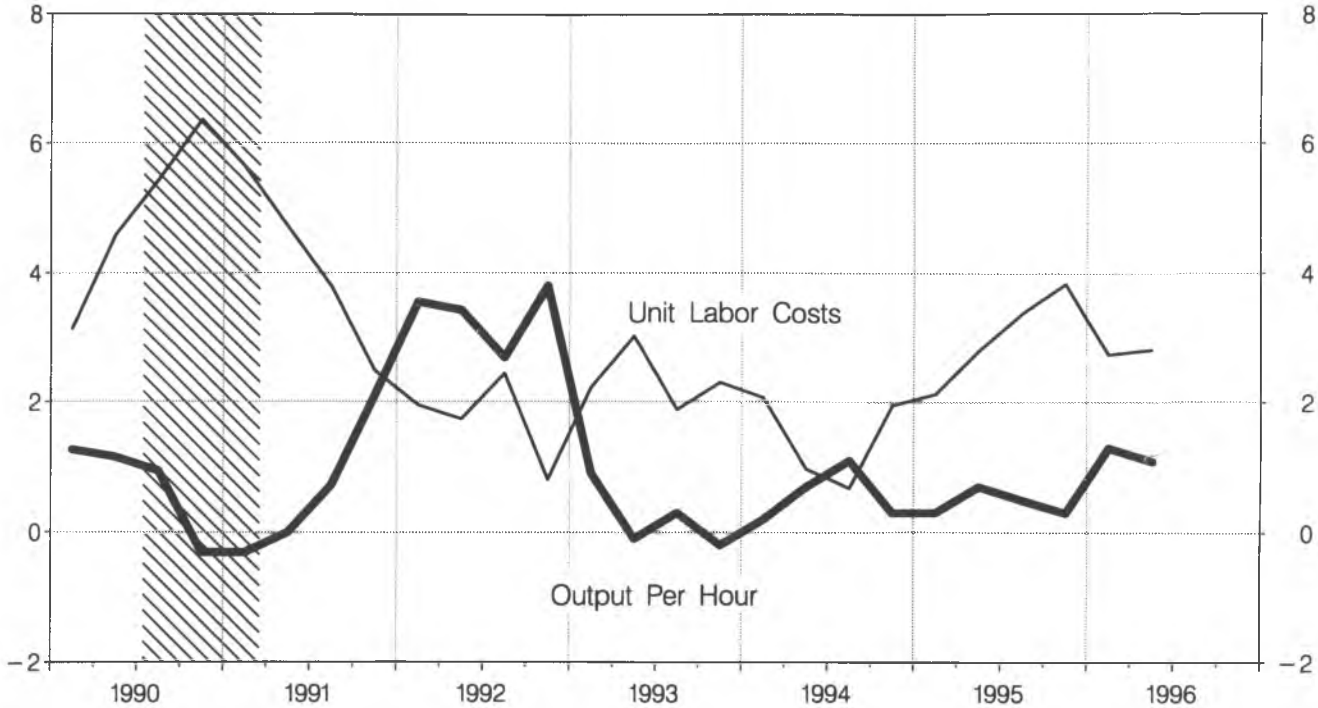
Data are for the last month of quarter.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Business Productivity and Unit Labor Costs

Percent Change From Previous Year

Seasonally Adjusted



Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Business Sector - Output Per Hour

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter 3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	1992=100
4-91	1.2																			97.4
1-92	4.6	8.0																		99.3
2-92	3.9	5.2	2.4																	99.9
3-92	2.7	3.2	0.8	-0.8																99.7
4-92	3.3	3.8	2.4	2.4	5.7															101.1
1-93	2.1	2.3	0.9	0.4	1.0	-3.5														100.2
2-93	1.6	1.6	0.4	-0.1	0.1	-2.6	-1.6													99.8
3-93	1.5	1.5	0.5	0.1	0.3	-1.4	-0.4	0.8												100.0
4-93	1.7	1.8	0.9	0.7	1.0	-0.2	0.9	2.2	3.6											100.9
1-94	1.3	1.4	0.6	0.3	0.5	-0.6	0.2	0.8	0.8	-2.0										100.4
2-94	1.3	1.3	0.5	0.3	0.5	-0.4	0.2	0.7	0.7	-0.8	0.4									100.5
3-94	1.4	1.4	0.7	0.5	0.7	0.0	0.6	1.0	1.1	0.3	1.4	2.4								101.1
4-94	1.3	1.3	0.7	0.5	0.7	0.0	0.6	0.9	1.0	0.3	1.1	1.4	0.4							101.2
1-95	1.0	1.0	0.5	0.3	0.4	-0.2	0.2	0.5	0.5	-0.2	0.3	0.3	-0.8	-2.0						100.7
2-95	1.1	1.1	0.6	0.4	0.5	0.0	0.4	0.7	0.7	0.2	0.6	0.7	0.1	0.0	2.0					101.2
3-95	1.1	1.1	0.7	0.5	0.6	0.2	0.6	0.8	0.8	0.4	0.8	0.9	0.5	0.5	1.8	1.6				101.6
4-95	1.0	1.0	0.6	0.5	0.6	0.1	0.5	0.7	0.7	0.3	0.6	0.7	0.3	0.3	1.1	0.6	-0.4			101.5
1-96	1.1	1.1	0.7	0.6	0.7	0.3	0.6	0.8	0.8	0.5	0.8	0.9	0.6	0.6	1.3	1.1	0.8	2.0		102.0
2-96	1.1	1.1	0.7	0.6	0.7	0.3	0.6	0.8	0.8	0.6	0.8	0.9	0.7	0.7	1.3	1.1	0.9	1.6	1.2	102.3
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Industrial Production

Seasonally Adjusted

Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Industrial Production

(Compound Annual Rates of Change)

Terminal Month	Initial Month 1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	1987=100
2-95	-0.9																			121.720
3-95	0.4	1.7																		121.888
4-95	-1.4	-1.6	-4.8																	121.388
5-95	-1.2	-1.2	-2.7	-0.5																121.339
6-95	-0.8	-0.7	-1.5	0.2	0.9															121.434
7-95	-0.5	-0.4	-0.9	0.4	0.8	0.7														121.507
8-95	1.2	1.6	1.6	3.3	4.5	6.4	12.3													122.690
9-95	1.2	1.6	1.5	2.9	3.7	4.6	6.7	1.3												122.821
10-95	0.4	0.5	0.4	1.3	1.6	1.8	2.2	-2.6	-6.3											122.159
11-95	0.8	1.0	0.9	1.7	2.1	2.3	2.7	-0.3	-1.1	4.3										122.587
12-95	0.9	1.1	1.0	1.8	2.1	2.3	2.6	0.3	-0.0	3.2	2.2									122.809
1-96	0.6	0.7	0.6	1.2	1.5	1.5	1.7	-0.3	-0.7	1.2	-0.4	-2.8								122.515
2-96	1.8	2.0	2.0	2.7	3.1	3.4	3.8	2.4	2.6	5.0	5.2	6.8	17.3							124.157
3-96	1.2	1.4	1.4	2.0	2.2	2.4	2.6	1.2	1.2	2.8	2.4	2.5	5.3	-5.5						123.576
4-96	1.8	2.0	2.0	2.6	2.9	3.1	3.3	2.2	2.4	3.9	3.8	4.2	6.7	1.8	9.6					124.519
5-96	2.2	2.4	2.5	3.0	3.3	3.6	3.8	2.9	3.1	4.6	4.6	5.1	7.2	4.0	9.1	8.6				125.380
6-96	2.5	2.7	2.8	3.4	3.7	3.9	4.2	3.4	3.7	5.0	5.1	5.6	7.4	5.0	8.7	8.3	8.1			126.192
7-96	2.4	2.6	2.7	3.2	3.5	3.7	3.9	3.2	3.4	4.5	4.5	4.9	6.2	4.1	6.7	5.7	4.3	0.8		126.271
8-96	2.6	2.8	2.9	3.4	3.6	3.8	4.1	3.4	3.6	4.7	4.7	5.0	6.2	4.4	6.5	5.8	4.9	3.3	6.0	126.885
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Civilian Employment and Unemployment Rate

Seasonally Adjusted

* Break in series. January 1994 figures reflect revised data collection procedures and are not directly comparable with previous data.

Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Civilian Employment

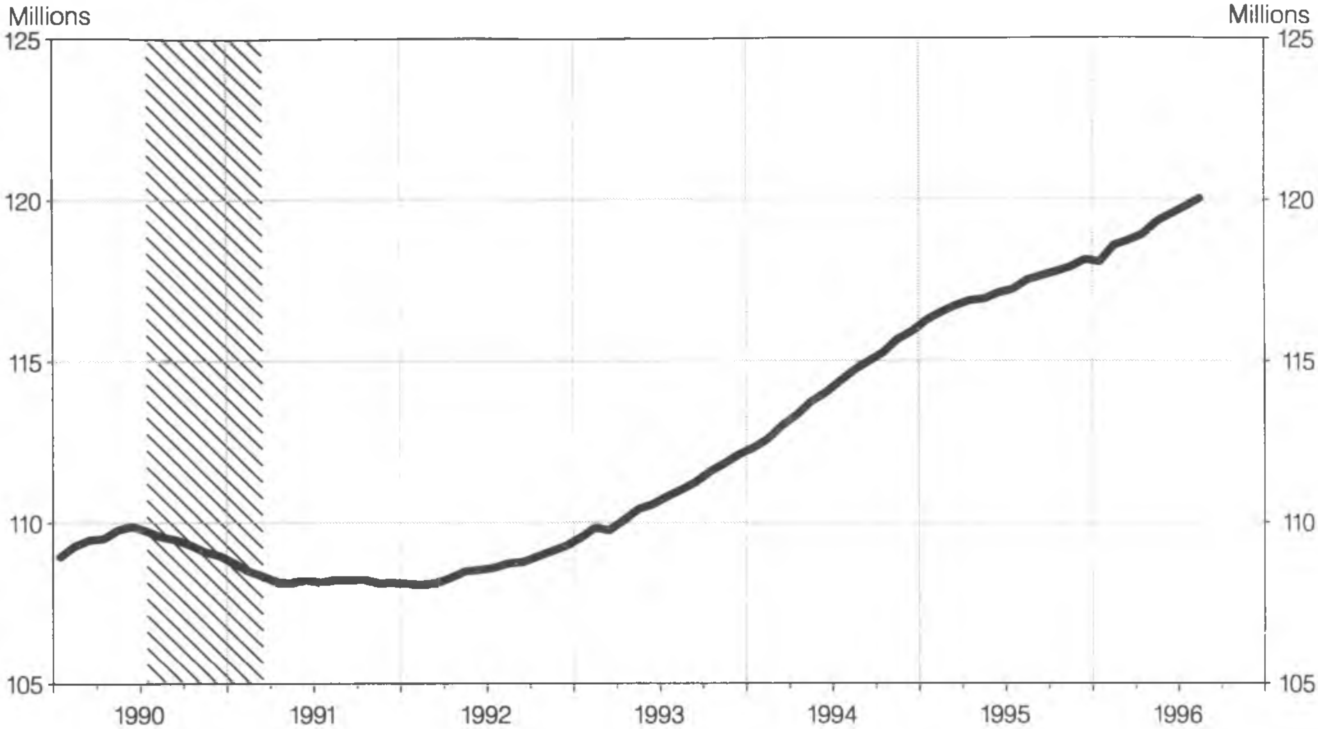
(Compound Annual Rates of Change)

Terminal Month	Initial Month																			Thousands of Persons
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	
2-95	2.0																			124,881
3-95	2.1	2.2																		125,106
4-95	1.0	0.4	-1.3																	124,973
5-95	-0.2	-0.9	-2.4	-3.5																124,598
6-95	-0.2	-0.8	-1.7	-1.9	-0.3															124,566
7-95	0.3	-0.1	-0.7	-0.5	1.1	2.6														124,832
8-95	0.3	-0.0	-0.5	-0.3	0.8	1.4	0.3													124,859
9-95	0.4	0.2	-0.1	0.1	1.1	1.5	1.0	1.7												125,036
10-95	0.6	0.4	0.2	0.4	1.2	1.6	1.3	1.9	2.0											125,244
11-95	0.4	0.2	-0.1	0.1	0.7	1.0	0.6	0.7	0.1	-1.7										125,062
12-95	0.3	0.1	-0.1	0.0	0.5	0.7	0.3	0.3	-0.2	-1.3	-0.8									124,981
1-96	0.4	0.3	0.1	0.3	0.8	0.9	0.6	0.7	0.5	-0.1	0.8	2.4								125,226
2-96	0.7	0.6	0.5	0.7	1.1	1.3	1.1	1.3	1.2	1.0	1.9	3.3	4.3							125,663
3-96	1.0	0.9	0.8	1.0	1.5	1.7	1.6	1.8	1.8	1.7	2.6	3.8	4.5	4.8						126,151
4-96	0.9	0.8	0.7	0.9	1.3	1.5	1.4	1.5	1.5	1.4	2.0	2.7	2.8	2.1	-0.5					126,095
5-96	1.1	1.0	0.9	1.1	1.5	1.7	1.6	1.7	1.7	1.7	2.3	2.9	3.0	2.6	1.5	3.5				126,462
6-96	1.1	1.0	1.0	1.1	1.5	1.6	1.6	1.7	1.7	1.6	2.1	2.6	2.7	2.3	1.5	2.5	1.4			126,610
7-96	1.2	1.1	1.1	1.2	1.6	1.7	1.6	1.8	1.8	1.7	2.2	2.6	2.7	2.3	1.8	2.5	2.0	2.6		126,884
8-96	1.2	1.2	1.1	1.2	1.6	1.7	1.6	1.8	1.8	1.7	2.1	2.5	2.5	2.2	1.7	2.3	1.9	2.1	1.6	127,055
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Payroll Employment

Seasonally Adjusted



Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Payroll Employment

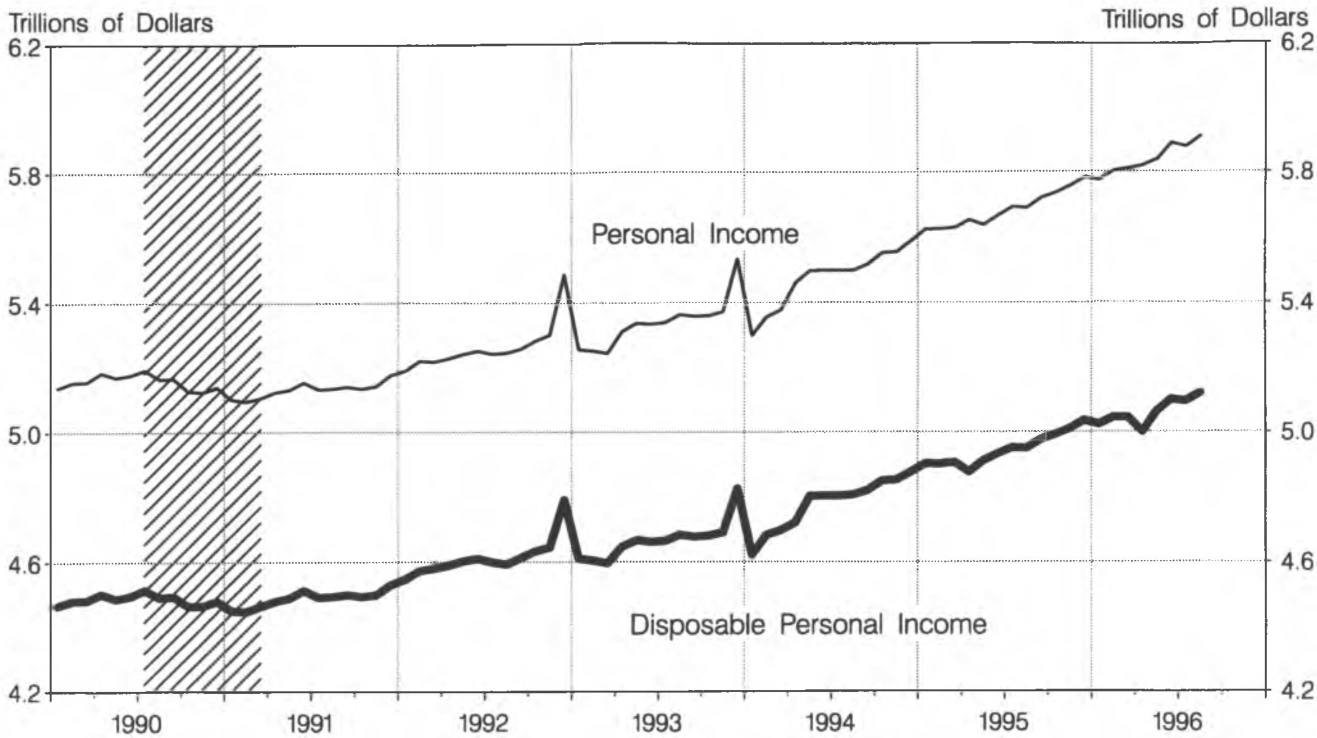
(Compound Annual Rates of Change)

Terminal Month	Initial Month																			Thousands
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	
2-95	2.6																			116,502
3-95	2.4	2.1																		116,701
4-95	2.1	1.9	1.7																	116,861
5-95	1.7	1.4	1.1	0.5																116,907
6-95	1.8	1.5	1.4	1.2	2.0															117,100
7-95	1.6	1.4	1.3	1.2	1.5	1.0														117,201
8-95	1.8	1.7	1.6	1.6	2.0	2.1	3.1													117,499
9-95	1.8	1.7	1.6	1.6	1.8	1.8	2.2	1.3												117,623
10-95	1.7	1.6	1.5	1.5	1.7	1.7	1.9	1.3	1.3											117,749
11-95	1.7	1.6	1.5	1.5	1.7	1.6	1.8	1.4	1.4	1.5										117,899
12-95	1.8	1.7	1.6	1.6	1.8	1.8	1.9	1.6	1.8	2.0	2.4									118,136
1-96	1.6	1.5	1.4	1.4	1.5	1.4	1.5	1.2	1.1	1.1	0.9	-0.7								118,070
2-96	1.8	1.8	1.8	1.8	1.9	1.9	2.0	1.8	2.0	2.1	2.3	2.3	5.3							118,579
3-96	1.8	1.8	1.7	1.8	1.9	1.9	2.0	1.8	1.9	2.0	2.1	2.1	3.4	1.6						118,737
4-96	1.8	1.8	1.8	1.8	1.9	1.9	2.0	1.8	1.9	2.0	2.1	2.0	2.9	1.8	1.9					118,928
5-96	2.0	1.9	1.9	2.0	2.1	2.1	2.2	2.1	2.2	2.3	2.5	2.5	3.2	2.6	3.1	4.2				119,335
6-96	2.0	2.0	2.0	2.0	2.1	2.1	2.2	2.1	2.2	2.3	2.4	2.4	3.0	2.5	2.8	3.2	2.2			119,554
7-96	2.0	2.0	2.0	2.0	2.1	2.1	2.2	2.1	2.2	2.3	2.4	2.4	2.9	2.5	2.7	2.9	2.3	2.3		119,782
8-96	2.0	2.0	2.0	2.0	2.1	2.1	2.2	2.2	2.2	2.3	2.4	2.4	2.9	2.5	2.6	2.8	2.4	2.4	2.5	120,032
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Personal Income

Seasonally Adjusted



Real incomes are expressed in chained 1992 dollars.

Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Real Disposable Personal Income

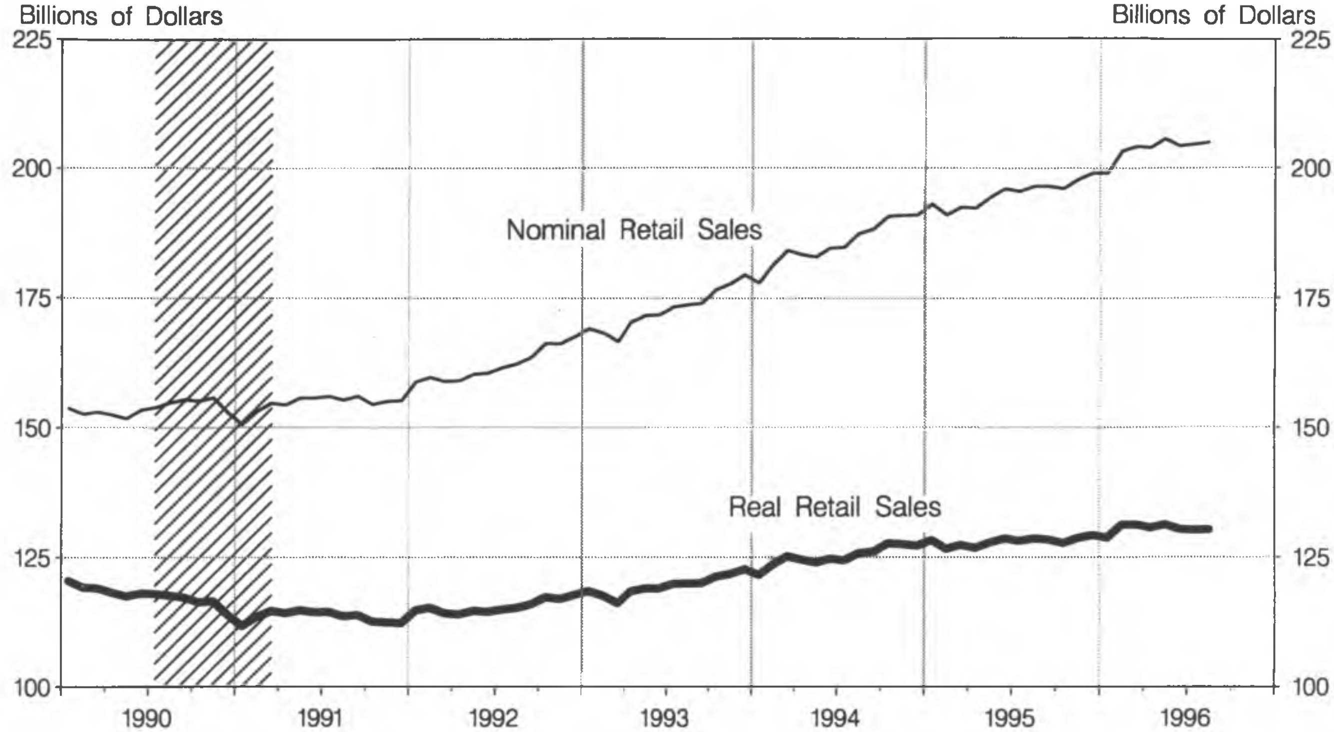
(Compound Annual Rates of Change)

Terminal Month	Initial Month																			Billions of Chained 1992 Dollars Annual Rates
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	
2-95	-0.2																			4,901.7
3-95	0.5	1.3																		4,906.9
4-95	-2.1	-3.0	-7.0																	4,877.1
5-95	0.5	0.8	0.5	8.7																4,911.3
6-95	1.5	1.9	2.1	7.1	5.4															4,933.0
7-95	2.0	2.5	2.8	6.3	5.1	4.8														4,952.4
8-95	1.7	2.0	2.1	4.6	3.2	2.1	-0.5													4,950.3
9-95	2.2	2.6	2.8	4.9	4.0	3.5	2.9	6.4												4,975.8
10-95	2.4	2.8	3.0	4.8	4.0	3.7	3.3	5.2	4.1											4,992.4
11-95	2.7	3.0	3.2	4.7	4.1	3.8	3.6	5.0	4.3	4.5										5,010.8
12-95	3.0	3.3	3.5	4.9	4.4	4.2	4.1	5.3	4.9	5.3	6.1									5,035.6
1-96	2.5	2.7	2.8	4.0	3.4	3.2	2.9	3.6	2.9	2.5	1.5	-2.9								5,023.1
2-96	2.7	2.9	3.1	4.2	3.7	3.4	3.2	3.9	3.4	3.2	2.8	1.1	5.4							5,045.2
3-96	2.5	2.7	2.8	3.8	3.3	3.0	2.8	3.3	2.8	2.5	2.0	0.7	2.6	-0.1						5,044.7
4-96	1.6	1.7	1.8	2.5	2.0	1.6	1.3	1.5	0.8	0.3	-0.5	-2.1	-1.8	-5.3	-10.1					5,000.0
5-96	2.4	2.6	2.7	3.5	3.1	2.9	2.7	3.0	2.6	2.4	2.1	1.3	2.4	1.4	2.2	16.2				5,063.1
6-96	2.8	3.0	3.1	3.9	3.6	3.4	3.3	3.7	3.4	3.3	3.1	2.6	3.7	3.3	4.5	12.7	9.2			5,100.5
7-96	2.6	2.8	2.9	3.6	3.2	3.0	2.9	3.2	2.9	2.8	2.5	2.0	2.9	2.4	3.0	7.8	3.9	-1.2		5,095.2
8-96	2.8	2.9	3.0	3.7	3.4	3.2	3.1	3.4	3.2	3.1	2.9	2.5	3.3	3.0	3.6	7.4	4.6	2.3	6.0	5,119.8
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Retail Sales

Seasonally Adjusted



The CPI is used to deflate retail sales data (1982 – 84 = 100).

Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Real Retail Sales

(Compound Annual Rates of Change)

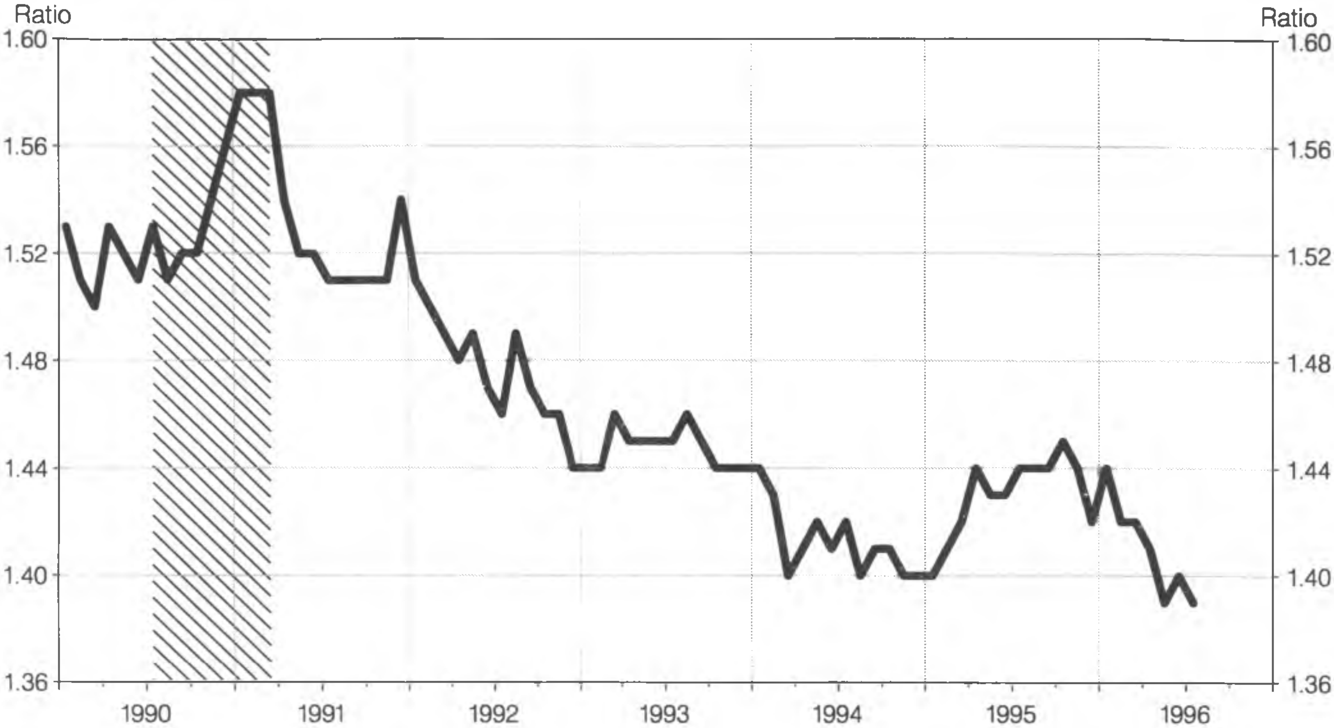
Terminal Month	Initial Month 1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	Billions of 1982-84 Dollars
2-95	-14.2																			126.597
3-95	-4.3	6.7																		127.280
4-95	-4.6	0.6	-5.1																	126.727
5-95	-1.0	3.8	2.4	10.5																127.788
6-95	0.5	4.6	3.9	8.7	7.0															128.510
7-95	-0.2	2.9	2.0	4.4	1.5	-3.7														128.104
8-95	0.4	3.1	2.4	4.3	2.3	0.1	4.0													128.521
9-95	0.2	2.4	1.7	3.1	1.3	-0.5	1.2	-1.5												128.358
10-95	-0.6	1.2	0.5	1.5	-0.3	-2.0	-1.4	-4.0	-6.4											127.647
11-95	0.4	2.2	1.7	2.7	1.4	0.3	1.4	0.5	1.5	10.2										128.683
12-95	0.8	2.5	2.0	2.9	1.9	1.1	2.1	1.6	2.7	7.5	5.0									129.204
1-96	0.4	1.8	1.4	2.1	1.1	0.3	1.0	0.4	0.8	3.4	0.2	-4.4								128.719
2-96	2.2	3.7	3.4	4.3	3.6	3.2	4.2	4.2	5.4	8.6	8.1	9.7	26.0							131.221
3-96	2.0	3.4	3.1	3.9	3.3	2.9	3.7	3.7	4.6	6.9	6.1	6.5	12.4	0.3						131.252
4-96	1.5	2.7	2.4	3.1	2.4	2.0	2.6	2.5	3.0	4.7	3.7	3.3	6.0	-2.7	-5.6					130.622
5-96	1.8	2.9	2.7	3.3	2.7	2.3	3.0	2.8	3.4	4.9	4.0	3.8	6.0	0.1	-0.0	5.9				131.250
6-96	1.2	2.2	1.9	2.4	1.8	1.4	1.9	1.7	2.1	3.2	2.2	1.8	3.0	-2.0	-2.8	-1.3	-8.1			130.335
7-96	1.0	2.0	1.7	2.2	1.6	1.2	1.6	1.4	1.7	2.7	1.8	1.3	2.3	-1.9	-2.4	-1.3	-4.7	-1.3		130.192
8-96	1.0	1.9	1.6	2.1	1.5	1.2	1.5	1.3	1.8	2.4	1.6	1.2	2.0	-1.5	-1.8	-0.9	-3.0	-0.4	0.4	130.240
	1-95	2-95	3-95	4-95	5-95	6-95	7-95	8-95	9-95	10-95	11-95	12-95	1-96	2-96	3-96	4-96	5-96	6-96	7-96	

Retail Sales are deflated using the CPI (1982-84=100).

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Total Business Inventory/Sales Ratio

Seasonally Adjusted



Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Inventories and Sales

(Billions of Dollars)

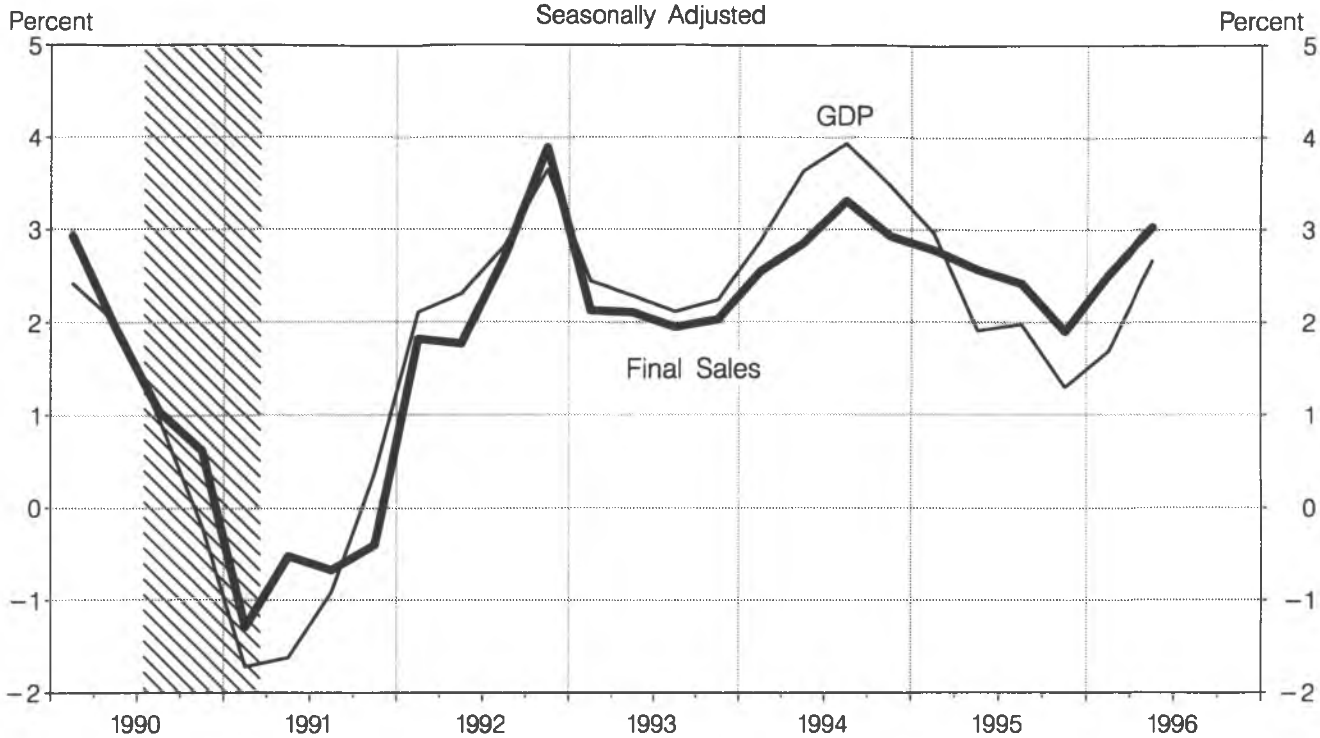
	Manufacturing		Retail Trade		Total Business (3)	
	Shipments (1)	Inventories (2)	Sales (1)	Inventories (2)	Sales (1)	Inventories (2)
1993	3126.01	390.72	2072.55	267.92	7139.15	874.52
1994	3343.38	406.21	2227.76	290.60	7648.54	931.70
1995	3565.75	432.34	2341.79	302.88	8161.25	989.84
1995						
July	293.90	426.72	195.62	299.58	677.11	977.49
August	299.81	427.25	196.64	302.70	684.40	982.15
September	300.75	429.96	196.64	303.30	686.27	986.37
October	299.82	431.30	196.19	306.22	685.66	992.27
November	300.76	431.65	197.91	307.27	690.24	993.64
December	301.28	432.34	199.10	302.88	695.29	989.84
1996						
January	298.69	434.72	199.13	304.37	690.69	995.35
February	301.76	435.62	203.39	304.82	699.21	996.01
March	300.65	435.41	204.23	302.15	700.25	994.01
April	308.00	435.44	204.03	303.40	709.54	998.43
May	311.20	434.22	205.67	303.93	715.13	996.98
June	308.85	433.87	204.37	304.19	711.76	997.32
July	312.67	434.52	204.66	307.52	720.55	1001.49

1. Annual data are sums of monthly shipments/sales.
2. Annual data are end-of-year stocks.
3. Total business is the sum of manufacturing, retail trade and merchant wholesalers.

Prepared by Federal Reserve Bank of St. Louis

Real Final Sales and Real GDP

Percent Change From Previous Year
Seasonally Adjusted



Real final sales and real GDP are chain−weight quantity indexes scaled to 1992 dollars.
Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

Real Final Sales of Domestic Product

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter 3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Chained 1992 Dollars Annual Rates
4-91	-0.1																			6083.813
1-92	3.0	6.2																		6175.815
2-92	2.6	4.0	1.8																	6203.759
3-92	2.7	3.6	2.4	3.0																6249.542
4-92	3.1	3.9	3.1	3.8	4.6															6320.711
1-93	2.4	2.9	2.1	2.2	1.9	-0.9														6307.113
2-93	2.3	2.7	2.1	2.1	1.8	0.4	1.7													6334.496
3-93	2.3	2.7	2.1	2.2	1.9	1.1	2.0	2.3												6371.296
4-93	2.6	3.0	2.5	2.6	2.5	2.0	3.0	3.7	5.0											6449.202
1-94	2.5	2.8	2.3	2.4	2.3	1.9	2.5	2.8	3.0	1.2										6467.727
2-94	2.5	2.8	2.4	2.5	2.4	2.0	2.6	2.8	3.0	2.0	3.0									6514.945
3-94	2.6	2.9	2.6	2.7	2.6	2.3	2.9	3.1	3.3	2.8	3.6	4.2								6582.060
4-94	2.7	2.9	2.7	2.7	2.7	2.5	3.0	3.2	3.3	2.9	3.5	3.8	3.5							6638.134
1-95	2.6	2.8	2.5	2.5	2.5	2.3	2.7	2.8	2.9	2.5	2.8	2.7	2.0	0.6						6647.366
2-95	2.5	2.7	2.5	2.5	2.5	2.3	2.6	2.7	2.8	2.4	2.6	2.6	2.0	1.3	2.1					6682.420
3-95	2.6	2.8	2.5	2.6	2.6	2.4	2.7	2.8	2.9	2.6	2.8	2.8	2.4	2.1	2.8	3.6				6741.364
4-95	2.5	2.7	2.5	2.5	2.5	2.3	2.6	2.7	2.7	2.4	2.6	2.5	2.2	1.9	2.4	2.5	1.4			6764.193
1-96	2.5	2.7	2.5	2.5	2.5	2.3	2.6	2.7	2.7	2.5	2.7	2.6	2.3	2.1	2.5	2.7	2.2	3.0		6815.153
2-96	2.6	2.8	2.6	2.6	2.6	2.5	2.7	2.8	2.9	2.6	2.8	2.8	2.6	2.5	2.8	3.0	2.8	3.6	4.1	6884.700
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Components of Real GDP Growth Rate (1)

	1996		1995				1994	
	2nd	1st	4th	3rd	2nd	1st	4th	3rd
Real GDP	4.67	2.00	0.25	3.80	0.75	0.43	2.98	3.53
Final Sales	4.15	3.04	1.35	3.56	2.11	0.55	3.42	4.14
Change in Business Inventories	0.59	-1.03	-1.08	0.15	-1.43	-0.09	-0.50	-0.61
Personal Consumption Expenditures	2.28	2.36	0.71	1.65	2.11	0.65	2.10	1.87
Fixed Investment	1.05	1.47	0.51	0.85	-0.23	1.19	1.14	1.18
Nonresidential	0.41	1.19	0.26	0.51	0.36	1.49	1.16	1.28
Residential	0.61	0.28	0.24	0.34	-0.56	-0.26	0.00	-0.08
Government Expenditures	1.39	0.30	-0.81	-0.11	0.15	-0.23	-0.28	1.30
Federal	0.62	0.40	-0.96	-0.41	-0.10	-0.49	-0.45	0.81
State and Local	0.76	-0.11	0.17	0.31	0.25	0.26	0.19	0.48
Net Exports	-0.63	-1.12	0.99	1.19	0.07	-1.08	0.44	-0.27
Exports	0.66	0.21	1.19	1.18	0.65	0.28	1.70	1.00
Imports	-1.28	-1.33	-0.21	0.00	-0.58	-1.36	-1.24	-1.26
Residual (2)	-0.03	0.04	-0.06	0.03	0.07	-0.03	0.04	0.01

(1) Contribution of each component to the compound annual rate of real GDP growth in each quarter indicated. Elements may not sum to the total due to rounding.

(2) Residual line is calculated using the finest level of detail shown in the table.

Prepared by Federal Reserve Bank of St. Louis

Real Personal Consumption Expenditures

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter																			Billions of Chained 1992 Dollars
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Annual Rates
4-91	-1.0																			4109.111
1-92	2.7	6.4																		4173.758
2-92	2.5	4.3	2.2																	4196.418
3-92	2.6	3.8	2.6	2.9																4226.674
4-92	3.2	4.2	3.5	4.1	5.4															4282.333
1-93	2.7	3.5	2.8	3.0	3.0	0.7														4289.676
2-93	2.7	3.4	2.8	2.9	2.9	1.7	2.7													4318.835
3-93	2.9	3.4	2.9	3.1	3.1	2.4	3.3	3.8												4359.471
4-93	2.9	3.4	2.9	3.1	3.1	2.5	3.1	3.3	2.8											4390.023
1-94	2.9	3.3	2.9	3.0	3.0	2.6	3.1	3.2	2.8	2.8										4420.532
2-94	2.9	3.3	3.0	3.1	3.1	2.7	3.1	3.2	3.0	3.2	3.5									4458.721
3-94	2.9	3.3	3.0	3.0	3.1	2.7	3.1	3.1	3.0	3.0	3.1	2.8								4489.357
4-94	2.9	3.3	3.0	3.1	3.1	2.8	3.1	3.1	3.0	3.1	3.1	2.9	3.1							4523.959
1-95	2.8	3.1	2.8	2.9	2.9	2.6	2.8	2.8	2.7	2.6	2.6	2.3	2.0	1.0						4534.762
2-95	2.8	3.1	2.8	2.9	2.9	2.6	2.9	2.9	2.7	2.7	2.7	2.5	2.4	2.0	3.1					4569.870
3-95	2.8	3.0	2.8	2.8	2.8	2.6	2.8	2.8	2.7	2.7	2.6	2.5	2.4	2.2	2.8	2.4				4597.341
4-95	2.7	2.9	2.7	2.7	2.7	2.5	2.6	2.6	2.5	2.5	2.4	2.2	2.1	1.9	2.2	1.7	1.1			4609.410
1-96	2.7	2.9	2.7	2.8	2.8	2.6	2.7	2.7	2.6	2.6	2.6	2.4	2.4	2.2	2.5	2.3	2.3	3.5		4649.076
2-96	2.8	3.0	2.8	2.8	2.8	2.6	2.8	2.8	2.7	2.7	2.6	2.5	2.5	2.4	2.7	2.6	2.6	3.4	3.4	4687.603
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Residential Fixed Investment

(Compound Annual Rates of Change)

Terminal Quarter	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Chained 1992 Dollars Annual Rates
	Initial Quarter																			
4-91	14.7																			202.429
1-92	19.6	24.7																		213.917
2-92	20.4	23.4	22.2																	224.906
3-92	15.9	16.3	12.4	3.3																226.742
4-92	16.5	16.9	14.4	10.7	18.7															236.669
1-93	13.9	13.8	11.2	7.8	10.1	2.1														237.930
2-93	11.0	10.4	7.7	4.4	4.8	-1.6	-5.1													234.808
3-93	11.3	10.8	8.6	6.1	6.8	3.1	3.6	13.2												242.222
4-93	12.7	12.4	10.7	8.9	10.1	8.1	10.1	18.6	24.3											255.762
1-94	12.7	12.5	11.0	9.5	10.6	9.0	10.8	16.7	18.4	12.8										263.596
2-94	12.7	12.5	11.2	9.9	10.9	9.6	11.2	15.7	16.5	12.7	12.7									271.574
3-94	11.4	11.1	9.8	8.5	9.2	7.9	8.9	11.9	11.6	7.7	5.2	-1.8								270.324
4-94	10.5	10.1	8.9	7.6	8.1	6.9	7.6	9.8	9.2	5.7	3.4	-1.0	-0.1							270.261
1-95	9.2	8.8	7.5	6.3	6.6	5.3	5.7	7.4	6.4	3.2	0.9	-2.8	-3.2	-6.3						265.895
2-95	7.5	7.0	5.7	4.5	4.6	3.3	3.4	4.5	3.3	0.2	-2.2	-5.5	-6.8	-9.9	-13.4					256.520
3-95	7.6	7.1	6.0	4.8	5.0	3.8	4.0	5.0	4.1	1.4	-0.3	-2.8	-3.0	-3.9	-2.7	9.2				262.245
4-95	7.5	7.1	6.0	4.9	5.1	4.0	4.2	5.2	4.3	2.0	0.6	-1.3	-1.2	-1.5	0.2	7.8	6.4			266.337
1-96	7.5	7.1	6.1	5.1	5.2	4.3	4.4	5.4	4.6	2.6	1.4	-0.1	0.2	0.2	2.0	7.7	6.9	7.4		271.105
2-96	8.0	7.6	6.7	5.8	5.9	5.1	5.3	6.2	5.6	3.9	3.0	1.8	2.3	2.8	4.7	9.7	9.9	11.7	16.3	281.519
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Nonresidential Fixed Investment

(Compound Annual Rates of Change)

Terminal Quarter	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Chained 1992 Dollars Annual Rates
	Initial Quarter																			
4-91	-4.1																			539.532
1-92	-0.3	3.6																		544.357
2-92	3.0	6.8	10.0																	557.484
3-92	2.8	5.2	6.0	2.2																560.558
4-92	3.5	5.5	6.1	4.2	6.2															569.082
1-93	3.9	5.6	6.1	4.8	6.1	6.0														577.495
2-93	4.2	5.7	6.1	5.2	6.2	6.2	6.3													586.371
3-93	4.3	5.6	5.9	5.1	5.8	5.7	5.5	4.7												593.137
4-93	5.7	7.0	7.5	7.1	8.1	8.5	9.4	10.9	17.5											617.578
1-94	5.8	7.0	7.5	7.1	7.9	8.3	8.8	9.7	12.3	7.3										628.545
2-94	6.0	7.0	7.4	7.1	7.8	8.1	8.5	9.1	10.6	7.2	7.1									639.480
3-94	6.6	7.6	8.0	7.8	8.5	8.9	9.4	10.0	11.4	9.4	10.4	13.8								660.472
4-94	7.0	8.0	8.4	8.3	8.9	9.3	9.8	10.3	11.5	10.1	11.0	13.8	12.2							679.713
1-95	7.6	8.6	9.0	8.9	9.6	9.9	10.4	11.1	12.1	11.1	12.1	13.8	13.8	15.4						704.449
2-95	7.3	8.2	8.5	8.4	9.0	9.3	9.6	10.1	10.9	9.8	10.3	11.1	10.2	9.3	3.5					710.480
3-95	7.2	8.0	8.3	8.1	8.6	8.9	9.2	9.5	10.1	9.1	9.4	9.8	8.9	7.8	4.2	4.9				718.954
4-95	6.9	7.6	7.9	7.7	8.2	8.3	8.5	8.8	9.2	8.2	8.4	8.6	7.5	6.4	3.6	3.7	2.5			723.339
1-96	7.1	7.8	8.1	8.0	8.4	8.6	8.8	9.0	9.5	8.6	8.8	9.0	8.2	7.4	5.5	6.2	6.9	11.6		743.478
2-96	7.0	7.6	7.8	7.7	8.1	8.2	8.4	8.6	8.9	8.1	8.2	8.3	7.6	6.8	5.2	5.6	5.9	7.7	3.8	750.512
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Government Consumption Expenditures & Gross Investment

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter 3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Chained 1992 Dollars Annual Rates
4-91	-1.4																			1250.732
1-92	0.6	2.5																		1258.542
2-92	0.3	1.1	-0.3																	1257.505
3-92	0.9	1.7	1.3	2.9																1266.491
4-92	1.1	1.7	1.5	2.4	1.9															1272.506
1-93	0.1	0.4	-0.1	0.0	-1.4	-4.6														1257.695
2-93	0.2	0.4	-0.0	0.1	-0.8	-2.2	0.2													1258.415
3-93	0.3	0.5	0.2	0.3	-0.4	-1.1	0.6	1.0												1261.562
4-93	0.4	0.6	0.3	0.5	-0.0	-0.5	0.9	1.2	1.5											1266.200
1-94	-0.1	0.1	-0.2	-0.2	-0.7	-1.3	-0.4	-0.6	-1.5	-4.3										1252.362
2-94	-0.2	-0.0	-0.3	-0.3	-0.8	-1.2	-0.5	-0.7	-1.2	-2.6	-0.8									1249.796
3-94	0.4	0.6	0.4	0.5	0.2	-0.1	0.7	0.8	0.8	0.5	3.0	7.0								1271.154
4-94	0.3	0.4	0.2	0.3	0.0	-0.2	0.4	0.4	0.3	0.0	1.5	2.7	-1.4							1266.579
1-95	0.2	0.3	0.1	0.1	-0.1	-0.3	0.2	0.2	0.1	-0.2	0.8	1.4	-1.3	-1.2						1262.687
2-95	0.2	0.3	0.2	0.2	-0.0	-0.2	0.3	0.3	0.2	-0.1	0.8	1.2	-0.6	-0.2	0.8					1265.126
3-95	0.2	0.3	0.1	0.1	-0.1	-0.3	0.2	0.2	0.1	-0.1	0.6	0.9	-0.6	-0.3	0.1	-0.6				1263.357
4-95	-0.1	-0.0	-0.2	-0.2	-0.4	-0.6	-0.2	-0.3	-0.4	-0.7	-0.1	-0.0	-1.4	-1.3	-1.4	-2.4	-4.3			1249.607
1-96	-0.0	0.1	-0.1	-0.1	-0.3	-0.4	-0.1	-0.1	-0.2	-0.4	0.1	0.2	-0.9	-0.8	-0.6	-1.1	-1.4	1.6		1254.675
2-96	0.4	0.5	0.4	0.4	0.2	0.1	0.5	0.5	0.5	0.4	0.9	1.1	0.3	0.6	1.0	1.0	1.6	4.6	7.7	1278.155
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Federal Consumption Expenditures & Gross Investment

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter 3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Chained 1992 Dollars Annual Rates
4-91	-6.8																			526.926
1-92	-4.1	-1.4																		525.078
2-92	-3.2	-1.4	-1.4																	523.267
3-92	-1.2	0.7	1.7	4.9																529.603
4-92	-0.3	1.3	2.3	4.1	3.4															534.001
1-93	-2.5	-1.6	-1.7	-1.8	-5.0	-12.7														516.134
2-93	-2.9	-2.2	-2.4	-2.6	-5.0	-8.9	-4.9													509.666
3-93	-2.9	-2.3	-2.4	-2.7	-4.5	-7.0	-3.9	-2.9												505.912
4-93	-2.6	-2.1	-2.2	-2.3	-3.7	-5.4	-2.9	-1.8	-0.7											505.025
1-94	-3.6	-3.2	-3.4	-3.7	-5.1	-6.7	-5.1	-5.1	-6.2	-11.4										489.914
2-94	-3.7	-3.4	-3.6	-3.9	-5.1	-6.4	-5.1	-5.2	-5.9	-8.4	-5.3									483.335
3-94	-2.5	-2.1	-2.2	-2.3	-3.2	-4.1	-2.5	-2.0	-1.8	-2.2	2.8	11.5								496.688
4-94	-2.8	-2.4	-2.5	-2.7	-3.5	-4.3	-3.0	-2.7	-2.7	-3.1	-0.2	2.4	-5.9							489.164
1-95	-3.1	-2.8	-2.9	-3.0	-3.8	-4.5	-3.5	-3.3	-3.3	-3.8	-1.8	-0.6	-6.2	-6.5						480.991
2-95	-2.9	-2.7	-2.8	-2.9	-3.6	-4.2	-3.2	-3.0	-3.0	-3.4	-1.7	-0.8	-4.6	-4.0	-1.4					479.359
3-95	-3.1	-2.9	-3.0	-3.1	-3.7	-4.3	-3.5	-3.3	-3.4	-3.7	-2.4	-1.8	-4.9	-4.5	-3.5	-5.6				472.543
4-95	-3.7	-3.5	-3.7	-3.8	-4.5	-5.1	-4.4	-4.3	-4.5	-5.0	-4.0	-3.8	-6.6	-6.7	-6.8	-9.4	-13.2			456.154
1-96	-3.2	-3.0	-3.1	-3.2	-3.8	-4.3	-3.6	-3.4	-3.5	-3.8	-2.8	-2.4	-4.6	-4.3	-3.8	-4.6	-4.0	6.0		462.902
2-96	-2.6	-2.4	-2.4	-2.5	-2.9	-3.4	-2.6	-2.4	-2.4	-2.5	-1.5	-1.0	-2.7	-2.2	-1.3	-1.2	0.3	7.7	9.4	473.446
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Exports

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter																			Billions of Chained 1992 Dollars
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Annual Rates
4-91	13.8																			623.450
1-92	10.0	6.3																		633.009
2-92	7.2	4.0	1.8																	635.816
3-92	6.0	3.5	2.1	2.5																639.710
4-92	6.0	4.1	3.4	4.2	6.0															649.129
1-93	4.7	3.0	2.2	2.4	2.3	-1.3														647.083
2-93	5.2	3.9	3.4	3.8	4.3	3.4	8.3													660.044
3-93	3.4	2.0	1.3	1.2	0.9	-0.7	-0.5	-8.5												645.484
4-93	5.5	4.5	4.2	4.6	5.0	4.8	6.9	8.2	23.4											680.255
1-94	4.7	3.8	3.5	3.7	3.9	3.5	4.7	3.6	10.2	-1.5										677.647
2-94	5.7	4.9	4.8	5.2	5.5	5.5	6.9	6.5	12.1	6.8	15.9									703.108
3-94	6.0	5.4	5.3	5.7	6.1	6.1	7.3	7.2	11.5	7.8	12.8	9.7								719.560
4-94	6.8	6.2	6.2	6.7	7.2	7.3	8.6	8.7	12.5	9.9	14.0	13.0	16.5							747.573
1-95	6.5	6.0	5.9	6.3	6.7	6.8	7.8	7.8	10.8	8.4	11.0	9.4	9.3	2.6						752.330
2-95	6.5	5.9	5.9	6.3	6.6	6.7	7.6	7.5	10.0	8.0	10.0	8.6	8.2	4.2	5.9					763.226
3-95	6.7	6.3	6.3	6.6	7.0	7.1	7.9	7.9	10.1	8.4	10.1	9.0	8.8	6.4	8.3	10.7				782.952
4-95	6.9	6.5	6.6	6.9	7.2	7.4	8.2	8.2	10.2	8.7	10.2	9.3	9.2	7.4	9.1	10.7	10.7			803.087
1-96	6.7	6.3	6.2	6.6	6.9	6.9	7.6	7.6	9.3	7.9	9.1	8.2	7.9	6.3	7.2	7.7	6.2	1.8		806.713
2-96	6.6	6.2	6.2	6.5	6.8	6.8	7.5	7.4	9.0	7.6	8.7	7.9	7.8	6.2	6.9	7.2	6.0	3.7	5.6	817.864
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Real Imports

(Compound Annual Rates of Change)

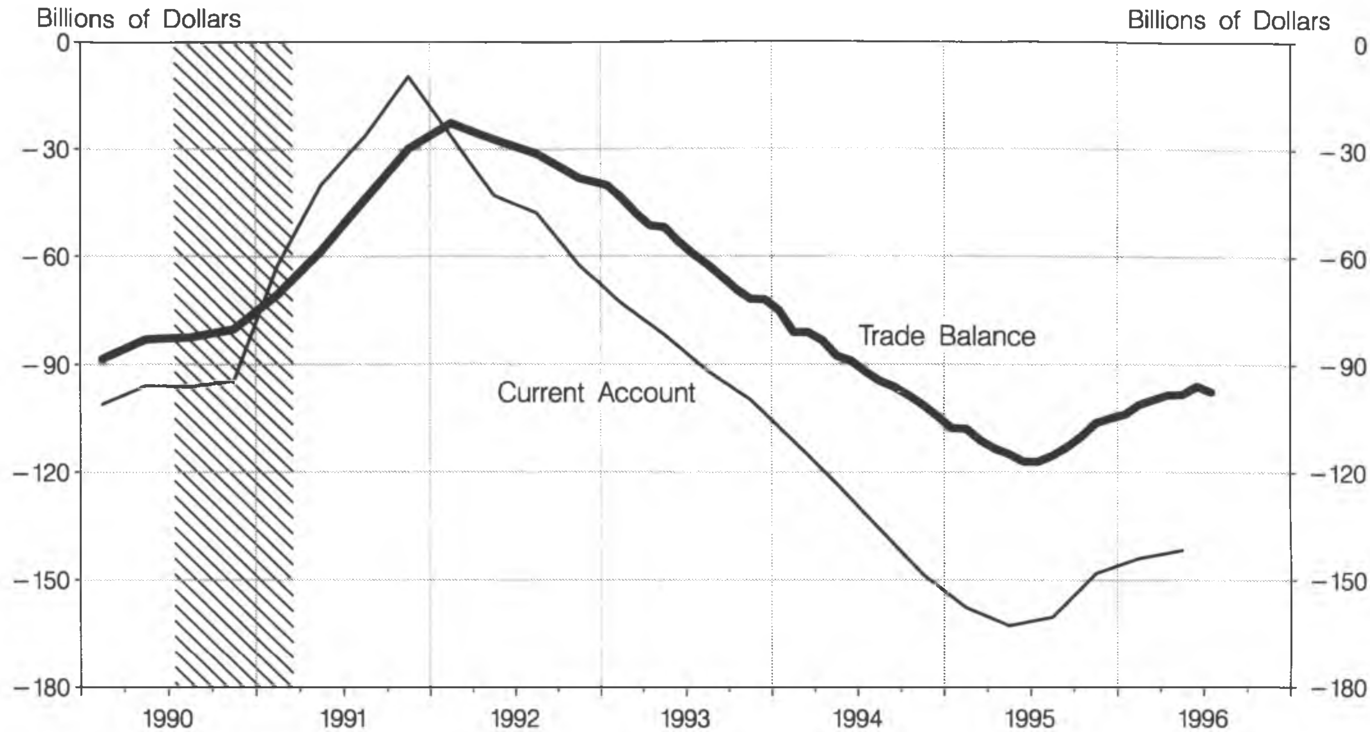
Terminal Quarter	Initial Quarter																			Billions of Chained 1992 Dollars
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Annual Rates
4-91	5.1																			641.371
1-92	4.6	4.1																		647.827
2-92	7.4	8.6	13.3																	668.344
3-92	5.9	6.1	7.1	1.3																670.524
4-92	7.0	7.4	8.6	6.3	11.6															689.141
1-93	7.2	7.6	8.5	7.0	9.9	8.3														703.069
2-93	8.0	8.5	9.4	8.4	10.9	10.5	12.7													724.429
3-93	7.5	7.8	8.5	7.5	9.1	8.3	8.3	4.1												731.707
4-93	8.5	9.0	9.7	9.1	10.7	10.5	11.3	10.6	17.5											761.777
1-94	8.5	8.9	9.5	9.0	10.3	10.1	10.5	9.8	12.8	8.2										776.962
2-94	9.4	9.8	10.5	10.1	11.4	11.4	12.0	11.9	14.6	13.2	18.4									810.404
3-94	9.5	9.9	10.5	10.2	11.3	11.3	11.8	11.6	13.6	12.3	14.5	10.7								831.262
4-94	9.5	9.9	10.5	10.2	11.2	11.2	11.6	11.4	12.9	11.8	13.1	10.5	10.3							851.919
1-95	9.7	10.0	10.5	10.3	11.2	11.2	11.5	11.4	12.7	11.7	12.6	10.7	10.8	11.2						874.851
2-95	9.3	9.6	10.1	9.8	10.8	10.5	10.7	10.5	11.5	10.5	10.9	9.2	8.6	7.8	4.5					884.605
3-95	8.7	8.9	9.3	9.0	9.7	9.5	9.6	9.3	9.9	8.9	9.0	7.3	6.4	5.1	2.2	-0.0				884.524
4-95	8.3	8.5	8.8	8.5	9.0	8.8	8.9	8.5	9.0	8.0	7.9	6.3	5.4	4.2	2.0	0.8	1.6			888.023
1-96	8.4	8.6	8.9	8.6	9.1	9.0	9.0	8.7	9.1	8.3	8.3	6.9	6.3	5.5	4.1	4.0	6.0	10.6		910.707
2-96	8.5	8.7	9.0	8.7	9.2	9.0	9.1	8.8	9.2	8.4	8.5	7.3	6.8	6.2	5.2	5.4	7.3	10.3	9.9	932.556
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Trade and Current Account Balances

Current Prices



The goods and services trade balance and the current account are for the current plus 3 previous quarters until 1993. Since 1993, the goods and services trade balance uses the current plus previous 11 months.

Shaded area represents a period of business recession.

Prepared by Federal Reserve Bank of St. Louis

U.S. International Transactions

(Millions of Dollars, Seasonally Adjusted)

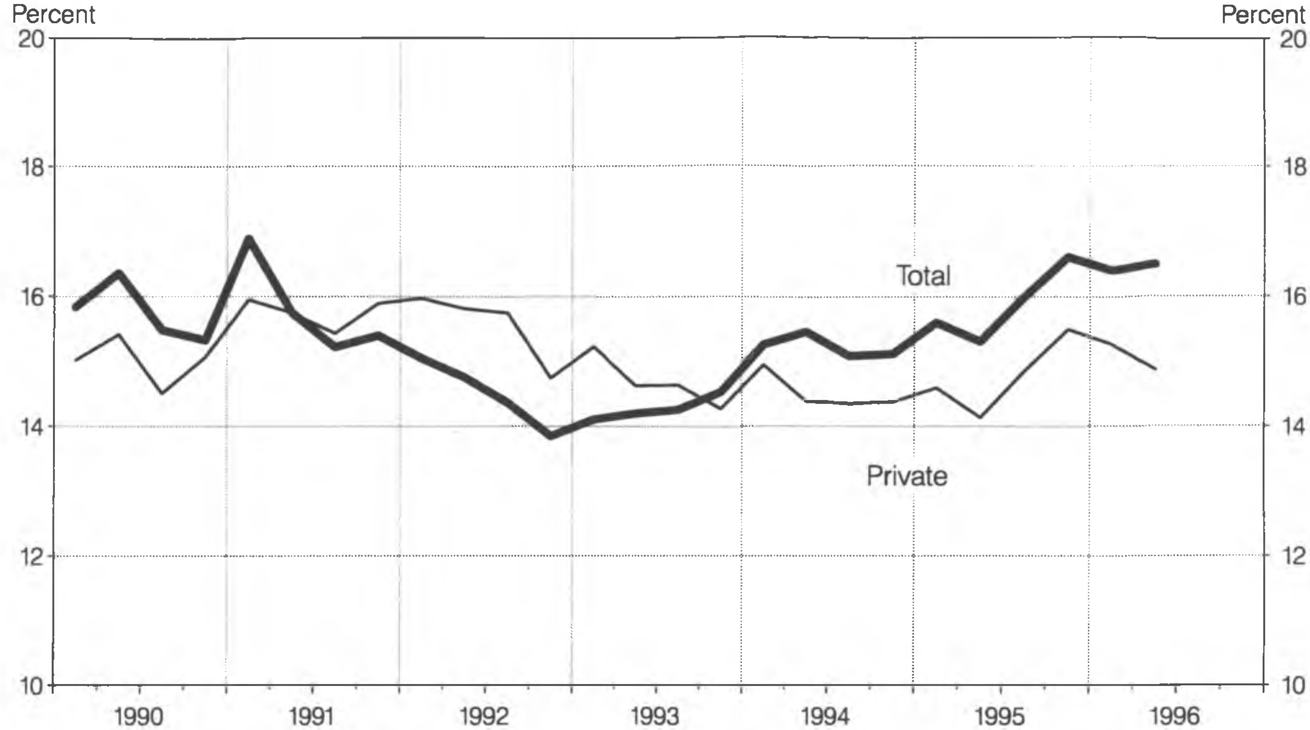
	2-96	1-96	4-95	3-95	2-95	1-95	4-94
Exports							
Goods and Services	209,321	205,150	203,615	199,210	194,718	188,986	184,126
Income Receipts on U.S. Assets Abroad	48,195	47,497	46,513	45,269	46,779	44,100	39,368
Imports							
Goods and Services	-237,196	-229,377	-223,006	-223,545	-226,542	-218,501	-211,472
Income Payments on Foreign Assets in the U.S.	-49,799	-47,235	-48,403	-49,630	-47,641	-45,000	-42,462
Balance on Current Account	-38,779	-34,869	-30,435	-37,688	-40,976	-39,054	-42,655
Change in U.S. Assets Abroad	-49,165	-68,750	-98,214	-39,595	-108,299	-61,747	-59,603
U.S. Official Reserve Assets	-523	17	191	-1,893	-2,722	-5,318	2,033
U.S. Private Assets	-48,213	-68,615	-98,206	-37,954	-105,398	-56,275	-60,693
Change in Foreign Assets in the U.S.	80,315	99,471	99,229	118,816	115,421	90,995	72,632
Foreign Official Assets	13,197	52,021	11,369	39,186	37,380	21,822	266
Other Foreign Assets	67,118	47,450	87,860	79,630	78,041	69,173	72,366

Note: Negative values indicate dollar outflows from the United States.

Prepared by Federal Reserve Bank of St. Louis

Gross Saving as a Percent of GDP

Seasonally Adjusted



Total saving equals private saving plus government surplus and consumption of fixed capital.

Prepared by Federal Reserve Bank of St. Louis

Gross Saving and Investment

(Billions of Dollars and Percent of GDP)

	Gross Private Saving		Gross Government Saving		Gross Private Domestic Investment		Gross Gov't Domestic Investment		Net Foreign Investment	
	Billion	Percent	Billion	Percent	Billion	Percent	Billion	Percent	Billion	Percent
1993: 1	981.0	15.2	-72.3	-1.1	843.6	13.1	207.1	3.2	-62.6	-1.0
2	951.8	14.6	-28.0	-0.4	855.9	13.2	210.6	3.2	-83.0	-1.3
3	962.4	14.6	-24.9	-0.4	873.8	13.3	209.8	3.2	-96.2	-1.5
4	954.6	14.3	17.5	0.3	911.2	13.6	214.7	3.2	-111.0	-1.7
1994: 1	1013.5	15.0	20.8	0.3	957.6	14.1	207.3	3.1	-106.5	-1.6
2	991.3	14.4	74.1	1.1	1016.5	14.8	208.5	3.0	-129.7	-1.9
3	1003.8	14.4	51.1	0.7	1033.6	14.8	217.2	3.1	-150.6	-2.2
4	1018.3	14.4	52.4	0.7	1050.1	14.8	216.3	3.1	-158.9	-2.2
1995: 1	1043.8	14.6	71.2	1.0	1072.0	15.0	219.1	3.1	-146.2	-2.0
2	1018.5	14.1	84.4	1.2	1050.3	14.6	223.7	3.1	-150.8	-2.1
3	1085.9	14.9	82.7	1.1	1074.8	14.7	224.7	3.1	-138.1	-1.9
4	1138.9	15.5	81.7	1.1	1064.0	14.5	220.1	3.0	-110.2	-1.5
1996: 1	1133.8	15.3	84.1	1.1	1068.9	14.4	228.8	3.1	-129.9	-1.7
2	1121.6	14.9	122.9	1.6	1096.0	14.5	235.1	3.1	-144.2	-1.9

Note: Gross private and government saving equals gross private, government, and net foreign investment minus a statistical discrepancy.
Net Foreign Investment is the excess of U.S. investment abroad over foreign investment in the U.S..

Prepared by Federal Reserve Bank of St. Louis

Corporate Profits After Tax

(Compound Annual Rates of Change)

Terminal Quarter	Initial Quarter: 3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Dollars Annual Rates
4-91	6.3																			244.4
1-92	29.0	56.6																		273.4
2-92	9.9	11.7	-20.3																	258.3
3-92	-7.0	-11.1	-33.0	-43.6																223.8
4-92	12.2	13.7	2.2	15.8	138.1															278.0
1-93	9.5	10.2	0.9	9.2	52.0	-3.0														275.9
2-93	10.2	10.8	3.4	10.4	38.2	5.2	14.2													285.2
3-93	13.5	14.6	8.8	15.8	38.7	15.8	26.5	40.1												310.3
4-93	15.2	16.4	11.6	18.0	36.8	19.1	27.5	34.8	29.6											331.1
1-94	7.5	7.6	2.7	6.5	18.4	3.0	4.5	1.5	-13.7	-42.5										288.3
2-94	13.6	14.3	10.4	15.0	27.3	14.7	18.6	19.7	13.6	6.4	96.9									341.5
3-94	13.3	13.9	10.3	14.4	25.0	14.0	17.1	17.7	12.7	7.6	47.1	10.0								349.7
4-94	12.9	13.5	10.2	13.9	23.1	13.4	15.9	16.2	11.9	7.9	33.1	9.5	9.0							357.3
1-95	10.6	11.0	7.8	10.8	18.6	9.7	11.5	11.1	6.8	2.8	18.9	0.5	-4.0	-15.4						342.7
2-95	10.3	10.6	7.7	10.5	17.4	9.4	10.9	10.5	6.8	3.4	16.3	1.9	-0.6	-5.1	6.5					348.1
3-95	12.7	13.1	10.5	13.3	20.1	12.9	14.6	14.7	11.8	9.5	21.9	10.8	11.0	11.7	28.3	54.5				388.1
4-95	12.2	12.6	10.2	12.7	18.9	12.2	13.7	13.7	11.1	9.0	19.4	9.8	9.8	10.0	20.1	27.5	5.3			393.1
1-96	12.7	13.1	10.8	13.2	19.0	12.9	14.3	14.3	12.0	10.2	19.5	11.3	11.5	12.0	20.2	25.1	12.6	20.4		411.8
2-96	12.4	12.8	10.6	12.9	18.2	12.5	13.8	13.7	11.6	9.9	18.1	10.8	10.9	11.3	17.5	20.5	10.9	13.8	7.6	419.4
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Corporate Profits After Tax with Capital Consumption and Inventory Valuation Adjustments.
Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Corporate Profits and Net Cash Flow

(Billions of Dollars)

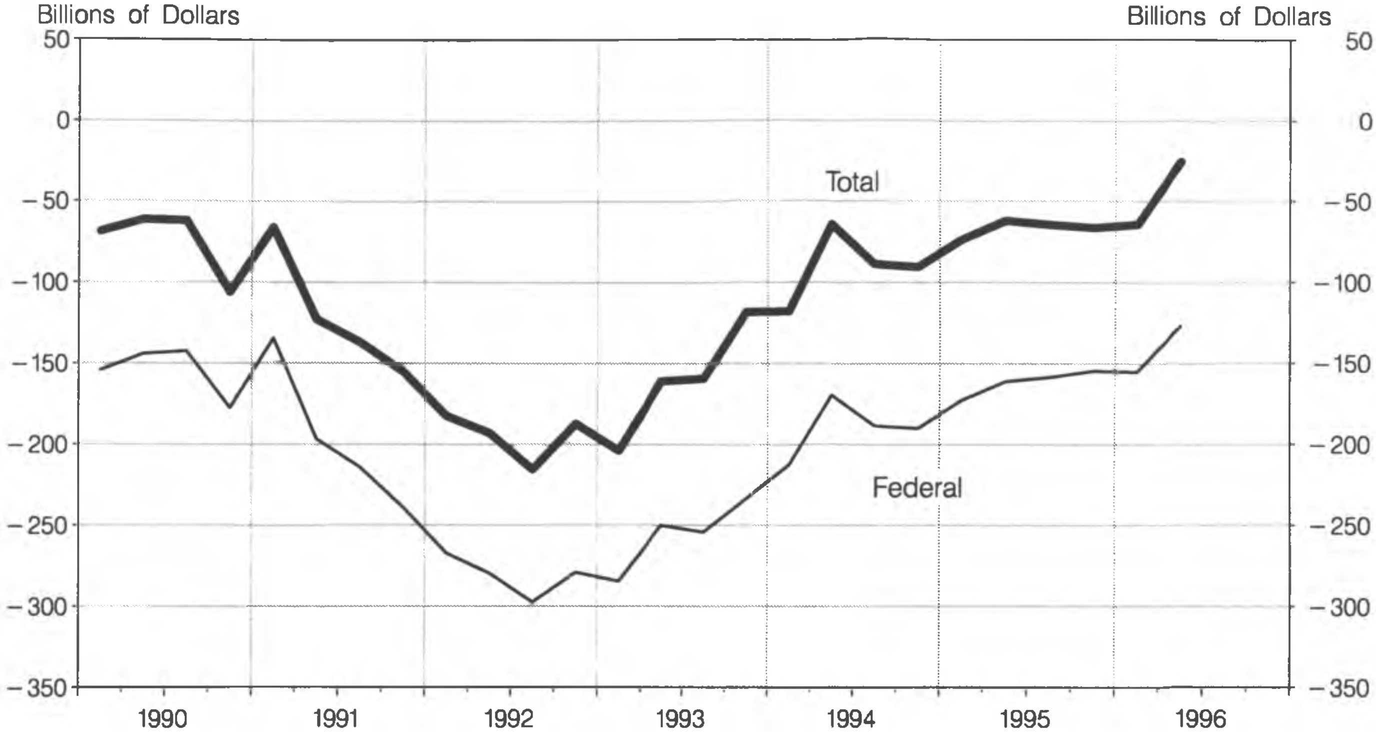
	Corporate Profits(1)	After-Tax Profits(1)	Dividends	Capital Consumption	Inventory Valuation Adjustment	Capital Consumption Adjustment	Net Cash Flow
1993: 1	427.4	275.9	190.2	409.5	-14.6	5.0	509.8
2	447.8	285.2	195.8	414.2	-15.6	5.8	519.2
3	469.6	310.3	200.2	422.7	7.9	3.8	524.9
4	512.8	331.1	202.9	421.4	-4.0	12.3	553.6
1994: 1	459.7	288.3	204.4	455.4	-3.9	-11.8	543.2
2	534.3	341.5	208.8	432.2	-9.8	18.1	574.8
3	553.1	349.7	212.5	437.1	-16.5	18.8	590.9
4	570.9	357.3	218.5	439.3	-22.8	21.3	600.8
1995: 1	560.0	342.7	221.7	444.4	-51.9	17.4	617.3
2	562.3	348.1	224.6	451.3	-42.3	15.0	617.0
3	612.5	388.1	228.5	456.9	-9.3	14.6	625.8
4	611.8	393.1	234.7	463.6	-8.8	16.5	630.8
1996: 1	645.1	411.8	239.9	465.6	-17.4	20.4	654.8
2	655.8	419.4	243.1	471.0	-11.0	22.3	658.4

(1) Profits data includes the Inventory Valuation Adjustment and Capital Consumption Adjustment.
The latter is the excess of depreciation allowances over Capital Consumption.
Net Cash Flow equals After-Tax Corporate Profits less Dividends, less the Inventory Valuation Adjustment, plus Capital Consumption.

Prepared by Federal Reserve Bank of St.Louis

Government Deficit(−)/Surplus(+)

Seasonally Adjusted



National income accounts basis

Prepared by Federal Reserve Bank of St. Louis

Federal Government Debt

(Billions of Dollars)

Seasonally Adjusted End of Month Totals

		Gross Federal Debt	Federal Debt held by Agencies and Trusts	Net Federal Debt	Federal Debt held by Federal Reserve Banks	Federal Debt held by Private Investors	Federal Debt held by Foreign Investors
1993:	March	4234.6	1061.4	3173.9	311.4	2875.4	562.1
	June	4349.4	1088.2	3263.1	324.6	2949.9	570.9
	September	4425.7	1119.4	3307.0	330.1	2993.0	593.8
	December	4519.4	1142.8	3373.4	337.5	3046.5	619.2
1994:	March	4582.0	1162.4	3420.0	349.2	3074.0	630.7
	June	4641.1	1190.2	3452.4	352.7	3099.7	637.4
	September	4707.2	1215.4	3493.3	360.4	3138.2	658.1
	December	4784.3	1245.9	3535.0	367.6	3167.1	684.5
1995:	March	4871.4	1277.7	3594.4	376.1	3217.7	725.9
	June	4944.9	1302.5	3643.6	382.7	3256.6	790.1
	September	4989.4	1322.9	3668.4	380.1	3290.8	851.1
	December	4972.9	1293.5	3675.9	384.6	3293.8	856.6
1996:	March	5125.8	1378.7	3748.1	387.9	3360.4	925.9
	June	5153.5	1407.1	3747.0	384.3	3359.0	966.3

Columns may not add because each component is seasonally adjusted separately. Gross federal debt equals debt held by agencies and trusts plus net federal debt.

Net federal debt equals debt held by Federal Reserve banks plus debt held by private investors (which includes debt held by foreign investors).

Sources: Orginal data may be found in the TREASURY BULLETIN; seasonally adjusted series prepared by this Bank.

Prepared by Federal Reserve Bank of St. Louis

Government Budgets

(Billions of Dollars; National Income Account Basis)

	Federal			Federal, State and Local			
	Receipts	Expenditures	Surplus/ Deficit(-)	Receipts	Expenditures	Surplus/ Deficit(-)	Grants-in-Aid (1)
1992:1	1183.4	1450.7	-267.4	1841.4	2024.0	-182.6	165.4
2	1193.1	1472.8	-279.6	1858.9	2051.9	-193.0	173.0
3	1187.0	1484.5	-297.5	1860.1	2075.7	-215.5	174.2
4	1230.5	1509.5	-279.0	1921.8	2109.1	-187.3	176.3
1993:1	1225.2	1509.7	-284.5	1916.8	2120.9	-204.0	177.3
2	1271.3	1521.5	-250.2	1977.4	2138.5	-161.0	181.5
3	1280.3	1534.7	-254.4	1995.0	2154.5	-159.5	187.2
4	1324.4	1557.7	-233.3	2057.1	2175.4	-118.3	197.0
1994:1	1321.9	1534.6	-212.7	2053.3	2171.2	-117.9	192.2
2	1382.8	1552.5	-169.6	2129.1	2193.5	-64.4	197.5
3	1387.1	1575.7	-188.5	2143.3	2232.2	-88.9	196.9
4	1416.3	1606.4	-190.1	2184.4	2275.2	-90.7	196.9
1995:1	1449.3	1621.9	-172.6	2224.4	2298.0	-73.7	205.8
2	1483.2	1644.3	-161.1	2266.7	2328.7	-62.1	211.3
3	1486.6	1645.0	-158.5	2284.2	2348.8	-64.6	203.8
4	1494.7	1649.3	-154.5	2298.6	2365.0	-66.4	203.3
1996:1	1523.1	1678.3	-155.2	2338.5	2402.7	-64.3	207.6
2	1575.6	1702.3	-126.7	2402.0	2427.6	-25.7	219.3

(1) Federal Grants-in-Aid to state and local government are part of federal expenditures and state and local receipts, but are netted out in computing total government measures.

Prepared by Federal Reserve Bank of St. Louis

Federal Budgets

	Fiscal Years (Billions of Dollars; Unified Budget Basis)			Calendar Years (Billions of Dollars; National Income Account Basis)		
	Receipts	Outlays	Surplus/ Deficit(-)	Receipts	Expenditures	Surplus/ Deficit(-)
1990	1031.3	1252.5	-221.2	1129.8	1284.5	-154.7
1991	1054.3	1323.6	-269.4	1149.0	1345.0	-196.0
1992	1090.5	1380.9	-290.4	1198.5	1479.4	-280.9
1993	1153.5	1408.7	-255.1	1275.3	1530.9	-255.6
1994	1257.7	1460.8	-203.1	1377.0	1567.3	-190.2
1995	1355.2	1519.1	-163.9	1478.4	1640.1	-161.7

Note: Fiscal years refer to the budget year which runs October 1 through September 30.
Total budget outlays include federal entities that are off budget.

Prepared by Federal Reserve Bank of St. Louis

Federal Government Receipts

(Compound Annual Rates of Change)

Initial Quarter

Terminal Quarter	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Dollars Annual Rates
4-91	3.0																			1,160.9
1-92	5.5	8.0																		1,183.4
2-92	4.7	5.6	3.3																	1,193.1
3-92	3.0	3.0	0.6	-2.0																1,187.0
4-92	5.4	6.0	5.3	6.4	15.5															1,230.5
1-93	4.2	4.4	3.5	3.6	6.5	-1.7														1,225.2
2-93	5.8	6.2	5.9	6.6	9.6	8.7	15.9													1,271.3
3-93	5.4	5.8	5.4	5.8	7.9	5.4	9.2	2.9												1,280.3
4-93	6.4	6.8	6.6	7.2	9.2	7.6	10.9	8.5	14.5											1,324.4
1-94	5.6	5.9	5.7	6.0	7.4	5.9	7.9	5.3	6.6	-0.8										1,321.9
2-94	6.9	7.2	7.2	7.7	9.1	8.1	10.2	8.8	10.8	9.0	19.7									1,382.8
3-94	6.4	6.7	6.6	6.9	8.1	7.1	8.6	7.2	8.3	6.4	10.1	1.2								1,387.1
4-94	6.6	6.9	6.8	7.1	8.2	7.3	8.6	7.5	8.4	6.9	9.6	4.9	8.7							1,416.3
1-95	6.8	7.1	7.0	7.3	8.3	7.5	8.8	7.8	8.6	7.5	9.6	6.5	9.2	9.7						1,449.3
2-95	7.0	7.3	7.2	7.6	8.4	7.8	8.9	8.0	8.8	7.8	9.6	7.3	9.3	9.7	9.7					1,483.2
3-95	6.6	6.8	6.7	7.0	7.8	7.1	8.0	7.2	7.8	6.8	8.1	6.0	7.2	6.7	5.2	0.9				1,486.6
4-95	6.3	6.5	6.4	6.7	7.3	6.7	7.5	6.7	7.1	6.2	7.3	5.3	6.2	5.5	4.2	1.6	2.2			1,494.7
1-96	6.4	6.6	6.5	6.7	7.4	6.8	7.5	6.8	7.2	6.4	7.3	5.7	6.4	6.0	5.1	3.6	5.0	7.8		1,523.1
2-96	6.8	7.0	7.0	7.2	7.8	7.3	8.0	7.4	7.8	7.2	8.1	6.7	7.6	7.4	6.9	6.2	8.1	11.1	14.5	1,575.6
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Federal Government Current Expenditures

(Compound Annual Rates of Change)

Initial Quarter

Terminal Quarter	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	Billions of Dollars Annual Rates
4-91	10.2																			1,399.8
1-92	12.7	15.4																		1,450.7
2-92	10.5	10.7	6.2																	1,472.8
3-92	8.7	8.1	4.7	3.2																1,484.5
4-92	8.3	7.8	5.4	5.0	6.9															1,509.5
1-93	6.9	6.2	4.1	3.4	3.4	0.1														1,509.7
2-93	6.3	5.7	3.9	3.3	3.3	1.6	3.2													1,521.5
3-93	6.0	5.4	3.8	3.3	3.4	2.2	3.3	3.5												1,534.7
4-93	6.0	5.5	4.2	3.8	3.9	3.2	4.3	4.8	6.1											1,557.7
1-94	4.8	4.2	2.9	2.4	2.2	1.3	1.6	1.1	-0.0	-5.8										1,534.6
2-94	4.8	4.2	3.1	2.7	2.6	1.9	2.3	2.0	1.5	-0.7	4.7									1,552.5
3-94	4.9	4.4	3.4	3.0	3.0	2.5	2.9	2.8	2.7	1.5	5.4	6.1								1,575.7
4-94	5.1	4.7	3.8	3.5	3.6	3.2	3.6	3.7	3.7	3.1	6.3	7.1	8.0							1,606.4
1-95	5.0	4.6	3.8	3.6	3.6	3.2	3.6	3.7	3.8	3.3	5.7	6.0	6.0	3.9						1,621.9
2-95	5.1	4.7	3.9	3.7	3.8	3.5	3.9	4.0	4.0	3.7	5.7	5.9	5.8	4.8	5.6					1,644.3
3-95	4.8	4.4	3.7	3.5	3.5	3.2	3.5	3.5	3.5	3.2	4.7	4.7	4.4	3.2	2.9	0.2				1,645.0
4-95	4.5	4.2	3.5	3.3	3.3	3.0	3.3	3.3	3.3	2.9	4.2	4.1	3.7	2.7	2.3	0.6	1.0			1,649.3
1-96	4.7	4.4	3.7	3.5	3.6	3.3	3.6	3.6	3.6	3.4	4.6	4.6	4.3	3.6	3.5	2.8	4.1	7.2		1,678.3
2-96	4.7	4.4	3.8	3.7	3.7	3.5	3.8	3.8	3.8	3.6	4.7	4.7	4.5	3.9	3.9	3.5	4.7	6.5	5.8	1,702.3
	3-91	4-91	1-92	2-92	3-92	4-92	1-93	2-93	3-93	4-93	1-94	2-94	3-94	4-94	1-95	2-95	3-95	4-95	1-96	

Second quarter data are final estimates.

Prepared by Federal Reserve Bank of St. Louis
October 1, 1996

Federal Reserve Bank of St. Louis
Post Office Box 442
St. Louis, Missouri 63166

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