This report was prepared in the Statistical Indicators Division, Bureau of Economic Analysis. Technical staff and their responsibilities for the publication are-

Barry A. Beckman-Technical supervision and review,
Morton Somer-Selection of seasonal adjustment methods,
Betty F. Tunstall-Collection and compilation of basic data. (Telephone 301-763-7106)
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This publication is prepared under the general guidance of a technical committee established by the Office of Management and Budget. The committee consists of the following persons:

Julius Shiskin, Chairman, Bureau of Labor Statistics, Department of Labor
Joseph W. Duncan, Office of Management and Budget
Sidney L. Jones, Department of the Treasury
Burton G. Malkiel, Council of Economic Advisers, Executive Office of the President
J. Cortland Peret, Federal Reserve Board

Beatrice N. Vaccara, Bureau of Economic Analysis, Department of Commerce


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BUREAU OF ECONOMIC ANALYSIS
George Jaszi, Director
Morris R. Goldman, Deputy Director
Beatrice N. Vaccara, Associate Director for National
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Feliks Tamm, Editor

## NATIONAL

## INCOME AND

PRODUCT accounts sum marize both receipts and final expenditures for the personal, business, foreign, and government sectors of the economy and provide useful measures of total economic activity. The total of the final expenditures, which equals the total of the receipts, is known as gross national product, the most comprehensive single measure of aggregate economic output. GNP is defined as the total market value of the final output of goods and services produced by the Nation's economy.


CYCLICAL
INDICATORS
are economic time series which have been singled out as leaders, coinciders, or laggers in relation to movements in aggregate economic activity. In this report, the series on the NBER's list of cyclical indicators are classified by economic process and by cyclical timing. These indicators were selected primarily on the basis of their cyclical behavior, but they have also proven useful in forecasting, measuring, and interpreting other short-term fluctuations in aggregate economic activity.


ANTICIPATIONS
AND
INTENTIONS data provide information on the plans of businessmen and consumers regarding their major economic activities in the near future. This information is considered to be a valuable aid to economic forecasting either directly or as an indication of the state of confidence concerning the economic outlook. A number of surveys by various organizations and government agencies have been developed in recent years to ascertain anticipations and intentions. The results of some of these surveys, expressed as time series, are presented in this report.


This monthly report brings together many of the economic time series found most useful by business analysts and forecasters. Its predecessor, Business Cycle Developments, emphasized the cyclical indicators approach to the analysis of business conditions and was based largely on the list of leading, roughly coincident, and lagging indicators maintained by the National Bureau of Economic Research, Inc. Some other approaches commonly used by students of economic conditions include econometric models and anticipations and intentions data. The econometric model concept utilizes historical and mathematical relationships among consumption, private investment, government, and various components of the major aggregates to generate forecasts of gross national product and its composition. Anticipations and intentions data express the expectations of businessmen and the intentions of consumers. Most of the content of Business Cycle Developments has been retained in this new report and additional data reflecting the emphasis of other approaches have been added to make it more generally useful to those concerned with an evaluation of current business conditions and prospects.

The use of the National Bureau's list of indicators and business cycle turning dates in the cyclical indicators section of this report, as well as the use of other concepts, is not to be taken as implying endorsement by the Bureau of Economic Analysis or any other government agency of any particular approach to economic analysis. This report is intended only to provide statistical information so arranged as to facilitate the analysis of the course of the Nation's economy.

Almost all of the basic data presented in this report have been published by their source agencies. A series finding guide, as well as a complete list of series titles and data sources, is shown at the back of this report.

Subscription price, including supplements, is $\$ 55.25$ a year ( $\$ 13.85$ additional for foreign mailing). Single issues are $\$ 4.35$. Airmail delivery is available at an additional charge. For information about domestic or foreign airmail delivery, write to the Superintendent of Documents (address below),
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BUSINESS CONDITIONS DIGEST

NOVEMBER 1975
Data Through October
Series ES1 No. 75-11
New Features and Changes for This Issue

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eaders are invited to submit comments and iggestions concerning this publication. ddress them to Feliks Tamm, Statistical ıdicators Division, Bureau of Economic Analysis, .S. Department of Commerce, Washington, D.C. 20233

|  | A limited number of |
| :---: | :---: |
|  | changes are made from |
|  | time to time to in- |
|  | corporate recent find- |
| :hanges in this issue are as follows: | ings of economic |
|  | research, newly avail- |
| 1. New composite indexes of coincident and lagging | able time series, and |
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| indexes, and it probably will result in the addition of some | data, etc. Changes may |
| aew indicators and the deletion of some current ones. | result in revisions of |
| The new coincident index is composed of four indicators: | data, additions or deletions of series, |
| Jeries 4l-Number of employees on nonagricultural payrolls; series | deletions of series, <br> changes in placement of |
| +7--Index of industrial production; series X234--Personal income | changes in placement of |
| Less transfer payments, deflated; and series 56D--Manufacturing | series in relation to |
| and trade sales, deflated. | other series, changes |
| The new 6-series lagging index includes two of the original | in composition of indexes, etc. |

A limited number of hanges are made from time to time to incorporate recent findings of economic research, newly available time series, and revisions made by source agencies in concept, composition, comparability, coverage, seasonal adjustment methods, benchmark result in revisions of data, additions or eletions of series, changes in placement of series in relation to other series, changes indexes, etc. index components: Series 62--Labor cost per unit of output, and series 72--Commercial and industrial loans outstanding. A third somponent of the original index, series 7l-Manufacturing and trade inventories, is included in the new index in deflated form (series 71D). Of the three remaining components, two (series Kl--Average duration of unemployment and X251--Ratio of consumer installment debt to personal income) are new to BCD, and the third (series l09--Average prime rate charged by banks) was included in the report but not in the index.

Background information on the composition of the new indexes is given in the article "New Composite Indexes of Coincident and Lagging Indicators" (see page v) by Professor Victor Zarnowitz of the Graduate School of Business, University of Chicago, and Dr. Charlotte Boschan of the National Bureau of Economic Research. Appendixes to this article contain descriptions for the components of the new indexes and historical data for the indexes and their new components.
(Continued on page iv.)
The December issue of BUSINESS CONDITIONS DIGEST is scheduled for release on December 31.

The new composite indexes (leading, coincident, and lagging) are charted on page 37 of $B C D$, and current data for these indexes are shown on page 83.
2. The new reverse trend adjusted composite index of leading indicators has been revised from 1948 to date to incorporate the trend of the new coincident index. Since its introduction in May, this version of the leading index had contained the trend of series 825-Composite index of five coincident indicators, deflated. This index is charted on page 37, and current data are shown on page 83.
3. New NBER business cycle turning dates, introduced in the May 1975 $B C D$, have now been incorporated throughout the report. These dates are listed in appendix E .
4. Appendix G contains charts and current data for components of the new composite index of leading indicators (formerly shown on pages vi and vii). The old leading indexes (series 810 and 811 ) are also shown in this appendix.

# NEW COMPOSITE INDEXES OF COINCIDENT AND LAGGING INDICATORS 

by Victor Zarnowitz and Charlotte Boschan

As part of the comprehensive review of cyclical indicators conducted by the Bureau of Economic Analysis (BEA), new composite indexes of leading, roughly coincident, and lagging indicators have been constructed in an effort to improve these tools of current business analysis and forecasting. ${ }^{1}$ Major changes in the economy and new and revised statistical data and analytical techniques require, from time to time, reappraisals of this as well as other systems of economic intelligence. An article published in this report a few months ago described the historical background, objectives, and methods of the study and provided information on the composition, construction, and record of the leading indexes. ${ }^{2}$ This paper extends the analysis to the coincident and lagging indexes and their components.

Many economists engaged in the task of interpreting current and predicting near-future business conditions find it useful to know which time series have relatively pronounced and consistent cyclical characteristics, what these characteristics are according to historical measures, and, in particular, what the timing sequences among these series tend to be. Studies of indicators show that the principal leading, coincident, and lagging series represent variables that are important within the economic system, particularly for the business-cycle processes, and that the relationships among them are consistent with general economic reasoning as well as empirical evidence. The preferred indicators are series that are judged to be of high economic significance and that are also well qualified according to other criteria: statistical adequacy, consistency of cyclical timing, conformity to general business expansions and contractions, smoothness, and currency. Various measures are used to quantify these characteristics and the results are combined into component and total scores according to a formal, detailed weighting scheme. ${ }^{3}$ This method provides a systematic and mostly objective and replicable way to evaluate the usefulness of time series as leading or confirming indicators and to estimate their prognostic or diagnostic significance.

As a result of this scoring and screening, we find many indicators whose past movements tend to show certain recurrent patterns and relationships. These observed regularities are consistent with not one but several plausible and not mutually exclusive hypotheses about why business cycles occur and how they develop. Indeed, there is ample empirical support for the view that each cycle has some causes and aspects that are unique to it, along with many that it shares with other cycles. How individual indicators perform on a particular occasion, therefore, depends not only on the persistent tendencies within the system but also on the then prevailing distinct conditions and events. No single indicator can be depended on all the time; indeed, the need to monitor a large variety of indicators is widely recognized by business analysts and forecasters. Combining selected indicators into composite indexes can help in

[^1]this task, but the main reason for using such indexes is that they are likely to produce more true and fewer false signals than any of their individual components. This is so not only because business cycles have multiple cases and symptoms, but also because much of the independent measurement errors and other "noise" in the included series are smoothed out in the index as a whole.

## PRINCIPAL COINCIDENT INDICATORS

Business cycles have been defined as recurrent sequences of cumulative expansions and contractions in various economic processes which are both sufficiently diffused and sufficiently synchronized to show up as major fluctuations in comprehensive measures of employment, production, income, and sales. ${ }^{4}$ Accordingly, turning points in these series have served as the primary observations for estimating the reference dates of business cycle peaks and troughs. It is obvious that the series so used are, as a group, necessarily roughly coincident, although occasional deviations from coincident timing do occur for the individual components of the group.

Although we did not decide from the outset that only those indicators which are measures of aggregate economic activity ${ }^{5}$ should be included in the coincident index, all series actually selected do represent such measures. With the adopted strict requirements of proper cyclical timing at both peaks and troughs and other attributes, it turned out that, of the many indicators examined, only the comprehensive series on production, employment, real income, and real sales qualified as components of the overall coincident index.

Nominal aggregates, such as national income and product, which played a large role in historical business-cycle analysis, ${ }^{6}$ were excluded from the new composite index. These indicators are, of course, still important and in need of being continually observed. However, it would not be helpful to include currentdollar series in the new index of coincident indicators. Their failure to conform to the recent recessions was widespread, reflecting the intensity and persistence of contemporaneous inflation. And, unfortunately, the possibility that such recessions-cum-inflation might recur cannot be ruled out.

Specifically, nominal GNP did not contract at all in the 1970 recession and had only one short decline during the 1974-75 recession (in the first quarter of 1975). Final sales (GNP minus change in business inventories) also dipped but once, in 1958,

[^2]and not since. Similarly, personal income had its last, mild contraction in 1957-58. Its continued rise thereafter, through the recessions of 1960, 1970, and 1974-75, reflects to a large extent structural changes in the economy and the labor force as well as the workings of automatic stabilizers. Manufacturing and trade sales declined slightly or flattened during the 1970 recession and fell more decisively but briefly late in 1974. Only the manufacturing components of that series conformed well to the cyclical movements in the economy after 1960; retail store sales trended sharply upward throughout. In sum, the current-dollar aggregates of income and sales have recently been so dominated by upward trends reflecting the general price and wage increases and structural and institutional changes (growth of the cyclically more stable sectors of the economy and massive transfer payments) that they have become much less sensitive to slowdowns and declines in aggregate production and employment. As a result, these series do not rate well on the record of their recent cyclical performance, and even their overall scores, which refer to the sample period 1947-70, are reduced, in some cases seriously.

Four aggregates in real terms definitely qualify as components of the coincident index: Number of employees on nonagricultural payrolls, establishment survey; index of industrial production; personal income, excluding transfer payments, in 1967 dollars; and manufacturing and trade sales in 1967 dollars. These are, in retrospect and prospect, the best coincident indicators in the following economic-process groups: I. Employment and Unemployment; II. Production and Income; and III. Consumption and Distribution. Our analysis and scoring disclose no other appropriate choices for the index of indicators with coincident timing at both peaks and troughs of business cycles, in either these or other groups. This may seem surprising in view of the high degree of simultaneity in the system of economic relationships, the pervasiveness of cyclical movements, and the large number of alternatives considered in our selection procedure. The explanation lies in the strictness of the requirements to be met by the component series (nearly coincident timing and high scores for a variety of characteristics) and by the index as a whole (comprehensive coverage with a minimum of duplication), plus the fact that the dispersion of cyclical timing in monthly data is quite pronounced, despite the strong tendency for many series to move together.

Each of the four aggregates has some highly cyclical components (e.g., employees in manufacturing; production of durable goods; wages and salaries in the goods-producing sector, i.e., mining, manufacturing, construction; manufacturers' shipments) and other components that are much less cyclical and would not, by themselves, qualify for inclusion in the index. Using the more cyclical components alone would unduly restrict the coverage and reduce the representativeness of the index (with manufacturing being overemphasized, and increasingly so over time); also, the components of the index would then resemble each other rather too closely. On the other hand, using the more cyclical series along with the corresponding aggregates would make for too much duplication.

Further discussion of the selected series and some of those that were screened out will explain our decisions on the makeup of the index in more detail. Table 1, which shows the average timing and scores for the new and old indexes of coincident indicators and their components, sums up an important part of the underlying evidence and explains, in the notes, some of the underlying procedures. Chart 1 illustrates the behavior of the components of the indexes since 1947.

## Employment and Unemployment

The employment component in the old coincident indexes, employees on nonagricultural payrolls (BCD series 41), is without doubt the best indicator in this group and is retained for the new index. The aggregate from the labor force survey, persons
engaged in nonagricultural activities (BCD series 42), has substantially lower scores on conformity and smoothness as well as timing (which lacks consistency because leads are mixed with rough coincidences at peaks). Similarly, man-hours in nonagricultural establishments (BCD 48) shows too many leads at peaks (presumably reflecting the early timing of the average hours of work per week) to score well as a coincider. In addjtion, we have analyzed 12 series on the numbers of employees or production workers in the sectors of the economy that are particularly sensitive cyclically (manufacturing, mining, construction, transportation, public utilities, and various combinations of these industries) and found that none of these performs better than BCD 41, which, of course, also has the advantage of broader coverage. ${ }^{7}$

The total unemployment rate (BCD 43), a component of the old coincident indexes, is not included in the new index. This series is certainly one of the principal and most widely used measures of the economy's performance. ${ }^{8}$ However, the overall unemployment rate, like most of the component rates for individual sex, age, and race categories, tends clearly to lead at peaks and lag at troughs of business cycles, and its timing classification is $L, L g, \cup$ (undefined for both types of turn combined). This is so because employment typically rises slowly in both the initial and the late stages of a business expansion, whereas the labor force grows at a fairly steady pace. ${ }^{9}$

## Production and Income

The index of industrial production (BCD 47) reflects largely changes in manufacturing output, which on the whole remains highly sensitive to cyclical fluctuations in demand. However, the relative importance of this sector has for some time now been declining, whereas the cyclically more stable service industries have been gaining. Today, a downturn of industrial production will not pull the rest of the economy promptly into a recession given the rising trend in the large services sector. Thus, structural change in the industrial composition of GNP probably explains the shift from the closely coincident timing of the production index at peaks in the pre-World War II period to the short leads in the 1948-69 period. At troughs, on the other hand, no change in timing would be expected, and none has occurred. ${ }^{10}$ Overall, the cyclical timing of the index remains approximately coincident, as would be expected.

Personal income qualifies for inclusion in the composite index if and only if it is expressed in constant dollars, as already

[^3]| Line | Number and title of series ${ }^{1}$ | $\begin{gathered} \text { Median } \\ \text { leads }(-) \text { or lags }(+) \\ (\text { in months }) \end{gathered}$ |  |  | Scores ${ }^{2}$ |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Peaks <br> (1) | Troughs <br> (2) | All turns <br> (3) | Economic significance <br> (4) | Statistical adequacy <br> (5) | Timing ${ }^{3}$ <br> (6) | Conformity <br> (7) | Smoothness <br> (8) | Currency <br> (9) | Total ${ }^{4}$ (10) |
|  | Components of New Index |  |  |  |  |  |  |  |  |  |  |
| 1 | *41. Number of employees on nonagricultural payrolls.. | -2 | 0 | 0 | 100 | 78 | 89 | 80 | 100 | 80 | 88 |
| 2 | *47. Index of industrial production........ | -3 | 0 | -1/2 | 90 | 72 | 90 | 85 | 100 | 80 | 86 |
| 3 | X234. Personal income, less transfers, deflated by PCE. | 0 | -1 | -1/2 | 90 | 70 | 74 | 64 | 100 | 80 | 78 |
| 4 | 56d. Manufacturing and trade sales, deflated............ | -3 | 0 | -1/2 | 90 | 65 | 90 | 75 | 80 | 53 | 78 |
| 5 | *43. Unemployment rate, total (inverted) | -7 | +3 | -1/2 | 90 | 78 | 57 | 80 | 80 | 80 | ${ }^{5} 62$ |
| 6 | *52. Personal income | 0 | -2 | -1 | 90 | 70 | ${ }^{6} 11$ | 30 | 100 | 80 | ${ }^{6} 56$ |
| 7 | 52d. Personal income, deflated by PCE. | 0 | -1 | -1/2 | 90 | 70 | 76 | 48 | 100 | 80 | 76 |
| 8 | *56. Manufacturing and trade sales. | -3 | 0 | -1 | 90 | 65 | 92 | 75 | 80 | 53 | 79 |
| 9 | Average, 4 series, new index (lines 1-4) ${ }^{7}$ | -2 1/2 | 0 | -1/2 | 92 | 71 | 86 | 76 | 95 | 73 | 83 |
| 10 . | Average, 5 series, $B C D 820$ (1ines $1,2,5,6,8)^{8} \ldots \ldots \ldots \ldots \ldots \ldots$ | -3 | 0 | -1/2 | 92 | 73 | 58 | 70 | 92 | 75 | 74 |
| 11 | Average, 5 series, $B C D 825$ (lines $1,2,4,5,7)^{9}$ | -3 | 0 | -1/2 | 92 | 73 | 70 | 74 | 92 | 75 | 78 |
| 12 | New index ${ }^{10} . . . . . . . . . . . . . . . . . . . . . .$. | -1 | 0 | 0 | 92 | 71 | 92 | 88 | 100 | 73 | 87 |
| 13 | BCD 820 ${ }^{11}$. | -1 | 0 | 0 | 92 | 73 | 91 | 88 | 100 | 75 | 87 |
| 14 | BCD $825^{12}$. | -2 | 0 | -1/2 | 92 | 73 | 92 | 88 | 100 | 75 | 88 |

${ }^{1}$ Numbers preceded by asterisks (*) refer to series included in the original index (BCD 820 ). The underilned numbers refer to series included in the deflated index (BCD 825).
${ }^{2}$ All scores are listed on the $0-t 0-100$ scale.
${ }^{3}$ These are scores for all turns; the separate peak and trough scores are not given. All series are scored on the assumption of roughly coincident timing at peaks and troughs.
${ }^{4}$ Weighted averages of scores in columns 4-9. The weights are economic significance, statistical adequacy, and conformity--16. 7 percent each; timing, 26.7 percent; smoothness, 13.3 percent; currency, 10 percent. See BCD, May 1975 , pp. vi-vili, for further detail.
${ }^{5}$ When the unemployment rate is treated as leading at peaks and lagging at troughs ( $L$, Lg), instead of roughly coincident ( $C$ ) at all turns, its timing score is 75 and its total score is 80.
${ }^{6}$ Personal income scores better--34 for timing, 62 overall--when treated as roughly coincident at peaks and leading at troughs (C, L, U--timing for both types of turn combined is undefined).
${ }^{7}$ Columns 1-3, medians; columns 4-10, means.
${ }^{8}$ Colums 1-3, medians; columns 4-10, means. Crediting series 43 and 52 for noncoincident timing (see footnotes 5 and 6 ) would raise the timing score (col. 6) to 76 and the total score (col. 10) to 79.
${ }^{9}$ Columns 1-3, medians; colums 4-10, means. Crediting series 43 for noncoincident timing (see footnote 5 ) would raise the timing score (col. 6) to 84 and the total score (col. 10) to 82.
${ }^{10}$ Entries in columns 4, 5, and 9 are the same as the corresponding entries in line 9.
${ }^{11}$ Entries in columns 4, 5, and 9 are the same as the corresponding entries in line 10.
${ }^{2}$ Entries in columns 4, 5, and 9 are the same as the corresponding entries in line 11 .
noted. ${ }^{11}$ In addition, improved results are obtained by eliminating transfer payments, which contain large countercyclical elements such as unemployment compensation. Exclusion of transfer payments (a) adds to the amplitudes of declines in real personal income during business contractions, which increases the cyclical conformity of the series, and (b) makes the data appreciably smoother. ${ }^{12}$ The effects of the deduction of trans-

[^4]fers on cyclical timing are slight (limited to the single episode of the 1969-70 recession and somewhat uncertain). It can be argued that one should judge the series excluding transfer payments to be of somewhat lower economic significance, since such payments constitute an important source of income to, and an important factor affecting the behavior of, many households. Even if we allowed for this, however, we would still find it advisable to use real personal income excluding transfer payments (series $\times 234$ ) as the component of the coincident index.

The question of whether real GNP should be included in the index was carefully examined. GNP in 1958 dollars is the most comprehensive of the widely used measures of aggregate economic activity, and it scores well as a coincident indicator at both peaks and troughs. On the other hand, it is only available quarterly and is subject to considerable revisions. An analysis of experimental indexes that alternatively do and do not include real GNP shows that inclusion of that series would cause frequent revisions in the index, which, though small, are nevertheless apt to be troublesome. Moreover, the alternative indexes (with and without real GNP) are remarkably similar. It


19471948194919501951195219531954195519561957195819591960196119621963196419651966196719681969197019711972197319741975
NOTE: Circles entered on the chart indicate specific turning points; numbers indicate length of leads ( - ) and lags $(+)$ in months from reference turning dates.

* This is not necessarily the peak but is the high for the available data.
was therefore concluded that the advantage of keeping the coincident index more current and less affected by data revisions outweighed the advantage of including a component indicator that covered all sectors of the economy.


## Consumption and Distribution

The record of manufacturers' sales (shipments) as a cyclical indicator is considerably better than that of trade sales, but it is nevertheless advisable to combine the two since this adds to the breadth and diversity of coverage of the index and the resulting aggregate still has acceptable timing and overall scores. ${ }^{13}$ Manufacturing and trade sales in current dollars (BCD 56) scores slightly better than the constant-dollar series (56d) in the period 1948-70, due mainly to the superior performance of the former in the 1949 recession when prices fell. However, in the 1970 recession, with prices rising, it was definitely the deflated aggregate that had the better record of cyclical timing, conformity, and amplitude, so the more recent and presumably more relevant experience suggested the use of sales in constant rather than current dollars. Developments in 1973-74 confirm a fortiori the lesson of 1970.

## COMPOSITE INDEXES OF COINCIDENT INDICATORS

While all components of the new coincident index have the proper timing characteristics at both peaks and troughs, two series from the old indexes-unemployment rate and personal income-fail to so qualify. (See pp. vi and vii and table I, notes 5 and 6.) Consequently, the components of the new index score, on the average, better than the components of either BCD 820 or BCD 825 (table 1, lines 9-11).

Chart 2 compares the new coincident index with the two old ones (BCD 820 and BCD 825). It shows that the indexes, while generally coincident at troughs, often led by short intervals at business cycle peaks. In fact, BCD 825 had leads at each of the five peaks of the 1948-69 period. However, some of these departures from coincident timing, though they must be accepted for technical reasons and procedural consistency, involve very small differences between values of the series in adjacent months and probably have little significance. ${ }^{14}$

During the last recession, $B C D 820$, reflecting in large measure inflation, declined only for the 6 months between September 1974 and March 1975, whereas the new index and BCD 825, neither of which includes any current-dollar series, had contractions beginning in November 1973. Data on real GNP, industrial production, employment in the goodsproducing sector, unemployment, etc., indicate that the economy reached its last cyclical peak late in 1973, not almost a year later; so the evidence from the post-sample period (1971-75) is unfavorable to BCD 820 as a coincident index. ${ }^{15}$

To sum up, the new index is preferred in the light of (1) the evaluation of the individual series included in table 1, and (2) the events of the years that followed the period to which the

[^5]listed timing measures and scores refer. The new index also has a more nearly coincident timing, with less dispersion around the means, than either of the old indexes, but these differences are small and have very little effect on the scores of the composites. ${ }^{16}$

## PRINCIPAL LAGGING INDICATORS

Indicators that lag consistently at business downturns as well as upturns are in short supply, since lags were much less frequent at peaks of the recent business cycles than at troughs (whereas leads were much more frequent at peaks than at troughs). Also, lags tended to be shorter (and leads, longer) at the upper than at the lower turning points. These asymmetries which are specific to the post-World War II era-the cyclical timing distributions in earlier periods were more symmetricalare well documented and are not attributable in any significant measure to errors in the accepted business cycle chronology. Rather, they are related to major changes in the economy that have altered the course of U.S. business cycles. ${ }^{17}$

Since the index to be constructed is one that would provide consistent confirmations of both downturns and upturns in general business activity, all of its components must lag at both peaks and troughs and score well on that basis. This limitation is a serious one, ${ }^{18}$ since it causes the exclusion of some important series which lagged systematically at either business downturns or upturns but not at both.

The section that follows explains the selection of the combonents of the new lagging index and gives the reasons why some series in the old index and others were not included. The series surveyed are again grouped by economic process. Table 2 provides supporting summary measures for the lagging indexes and their components. Chart 3 shows how the individual series behaved during the expansions and contractions of the period 1947-75.

## Employment and Unemployment

The best lagging indicators in this group are the long-term unemployment rate (BCD 44) and average duration of unemployment (series $\times 1$ ), both used in inverted form. Of the two, the latter is on the whole preferable because it is more comprehensive (referring to all unemployment and not only the long-duration unemployment), has a somewhat more consistent timing, and is not affected by rounding in the way the former series is. ${ }^{19}$ The long-term unemployment rate (persons unemployed 15 weeks and over), a component of the old lagging index, is therefore replaced in the new index by the average duration of unemployment.

Several other indicators in this group were analyzed, such as the number of those unemployed 15 weeks and over, the number of those unemployed 27 weeks and over, and the rate

[^6]

| Line | Number and title of series ${ }^{1}$ | $\underset{\text { leads } \underset{(-) \text { or lags }}{(\text { in months })}}{(+)}$ |  |  | Scores ${ }^{2}$ |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Peaks <br> (1) | Troughs <br> (2) | All turns <br> (3) | Economic significance <br> (4) | Statistical adequacy <br> (5) | $\text { Timing }{ }^{3}$ <br> (6) | Conformity <br> (7) | Smoothness <br> (8) | Currency <br> (9) | Total ${ }^{4}$ <br> (10) |
|  | Components of New Index |  |  |  |  |  |  |  |  |  |  |
| 1 | X1. Average duration of unemployment. $\qquad$ | +1 | +8 | +3 1/2 | 90 | 78 | 89 | 95 | 80 | 80 | 86 |
| 2 | 71d. Manufacturing and trade inventories, 1967 dollars... | +2 1/2 | +3 | +3 | 90 | 70 | 89 | 64 | 100 | 53 | 80 |
| 3 | *62. Labor cost per unit of output, mfg...................... | +8 1/2 | +11 | +10 | 80 | 55 | 87 | 51 | 80 | 80 | 73 |
| 4 | *72. Commercial and industrial loans outstanding, weekly reporting large commercial banks. $\qquad$ | +1 1/2 | +5 | +3 1/2 | 80 | 60 | 86 | 81 | 100 | 100 | 83 |
| 5 | X251. Ratio, consumer instaliment debt to personal income... | +6 1/2 | +7 |  | 80 | 70 | 87 | 44 | 100 | 53 | 74 |
| 6 | 109. Average prime rate charged by banks. $\qquad$ | +3 1/2 | +14 | +4 | 90 | 95 | 85 | 62 | 100 | 100 | 87 |
|  | $\frac{\text { Components of } B C D \text { Index }}{(B C D 830)}$ |  |  |  |  |  |  |  |  |  |  |
| 7 | *44. Unemployment rate, persons unemployed 15 weeks and over. $\qquad$ | +1 | +5 | +2 1/2 | 80 | 78 | 85 | 100 | 80 | 80 | 84 |
| 8 | *61. Business expenditures, new plant and equipment........ | +1/2 | +2 1/2 | +1 | 90 | 80 | ${ }^{5} 75$ | 66 | 80 | 53 | ${ }^{5} 75$ |
| 9 | *71. Book value, manufacturing and trade inventories..... | +3 | +4 1/2 | +3 1/2 | 90 | 65 | 93 | 61 | 100 | 53 | 79 |
| 10 | *67. Bank rates on short-term business loans............. | +3 | +9 | +4 | 90 | 65 | 86 | 75 | 80 | 53 | 77 |
| 11 | Average, 6 series, new index (lines 1-6) 6 $\qquad$ | +3 | +7 1/2 | +4 | 85 | 71 | 87 | 66 | 93 | 78 | 80 |
| 12 | Average, 6 series, $B C D 830$ <br> (lines $3,4,7-10)^{7} \ldots . . . .$. | +2 | +5 | +3 1/2 | 85 | 67 | 85 | 72 | 87 | 70 | 78 |
| 13 | New index ${ }^{8}$..................... | +3 | +5 | +4 | 85 | 71 | 92 | 88 | 100 | 78 | 86 |
| 14 |  | +1 | +5 | +3 | 85 | 67 | 90 | 89 | 100 | 70 | 84 |

[^7]of unemployment 27 weeks and over. None of these series qualify for inclusion in the index, mainly because their timing at peaks is not well defined. (They all lag consistently at troughs.)

## Fixed Capital Investment

Business expenditures for new plant and equipment (BCD 61) is a component of the old index not included in the new one. The principal reason is that its timing at business cycle peaks has been coincident rather than lagging. Also, the cyclical conformity of this quarterly series in current dollars has been better in the earlier part of the period covered than in the recent years of strong inflation. BCD 61 had no specific contraction during the 1970 recession, its upward trend having been interrupted for one quarter only, and it rose during the last recession until the last quarter of 1974 when it started a very mild decline.

Deflation strongly reduces the upward trend in these data but has only weak effects upon their cyclical movements, except after 1966. Business fixed investment outlays in constant
dollars (61d) declined mildly in 1967, very irregularly in 1970, and decisively after mid-1974. But the timing of series 61d, like that of series 61, must be classified as roughly coincident at peaks and lagging at troughs; it cannot be unambiguously defined for all turns. Several related series have also been found lacking the required consistency of cyclical timing. ${ }^{20}$

The expectation that business expenditures on plant and equipment should be a lagging indicator rests mainly on the presumption that they follow, often with long distributed lags, the corresponding new investment commitments: new capital

[^8]


19471948194919501951195219531954195519561957195819591960196119621963196419651966196719681969197019711972197319741975
NOTE: Circles entered on the chart indicate specific turning points; numbers indicate length of leads ( - ) and lags ( + ) in months from reference turning dates.
appropriations, contracts and orders. This they certainly do, ${ }^{21}$ but investment commitments reach their peaks so early relative to business cycle peaks that the outlays that trail behind them often decline along with, and sometimes ahead of, the economy at large. At business cycle troughs, investment commitments have typically much shorter leads and expenditures tend to lag but these lags are mostly short because, in times of low capacity utilization, orders and contracts for new capital goods are executed more promptly.

## Inventories and Inventory Investment

Total manufacturing and trade inventories (on hand) tend to lag at both peaks and troughs. ${ }^{22}$ This applies to the book-value series (BCD 71) as well as to the corresponding aggregate in constant dollars (71d). During the $1948-70$ period, deflation had very little effect on these data. As illustrated by the scores, both series conformed well to the business cycles covered, except that neither declined during the 1970 recession. However, the sharp acceleration of inventory growth in 1973-74 was apparently due chiefly to rising prices; the increases in the constant-dollar series remained fairly steady. Although adjustments of inventories for the effects of inflation are, of course, known to be difficult and of uncertain quality, the new price deflators now available from the Commerce Department are substantially improved and considered adequate. They allow for the appropriate lag patterns and the characteristic LIFO-FIFO proportions in the different industries. The new deflated series 71d is therefore regarded as the proper replacement for the book-value aggregate (BCD 71) used in the old lagging index.

Taking ratios of manufacturing and trade inventories to the corresponding sales figures is a different way in which to express inventories in real terms. The series of simple inven-tory-to-sales ratios (BCD 851) has much longer lags than deflated inventories but scores about as well on timing; however, BCD 851 is definitely inferior to 71 d with regard to smoothness and conformity. Since inventories and sales should be somewhat differently deflated to take account of lags in the pricing process, we have also experimentally constructed and examined a series of ratios of inventories in constant dollars to sales in constant dollars, but the results were not significantly different from those obtained with the simple ratios.

## Prices, Costs, and Profits

Unit labor cost is one of the central variables in a major hypothesis about the causes of business cycles; it has received much attention in research, which established its historical tendency to lag at business cycle turns and related that tendency to the cyclical behavior of wage rates and productivity of labor. ${ }^{23}$ The monthly series included in the old index (BCD

[^9]62) scores reasonably well on the strength of long and regular lags at the three business peaks and four troughs of the period 1949-61. In 1961-65, series 62 drifted downward; since 1966, it has risen strongly, except for a slowdown followed by a brief and shallow decline in 1971-72. Thus, unit labor costs turned down during the first two recessions covered (in 1948-49 and 1953-54), but rose during each of the four following recessions; they declined in each of the four recoveries of the 1950's and 1960's, but merely flattened in the recovery of 1971-72. Finally, BCD 62 increased sharply in 1973-75, particularly during the recession, and gave the first tentative indication of a deciine only in August 1975. The two related quarterly series (unit labor cost for the total private economy, BCD 63, and labor cost per unit of real corporate product, BCD 68) behave similarly. ${ }^{24}$

Clearly, the historical pattern of cyclical behavior of unit labor costs has recently been distorted by the effects of persistent and rapid inflation, with strong pressures for higher money wage rates continuing even while the productivity of labor (output per man-hour) diminished markedly as in 1973-74. Labor as well as property incómes typically share in the inflationary increases in the value of output, so that major inflations, whatever their causes, will most of the time see money wages rising faster than productivity, which implies rising nominal unit labor costs.

What happens to real labor cost per unit of output depends on relative changes in prices, wages, and productivity of labor, and on how these changes are perceived by, and influence the decisions of, the employers and employees. The cyclical behavior of this variable is not very regular, though a broad tendency to lag would be expected. ${ }^{25}$

Unit labor costs, then, have definitely become less sensitive cyclically in recent years as inflation grew stronger and persisted through periods of deteriorating and poor, as well as improving and good, business conditions. But this important cost factor retains its basic character and function as a lagging indicator, although its reactions to cyclical developments in the 1970's have been considerably more muted and delayed than before. Series 62 still qualifies as a component of the lagging index, and its inclusion broadens the coverage and improves the performance of the index.

## Money and Credit

We retain unchanged from the old index the aggregate of commercial and industrial loans outstanding (weekly reporting large commercial banks-BCD 72). This series represents the most cyclical component of total bank loans, reflects in large measure the financing of business inventories (itself a lagging indicator), and is available frequently and promptly. It flattened rather than declined with a lag in response to the 196061 recession; at other times, it lagged consistently at troughs and also, with one exception (in 1948), at peaks. Its record as

[^10]a lagging indicator is good, and it is not bettered by attempts to deflate the loans. ${ }^{26}$

The other important series in the credit group-consumer installment debt (BCD 66)-can be viewed as a cumulation of the net credit changes which equal the differences between credit extensions and repayments. Consumer credit extensions tend to have roughly coincident timing, while repayments show lagging responses (often only retardations) to business recessions. ${ }^{27}$ Total installment credit outstanding had a strong upward trend, particularly in the early post-World War 11 years including the 1948-49 recession, and reacted to the later business contractions sluggishly with very mild declines (in 1970 merely with a slowdown). However, much better results are obtained with the ratio of consumer installment debt to personal income (series X251), which shows definite declines with lagged timing in connection with each of the business recessions since $1953 .{ }^{28}$ Using this ratio represents the most satisfactory method we could find of allowing for the trend (reflecting, among other factors, inflation) and bringing out the cyclical element in consumer credit. The inclusion of the ratio of consumer installment debt to personal income in the composite index of lagging indicators significantly improves both the coverage and performance of the index.

The quarterly series of bank rates on short-term business loans (BCD 67), a component of the old index of laggers, is now replaced by the monthly series of the average prime rate charged by banks (BCD 109). The two indicators behave very similarly, but BCD 109 has the maximum score for currency and BCD 67, being quarterly, rates poorly on this criterion. In the past (before 1966 and notably in the early 1960's), the average prime rate remained unchanged for long periods of time, which accounts for some of its lags that were especially long at troughs; but the bank rates were also approximately constant in the same periods.

Since the late 1940's, interest rates generally have become much more sensitive to cyclical influences, as evidenced by large increases in the amplitudes of their cyclical movements and a gradual reduction in their lags at peaks and troughs in business activity ${ }^{29}$ Interest rates may also be growing increasingly sensitive to price-level changes, reflecting the intensification and greater variability of inflation. It is therefore possible that the tendency of certain interest rates to lag at businese cycle turns will significantly diminish in the future. ${ }^{30}$

## COMPOSITE INDEXES OF LAGGING INDICATORS

Table 2 shows that the components of the new lagging index have, on the average, higher scores than the components of the old lagging index (BCD 830) with respect to statistical adequacy, timing, smoothness, and currency, and hence overall

[^11](lines 11 and 12). In addition to these assessments of the individual series, the evaluation of the 1948-70 record of the composite indexes themselves (lines 13 and 14) also supports the decisions made in the process of deriving the new lagging index.

The cyclical movements of the component lagging indicators can be examined in chart 3 which identifies their turning dates. Chart 4 does the same for the new and old lagging indexes. It shows that the new index lagged at all business cycle turns covered, while BCD 830 had one deviation from the lagging pattern (coincidence at the 1948 peak). Also, the timing observations at both peaks and troughs are less dispersed for the new than for the old index.

## THE SYSTEM OF LEADING, COINCIDING AND LAGGING INDICATORS

The previous discussion of the revised index of leading indicators ${ }^{31}$ and the present discussion of coinciding and lagging indicators permit us now to examine the revised system as a whole.

Let us briefly review the rationale for the selection of the indicators. The timing characteristics of the leading indicators and their forecasting function are easily understood. These indicators represent anticipations and early links in the sequences of business decisions, early stages of the investment and production processes, and measures of flows contributing to changes in the levels of economic stocks. The tendency of these series and their composites to lead makes them obvious warning signals and tools for the forecasting of changes in general business conditions. Their main shortcomings for this purpose are their hypersensitivity and the considerable variation in length of their leads, particularly before business cycle peaks. Also, to the extent that the warning signs are heeded by policymakers, the forecasting effectiveness becomes impaired as countercyclical policies are implemented.

The roughly coincident indicators are broad comprehensive measures which tend to summarize the state of actual business activity from the input and the output side. They not only confirm or invalidate expectations based on the behavior of the leading indicators, but also give some precision to the timing of the broad swings ir economic activity. It is the behavior of the coinciders which should firm up policy decisions that the leaders could only suggest.

The first function of the lagging (Lg) indicators is to confirm or refute the inferences derived from the behavior of the coincident (C) indicators. Perhaps more important for forecasting purposes, however, is the characteristic lead of the laggers relative to the opposite turns of the leaders (L). Many lagging indicators, such as the interest rates charged by banks, unit labor costs, inventories carried in manufacturing and trade, and business loans outstanding, measure or reflect the cost of doing business; it is mainly for this reason that these series, when inverted, lead most of the other important indicators (not only the coinciders but often also the leaders). For example, declines in inventories and interest rates during a business contraction pave the way for an upturn in new orders and then in the output of materials, etc., by making business operations less expensive and, hence, potentially more profitable, and also by depleting stocks relative to the current production and sales requirements.

Chart 5 and table 3 show the sequences of turning points of the three new composite indexes and the intervals between them. It is clear that, on the whole, the system worked well: no single turning point occurred out of sequence, i.e., the laggers never turned before the coinciders, nor the coinciders before the leaders, nor the leaders before the laggers of the previous episode. The cycle-to-cycle dispersion of the time intervals between the successive turns in the leading-coincident-lagging sequence was relatively moderate, except for the intervals from

[^12]CHART 4. COMPOSITE INDEXES OF LAGGING INDICATORS


NOTE: Circles entered on the chart indicate specific turning points; numbers indicate length of leads ( - ) and lags ( + ) in months from reference turning dates.


NOTE: Circles entered on the chart indicate specific turning points; numbers indicate length of leads ( - ) and lags $(+)$ in months from reference turning dates.
*This is not necessarily the peak but is the high tor the available data.

## TABLE 3. SEQUENCES OF TURNING POINTS IN THE COMPOSITE INDEXES OF LEADING (L), ROUGHLY COINCIDENT (C), AND LAGGING (Lg) INDICATORS, 1948-75

| Line | Dates of business cycle turns (peak-trough-peak) | Dates of associated turning points in indexes $\mathrm{L}, \mathrm{C}$, and Lg |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Peak of $L$ <br> (1) | Peak of $\mathbf{C}$ <br> (2) | Peak of Lg <br> (3) | Trough of $L$ <br> (4) | Trough of C <br> (5) | Trough of Lg <br> (6) | Peak of L <br> (7) |
| 1 | 11/48-10/49-7/53........ | ${ }^{1} 1 / 48$ | 10/48 | 2/49 | 6/49 | 10/49 | 3/50 | 3/53 |
| : | 7/53-5/54-8/57........... | 3/53 | 7/53 | 9/53 | 11/53 | 5/54 | 10/54 | 9/55 |
| 3 | 8/57-4/58-4/60........... | 9/55 | 3/57 | 12/57 | 2/58 | 4/58 | 8/58 | 4/59 |
| 4 | 4/60-2/61-12/69.......... | 4/59 | 4/60 | 7/60 | 12/60 | 2/61 | 7/61 | 1/69 |
| 5 | 12/69-11/70-11/73 ${ }^{2}$. . . . . . | 1/69 | 10/69 | 2/70 | 10/70 | 11/70 | 6/71 | 6/73 |
| 6 | 11/73 ${ }^{2}-3 / 75^{2} \ldots \ldots . . . .$. | 6/73 | 11/73 | 12/74 | ${ }^{3} 2 / 75$ | ${ }^{3} 3 / 75$ | ${ }^{3} 6 / 75$ |  |
|  |  | Time intervals between the successive turning points (in months) |  |  |  |  |  |  |
|  |  | L to C (peaks) | $\begin{aligned} & \text { C to } \mathrm{Lg} \\ & \text { (peaks) } \end{aligned}$ | Lg (peaks) to L(troughs) | $\begin{gathered} L \text { to } C \\ \text { (troughs) } \end{gathered}$ | $\begin{aligned} & \text { C to Lg } \\ & \text { (troughs) } \end{aligned}$ | Lg (troughs) <br> to L (peaks) | Duration of sequence ${ }^{4}$ |
| 7 | 11/48-10/49-7/53........ | 9 | 4 | 4 | 4 | 5 | ${ }^{5} 36$ | 62(56) |
| 8 | 7/53-5/54-8/57.......... . | 4 | 2 | 2 | 6 | 5 | 11 | 30(49) |
| 9 | 8/57-4/58-4/60.......... . | 18 | 9 | 2 | 2 | 4 | 8 | 43(32) |
| 10 | 4/60-2/61-12/69..... . . . . | 12 | 3 | 5 | 2 | 5 | ${ }^{6} 90$ | 117(116) |
| 11 | 12/69-11/70-11/73 ${ }^{2}$. . . . . . | 9 | 4 | 8 | 1 | 7 | 24 | 53(47) |
| 12 | 11/73 ${ }^{2}-3 / 75^{2} \ldots \ldots . . . .$. | 5 | 13 | 2 | 1 | 3 |  |  |
| 13 | Mean. . . . . . . . . . . . . . . . . . | 9.5 | 5.8 | 3.8 | 2.7 | 4.8 | 33.8 | 61(60) |
| 14 | Median. . . . . . . . . . . . . . . . . . | 9 | 4 | 3 | 2 | 5 | 24 | 53(49) |
| 15 | Standard deviation...... | 4.6 | 3.9 | 2.2 | 1.8 | 1.2 | 29.8 | 30.0(29.1) |

${ }^{1}$ This is not necessarily the peak but is the high for the available data (which began in 1948).
${ }^{2}$ Official business cycle peak and trough dates for the current cycle have not yet been designated. The tentative dates of November 1973 (peak) and March 1975 (trough) used in this table are based on the turning points in the composite index of coincident indicators.
${ }^{3}$ Tentative, subject to revisions in recent data.
${ }^{4}$ The first figure represents the sum of the corresponding entries in columns 1-6. The second figure (in parentheses) represents the duration of the corresponding business cycle measured from peak to peak.
${ }^{5}$ Disregards the extra decline in the leading index from August 1950 through November 1951.
${ }^{6}$ Disregards the extra decline in the leading index from March 1966 through January 1967.
the troughs of the lagging index ( Lg ) to the peaks of the leading index (L), whose great variability in length reflect the variability in length of business expansions (table 3, col. 6). Thus, it is apparent that the lagging index functions well as a confirmer of the coinciders at both peaks and troughs, but its value as a forecaster of the opposite turn of the leaders is essentially confined to its peaks.

A measure likely to produce more stable and predictively useful relationships than the inverted lagging index is the ratio of the index of roughly coincident indicators to the index of lagging indicators (C/Lg), suggested by Geoffrey Moore. ${ }^{32}$ The turning points in the $\mathrm{C} / \mathrm{Lg}$ ratio will lead those of the coincident index if the movement of the latter decelerates before its turning point while the lagging index continues to move at a faster rate. In addition, there are some economic reasons for expecting the $\mathrm{C} / \mathrm{Lg}$ ratio to have early cyclical timing. For example, a downturn in the ratio of sales (C) to inventories ( Lg ) should have an adverse effect on, and may anticipate the downturn in, new orders (L). Similarly, a slowdown in the rise of output (C) combined with a continuing strong rise in unit labor cost and other costs (such as those associated with growing inventories and business indebtedness, which all lag) will depress profits and new investment commitments (L).

The advantage of the derived $\mathrm{C} / \mathrm{Lg}$ index as a forecasting tool is twofold. First, it provides an additional comprehensive leading series, based on series which are entirely different from those included in the composite index of leaders. Second, if its turning points do indeed precede those in the composite leading index, the ratio has considerable supplementary forecasting value. Chart 5 shows that the cyclical turns in the $\mathrm{C} / \mathrm{Lg}$ ratio preceded the turns in general business activity on all but one occasion. The leads of the $\mathrm{C} / \mathrm{Lg}$ ratio at business cycle

[^13]peaks were long, varying from 12 to 35 months; the leads at troughs were much shorter, varying from 0 to 5 months. Thus, the $\mathrm{C} / \mathrm{Lg}$ index can be useful as an independent leading indicator. However, the C/Lg ratio does not give reliable early signals anticipating the movements of the leading index (L): in 1948-70, C/Lg led the leading index at only four turns and lagged at two. Also, the scores of the C/Lg ratio are significantly lower than those of the leading index, although they are on the whole about as high as the average scores of the individual components of leading index. ${ }^{33}$

In summary, it should be pointed out again that, for the period 1948-70, the turning points of the revised indexes are very similar in timing to those of the old indexes. The decisive advantage of the revised indexes is that they do not lose their indicator characterisitcs during periods of pronounced inflation and that their behavior is somewhat improved by the exclusion of indicators with mixed timing, i.e., indicators which have different timing characteristics at peaks and at troughs of business cycles.

We hope and expect that continuous research as well as careful and perceptive monitoring of the indicator system will lead to further improvements in the behavioral characteristics and the forecasting usefulness of that system.

[^14]
## APPENDIXES

## A. Titles, Sources, and Descriptions of Component Series

41. Employees on Nonagricultural Payrolls, Establishment Survev-Department of Labor. Bureau of Labor Statistics.

Data for this series are collected from a sample of establishments in all nonagricultural activities, including government. The data relate to the payroll period which includes the 12 th of the month and include full-time, part-time, temporary, and permanent workers. Also included are workers who are on paid leave (sick, holiday, vacation, etc.) and persons who worked only a part of the specified pay period. Persons on the payroll of more than one establishment are counted each time they are reported. Excluded from the statistics are persons in a nonpay status for the entire period due to layoff, strike, leave without pay, etc.; proprietors; self-employed and unpaid family workers; domestic household workers; and noncivilian government workers.

An establishment is defined as an economic unit which produces goods or services-such as a factory, mine, or store. It is generally at a single physical location and is engaged predominantly in one type of economic activity. Where a single physical location encompasses two or more distinct and separate activities, these activities are treated as separate establishments provided that separate payroll records are available.

The data are seasonally adjusted.
47. Index of Industrial Production-Board of Governors of the Federal Reserve System.

This series measures changes in the physical volume or quantity of output of manufacturers, mineral industries, and electric and gas utilities. It reflects output changes at all stages within manufacturing and mining industries (including intermediate and final products). The production of farms, the construction industry, transportation, and various trade and service industries are excluded. The index includes production at government-owned and -operated plants and shipyards and atomic energy manufacturing activity. The data are seasonally adjusted

56D. Manufacturing and Trade Sales, 1967 DollarsDepartment of Commerce, Bureau of Economic Analysis and Bureau of the Census.

This series measures the monthly volume, in 1967 dollars, of sales of manufacturing, merchant wholesalers', and retail trade establishments. It differs from final sales in that no allowance is made for the fact that the same items are sold successively by manufacturers, wholesalers, and retailers.

Manufacturers' sales (shipments) include receipts, billings, or the value (less discounts, returns, and allowances) of products shipped; shipments for export, for domestic use, and to foreign subsidiaries of domestic firms; and shipments from one establishment to another in the same company. Shipments of foreign subsidiaries are excluded.

Sales of merchant wholesalers include: (1) Sales of merchandise and receipts from repairs or other services to customers after deducting returns, allowances, and discounts; (2) sales of merchandise for others on a commission basis; and (3) local and State sales taxes and Federal excise taxes. These data are collected from the same sample of merchant wholesale establishments and in the same survey as are data on merchant wholesalers' inventories. (See description for manufacturing and trade inventories, series 71d.)

Retail sales include total receipts from customers after deductions of refunds and allowances for merchandise returned by customers. Receipts from repairs and from other services to customers, sales for resale, and sales taxes and excise taxes are also included.

Data for all sectors are adjusted for trading days, length of calendar month, and seasonal variation.

The deflation of manufacturing and trade sales is performed by the National Income and Wealth Division of BEA. The individual 3- and 4-digit components of manufacturers' shipments are deflated separately using appropriate wholesale price indexes combined with 1972 product class shipment weights. Wholesale sales are deflated by kind of business using appropriate wholesale price indexes combined with 1967 Census sales weights. Retail sales by kind of business are deflated separately using a combination of wholesale price indexes, consumer price indexes, and prices paid by farmers. The selection of price data and the weights for the component price indexes are based on sales by product line from the 1967 Census.

X234. Personal Income Less Transfer Payments, 1967 Dollars-Department of Commerce, Bureau of Economic Analysis.

This series measures personal income (in 1967 dollars) received by individuals, unincorporated businesses, and nonprofit institutions, excluding transfer payments.

Personal income represents the sum of labor income, proprietors' income, rental income of persons, dividends, personal interest, and transfer payments, minus contributions to social insurance. Capital gains and losses are excluded. Most of the income is in monetary form, but there are important exceptions-chiefly the net rental value of owner-occupied homes, the value of food produced and consumed on farms, and the value of financial services received by individuals and nonprofit institutions without explicit payment.

Transfer payments consist of income received by persons, generally in monetary form, for which no services are rendered currently. It includes government transfer payments and business transfer payments. Government transfer payments consist of payments under social security (including Medicare), State unemployment insurance, railroad retirement and unemployment insurance, government retirement programs, veterans' benefits (including veterans' life insurance proceeds), direct relief, food stamps, payments to nonprofit institutions other than for work done under research and development contracts, and a few other minor items. Business transfer payments comprise corporate gifts to nonprofit institutions, consumer bad debts, and a few other minor payments.

This series is computed from seasonally adjusted components and is deflated by the National Income and Wealth Division of BEA using the implicit price deflator for personal consumption expenditures (PCE). The deflator is available monthly (unpublished) from 1968 to date. Prior to 1968, the monthly values are obtained by interpolating the quarterly implicit PCE deflator by the movements in the consumer price index.

X1. Average (Mean) Duration of Unemployment in WeeksDepartment of Labor, Bureau of Labor Statistics.

This series measures the average length of time, in weeks during which persons classified as unemployed had been continuously looking for work or, in the case of persons on layoff,
since the termination of the most recent employment. A period of 2 or more weeks during which a person was employed or ceased looking for work is considered to break the continuity of the present period of seeking work. Average duration of unemployment is an arithmetic mean computed from a distribution by single weeks of unemployment. The data are seasonally adjusted by the source agency.
62. Index of Labor Cost Per Unit of Output, Total Manufacturing (Ratio of index of compensation of employees in manufacturing to index of industrial production, manufac-turing)-Department of Commerce, Bureau of Economic Analysis; and Board of Governors of the Federal Reserve System.

This series measures the relationship between the volume of production of manufactured goods and the cost of the labor involved in that production.

The compensation of employees, manufacturing, component (labor cost) measures the income received by persons in an employee status as remuneration for their work, including (1) wage and salary disbursements-the compensation of employees commonly regarded as wages and salaries, including compensation of executives, commissions, payment in kind, bonuses, and tips; and (2) supplements to wages and salaries or fringe benefits, including supplements such as employers' contributions to social insurance; private pension, health, and welfare funds; compensation for injuries; military reserve pay; etc.

Industrial production index, manufacturing, is a measure of the changes in physical output of manufacturing in the United States. It includes 11 major groups of durable goods and 10 major groups of nondurable goods. It also includes measures of the manufacturing activity of the Department of Defense (durable goods) and the Atomic Energy Commission (nondurable goods).

In computing labor cost per unit of output, seasonally adjusted data on compensation of employees (wage and salary disbursements plus supplements to wages and salaries) are converted to an index $(1967=100)$ and divided by the index of manufacturing production (1967=100) to yield the index of labor cost per unit of output. This index is seasonally adjusted by the $X-11$ version of the Census seasonal adjustment program.

71D. Manufacturing and Trade Inventories, 1967 DollarsDepartment of Commerce, Bureau of Economic Analysis and Bureau of the Census.

This series measures the end-of-month value, in 1967 dollars, of stocks on hand in manufacturing, retail, and merchant wholesalers' establishments. For the manufacturing sector, inventories are reported as valued by the manufacturers. All manufacturing-associated inventories, regardless of stage of fabrication, are included. The inventories of retailers and merchant wholesalers are valued at cost. Goods held on a consignment basis by wholesalers are excluded.

For the period since January 1958, each of the components of manufacturing and trade inventories is deflated separately. Manufacturers' inventories are deflated at the 2 -digit SIC level, and wholesalers' inventories of durable and nondurable goods are deflated separately, as are durable and nondurable goods inventories of retailers. The deflators are based on combinations of wholesale price indexes with appropriate lag structures developed from information on stock/sales ratios and on inventory accounting practices. The deflation is done by the National Income and Wealth Division of BEA. (Prior to 1958, deflation was performed at the aggregate level using a lagged 4-month moving average of the wholesale price index for industrial commodities.) The components are seasonally adjusted prior to the application of their individual deflators.
72. Commercial and Industrial Loans Outstanding, Weekly Reporting Large Commercial Banks-Board of Governors of the Federal Reserve System.

This series measures the average weekly (Wednesdays) dollar amount of business loans outstanding each month. Included are data on all loans for commercial and industrial purposes except those secured by real estate. Loans to financial institutions and loans for the purpose of purchasing or carrying securities are excluded.

The data are based on reports to the Federal Reserve System by approximately 330 banks. Included in the reports are data on the amount of commercial and industrial loans outstanding as of Wednesday of each week and the amount of loans sold outright during each week to their own subsidiaries, foreign branches, holding companies, other affiliates, and to other institutions except banks.

For BCD, a weekly series is derived by summing the amount of commercial and industrial loans and the amount of loans sold outright as reported to the Federal Reserve System. The monthly series is the arithmetic mean of weekly data. The data beginning with November 1968 are seasonally adjusted by means of the Census $X-11$ seasonal adjustment program. Prior to that date, the National Bureau of Economic Research seasonally adjusted the data.
109. Average Prime Rate Charged by Banks-Board of Governors of the Federal Reserve System.

This series indicates the interest rate that banks charge their most credit-worthy business customers on short-term loans. The prime rate is the base from which rates charged on loans to other business customers are scaled upward. The prime rate is not a sensitive rate that fluctuates daily in response to short-term changes in supply and demand as measured by a national market. Rather, its movements tend to be infrequent and to lag appreciably behind changes in the general business situation and in open market money rates.

The data for this series are monthly averages computed by multiplying each prime rate in effect during a month by the number of days it was in effect, summing these products, and dividing by the total number of days. If two prime rates are reported for a single day, the rate indicating initial movement is disregarded due to the usually small number of banks participating. Data are not seasonally adjusted.

X251. Ratio, Consumer Installment Debt to Personal Income-Department of Commerce, Bureau of Economic Analysis; and Board of Governors of the Federal Reserve System.

This series measures the dollar volume of consumer installment credit outstanding at the end of each month per dollar (and/or dollar value) of monthly personal income.

Consumer installment credit measures all short- and inter-mediate-term credit used to finance the purchase of commodities and services for personal consumption or to refinance debts originally incurred for such purposes. Included is all consumer credit (including revolving credit and budget and coupon accounts) held by financial institutions and retail outlets that is scheduled to be repaid in two or more installments. Credit extended to governmental agencies and nonprofit or charitable organizations, as well as credit extended to businesses or individuals exclusively for business purposes, is excluded.

The term "credit" refers to an advance of purchasing power that could be used to obtain goods and services, or an advance of goods and services in exchange for a promise to pay later. Consumption refers to the process of using up goods and services as an end in itself rather than as a stage in production.

Basic data for this component are compiled by the Federal Reserve System and seasonally adjusted by the Department of Commerce, Bureau of Economic Analysis.

Personal income measures the income received by individuals, unincorporated businesses, and nonprofit institutions (including pension, health, welfare, and trust funds). This income represents the sum of labor income, proprietors' income, rental income of persons, dividends, personal interest, and transfer payments, minus personal contributions to social insurance. Capital gains and losses are excluded. Most personal income is in monetary form; however, there are important
exceptions-chiefly the net rental value of owner-occupied homes, the value of food produced and consumed on farms, and the value of financial services received by individuals and nonprofit institutions without explicit payment.

The components of personal income are seasonally adjusted separately (except where seasonal patterns do not exist or are not well defined) and when aggregated yield a seasonally adjusted total.

## B. Data for New Series and Indexes

| Year | Monthly |  |  |  |  |  |  |  |  |  |  |  | Quarterly |  |  |  | Annual |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | 10 | 110 | 1110 | 1 V 0 |  |
| 560. Manufacturing alln trane sales, 1967 mollars (M)LLION DOLLARS) |  |  |  |  |  |  |  |  |  |  |  |  | total for pertop |  |  |  |  |
| 1945.. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1946... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1948. | 43, 991 | 43, 110 | 43, 937 | 44, iji | 43,579 | 44, i3i | 44, 315 | 44, 008 | 44, 579 | 44, 120 | 44,439 | 44,789 | 131, 139 | 131,842 | 133,702 | 133,854 | 53n,537 |
| 1949. | 44,318 | 44,275 | 44,140 | 43,96,9 | 43,309 | 44,447 | 43.159 | 44,081 | 44,944 | 43,301 | 43,871 | 43,490 | 132,733 | 131,725 | 132,184 | 130,6152 | 527.304 |
| 1950... | 44,328 52,133 | 45,249 50.766 | 45,849 49,869 | 45,388 49,006 | 47.515 49.455 | 49,464 49,072 | 53,159 48.101 | 53,913 49,313 | 50,585 49,283 | 49,524 49,629 | 47,993 49,503 | 50,693 | 135,426 152,768 | 143,367 147,513 | 157.658 146.697 | 148,210 148,237 | 584,061 595,115 |
| 1952... | 49,799 | 50,347 | 50,043 | 50,677 | 51,248 | 51,359 | 50,263 | 51,297 | 53,040 | 54,767 | 54,562 | 55,563 | 150,189 | 153,284 | 154,600 | 164,892 | 622,955 |
| 1953. | 55,875 | 56,650 | 57,2.58 | 57,249 | 56,935 | 56,324 | 57.089 | 55,936 | 55,458 | 55,200 | 53,853 | 52,937 | 169,783 | 170,569 | 158,483 | 161,990 | 670,825 |
| 1954. | 53,205 | 53,832 | 53,540 | 53,377 | 53,068 | 53,756 | 53,581 | 53,254 | 53,531 | 53,734 | 55,336 | 56,633 | 160,577 | 160,811 | 160,366 | 165,703 | 647.4.57 |
| 1955. | 57,456 | 57,939 | 59,089 | 59,720 | 59,973 | 59,965 | 60,189 | 59,952 | 60,936 | 60,694 | 61, 183 | 61,259 | 174,484 | 179,658 | 181,077 | 183,136 | 718,355 |
| 1956.. | 60,917 | 60,437 | 60,694 | 60,336 | 63,662 | 60,932 | 58,324 | 60,221 | 50,769 | 61,264 | 61,558 | 52,156 | 182,048 | 182,430 | 179,314 | 184,988 | 723.780 |
| 1957.. | 62,340 | 62,573 | 62, 132 | 61,181 | 60,963 | 61,333 | 61,085 | 61,497 | 60,685 | 60, 394 | 59,597 | 58,285 | 187.045 | 183,477 | 183,267 | 178.276 | 732,065 |
| 1958.. | 58,177 | 57,325 | 56,535 | 56,327 | 56.528 | 57,470 | 58.126 | 59,092 | 59,469 | 60,331 | 61,281 | 59,943 | 172.038 | 170,325 | 176,687 | 181,555 | 700.605 |
| $1959 .$. | 62,026 66,092 | 63,038 65.899 | 63,761 65,364 | 64,715 65,723 | 65,410 64.788 | 65,502 64,737 | 65,323 64,518 | 63,361 64,140 | 63,130 64,759 | 65,263 64,477 | 63,096 63,675 | 64,801 63,510 | 188,825 197 1855 | 195,527 195,248 | 1919314 | 191,160 191,762 | 767,426 |
| 1951. | 62,495 | 62,645 | 63, 713 | 63,305 | 64,258 | 65,362 | 64,696 | 66,145 | 66,473 | 67,295 | 67,948 | 68,171 | 188,853 | 192,925 | 197, 315 | 203,414 | 782,507 |
| 1962... | 68,426 | 68,383 | 69,341 | 69,486 | 69,442 | 69,123 | 69,474 | 69,956 | 69,870 | 70,532 | 71,460 | 70,307 | 206,150 | 208,051 | 209,300 | 212,299 | 235,800 |
| 1963.. | 70,743 | 71,822 | 71,846 | 72,501 | 72,143 | 72,851 | 73,957 | 73,137 | 73,524 | 74,607 | 73,681 | 75,120 | 214,411 | 217,495 | 220,718 | 223,408 | 876,032 |
| 1064... | 75,630 | 75,679 | 75,350 | 75,640 | 77,575 | 77,330 | 78,392 | 77,986 | 79,267 | 77,685 | 78,641 | 81,114 | 226,659 | 231,545 | 235,645 | 237,440 | 933,289 |
| 1965.. | 80.913 | 81,223 | 82,695 | 82.831 | 82.221 | 82.550 | 84,083 | 84,227 | 83,339 | 85,081 | 86.256 | 86,453 | 244, 831 | 247,602 | 251,649 | 257,790 | 1,001,872 |
| 1965. | 87.389 | 87,582 | 88,916 | 88.350 | 87.952 | 89,074 | 88.155 | 88,704 | 89,322 | 89,557 | 89,110 | 89,044 | 263, 887 | 265,386 | 266.181 | $267,71$. 2736 | 1,063,165 |
| 1967.. | 89,093 92,807 | 88,588 93,146 | 88, 9388 | 89,150 93,526 | 89,193 | 89,640 94.896 | $8.9,297$ 96,275 | 93,904 | 90, 95987 | 89,373 96,970 | 91,242 96 | 92,775 | 265,663 | 267,983 282,790 | 286,176 | 2739 <br> 28989 <br> 989 | 1,138,552 |
| 1969. | 96,565 | 97,168 | 96,999 | 97,431 | 97,060 | 96,997 | 97.017 | 97,631 | 98,263 | 98,973 | 97,283 | 96,717 | 290,732 | 291,488 | 292,911 | 292,973 | 1,168,104 |
| 1970. | 96,003 | 96,383 | 95,501 | 94.603 | 95,624 | 95,852 | 96,205 | 96,045 | 95,665 | 93,978 | 92,549 | 95,082 | 281,887 | 286,079 | 287,916 | 281,409 | 1,143,491 |
| 1971... | 95,802 | 97.105 | 97,886 | 98,269 | 99,249 | 99,810 | 99,022 | 100,395 | 100,478 | 100, 178 | 101,953 | 101,473 | 290,793 | 297,328 | 299.895 | 303,604 | 1,191,620 |
| 1972.. | 103.022 | 102,622 | 104,262 | 104,729 | 105,613 | 105,225 | 105.403 | 107.690 | 107,814 | 109,798 | 110,825 | 111,633 | 309,906 | 315,567 | 320,907 | 332,256 | 1,273,636 |
| 1974. | 113.828 115.120 | 114,801 | 115,040 | 114,528 | 114,370 | 113,223 | 113,542 | 113,097 | 110,918 | 109,379 | 105,651 | 101,699 | 345,037 | 342,126 | 357,557 | 315,729 | 1, $1,341,449$ |
| 1975. | 101,286 | 102,374 | 99,870 | 101,382 | 101,917 | 102,805 | 103,877 | 105,079 | 105,039 |  |  |  | 303,330 | 306.104 | 313,995 |  |  |
| X234. PERSONAL 1 NCOME LESS TRANSFFR PAYMENTS, 1967 DOLLARS (ANN. RATE, BILLION DOLLARS) |  |  |  |  |  |  |  |  |  |  |  |  | average for perton |  |  |  |  |
| 1945... |  |  |  |  |  |  |  |  |  |  |  | $\cdots$ | ... | $\ldots$ |  |  |  |
|  | 235.6 | 234.6 | 228.6 | 226.7 | 228.0 | 231.5 | 229.7 | 229.1 | 229.2 | 231.4 | 232.4 | 231.5 | 232.9 | 228.7 | 229.3 | 237.8 | 230.7 |
| 1948. | 234.0 | 234.9 | 240.4 | 238.8 | 239.2 | 244.0 | 242.6 | 244.6 | 245.1 | 246.7 | 246.0 | 243.4 | 236.4 | 240.7 | 244.1 | 245.4 | 241.6 |
| 1949... | 239.5 | 239.2 | 239.9 | 238.8 | 239.2 | 236.9 | 236.0 | 237.4 | 240.0 | 236.4 | 238.4 | 240.6 | 239.5 | 238.3 | 237.8 | 238.5 | 238.5 |
| 1950. | 245.1 | 242.9 | 245.7 | 249.5 | 252.9 | 254.1 | 257.7 | 262.2 | 253.1 | 264.8 | 267.0 | 269.7 | 244.9 | 252.2 | 261.0 | 267.2 | 255.3 |
| 1951. | 267.5 | 265.0 | 263.7 | 273.1 | 273.2 | 275.9 | 275.4 | 278.6 | 276.6 | 278.7 | 278.9 | 279.2 | 267.4 | 274.1 | 276.9 | 278.9 | 274.3 |
| 1952.. | 276.6 | 281.5 | 283.0 | 281.2 | 284.4 | 285.7 | 283.4 | 290.1 | 293.7 | 293.7 | 292.4 | 293.5 | 280.4 | 283.8 | 289.1 | 293.2 | 236.1 |
| 1953... | 295.2 | 296.6 | 299.5 | 29.8 | 301.3 | 301.5 | 301.0 | 299.0 | 298.0 | 299.5 | 299.6 | 297.7 | 297.1 | 300.9 | 29.3 | 298.9 | 299.1 |
| 1954... | 295.3 | 294.9 | 293.4 | 292.1 | 293.3 | 293.5 | 293.7 | 296.5 | 298.5 | 29.6 | 302.2 | 303.7 | 294.5 | 233.0 | 295.2 | 30.18 | 295.4 |
| 1955 | 304.3 | 305.2 | 307.9 | 311.0 | 314.1 | 315.9 | 319.5 | 319.8 | 321.2 | 323.7 | 325.7 | 327.4 | 305.8 | 313.7 | 320.2 | 325.6 | 316.3 |
| 1956. | 327.0 | 328.0 | 327.8 | 331.4 | 330.3 | 331.4 | 327.9 | 332.3 | 334.4 | 337.2 | 337.0 | 337.7 | 327.6 | 331.0 | 331.5 | 3357.3 | 331.9 |
| 1957... | 335.9 | 337.2 | 337.6 | 337.6 | 337.3 | 338.9 | 339.5 | 340.0 | 339.0 | 338.3 | 336.7 | 334.4 | 336.9 | 337.9 | 339.5 | 336.5 | 337.7 |
| 1958... | 331.5 | 331.6 | 330.8 | 328.5 | 329.4 | 331.6 | 337.7 | 336.9 | 338.9 | 339.6 | 344.0 | 345.1 | 331.3 | 329.8 | 337.8 | 342.9 | 335.5 |
| 1959.. | 345.0 | 347.7 | 350.1 | 352.6 | 354.8 | 355.7 | 354.9 | 351.4 | 350.4 | 350.9 | 354.6 | 360.0 | 347.6 | 354.4 | 352.2 | 355.2 | 352.3 |
| 1960. | 361.3 | 360.7 | 360.3 | 362.6 | 364.0 | 364.0 | 364.4 | 363.5 | 363.2 | 352.7 | 351.0 | 357.7 | 360.8 | 363.5 | 363.7 | 360.5 | 362.1 |
| 1961... | 360.6 | 361.0 | 362.2 | 364.3 | 366.0 | 369.3 | 370.5 | 372.0 | 372.2 | 375.8 | 380.1 | 382.1 | 361.3 | 356.5 | 371.6 | 379.3 | 369.7 |
| 1962... | 381.2 | 383.2 | 385.7 | 388.5 | 389.6 | 390.4 | 392.0 | 392.5 | 392. | 392.1 | 395.3 | 397.9 | 383.4 | 389.5 | 392.4 | 395.1 | 390.1 |
| 1963... | 397.6 | 399.0 | 400.1 | 40.9 | 402.5 | 403.6 | 405.6 | 406.7 | 409.9 | 411.9 | 411.9 | 413.2 | 398.9 | 402.3 | 407.4 | 412.3 | 405.2 |
| 1964... | 414.5 | 419.8 | 421.7 | 423.0 | 425.5 | 427.3 | 430.1 | 433.9 | 436.4 | 436.5 | 438.5 | 442.9 | 418.7 | 425.3 | 433.5 | 439.3 | 429.2 |
| 1965... | 442.6 | 445.2 | 447.2 | 449.5 | 453.8 | 456.1 | 458.7 | 462.7 | 465.0 | 473.0 | 473.7 | 476.3 | 445.0 | 453.1 | 462.1 | 473.7 | 458.5 |
| 1966... | 477.3 | 479.1 | 481.0 | 481.3 | 483.4 | 486.7 | 430.0 | 490.4 | 490.2 | 492.4 | 494.9 | 495.9 | 479.1 | 483.8 | 490.2 | 494.4 | 486.9 |
| 1967... | 497.4 | 495.7 | 497.5 | 509.2 | 500.5 | 504.1 | 505.9 | 507.7 | 508.6 | 508.8 | 513.1 | 516.5 | 497.2 | 501.6 | 507.4 | 512.8 | 504.8 |
| 1968. | 515.9 | 521.2 | 523.4 | 523.8 | 527.3 | 530.4 | 533.6 | 536.6 | 539.1 | 539.9 | 543.5 | 54.3 .5 | 520.2 | 527.2 | 536.4 | 541.5 | 531.4 |
| 1969... | 544.2 | 545.7 | 549.2 | 550.0 | 552.6 | 554.0 | 555.6 | 558.1 | 559.8 | 561.6 | 551.7 | 562.1 | 546.7 | 552.2 | 557.8 | 561.8 | 554.6 |
| 1970... | 560.3 | 550.5 | 553.1 |  | 557.8 | 564.5 | 565.8 | 558.1 | 558.5 | 561.8 | 559.6 | 561.0 | 561.3 | 565.4 | 567.5 | 560.8 | 563.8 |
| 1971... | 567.0 | 558.0 | 570.0 | 570.8 | 570.6 | 569.8 | 570.5 | 574.2 | 576.6 | 577.6 | 581.6 | 586.0 | 558.3 | 570.4 | 573.8 | 5.3 .7 |  |
| 1972... | 591.9 632.2 | 596.2 637.1 | 597.6 639.7 | 601.2 639.3 | 604.9 639.8 | 603.6 640.0 | 608.2 | 613.1 644.2 | 614.7 649.5 | 621.4 649.1 | 624.6 649.3 | 628.9 645.2 | 595.2 636.3 | 663.2 | 612.0 | 625.0 647.9 | 6078.9 642.4 |
| 1974... | 636.1 | 631.8 | 628.2 | 625.0 | 624.2 | 621.7 | 623.9 | 622.6 | 620.2 | 617.1 | 609.7 | 606:5 | 632.0 | 623.6 | 622.2 | 611.1 | 522.3 |
| 1975... | 602.7 | 598.7 | 596.6 | 597.1 | 602.0 | 603.3 | 604.4 | 610.7 | 615.6 | 620.1 |  |  | 599.3 | 600.8 | 610.2 |  |  |
| new composite index of 4 coincinent ifoicators ( $1967=100$ ) |  |  |  |  |  |  |  |  |  |  |  |  | average for period |  |  |  |  |
| 1945... |  |  |  |  |  |  |  |  |  |  |  | $\cdots$ |  | $\ldots$ |  |  |  |
| 1946... |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| $1947 \ldots$ $1948 .$. | $30 . \mathrm{i}$ | 30.1 | 30.4 | 30.2 | 30.4 | 30.9 | 31.0 | 31.0 | 31.0 | 31.1 | 31.0 | 30.8 | 30.2 | 30.5 | зi.a | 3i.n | 30.7 |
| 1949... | 30.3 | 30.2 | 29.9 | 29.7 | 29.5 | 29.4 | 29.1 | 29.4 | 29.7 | 28.7 | 29.2 | 29.6 | 30.1 | 29.5 | 29.4 | 29.2 | 29.5 |
| 1950... | 30.0 | 29.9 | 30.7 | 31.3 | 31.9 | 32.6 | 33.7 | 34.6 | 34.3 | 34.4 | 34.3 | 35.0 | 30.2 | 31.9 | 34.2 | 34.5 | 32.7 |
| 1951... | 35.3 | 35.3 | 35.5 | 35.6 | 35.6 | 35.7 | 35.4 | 35.6 | 35.5 | 35.7 | 35.9 | 35.9 | 35.4 | 35.6 | 35.5 | 35.8 | 35.5 |
| 1952... | 35.1 | 35.5 | 35.6 | 36.5 | 36.6 | 36.4 | 36.0 | 37.3 | 38.3 | 38.7 | 39.0 | 39.4 | 36.4 | 36.5 | 37.2 | 39.0 | 37.3 |
| 1953... | 39.6 | 39.9 | 40.2 | 40.3 | 47.4 | 40.3 | 40.4 | 40.1 | 39.7 | 39.6 | 39.1 | 38.6 | 39.9 | 40.3 | 40.1 | 39.1 | 39.8 |
| 1954... | 38.2 | 38.3 | 38.0 | 37.9 | 37.8 | 37.9 | 37.9 | 37.9 | 38.2 | 38.4 | 39.0 | 39.5 | 38.2 | 37.9 | 38.0 | 39.0 | 38.2 |
| 1955... | 40.0 | 40.3 | 41.1 | 41.7 | 42.4 | 42.7 | 43.1 | 43.2 | 43.7 | 44.2 | 44.6 | 44.9 | 40.5 | 42.3 | 43.3 | 44.5 | 42.7 |
| 1956... | 45.1 | 45.1 | 45.2 | 45.7 | 45.5 | 45.6 | 43.9 | 45.6 | 46.2 | 45.7 | 45.7 | 47.2 | 45.1 | 45.6 | 45.2 | 45.9 | 45.7 |
| 1957... | 47.0 | 47.4 | 47.4 | 47.0 | 46.9 | 47.1 | 47.2 | 47.3 | 45.8 | 46.3 | 45.4 | 44.4 | 47.3 | 47.0 | 47.1 | 45.4 | 45.7 |
| 1958... | 43.7 | 42.7 | 42.0 | 43.4 | 41.5 | 42.2 | 43.1 | 43.6 | 44.2 | 44.6 | 45.9 | 45.8 | 42.8 | 41.7 | 43.6 | 45.4 | 43.4 |
| 1959... | 45.8 | 47.6 | 48.4 | 49.4 | 50.1 | 50.3 | 50.0 | 48.6 | 48.4 | 48.3 | 48.9 | 50.8 | 47.6 | 49.9 | 49.0 | 49.3 | 49.0 |
| 1960... | 51.7 | 51.6 | 51.3 | 51.7 | 51.4 | 51.2 | 51.0 | 50.8 | 50.7 | 50.5 | 49.9 | 49.1 | 51.5 | 51.4 | 50.8 | 49.8 | 50.9 |
| 1961... | 49.1 | 49.0 | 4.95 | 49.9 | 50.6 | 51.4 | 51.7 | 52.4 | 52.5 | 53.4 | 54.4 | 54.9 | 49.2 | 50.6 | 52.2 | 54.2 | 51.6 |
| 1962... | 54.7 | 55.4 | 56.0 | 56.6 | 56.8 | 56.8 | 57.2 | 57.5 | 57.7 | 57.9 | 58.5 | 58.4 | 55.4 | 56.7 | 57.5 | 58.3 | 57.0 |
| 1963... | 58.6 | 59.2 | 59.6 | 60.3 | 60.7 | 61.1 | 61.7 | 61.8 | 62.6 | 63.4 | 63.2 | 63.8 | 59.1 | 60.7 | 62.0 | 63.5 | 61.3 |
| 1964... | 64.3 | 65.5 | 65.7 | 65.8 | 67.7 | 68.1 | 69.1 | 69.9 | 71.0 | 70.1 | 71.9 | 73.8 | 65.2 | 67.5 | 70.0 | 71.9 | 68.7 |
| 1965... | 74.1 | 75.1 | 75.5 | 77.2 | 78.2 | 79.3 | 80.7 | 81.8 | 82.3 | 84.1 | 85.4 | 85.7 | 75.2 | 78.2 | 81.5 | 85.4 | 80.1 |
| 1966... | 87.9 | 89.0 | 90.7 | 91.2 | 92.1 | 93.7 | 94.4 | 94.9 | 95.6 | 96.6 | 95.8 | 97.2 | 89.2 | 92.3 | 95.0 | 96.9 | 93.3 |
| 1967... | 97.7 | 96.9 | 97.2 | 98.0 | 98.2 | 99.2 | 99.6 | 101.2 | 101.3 | 103.1 | 103.8 | 105.7 | 97.3 | 98.5 | 100.7 | 103.5 | 110.0 |
| 1968... | 105.4 | 107.3 | 108.1 | 108.5 | 11.12 | 111.5 | 112.8 | 112.8 | 114.4 | 11.5 .2 | 126.5 | 116.8 | 106.9 | 110.1 | 113.3 | 115.2 | 111.6 |
| 1969... | 117.8 | 119.5 | 12.0 .5 | 121.0 | 121.6 | 122.6 | 123.5 | 124.3 | 125.2 | 125.0 | 124.4 | 124.2 | 119.3 | 121.7 | 124.3 | 124.9 | 122.6 |
| 1970... | 122.3 | 122.9 | 123.0 | 122.7 | 122.6 | 122.4 | 122.8 | 122.7 | 12 I .9 | 117.5 | 115.6 | 119.0 | 122.7 | 122.6 | 122.5 | 117.4 | 121.3 |
| 1971... | 121.0 | 121.8 | 122.7 | 123.8 | 125.1 | 125.3 | 124.7 | 125.3 | 127.5 | 127.5 | 12.9 .9 | 131.6 | 121.8 | 124.7 | 125.9 | 129.7 | 125.5 |
| 1972... | 134.8 | 136.5 | 139.4 | 14.8 | 144.0 | 144.5 | 146.0 | 149.5 | 151,2 | 15.5 .2 | 157.5 | 159.9 | 136.9 | 143.4 | 148.9 | 157.5 | 145.7 |
| 1973... | 163.4 | 167.5 | 168.0 | 158.2 | 169.6 | 1770.3 | 173.0 | 172.7 | 174.4 | 175.4 | 178.2 | 175.6 156.4 | 166.0 | 169.4 | 173.4 | 176.7 | 171.4 |
| 1974... | 173.7 | 172.6 | 172.2 | 171.8 | 172.5 | 171.6 | 172.4 | 171.9 | 171.0 | 259.0 | 162.8 | 156.4 | 172.8 | 172.0 | 171.8 | 162.7 | 169.8 |
| 1975... | 152.5 | 14.9 .7 | 147.0 | 147.6 | 148.8 | 349.5 | 151.5 | 154.6 | 156,9 | 158.8 |  |  | 149.7 | 148.6 | 154.3 |  |  |

## B. Data for New Series and Indexes-Continued



## B. Data for New Series and Indexes-Continued

| Year | Monthly |  |  |  |  |  |  |  |  |  |  |  | Quarterly |  |  |  | Annual |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. | 10 | 110 | 1110 | $1 \vee 0$ |  |
| WFW COMPOSITE IMOEX OF 6 LAGGING INDICATORS$(1967=100)$ |  |  |  |  |  |  |  |  |  |  |  |  | AVERAGE FOR PERIOD |  |  |  |  |
| 1945... | . . | $\cdots$ | $\cdots$ |  |  |  |  |  |  | . $\cdot$ | $\cdots$ | -•• | -•• | $\cdots$ | $\cdots$ |  | $\cdots$ |
| 1946... | $\cdots$ |  | $\cdots$ | $\cdots$ | $\cdots$ | $\cdots$ | . $\cdot$ |  | $\cdots$ | . . |  | . . | . . | . . |  |  | . . |
| 1947... | 4 | 24.4 |  |  |  |  |  |  |  |  |  |  |  | , |  |  |  |
| 1948... | 24.2 | 24.4 | 24.6 | 24.8 | 24.9 | 25.1 | 25.6 | 25.0 | 26.2 | 2 5.0 | 25.4 | 25.4 | 24.4 | 24.9 | 25.9 | 26.3 | 25.4 |
| 1949... | 25.6 25.9 | 26.7 25.8 | 26.6 25.8 | 26.5 25.9 | 25.5 26.2 | 26.2 26.3 | 26.1 26.5 | 25.9 26.9 | 25.8 27.6 | 25.1 28.3 | 25.8 29.0 | 25.8 29.2 | 26.6 25.8 | 26.4 | 25.9 27.0 | 25.9 2.98 | 25.2 |
| 1951... | 29.9 | 30.4 | 30.9 | 31.3 | 31.8 | 32.4 | 32.5 | 32.8 | 32.9 | 33.2 | 33.4 | 33.8 | 30.4 | 31.8 | 32.7 | 33.5 | 32.1 |
| 1952... | 34.2 | 34.3 | 34.5 | 34.4 | 35.0 | 35.4 | 35.4 | 35.3 | 35.6 | 35.7 | 35.9 | 36.4 | 34.3 | 34.9 | 35.4 | 35.0 | 35.2 |
| 1953... | 36.8 | 37.1 | 37.4 | 38.0 | 38.3 | 38.4 | 38.7 | 38.7 | 39.0 | 38.9 | 38.8 | 38.8 | 37.1 | $38 . ?$ | 38.8 | 38.8 | 3 a. 2 |
| 1954... | 38.5 | 38.3 | 37.8 | 37.6 | 37.2 | 3 F .8 | 36.7 | 36.2 | 36.0 | 35.9 | 36.1 | 36.1 | 38.2 | 37.? | 36.3 | 35.0 | 36.9 |
| 1955... | 36.2 | 36.3 | 36.6 | 35.5 | 35.8 | 37.4 | 37.7 | 38.7 | 39.1 | 39.6 | 40.2 | 40.2 | 36.4 | 36.9 | 38.5 | 40.0 | 37.9 |
| 1956... | 40.8 | 41.0 | 41.8 | 42.6 | 43.4 | 43.9 | 44.8 | 44.3 | 44.8 | 4.50 | 45.5 | 45.5 | 4?.2 | 43.3 | 44.6 | 45.3 | 43.6 |
| 1957... | 46.0 | 45.8 | 45.0 | 45.5 | 45.7 | 45.9 | 47.2 | 47.9 | 48.4 | 47.9 | 48.2 | 48.4 | 45.9 | 46.7 | 47.8 | 48.2 | 47.2 |
| 1958... | 47.6 | 45.8 | 45.5 | 45.9 | 44.5 | 43.7 | 43.3 | 43.0 | 43.4 | 43.5 | 43.5 | 44.0 | 47.0 | 44.7 | 43.2 | 43.7 | 44.6 |
| 1959... | 44.3 | 44.4 | 44.8 | 45.2 | 45.1 | 47.1 | 47.9 | 49.0 | 50.0 | 50.7 | 50.6 | 50.5 | 44.4 | 46.1 | 49.0 | 50.5 | 47.5 |
| 1960... | 50.7 | 51.8 | 52.6 | 53.0 | 53.8 | 54.3 | 54.3 | 54.1 | 53.6 | 53.4 | 53.7 | 53.8 | 51.7 | 53.7 | 54.0 | 53.6 | 53.3 |
| 1961. | 53.4 | 53.3 | 52.8 | 52.2 | 52.0 | 51.6 | 51.1 | 51.5 | 51.7 | 51.7 | 51.7 | 52.0 | 53.2 | 51.9 | 51.4 | 51.8 | 52.1 |
| 1962.. | 52.8 | 52.9 | 53.5 | 54.0 | 54.5 | 55.2 | 55.7 | 56.2 | 56.7 | 57.3 | 57.9 | 58.0 | 53.1 | 54.6 | 56.2 | 57.7 | 55.4 |
| 1963... | 58.1 | 58.4 | 58.6 | 58.7 | 59.1 | 59.8 | 60.5 | 60.9 | 61.3 | 62.2 | 63.5 | 64.1 | 58.4 | 59.2 | 60.9 | 63.3 | 60.4 |
| 1964... | 63.8 | 64.6 | 64.9 | 6.9 .7 | 65.9 | 66.5 | 66.4 | 67.8 | 69.2 | 69.7 | 69.3 | 70.8 | 64.4 | 66.0 | 67.8 | 69.9 | 57.0 |
| 1965... | 71.9 | 73.2 | 74.5 | 75.9 | 77.1 | 77.5 | 78.1 | 73.2 | 79.3 | 80.5 | 87.5 | 83.0 | 73.2 | 76.8 | 78.9 | 81.7 | 77.6 |
| 1966... | 83.6 | 85.4 | 86.9 | 83.5 | 90.0 | 91.7 | 93.0 | 94.7 | 94.9 | 95.5 | 97.3 | 97.9 | 85.3 | 90.1 | 94.2 | 96.7 | 91.6 |
| 1967... | 98.8 | 98.8 | 99.7 | 98.8 | 39.4 | 99.8 | 100.1 | 99.6 | 100.6 | 100.3 | 101.2 | 102.9 | 99.1 | 09.3 | 100.1 | 101.5 | 100.0 |
| 1968... | 102.8 | 103.9 | 104.3 | 105.6 | 107.9 | 108.5 | 108.7 | 109.6 | 110.5 | 120.2 | 111.8 | 114.6 | 103.7 | 107.4 | 109.6 | 112.2 | 108.2 |
| 1969... | 116.6 | 117.7 | 119.5 | 122.0 | 123.5 | 127.4 | 128.8 | 129.3 | 129.9 | 131.7 | 131.9 | 132.3 | 117.9 | 124.3 | 129.3 | 132.0 | 125.9 |
| 1970... | 134.0 | 134.1 | 132.9 | 130.4 | 130.8 | 131.8 | 132.5 | 133.0 | 132.8 | 132.0 | 129.7 | 127.6 | 133.7 | 130.9 | 132.8 | 129.6 | 13.1.8 |
| 1971... | 124.7 | 124.3 | 123.3 | 122.0 | 1.22.3 | 120.5 | 123.5 | 125.4 | 125.8 | 125.3 | 125.0 | 125.8 | 124.1 | 12..5 | 124.9 | 125.4 | 12.4 .0 |
| 1972... | 124.4 | 123.4 | 124.5 | 125.8 | 127.2 | 128.0 | 129.1 | 130.7 | 132.1 | 134.0 | 135.7 | 137.6 | 124.1 | 127.0 | 130.6 | 135.8 | 129.4 |
| 1973... | 140.8 | 144.4 | 147.5 | 151.3 | 154.2 | 158.1 | 162.4 | 166.1 | 169.3 | 170.3 | 171.7 | 175.8 | 144.2 | 154.5 | 165.9 | 172.5 | 159.3 |
| 1974... | 177.7 | 177.6 | 178.7 | 184.0 | 189.4 | 192.3 | 195.5 | 195.7 | 198.3 | 199.5 | 198.9 | 199.5 | 178.0 | 188.6 | 196.8 | 199.3 | 190.7 |
| 1375... | 198.9 | 132.4 | 190.3 | 185.5 | 182.7 | 174.9 | 175.6 | 174.8 | 174.0 | 176.2 |  |  | 193.9 | 180.7 | 174.8 |  |  |
| RAtIo, hen coincidfint lindex to new lagging index $(1967=100)$ |  |  |  |  |  |  |  |  |  |  |  |  | Average for Period |  |  |  |  |
| 1345... | $\cdots$ | $\cdots$ | . $\cdot$ | $\cdots$ | $\ldots$ | $\ldots$ | $\cdots$ | $\ldots$ | $\ldots$ | $\ldots$ | $\ldots$ | $\cdots$ | . $\cdot$ | $\cdots$ | - . | $\ldots$ | $\cdots$ |
| 1946... | . . | $\cdots$ | . . | $\cdots$ | $\cdots$ | ... | $\ldots$ | .. | . . | ... | $\ldots$ |  | . . | , | , |  | $\cdots$ |
| 1947... |  |  |  |  |  |  |  |  |  |  |  |  |  | 122.3 | 119.5 |  | 120.9 |
| 1948... | 124.4 | 123.4 | 323.5 | 121.8 | 122.1 | 123.1 | 121.1 | 119.2 | 118.3 | 119.6 | 117.4 | 116.7 | 123.8 | 122.3 | 119.5 | 117.9 | 120.9 |
| 1949... | 113.9 | 113.1 | 112.4 | 112.1 | 111.3 | 112.2 | 111.5 | 113.5 | 115.1 | 110.0 | 113.2 | 114.7 | 1.23 .1 | 111.9 | 113.4 | 112.6 | 172.8 |
| 1950... | 115.8 | 115.9 | 119.0 | 120.8 | 121.8 | 124.0 | 127.2 | 128.6 | 124.3 | 121.6 | 118.3 | 119.9 | 116.9 | 122.2 | 126.7 | 119.9 | 121.4 |
| 1951.. | 118.1 | 116.1 | 114.9 | 113.7 | 111.9 | 110.2 | 108.9 | 103.5 | 107.9 | 107.5 | 107.5 | 106.2 | 116.4 | 111.9 | 108.4 | 197.1 | 111.0 |
| 1952.. | 105.6 | 106.4 | 106. 1 | 106.1 | 104.6 | 102.8 | 101.7 | 105.7 | 107.6 | 108.4 | 108.6 | 108.2 | 10 F 0 | 104.5 | 105.0 | 108.4 | 106.0 |
| 1953. | 107.6 | 107.5 | 107.5 | 106.1 | 105.5 | 104.9 | 104.4 | 103.6 | 101.8 | 101.8 | 100.8 | 99.5 | 107.5 | 105.5 | 103.3 | 100.7 | 104.2 |
| 1954... | 99.2 | 100.0 | 100.5 | 100.8 | 101.6 | 103.0 | 103.3 | 104.7 | 106.1 | 107.0 | 108.0 | 109.4 | 99.9 | 101.8 | 104.7 | 108.1 | 103.6 |
| 1955.. | 110.5 | 111.0 | 112.3 | 114.2 | 115.2 | 114.2 | 114.3 | 111.6 | 111.8 | 111.6 | 130.9 | 111.7 | 111.3 | 114.5 | 112.6 | 111.4 | 312.4 |
| 1356... | 110.5 | 110.0 | 108.1 | 107.3 | 105.1 | 103.9 | 98.0 | 102.9 | 103.1 | 103.8 | 102.6 | 103.7 | 109.5 | 105.4 | 101.3 | 103.4 | 104.9 |
| 1957... | 102.2 | 103.5 | 103.0 | 101.1 | 100.4 | 100.4 | 100.0 | 98.7 | 96.7 | 96.7 | 94.2 | 91.7 | 102.9 | 100.6 | 98.5 | 94.2 | 99.0 |
| 1358... | 91.8 | 91.? | 90.3 | 90.2 | 93.3 | 96.6 | 99.5 | 101.4 | $10 ? .8$ | 102.5 | 105.5 | 104.1 | 91.1 | 93.4 | 100.9 | 104.3 | 97.4 |
| 1953... | 106.1 | 107.2 | 108.0 | 109.3 | 108.7 | 106.8 | 104.4 | 99.2 | 96.8 | 95.3 | 96.5 | 100.6 | 107.1 | 108.3 | 100.1 | 97.5 | 103.2 |
| 1960... | 202.0 | 99.6 | 97.5 | 97.5 | 95.5 | 94.3 | 93.9 | 93.7 | 94.6 | 94.6 | 105.9 | 91.3 | 99.7 | 95.8 | 104.15 | 32.9 104.7 | 97.0 |
| 1961... | 91.9 | 91.9 | 93.8 | 95.6 | 97.3 | 99.6 | 101.2 | 101.7 | 101.5 | 103.3 | 105.2 | 105.6 100.7 | 92.5 104.3 | 104.0 | 102.3 | 104.7 | 10?.2 |
| 1962... | 103.6 100.9 | 104.7 101.4 | 1.04 .7 | 104.8 | 104.2 102.7 | 102.9 102.2 | 102.7 | 102.5 101.5 | 101.8 102.1 | 101.0 101.9 | 101.0 99.5 | 100.7 99.5 | 104.3 | 102.5 | 102.3 | 100.3 | 707.5 |
| 1964... | 100.8 | 101.4 | 101.2 | 101.7 | 102.7 | 1.02 .4 | 104.1 | 103.1 | 102.6 | 100.6 | 103.8 | 104.2 | 103.1 | 102.3 | 103.3 | 102.9 | 192.4 |
| 1965... | 103.1 | 102.6 | 102.5 | 101.7 | 101.4 | 102.3 | 103.3 | 103.3 | 103.8 | 104.5 | 104.8 | 104.5 | 102.7 | 101.8 | 103.5 | 104.6 | 103.2 |
| 1366... | 105.1 | 104.2 | 104.4 | 103.1 | 102.3 | 102.2 | 101.5 | 100.2 | 100.7 | 10.72 | 99.5 | 99.3 | 104.6 | 102.5 | 100.8 | 100.0 | 102.0 |
| 1967... | 98.9 | 98.1 | 97.5 | 93.2 | 98.8 | 99.4 | 99.5 | 101.6 | 100.7 | 100.8 | 102.6 | 102.7 | 98.2 | 99.1 | 100.6 | 102.0 | 100.0 |
| 1968... | 102.5 | 103.3 | 103.6 | 102.7 | 1.02 .1 | 102.7 | 103.8 | 102.9 | 103.5 | 104.5 | 104.2 | 101.9 | 103.1 | 102.5 | 103.4 | 103.5 | 103.1 |
| 1969... | 101.0 | 101.5 | 100.3 | 97.2 | 98.5 | 96.2 | 95.9 | 96.1 | 96.4 | 95.7 | 94.3 | 93.9 | 101.1 | 98.0 | 96.1 | $9{ }^{9} \cdot 6$ | 97.5 |
| 1970... | 93. | 91.6 | 92.6 | 94.1 | 93.7 | 93.0 | 92.7 | 92.3 | 91.8 | 89.0 | 89.1 | 93.3 | 91.8 | 93.6 | 92.3 | 90.5 | 92.0 |
| 1971... | 97.0 | 98.0 | 99.5 | 101.5 | 102.3 | 104.0 | 101.0 | 99.9 | 101.4 | 101.8 | 103.9 | 104.6 | 98.2 | 102.6 | 100.8 | 103.4 | 107.? |
| 1972.. | 108.4 | 110.6 | 112.0 | 112.7 | 113.2 | 112.9 | 113.1 | 114.4 | 114.5 | 115.8 | 116.9 | 116.2 | 110.3 | 112.9 | 114.0 | 116.0 | 113.3 |
| 1973... | 116.1 | 115.3 | 113.9 | 111.2 | 110.0 | 107.7 | 106.5 | 104.0 | 103.0 | 103.6 | 103.8 | 99.9 | 115.1 | 109.6 | 104.5 | 102.4 | 107.9 |
| 1974... | 97.7 | 97.2 | 96.4 | 93.4 | 91.1 | 89.2 | 88.2 | 87.4 | 36.2 | 84.7 | 81.9 | 78.4 | 97.1 | 91.2 | 87.3 | 81.7 | 83.3 |
| 1975... | 76.7 | 77.8 | 77.2 | 79.6 | 81.9 | 85.5 | 86.2 | 88.4 | 90.2 | 90.1 |  |  | 77.2 | 82.3 | 88.3 |  |  |

# METHOD OF PRESENTATION 

THIS REPORT is organized int sa mant subject sections, as follows:
A. National Income and Produs?
8. Cyclical Indicators
C. Anticipations and Irtentions
D. Other Key indicators
E. Analytical Measures
F. International Comparisons

Each of these sections is described briefly in this introduction. Data for eacin of the above sections are shown both in Part i (charts) and in Part II (tables) of the report. Most charts begin with 1953 (except in section $C$ where they begin with 1957); the tables contain data for only the last few years. Except for section $F$, the charts contain shading which indicates periods of recession in general business activity.

In addition to the charts and tables de soribed above, each issue contains a summary table which shows the current be. havior of many of the seties, and several appendixes which present historical data, series descriptions, seasonal adjustment factors, and measures of variability. An index appears at the back of each issue. It should be noted that the series numbers used are for identification purposes only and do not reflect relationships or order.

## Seasonal Adjustments

Adjustments for average seasonal fluctuations are often necessary to bring out the underlying trends of time series. Such adjustments allow for the effects of repetitive intrayear variations resulting primarily from normal differences in weather conditions and from various institutional arrangements. Variations attributable to holidays are usually accounted for by the seasonal adjustment process; however, a separate holiday adjustment is occasionally required for holidays with variable dates, such as Easter. An additional adjustment is sometimes necessary for series which contain considerable variation due to the number of working or trading days in each month. As used in this report, the term "seasonal adjustment" includes trading-day and holiday adjustments where they have been made.

Most of the series in this report are presented in seasonally adjusted form and, in most cases, these are the official figures released by the source agencies. However, for the special purposes of this report, a number of series not ordinarily published in seasonally adjusted form are shown here on a seasonally adjusted basis.

## nCO Moving Averages

Month-to-month changes in a series are often dominated by erratic movements. MCD (months for cyclical dominance) is an estimate of the appropriate span over which to observe cyclical movements in a monthly series. (See appendix A.) It is the smallest span of months for which the average change in the cyclical factor is greater than that in the irregular factor. The more erratic a series is, the larger the $M C D$ will be; thus, MCD is 1 for the
smoothest series and 6 for the most erratic. MCD moving averages (that is, moving averages of the period equal to MCD) tend to have about the same degree of smoothness for all series. Thus, a 5 -term moving average of a series with an MCD of 5 will show its cyclical movements about as clearly as the seasonally adjusted data for a series with an MCD of 1.

The charts for sections B and D include centered MCD moving averages for all series with an MCD greater than 4. The seasonally adjusted data are also plotted to indicate their variation about the moving averages and to provide observations for the most recent months.

## Reference Turning Dates

The historical business cycle turning dates used in this report are those designated by the National Bureau of Economic Research, Inc. (NBER). They mark the approximate dates when, according to the NBER, aggregate economic activity reached its cyclical high or low levels. As a matter of general practice, neither new reference turning dates nor the shading for recessions will be entered on the charts until after both the new reference peak and the new reference trough bounding the shaded area have been designated. This policy is followed because of the conceptual and empirical difficulties of designating a current recession and the practical difficulties of terminating the shading of a current recession without including part of a new expansion.


The national income and product accounts, compiled by the Bureau of Economic Analysis (BEA), summarize both receipts and final expenditures for the personal, business, foreign, and government sectors of the economy and provide useful measures of total economic activity. The total of the final expenditures (including additions to business inventories), which equals the total of the receipts (mainly incomes), is known as gross national product (GNP). GNP is defined as the total market value of the final output of goods and services produced by the Na tion's economy. It is the most comprehensive single measure of aggregate economic output.
Gross national product consists of four major components: (1) Personal consumption expenditures, (2) gross private domestic investment, (3) net exports of goods and services, and (4) government purchases of goods and services.
Personal consumption expenditures is the market value of goods (durable and nondurable) and services purchased by individuals and nonprofit institutions and the value of food, clothing, housing, and finan-
cial services received by them as income in kind. The total purchase cost is covered, including sales taxes. Home purchases are excluded, but the estimated rental value of owner-occupied homes is included.

Gross private domestic investment combines gross fixed investment and net changes in business inventories. Fixed investment consists of producers' durable equipment and private (as opposed to government) structures, including owneroccupied residential units. The estimates are gross in the sense that there is no deduction for capital consumption. The inventory component measures the change in the physical volume of inventories valued at current replacement cost.

Net exports of goods and services measures the excess of exports over imports. Exports include receipts from domestic output sold abroad, transportation, travel, other services, fees and royalties and income on investments in foreign areas. Imports include purchases of foreign goods, payments for transportation, travel and other services, military expenditures as well as payments of income on foreign investments in the United States. More detail on U.S. balance of payments is provided in section D.

Government purchases of goods and services includes general government expenditures for compensation of employees, net purchases from business and from abroad, payments to private nonprofit institutions for research and development, and the gross fixed investment of government enterprises. Not included are current outlays of government enterprises, acquisitions of land, transfer payments, subsidies, loans, and interest payments to domestic creditors.

A breakdown of the goods portion of GNP, covering durable and nondurable goods and both final sales and changes in business inventories, is also included in section A. Other major aggregates taken from the national income and product accounts are described below.

National income is the total earnings arising from the current production of goods and services and accruing to the labor and property employed in production. The components of national income are compensation of employees, proprietors' income, rental income of persons, corporate profits and the inventory valuation adjustment, and net interest.

Personal income measures the current income of individuals, owners of unincorporated businesses, nonprofit institutions, private trust funds, and private health and welfare funds. It consists of wage and salary disbursements, other labor income, proprietors' income, rental income of persons, dividends, personal interest income, and transfer payments to persons, less personal contributions for social insurance.

Disposable personal income is the personal income available for spending or saving. It consists of personal income less personal taxes and other nontax payments to general government.

Gross saving represents the difference between income and spending during an accounting period. It is the total of personal saving, undistributed corporate profits, corporate inventory valuation adjustment, the excess of wage accruals over disbursements (usually negligible), government surplus or deficit, and capital consumption allowances.
Most of the series in this section are on a current-doliar basis, but some are shown on a constant (1958) dollar basis so that the effects of price changes are eliminated. The implicit price deflator (computed by dividing the current-dollar data by the constant-dollar data) for total GNP is also shown.


## SECTION B

## CYCLICAL

 indicatorsThe business cycle is generally described as consisting of alternating periods of expansion and contraction in aggregate economic activity; that is, the complex of activities represented by such concepts as total production, employment, income, consumption, trade, and the flow of funds. Although a recurrent pattern has been characteristic of American economic history, many economists do not consider it inevitable.
One of the techniques developed in business cycle research is widely used as a
tool for analyzing current economic conditions and prospects. This is the cyclical indicators concept, which singles out certain economic time series as being leaders, coinciders, or laggers in relation to movements in aggregate economic activity. The NBER has, since 1938, maintained a list of such indicators and has periodically subjected the list to extensive review. Their most recent (1966) list of 73 cyclical indicators is the basis for this section of BCD. These indicators were selected primarily for their cyclical behavior, but they have also proven useful in forecasting, measuring, and interpreting other short-term fluctuations in aggregate economic activity.

The NBER employs a dual classification scheme which groups the indicators by cyclical timing and by economic process, and this report uses the same classification groupings. The diagram below summarizes the cross-classification system used in this section. The 79 cyclical indicators are presented with economic process as the principal basis of classification and cyclical timing as the secondary basis. The major processes are divided into minor processes which exhibit rather distinct differences in cyclical timing. The timing classification takes into account a series' historical record of timing at business cycle peaks and troughs. Leading indicators are those which usually reach peaks or troughs before the corresponding turns in aggregate economic activity; roughly coincident indicators are direct measures of aggregate economic activity or move roughly together with it; lagging indicators usually reach their turning points after the turns in aggregate economic activity.

The NBER has also specified a "short list" of indicators. This more selective and substantially unduplicated group of principal indicators is drawn from the full list and provides a convenient summary of the current situation. The short list consists of 26 series: 12 leading, eight roughly coincident, and six lagging. Only five of these are quarterly series; the rest are monthly. The short list is classified only by timing and is shown separately in chart B8.

Included in this section are a number of composite indexes which provide simple summary measures of the average behavior of selected groups of indicators. Each component of an index is weighted according to its value in forecasting or identifying short-term movements in aggregate economic activity. The components are standardized so that each has, aside from its weight, an equal opportunity to influence the index. Each index is standardized so that its average month-to-month percent change is 1 (without regard to sign).

The composite indexes presented in this report are based on groups of indicators selected by timing. Thus, there is an index of leading indicators, another of coincident indicators, and a third of lagging indicators. In addition, there are five indexes based on leading indicators which have been grouped by economic process. These indexes indicate the underlying cyclical trends of each group of indicators and the relative magnitude of their short-term changes. The index of 12 leading indicators has been "reverse trend adjusted" so that its long-run trend parallels that of the coincident index. This facilitates comparisons among the leading, coincident,

Cross-Classification of Cyclical Indicators by
Economic Process and Cyclical Timing

|  | I. EMPLOYMENT AND UNEMPLOYMENT (13 series) | II. PRODUCTION, INCOME, CONSUMPTION. and trade (9 series) | III. FIXED CAPITAL INVESTMENT (14 series) | IV. INVENTORIES AND INVENTORY INVESTMENT (9 series) | V. PRICES, COSTS, AND PROFITS ( 14 series) | VI. MONEY AND CREDIT (20 series) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| LEADING indicators (40 series) | Marginal employment adjustments ( 5 series) |  | Formation of business enterprises (2 series) <br> New investment commitments (B series) | Inventory investment and purchasing (7 series) | Sensitive commodity prices (l series) <br> Stock prices (1 series) <br> Profits and profit margins ( 5 series) <br> Cash flows (2 serles) | Flows of money and credit ( 7 series) Credit difficulties (2 series) |
| ROUGHLY COINCIDENT indicators (26 series) | Job vacancies (1 series) Comprehensive employment (3 series) Comprehensive unemployment ( 3 series) | Comprehensive production (3 series) <br> Comprehensive income <br> (2 series) <br> Comprehensive consumption and trade (4 series) | Backiog of investment commitments (2 series) |  | Comprehensive wholesale prices (2 series) | Bank reserves (1 series) Interest rates (5 series) |
| LAGGING INDICATORS (13 series) | Long-duration unemployment ( 1 series) |  | Investment expenditures (2 series) | Inventories (2 series) | Unit labor costs (3 series) | Outstanding debt (2 series) Interest rates (3 series) |

and lagging indexes and tends to shorten the leads of the leading index at business cycle peaks while lengthening them at troughs; it also reduces the variability of the leads and lags.


Most businessmen and many individual consumers have some type of plans as to their major economic activities in the near future. Information on these plans is regarded as a valuable aid to economic forecasting either directly or as an indication of the state of confidence concerning the economic outlook. In recent years, much progress has been made in compiling such information, and a number of surveys by various organizations and government agencies ascertain anticipations and intentions of businessmen and consumers. The results of some of these surveys, expressed as time series, are presented in this section of the report.
The business analyst who uses these series should be aware of their limitations. These data reflect only the respondents' anticipations (what they expect others to do) or intentions (what they plan to do), not firm commitments. Among both businessmen and consumers, some responses may not be very reliable; that is, the plans may be conjectural or the respondent may make little effort to reply accurately to the survey questions. Also, many plans are subject to modification or even complete abandonment due to unforeseen and uncontrollable developments. In some cases, the anticipations (or intentions) may have a systematic bias; for example, the anticipations (or intentions) data may tend to be lower than the subsequent actual data under certain economic conditions and higher under other conditions. Sometimes they merely project what has already occurred and hence appear to lag behind actual changes. Actual data are included in this section to indicate their historical relationship to the anticipations and intentions. Some of the series are diffusion indexes, a concept explained in the description for section $E$.


Many economic series are available which. although not included in the three main sections of the report, are nevertheless important for an overall view of the economy. This section presents a number of such series, though by no means a com-
prehensive selection. In general, these series reflect processes which are not direct measures of economic activity but which do have a significant bearing on business conditions.

The foreign trade and payments series include data on imports and exports and their balance, export orders, and the balance of payments. Many of the components of the balance-of-payments accounts are shown. Some are charted in a manner which emphasizes the balance between receipts and expenditures for each component; for example, comparisons of exports of goods and services with imports of goods and services, and income on U.S. investments abroad with payments on foreign investments in the United States. In addition, balances are shown for U.S. Government grants and capital transactions and for capital transactions of the private sector (banks and U.S. residents other than banks). Finally, cumulative changes are shown for other components; for example, U.S. liquid liabilities to all foreigners and U.S. official reserve assets.

The Federal Government activities series include Federal receipts and expenditures, and their balance, and selected defense activities. The receipts and expenditures data are from the national income and product accounts. The defense series are only a few of the many available. For a more comprehensive picture of defense activities, see Defense Indicators, a monthly Bureau of Economic Analysis publication.

Three other groups of series are included in this section. The price movements series consist of consumer and wholesale price indexes and their major components. The series on wages and productivity include measures of hourly earnings and output per man-hour and also rates of change for most of these measures. The final group of series measures the civilian labor force and its major components, including unemployment rates for selected segments of the labor force.

## 

This section begins by comparing gross national product in constant dollars with a measure of potential GNP. In effect, these two series reflect the relationship between the economy's productive capacity and total demand, the excess of potential over actual GNP indicating the degree to which potentially productive resources are not fully utilized. The measure of potential GNP, developed by the Council of Economic Advisers in the early 1960's, takes into account increases in both available man-hours and output per man-hour.
The NBER list of cyclical indicators includes some series which measure the relationship between different economic varia-
bles (for example, the series on labor cost per unit of output). There are, however, additional analytical ratios which have proven useful in evaluating business conditions and prospects. A number of such ratios are shown in the second part of this section.

The third part presents a selection of diffusion indexes. Many series in this report are aggregates compiled from a number of components. A diffusion index is a summary measure expressing, for a particular aggregate, the percentage of components rising over a given timespan (half of the unchanged components are considered rising). Cyclical changes in diffusion indexes tend to lead those of the corresponding aggregates. Since diffusion indexes are highly erratic, long-term (6. or 9 -month span) indexes are used to indicate underlying trends and short-term (1month span) indexes are used to show recent developments. Most of the indexes are constructed from components of series shown in section $B$, and these indexes have the same identification numbers as the corresponding aggregates. The diffusion indexes are classified by the cyclical timing of the aggregates to which they relate. Recent data and directions of change for many of the components are shown in table E4.

The final part (E5) presents, in chart form, rates of change for a selected group of economic series. Percent changes are shown for 1- and 3 -month spans or for 1-quarter spans.


Because this report is designed as an aid to the analysis of U.S. business conditions, all previous sections are based on data which relate directly to that purpose. But many business analysts examine economic developments in other important countries with a view to their impact on the United States. This section is provided to facilitate a quick review of basic economic conditions in six of the nations with which we have important trade relationships.

Data on consumer prices, industrial production, and stock prices are shown for Canada, the United Kingdom, France, West Germany, Japan, and Italy and are compared with the corresponding U.S. series. Also included is an industrial production index for the European countries in the Organization for Economic Cooperation and Development. The industrial production series provide a comprehensive measure of output and the consumer price indexes measure an important sector of prices, while stock prices tend to be important as leading indicators. In this section, the U.S. business cycle shading has been omitted from the charts.

Peak ( $\mathbf{P}$ ) of cycle indicates end of expansion and beginning of Recession (shaded areas) as designated by NBER.

Series numbers are for identification only and do not reflect series relationships or order.

Solid line indicates monthly data. (Data may be actual monthly figures or MCD moving averages.*)

Broken line indicates actual monthly data for series where an MCD moving average* is plotted.

Parallel lines indicate a break in continuity (data not available, changes in series definitions, extreme values, etc.).

Solid line with plotting points indicates quarterly data.



## HOW TO LOCATE A SERIES

1. See ALPHABETICAL INDEX-SERIES FINDING GUIDE in the back of the report where series are arranged alphabetically accordingto subject matter and key words and phrases of the series titles, or
2. See TITLES AND SOURCES OF SERIES where series are listed in numerical order according to series numbers within each of the Digest's six sections.

Table 1. Summary of Recent Data and Current Changes for Principal Indicators

| Series title | $\begin{gathered} \text { Unit } \\ \text { of } \\ \text { oeasure } \end{gathered}$ | Basic data ${ }^{\text {a }}$ |  |  |  |  |  |  |  |  | Percent change |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Average |  |  | $\begin{aligned} & 2 \mathrm{~d} \mathrm{a} \\ & 1974 \end{aligned}$ | $\begin{aligned} & 3 \mathrm{~d} 0 \\ & 1974 \end{aligned}$ | $\begin{aligned} & \text { 4th } \mathrm{O} \\ & 1974 \end{aligned}$ | $\begin{aligned} & 1 \text { st } 0 \\ & 1975 \end{aligned}$ | $\begin{aligned} & 2 \mathrm{~d} \mathrm{da} \\ & 1975 \end{aligned}$ | $\begin{aligned} & 3 \mathrm{~d} \mathrm{a} \\ & 1975 \end{aligned}$ | $\begin{gathered} \text { 4th } 0 \\ \text { to } \\ 1 \text { st } 0 \\ 1975 \end{gathered}$ | $\begin{gathered} \text { lst 0 } \\ \text { to } \\ 2 \mathrm{~d} \mathrm{O} \\ 1975 \end{gathered}$ | $\begin{gathered} 2 \mathrm{~d} \mathrm{O} \\ \text { to } \\ 3 \mathrm{~d} 0 \\ 1975 \end{gathered}$ |  |
|  |  | 1972 | 1973 | 1974 |  |  |  |  |  |  |  |  |  |  |
| A. NATIONAL INCOME AND PRODUCT <br> A1. Gross National Product |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 200. GNP in current dollars. | Ann.rate, hil.dol. | 1158.0 | 1294.9 | 1397.4 | 1383.8 | 1416.3 | 1430.9 | 1416.6 | 1440.9 | 1503.6 | -1.0 | 1.7 | 4.4 | 200 |
| 205. 6 NP in 1958 dollars | $\ldots$ | 792.5 | 839.2 | 821.2 | 827.1 | 823.1 | 804.0 | 780.0 | 783.6 | 808.3 | -3.0 | 0.5 | 3.2 | 205 |
| 210. Implicit price deflator | 1958=100 | 146.1 | 154.3 | 170.2 | 167.3 | 172.1 | 178.0 | 181.6 | 183.9 | 186.0 | 2.0 | 1.3 | 1.1 | 210 |
| 215. Per capita GNP in current dollars | Ann. rate, dol. | 5,544 | 6,154 | 6,592 | 6,537 | 6,677 | 6.731 | 6,652 | 6,753 | 7,030 | $-1.2$ | 1.5 | 4.1 | 215 |
| 217. Per capita GNP in 1958 dollars . | ...... do ... | 3,794 | 3,988 | 3,874 | 3,907 | 3,880 | 3.782 | 3,663 | 3,673 | 3,779 | -3.1 | 0.3 | 2.9 | 217 |
| A2. National and Personal Income |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 220. National income, current dollars | Ann.rate, bil.dol. | 946.5 | 1065.6 | 1142.5 | 1130.2 | 1155.5 | 1165.4 | 1150.7 | 1175.4 | 1227.0 | -1.3 | 2.1 | 4.4 | 220 |
| 222. Personal income, current dollars | ......do. | 944.9 | 1055.0 | 1150.5 | 1134.6 | 1168.2 | 1186.9 | 1193.4 | 1220.5 | 1255.2 | 0.5 | 2.3 | 2.8 | 222 |
| 224. Disposable personal income, current dollars | ...... do | 802.5 | 903.7 | 979.7 | 966.5 | 993.1 | 1008.8 | 1015.5 | 1078.5 | 1079.6 | 0.7 | 6.2 | 0.1 | 224 |
| 225. Disposable personal income, 1958 dollars . | do | 580.5 | 619.6 | 602.8 | 603.5 | 602.9 | 594.8 | 591.0 | 620.2 | 611.4 | -0.6 | 4.9 | -1.4 | 225 |
| 226. Per capita disposable personal income. current dollars | Ann. rate, dol. ... | 3,843 | 4,295 | 4,623 | 4,565 | 4,681 | 4,745 | 4,768 | 5,055 | 5,047 | 0.5 | 6.0 | -0.2 | 226 |
| 227. Per capita disposable pers income, 1958 doi. | do ....... | 2,779 | 2,945 | 2,845 | 2,850 | 2,842 | 2,798 | 2,775 | 2,907 | 2,858 | -0.8 | 4.8 | -1.7 | 227 |
| A3. Personal Consumption Expenditures |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 230. Total, cyrrent dollars | Ann.rate, bildol. | 729.0 | 805.2 | 876.7 | 869.1 | 901.3 | 895.8 | 913.2 | 938.6 | 968.8 | 1.9 | 2.8 | 3.2 | 230 |
| 231. Total, 1958 dollars | ...... do | 527.3 | 552.1 | 539.5 | 542.7 | 547.2 | 528.2 | 531.5 | 539.7 | 548.6 | 0.6 | 1.5 | 1.6 | 231 |
| 232. Durable goods, current dollars | do | 118.4 | 130.3 | 127.5 | 129.5 | 136.1 | 120.7 | 124.9 | 130.6 | 138.6 | 3.5 | 4.6 | 6.1 | 232 |
| 233. Durable goods, exc. autos, current dollars | do | 78.8 | 86.9 | 90.0 | 91.5 | 92.5 | 88.1 | 89.6 | 93.5 | 96.3 | 1.7 | 4.4 | 3.0 | 233 |
| 234. Automobiles, current dollars. | do | 39.7 | 43.4 | 37.5 | 38.0 | 43.6 | 32.6 | 35.3 | 37.1 | 42.3 | 8.3 | 5.1 | 14.0 | 234 |
| 236. Nondurable goods, current dollars | do | 299.7 | 338.0 | 380.2 | 375.8 | 389.0 | 391.7 | 398, 8 | 410.1 | 422.7 | 1.8 | 2.8 | 3.1 | 236 |
| 237. Services, current dollars........ | ...do | 310.9 | 336.9 | 369.0 | 363.8 | 376.2 | 383.5 | 389,5 | 397.9 | 407.5 | 1.6 | 2.2 | 2.4 | 237 |
| A4. Gross Private Domestic Investment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 240. Gross private domestic investment, total ...... | Ann.rate, bildol. | 179.3 | 209.4 | 209.4 | 211.8 | 205.8 | 209.4 | 163.1 | 148.1 | 179.1 | -22.1 | -9.2 | 20.9 | 240 |
| 241. Fixed investment, total nonresidential .... | . . do . | 116.8 | 136.8 | 149.2 | 149.4 | 150.9 | 151.2 | 146.9 | 142.7 | 143.6 | -2,8 | -2.9 | 0.6 | 241 |
| 242. Fixed investment, nonresidential structures | do | 41.1 | 47.0 | 52.0 | 52.2 | 51.0 | 53.7 | 52.8 | 49.1 | 49.6 | -1.7 | -7.0 | 1.0 | 242 |
| 243. Fixed investment, producers' durable equip. . . | do | 75.7 | 89.8 | 97.1 | 97.2 | 99.9 | 97.5 | 94.2 | 93.6 | 94.0 | -3.4 | -0.6 | 0.4 | 243 |
| 244. Fixed investment, residential structures | ......do | 54.0 | 57.2 | 46.0 | 48.8 | 46.2 | 40.4 | 35.3 | 36.4 | 41.0 | -12.6 | 3.1 | 12.6 | 244 |
| 245. Change in business inventories, total ${ }^{2}$ | ......do | 8.5 | 15.4 | 14.2 | 13.5 | 8.7 | 17.8 | -19.2 | -31.0 | -5.5 | -37.0 | $-11.8$ | 25.5 | 245 |
| A5. Foreign Trade |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 250. Net exports of goods and services ${ }^{2}$ | Ann.rate, bil.dol. | -6.0 | 3.9 | 2.1 | -1.5 | -3.1 | 1.9 | 8.8 | 16.2 | 12.2 | 6.9 | 7.4 | -4.0 | 250 |
| 252. Exports ................... | ......do. | 72.4 | 100.4 | 140.2 | 138.5 | 143.6 | 147.5 | 142.2 | 136.0 | 142.0 | -3.6 | -4.4 | 4.4 | 252 |
| 253. Imports | do | 78.4 | 96.4 | 138.1 | 140.0 | 146.7 | 145.7 | 133.4 | 119.8 | 129.8 | -8.4 | $-10.2$ | 8.3 | 253 |
| A6. Government Purchases of Goods and Services |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 260. Total | Ann.rate, bil.dol. | 255.7 | 276.4 | 309.2 | 304.4 | 312.3 | 323.8 | 331.6 | 338.1 | 343.5 | 2.4 | 2.0 | 1.6 | 260 |
| 262. Federal | do | 104.9 | 106.6 | 116.9 | 114.3 | 117.2 | 124.5 | 126.5 | 128.4 | 130.5 | 1.6 | 1.5 | 1.6 | 262 |
| 264. National defense | ......do | 74.8 | 74.4 | 78.7 | 76.6 | 78.4 | 84.0 | 84.7 | 84.8 | 86.1 | 0.8 | 0.1 | 1.5 | 264 |
| 266. State and local . | ......do | 150.8 | 169.8 | 192.3 | 190.1 | 195.1 | 199.3 | 205.1 | 209.7 | 213.0 | 2.9 | 2.2 | 1.6 | 266 |
| A7. Final Sales and Inventories |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 270. Final sales, durable goods ............. | Ann.rate, bil.dol. | 214.3 | 240.9 | 249.2 | 248.5 | 259.8 | 246.2 | 252.9 | 261.7 | 268.7 | 2.7 | 3.5 | 2.7 | 270 |
| 271. Change in business inventories, dur. goods ${ }^{2}$ | do | 7.1 | 9.4 | 7.7 | -1.8 | 5.7 | 18.3 | -13.4 | -14.7 | -9.2 | -31.7 | -1.3 | 5.5 |  |
| 274. Final sples, nondurable goods .......... | do | 321.0 | 366.5 | 406.9 | 402.9 | 413.2 | 418.6 | 433.2 | 449.8 | 461.3 | 3.5 | -1.8 | 2.6 | 274 |
| 275. Change in bus. inventories, nondur. goods ${ }^{2}$ | do | 1.4 | 6.0 | 6.5 | 15.4 | 3.0 | -0.5 | -5.7 | $-16.3$ | 3.7 | -5.2 | $-10.6$ | 20.0 | 275 |
| A8. National Income Components |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 280. Compensation of employees | Arn.rate, bil.dol. | 707.1 | 786.0 | 855.8 | 848.3 | 868.2 | 877.7 | 875.6 | 885.4 | 906.6 | -0.2 | 1.1 | 2.4 | 280 |
| 282. Proprietors' income .... | ......do....... | 75.9 | 96.1 | 93.0 | 89.9 | 92.1 | 91.6 | 84.9 | 86.1 | 94.6 | -7.3 | 1.4 | 9.9 | 282 |
| 284. Rentol income of persons ................ | ...... do. | 25.9 | 26.1 |  | 26.3 | 26.6 | 26.8 | 27.0 | 27.1 | 27.4 | 0.7 | 0.4 | 1.1 | 284 |
| 286. Corporate profits and inventory valuation adj. . | . do | 92.2 | 105.1 | 105.6 | 105.6 | 105.8 | 103.4 | 94.3 | 104.9 | 122.5 | -8.8 | 11.2 | 16.8 | 286 |
| 288. Net interest | do | 45.6 | 52.3 | 61.6 | 60.1 | 62.8 | 65.9 | 68.9 | 71.9 | 75.9 | 4.6 | 4.4 | 5.6 | 288 |
| A9. Saving |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 290. Gross saving, total | Ann.rate, bil.dol: | 173.4 | 214.4 | 207.5 | 206. 3 | 196.4 | 202.9 | 166.6 | 165.0 | 187.7 | -17.9 | -1.0 | 13.8 | 290 |
| 292. Personal saving ................. | ...... do.. | 52.6 | 74.4 | 77.0 | 71.5 | 65.5 | 86.5 | 75.9 | 113.8 | 84.6 | $-12.3$ | 49.9 | -25.7 | 292 |
| 294. Undistributed corporate profits plus inventory valuation adjustment . . | . do | 23.3 | 25.7 | 17.3 | 17.1 | 9.9 | 18.1 | 21.5 | 165.8 27.9 | 36.0 | 18.8 | 29.8 | -25.7 | 298 294 |
| 296. Capital consumption allowances. | ......do. | 102.9 | 110.8 | 119.5 | 118.6 | 120.7 | 122.9 | 125.2 | 127.4 | 130.0 | 1.9 | 1.8 | 2.0 | 296 |
| 298. Government surplus or deficit, total ${ }^{2}$ | do | -5.1 | 3.5 | -6.3 | -1.0 | 0.2 | -24.6 | -56.0 | -104.2 | -62.9 | -31.4 | -48,2 | 41.3 | 298 |
| A10. Real GNP (1958 dollars) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 273. Final sales, 1958 dotlars ... | Ans.rate, bildol. | 785.4 | 828.4 | 812.5 | 818.9 | 818.1 | 793.1 | 791.8 | 800.7 | 810.6 | -0.2 | 1.1 | 1.2 | 273 |
| 246. Change in bus. inventories, 1958 dollars ${ }^{2}$..... | ...... do | 7.0 | 10.8 | 8.7 | 8.2 | 5.0 | 10.9 | -11.7 | -17.1 | -2.3 | -22.6 | -5.4 | 14.8 | 246 |
| 247. Fixed investment, nonresidential, 1958 dollars 248. Fixed investment residential struc, 1958 dol | . do | 83.7 34. | 94.4 32.0 | 94.0 | 96.5 | 94.1 | 89.2 | 83.8 | 80.3 | 80.4 | -6.1 | -4.2 | 0.1 | 247 |
| 248. Fixed investment residential struc., 1958 dol. . 249. Gross auto product 1958 dollars | do | 34.3 | 32.9 | 24.0 | 25.7 | 23.6 | 20.4 | 17.3 | 17.5 | 19.4 | -15.2 | 1.2 | 10.9 | 248 |
| 249. Gross auto product, 1958 dollars ........... | do | 39.1 | 44.2 | 33.6 | 32.6 | 38.9 | 33.6 | 26.7 | 33.7 | 39.2 | -20.5 | 26.2 | 16.3 | 249 |
| 263. Federal Government purchases of goods and services, 1958 dollars | do | 61.0 | 57.3 | 56.5 | 56.3 | 56.5 | 57.0 | 57.4 | 58.3 | 58.9 | 0.7 | 1.6 | 1.0 |  |
| 267. State and local government purchases of |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| goods and services, 1958 dollars | do | 82.1 | 87.0 | 89.5 | 89.5 | 89.4 | 89.3 | 90.2 | 90.9 | 91.2 | 1.0 | 0.8 | 0.3 | 267 |
| E1. Actual and Potential GNP |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 207. GNP gap (potential less actual), 1958 dol. ${ }^{2} \ldots$. | Ann.rate, bil.dol. | 26.3 | 12.4 | 64.6 | 54.1 | 66.8 | 94.7 | 127.6 | 132.9 | 117.2 | 32.9 | 5.3 | -15.7 | 207 |

Table 1. Summary of Recent Data and Current Changes for Principal Indicators-Continued

| Series title | $\begin{gathered} \text { Unit } \\ \text { of } \\ \text { measure } \end{gathered}$ | Basic data ${ }^{1}$ |  |  |  |  |  |  |  | Percent changa |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Average |  | $\begin{aligned} & \text { Ist O } \\ & 1975 \end{aligned}$ | 201975 | 3d 01975 | $\begin{aligned} & \text { Aug. } \\ & 1975 \end{aligned}$ | $\begin{aligned} & \text { Sept. } \\ & 1975 \end{aligned}$ | $\begin{aligned} & \text { Oct. } \\ & 1975 \end{aligned}$ | $\begin{gathered} \text { Aug. } \\ \text { to } \\ \text { Sept. } \\ \text { i975 } \end{gathered}$ | $\begin{gathered} \text { Sept. } \\ \text { to } \\ \text { Oct. } \\ 1975 \end{gathered}$ | $\begin{gathered} \text { 1st } 0 \\ \text { to } \\ 2 \mathrm{do} \\ 1975 \end{gathered}$ | $\begin{aligned} & 2 \mathrm{do} \\ & \text { to } \\ & 3 \mathrm{~d} 0 \\ & 1975 \end{aligned}$ |  |
|  |  | 1973 | 1974 |  |  |  |  |  |  |  |  |  |  |  |
| B. CYCLICAL INDICATORS <br> B7. Composite Indexes |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 12 leading indicators: ${ }^{3}$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| New index, original trend | 1967 100 | 124.0 | 110.1 | 91.5 | 97.0 | 102.4 | 102.6 | 102.5 | 102.0 | -0.1 | -0.5 | 6.0 | 5.6 |  |
| New index, reverse trend adjusted. | do | 166.1 | 154.7 | 132.2 | 142.0 | 151.7 | 152.1 | 152.5 | 152.4 | 0.3 | -0.1 | 7.4 | 6.8 |  |
| ald index, reverse trend adj. (810) | do | 163.4 | 171.2 | 153.0 | 160.5 | 171.9 | 171.9 | 174.0 | 175.4 | 1.2 | 0.8 | 4.9 | 7.1 | 810 |
| 4 coincident indicators, new index | do | 171.4 | 169.8 | 149.7 | 148.6 | 154.3 | 154.6 | 156.9 | 158.8 | 1.5 | 1.2 | -0.7 | 3.8 |  |
| 6 lagging indicators, new index. | . . do | 159.3 | 190.7 | 193.9 | 180.7 | 174.8 | 174.8 | 174.0 | 176.2 | -0.5 | 1.3 | -6.8 | $-3.3$ |  |
| LEADING INDICATOR SECTORS |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 813. Marginal employment adjustments | ...... do | 102.0 | 92.8 | 82,3 | 84.5 | 88.9 | 89.3 | 88.6 | NA | -0.8 | NA | 2.7 | 5.2 | 813 |
| 814. Capital investment commitments ... | .....do | 120.3 | 114.9. | 104.0 | 109.3 | 114.0 | 114.2 | 114.1 | 113.8 | -0.1 | -0.3 | 5.1 | 4.3 | 814 |
| 815. Inventory investment and purchasing | . do | 123.2 | 133.1 | 112.1 | 112.3 | 115.4 | 116.6 | 117.1 | 117.4 | 0.4 | 0.3 | 0.2 | 2.8 | 815 |
| 816. Profitability .. | $\ldots .$. do | 118.6 | 125.0 | 116.4 | 119.9 | 124.9 | 124.5 | 125.5 | 127.8 | 0.8 | 1.8 | 3.0 | 4.2 | 816 |
| 817. Sensitive financial flows | ......do | 118.1 | 110.6 | 89.4 | 96.4 | 101.7 | 98.8 | 105.1 | NA | 6.4 | NA | 7.8 | 5.5 | 817 |
| B1. Employment and Unemployment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Marginal Employment Adjustments: <br> *1. Average workweek, prod. workers, mfg. | Hours | 40.7 | 40.0 | 39.0 | 39.1 | 39.6 | 39.7 | 39.8 | 39.8 | 0.3 | 0.0 | 0.3 | 1.3 | 1 |
| 21. Average weekly overtime hours, production workers, manufacturing ${ }^{2}$ | do | 3.8 | 3.2 | 2.4 | 2.4 | 2.7 | 2.8 | 2.8 | $2 \cdot 7$ | 0.0 | -0.1 | 0.0 | 0.3 | 21 |
| 2. Accession rate, manufacturing ${ }^{2}$ | Per 100 employ... | 4.8 | 4.2 | 3.3 | 3.6 | 4.0 | 4.0 | 3.7 | 3.6 | -0.3 | -0.1 | 0.3 | 0.4 | 2 |
| *5. Average weekly initial claims, State unemployment insurance (inverted ${ }^{4}$ ) | Thousands | 240 | 349 | 548 | 500 | 434 | 442 | 451 | 432 | -2.0 | 4.2 | 8.8 | 13.2 | 5 |
| 3. Layoff rate, manufacturing (inverted $\left.{ }^{4}\right)^{2}$ | Per 100 employ. . | 0.9 | 1.5 | 2.9 | 2.4 | 1.6 | 1.5 | 1.7 | 1.7 | -0.2 | 0.0 | 0.5 | 0.8 | 3 |
| ROUGHLY COINCIDENT INDICATORS Job Vacancies: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Comprehensive Employment: <br> 48. Man-hours in nonagricultural establishments . Ann. rate, billion |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *41. Employees on nonagricultural payrolls | Thousands ....... | 76,896 | 78,413 | 76,864 | 76,438 | 76,992 | 77,023 | 77,275 | 77,492 | 0.3 | 0.3 | -0.6 | 0.7 | 41 |
| 42. Persons engaged in nonagri. activities ... | ......do | 80,957 | 82,443 | 80,821 | 80,959 | 81,795 | 81,884 | 81,872 | 82,019 | 0.0 | 0.2 | 0.2 | 1.0 | 42 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 45. Average weekly insured unemployment rate (inverted $\left.{ }^{4}\right)^{2}$ | do | 2.7 | 3.5 | 6.0 | 6.8 | 5.9 | 5.8 | 5.7 | 5.5 | 0.1 | 0.2 | -0,8 | 0.9 | 45 |
| 40. Unemployment rate, married males (inverted $\left.{ }^{4}\right)^{2}$ | do | 2.3 | 2.7 | 4.8 | 5.7 | 5.2 | 5.0 | 5.3 | 5.2 | -0.3 | 0.1 | -0.9 | 0.5 | 40 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| B2. Production, Income, Consumption, and Trade |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| roughly coincident indicators Comprehensive Production: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| -205. GNP in 1958 dollars | do | 839.2 | 821.2 | 780.0 | 783.6 | 808.3 |  |  |  |  |  | 0.5 | 3.2 | 200 |
| *47. Industrial production | 1967=100 | 125.6 | 124.8 | 111.6 | 110.4 | 114.1 | 114.0 | 116.0 | 116.5 | 1.8 | 0.4 | -1.1 | 3.4 | 47 |
| Comprehensive Income: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *52. Personal income ................... | Ann,rate, bil.dol. | 1055.0 | 1150.5 | 1193.4 | 1220.5 | 1255.2 | 1255.9 | 1270.9 | 1283.6 | 1.2 | 1.0 | 2.3 | 2.8 | 52 |
| 53. Wages, salaries in mining, mfg.. construction .. | ...... do ....... | 247.6 | 266.2 | 257.3 | 257.2 | 265.4 | 265.8 | 269.5 | 272.7 | 1.4 | 1.2 | 0.0 | 3.2 | 53 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 57. Final sales ............................ | Ann.rate, bildol. . | 1279.6 | 1383.2 | 1435.8 | 1471.9 | 1509.1 | 172.35 |  |  | . $\cdot 0$ |  | 2.5 | 2.5 | 57 |
| *54. Sales of retaii stores | Mil. dol. . ....... | 41,943 | 53,786 | 46,290 | 47,855 | 49,684 | 49,925 | 49,473 | 49,955 | -0.9 | 1.0 | 3.4 | 3.8 | 54 |
| 59. Sales of retail stores, deflated ............. | ...... do | 33,477 | 56,191 | 31,015 | 31,643 | 32,223 | 32,350 | 32,000 | 32,253 | -1.1 | 0.8 | 2.0 | 1.8 | 59 |
| B3. Fixed Capital Investment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LEADING INDICATORS Formation of Business Enterprises: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *12. Index of net business formation | 1967=100 | 117.9 | 112.4 | 102.5 | 106.3 | 113.1 | 112.6 | 113.5 | 112.0 | 0.8 | -1,3 | 3.7 | 6.4 | 12 |
| 13. New business incorporations .. | Number | 27,443 | 26,584 | 24,542 | 26,661 | NA | 28,708 | NA | NA | NA | NA | 8.6 | NA | 13 |
| New Investment Commitments: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *6. New orders, durable goods industries 8. Construction contracts, total value | Bil. dol. ......... $1967=100 . .$. | 41.16 184 | 44.42 171 | 36.50 141 | 39.38 182 | 42.20 177 | 42.69 208 | 42.23 157 | 42.78 166 | -1.1 -24.5 | 1.3 5.7 | 7.9 | 7.2 -2.7 | 6 |
| *10. Contracts and orders for plant, equipment .... | Bil. dol. .......... | 12.28 | 13.54 | 11.39 | 12.78 | 12.85 | 13.98 | 11.93 | 12.21 | -14.7 | 2.3 | 12.2 | 0.5 | 10 |
| 11. New capital appropriations, manufacturing ... | ...... do | 11.13 | 14.22 | 11.46 | 11.08 | 10.82 |  |  |  | $\cdots$ |  | -3.3 | -2.3 | 11 |
| 24. New orders, cap. goods indus, nondefense | Mi... do ... | 10.32 | 11.53 | 9.86 | 10.25 | 10.44 | 10.39 | 10.21 | 10.75 | -1.7 | 5.3 | 4.0 | 1.9 | 24 |
| 9. Construction contracts, commercial and industrial buildings | Mil. sq. feet floor space | 85.73 | 72.90 | 46,87 | 50.74 | 48.66 | 43.25 | 50.12 | 54.10 | 15.9 | 7.9 | 8.3 | -4.1 | 9 |
| 28. New private housing units started, total | Ann. rate, thous .. | 2,045 | 1,336 | 995 | 1,068 | 1,25? | 1.269 | 1,268 | 1,458 | -0.1 | 15.0 | 7.3 | 17.7 | 28 |
| *29. New building permits, private housing | 1967=100 | 157.1 | 91.9 | 59.4 | 77.5 | 90.0 | 85.7 | 94.4 | 94.1 | 10.2 | -0.3 | 30.5 | 16.1 | 29 |
| ROUGHLY COINCIDENT INDICATORS |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Backlog of investment Commitments: <br> 96: Unfilled orders, durable goods industries ${ }^{5}$. | Bil. dol., E0P .... |  |  | 120.10 |  |  | 117.41 | 116.36 | 115.08 | -0.9 | -1.1 |  |  | 96 |
| 97. Backlog of capital appropriations, mig. ${ }^{\text {s }}$. | . . . . . do . . . . . . . | 109.86 37.11 | 129.94 49.79 | 120.10 49.08 | 116.75 47.64 | 116.36 45.74 | 117.41 | 116.36 | 115.08 | -0.9 | -1.1 | -2.9 | -4.0 | 97 |

Table 1. Summary of Recent Data and Current Changes for Principal Indicators-Continued

| Series title | Unit of measure | Basic data ${ }^{\text {a }}$ |  |  |  |  |  |  |  | Percent change |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Average |  | $\begin{aligned} & \text { 1st } 0 \\ & 1975 \end{aligned}$ | $\begin{aligned} & 2 \mathrm{~d} 0 \\ & 1975 \end{aligned}$ | $\begin{aligned} & 3 \mathrm{~d} \mathrm{O} \\ & 1975 \end{aligned}$ | Aug. <br> 1975 | $\begin{aligned} & \text { Sept. } \\ & 1975 \end{aligned}$ | $\begin{aligned} & \text { Oct. } \\ & 1975 \end{aligned}$ | Aug. to Sept. 1975 | Sept. <br> to <br> Oct. <br> 1975 | ist 0 <br> to <br> 200 <br> 1975 | $\begin{gathered} \text { 2d } a \\ \text { to } \\ \text { 3d } Q \\ \text { 1975 } \end{gathered}$ |  |
|  |  | 1973 | 1974 |  |  |  |  |  |  |  |  |  |  |  |
| B. CYCLICAL INDICATORS-Con. B3. Fixed Capital Investment-Con. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LAGGING INDICATORS <br> Investment Expenditures: <br> ${ }^{*} 61$. Business expend, new plant and equip. <br> 69. Machinery and equipment sales and business construction expenditures .................. | Ann.rate, bil.dol. . | 99.74 134.71 | 111.92 152.81 | $\left(\begin{array}{l}114.57 \\ 153.03\end{array}\right.$ | 112.46 | a113.48 | 149.95 | 149.00 | $\cdots$ | -0.6 | NA | -1.8 -1.8 | 0.9 -0.7 | 61 69 |
| B4. Inventories and Inventory Investment |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LEADING INDICATORS Inventory Investment and Purchasing: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 245. Change in bus. inventories, all indus. ${ }^{2}$....... | Ann.rate, bil.dol. | 15.4 | 14.2 | -19.2 | -31.0 | $-5.5$ |  |  |  |  |  | -11.8 | 25.5 |  |
| 33. Change, mfg, and trade inven., book value ${ }^{2}$. | do | 26.7 | 46.6 | -10.4 | -18.8 | 5.5 | 15.8 | 5.0 | NA | -10.2 | NA | -8.4 | 24.3 | 31 |
| 37. Purchased materials, percent reporting higher inventories ${ }^{2}$ <br> 20. Change in mfis.' inventories of materials, supplies, book value ${ }^{2}$ | Percent ......... | 63 6.4 | 55 13.9 | 32 1.5 | 29 -10.3 | 30 -5.4 | 28 -6.5 | 37 -2.2 | 42 $N A$ | 9 4.3 | NA | -3 -11.8 | 1 4.9 | 37 20 |
| 26. Buying policy, production materials, commitments 60 days or longer ${ }^{2}$ (1) | Percent ...... | 78 | 13.9 83 | 62 | -10.3 56 | -5.4 56 | -6.5 58 | -2.2 58 | 62 | 4.3 0 | NA 4 | -11.8 .6 | 4.9 0 | 20 26 |
| 32. Vendor performance, percent reporting slower deliveries ${ }^{2}$ (l) <br> 25. Chg. in unfilled orders, dur. goods indus. ${ }^{2}$ | Bil. do. do | 88 2.41 | 66 1.67 | 17 -3.28 | 24 -1.12 | 37 -0.13 | 36 0.20 | 44 -1.05 | 62 45 -1.28 | -1.25 | $-0.2^{\frac{1}{3}}$ | $\begin{array}{r}.6 \\ 7 \\ \hline .16\end{array}$ | 0 0.93 | 26 32 25 |
| LAGGING INDICATORS Inventories: <br> *71. Mig. and trade inventories, book value ${ }^{5}$ | Bil. dol., EOP | 224.40 | 271.05 | 268.45 | 263,75 |  | 264.66 | 265.13 |  |  |  |  |  |  |
| 65. Mrrs.' inven, of finished goods, book value ${ }^{\text {s }}$ | ..... do . . | 224.95 | 46.73 | 47.73 | 263.75 46.83 | 265.13 47.02 | 264.06 46,60 | $\begin{array}{r}265.13 \\ 47.02 \\ \hline\end{array}$ | NA | 0.2 0.9 | NA | -1.8 -1.8 | 0.5 0.4 | 71 65 |
| B5. Prices, Costs, and Profits |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LEADING INDICATOAS |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| *23. Industrial materials prices(1) | 1967=100. | 173.1 | 219.0 | 181.2 | 181.3 | 178.4 | 179.6 | 184.2 | 181.9 | 2.6 | -1.2 | 0.1 | -1.6 | 23 |
| Stock Prices: <br> 19. Stock prices, 500 common stocks@ | 1941-43=10 | 107.43 | 82.84 | 78.81 | 89.07 | 87.62 | 85.71 | 84.67 | 88.57 | -1.2 | 4.6 | 13.0 | -1.6 | 19 |
| Profits and Profit Margins: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Ann.rate, bildol. ..... do . . . | 72.9 50.9 | 85.0 53.1 | 62.3 35.9 | 70.3 40.0 | 82.2 |  | $\cdots$ | $\bullet \bullet$ | -•• | -•• | 12.8 | 16.9 | 16 |
| 22. Ratio, profits to income originating in corporate business ${ }^{2}$ | Percent . . | 50.2 11.2 | 53.1 12.1 | 35.9 9.3 | 40.0 10.2 | 46.3 11.5 | $\cdots$ | -• | . $\cdot$ | ... | ... | 11.4 | 15.7 | 18 |
| 15. Profits (after taxes) per dol. of sales, mfg. ${ }^{2}$ | Cents. | 11.2 5.0 | 12.1 | 9.3 | 10.2 4.4 | ${ }^{11.5}$ | … | $\cdots \cdot$ | $\cdots$ | $\cdots$ | $\cdots$ | 0.9 | 1.3 | 22 |
| *17. Ratio, price to unit labor cost, mfg. ........ | 1967=100 | 106.1 | 116.1 | 115.8 | 113.6 | 115.4 | 115.0 | 116,2 | 116.7 | 1.0 | 0.9 | 0.6 | NA | 15 |
| 34. Net cast flow, corporate, current dollars ..... | Ann.rate, bil.dol. | 114.5 | 129.0 | 109.6 | 119.3 | 132.9 |  |  | 118. | 1.0 | 0.4 | -1.9 | 11.4 | 17 |
| 35. Net cash flow, corporate, 1958 dollars. | . . . . do | 79.0 | 81.3 | 62.5 | 67.1 | 74.3 | ... | $\cdots$ | $\cdots$ | -.. | ... | 7.4 | 11.4 10.7 | 34 35 |
| ROUGHL Y COINCIDENT INDICATORS |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Comprehensive Wholesale Prices: 55. Wholesale prices, industrial commodities(1) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 55. Wholesale prices, industrisl commodities (1) .. | 1967 100. | 125.9 | 154.1 | 168.3 | 170.2 | 172.2 | 172.2 | 173.1 | 174.7 | 0.5 | 0.9 |  |  |  |
| 55c. Chg. in whsle. prices, indus. commod., $S / A^{2}$ | Percent . | 0.9 | 1.9 | 0.3 | 0.2 | 0.6 | 0.6 | 0.7 | 1.2 | 0.1 | 0.5 | -0.1 | 0.4 | 55 |
| 58. Wholesale prices, manufactured goods (1) .... | 1967=100 | 129.2 | 153.8 | 168.0 | 169.4 | 172.2 | 172.3 | 173.0 | 174.5 | 0.4 | 0.9 | 0.8 | 1.7 | 58 |
| LAGGING INDICATORS |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Unit Labor Costs: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 63. Unit labor cost, totat private economy <br> 68. Labor cost per unit of gross product, | . do. | 131.1 | 146.5 | 157.5 | 158.8 | 157.1 | -•• | -•• | -•• | -•• | $\cdots$ | 0.8 | -1.1 | 63 |
| nonfinancial corporations | Dollars | 0.879 | 0.978 | 1.043 | 1.034 | 1.022 |  |  |  |  |  |  |  |  |
| *62. Labor cost per unit of output, mfg. . | 1967=100 | 121.7 | 132.5 | 145.3 | 148.3 | 149.0 | 148.9 | 149.0 | $149^{\circ} \cdot 8$ | 0.0 | 0.0 | -0.9 2.1 | -1.2 0.5 | 68 |
| B6. Money and Credit |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LEADING INDICATORS Flows of Money and Credit: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 85. Change in money supply (M1) ${ }^{2} \ldots \ldots \ldots \ldots$ | Ann.rate,percent . . | 5.98 | 4.66 | 0.88 | 11.14 | 2.32 | 2.86 | 2.04 | 2.85 | -0.82 | 0.81 | 10.26 | -8.82 | 85 |
| 102. Change in money supply plus time deposits at commercial banks (M2) ${ }^{2}$ | . . do . | 8.51 | 6.99 | 7.52 | 13.30 | 6.28 | 5,90 | 4.77 | 4.02 | -1.13 | -0.75 | 5.78 |  |  |
| 103. Change in money supply plus time deposits at banks and nonbank institutions (M3) ${ }^{2}$ | ...... do ...... | 8.50 | 6.55 | 9.79 | 15.47 | 9.79 | 9.43 | 7.78 | 7.02 | -1.13 | -0.75 | 5.78 | -7.02 -5.68 | 102 |
| 33. Change in morttage debt ${ }^{2}$. | Ann.rate, bil.dol. | 48.01 | 35.51 | 28.11 | 37.13 | 42.30 | 38.22 | 47.96 | NA | 9.74 | NA | 5.08 9.02 | -5.68 | 103 |
| 112. Change in business loans ${ }^{2}$. ............. -113. Change in consumer instalment debt ${ }^{2}$. . . . | ...... do....... | 21.00 20.08 | 21.97 | -22.91 | -21.26 | -7.82 | -18.72 | 2.59 | 5.87 | 21.31 | 3.28 | 1.65 | 13.44 | 112 |
| 113. Change in consumer instaliment debt ${ }^{2}$ 110. Total private borrowing . . . . . . . . | ....... do........ ...... do...... | 20.08 177.64 | 8.41 167.82 | -2.40 95.04 | 0.22 107.43 | 9.70 120.08 | 6.00 | 12.68 | NA | 6.68 | NA | 2.62 13.0 | 5.178 1.48 | 113 |
| Credit Difficulties: |  | 177.64 | 167.82 | 95.04 | 107.43 | 120.08 | -•• | -•• | -•• | . $\cdot$ | -•• | 13.0 | 11.8 | 110 |
| 14. Liabilities of business failures (inverted ${ }^{4}$ ) (@) | Mild dol. . ... | 191.55 | 254.43 | 373.08 | 301.93 | 223.33 | 222.44 | 205.53 | NA | 7.6 | NA | 19.1 | 26.0 |  |
| 39. Delinquency tate, installment loans (inv.4 $)^{25}$. | Percent, EOP | 2.27 | 2.80 | 2.94 | 2.63 | 2.59 | 2.65 | 2.59 | NA | 0.06 | NA | 0.31 | 0.04 | 39 |
| ROUGHLY COINCIDENT INDICATOAS Bank Reserves: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 93. Free reserves (inverted $\left.{ }^{4}\right)^{2}$ (1) $\ldots$ | Mil. dol. . . . . . . | -1,389 | $-1,797$ | -60 | 84 | -123 | 44 | -136 | 42 | 180 | -178 | -144 | 207 | 93 |
| Interest Rates: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 119. Federal funds rate ${ }^{2}$ (1). | Percent . | 8.74 | 10.51 | 6.30 | 5.42 | 6.16 | 6.14 | 6.24 | 5.82 | 0.10 | -0.42 | -0.88 | 0.74 |  |
| 114. Treasury bill rate ${ }^{2}$ @1.... | ......do | 7.03 | 7.87 | 5.87 | 5.40 | 6.33 | 6.46 | 6.38 | 6.08 | -0.08 | -0.30 | -0.47 | 0.93 | 114 |
| 116. Corporate bond yields ${ }^{2}$ (1). 115. Treasury bond yields ${ }^{2}$ (2). | $\begin{aligned} & \text {. . do } \\ & \ldots \text { do } \end{aligned}$ | 7.89 6.31 | 9.42 6.98 | 9.16 6.70 | 9.61 6.97 | 9.72 7.09 | 9.70 | 6.38 9.89 7.28 | 9.54 7.29 7.39 | 0.10 0.19 0.17 | -0.35 | -0.47 | 0.11 | 114 116 115 |
| 117. Municipal bond vieldss $^{2}(1)$ | .......do | 6.31 5.19 | 6.98 6.17 | 6.19 6.65 | 6.97 6.96 | 7.093 | 7.11 7.17 | 7.28 | 7.29 | 0.17 0.27 | 0.01 -0.05 | 0.27 0.31 | 0.12 0.27 | 115 |

Table 1. Summary of Recent Data and Current Changes for Principal Indicators-Continued

| Series titte | $\begin{gathered} \text { Unit } \\ \text { of } \\ \text { measure } \end{gathered}$ | Basic data ${ }^{1}$ |  |  |  |  |  |  |  | Percent change |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  | Average |  | $\begin{aligned} & \begin{array}{c} 1 \text { st 0 } \\ 1975 \end{array} \end{aligned}$ | $\begin{aligned} & 2 \mathrm{~d} 0 \\ & 1975 \end{aligned}$ | $\begin{aligned} & 3 \mathrm{~d} \mathrm{O} \\ & 1975 \end{aligned}$ | $\begin{aligned} & \text { Aug. } . \\ & \end{aligned}$ | $\begin{aligned} & \text { Sept. } \\ & \text { t975 } \end{aligned}$ | $\begin{aligned} & \text { Occ. } \\ & 1975 \end{aligned}$ | $\begin{aligned} & \text { Aug. } \\ & \text { to } \\ & \text { Sept. } \\ & 1975 \end{aligned}$ | $\begin{gathered} \text { Sept. } \\ \text { to } \\ \text { Oct. } \\ 1975 \end{gathered}$ | $\begin{gathered} \text { 1st 0 } \\ \text { to } \\ 2 \mathrm{~d} 0 \\ 1975 \end{gathered}$ | $\begin{gathered} 2 \mathrm{~d} \mathrm{0} \\ \text { to } \\ 3 \mathrm{~d} \\ 1975 \\ \hline \end{gathered}$ |  |
|  |  | 1973 | 1974 |  |  |  |  |  |  |  |  |  |  |  |
| B. CYCLICAL INDICATORS-Con. B6. Money and Credit-Con. |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| LAGGING INDICATORS Outstanding Debt: <br> 66. Consumer installment debt ${ }^{5}$ <br> *72. Commercial and industrial loans outstanding |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Bil. dol., EOP | 144.52 | 152.93 | 152.33 | 152.39 | 154.81 | 153.76 | 154.81 | NA | 0.7 | NA | 0.0 | 1.6 | 66 |
|  | Bil. dol. | 106.08 | 125.35 | 131.13 | 125.39 | 122.16 | 121.57 | 121.79 | 122.28 | 0.2 | 0.4 | -4.4 | -2.6 | 72 |
| interest Rates: <br> 109. Average prime rate charged by banks ${ }^{2}$ (1). <br> *67. Bank rates on short-term business loans ${ }^{2}$ (1) <br> 118. Mortgage vields, residential ${ }^{2}$ (1) |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | Percent | 8.02 | 10.80 | 8.98 | 7.33 | 7.56 | 7.65 | 7.89 | 7.96 | 0.24 | 0.07 | -1.65 | 0.23 | 109 |
|  | ...do | 8.30 | 11.28 | 9.94 | 8.16 | 8.22 |  |  |  |  |  | -1.78 | 0.06 | 67 |
|  | . do | 8.19 | 9.55 | 8.84 | NA | 9.40 | 9.32 | 9.74 | 9.53 | 0.42 | -0.21 | NA | NA | 118 |
| D. OTHER KEY INDICATORS <br> D1. Foreign Trade |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 500. Merchandise trade balance ${ }^{2}$ <br> 502. Exports, excluding military aid <br> 506. Export orders, dur goods exc. moter vehicles. <br> 508. Export orders, nonelectrical machinery <br> 512. General imports | Mil. dol. | 119 | -193 | 696 | 1,115 | 996 | 1,035 | 976 | NA | -59 | NA | 419 | -119 | 500 |
|  | ..... do | 5,905 | 8,166 | 8,972 | 8,469 | 9,015 | 8,996 | 9,165 | NA | 1.9 | NA | -5.6 | 6.4 | 502 |
|  |  | 2,343 | 3.186 | 3,369 | 3,390 | 3,368 | 3,479 | 3,288 | NA | -5.5 | NA | 0.6 | -0.6 | 506 |
|  | 1967=100 | 189 | 207 | 179 | 194 | 216 | 225 | 210 | NA | -6.7 | NA | 8.4 | 11.3 | 508 |
|  | Mil. dol. | 5,786 | 8,359 | 8,277 | 7,353 | 8,019 | 7,961 | 8,189 | NA | 2.9 | NA | $-11.2$ | 9.1 | 512 |
| D2. U.S. Balance of Payments |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 250. Balance on goods and services ${ }^{2}$ <br> 515. Bal. on goods, services, and remittances ${ }^{2}$ <br> 517. Balance on current account ${ }^{2}$ <br> 519. Balance on curr. acct. and long-term capital ${ }^{2}$ <br> 521. Net liquidity balance ${ }^{2}$ <br> 522. Official reserve transactions balance ${ }^{2}$........ | Mil. dol. | 4,177 | 3,574 | 3,178 | 5,259 | NA | . 0 | -•• | $\cdots \cdot$ | -.. | -•• | 2,081 | NA | 250 |
|  | do | 568 | 525 | 2,230 | 4,784 | NA | ... | ... | . $\cdot$ | ... | - $\cdot$ | 2,554 | NA | 515 |
|  | ..... do | 84 | -840 | 2,003 | 4,061 | NA | ... | ... | ... | -•• | . | 2,058 | NA | 517 |
|  | $\cdots .$. do | -245 | -2,672 | -673 | 1,611 | NA | $\ldots$ | -.. | . $\cdot$. | ... | ... | 2,284 | NA | 519 |
|  | ....do | -1,913 | -4,761 | 3,108 | 1,104 | 289 |  | -.. | - | -.. | ... | -2,004 | -815 | 521 |
|  | do | -1,328 | -2,094 | -3,267 | -1,616 | 4,923 | $\ldots$ | -.. | - | ... | ... | 1,651 | 6,539 | 522 |
| D3. Federal Government Activities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 600. Federal surplus or deficit, NIA $^{2}$ | Ann.rate, bil.dol. | -5.6 | -8.1 | -54.4 | -103.3 | -67.1 | -•• | -.. | -• | -•• | -•• | -48,9 | 36.2 | 600 |
| 601. Federal receipts, NIA .................602. Federal expenditures, NIA ........... | . . do | 258.5 | 291.1 | 284.1 | 251.8 | 295.7 | ... | ... | ... | ... | ... | -11.4 | 17.4 | 601 |
|  | do | 264.2 | 299.1 | 338.5 | 355.0 | 362.7 | . . $\cdot$ | . $\cdot$ | ... | . $\cdot$. | . $\cdot$. | 4.9 | 2.2 | 602 |
| 602. Federal expenditures, NIA 264. National defense purchases | Mi...do | 74.4 | 78.7 | 84.7 | 84.8 | 86.1 |  | $7 \cdot 0$ | $\bullet \cdot$ |  |  | 0.1 | $\frac{1}{3.5}$ | 264 |
| 616. Defense Department obligations, total <br> 621. Defense Department obligations, procurement <br> 648. New orders, defense products | Mil dol. | 7,085 | 7,753 | 7,780 | 8,212 | 8,529 | 9,077 | 7,791 | NA | -14.2 | NA | 5.6 | 3.9 | 616 |
|  |  | 1,571 | 1,741 | 1,761 | 1,639 | 2,143 | 2,821 | 1,535 | NA | -45.6 | NA | -6.9 | 30.8 | 621 |
|  | Bil. dol. | 1.71 | 1.90 | 1.83 | 1.74 | 1.95 | 2.05 | 1.99 | 1.15 | -2.9 | -42.2 | $-4.9$ | 12.1 | 648 |
| 625. Military contract awards in U.S. <br> D4. Price Movements | Mil. dol. | 2,954 | 3,457 | 3,499 | 3,940 | NA | 5,299 | NA | NA | NA | NA | 12.6 | NA | 625 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 211. Fixed wid. price index, gross priv. product ... | 1958=100. | 149.6 | 167.0 | 178.0 | 180.4 | 183.6 |  |  |  |  |  | 1.3 | 1.8 | 211 |
| 211. Fixed wid. price index, gross priv. product <br> 781. Consumer prices, all items@. <br> 781c. Change in consumer prices, all items, $S / A^{2}$ <br> 750. Wholesale prices, all commodities (1) | 1967=100 | 133.1 | 147.7 | 157.0 | 159.5 | 162.9 | 162.8 | 163.6 | 164.6 | 0.5 | 0.6 | 1.6 | 2.1 | 781 |
|  | Percent ... | 0.7 | 161.0 | 0.5 | 173.6 | 176.6 | +0.2 | 177 | $0 \cdot 7$ | 0.3 | 0.2 | 0.1 | 0.0 | 781 |
|  | 1967=100 | 134.7 | 160.1 | 171.2 | 173.0 | 176.7 | 176.7 | 177.7 | 178.9 | 0.6 | 0.7 | 1.1 | 2.1 | 750 |
| D5. Wages and Productivity |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 740. Average hourly earnings, production workers in private nonfarm economy | do | 146.6 | 158.3 | 167.7 | 170.7 | 174.3 | 174.6 | 175.1 | 176.8 | 0.3 | 1.0 | 1.8 | 2.1 | 740 |
| 741. Real average hourly earnings, productio workers in private nonfarm economy | do | 110.1 | 107.2 | 106.7 | 107.1 | 107.1 | 107.4 | 107.2 | 107.5 | -0.2 | 0.3 | 0.4 | 0.0 | 741 |
| 859. Real spendable avg. weekly earnings, nonagri. prod or nonsupv. workers | 1967 dol. | 95.73 | 90.97 | 88.15 | 90.26 | 91.51 | 91.82 | 91.70 | 91.66 | -0.1 | 0.0 | 2.4 | 1.4 | 859 |
| 745. Avg. hourly compensation, private nonfarm .. | 1967=100 | 148.8 | 161.9 | 170.8 | 173.9 | 177.2 | 91.82 | 91.70 | 91.06 | -0.1 | .. 0 | 1.8 | 1.9 | 745 |
| 746. Real avg. hourly comp., private nonfarm <br> 770. Output per man-hour, total private economy <br> 858. Output per man-hour, total private nonfarm | do | 111.8 | 109.6 | 108.6 | 109.0 | 108.9 | ... | ... |  | ... | ... | 0.4 | -0.1 | 746 |
|  | . do | 115.1 | 112.0 | 110.3 | 111.5 | 114.4 | ... | ... | $\because$ | - | ... | 1.1 | 2.6 | 770 |
|  | do | 113.6 | 110.4 | 108.4 | 109.9 | 112.8 |  |  |  | ... |  | 1.4 | 2.6 | 858 |
| D6. Civilian Labor Force and Major Components |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 841. Total civilian labor force <br> 842. Total civilian employment <br> 843. Number of persons unemployed (inverted) ${ }^{4}$ | Thousands | 88,716 | 91,011 | 91,810 | 92,514 | 93,084 | 93.146 | 93,191 | 93,443 | 0.0 | 0.3 | 0.8 | 0.6 | 841 |
|  | do | 84,410 | 85,936 | 84, 146 | 84,311 | 85,283 | 85,352 | 85,418 | 85,441 | 0.1 | 0.0 | 0.2 | 1.2 | 842 |
|  | do | 4,306 | 5,076 | 7,664 | 8,203 | 7,802 | 7,794 | 7,773 | 8,002 | 0.3 | -2.9 | -7.0 | 4.9 | 843 |
| E. ANALYtical measures <br> E2. Analytical Ratios |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 850. Ratio, output to capacity, manufacturing ${ }^{2}$ | Percent | 83.0 | 79.0 | 68,2 | 67.0 | 68.9 |  |  |  |  |  |  | 1.9 | 850 |
| 851. Ratio, inventories to sales, mig. and trade . | Ratio. | 1.47 | 1.51 | 1.67 | 1.62 | 1.54 | 1.54 | 1.53 | NA | -0.6 | NA | -3.0 | -4.9 | 851 |
| 852. Ratio, unfilled orders to shipments, manufacturers' durable goods industries | do | 2.87 | 3.31 | 3.47 | 3.31 | 3.18 | 3.17 | 3.08 | NA | -2.8 | NA | -4.6 | -3.9 | 852 |
| 853. Ratio, prod., bus. equip. to consumer goods854.Ratio, personal savings to disposablepersonal income ................ | 1967=100 | 93.2 | 100.8 | 100.4 | 94.6 | 91.3 | 91.5 | 91.5 | 90.7 | 0.0 | -0.9 | -5.8 | -3.5 | 853 |
|  | Ratio | 0.082 | 0.079 | 0.075 | 0.106 | 0.078 | ... | - |  | ... | $\cdots$ | 41.3 | -26.4 | 854 |
| 860. Ratio, help-wanted advertising to persons unemployed | Percent | 0.872 | 0.658 | 0.294 | 0.277 | 0.318 | 0.317 | 0.318 | 0.309 | 0.3 | -2.8 | -5.8 | 14.8 | 860 857 |
| 857. Vacancy rate in total rental housing ${ }^{2}$ (1) | Percent | 5.8 | 6.2 | 6.1 | 6.3 | 6.2 | -... | $\cdots$ | - | $\cdots$ | $\ldots$ | 0.2 | -0.1 | 857 |

[^15]
## Chart A1 GROSS NATIONAL PRODUCT



Current data for these series are shown on page 69.


Current data for these series are shown on page 69.

## Section A NATIONAL INCOME AND PRODUCT

Chart A3
PERSONAL CONSUMPTION EXPENDITURES


Current data for these series are shown on page 70.


## Section A NATIONAL INCOME AND PRODUCT

Chart A5 FOREIGN TRADE


Current data for these series are shown on page 71.

## Section A NATIONAL INCOME AND PRODUCT

Chart A6 GOVERNMENT PURCHASES OF GOODS AND SERVICES


Current data for these series are shown on page 71.

## Section A NATIONAL INCOME AND PRODUCT

## Chart A7 FINAL SALES AND INVENTORIES



Current data for these series are shown on page 71.

## Section A NATIONAL INCOME AND PRODUCT

Chart A8 NATIONAL INCOME COMPONENTS


Current data for these series are shown on pages 71 and 72.


Current data for these series are shown on pages 69, 70, and 72.

## Gross National Product Shares



National Income Shares



## CYCLICAL INDICATORS <br> Economic Process and Cyclical Timing

## Chart B1 EMPLOYMENT AND UNEMPLOYMENT

## Leading Indicators



Current data for these series are shown on page 74.

## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Chart B1 EMPLOYMENT AND UNEMPLOYMENT-Con.

Roughly Coincident Indicators


Current data for these series are shown on pages 74 and 75

Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing Chart B1 EMPLOYMENT AND UNEMPLOYMENT-Con.

Roughly Coincident Indicators-Con.


Lagging Indicators


## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Chart B2 PRODUCTION, INCOME, CONSUMPTION, AND TRADE

## Roughly Coincident Indicators



## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Chart B2 PRODUCTION, INCOME, CONSUMPTION, AND TRADE-Con.

Roughly Coincident Indicators-Con.


## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Chart B3
FIXED CAPITAL INVESTMENT

## Leading Indicators



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Current data for these series are shown on page 77.

## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

## Chart B3 FIXED CAPITAL INVESTMENT-Con.

Leading Indicators-Con.


## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

```
Chart B3
```

    FIXED CAPITAL INVESTMENT-Con.
    
## Roughly Coincident Indicators



## Lagging Indicators



Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing
Chart B4 INVENTORIES AND INVENTORY INVESTMENT

Leading Indicators


Current data for these series are shown on pages 78 and 79.

## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Chart B4 INVENTORIES AND INVENTORY INVESTMENT-Con.

Leading Indicators-Con.


Lagging Indicators


## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Chart B5 PRICES, COSTS, AND PROFITS

## Leading Indicators



Current data for these series are shown on pages 79 and 80 .

## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Leading Indicators-Con.


Roughly Coincident Indicators


Current data for these series are shown on page 80 .

Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing Chart B5 PRICES, COSTS, AND PROFITS-Con.

## Lagging Indicators



Current data for these series are shown on page 80.

## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

Chart B6 MONEY AND CREDIT

## Leading Indicators



Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing Chart B6 MONEY AND CREDIT-Con.

Leading Indicators-Con.


## Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing

 Chart B6 MONEY AND CREDIT-Con.
## Roughly Coincident Indicators



Section B CYCLICAL INDICATORS Economic Process and Cyclical Timing
Chart B6 MONEY AND CREDIT-Con.

## Lagging Indicators



Current data for these series are shown on page 82.

## Section B CYCLICAL INDICATORS Selected Indicators by Timing

Chart B7 COMPOSITE INDEXES


## Section B CYCLICAL INDICATORS Selected Indicators by Timing

## Chart B7 COMPOSITE INDEXES-Con.

## Leading Indicator Subgroups



Section B CYCLICAL INDICATORS Selected Indicators by Timing

```
Chart B8 NBER SHORT LIST
```


## Leading Indicators



## Section B CYCLICAL INDICATORS Selected Indicators by Timing

```
Chart B8
NBER SHORT LIST-Con.
```


## Leading Indicators-Con.



## Section B CYCLICAL INDICATORS Selected Indicators by Timing

## Chart B8 <br> NBER SHORT LIST-Con.

Leading Indicators-Con.


Roughly Coincident Indicators


Current data for these series are shown on pages 75, 79, 80, and 81.

## Section B CYCLICAL INDICATORS Selected Indicators by Timing

Chart B8 NBER SHORT LIST-Con.

Roughly Coincident Indicators-Con.


## Section B CYCLICAL INDICATORS Selected Indicators by Timing

```
Chart B8 NBER SHORT LIST-Con.
```


## Lagging Indicators



Current data for these series are shown on pages 75, 78, 79, 80, and 82 .

## Chart Cl AGGREGATE SERIES



$\left.\begin{array}{c}106 \\ 104 \\ 102 \\ 100 \\ 98 \\ 96\end{array}\right]$ 量


## Section C ANTICIPATIONS AND INTENTIONS

## Chart C1 AGGREGATE SERIES-Con.



Current data for these series are shown on page 84

## Section C ANTICIPATIONS AND INTENTIONS

## Chart C2 DIFFUSION INDEXES



Current data for these series are shown on pages 84 and 85
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## Section c ANTICIPATIONS AND INTENTIONS

Chart C2 DIFFUSION INDEXES-Con.

$\left.\begin{array}{l}90 \\ 80 \\ 70-1 \\ 60-1 \\ 50-1 \\ 40 \\ 40\end{array}\right]$







OTHER KEY INDICATORS

## Chart D1 FOREIGN TRADE




## Section D OTHER KEY INDICATORS

Chart D2 BALANCE OF PAYMENTS AND MAJOR COMPONENTS-Con.

| 1953 | 54 | 55 | 56 | 57 | 58 | 59 | 60 | 61 | 62 | 63 | 64 | 65 | 66 | 67 | 68 | 69 | 70 | 71 | 72 | 73 | 74 | 1975 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |

## Section D OTHER KEY INDICATORS

Chart D2 BALANCE OF PAYMENTS AND MAJOR COMPONENTS-Con.


513. hacome on foreign iivestments in the U.S.


[^16]
## Section D OTHER KEY INDICATORS

Chart D2 BALANCE OF PAYMENTS AND MAJOR COMPONENTS-Con.


## Section D OTHER KEY INDICATORS

## Chart D3



## Section D OTHER KEY INDICATORS

FEDERAL GOVERNMENT ACTIVITIES-Con.


## Section D OTHER KEY INDICATORS

## Chart D4

PRICE MOVEMENTS


[^17] See basic data table for actual 1 -month percent changes. Current data for these series are shown on page 90.

## Section D OTHER KEY INDICATORS



## Section D OTHER KEY INDICATORS

Chart D5 WAGES AND PRODUCTIVITY



## Section D OTHER KEY INDICATORS

## Chart D6 CIVILIAN LABOR FORCE AND MAJOR COMPONENTS



ANALYTICAL MEASURES

## Chart E1 ACTUAL AND POTENTIAL GROSS NATIONAL PRODUCT




Current data for these series are shown on page 96.

## Section E ANALYTICAL MEASURES

Chart E3 DIFFUSION INDEXES

## Leading Indicators



```
Chart E3 DIFFUSION INDEXES-Con.
```


## Roughly Coincident Indicators



Section E ANALYTICAL MEASURES

Chart E5 RATES OF CHANGE


$\left.\begin{array}{c}+20 \\ +15 \\ +10- \\ +5-1 \\ 0 \\ 0 \\ -5\end{array}\right]$
205. (c) Cap in constant dollars (1-0 span)



INTERNATIONAL COMPARISONS

## Chart F1 CONSUMER PRICES



Current data for these series are shown on page 103.

## Section F INTERNATIONAL COMPARISONS



Current data for these ceries are shown on pages 103 and 104.

## Section F INTERNATIONAL COMPARISONS

## Chart F3 <br> STOCK PRICES




NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by @l. Series numbers are for identification only and do not reflect series relationships or order. Commiete titles and sources are shown at the back of the book. The " r " indicates revised; " p ", preliminary; " e ", estimated; " $a$ ", anticipated; and " $N A$ ", not available.

Graphs of these series are shown on pages 9,10 , and 65 .


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " r " indicates revised; " $\rho$ ", preliminary; " e ", estimated; " a ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 11 and 12.

| $\begin{aligned} & \text { Year } \\ & \text { and } \\ & \text { quarter } \end{aligned}$ | A5 FOREIGN TRADE IN CURRENT DOLLARS |  |  | A6 GOVERNMENT PURCHASES OF GOOOS AND SERVICESIN CURRENT DOLLARS |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 250. Net exports of goods and services <br> (Ann. rate, bil. dol.) | 252. Exports of goods and services <br> (Ann. rate, bil. dol.) | 253. Imports of goods and services <br> (Ann. rate, bil. dol.) | 260. Total | 262. Federal | 264. National defense | 266. State and local |
|  |  |  |  | (Ann. rate, bil. dol.) | (Ann. rate, bil. dol.) | (Ann. rate, bil. dol.) | (Ann. rate, bil. dol.) |
| 1972 |  |  |  |  |  |  |  |
| First quarter ....... | -7.1 | 69.1 | 76.1 | 251.1 | 105.6 | 75.9 | 145.5 |
| Second quarter ..... | -6.9 | 68.8 | 75.7 | 253.8 | 105.9 | 75.9 | 147.9 |
| Third quarter . . . . . . | $-4.8$ | 73.3 | 78.1 | 255.1 | 102.7 | 72.6 | 152.4 |
| Fourth quarter ..... | -5.3 | 78.5 | 83.8 | 262.6 | 105.2 | 74.7 | 157.4 |
| 1973 |  |  |  |  |  |  |  |
| First quarter ....... | -0.8 | 88.8 | 89.5 | 269.0 | 106.4 | 75.0 | 162.6 |
| Second quarter ..... | +0. 5 | 95.4 | 94.9 | 273.3 | 106.2 | 74.0 | 167.1 |
| Third quarter . . . . . . | $+6.7$ | 103.7 | 96.9 | 276.9 | 105.3 | 73.3 | 171.6 |
| Fourth quarter ..... | +9.3 | 113.6 | 104.3 | 286.4 | 108.4 | 75.3 | 177.9 |
| 1974 |  |  |  |  |  |  |  |
| First quarter ....... | $+11.3$ | 131.2 | 119.9 | 296.3 | 111.5 | 75.8 | 184.8 |
| Second quarter ..... | -1.5 | 138.5 | 140.0 | 304.4 | 114.3 | 76.6 | 190.1 |
| Third quarter . . . . . . | -3.1 | 143.6 | 146.7 | 312.3 | 117.2 | 78.4 | 195.1 |
| Fourth quarter ..... | +1.9 | 147.5 | 145.7 | 323.8 | 124.5 | 84.0 | 199.3 |
| 1975 |  |  |  |  |  |  |  |
| First quarter ....... | $+8.8$ | 142.2 | 133.4 | 331.6 | 126.5 | 84.7 | 205.1 |
| Second quarter ..... | +16.2 | 136.0 | 119.8 | 338.1 | 128.4 | 84.8 | 209.7 |
| Third quarter $\qquad$ <br> Fourth quarter $\qquad$ | r+12.2 | rl42.0 | r129.8 | r343.5 | r130.5 | r86.1 | r213.0 |
| $\begin{gathered} \text { Year } \\ \text { and } \\ \text { quarter } \end{gathered}$ | A7 FINAL SALES AND INVENTORIES IN CURRENT DOLLARS |  |  |  | A8 <br> NATIONAL INCOME COMPONENTS IN CURRENT DOLLARS |  |  |
|  | Durable goods |  | Nondurable goods |  | 280. Compensation of employees <br> (Ann. rate, bil. dol.) | 282. Proprietors' income | 284. Rental income of persons |
|  | 270. Final sales | 271. Change in business inventories | 274. Final sales | 275. Change in business inventories |  | (Ann. rate, bil. dol.) | (Ann. rate, bil. dol.) |
|  | (Ann. rate, bil. dol.) | (Ann. rate, bil. dol.) | (Ann. rate, bill. dol.) | (Ann. rate, bil. dol.) |  |  |  |
| 1972 |  |  |  |  |  |  |  |
| First quarter ....... | 204.6 | +2.7 | 309.7 | +2.2 | 683.8 | 72.9 | 25.5 |
| Second quarter ..... | 210.6 | $+5.8$ | 318.9 | +2.2 | 699.0 | 74.6 | 24.4 |
| Third quarter . . . . . . | 218.3 | +6.8 | 322.7 | +3.4 | 712.6 | 75.8 | 26.8 |
| Fourth quarter ...... | 223.6 | +13.2 | 332.6 | -2.2 | 732.9 | 80.1 | 26.7 |
| 1973 |  |  |  |  |  |  |  |
| First quarter ....... | 237.8 | +6.1 | 347.9 | +3.9 | 759.1 | 89.1 | 26.3 |
| Second quarter ..... | 241.2 | $+7.7$ | 359.7 | $+3.0$ | 776.7 | 92.8 | 25.7 |
| Third quarter ........ | 243.9 | +9.0 | 374.2 | +2.9 | 793.3 | 99.3 | 26.2 |
| Fourth quarter ..... | 240.6 | +14.8 | 384.1 | +14.1 | 814.8 | 103.2 | 26.4 |
| $1974$ |  |  |  |  |  |  |  |
| First quarter ....... | 242.3 | +8.7 | 392.8 | +8.2 | 828.8 | 98.4 | 26.4 |
| Second quarter ..... | 248.5 | -1.8 | 402.9 | +15.4 | 848.3 | 89.9 | 26.3 |
| Third quarter . . . . . . | 259.8 | +5.7 +18.3 | 413.2 | $+3.0$ | 868.2 | 92.1 | 26.6 |
| Fourth quarter ..... | 246.2 | +18.3 | 418.6 | -0.5 | 877.7 | 91.6 | 26.8 |
| 1975 |  |  |  |  |  |  |  |
| First quarter ....... | 252.9 | -13.4 | 433.2 | -5.7 | 875.6 |  | 27.0 |
| Second quarter ...... | 261.7 | -14.7 | 449.8 | -16.3 | 885.4 | 86.1 | 27.1 |
| Third quarter $\qquad$ Fourth quarter $\qquad$ | r268.7 | r-9.2 | 461.3 | $\mathrm{r}+3.7$ | r906.6 | 94.6 | 27.4 |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (a). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the boak. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 13, 14, 15, and 16.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (11). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $\rho$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and " $N A^{\prime}$ ", not available.

Graphs of these series are shown on pages 16, 17, and 18.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and " $N A^{\prime \prime}$, not available.

Graphs of these series are shown on page 19.

B CYCLICAL INDICATORS-Economic Process and Cyclical Timing

| MAJOR ECONOMIC <br> PROCESS ........ | B1 EMPLOYMENT ANO UNEMPLOYMENT |  |
| :--- | :---: | :---: | :---: |
| TIMING CLASS .... | LEAOING INOICATORS | ROUGHLY COINCIOENT |
| INDICATORS |  |  |


| Year and month | *1. Average workweek of production workers, manufacturing <br> (Hours) | 21. Average weekly overtime hours, production workers, manufacturing <br> (Hours) | 2. Accession rate, manufacturing <br> (Per 100 employees) | *5. Average weekly initial claims for unemployment insurance, State programs ${ }^{1}$ <br> (Thous.) | 3. Layoff rate, manufacturing <br> (Per 100 employees) | 46. Index of help-wanted advertising in newspapers $(1967=100)$ | 48. Man-hours in nonagricultural establishments <br> (Ann. rate, bil. man-hours) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1973 |  |  |  |  |  |  |  |
| January .... | 40.5 | 3.8 | 4.8 | 226 | 0.8 | 126 | 146.60 |
| February ..... | (H) 41.0 | 4.0 | 4.9 | (H) 223 | (H)0.7 | 126 | 147.73 |
| March | 40.9 | 3.9 | 4.9 | 227 | 0.8 | 127 | 148.41 |
| April . ....... | 40.9 | (H) 4.0 | 4.7 | 238 | 0.8 | 125 |  |
| May . . . . . | 40.7 | 3.9 | 4.7 | 234 | 0.9 | 126 | 148.74 149.13 |
| June | 40.7 | 3.8 | 4.8 | 233 | 0.8 | 127 | 149.57 |
| July . . . . . . . | 40.6 | 3.8 | 4.7 | 232 | 1.0 | (H) 129 | 149.88 |
| August ........ | 40.5 | 3.7 | 4.7 | 247 | 0.9 | 126 | 149.95 |
| September | 40.6 | 3.7 | 4.8 | 247 | 0.8 | 125 | 150.38 |
| October . . . . | 40.6 | 3.7 | 4.9 | 24.4 | 0.9 | 127 | 150.40 |
| November December | 40.6 | 3.8 | (H) 4.9 | 251 | 1.0 | 126 | 151.74 |
| $1974$ | 40.7 | 3.7 | 4.5 | 284 | 1.1 | 122 | 151.46 |
| January ..... | 40.5 | 3.5 | 4.5 | 306 | 1.4 | 117 |  |
| February ... | 40.4 | 3.5 | 4.4 | 323 | 1.2 | 116 | 150.88 151.32 |
| March | 40.4 | 3.6 | 4.4 | 312 | 1.2 | 117 | 151.07 |
| April ....... | 39.3 | 2.7 | 4.5 | 293 | 1.1 | 120 | 149.15 |
| May . . . . . June .. . . . | 40.3 | 3.4 | 4.6 | 291 | 1.1 | 119 | 151.70 |
| June .......... | 40.2 | 3.4 | 4.4 | 306 | 1.1 | 119 | 151.29 |
| July | 40.2 | 3.4 | 4.4 | 290 | 1.0 | 118 | 151.22 |
| August . . . . . September . | 40.1 | 3.4 | 4.2 | 332 | 1.3 | 114 | 151.53 |
| Septamber.... | 39.9 | 3.2 | 4.0 | 362 | 1.4 | 107 | 151.50 |
| October . . . . | 40.0 | 3.1 | 3.7 | 410 | 2.0 | 99 | [ 152.62 |
| November .... December ... | 39.5 | 2.8 | 3.1 | 458 | 2.5 | 91 | 149.99 |
| $1975$ | 39.4 | 2.7 | 3.1 | 504 | 2.6 | 85 | 148.48 |
| January . . . | 39.2 | 2.4 | 3.3 | 548 | 3.1 | 77 | 147.96 |
| February | 38.8 | 2.4 | 3.3 | 550 | 3.0 | 76 | 146.15 |
| March .. | 38.9 | 2.3 | 3.4 | 545 | 2.7 | 74 | 145.38 |
| Aprii . | 39.1 | 2.3 | 3.9 | 517 | 2.6 | 74 | 145.58 |
| May . . | 39.0 | 2.4 | 3.5 | 496 | 2.6 | 74 | 145.70 |
| June | 39.3 | 2.4 | 3.5 | 487 | 2.1 | 81 | 145.04 |
| July . . . . . . . . | 39.4 | 2.6 | 4.2 | 410 | 1.5 | 84 |  |
| August . . . . . September | r39.7 | r2.8 | 4.2 4.0 | 412 | 1.5 | 83 | 145.35 r146.81 |
| September | r39.8 | r2.8 | 3.7 | 451 | 1.7 | r83 | r147.15 |
| October . . . . . | p39.8 | p2.7 | p3.6 | p432 | pl. 7 | p83 | pl47.96 |
| November ... <br> Oecember .. |  |  |  |  |  |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Current high values are indicated by (1) for series that move counter to movements in general business activity (series 3, 5, 14, 39, 40, 43, 44, 45, and 93), current low values are indicated by ( $\boldsymbol{H}$ ). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart B8). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 20,21 , and 39.
${ }^{1}$ Data exclude Puerto Rico which is included in figures published by source agency.

B CYCLICAL INDICATORS-Economic Process and Cyclical Timing

| MAJOR ECONOMIC PROCESS | B1 EMPLOYMENT AND UNEMPLOYMENT-Con. |  |  |
| :---: | :---: | :---: | :---: |
| TIMING CLASS .... |  | TORS-Con. | LAGGING INDICATORS |
| Minor Economic Process | Comprehensive Employment-Con. | Comprehensive Unemployment | Long-Duration Unemployment |


| Year and month | *41. Number of employees on nonagricultural payrolls, establishment Survey <br> (Thous.) | 42. Persons engaged in nonagricultural activities, labor force survey <br> (Thous.) | *43. Unemployment rate, total <br> (Percent) | 45. Average weekly insured unemployment rate, State programs ${ }^{1}$ | 40. Unemployment rate, married males <br> (Percent) | *44. Unemployment rate, persons unemployed 15 weeks and over <br> (Percent) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1973 |  |  |  |  |  |  |
| January | 75,516 | 79,182 | 5.0 | 2.8 | 2.4 | 1.1 |
| February | 75,915 | 79,863 | 5.0 | 2.8 | 2.4 | 1.0 |
| March | 76,159 | 80,256 | 4.9 | 2.8 | 2.4 | 1.0 |
| April | 76,367 | 80,521 | 5.0 | 2.6 | 2.4 | 0.9 |
| May | 76,569 | 80,669 | 4.9 | 2.6 | 2.3 | 0.9 |
| June | 76,878 | 81,022 | 4.8 | 2.6 | 2.2 | 0.9 |
| July . . | 76,940 | 81,144 | 4.8 | 2.6 | 2.1 | 0.8 |
| August . | 77,207 | 81,148 | 4.8 | 2.6 | 2.1 | 0.9 |
| September | 77,366 | 81,626 | 4.8 | 2.6 | 2.1 | 0.9 |
| October . | 77,673 | 82,024 | (H) 4.6 | 2.6 | (H) 2.1 | 0.8 |
| November | 77,973 | 82,006 | 4.8 | (H)2.6 | 2.2 | 0.9 |
| December | 78,058 | 82,011 | 4.9 | 2.8 | 2.2 | (H) 0.8 |
| 1974 |  |  |  |  |  |  |
| January | 78,068 | 82,051 | 5.2 | 3.1 | 2.3 | 0.9 |
| February | 78,196 | 82,050 | 5.2 | 3.2 | 2.4 | 0.9 |
| March | 78,236 | 82,126 | 5.1 | 3.3 | 2.3 | 0.9 |
| April | 78,351 | 82,272 | 5.0 | 3.2 | 2.4 | 1.0 |
| May . | 78,486 | 82,565 | 5.2 | 3.2 | 2.2 | 1.0 |
| June | 78,530 | 82,755 | 5.2 | 3.2 | 2.6 | 1.0 |
| July . . | 78,648 | (H) 82,970 | 5.3 | 3.2 | 2.7 | 1.0 |
| August ..... | 78,733 | 82,823 | 5.4 | 3.2 | 2.7 | 1.0 |
| September . . . | (H) 78,830 | 82,913 | 5.8 | 3.4 | 2.8 | 1.1 |
| October . . | 78,790 | 82,864 | 6.0 | 3.7 | 3.0 | 1.1 |
| November. | 78,374 | 82,314 | 6.6 | 4.2 | 3.3 | 1.2 |
| December | 77,723 | 81,863 | 7.2 | 4.9 | 3.8 | 1.4 |
| 1975 |  |  |  |  |  |  |
| January . . | 77,319 | 81,179 | 8.2 | 5.5 | 4.5 | 1.7 |
| February. | 76,804 | 80,701 | 8.2 | 6.0 | $4 \cdot 7$ | 2.0 |
| March . . | 76,468 | 80,584 | 8.7 | 6.4 | 5.2 | 2.2 |
| April | 76,462 | 80,848 | 8.9 | 6.8 | 5.6 | 2.6 |
| May . | 76,510 | 80,890 | 9.2 | 6.9 | 5.8 | 2.8 |
| June | 76,343 | 81,140 | 8.6 | 6.6 | 5.7 | 3.1 |
| Julv . . . . . . . . | 76,679 | 81,628 | 8.4 | 6.2 | 5.4 | 3.2 |
| August . . . . . . | r77,023 | 81,884 | 8.4 | 5.8 | 5.0 | 3.1 |
| September.... | r77,275 | 81,872 | 8.3 | 5.7 | 5.3 | 3.1 |
| October ...... | p77,492 | 82,019 | 8.6 | p5.5 | 5.2 | 2.8 |
| Nocember .... |  |  |  |  |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (u). Current high values are indicated by $\mathbb{H}$; for series that move counter to movements in general business activity (series 3,5,14,39,40,43,44,45, and 93), current low values are indicated by $[\mathcal{H}$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart $B 8$ ). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages $21,22,41$, and 43.
${ }^{1}$ Data exclude Puerto Rico which is included in figures published by source agency.

| MAJOR ECONOMIC <br> PROCESS ....... | B2 PRODUCTION, INCOME, CONSUMPTION, ANO TRADE |  |  |
| :--- | :---: | :---: | :---: |
| TIMING CLASS .... | ROUGHLY COINCIDENT INDICATORS |  |  |
| Minor Economic <br> Process $\ldots . . . . .$. | Comprehensive Production | Comprehensive Income | Comprehensive Consumption and Trade |


| Year and month | *200. Gross national product in current dollars <br> (Ann. rate, bil. dol.) | *205. Gross national product in 1958 doliars <br> (Ann. rate, bil. dol.) | *47. Index of industrial production$(1967=100)$ | *52. Personal income <br> (Ann. rate, bil. dol.) | 53. Wages and salaries in mining, manufacturing and construction <br> (Ann. rate, bil. dol.) | *56. Manufacturing and trade sales <br> (Mil. dol.) | 57. Final sales (series 200 minus series 245) <br> (Ann. rate, bil. dol.) | Sales of retail stores |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  | *54. Current dollar sales | 59. Deflated (1967 dollar) sales |
|  |  |  |  |  |  |  |  | (Mil. dol.) | (Mil. dol.) |
| 1973 |  |  |  |  |  |  |  |  |  |
| January |  |  | 122.2 | 1,002.0 | 235.1 | 135,962 |  | 40,707 | 33,930 |
| February | 1,248.9 | 832.8 | 123.4 | 1,014.4 | 238.0 | 138,404 | 1,238.9 | 41,242 | 34,106 |
| March .. | 1,246.9 | 83.8 | 123.7 | 1,024.5 | 239.8 | 140,538 | 1,238.9 | 41,979 | (H)34,393 |
| Aprit |  | . | 124.1 | 1,031.7 | 242.2 | 140,215 | \% ${ }^{\circ}$ | 41,185 | 33,384 |
| May . | 1,277.9 | 837.4 | 124.9 | 1,038.9 | 244.1 | 141,924 | 1,267.2 | 41,723 | 33,553 |
| June |  | , | 125.6 | 1,047.2 | 246.8 | 141,697 | ... | 41,167 | 32,832 |
| July .. |  |  | 126.7 | 1,056.1 | 248.4 | 144,754 | -•• | 42,767 | 34,011 |
| August. | 1,308.9 | 840.8 | 126.5 | 1,067.6 | 249.7 | 145,309 | 1,297.0 | 42,355 | 33,349 |
| September .. | 1,308.9 | ... | 126.8 | 1,080.4 | 253.4 | 145,226 | ... | 42,529 | 33,339 |
| October . |  |  | 127.0 | 1,090.8 | 255.7 | 149,196 |  | 42,970 | 33,494 |
| November | 1,344.0 | H) 845.7 | (H) 127.5 | 1,100.0 | 258.7 | 151,899 | 1,315.1 | 42,976 | 33,209 |
| December | 1,34.0 |  | 126.5 | 1,107.1 | 259.9 | 150,929 | ... | 42,116 | 32,121 |
| 1974 |  |  |  |  |  |  |  |  |  |
| January . . . |  |  | 125.4 | 1,107.0 | 257.4 | 154,323 | ... | 43,079 | 32,523 |
| February | 1,358.8 | 830.5 | 124.6 | 1,113.4 | 260.0 | 156,595 | 1,341.9 | 43,295 | 32,246 |
| March |  |  | 124.7 | 1,117.1 | 260.7 | 159,735 | ... | 43,938 | 32,453 |
| April |  | $\cdots$ | 124.9 | 1,125.2 | 262.7 | 160,999 |  | 44,406 | 32,467 |
| May . | 1,383.8 | 827.1 | 125.7 | 1,135.2 | 265.3 | 163,048 | 1,370.3 | 44,838 | 32,326 |
| June | 1,383.8 |  | 125.8 | 1,143.5 | 267.9 | 163,539 | ... | 44,727 | 31,896 |
| July . . |  |  | 125.5 | 1,159.5 | 268.6 | 168,082 |  | 45,905 | 32,395 |
| August ... | 1,416.3 | 823.1 | 125.2 | 1,167.2 | 277.7 | 171,229 | 1,407.6 | 46,920 | 32,771 |
| September | 1,416.3 | 82.1 | 125.6 | 1,178.0 | 273.5 | 170,355 |  | 45,858 | 31,528 |
| October . |  |  | 124.8 | 1,185.0 | (H) 274.6 | 170,997 |  | 45,844 | 31,212 |
| November. | 1,430.9 | 804.0 | 121.7 | 1,184.5 | 267.4 | 167,918 | 1,413.1 | 44,529 | 30,064 |
| December .. $1975$ | 1, ... | ... | 117.4 | 1,191.0 | 264.3 | 162,347 | ... | 45,109 | 30,416 |
| January |  |  | 113.7 | 1,191.1 | 261.2 | 161,915 |  | 46,006 | 30,922 |
| February | $1,410.6$ | 780.0 | 111.2 | 1,193.4 | 255.4 | 163,248 | 1,435.8 | 46,914 | 31,493 |
| March .. |  |  | 110.0 | 1,195.7 | 255.2 | 159,050 | ... | 45,951 | 30,630 |
| April ... |  |  | 109.9 | 1,203.1 | 255.7 | 162,374 |  | 46,813 | 31,035 |
| May . | 1,440.9 | 783.6 | 110.1 | 1,214.3 | 256.7 | 163,038 | 1,471.9 | 48,173 | 31,971 |
| June |  |  | 111.1 | 1,244.1 | 259.1 | 165,504 | ... | 48,578 | 31,922 |
| July . . . . . . . |  | ... | 112.2 | 1,238.9 | 260.8 | 169,124 | - $\quad$ … | 49,655 | 32,319 |
| August.... | (H)rl,503.6 | r808.3 | 114.0 | 1,255.9 | 265.8 | r172,349 | (H)rl,509.1 | r49,925 | r32,350 |
| September.. | ( ${ }^{\text {r }}$, 503.6 |  | r116.0 | r1,270.9 | r269.5 | (H)p173,277 |  | r49,473 | r32,000 |
| October |  |  | pll6.5 | (H) ${ }^{\text {pl }}, 283.6$ | p272.7 | (NA) |  | (H) $\mathbf{4 9} 9,955$ | p32,253 |
| November ... <br> December ... |  |  |  |  |  |  |  |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by @( Current high values are indicated by $\mathbb{H}$; for series that move counter to movements in general businass activity (series 3, 5, 14, 39, 40, 43, 44, 45, and 93), current low values are indicated by $[\boldsymbol{H}\rangle$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (") are included in the 1966 NBER "short list" of indicators (chart $B 8$ ). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and " $N A$ ", not available.

Graphs of these series are shown on pages 23,24 , and 42.

| MAJOR ECONOMIC <br> PROCESS ........ | B3 FIXEO CAPITAL INVESTMENT |  |
| :--- | :---: | :---: | :---: |
| TIMING CLASS .... | LEAOING INOICATORS |  |
| Minor E EOnomic <br> Process ......... | Formation of Business <br> Enterprises | New Investment Commitments |


| $\begin{aligned} & \text { Year } \\ & \text { and } \\ & \text { month } \end{aligned}$ | *12. Index of net business formation$(1967=100)$ | 13. Number of new business incorporations <br> (Number) | *6. Value of manufacturers' new orders, durable goods industries <br> (Bil. dol.) | 8. Index of construction contracts, total value ${ }^{1}$$(1967=100)$ | *10. Contracts and orders for plant and equipment <br> (Bil. dol.) | 11. Newly approved capital appropriations, 1,000 manufac turing corporations ${ }^{1}$$\qquad$(Bil. dol.) | 24. Value of manufacturers new orders, capital goods industries, nondefense <br> (Bil. dol.) | 9. Construction contracts for commercial and industrial buildings, floor space ${ }^{1}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  | $\begin{gathered} (M i l l i o n \\ \text { sq. feet) } \end{gathered}$ | $\begin{gathered} \text { (Million } \\ \text { sq. meters) }{ }^{2} \end{gathered}$ |
| 1973 |  |  |  |  |  |  |  |  |  |
| January | 119.1 | 27,796 | 38.48 | 185 | 11.33 | $\ldots$ | 9.57 | 87.48 | 8.13 |
| February | 119.9 | 28,752 | 39.37 | 191 | 11.36 | 9.72 | 9.45 | 85.89 | 7.98 |
| March | (H) 120.8 | 28,964 | 40.86 | 193 | 11.69 | . | 10.04 | 84.71 | 7.87 |
| April | 119.3 | 28,522 | 40.81 | 177 | 11.30 | $\ldots$ | 9.94 | 83.61 | 7.77 |
| May. | 118.8 | 28,286 | 47.71 | 173 | 11.94 | 10.92 | 10.04 | 83.73 | 7.78 |
| June | 118.5 | 27,999 | 42.29 | 183 | 12.76 | . | 10.56 | 85.79 | 7.97 |
| July .... | 118.2 | 27,664 | 41.01 | 175 | 12.62 | . | 10.57 | (H) 95.42 | (1) 8.86 |
| August.... | 117.2 | 26,689 | 42.71 | 199 | 12.65 | 11.67 | 10.28 | 89.80 | 8.34 |
| September . | 115.6 | 26,240 | 40.70 | 182 | 12.26 | ... | 10.39 | 83.77 | 7.78 |
| October .. | 116.2 | 26,809 | 42.71 | 191 | 13.29 | ... | 10.93 | 91.60 | 8.51 |
| November | 117.6 | 26,718 | 43.04 | 194 | 13.40 | 12.20 | 11.16 | 87.47 | 8.13 |
| December | 114.0 | 24,881 | 42.24 | 161 | 12.73 | ... | 10.94 | 69.51 | 6.46 |
| 1974 |  |  |  |  |  |  |  |  |  |
| January. | 113.3 | 26,511 | 42.63 | 155 | 12.66 | ... | 11.00 | 76.53 | 7.11 |
| February . | 113.0 | 27,056 | 42.60 | 187 | 13.17 | 12.86 | 11.42 | 80.67 | 7.49 |
| March | 113.9 | 26,458 | 42.40 | 181 | 13.01 | ... | 11.30 | 75.07 | 6.97 |
| April | 115.9 | (H) 29,071 | 44.32 | 167 | 13.67 | ... | 11.92 | 82.77 | 7.69 |
| May . | 116.3 | 27,562 | 46.96 | 188 | 14.57 | 14.98 | 11.80 | 77.98 | 7.24 |
|  | 115.7 | 25,785 | 47.20 | 166 | 13.84 | ... | 12.01 | 75.83 | 7.04 |
| July .... | 118.6 | 27,790 | 47.42 | 177 | H)15.16 |  | (H)12.80 | 76.64 | 7.12 |
| August.... | 114.6 | 26,495 | (H49.18 | 170 | 13.52 | (H)16.38 | 11.80 | 82.17 | 7.63 |
| September . | 111.1 | 26,313 | 46.21 | 187 | 14.08 | +16.38 | 11.83 | 73.70 | 6.85 |
| October.... | 105.2 | 25,404 | 44.39 | 148 | 12.87 | ... | 11.38 | 62.47 | 5.80 |
| November | 105.1 | 25,555 | 42.70 | 154 | 12.34 | 12.68 | 10.62 | 56.71 | 5.27 |
| December | 106.3 | 25,003 | 38.09 | 176 | 13.64 | 12.6 | 10.46 | 54.25 | 5.04 |
| 1975 |  |  |  |  |  |  |  |  |  |
| January. | 102.9 | 24,406 | 36.17 | 135 | 11.39 | ... | 10.08 | 54.39 | 5.05 |
| February | 101.7 | 24,298 | 37.36 | 135 | 11.34 | 11.46 | 9.97 | 46.54 | 4.32 |
| March .. | 103.0 | 24,922 | 35.97 | 153 | 11.44 | 11.46 | 9.52 | 39.69 | 3.69 |
| April ... | 103.4 | 26,506 | 38.98 | 189 | 13.01 |  | 10.31 | 56.90 | 5.29 |
| May... | 104.8 | 26,634 | 39.43 | 182 | 12.99 | r11.08 | 10.30 | 44.79 | 4.16 |
| June | 110.7 | 26,843 | 39.73 | 174 | 12.34 | ... | 10.14 | 50.54 | 4.70 |
| July . . . . | 113.2 | 28,143 | 41.68 | 165 | 12.65 |  | 10.73 | 52.60 | 4.89 |
| August ..... September . | r112.6 rell3. | 28,708 | 42.69 | (H) 208 | 13.98 | p10.82 | 10.39 | 43.25 | 4.02 |
| September. | rell3.5 | (NA) | r 42.23 | 157 | rll. 93 |  | r10.21 | 50.12 | 4.66 |
| October . . . November . | ell2.0 |  | p42.78 | 166 | pl2.21 |  | p10.75 | 54.10 | 5.03 |
| December .. |  |  |  |  |  |  |  |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (M). Current high values are indicated by $\mathbb{H}$; for series that move counter to movements in general business activity (series $3,5,14,39,40,43,44,45$, and 93 ), current low values are indicated by ( $\mathbf{H}$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart B8). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated: " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 25, 26, and 39.
${ }^{1}$ This is a copyrighted series used by permission; it may not be reproduced without written permission from the source agency: McGraw-Hill Information Systems Company, F.W. Dodge Division (series 8 and 9) or The Conference Board (series ll). ${ }^{2}$ Converted to metric units by the Bureau of Economic Analysis.

| MAJOR ECONOMIC PROCESS | B3 FIXED CAPITAL INVESTMENT-Con. |  |  | B4 $\begin{gathered}\text { INVENTORIES AND INVENTORY } \\ \text { INVESTMENT }\end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: |
| TIMING CLASS . . . | LEADING INDICATORS-Con. | ROUGHLY COINCIDENT INDICATORS | LAGGING INDICATORS | LEADING INDICATORS |
| Minor Economic Process $\qquad$ | New Investment Commitments-Con. | Backlog of Investment Commitments | Investment Expenditures | Inventory Investment and Purchasing |



NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movernent. Unadjusted series are indicated by (1). Current high values are indicated by $(\mathbb{H}$; for series that move counter to movements in general business activity (series $3,5,14,39,40,43,44,45$, and 93 ), current low values are indicated by $[\mathbf{H}$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart B8). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages $26,27,28,40$, and 43.
${ }^{1}$ Series reaching high values before 1973 are as follows: Series 28, January 1972 (2,494); Series 29, December 1972 (208.5). ${ }^{2}$ This is a copyrighted series used by permission; it may not be reproduced without written permission from The Conference Board.

| MAJOR ECONOMIC PROCESS | B4 INVENTORIES AND INVENTORY INVESTMENT-COM. |  | B5 PRICES, COSTS, AND PROFITS |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| TIMING CLASS . . . | LEADING INDICATORS-Con. | LAGGING INOICATORS |  | LEADING | ICATORS |
| Minor Economic Process ....... | Inventory Investment and Purchasing-Con. | Inventories | Sensitive Commodity Prices | Stock Prices | Profits and Profit Margins |


| Year and month | 20. Change in book value, mfrs.' inventories of mtls. and supplies <br> \{Ann. rate, bil. dol.) | 26. Prod. materials, companies reporting commitments 60 days or longer (1) (Percent reporting) | 32. Vendor performance, companies reporting slower deliveries (L) <br> (Percent reporting) | 25. Change in unfilled orders, durable goods industries (Bil. doi.) | *71. Manufacturing and trade inventories, book value(Bil. dol.) | 65. Mfrs.' inventories of finished goods, book value <br> (Bil. dol.) | *23. Index of industrial materials prices (1)$(1967=100)$ | *19. Index of stock prices, 500 common stocks(1)$(1941-43=10)$ | Corporate profits after taxes |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |  | *16. Current dollars <br> (Ann. rate, bil. dol.) | 18. Constant (1958) dollars <br> (Ann. rate, bil. dol.) |
| 1973 |  |  |  |  |  |  |  |  |  |  |
| January | +4.1 | 63 | 78 | +1.36 | 199.61 | 35.72 | 139.3 | (H) 118.42 |  |  |
| February | +5.3 | 68 | 84 | +1.64 | 201.71 | 35.87 | 147.5 | 114.16 | 71.5 | 50.5 |
| March | +3.2 | 67 | 88 | +2.89 | 203.55 | 36.19 | 155.3 | 112.42 | ... | -• |
| April . | +4.2 | 77 | 90 | +2.80 | 204.98 | 36.08 | 158.2 | 110.27 |  |  |
| May | +5.3 | 80 | (H)92 | +3.14 | 207.34 | 36.45 | 162.9 | 107.22 | 74.0 | 51.4 |
| June | +6.9 | 78 | 89 | +3.67 | 209.87 | 36.84 | 170.1 | 104.75 | ... | ... |
| July . . . . | +7.6 | 82 | 88 | +2.05 | 211.84 | 36.85 | 178.1 | 105.83 |  |  |
| August. | +6.3 | 80 | 88 | +3.09 | 214.05 | 36.74 | 189.8 | 103.80 | 72.9 | 49.8 |
| September | +7.0 | 83 | 90 | +1.90 | 215.51 | 37.04 | 186.3 | 105.61 | ... | ... |
| October | +7.9 | 87 | 90 | +2.42 | 217.30 | 37.12 | 188.1 | 109.84 |  | ... |
| November | +5.7 | 84 | 91 | +2.42 | 220.17 | 37.33 | 192.4 | 102.03 | 73.2 | 49.1 |
| December | +13.1 | 87 | 88 | +1. 56 | 224.40 | 37.95 | 208.9 | 94.78 | ... | ... |
| 1974 |  |  |  |  |  |  |  |  |  |  |
| January . . | +12.2 | 90 | 85 | +1. 52 | 227.34 | 38.46 | 215.9 | 96.11 |  | $\cdots$ |
| February | +11.8 | (H)91 | 88 | +2.20 | 230.40 | 38.89 | 232.0 | 93.45 | 83.2 | 54.5 |
| March . | +13.8 | 85 | 88 | +1.34 | 233.39 | 39.11 | 237.2 | 97.44 | ... | ... |
| April | +12.6 | 83 | 84 | +2.89 | 235.46 | 39.35 | (H)238.4 | 92.46 |  | ... |
| May | +16.0 | 84 | 79 | $+4.20$ | 239.43 | 39.76 | 226.2 | 89.67 | 83.1 | 52.9 |
| June | +13.5 | 84 | 76 | +4.07 | 243.85 | 40.39 | 227.5 | 89.79 | ... | -•• |
| July . | [ $\boldsymbol{H}$ +19.7 | 83 | 72 | +3.58 | 248.63 | 41.34 | 228.2 | 82.82 |  |  |
| August. | +17.9 | 85 | 68 | ( $-1+4.64$ | 253.05 | 42.09 | 224.2 | 76.03 | (H94.3 | (H)58.2 |
| September | +15.5 | 83 | 52 | +1.39 | 258.18 | 43.41 | $21 / 4$ | 68.12 | ... |  |
| October | +9.5 | 82 | 46 | -1.47 | 263.79 | 44.27 | 204.4 | 69.44 |  |  |
| November | +4.8 | 73 | 32 | -1.57 | 267.08 | 45.58 | 196.4 | 71.74 | 79.5 | 46.9 |
| December .. $1975$ | +19.2 | 69 | 22 | -2.71 | 271.05 | 46.73 | 183.4 | 67.07 | 79.5 | 46. |
| January | +8.4 | 64 | 18 | -4.07 | (H)271.15 | 47.60 | 180.1 | 72.56 |  |  |
| February | +2.1 | 64 | 16 | -2.63 | 270.25 | 47.70 | 181.1 | 80.10 | 62.3 | 35.9 |
| March .. | -6.1 | 58 | 17 | -3.15 | 268.45 | (H) 47.73 | 182.3 | 83.78 | ... | -•• |
| April .. | -12.2 | 57 | 22 | -1.87 | 266.97 | 47.29 | 186.4 | 84.72 |  |  |
| May . | -10.5 | 54 | 24 | -0.76 | 264.34 | 47.01 | 184.2 | 90.10 | 70.3 | 40.0 |
| June | -8.2 | 56 | 26 | -0.72 | 263.75 | 46.83 | 173.2 | 92.40 | ... | ... |
| July .. | -7.4 | 53 | 30 | +0.45 | 263.34 | 46.41 | 171.5 | 92.49 |  |  |
| August... | r-6.5 | 58 | 36 | +0.20 | r264.66 | r 46.60 | 179.6 | 85.71 | p82.2 | p46.3 |
| September | -2.2 | \%8 | 44 | r-1.05 | p265.13 | 47.02 | 184.2 | 84.67 |  |  |
| October . | (NA) | 62 | 45 | p-1. 28 | (NA) | (NA) | 181.9 | 288.57 |  |  |
| December . . ${ }^{\text {a }}$ |  |  |  |  |  |  | 179.3 | 90.11 |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Current high values are indicated by $(\mathbf{H})$; for series that move counter to movements in general business activity (series 3, 5, 14, 39, 40, 43, 44, 45, and 93), current low values are indicated by $[\mathrm{H}\rangle$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart B8). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and " $N A^{\prime \prime}$ " not available.

Graphs of these series are shown on pages $28,29,30,40,41$, and 43.
${ }^{1}$ Average for November 4, 11, and 18. ${ }^{2}$ Average for November 5, 12, and 19.

CYCLICAL INDICATORS-Economic Process and Cyclical Timing

| MAJOR ECONOMIC PROCESS | B5 PRICES, COSTS, AND PROFITS-Con. |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| TIMING CLASS . . . | LEADING INOICA |  | ROUGHLY COINCIDENT INDICATORS | LAGGING INDICATORS |
| Minor Economic Process $\qquad$ | Profits and Profit Margins-Con. | Cash Flows | Comprehensive Wholesale Prices | Unit Labor Costs |


| Year and month | 22. Ratio, profits to income orig. in corporate business <br> (Percent) | 15. Profits (after taxes) per dollar of sales, all mfg. corp. ${ }^{2}$ <br> (Cents) | *17. Ratio, price to unit labor cost index, mfg.$(1967=100)$ | Net cash flows, corporate |  | 55. Index of wholesale prices, industrial commod.(4)$(1967=100)$ | 58. Index of wholesale prices, mfd. goods (1)$(1967=100)$ | Unit labor cost, total private economy |  | 68. Labor cost (cur. dol.) per unit of gross prod. (1958 dol.), corp. <br> (Dollars) | *62. Index of labor cost per unit of output, mfg.$(1967=100)$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  | 34. Current dollars <br> (Ann. rate, bil. dol.) | 35. Constant (1958) dol. <br> (Ann. rate, bil. dol.) |  |  | 63. Index (1967=100) | 63c. Change over 1-0 <br> spans (Ann. rate, percent) |  |  |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |
| January . | $\ldots$ | - | 103.0 |  | $\cdots$ | 120.0 | 121.6 | . $\cdot \cdot$ | 7.4 |  | 118.4 |
| February | 11.4 | 4.7 | 104.1 | 112.0 | 79.1 | 121.3 | 123.6 | 127.6 | ... | 0.858 | 118.4 |
| March .. |  |  | 105.3 | ... | ... | 122.8 | 125.7 | ... | . . . | . . | 119.0 |
| April | $\cdots$ | . $\cdot$. | 104.7 | 115. | … | 124.2 | 126.4 | $\cdots$ | 6.9 | … | 120.2 |
| May . | 11.6 | 4.7 | 105.6 | 115.7 | 80.5 | 125.3 | 128.3 | 129.8 | ... | 0.870 | 120.7 |
| June |  |  | 106.4 | . . . | ... | 126.0 | 130.1 | . $\cdot$ | $\cdots$ | -•• | 121.2 |
| July . | … | $\cdots$ | 106.0 | $\ldots$ | … | 126.1 | 129.1 | … | 7.4 | $\ldots$ | 121.6 |
| August.. | 11.1 | 4.7 | 109.3 | 114.8 | 78.5 | 126.7 | 133.4 | 132.1 | ... | 0.884 | 122.4 |
| September | ... | . . . | 106.9 | ... | ... | 127.4 | 131.8 | . $\cdot$ | -•• | ... | 123.3 |
| October. | $\cdots$ | $\cdots$ | 106.3 | ... | ... | 128.5 | 132.0 | -••* | 8.0 | $\cdots$ | 124.7 |
| November | 10.8 | 5.7 | 107.5 | 115.5 | 78.1 | 130.1 | 132.8 | 134.7 | ... | 0.905 | 124.8 |
| December | ... | ... | 108.6 | ... | ... | 132.2 | 135.1 | . $\cdot$ | . $\cdot$ | -•• | 125.4 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |
| January | . | $\ldots$ | 110.7 | $\ldots$ |  | 135.3 | 138.6 | ... | (H)16.4 | . $\cdot$ | 125.6 |
| February | 11.6 | 5.8 | 111.2 | 125.7 | 83.4 | 138.2 | 140.9 | 139.9 | ... | 0.937 | 126.5 |
| March .. | ... | ... | 112.2 | ... | ... | 142.4 | 143.6 | ... | ... | . . . | 127.4 |
| April | … | $\cdots$ | 112.8 | $\ldots$ | … | 146.6 | 146.0 | -•• | 12.6 | -•• | 129.0 |
| May .. | 12.1 | 5.6 | 113.9 | 126.3 | 81.5 | 150.5 | 149.3 | 144.1 | ... | 0.964 | 130.2 |
| June . | ... | ... | 114.0 | ... | ... | 153.6 | 151.5 | ... | ... | ... | 131.8 |
| July . |  |  | 116.7 |  |  | 157.8 | 156.4 | $\cdots$ | 12.8 | … | 134.0 |
| August ... | H13.5 | (H) 5.9 | 119.5 | (H) 138.6 | (H) 86.4 | 161.6 | 167.8 | 148.5 | ... | 0.993 | 134.6 |
| September . | ... | ... | 120.0 | ... | ... | 162.9 | 162.4 | ... | -•• | ... | 135.5 |
| October . | $\cdots$ | $\cdots$ | 120.9 | $\ldots$ | $\cdots$ | 164.8 | 165.2 | $\cdots$ | 14.4 | . | 136.8 |
| November | 11.1 | 4.9 | (1) 121.5 | 125.5 | 74.0 | 165.8 | 166.2 | 153.6 | ... | 1.023 | 138.1 |
| December | ... | ... | 119.9 | ... | ... | 166.1 | 166.9 | . . | $\cdots$ | ... | 140.5 |
| 1975 |  |  |  |  |  |  |  |  |  |  |  |
| January |  |  | 117.5 |  |  | 167.5 | 168.2 | $\cdots$ | 10.7 |  | 144.0 |
| February | 9.3 | 3.8 | 116.2 | 109.6 | 62.5 | 168.4 | 168.0 | 157.5 | ... | (H)1.043 | 144.5 |
| March |  | ... | 113.7 | ... | ... | 168.9 | 167.8 | $\cdots$ | -•• | ... | 147.3 |
| April . | *** | $\cdots$ | 113.9 | $\ddot{\square}$ | 67i | 169.7 | 168.7 | $\cdots$ | 3.2 | . | 147.8 |
| May . | 10.2 | 4.4 | 113.4 | 119.3 | 67.1 | 170.3 | 169.5 | (H) 158.8 | ... | 1.034 | 148.6 |
| June | ... | ... | 213.6 | ... | $\ldots$ | 170.7 | 170.1 | -•• | ... | ... | 148.4 |
| July . . |  |  | r114.9 | … |  | 171.2 | 171.4 | $\cdots$ | r-4.1 |  | r149.1 |
| August. | pll. 5 | (NA) | 115.0 | pl32.9 | p74.3 | 172.2 | 172.3 | r157.1 |  | pl. 022 | r148.9 |
| September . . |  |  | 116.2 |  |  | 173.1 | 173.0 |  |  |  | r149.0 |
| October.... |  |  | pll6.7 |  |  | (H) 174.7 | (H) 174.5 |  |  |  | (H)pl49.8 |
| November <br> December . |  |  |  |  |  |  |  |  |  |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movernent. Unadjusted series are indicated by @. Current high values are indicated by $\mathbb{H}$; for series that move counter to movements in general business activity (series 3, 5, 14, 39, 40, 43, 44, 45, and 93), current low values are indicated by $[\mathcal{H}$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart B8). The " $r$ " indicates revised; " p ", preliminary; " e ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages $30,31,32,41$, and 43.
${ }^{1}$ Data beginning with the 4th quarter 1973 are not comparable with earlier data due to changes in the definition of profits and in the rules for consolidation. The figure for the 4 th quarter 1973 on the old basis is 4.8 .

| MAJOR ECONOMIC PROCESS | B6 MONEY AND CREDIT |  |
| :---: | :---: | :---: |
| TIMING CLASS .... | LEADING INOICATORS |  |
| Minor Economic Process $\qquad$ | Flows of Money and Credit | Credit Difficulties |


| Year and month | 85. Change in U.S. money supply (M1) <br> (Ann, rate, percent) | 102. Change in money supply plus time deposits at commercial banks (M2) (Ann. rate, percent) | 103. Change in money supply plus time deposits at banks and nonbank institutions (M3) <br> (Ann. rate, percent) | 33. Net change in mortgage debt held by financial institutions and life insurance companies ${ }^{1}$ a (Ann. rate, bil. dol.) | 112. Net change in bank loans to businesses ${ }^{3}$ <br> (Ann. rate, bil. dol.) | *113. Net change in consumer installment debt <br> (Ann. rate, bil. dol.) | 110. Total private borrowing <br> (Ann. rate, mil. dol.) | 14. Current liabilities of business failures (a) ${ }^{1}$ <br> (Mil. dol.) | 39. Delinquency rate, 30 days and over, consumer installment loans ${ }^{1}$ <br> (Percent) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1973 |  |  |  |  |  |  |  |  |  |
| January | +5.16 | +9.36 | +10.65 | +47.92 | +23.70 | +23.39 |  | 205.84 | ... |
| February | +4.67 | +7.02 | +8.45 | +49.33 | +50.95 | +23.96 | 185,696 | 137.16 | 2.01 |
| March | +0.47 | +5.40 | +6.99 | +53.46 | +41.00 | (H) +24.53 | ... | 252.35 | ... |
| April | +6.51 | +7.85 | +8.20 | +52.75 | +26.14 | +16.85 |  | 119.34 | 2.01 |
| May | +13.42 | +12.03 | +11.18 | +53.51 | +14.32 | +23.89 | 178,460 | 167.95 | -•• |
| June | +13.72 | +11.69 | $+11.76$ | +57.43 | +13.07 | +19.34 | ... | 180.21 | 1.99 |
| July | +3.62 | +5.24 | +5.96 | +53.60 | +22.94 | +23.98 |  | 206.19 |  |
| August . | -0.45 | $+6.96$ | +5.26 | +52.30 | +29.40 | +22.74 | 184,496 | 190.15 | 2.02 |
| September | -1.35 | +4.54 | +4.43 | +43.74 | 16.02 | +16.31 | ... | 189.47 | ... |
| October | +4.06 | +9.48 | +8.42 | +40.69 | +3.13 | +20.40 | $\ldots$ | 185.66 | 2.11 |
| November | +12.60 | $+11.97$ | +10.49 | +39.76 | +4.31 | +20.71 | 161,928 | 218.67 | ... |
| December | +9.35 | +10.58 | +10.27 | +31.66 | +17.00 | +4.92 | ... | 245.62 | 2.27 |
| 1974 |  |  |  |  |  |  |  |  |  |
| January | -2.65 | $+6.92$ | $+7.18$ | +36.94 | +19.79 | +11.00 |  | 337.28 | ... |
| February | +9.75 | +11.26 | $+9.47$ | +39.92 | +1.04 | +8.05 | 157,208 | 213.13 | 2.54 |
| March | +9.23 | +9.50 | +9.52 | +47.93 | +30.01 | +7.40 | ... | 204.59 | ... |
| April | $+6.10$ | $+7.99$ | +7.53 | +48.34 | (H) +52.21 | +13.84 |  | 209.76 | 2.56 |
| May | +4.34 | +4.48 | +3.68 | +47.36 | $+20.42$ | +15.14 | (H) 207,196 | 375.69 |  |
| June | +10.37 | +11.16 | +9.11 | +39.54 | +14.92 | +13.03 | (1) 207,196 | 215.50 | 2.61 |
| July . . | +1.71 | +5.02 | +4.77 | +39.83 | +44.54 | +15.90 |  | 153.40 |  |
| August ... | +0.43 | +4.60 | +3.75 | +31.58 | +14.17 | +18.14 | 164,008 | 232.68 | 2.63 |
| September | +0.86 | +2.99 | +2.99 | +30.66 | +21.02 | $+8.12$ | ... | 217.01 | ... |
| October . | +3.85 | +8.35 | +7.09 | +29.34 | +9.90 | +4.82 |  | 306.83 | 2.65 |
| November | +8.52 | +7.90 | +7.66 | +24.11 | $+21.42$ | $-4.80$ | 142,872 | 344.66 | $\because$ |
| December | +3.38 | +3.73 | +5.90 | +16.52 | +14.22 | -9.77 | ... | 242.59 | 2.80 |
| 1975 |  |  |  |  |  |  |  |  |  |
| January . | -11.81 | +2.54 | +5.62 | +25.07 | -11.59 | -4.81 | $\cdots$ | 391.14 | 2.59 |
| February | +3.41 | +8.39 | +9.86 | +30.26 | -39.71 | +2.84 | r95,040 | 384.76 | 2.71 |
| March | +11.05 | +11.63 | +13.88 | +28.99 | -17.42 | -5.24 | ... | 343.35 | 2.94 |
| April | +3.37 | +7.29 | +11.69 | +36.54 | -22.73 | -2.90 |  | 372.08 | 2.74 |
| May | +11.34 | +13.36 | $+14.89$ | +39.47 | -22.70 | -1. 50 | r107,432 | 357.79 | 2.65 |
| June | [H]+18.72 | (H) +19.25 | ( $\mathbf{H}+19.84$ | +35.38 | -18.34 | +5.06 | ... | 175.92 | 2.63 |
| July ... | +2.05 | +8.17 | +12.17 | +40.72 | -7.32 |  |  |  |  |
| August... | +2.86 | +5.90 | +9.43 | +38.22 | -18.72 | +10.43 +6.00 | pl20,084 | 222.44 | 2.60 |
| September | $\mathrm{r}+2.04$ | +4.77 | r +7.78 | p+47.96 | $\mathbf{r}+2.59$ | +12.68 |  | 205.53 | 2.59 |
| October . . | p+2.85 | p+4.02 | p+7.28 | (NA) | p+5.87 | (NA) |  | (NA) | (NA) |
| November . . . December | ${ }^{4}+14.31$ | ${ }^{4}+14.27$ |  |  | ${ }^{4}+7.96$ |  |  |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Current high values are indicated by $\mathbb{H}>$; for series that move counter to movements in general business activity (series 3,5,14,39,40,43,44,45, and 93), current low values are indicated by $\mathbb{H}$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart $B 8$ ). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and " $N A$ ", not available.

Graphs of these series are shown on pages 33,34 , and 41 .
${ }^{1}$ Series reaching high values before 1973 are as follows: Series 33, December 1972 (+57.89); Series 14, December 1972 (86.79); Series 39, Decomber 1971 (1.71). ${ }^{2}$ Data include conventional mortgages held by GNMA. ${ }^{3}$ Data beginning October 1974 are not strictly comparable with earlier data. See October 1974 BCD, page iii. ${ }^{4}$ Average for weeks ended November 5 and 12.

| MAJOR ECONOMIC PROCESS | B6 MONEY AND CREDIT-Con. |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
| TIMING CLASS .... | ROUGHLY COINCIOENT INOICATORS |  | LAGGING INDICATORS |  |
| Minor Economic Process $\qquad$ | Bank Reserves | Interest Rates | Outstanding Debt | Interest Rates |


| Year and month | 93. Free reserves (u) <br> (Mil. dol.) | 119. Federal funds rate (@) <br> (Percent) | 114. Treasury bill rate (@) <br> (Percent) | 116. Corporate bond vields () <br> (Percent) | 115. Treas ury bond yields(L) <br> (Percent) | 117. Municipal bond yields (u) <br> (Percent) | 66. Consumer installment debt <br> (Mil, dol.) | *72. Commercial and industrial loans outstanding, weekly reporting large commercial banks ${ }^{1}$ <br> (Mil.dol.) | 109. Average prime rate charged by banks(1) <br> (Percent) | *67. Bank rates on short-term business loans, 35 cities (1) <br> (Percent) | 118. Mortgage yields, residential (1) <br> (Percent) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |
| January | -823 | 5.94 | 5.31 | 7.61 | 5.96 | 5.05 | 126,388 | 93,885 | 6.00 |  | 7.55 |
| February | -1,388 | 6.58 | 5.56 | 7.67 | 6.14 | 5.13 | 128,385 | 98,131 | 6.02 | 6.52 | 7.56 |
| March | -1,563 | 7.09 | 6.05 | 7.75 | 6.20 | 5.29 | 130,429 | 101,548 | 6.30 | ... | 7.63 |
| April | -1,564 | 7.12 | 6.29 | 7.70 | 6.11 | 5.15 | 131,833 | 103,726 | 6.60 | $\ldots$ | 7.73 |
| May . | -1,638 | 7.84 | 6.35 | 7.69 | 6.25 | 5.14 | 133,824 | 104,919 | 7.01 | 7.35 | 7.79 |
| June | -1,653 | 8.49 | 7.19 | 7.73 | 6.32 | 5.18 | 135,436 | 106,008 | 7.49 | ... | 7.89 |
| July | -1,584 | 10.40 | 8.02 | 7.97 | 6.53 | 5.40 | 137,434 | 107,920 | 8.30 | -•• | 8.19 |
| August. | -1,734 | 10.50 | 8.67 | 8.45 | 6.85 | 5.48 | 139,329 | 110,370 | 9.23 | 9.24 | (NA) |
| September | -1,477 | 10.78 | 8.48 | 8.10 | 6.41 | 5.10 | 140,688 | 110,872 | 9.86 | ... | 9.18 |
| October | -1,141 | 10.01 | 7.16 | 7.97 | 6.25 | 5.05 | 142,388 | 111,133 | 9.94 | ... | 8.97 |
| November | -1,111 | 10.03 | 7.87 | 7.95 | 6.30 | 5.18 | 144,114 | 111,492 | 9.75 | 10.08 | 8.86 |
| December | -995 | 9.95 | 7.36 | 8.09 | 6.35 | 5.12 | 144,524 | 112,909 | 9.75 | ... | 8.78 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |
| January | -790 | 9.65 | 7.76 | 8.32 | 6.56 | 5.22 | 145,441 | 114,558 | 9.73 | $\ldots$ | (NA) |
| February | -980 | 8.97 | 7.06 | 8.21 | 6.54 | 5.20 | 146,112 | 114,645 | 9.21 | 9.91 | 8.54 |
| March | -1,414 | 9.35 | 7.99 | 8.60 | 6.81 | 5.40 | 146,729 | 117,146 | 8.83 | ... | 8.66 |
| April | -1,506 | 10.51 | 8.23 | 9.04 | 7.04 | 5.73 | 147,882 | 121,497 | 10.02 | -•• | 9.17 |
| May. | -2,282 | 11.31 | 8.43 | 9.39 | 7.09 | 6.02 | 149,144 | 123,199 | 11.25 | 11.15 | 9.46 |
| June | -2,739 | 11.93 | 8.14 | 9.59 | 7.02 | 6.13 | 150,230 | 124,442 | 11.54 | ... | 9.46 |
| July . | -2,982 | (H)12.92 | 7.75 | 10.18 | 7.18 | 6.68 | 151,555 | 128,154 | 11.98 |  | 9.85 |
| August. | (H)-3,008 | 12.01 | (H) 8.74 | 10.30 | (H) 7.33 | 6.71 | 153,067 | 129,335 | 12.00 | (H) 12.40 | 10.30 |
| Septernber | -2,957 | 11.34 | 8.36 | (H) 10.44 | 7.30 | 6.76 | 153,744 | 130,988 | (H) 12.00 | -.. | [ $\mathbf{H} \mathbf{1 0 . 3 8}$ |
| October .. | -1,585 | 10.06 | 7.24 | 10.29 | 7.22 | 6.57 | 154,146 | 131,813 | 11.68 | . | 10.13 |
| November | -960 | 9.45 | 7.58 | 9.22 | 6.93 | 6.61 | 153,746 | 133,598 | 10.83 | 11.64 | (NA) |
| December | -332 | 8.35 | 7.18 | 9.47 | 6.77 | 7.05 | 152,932 | (H) 334,783 | 10.50 | ... | 9.51 |
| 1975 |  |  |  |  |  |  |  |  |  |  |  |
| January | -441 | 7.13 | 6.49 | 9.17 | 6.68 | 6.82 | 152,531 | 133,817 | 10.05 |  | 8.99 |
| February | $+95$ | 6.24 | 5.58 | 8.84 | 6.66 | 6.39 | 152,768 | 130,508 | 8.96 | 9.94 | 8.84 |
| March | +167 | 5.54 | 5.54 | 9.48 | 6.77 | 6.74 | 152,331 | 129,056 | 7.93 | ... | 8.69 |
| April | +17 | 5.49 | 5.69 | 9.81 | 7.05 | 6.95 | 152,089 | 127,162 | 7.50 | $\ldots$ | (NA) |
| May | -52 | 5.22 | 5.32 | 9.76 | 7.01 | 6.97 | 151,964 | 125,270 | 7.43 | 8.16 | 9.16 |
| June | +288 | 5.55 | 5.19 | 9.27 | 6.86 | 6.95 | 152,386 | 123,742 | 7.08 | ... | 9.06 |
| July . | -276 | 6.10 | 6.16 | 9.56 | 6.89 | 7.07 | 153,255 | 123,132 | 7.14 | . | 9.13 |
| August | +44 | 6.14 | 6.46 | 9.70 | 7.11 | 7.17 | 153,755 | 121,572 | 7.65 | 8.22 | 9.32 |
| September | r-136 | 6.24 | 6.38 | 9.89 | 7.28 | (H)7.44 | (H) 54,812 | r121,788 | 7.89 |  | 9.74 |
| October ... | p+42 | 5.82 | 6.08 | 9.54 | 7.29 | 7.39 | (NA) | p122,277 | 7.96 |  | 9.53 |
| November ... <br> December | ${ }^{2}+322$ | ${ }^{5} 5.22$ | 35.45 | 39.29 | ${ }^{3} 7.19$ | 37.45 |  | ${ }^{4} 122,940$ | 57.54 |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by © . Current high values are indicated by $\mathbb{H}$; for series that move counter to movernents in general business activity (series 3, 5, 14, 39, 40,43, 44, 45, and 93), current low values are indicated by ( $\mathbf{H}$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart B8). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; "a", anticipated; and "NA", not available.

## Graphs of these series are shown on daces 35. 36. and 43.

${ }^{1}$ Data beginning with September 1974 are not strictly comparable with earlier data. See October 1974 BCD, page iii. ${ }^{2}$ Average for weeks ended November 5, 12, and 19. ${ }^{3}$ Average for weeks ended November 7, 14, and 21 . ${ }^{4}$ Average for weeks ended November 5 and 12. ${ }^{5}$ Average for November 1 through 25.

| Year and month | B7 COMPOSITE INDEXES |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | New index of 12 leading indicators, original trend$(1967=100)$ | New index of 12 leading indicators, reverse trend adjusted ${ }^{1}$$(1967=100)$ | New index of 4 coincident indicators$(1967=100)$ | New index of 6 lagging indicators$\{1967=100\rangle$ | Leading Indicator Subgroups |  |  |  |  |
|  |  |  |  |  | 813. Marginal employment adjustments (series 1, 2, 3, 5) $(1967=100)$ | 814. Capital investment commitments (series 6, 10, 12,29) $(1967=100)$ | 815. Inventory investment and purchasing (series 23, $25,31,37)$ (1967=100) | 816. Profit- <br> ability <br> (series 16, <br> 17.19) $(1967=100)$ | 817. Sensitive financial flows (series 33, 85, 112,113 ) $(1967=100)$ |
| 1973 |  | Revised ${ }^{\text {a }}$ | $\left(^{2}\right)$ | $\left(^{2}\right)$ |  |  |  |  |  |
| January . | 125.0 | 164.5 | 163.4 | 140.8 | 102.2 | 121.2 | 114.8 | 115.6 | 124.2 |
| February | 125.7 | 166.0 | 166.5 | 144.4 | 102.5 | 121.6 | 116.6 | 116.3 | 125.9 |
| March ... | 124.5 | 164.8 | 168.0 | 147.5 | 103.2 | 122.2 | 118.8 | 118.5 | (H) 128.6 |
| April | 124.1 | 164.3 | 168.2 | 151.3 | (H) 103.3 | 120.8 | 118.6 | 118.1 | 120.4 |
| May . | 124.9 | 166.3 | 169.6 | 154.2 | 103.2 | 120.9 | 121.3 | 119.0 | 123.7 |
| June | (H) 126.6 | (H)169.7 | 170.3 | 158.1 | 102.3 | (H)122.4 | 123.9 | 118.8 | 121.9 |
| July ... | 126.5 | 168.8 | 173.0 | 162.4 | 101.7 | 121.1 | 123.6 | 118.6 | 122.5 |
| August .. | 123.9 | 166.1 | 172.7 | 166.1 | 102.2 | 120.5 | 126.9 | 120.8 | 117.4 |
| September | 122.3 | 165.3 | 174.4 | 169.3 | 102.8 | 118.9 | 125.3 | 119.2 | 108.7 |
| October . | 122.4 | 165.8 | 176.4 | 170.3 | 102.6 | 118.9 | 127.1 | 119.6 | 108.2 |
| November | 121.7 | 166.6 | (H) 178.2 | 171.7 | 100.8 | 119.2 | 129.1 | 119.0 | 110.6 |
| December 1974 | 119.8 | 164.8 | 175.6 | 175.8 | 97.7 | 116.1 | 132.9 | 119.5 | 104.7 |
| January . | 117.5 | 162.5 | 173.7 | 177.7 | 95.3 | 115.7 | 132.1 | 122.8 | 106.9 |
| February | 117.7 | 163.2 | 172.6 | 177.6 | 95.2 | 116.6 | 135.2 | 123.7 | 109.6 |
| March . | 119.6 | 166.0 | 172.2 | 178.7 | 94.8 | 117.3 | 134.6 | 125.6 | 115.8 |
| April . | 117.4 | 163.4 | 171.8 | 184.0 | 95.6 | 118.3 | 135.3 | 124.8 | 123.1 |
| May.. | 116.5 | 163.0 | 172.5 | 189.4 | 95.6 | 118.4 | 137.3 | 125.0 | 121.0 |
| June | 113.7 | 160.0 | 171.6 | 192.3 | 96.1 | 117.4 | 138.0 | 126.4 | 116.1 |
| July ..... | 112.9 | 159.1 | 172.4 | 195.5 | 95.8 | 118.8 | 137.8 | 128.0 | 115.8 |
| August . . . | 108.8 | 153.5 | 171.9 | 196.7 | 94.3 | 115.9 | (H) 138.0 | (H) 129.4 | 113.7 |
| September | 104.3 | 147.7 | 171.0 | 198.3 | 92.3 | 113.3 | 134.4 | 125.4 | 105.5 |
| October ... | 100.2 | 142.5 | 169.0 | 199.5 | 89.0 | 109.5 | 129.2 | 124.9 | 106.2 |
| November December | 97.1 | 138.7 | 162.8 | 198.9 | 85.7 | 108.3 | 124.1 | 124.4 | 101.1 |
| $\begin{array}{r} \text { December ... } \\ 1975 \end{array}$ | 95.0 | 136.3 | 156.4 | (H)199.5 | 83.9 | 108.8 | 120.7 | 119.4 | 92.8 |
| January . | r91.6 | 131.9 | 152.5 | 198.9 | 82.5 | 104.1 | 113.3 | 117.1 | 89.1 |
| February | r91.0 | 131.5 | 149.7 | 192.4 | 81.9 | 104.1 | 112.2 | 115.9 | 90.5 |
| March ... | r91.8 | 133.3 | 147.0 | 190.3 | 82.5 | 103.9 | 110.9 | 116.1 | 88.7 |
| April . . | r94.6 | 138.0 | 147.6 | 185.5 | 83.9 | 107.6 | 112.1 | 117.7 | 94.0 |
| May . . . | r96.6 | 141.5 | 148.8 | 181.7 | 84.0 | 109.0 | 112.4 | 119.8 | 96.2 |
| June | r99.7 | 146.6 | 149.5 | 174.9 | 85.7 | 211.3 | 112.5 | r122.1 | 99.1 |
| July .. | 102.0 | 150.5 | 151.4 | 175.6 | r88.8 | 113.8 | 112.4 | r124.8 | 101.3 |
| August...... | rl02.6 | 152.1 | 154.6 | 174.8 | r89.3 | r114.2 | 116.6 | r124.5 | r98.8 |
| September ... | 102.5 | 152.5 | 156.9 | 174.0 | p88.6 | r114.1 | rl17.1 | r125.5 | pl05.1 |
| October $\qquad$ November December | ${ }^{3} 102.0$ | ${ }^{3} 152.4$ | ${ }^{4} 158.8$ | p176.2 | (NA) | pll3.8 | p117.4 | pl27.8 | (NA) |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Current high values are indicated by $\mathbb{H}$; for series that move counter to movements in general business activity (series $3,5,14,39,40,43,44,45$, and 93 ), current low values are indicated by $(\mathbb{H}$. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. Series preceded by an asterisk (*) are included in the 1966 NBER "short list" of indicators (chart BB). The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; "a", anticipated; and " $N A$ ", not available.

Graphs of these series are shown on pages 37 and 38.
${ }^{1}$ Reverse trend adjusted index of 12 leaders contains the same trend as the new index of 4 coincident indicators.
${ }^{2}$ See "New Features and Changes for This Issue," page iii.
${ }^{3}$ Excludes series Xl70D for which data are not yet available.
${ }^{4}$ Excludes series 56D for which data are not yet available.
The old index of 12 leading indicators is shown in appendix $\mathbf{G}$.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (Q). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $\rho$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 44,45 , and 46.
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NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (u). Series numbers are for identification only and do not reflect series reiationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; "a", anticipated; and " $N A$ ", not available.

Graphs of these series are shown on pages 46 and 47
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NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and " $N A^{\prime}$ ", not available.

Graphs of these series are shown on page 48.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by @. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " r " indicates revised; " p ", preliminary; " e ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 49. 50, and 51. ${ }^{1}$ Amount outstanding at end of quarter. ${ }^{2}$ See ( ${ }^{2}$ ) on page 88 . ${ }^{3}$ Reserve position at end of quarter. ${ }^{4}$ Balance of payments basis: Excludes transfers under military grants and Department of Defense sales contracts (exports) and Department of Defense purchases (imports).


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (@L. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $\rho$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 52 and 53.
${ }^{3}$ Beginning with the lst quarter 1975, data include nonmarketable nonconvertible U.S. Treasury bonds and notes which are not included prior to this date. On the old basis, the figure for the lst quarter 1975 is $\$ 113,143$ million.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; "a", anticipated; and "NA", not available.

Graphs of these series are shown on pages 54 and 55.

| Year and month | D4 PRICE MOVEMENTS |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Fixed weighted price index. gross private product |  | Consumer price indexes |  |  |  |  |  |
|  | 211. Index$(1958=100)$ | 211c. Change over 1-quarter spans ${ }^{1}$ <br> (Ann. rate, percent) | All iterns |  |  | 782. Food | 783. Commodities less food | 784. Services (4) |
|  |  |  | 781. Index (1) | 781c. Change over 1-month spans ${ }^{1}$ | 781c. Change over 6-month spans ${ }^{1}$ |  |  |  |
|  |  |  | (1967=100) | (Percent) | percent) | (1967=100) | (1967=100) | (1967=100) |
| 1973 |  |  |  |  |  |  |  |  |
| January . | ... | 7.4 | 127.7 | 0.5 | 6.8 | 129.2 | 121.0 | 135.7 |
| February .... | 145.1 | ... | 128.6 | 0.6 | 7.3 | 131.0 | 121.4 | 136.2 |
| March .. | ... | ... | 129.8 | 0.8 | 7.9 | 134.0 | 121.9 | 136.6 |
| April | $\cdots$ | 8.1 | 130.7 | 0.7 | 7.5 | 136.2 | 122.4 | 137.1 |
| May . | 148.0 | ... | 131.5 | 0.5 | 10.0 | 137.9 | 122.8 | 137.6 |
| June | ... | ... | 132.4 | 0.6 | 8.7 | 139.8 | 123.3 | 138.1 |
| July . | $\cdots$ | 8.4 | 132.7 | 0.3 | 8.9 | 139.9 | 123.5 | 138.4 |
| August ........ | 151.0 | ... | 135.1 | 1.7 | 9.6 | 148.8 | 123.9 | 139.3 |
| September. | ... | ... | 135.5 | 0.3 | 9.7 | 148.0 | 124.2 | 140.6 |
| October . . . . | $\cdots$ | 9.1 | 136.6 | 0.8 | 11.4 | 149.0 | 125.0 | 142.2 |
| November . | 154.4 | ... | 137.6 | 0.8 | 10.0 | 150.9 | 125.9 | 143.0 |
| December. | ... | ... | 138.5 | 0.7 | 11.7 | 152.1 | 126.8 | 143.8 |
| 1974 |  |  |  |  |  |  |  |  |
| January | ... | 14.1 | 139.7 | 1.1 | 11.3 | 154.6 | 128.4 | 144.8 |
| February | 159.5 | ... | 141.5 | 1.1 | 11.8 | 157.4 | 129.8 | 145.9 |
| March . . | ... | ... | 143.1 | 1.0 | 12.3 | 158.2 | 131.5 | 147.1 |
| April . |  | 12.2 | 143.9 | 0.7 | 11.8 | 158.3 | 132.9 | 148.0 |
| May | 164.2 | ... | 145.5 | 1.0 | 11.8 | 159.7 | 134.2 | 149.5 |
| June ......... | ... | ... | 146.9 | 0.9 | 12.1 | 160.3 | 135.8 | 150.9 |
| July . . . . . . | 10.0 | 13.8 | 148.0 | 0.8 | 12.7 | 159.4 | 137.5 | 152.6 |
| August ....... | 169.6 | - | 149.9 | 1.1 | 12.5 | 162.2 | 139.3 | 154.2 |
| September . . . | ... | - | 151.7 | 1.2 | 12.2 | 164.8 | 140.8 | 156.0 |
| October . . | . $\cdot$ | 12.6 | 153.0 | 0.9 | 11.7 | 166.9 | 141.8 | 157.3 |
| November | 174.7 | ... | 154.3 | 0.9 | 10.4 | 168.8 | 142.9 | 158.7 |
| December |  | ... | 155.4 | 0.8 | 8.5 | 170.4 | 143.8 | 160.1 |
| 1975 |  |  |  |  |  |  |  |  |
| January . . . . . | ... | 7.7 | 156.1 | 0.6 | 7.8 | 171.9 | 14.4 .5 | 161.3 |
| February ...... | 178.0 | $\cdots$ | 157.2 | 0.5 | 6.6 | 171.4 | 145.6 | 162.6 |
| March .... | ... | - | 157.8 | 0.3 | 6.6 | 170.3 | 146.4 | 163.2 |
| April | $\cdots$ | 5.5 | 158.6 | 0.6 | 7.6 | 170.9 | 147.5 | 164.1 |
| May | 180.4 | 5.5 | 159.3 | 0.4 | 6.8 | 171.8 | 147.8 | 164.5 |
| June ......... | , | ... | 160.6 | 0.8 | 7.2 | 174.4 | 148.5 | 165.7 |
| July . . . . . . . |  | r7. 3 | 162.3 | 1.2 | 7.4 | 177.4 | 149.9 | 166.6 |
| August ....... | r183.6 |  | 162.8 | 0.2 |  | 177.4 | 150.7 | $167.4$ |
| September.... |  |  | 163.6 | 0.5 |  | 177.6 | 151.2 | 169.1 |
| - October ...... |  |  | 164.6 | 0.7 |  | 179.9 | 151.7 | 170.1 |
| November ... December |  |  |  |  |  |  |  |  |

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Graphs of these series are shown on page 56.
${ }^{1}$ Percent changes are centered within the spans: l-month changes are placed on the 2 d month, l-quarter changes are placed on lst month of the 2 d quarter, and 6 month changes are placed on the 4 th month.

| Year and month | D4 PRICE MOVEMENTS-Con. |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Wholesale price indexes |  |  |  |  |  |  |
|  | 750. All commodities(1)$(1967=100)$ | 58. Manufactured goods(1)$(1967=100)$ | 751. Processed foods and feeds$(1967=100)$ | 752. Farm products | Industrial commodities |  |  |
|  |  |  |  |  | 55. Index (1) $(1967=100)$ | 55c. Change over 1-month spans ${ }^{1}$ <br> (Percent) | 55c. Change over 6-month spans ${ }^{1}$ <br> (Ann. rate, percent) |
| 1973 |  |  |  |  |  |  |  |
| January | 124.5 | 121.6 | 131.7 | 143.3 | 120.0 | 0.2 | 8.0 |
| February . | 126.9 | 123.6 | 135.5 | 147.5 | 121.3 | 0.9 | 8.6 |
| March ... | 129.8 | 125.7 | 140.4 | 158.1 | 122.8 | 1.1 | 9.3 |
| April ......... | 130.5 | 126.4 | 141.5 | 161.7 | 124.2 | 0.8 | 9.4 |
| May . . . . . . . . | 133.2 | 128.3 | 145.9 | 170.2 | 125.3 | 0.8 | 8.6 |
| June ....... | 136.0 | 130.1 | 150.7 | 178.4 | 126.0 | 0.7 | 7.8 |
| July . . . . . . . | 134.3 | 129.1 | 145.5 | 172.1 | 126.1 | 0.2 | 8.4 |
| August........ | 142.1 | 133.4 | ]64.9 | 211.8 | 126.7 | 0.6 | 10.0 |
| September.... | 139.7 | 131.8 | 156.3 | 201.8 | 127.4 | 0.7 | 12.3 |
| October . . | 138.7 | 132.0 | 154.5 | 193.6 | 128.5 | 1.1 | 16.5 |
| November | 139.2 | 132.8 | 154.8 | 189.9 | 130.1 | 1.5 | 19.8 |
| December ... $1974$ | 141.8 | 135.1 | 155.7 | 189.9 | 132.2 | 1.8 | 24.9 |
| January ..... | 146.6 | 138.6 | 161.1 | 200.6 | 135.3 | 2.0 | 28.5 |
| February .... | 149.5 | 140.9 | 162.6 | 200.4 | 138.2 | 2.0 | 31.1 |
| March .. | 151.4 | 143.6 | 161.5 | 193.5 | 142.4 | 2.8 | 32.2 |
| April . | 152.7 | 146.0 | 161.4 | 187.9 | 146.6 | 2.6 | 34.4 |
| May . | 155.0 | 149.3 | 160.0 | 180.8 | 150.5 | 2.5 | 35.6 |
| June ..... | 155.7 | 151.5 | 156.0 | 164.5 | 253.6 | 2.2 | 30.8 |
| July ..... | 161.7 | 156.4 | 166.9 | 180.8 | 157.8 | 2.9 | 27.9 |
| August . . | 167.4 | 161.8 | 177.9 | 186.8 | 161.6 | 2.5 | 23.8 |
| September .. | 167.2 | 162.4 | 177.0 | 184.4 | 162.9 | 1.0 | 19.5 |
| October . . . . | 170.2 | 165.2 | 185.0 | 193.1 | 164.8 | 1.5 | 14.0 |
| November . | 171.9 | 166.2 | 193.8 | 194.0 | 165.8 | 0.8 | 9.5 |
| December . | 171.5 | 166.9 | 188.2 | 186.1 | 166.1 | 0.4 | 7.6 |
| 1975 |  |  |  |  |  |  |  |
| January ...... | 171.8 | 168.2 | 185.3 | 177.9 | 167.5 | 0.5 | 4.7 |
| February ...... | 171.3 | 168.0 | 180.3 | 170.2 | 168.4 | 0.4 | 3.4 |
| March . . . . . | 170.4 | 167.8 | 175.7 | 168.1 | 168.9 | 0.1 | 3.4 |
| April ......... | 172.1 | 168.7 | 181.9 | 179.3 | 169.7 | 0.1 | 3.2 |
| May . ......... | 173.2 | 169.5 | 180.3 | 184.5 | 170.3 | 0.2 | 3.7 |
| June ......... | 173.7 | 170.1 | 178.1 | 181.7 | 170.7 | 0.4 | 5.0 |
| July | 175.7 | 171.4 | 183.9 | 193.7 | 171.2 | 0.4 | 7.3 |
| August $\qquad$ September | 176.7 | 172.3 | 184.5 | 190.7 | 172.2 | 0.6 |  |
| September .... | 177.7 | 173.0 | 186.3 | 198.9 | 173.1 | 0.7 |  |
| October . . . . . . November December .... | 178.9 | 174.5 | 187.7 | 203.2 | 174.7 | 1.2 |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (W). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.
Graphs of these series are shown on page 57.
${ }^{1}$ Percent changes are centered within the spans: l-month percent changes are placed on the 2 d month and 6 -month percent changes are placed on the 4 th month.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (1). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; "a", anticipated; and "NA", not available.
Graphs of these series are shown on pages 58 and 59.
${ }^{1}$ Adjusted for overtime (in manufacturing only) and interindustry employment shifts.
${ }^{2}$ Percent changes are centered within the spans: l-month changes are placed on the 2 d month, l-quarter changes are placed on the list month of the 2d quarter, 6 -month changes are placed on the 4 th month, and 4-quarter changes are placed on the middle month of the 3 q quarter.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by @l. Series numbers are for identification only and do not refiect series relationstips or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on pages 58 and 59 .
${ }^{1}$ Percent changes are centered within the spans: l-quarter changes are placed on the list month of the 2 d quarter and $4-q u a r t e r$ changes are placed on the middle month of the 3 d quarter.

| Year and month | 06 CIVILIAN LABOR FORCE AND MAJOR COMPONENTS |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Civilian labor force |  |  | Unemployment rates |  |  |  |  |
|  | 841. Total <br> (Thous.) | 842. Employed <br> (Thous.) | 843. Unemployed <br> (Thous.) | 844. Males 20 years and over <br> (Percent) | 845. Females 20 years and over <br> (Percent) | 846. Both sexes 16-19 years of age <br> (Percent) | 847. White <br> (Percent) | 848. Negro and other races <br> (Percent) |
| 1973 |  |  |  |  |  |  |  |  |
| January . | 86,964 | 82,633 | 4,331 | 3.4 | 5.2 | 14.3 | 4.5 | 8.8 |
| February .... | 87,703 | 83,276 | 4,427 | 3.4 | 4.9 | 15.4 | 4.5 | 9.0 |
| March ....... | 88,043 | 83,686 | 4,357 | 3.4 | 4.9 | 14.2 | 4.4 | 8.9 |
| April ........ | 88,296 | 83,877 | 4,419 | 3.3 | 4.8 | 15.3 | 4.4 | 9.3 |
| May . . . . . . . | 88,325 | 84,021 | 4,304 | 3.3 | 4.6 | 15.0 | 4.4 | 9.1 |
| June .. | 88,791 | 84,487 | 4,304 | 3.2 | 4.9 | 14.0 | 4.3 | 8.9 |
| July . | 88,902 | 84,679 | 4,223 | 3.1 | 4.8 | 14.3 | 4.2 | 9.2 |
| August ..... | 88,816 | 84,582 | 4,234 | 3.1 | 4.9 | 14.3 | 4.2 | 8.9 |
| September . . | 89,223 | 84,983 | 4,240 | 3.1 | 4.8 | 14.3 | 4.2 | 9.3 |
| October . . . | 89,568 | 85,452 | 4,216 | 3.0 | 4.5 | 14.1 | 4.1 | 8.4 |
| November | 89,852 | 85,577 | 4,275 | 3.1 | 4.7 | 14.6 | 4.2 | 8.8 |
| December ... | 90,048 | 85,646 | 4,402 | 3.2 | 5.0 | 14.4 | 4.4 | 8.4 |
| 1974 |  |  |  |  |  |  |  |  |
| January . ... | 90,465 | 85,800 | 4,665 | 3.4 | 5.1 | 15.5 | 4.7 | 9.2 |
| February ... | 90,551 | 85,861 | 4,690 | 3.5 | 5.1 | 15.0 | 4.6 | 9.2 |
| March .... | 90,381 | 85,779 | 4,602 | 3.4 | 5.0 | 15.0 | 4.6 | 9.2 |
| April | 90,324 | 85,787 | 4,537 | 3.5 | 5.0 | 14.0 | 4.5 | 8.8 |
| May . . . . . . | 90,753 | 86,062 | 4,691 | 3.4 | 5.1 | 15.6 | 4.7 | 9.3 |
| June ....... | 90,857 | 86,088 | 4,769 | 3.5 | 5.1 | 15.8 | 4.8 | 9.0 |
| July | 91,283 | 86,403 | 4,880 | 3.6 | 5.2 | 16.2 | 4.8 | 9.4 |
| August ..... | 91,199 | 86,274 | 4,925 | 3.8 | 5.3 5.7 | 15.3 | $4 \cdot 9$ | $9 \cdot 4$ |
| September ... | 91,705 | 86,402 | 5,303 | 3.9 | 5.7 | 16.7 | 5.3 | 9.9 |
| October . | 91,844 | 86,304 | 5,540 | 4.3 | 5.6 | 17.1 | 5.5 | 10.9 |
| November. | 91,708 | 85,689 | 6,019 | 4.6 | 6.6 | 17.4 | 5.9 | 11.6 |
| December ... <br> 1975 | 91,803 | 85,202 | 6,601 | 5.3 | 7.2 | 18.1 | 6.4 | 12.5 |
| January ..... | 92,091 | 84,562 | 7,529 | 6.0 | 8.1 | 20.8 | 7.5 | 13.4 |
| February ... | 91,511 | 84,027 | 7,484 | 6.2 | 8.1 | 19.9 | 7.4 | 13.5 |
| March ..... | 91,829 | 83,849 | 7,980 | 6.8 | 8.5 | 20.6 | 8.0 | 14.2 |
| April | 92,262 | 84,086 | 8,176 | 7.0 | 8.6 | 20.4 | 8.1 | 14.6 |
| May . | 92,940 | 84,402 | 8,538 | 7.3 | 8.6 | 21.8 | 8.5 | 14.7 |
| June . | 92,340 | 84,444 | 7,896 | 7.0 | 8.1 | 19.2 | 7.9 | 13.7 |
| July | 92,916 | 85,078 | 7,838 | 7.0 | 7.9 | 19.1 | 7.9 | 13.0 |
| July ....... | 93,146 | 85,352 | 7,794 | 6.6 | 7.7 | 21.1 | 7.6 | 14.0 |
| September .... | 93,191 | 85,418 | 7,773 | 7.0 | 7.5 | 19.3 | 7.6 | 14.3 |
| October . November December | 93,443 | 85,441 | 8,002 | 7.1 | 7.8 | 19.9 | 7.9 | 14.2 |

NOTE: Series are seasonally adjusted except those series that appear to contain no saasonal movement. Unadjusted series are indicated by (a). Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " r " indicates revised; " p ", preliminary; " e ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on page 60.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by @u. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and " $N A^{\prime}$, not available.

Graphs of these series are shown on page 61.

## Special Note on Potential GNP

The following note has been provided by the Council of Economic Advisers regarding potential GNP.

The idea of potential GNP has had a long history. Its measurement by the Council of Economic Advisers was started in the Economic Report of the Council in 1962. Since that time, it has been used as a standard with which to evaluate the past and future behavior of the economy.

Potential GNP purports to measure what the economy would produce if all of its resources were fully utilized given the technology and institutional arrangements that have existed at the time. "Fully utilized" has never meant the kind of utilization that would prevail, say, under wartime conditions but rather the utilization that could be expected under conditions of reasonable price stavility. This nas always oeen less than complete utilization. Under ordinary circumstances, some unemployment is present because some workers are in the process of changing jobs; similarly, some old plants are idle because market conditions do not permit them to operate profitably. In the past, this degree of utilization has been reflected in an overall unemployment rate of 4 percent. The rate of inflation associated with that degree of unemployment has typically not been specified. Furthermore, notions of what constitutes reasonable price stability can vary over time.

Potential GNP is not something ordinarily observable. In practice, the

Council in 1962 made the judgment that the economy was operating at 100 percent of potential in mid-1955. Since that time potential GNP has been estimated to grow at differing annual rates, as follows: 3.5 percent from the first quarter of 1952 to the fourth quarter of 1962, 3.75 percent from the fourth quarter of 1962 to the fourth quarter of 1965,4 percent from the fourth quarter of 1965 to the fourth quarter of 1969. At the beginning of 1970, the Council estimated that after the fourth quarter of 1969 potential was growing at an annual rate of 4.3 percent, reflecting a rise of 1.8 percent in the potential labor force, a 0.2 percent decline in annual hours of work, and a 2.7 percent rise in output per manhour at potential. Drawing on a new study by the Bureau of Labor Statistics ("The United States Economy in 1985", Monthly Labor Review. December 1973), the Council has lowered its estimate of potential growth after 1969 to 4 percent per annum, reflecting the following component changes: labor force, 1.8 percent; annual hours, -0.3 percent; output per manhour, 2.5 percent.

Although potential is presented in the chart on page 61 and the table above as a point estimate each quarter, it is clearly subject to a margin of error and consequently, as with any measure of capacity, should be used with considerable caution. There are uncertainties regarding both the growth and the level of potential. It cannot be reasonably assumed that potential grows in each year or quarter at the same annual rate. Some qualifications about the measure of potential appear on pages $64-65$ of the 1974 Economic Report.


NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by @. Series numbers are for identification only and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The " $r$ " indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.

Graphs of these series are shown on page 62.

| Year and month | E3 DIFFUSION INDEXES |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Leading Indicators |  |  |  |  |  |  |  |  |  |  |  |
|  | D1. Average workweek of production workers, manufacturing ( 21 industries) |  | D6. Value of manufacturers' new orders, durable goods industries (35 industries) |  | D11. Newly approved capital appropriations, The Conference Board ${ }^{1}$ ( 17 industries) |  | D34. Profits, mfg., First National City Bank (about 1,000 corporations) |  | D19. Index of stock prices, 500 common stocks (65-71 industries) ${ }^{2}$ (Q) |  | D23. Index of industrial materials prices <br> ( 13 industrial materials) |  |
|  | 1-month span | 9-month span | 1-month span | $\begin{aligned} & \text { 9-month } \\ & \text { span } \end{aligned}$ | 1-quarter span | 3-quarter span | 1-quarter span | 4-quarter span (1) | 1-month span | 9-month span | 1-month span | 9-month span |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |  |
| January | 52.4 | 52.4 | 65.7 | 90.0 | 82 | 94 | 62 | $\cdots$ | 26.8 | 26.5 | 84.6 | 92.3 |
| February | 92.9 | 33.3 | 61.4 | 85.7 | ... | ... | . . . | 78 | 14.5 | 19.1 | 84.6 | 92.3 |
| March . . | 52.4 | 35.7 | 80.0 | 91.4 | . . . | ... | ... | . . . | 19.6 | 25.0 | 76.9 | 92.3 |
| April | 45.2 | 26.2 | 61.4 | 82.9 | 53 | 76 | 61 | $\cdots$ | 21.7 | 19.1 | 61.5 | 92.3 |
| May . | 31.0 | 59.5 | 54.3 | 85.7 | ... | ... | ... | 77 | 14.7 | 17.6 | 80.8 | 92.3 |
| June | 19.0 | 69.0 | 51.4 | 82.9 | . . . | $\ldots$ | . . | . . | 15.4 | 30.9 | 76.9 | 92.3 |
| July . . . | 52.4 | 28.6 | 45.7 | 80.0 | 59 | 82 | 55 | -•• | 66.2 | 23.9 | 73.1 | 92.3 |
| August.. | 35.7 | 26.2 | 51.4 | 62.9 | ... | ... | ... | 74 | 41.9 | 16.4 | 65.4 | 69.2 |
| September | 85.7 | 23.8 | 50.0 | 68.6 | ... | . . . | . .. | ... | 88.2 | 26.9 | 46.2 | 76.9 |
| October | 23.8 | 23.8 | 62.9 | 82.9 | 59 | 65 | 60 | - | 89.0 | 35.8 | 46.2 | 100.0 |
| November | 73.8 | 35.7 | 55.7 | 74.3 | - | ... | . . | 75 | 7.5 | 53.7 | 69.2 | 84.6 |
| December | 42.9 | 9.5 | 34.3 | 68.6 | . . . | ... | ... | ... | 13.4 | 35.8 | 69.2 | 76.9 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |  |
| January . | 26.2 | 35.7 | 65.7 | 82.9 | 47 | 59 | 59 | $\cdots$ | 85.8 | 28.8 | 84.6 | 69.2 |
| February | 59.5 | 7.1 | 57.1 | 85.7 | ... | ... | ... | 71 | 50.7 | 10.6 | 69.2 | 76.9 |
| March | 42.9 | 7.1 | 60.0 | 71.4 | . . | . . | ... | . . . | 91.0 | 6.1 | 53.8 | 61.5 |
| April | 7.1 | 4.8 | 57.1 | 74.3 | 59 | 59 | 58 | $\because$ | 9.7 | 6.1 | 61.5 | 61.5 |
| May . | 92.9 | 0.0 | 65.7 | 68.6 | ... | ... | ... | 59 | 27.3 | 10.6 | 38.5 | 46.2 |
| June | 35.7 | 11.9 | 47.1 | 60.0 | ... | ... | . . . | ... | 39.4 | 4.6 | 53.8 | 46.2 |
| July .. | 21.4 | 4.8 | 60.0 | 45.7 | 53 | 47 | 58 | $\cdots$ | 4.5 | 4.6 | 38.5 | 46.2 |
| August.. | 47.6 | 4.8 | 45.7 | 14.3 | $\cdots$ | ... | ... | 51 | 7.6 | 3.1 | 46.2 | 23.1 |
| September | 23.8 | 47.6 | 40.0 | 14.3 | $\ldots$ | ... | ... | -•• | 1.5 | 10.8 | 42.3 | 23.1 |
| October... | 38.1 | 0.0 | 45.7 | 11.4 | 35 | 15 | 40 | - | 66.2 | 23.1 | 19.2 | 23.1 |
| November | 9.5 | 4.8 | 18.6 | 5.7 | . $\cdot$. | ... | ... | 50 | 70.8 | 38.5 | 23.1 | 23.1 |
| December | 23.8 | 9.5 | 17.1 | 18.6 | -• | . $\cdot$ | ... | -•• | 9.2 | 70.8 | 7.7 | 23.1 |
| 1975 |  |  |  |  |  |  |  |  |  |  |  |  |
| January .. | 19.0 | 0.0 | 48.6 | 17.1 | 47 | pl2 | 48 |  | 95.4 | 62.0 | 53.8 | 11.5 |
| February | 11.9 | 23.8 | 51.4 | 25.7 |  | ... | 48 | $\bigcirc$ | 93.8 | 98.5 | 42.3 | 15.4 |
| March | 33.3 | 19.0 | 34.3 | 31.4 | ... | . $\cdot$ | ... |  | 86.2 | 100.0 | 38.5 | 15.4 |
| Aprii . | 61.9 | r59.5 | 77.1 | 45.7 | p53 | (NA) | 53 |  | 69.2 | 95.4 | 46.2 | 38.5 |
| May .. | 47.6 | r69.0 | 42.9 | r60.0 | ... |  | 5 |  | 61.0 | 93.8 | 38.5 | 61.5 |
| June | 81.0 | p61.9 | 54.3 | p71.4 |  |  | -•• |  | 70.8 | 89.2 | 61.5 | 61.5 |
| July | 78.6 |  | 74.3 |  |  |  | 71 |  |  |  |  | ${ }^{3} 53.8$ |
| August . . . . . . . <br> September | r90.5 |  | 47.1 |  | ( NA ) |  |  |  | 6.2 |  | 65.4 76.9 | 53.8 |
| September | r81.0 |  | r51.4 |  |  |  |  |  | 40.0 |  | 76.9 |  |
| October November December | p45.2 |  | p62.9 |  |  |  |  |  | 70.8 |  | 46.2 36.2 |  |

NOTE: Figures are the percent of series components rising. (Half of the unchanged components are considered rising.) Data are centered within spans: 1-month indexes are placed on the 2 d month and 9 -month indexes on the 6th month of span; 1 -quarter indexes are placed on the 1 st month of the 2 d quarter, 3 -quarter indexes on the 1 st month of the 3 d quarter, and 4 -quarter indexes on the 2 d month of the 3d quarter. Seasonally adjusted components are used except in D19, which requires no adjustment, and D34, which is adjusted as an index ( 1 -quarter span only). Table E4 identifies the components for many of the indexes shown. The " $r$ " indicates revised; " $p$ ", preliminary; and " $N A^{\prime \prime}$ ", not available. Unadjusted series are indicated by (@).

Graphs of these series are shown on page 63.
${ }^{1}$ This is a copyrighted series used by permission; it may not be reproduced without written permission from The Conference Board.
${ }^{2}$ Based on 71 components in Jamuary 1973, on 69 components through April 1973, on 68 components through 0ctober 1973 , on 67 components through April 1974, on 66 components through September 1974, and on 65 components thereafter. Component data are not shown in table $\mathrm{E}_{4}$ but are available from the source agency. ${ }^{3}$ Average for November 4, 11 , and 18.

| Year and month | E3 DIFFUSION INDEXES-Con. |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Leading Indicators-Con. |  | Roughly Coincident Indicators |  |  |  |  |  |  |  |
|  | 05. Initial claims for unemployment insurance, State programs, week including the 12th (47 areas) ${ }^{1}$ |  | D41. Number of employees on nonagriculural payrolis (30 industries) |  | D47. Index of industrial production (24 industries) |  | D58. Index of wholesale prices (22 manufacturing industries)(1) |  | D54. Sales of retail stores (23 types of stores) |  |
|  | 1-month span | 9-month span | 1-month span | 6-month span | 1-month span | 6-month span | 1-month span | 6-month span | 1-month span | 9-month span |
| 1973 |  |  |  |  |  |  |  |  |  |  |
| January | 67.0 | 68.1 | 68.3 | 85.0 | 79.2 | 83.3 | 95.5 | 100.0 | 87.0 | 100.0 |
| February | 74.5 | 66.0 | 86.7 | 83.3 | 91.7 | 79.2 | 97.7 | 95.5 | 76.1 | 97.8 |
| March ... | 36.2 | 74.5 | 86.7 | 85.0 | 62.5 | 83.3 | 95.5 | 95.5 | 65.2 | 95.7 |
| April . | 53.2 | 38.3 | 63.3 | 83.3 | 50.0 | 79.2 | 95.5 | 95.5 | 30.4 | 100.0 |
| May . | 36.2 | 68.1 | 65.0 | 76.7 | 77.1 | 77.1 | 90.9 | 95.5 | 69.6 | 100.0 |
| June | 57.4 | 57.4 | 76.7 | 70.0 | 54.2 | 79.2 | 84.1 | 95.5 | 56.5 | 87.0 |
| July . | 63.8 | 57.4 | 65.0 | 68.3 | 70.8 | 79.2 | 75.0 | 90.9 | 73.9 | 69.6 |
| August . | 46.8 | 8.5 | 65.0 | 81.7 | 70.8 | 70.8 | 91.0 | 95.5 | 34.8 | 47.8 |
| September .. | 44.7 | 8.5 | 56.7 | 83.3 | 62.5 | 54.2 | 77.3 | 95.5 | 73.9 | 91.3 |
| October | 46.8 | 38.3 | 76.7 | 83.3 | 45.8 | 45.8 | 79.5 | 95.5 | 65.2 | 87.0 |
| November .... | 72.3 | 29.8 | 76.7 | 76.7 | 62.5 | 35.4 | 86.4 | 90.9 | 56.5 | 95.7 |
|  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| January . . | 53.2 | 19.1 | 53.3 | 66.7 | 35.4 | 39.6 | 90.9 | 95.5 | 78.3 | 91.3 |
| February ...... | 83.0 | 14.9 | 41.7 | 46.7 | 37.5 | 33.3 | 95.5 | 95.5 95.5 | 60.9 | 78.3 |
| March . ............ | 40.4 | 34.0 | 48.3 | 46.7 | 64.6 | 52.1 | 88.6 | 95.5 | 78.3 | 91.3 |
| April | 51.1 | 12.8 | 41.7 | 43.3 | 47.9 | 54.2 | 91.0 | 95.5 | 47.8 | 91.3 |
| May ............ | 56.4 | 55.3 | 48.3 | 41.7 | 70.8 | 41.7 | 84.1 | 90.9 | 60.9 | 87.0 |
|  | 34.0 | 44.7 | 48.3 | 50.0 | 50.0 | 41.7 | 81.8 | 90.9 | 39.1 | 78.3 |
| July . . . . . . . . . . . | 75.5 | 0.0 | 60.0 | 46.7 | 39.6 | 31.3 | 81.8 | 77.3 | 95.7 | 52.2 |
| August . ...... <br> September | 48.9 | 6.4 | 55.0 | 33.3 | 37.5 | 12.5 | 77.3 68.2 | 72.7 | 52.2 | 50.0 60.9 |
|  | 28.7 | 8.5 | 51.7 | 18.3 | 52.1 | 10.4 | 68.2 | 72.7 | 60.9 | 60.9 |
| October . . . . . . . . . . | 46.8 | 2.1 | 35.0 | 21.7 | 33.3 | 12.5 | 72.7 | 72.7 | 43.5 | 82.6 |
| November December | 8.5 | 4.3 | 10.0 | 15.0 | 20.8 | 12.5 | 68.2 | 68.2 | 21.7 | 65.2 |
|  | 53.2 | 2.1 | 16.7 | 10.0 | 8.3 | 8.3 | 65.9 | 68.2 | 52.2 | 60.9 |
| 1975 |  |  |  |  |  |  |  |  |  |  |
| January ..... | 55.3 | 6.4 | 13.3 | 10.0 | 16.7 | 12.5 | 63.6 | 68.2 | 73.9 | 78.3 |
| February .....March . . . | 29.8 | 12.8 | 13.3 | 11.7 | 27.1 | 10.4 | 63.6 | 72.7 | 67.4 | 87.0 |
|  | 55.3 | 36.2 | 20.0 | 15.0 | 20.8 | 29.2 | 59.1 | 72.7 | 34.8 | 82.6 |
| April $\ldots . . . . .$.May $\ldots \ldots .$.June $\ldots . . .$. | 44.7 | 68.1 | 43.3 | 35.0 | 58.3 | 50.0 | 70.5 | 77.3 | 67.4 | 100.0 |
|  | 66.0 46.8 | 68.1 | 66.7 38.3 | r53.3 r73.3 | 47.9 75.0 | 54.2 $r 75.0$ | 63.6 68.2 | 75.0 81.8 | 89.1 65.2 | r95.7 p91.3 |
|  | 46.8 | 57.4 | 38.3 | r73.3 | 75.0 | r75.0 | 68.2 | 81.8 | 65.2 | p91. 3 |
| July <br> August <br> September | 68.1 |  | 65.0 | p80.0 | 79.2 | p79.2 | 75.0 | 90.9 | 45.7 |  |
|  | 42.6 |  | r81.7 |  | r70.8 |  | 88.6 |  | r60.9 |  |
|  | 31.9 |  | r83.3 |  | r87.5 |  | 90.9 |  | r56.5 |  |
| Dctober ... November. December | 61.7 |  | p70.0 |  | p60.4 |  | 86.4 |  | p47.8 |  |
|  |  |  |  |  |  |  |  |  |  |  |

NOTE: Figures are the percent of series components rising (half of the unchanged components are considered rising). Data are centered within spans: 1-month indexes are placed on the 2d month, 6 -month indexes are placed on the 4th month, and 9 -month indexes are placed on the 6 th month of span. Seasonally adjusted components are used except in index D58 which requires no adjustment. Table E4 identifies the components for most of the indexes shown. The " $r$ " indicates revised; " n ". preliminary; and "NA", not available. Unadjusted series are indicated by ©l.

Graphs of these series are shown on pages 63 and 64.
${ }^{1}$ Component data are not available for publication and therefore are not shown in table E4.

E4 Selected Diffusion Index Components: Basic Data and Directions of Change

| Diffusion index components | 1975 |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | March | April | May | June | July | August | September ${ }^{\text {r }}$ | October P |
| D1. AVERAGE WORKWEEK OF PRODUCTION WORKERS, MANUFACTURING ${ }^{1}$ (Average weekly hours) |  |  |  |  |  |  |  |  |
| All manufacturing industries | + 38.9 | + 39.1 | - 39.0 | + 39.3 | $+39.4$ | + 39.7 | + 39.8 | - 39.8 |
| Percent rising of 21 components | (33) | (62) | (48) | (81) | (79) | (90) | (81) | (45) |
| Durable goods industries: |  |  |  |  |  |  |  |  |
| Ordnance and accessories | - 41.3 | - 41.3 | - 41.1 | + 41.6 | - 40.1 | $+\mathrm{r} 41.2$ | $+41.9$ | - 41.6 |
| Lumber and wood products | - 38.0 | + 38.8 | $\bigcirc 38.8$ | + 39.0 | + 39.1 | + 39.5 | - 39.5 | - 39.5 |
| Furniture and fixtures | + 36.6 | + 37.2 | + 37.5 | + 37.6 | + 37.8 | + 38.3 | + 38.8 | + 38.9 |
| Stone, clay, and glass products | - 39.6 | + 40.3 | - 40.2 | + 40.3 | $+40.6$ | + 40.7 | + 40.9 | - 40.8 |
| Primary metal industries | - 40.0 | 39.7 | - 39.5 | + 39.6 | + 39.7 | + 39.9 | $+40.0$ | + 40.1 |
| Fabricated metal products . | - 39.7 | - 39.7 | - 39.5 | - 39.5 | - 39.5 | + $\mathbf{r} 40.0$ | $+40.3$ | - 40.3 |
| Machinery, except electrical | - 40.9 | + 41.0 | - 40.5 | - 40.4 | $+\quad 40.5$ | + r 40.8 | - 40.7 | - 40.7 |
| Electrical equipment and supplies | - 39.2 | + 39.4 | - 39.1 | + 39.3 | $+39.5$ | $+\mathrm{r} 39.6$ | - 39.6 | - 39.6 |
| Transportation equipment | - 39.1 | $+40.5$ | - 39.5 | + 40.0 | $+40.7$ | $+41.2$ | - 40.7 | - 40.5 |
| Instruments and related products | $+39.1$ | + 39.2 | + 39.3 | + 39.4 | $+39.7$ | - r39.5 | + 39.8 | - 39.8 |
| Miscellaneous manufacturing industries | - 37.7 | + 38.1 | - 38.1 | + 38.3 | - 38.1 | + 38.2 | + 38.7 | - 38.6 |
| Nondurable goods industries: |  |  |  |  |  |  |  |  |
| Food and kindred products | + 40.2 | - 39.9 | - 39.9 | - 39.9 | $+\quad 40.1$ | + 540.7 | $+40.8$ | - 40.6 |
| Tobacco manufactures. | + 38.6 | - 38.3 | - 36.9 | + 39.8 | - 35.4 | + r37.6 | + 38.1 | - $\quad 36.7$ |
| Textile mill products .......... | + 36.9 | $+37.7$ | + 38.9 | + 39.2 | + 39.6 | + r40.4 | + 40.9 | + 41.0 |
| Apparel and other textile products | + 33.8 | $+34.3$ | $+34.4$ | + 35.2 | - 35.2 | + r35.5 | + 35.9 | + 36.1 |
| Paper and allied products | - 40.5 | - 40.4 | + 40.9 | $+41.5$ | $+41.6$ | $+\mathrm{r} 42.1$ | + 42.2 | + 42.3 |
| Printing and publishing | - $\quad 37.0$ | - 36.8 | - 36.7 | - 36.7 | - 36.7 | $+\quad 37.1$ | - $\quad 37.0$ | 1 $-\quad 36.9$ |
| Chemicals and allied products | - 40.4 | - 40.3 | $+40.6$ | + 40.7 | + 40.9 | + r41.1 | + 41.3 | - 41.3 |
| Petroleum and coal products. | - 41.7 | - 41.0 | + 41.5 | - 41.2 | + 41.3 | - r41.0 | + 41.5 | - 41.3 |
| Rubber and plastic products, n.e.c. | - 38.7 | $+39.0$ | + 39.6 | - 39.6 | $+40.0$ | + r40.1 | $+40.3$ | - 40.3 |
| Leather and leather products. | - 35.3 | + 36.5 | - 36.5 | + 37.5 | + 37.8 | + 38.0 | + 38.4 | + 38.9 |
| D6. VALUE OF MANUFACTURERS' NEW ORDERS, DURABLE GOODS INDUSTRIES¹ ${ }^{2}$(Millions of dollars) |  |  |  |  |  |  |  |  |
| All durable goods industries | - 35,973 | + 38,983 | + 39,428 | + 39,730 | + 41,681 | $+42,688$ | - 42,227 | + 42,779 |
| Percent rising of 35 components | (34) | (77) | (43) | (54) | (74) | (47) | (51) | (63) |
| Primary metals. | - 4,961 | + 5,395 | + 5,863 | + 5,887 | + 6,189 | + 6,909 | - 6,265 | + 6,941 |
| Fabricated metal products | - 4,449 | + 4,813 | + 4,844 | - 4,700 | + 5,111 | + 5,179 | + 5,196 | + 5,328 |
| Machinery, except electrical | - 6,759 | + 6,946 | + 7,117 | - 6,984 | + 7,368 | - 6,929 | + 7,120 | + 7,619 |
| Electrical machinery | - 4,662 | + 5,316 | - 5,183 | - 5,133 | + 5,279 | + 5,809 | - 5,144 | + 5,338 |
| Transportation equipment | - 8,186 | + 8,738 | + 8,769 | + 9,194 | + 9,793 | - 9,758 | + 9,982 | - 9,379 |
| Other durable goods industries | - 6,956 | + 7,775 | - 7,652 | + 7,832 | + 7,941 | + 8,104 | + 8,520 | - 8,174 |

NOTE: To facilitate interpretation, the month-to-month directions of change are shown along with the numbers: $(+)=$ rising, $(0)=$ unchanged, and $(-)=$ falling. The "r"indicates revised; " $p$ ", preliminary; and " $N A$ ", not available.
${ }^{1}$ Data are seasonally adjusted by the source agency.
${ }^{2}$ Data for most of the 35 diffusion index components are not available for publication; however, they are all included in the totals and directions of change for six major industry groups shown here.

E4 Selected Diffusion Index Components: Basic Data and Directions of Change-Con.

| Diffusion index components | 1975 |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | March | April | May | June | July | August | September | October | November ${ }^{1}$ |
| 023. INOEX OF INDUSTRIAL MATERIALS PRICES ${ }^{2}$ |  |  |  |  |  |  |  |  |  |
| Industrial materials price index (1967=100) | + 182.3 | + 186.4 | - 184.2 | - 173.2 | - 171.5 | + 179.6 | + 184.2 | - 181.9 | - 179.3 |
|  | (Dollars) |  |  |  |  |  |  |  |  |
| Percent rising of 13 components | (38) | (46) | (38) | (62) | (58) | (65) | (77) | (46) | (46) |
| Copper scrap . . . . . . . . . . . . . . . . . . . . . . (pound) | $+\quad 0.400$ | - 0.399 | - 0.384 | - 0.366 | $+0.418$ | $+0.445$ | $+0.452$ | - 0.432 | - 0.422 |
| (kilogram) . . | 0.882 | 0.880 | 0.847 | 0.807 | 0.922 | 0.981 | 0.996 | 0.952 | 0.930 |
| Lead scrap . . . . . . . . . . . . . . . . . . . . . . (pound) . . | - 0.086 | - 0.081 | - 0.073 | - 0.050 | $+0.051$ | $+0.066$ | $+0.081$ | + 0.085 | - 0.076 |
| (kilogram).. | 0.190 | 0.179 | 0.161 | 0.110 | 0.112 | 0.146 | 0.179 | 0.187 | 0.168 |
| Steel scrap . . . . . . . . . . . . . . . . . . . . . (U.S. ton).. | - 72.206 | + 84.830 | - 76.961 | - 70.675 | - 58.448 | + 70.794 | $+81.303$ | - 68.088 | - 62.887 |
| (metric ton).. | 79.593 | 93.508 | 84.834 | 77.905 | 64.427 | 78.036 | 89.620 | 75.053 | 69.320 |
| Tin . . . . . . . . . . . . . . . . . . . . . . . . . . (pound) . . | - 3.514 | - 3.382 | - 3.298 | + 3.391 | - 3.336 | - 3.336 | - 3.229 | + 3.355 | + 3.386 |
| (kilogram) | 7.747 | 7.456 | 7.271 | 7.476 | 7.355 | 7.355 | 7.119 | 7.396 | 7.465 |
| Zinc . . . . . . . . . . . . . . . . . . . . . . . . . (pound). | - 0.379 | - 0.376 | + 0.378 | + 0.383 | + 0.387 | + 0.390 | $+0.395$ | + 0.405 | - 0.398 |
| (kilogram) . | 0.836 | 0.829 | 0.833 | 0.844 | 0.853 | 0.860 | 0.871 | 0.893 | +0.877 |
| Burlap . . . . . . . . . . . . . . . . . . . . . . . . . . . . (yard). | - 0.277 | - 0.210 | - 0.198 | + 0.200 | - 0.183 | - 0.177 | $+0.180$ | - 0.177 | $+0.183$ |
| (meter) | 0.248 | 0.230 | 0.217 | 0.219 | 0.200 | 0.194 | 0.197 | 0.194 | 0.200 |
| Cotton, 12-market average . . . . . . . . . . . (pound). | $+0.406$ | $+0.424$ | + 0.431 | $+0.438$ | $+0.446$ | $+0.472$ | $+0.505$ | - 0.496 | $+0.511$ |
| (kilogram) . . | 0.895 | 0.935 | 0.950 | 0.966 | 0.983 | 1.041 | 1.113 | 1.093 | 1.127 |
| Print cloth, average . . . . . . . . . . . . . . . . . . . . (yard) . . | + 0.583 | $+0.590$ | - 0.581 | + 0.592 | - 0.581 | $+0.588$ | - 0.584 | + 0.593 | - 0.576 |
| (meter) | 0.638 | 0.645 | 0.635 | 0.647 | 0.635 | 0.643 | 0.639 | 0.649 | 0.630 |
| Wool tops . . . . . . . . . . . . . . . . . . . . . . (pound) . | + 1.860 | - 1.849 | + 2.143 | - 2.044 | + 2.119 | $+2.318$ | $+2.358$ | $+2.402$ | + 2.493 |
| (kilogram) . . | 4.101 | 4.076 | 4.724 | 4.506 | 4.672 | 5.110 | 5.198 | 5.295 | 5.496 |
| Hides $. . . . . . . . . . . . . . . . . . . . . . . . . . . . . ~(p o u n d) . ~$ | + 0.201 | $+0.227$ | + 0.255 | + 0.259 | + 0.269 | - 0.254 | - 0.253 | $+0.286$ | - 0.272 |
| (kilogram) . . | 0.443 | 0.500 | 0.562 | 0.571 | 0.593 | 0.560 | 0.558 | 0.631 | 0.600 |
| Rosin . . . . . . . . . . . . . . . . . . . . . (100 pounds) . | - 41.782 | - 40.972 | - 39.068 | - 30.461 | - 29.849 | - 26.614 | + 28.817 | -28.643 | - 28.614 |
| (100 kilograms) . . | 92.113 | 90.327 | 86.129 | 67.154 | 65.805 | 63.082 | 63.530 | 63.146 | 63.082 |
| Rubber . . . . . . . . . . . . . . . . . . . . . . . . . (pound). | - 0.287 | + 0.291 | - 0.275 | + 0.289 | + 0.315 | - 0.305 | + 0.319 | - 0.301 | + 0.318 |
| (kilogram) . | 0.633 | 0.642 | 0.606 | 0.637 | 0.694 | 0.672 | 0.703 | 0.664 | 0.701 |
| Tallow . . . . . . . . . . . . . . . . . . . . . . . . (pound) . | - 0.108 | + 0.116 | + 0.123 | + 0.127 | - 0.127 | $+0.143$ | $+0.155$ | - 0.141 | $+0.149$ |
| (kilogram) . | 0.238 | 0.256 | 0.271 | 0.280 | 0.280 | 0.315 | 0.342 | 0.311 | 0.328 |
| 041. NUMBER OF EMPLOYEES ON NONAGRICULTURAL PAYROLLS ${ }^{3}$ (Thousands of employees) |  |  |  |  |  |  |  |  |  |
| All nonagricultural payrolls | -76,468 | - 76,462 | +76,510 | - 76,343 | +76,679 | +r77,023 | + r77,275 | + 77,492 |  |
| Percent rising of 30 components | (20) | (43) | (67) | (38) | (65) | (82) | (83) | (70) |  |
| Ordnance and accessories | - 84 | - 84 | - 84 | - 82 | 81 | - 77 | - r75 | - 75 |  |
| Lumber and wood products | + 448 | - 444 | + 454 | + 459 | + 463 | + 469 | + 5475 | + 479 |  |
| Furniture and fixtures | 347 | $+\quad 349$ | + 354 | 351 | $+355$ | + r366 | + r379 | - 377 |  |
| Stone, clay, and glass products | - 479 | - 478 | + 479 | 477 | - 477 | + r483 | $+\quad r 486$ | + 488 |  |
| Primary metal industries | - 950 | - 923 | - 905 | 889 | - 878 | + 892 | + r912 | - 906 |  |
| Fabricated metal products | - 993 | - 992 | - $\quad 985$ | - $\quad 979$ | - $\quad 960$ | + r993 | + 1,001 | + 1,004 |  |
| Machinery, except electrical | - 1,400 | - 1,372 | - 1,339 | - 1,317 | - 1,300 | - rl,300 | + r1,316 | + 1,318 |  |
| Electrical equipment . | - 1,143 | - 1,123 | - 1,113 | - 1,106 | - 1,097 | + 1,131 | + rl,142 | + 1,163 |  |
| Transportation equipment .... | + 1,122 | + 1,126 | + 1,151 | + 1,155 | - 1,143 | - rl, 142 | -rl, 141 | + 1,148 |  |
| Instruments and related products | - 292 | - 291 | - 287 | 286 | $+\quad 287$ $+\quad 307$ | - r286 | + 291 | + 293 |  |
| Miscellaneous manufacturing | - 303 | - 301 | + 303 | - 303 | $+307$ | + 311 | + r316 | - 314 |  |
| Food and kindred products | - 1,119 | + 1,125 | + 1,131 | + 1,133 | - 1,131 | + rl, 147 | - 1,147 | + 1,166 |  |
| Tobacco manufactures | - 64 | - 62 | - 62 | - 62 | $+\quad 65$ | - r65 | + 66 | - 65 |  |
| Textile mill products | - 727 | + 745 | + 766 | + 771 | + 777 | + r800 | + r820 | + 835 |  |
| Apparel and other textile products | - 1,008 | + 1,020 | + 1,033 | + 1,043 | + 1,071 | - rl, 071 | + rl, 086 | + 1,106 |  |
| Paper and allied products | - 474 | - 471 | $+\quad 472$ | - 469 | + 474 | + 479 | + r487 | + 491 |  |
| Printing and publishing. | - 644 | 639 | - 636 | - 631 | - 629 | + 5632 | - r632 | - 631 |  |
| Chemicals and allied products | 563 | 558 | + 562 | 560 | - 560 | + r566 | + r571 | + 574 |  |
| Petroleum and coal products | + 122 | 121 | + 123 | + 125 | + 127 | + 128 | + 129 | - 129 |  |
| Rubber and plastic products, n.e.c. | - 426 | + 430 | + 436 | - 436 | + 439 | $+\quad$ r453 | + r462 | + 472 |  |
| Leather and leather products .................. | - 207 | $+\quad 209$ | + 212 | + 215 | + 219 | + 220 | $+\quad 226$ | + 231 |  |

NOTE: To facilitate interpretation, the month-to-month directions of change are shown along with the numbers: $(+)=$ rising, $(0)=$ unchanged, and $(-)=$ falling. The " $r$ " indicates revised; " $p$ ", preliminary; and " $N A$ ", not available.
${ }^{1}$ Average for November 4, 11, and 18.
${ }^{2}$ Series components are seasonally adjusted by the Bureau of Economic Analysis. The industrial materials price index is not seasonally adjusted. Components are converted to metric units by the Bureau of Economic Analysis.
${ }^{3}$ Data are seasonally adjusted by the source agency. Data for the latest month shown are preliminary.

E4 Selected Diffusion Index Components: Basic Data and Directions of Change-Con.

| Diffusion index components | 1975 |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | March | April | May | June | July | August ${ }^{\text {r }}$ | September $\mathbf{r}$ | October P |
| D41. NUMBER OF EMPLOYEES ON NONAGRICULTURAL PAYROLLS-COn. ${ }^{1}$ (Thousands of employees) |  |  |  |  |  |  |  |  |
| Mining | + 729 | + 732 | + 738 | + 741 | + 743 | + 749 | - 749 | 770 |
| Contract construction | - 3,467 | - 3,441 | - 3,439 | - 3,392 | + 3,395 | + 3,415 | + 3,416 | - 3,387 |
| Transportation and public utilities | - 4,506 | + 4,508 | - 4,491 | - 4,469 | - 4,464 | + 4,466 | - 4,466 | + 4,474 |
| Wholesale trade. | - 4,178 | - 4,176 | - 4,175 | - 4,153 | + 4,161 | - 4,159 | + 4,180 | + 4,182 |
| Retail trade . . . . . . . . . . . . | - 12,673 | - 12,671 | + 12,682 | + 12,724 | $+12,823$ | $+12,857$ | + 12,862 | - 12,850 |
| Finance, insurance, real estate | - 4,207 | + 4,209 | - 4,208 | - 4,202 | - 4,203 | + 4 +,218 | $+12,236$ + | $+12,827$ $+\quad 4,247$ |
| Service <br> Federal Government | - 13,864 | $+\quad 13,878$ $-\quad 2,731$ | $+\quad 13,889$ $+\quad 2732$ | - 13,871 | $+13,990$ | + 14,050 | + 14,126 | $+14,174$ |
| Federal Government ..... State and local government | $\begin{array}{r}12,733 \\ \hline\end{array}$ | 2,731 $+\quad 11,961$ | $+\quad 2,732$ $+\quad 11,994$ | $\begin{array}{r}+\quad 2,738 \\ \hline\end{array}$ | 2,745 $+\quad 12,071$ | $+\quad 2,756$ $+\quad 12,099$ | 2,765 $+\quad 12,065$ | - 2,763 |
| D47. INDEX OF INDUSTRIAL PRODUCTION ${ }^{1}$ (1967=100) |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| All industrial production | - 110.0 | - 109.9 | $+110.1$ | $+111.1$ | $+112.2$ | $+114.0$ | $+116.0$ | $+116.5$ |
| Percent rising of 24 components ${ }^{2}$ | (21) | (58) | (48) | (75) | (79) | (71) | (88) | (60) |
| Durable manufactures: |  |  |  |  |  |  |  |  |
| Primary and fabricated metals |  |  |  |  |  |  |  |  |
| Primary metals | 98.1 | - 95.0 | - 89.9 | + 91.8 | $+\quad$ r92.8 | 96.5 | - 95.8 | - $\quad 95.2$ |
| Fabricated metal products | - 112.9 | - 112.4 | - 110.9 | - 110.9 | - 109.7 | + 112.7 | + 115.3 | - 115.0 |
| Machinery and allied goods. Nonelectrical machinery |  |  |  |  |  |  |  |  |
| Nonelectrical machinery | 119.3 | 116.9 | - 113.7 | - 112.3 | + 112.9 | + 114.9 | $+116.3$ | + 116.5 |
| Transportation equipment | $-\quad 104.3$ $+\quad 81.0$ | $-\quad 104.0$ $+\quad 84.7$ | - $\quad 103.8$ | - 103.8 | - 103.4 | $+104.5$ | + 106.1 | - 106.0 |
| Instruments | - 130.6 | + 131.1 | - 129.7 | $+\quad 130.9$ $+\quad 10.9$ | + ri32.4 | 92.9 131.8 | $+\quad 95.4$ $+\quad 133.6$ | 94.9 $+\quad 134.1$ |
| Lumber, clay, and glass. |  |  |  |  |  |  | $+133.6$ | $+\quad 134.1$ $+\quad 112.0$ |
| Clay, glass, and stone products | - 104.2 | $+\quad 105.4$ | - 104.7 | $+105.1$ | + r106.2 | + 107.9 | + 1110 | + (NA) |
| Lumber and products ... Furniture and miscellaneous | + 99.8 | + 104.1 | + 108.0 | $+110.3$ | + 112.0 | - 112.0 | + 112.8 | (NA) |
| Furniture and miscelianeous Furniture and fixtures |  |  |  |  |  |  |  | - 123.1 |
| Miscellaneous manufactures | $-\quad 106.7$ $+\quad 129.7$ | - 105.6 | $+\quad 109.6$ $+\quad 129.0$ | $-\quad 107.9$ $+\quad 131.1$ | + r109.4 | 109.2 | + 110.2 | (NA) |
|  |  |  |  | $+131.1$ | + r131.8 | + 134.3 | + 135.4 | (NA) |
| Nondurable manufactures: |  |  |  |  |  |  |  |  |
| Textiles, apparel, and leather. |  |  |  |  |  |  | + 102.6 | $+104.7$ |
| Textile mill products | + 96.8 | $+100.4$ | $+\quad 103.8$ | + 106.9 | + r110.7 | + 114.9 | + 119.7 | (NA) |
| Apparel products. | 86.4 | + 88.2 | $+\quad 90.9$ | + 91.5 | + $\quad \mathbf{r 9 2 . 9}$ | $+\quad 94.9$ $+\quad 72.5$ | (NA) | (NA) |
| Leather and products. | 63.5 | $+68.0$ | + 70.0 | + 71.2 | + r73.5 | - 72.5 | + 78.1 | (NA) |
| Paper and printing .. |  |  | 105 ${ }^{\text {a }}$ | 1095 | $\cdots$ | $\cdots$ |  | $+114.0$ |
| Paper and products | - 104.5 | + 105.8 | - 105.8 | + 109.5 | + 111.7 | + 116.4 | + 121.1 | (NA) |
| Printing and publishing ..... | 104.0 | 100.2 | + 102.6 | + 105.9 | - 104.4 | + 106.8 | + 107.5 | - 106.8 |
| Chemicals, petroteum, and rubber Chemicals and products ..... | 133.6 | - 132.8 | + $13 \dot{5} . \dot{7}$ | $+13 \ddot{8.2}$ | + rl43.4 |  | + 1480 | +147.2 $+\quad 150.7$ |
| Petroleum products ... | - 120.1 | + 132.8 | $+\quad 135.7$ $-\quad 118.5$ | $+\quad 138.2$ <br> $+\quad 122.4$ | + <br> + <br> + | $+\quad 146.0$ $+\quad 126.5$ | $+\quad 148.7$ $+\quad 127.0$ | $\begin{array}{ll} + & 150.7 \\ \circ & 127.0 \end{array}$ |
| Rubber and plastics products | 126.8 | + 133.5 | 132.7 | + 140.1 | + 141.6 | + 147.7 | + 149.9 | - (NA) |
| Foods and tobacco |  |  |  |  |  |  | + 125.5 | $+126.1$ |
| Foods ........ | 121.3 | $+\quad 122.9$ | + 123.8 | + 125.1 | + r126.3 | - 126.3 | + 126.9 | + 127.6 |
| Tobacco products | 102.6 | + 115.9 | - 103.8 | - 102.2 | $+104.8$ | 105.7 | (NA) | (NA) |
| Mining: |  |  |  |  |  |  |  |  |
| Coal | - 117.4 | - 112.2 | + 113.6 | + 120.4 | + 120.6 | - 101.9 | + 113.6 | + 114.5 |
| Oil and gas extraction | 106.1 | + 106.6 | - 104.5 | + 105.5 | - r104.5 | - 104.2 | + 104.8 | + 105.0 |
| Metal, stone, and earth minerals |  |  |  | 110.6 |  |  | 18. | - 106.3 |
| Metal mining . . . . . . . Stone and earth minerals | 125.4 | + 125.8 | - 114.8 | - 110.6 | - rllo.3 | + 122.3 | - 118.9 | (NA) |
| Stone and earth minerals | 105.1 | - 104.7 | - 100.4 | 95.3 | $+\mathrm{r} 101.4$ | 98.8 | - 97.7 | (NA) |

NOTE: To facilitate.interpretation, the month-to-month directions of change are shown along with the numbers: $(+)=$ rising, $(0)=$ unchanged, and $(-)=$ falling. The " $r$ " indicates revised;
" $p$ ", preliminary; and " $N A^{\prime \prime}$, not available.
${ }^{1}$ Data are seasonally adjusted by the source agency.
$2_{\text {Where }}$ actual data for separate industries are not available, estimates are used to compute the percent rising.

E4 Selected Diffusion Index Components: Basic Data and Directions of Change-Con.

| Diffusion index components | 1975 |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | March | April | May | June | July | August | September | October |
| D54. SALES OF RETAIL STORES ${ }^{1}$ (Millions of dollars) |  |  |  |  |  |  |  |  |
| All retail sales | - 45,951 | $+46,813$ | + 48,173 | + 48,578 | + 49,655 | + r49,925 | -r49,473 | + 49,955 |
| Percent rising of 23 components ${ }^{2}$ | (35) | (67) | (89) | (65) | (46) | (61) | (56) | (48) |
| Grocery stores | + 10,058 | - 9,846 | + 10,105 | + 10,255 | + 10,531 | - r10,429 | - 10,219 | (NA) |
| Eating and drinking places | - 3,821 | + 3,898 | + 3,935 | + 3,984 | - 3,933 | - r3,901 | + 3,911 | (NA) |
| Department stores . . . | + 4,852 | - 4,825 | + 5,094 | - 5,031 | - 5,017 | + r5,201 | - 5,116 | (NA) |
| Mail-order houses (department store merchandise) | 456 | + 476 | + 482 | + 496 | + 510 | - 509 | + 532 | (NA) |
| Variety stores | 739 | + 746 | + 788 | - 774 | 728 | + r799 | - 781 | (NA) |
| Men's and boys' wear stores | 506 | - 506 | - 506 | + 517 | 511 | + r523 | - 508 | (NA) |
| Women's apparel, accessory stores | 820 | - 819 | + 854 | + 863 | + 876 | + r948 | - 888 | (NA) |
| Shoe stores | 310 | + 337 | + 356 | - 346 | - 344 | + r353 | + 357 | (NA) |
| Furniture, home furnishings stores | - 1,199 | + 1,244 | - 1,216 | + 1,245 | + 1,280 | - rl,277 | + 1,281 | (NA) |
| Household appliance, TV, radio stores | + 660 | + 686 | + 716 | + 723 | - 688 | + r711 | + 717 | (NA) |
| Lumber yards, building materials dealers | 1,355 | + 1,415 | + 1,517 | - 1,515 | - 1,515 | - 1,505 | + 1,563 | (NA) |
| Hardware stores. | 464 | + 468 | + 489 | - 484 | - 478 | - r472 | + 479 | (NA) |
| Passenger car and other automotive dealers | - 6,623 | + 7,164 | + 7,508 | + 7,654 | + 8,082 | + r8,120 | - 7,932 | (NA) |
| Tire, battery, accessory dealers | 738 | - 737 | + 755 | + 793 | - 768 | - r751 | - 746 | (NA) |
| Gasoline service stations | + 3,497 | + 3,532 | + 3,565 | + 3,616 | + 3,790 | + r3,832 | - 3,800 | (NA) |
| Drug and proprietary stores | + 1,488 | - 1,455 | + 1,499 | + 1,532 | - 1,525 | + rl,526 | + 1,540 | (NA) |
| Liquor stores. | + 903 | - 884 | + 919 | + 947 | - $\quad 927$ | + r929 | + 931 | (NA) |
| D58. INDEX OF WHDLESALE PRICES, MANUFACTURING INDUSTRIES ${ }^{3}$ (1967=100) |  |  |  |  |  |  |  |  |
| All manufacturing industries | - 167.8 | + 168.7 | + 169.5 | + 170.1 | $+171.4$ | + 172.3 | $+173.0$ | $+174.5$ |
| Percent rising of 22 components | (59) | (70) | (64) | (68) | (75) | (89) | (91) | (86) |
| Durable goods: |  |  |  |  |  |  |  |  |
| Lumber and wood products | + 169.6 | + 174.9 | + 183.0 | - 181.0 | - 179.6 | + 179.7 | + 179.9 | - 179.1 |
| Furniture and household durables | 138.5 | - 138.5 | + 138.6 | + 139.0 | + 139.2 | + 139.8 | + 140.1 | + 141.1 |
| Nonmetallic minerals products | + 170.8 | + 173.0 | + 173.1 | + 173.3 | + 174.7 | + 175.8 | + 176.1 | + 177.1 |
| Iron and steel | + 200.6 | + 201.1 | - 200.6 | - 199.4 | - 197.3 | + 198.4 | $+200.4$ | + 204.7 |
| Nonferrous metals. | 173.9 | - 172.2 | - 171.1 | - 169.1 | - 167.7 | + 169.3 | + 170.8 | - 170.7 |
| Fabricated structural metal products | + 189.9 | - 188.4 | + 188.8 | - 188.6 | - 188.5 | + 189.1 | + 189.2 | + 190.2 |
| Miscellaneous metal products | + 180.0 | + 180.1 | - 179.4 | + 181.7 | + 182.2 | - 182.2 | - 182.2 | + 182.4 |
| General purpose machinery and equipment | + 174.8 | + 176.1 | + 177.6 | + 178.2 | + 179.6 | + 180.1 | + 181.3 | + 181.8 |
| Miscellaneous machinery | 158.5 | + 160.3 | + 161.4 | + 161.5 | + 161.9 | + 163.1 | + 165.1 | + 165.9 |
| Electrical machinery and equipment | + 139.1 | + 139.5 | + 140.1 | $+140.4$ | $+140.8$ | + 140.9 | + 141.8 | + 142.3 |
| Motor vehicles and equipment | 143.0 | -143.0 | - 142.9 | + 143.1 | - 143.1 | + 143.5 | + 143.9 | + 150.0 |
| Miscellaneous products | + 146.8 | $+147.3$ | + 147.5 | - 147.5 | + 147.7 | + 147.8 | + 148.2 | - 147.6 |
| Nondurable goods: |  |  |  |  |  |  |  |  |
| Processed foods and feeds | 177.3 | + 179.4 | - 179.0 | + 179.7 | + 184.6 | + 186.3 | - 186.1 | + 186.2 |
| Cotton products | 156.0 | + 158.1 | + 162.6 | + 164.3 | + 167.4 | + 169.4 | + 171.4 | + 182.8 |
| Wool products . . . . . . . . . . | 102.0 121.7 | +103.5 +121.7 | +167.0 $+\quad 123.0$ | +107.5 $+\quad 124.6$ | +107.8 $+\quad 127.3$ | $+\quad 108.5$ $+\quad 128.8$ | +108.5 $+\quad 129.9$ | $+\quad 114.9$ $+\quad 132.3$ |
| Manmade fiber textile products . | 121.7 133.3 | - 121.7 $-\quad 133.0$ | +123.0 $+\quad 132.2$ | +124.6 $+\quad 132.5$ | +127.3 $-\quad 132.4$ | $+\quad 128.8$ $+\quad 132.8$ | +129.9 $+\quad 133.1$ | $+\quad 132.3$ $+\quad 133.6$ |
| Pulp, paper, and allied products | + 170.0 | - 169.7 | + 169.8 | - 169.8 | + 170.0 | - 170.0 | + 170.3 | + 170.9 |
| Chemicals and allied products | + 181.8 | + 182.4 | - 182.1 | - 181.2 | + 181.4 | + 182.1 | + 182.2 | + 182.3 |
| Petroleum products, refined | + 242.3 | + 243.6 | + 246.1 | + 252.2 | + 258.8 | + 268.6 | + 272.1 | + 274.2 |
| Rubber and plastic products | 149.7 | - 149.4 | - 148.9 | - 148.6 | + 150.1 | - 150.0 | + 150.8 | + 151.5 |
| Hides, skins, leather, and related products . | 143.2 | + 147.5 | + 147.7 | + 148.7 | + 149.3 | - 149.3 | + 151.3 | + 152.4 |

NOTE: To facilitate interpretation, the month-to-month directions of change are shown along with the numbers: $(+)=$ rising, $(0)=$ unchanged, and $(-)=$ falling. The " $r$ " indicates revised; " $p$ ", preliminary; and " $N A^{\prime}$ ", not available.
${ }^{1}$ Data are seasonally adjusted by the source agency. Data for the latest month shown are preliminary.
${ }^{2}$ The diffusion index includes estimates for six types of stores not shown separately.
${ }^{3}$ Data are not seasonally adjusted.

| $\begin{aligned} & \text { Year } \\ & \text { and } \\ & \text { month } \end{aligned}$ | F1 CONSUMER PRICES |  |  |  |  |  |  | F2 Industrial production |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 781. United States, index of consumer prices(1) $(1967=100)$ | 133. Canada, index of consumer prices (1) (1967=100) | 132. United Kingdom, index of consumer prices(a) $(1967=100)$ | 135. West Germany, index of consumer prices(1) $(1967=100)$ | 136. France, index of consumer prices(1) $(1967=100)$ | 138. Japan, index of consumer prices (1) $(1967=100)$ | 137. Italy. index of consumer prices(1) $(1967=100)$ | 47. United States, index of industrial production $(1967=100)$ | 123. Canada, index of industrial production $(1967=100)$ | 122. United Kingdom, index of industrial production $(1967=100)$ | 126. France, index of industrial production $(1967=100)$ |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |
| January . | 128 | 125 | 144 | 126 | 136 | 138 | 127 | 122 | 139 | 120 | 150 |
| February | 129 | 126 | 144 | 127 | 136 | 140 | 128 | 123 | 142 | 123 | 151 |
| March .. | 130 | 126 | 145 | 128 | 137 | 143 | 130 | 124 | 142 | 124 | 146 |
| April | 131 | 128 | 148 | 129 | 138 | 145 | 131 | 124 | 142 | 121 | 144 |
| May . | 132 | 129 | 149 | 129 | 139 | 148 | 133 | 125 | 142 | 121 | 153 |
| June . | 132 | 130 | 150 | 130 | 140 | 148 | 134 | 126 | 144 | 122 | 151 |
| July . . | 133 | 131 | 151 | 130 | 147 | 150 | 135 | 127 | 143 | 123 | 153 |
| August . . | 135 | 133 | 151 | 130 | 142 | 151 | 136 | 126 | 139 | 123 | 153 |
| September .... | 136 | 133 | 152 | 131 | 143 | 155 | 137 | 127 | 142 | 123 | 150 |
| October | 137 | 134 | 155 | 132 | 145 | 154 | 138 | 127 | 144 | 125 | 153 |
| Novernber | 138 | 135 | 157 | 133 | 146 | 156 | 139 | 128 | 146 | 123 | 154 |
| December | 138 | 136 | 158 | 134 | 147 | 160 | 147 | 126 | 146 | 119 | 148 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |
| January | 140 | 137 | 161 | 135 | 150 | 167 | 144 | 125 | 148 | 113 | 157 |
| February ... | 142 | 138 | 163 | 137 | 152 | 173 | 147 | 125 | 149 | 115 | 157 |
| March | 143 | 139 | 165 | 137 | 153 | 174 | 149 | 125 | 150 | 119 | 153 |
| April | 144 | 140 | 170 | 138 | 156 | 179 | 151 | 125 | 148 | 121 | 154 |
| May . . . . . . | 146 | 143 | 173 | 139 | 158 | 179 | 154 | 126 | 147 | 121 | 158 |
| June | 147 | 144 | 175 | 139 | 159 | 181 | 157 | 126 | 147 | 122 | 156 |
| July | 148 | 146 | 176 | 139 | 161 | 184 | 160 | 126 | 146 | 123 | 161 |
| August . . . | 150 | 147 | 176 | 140 | 163 | 185 | 163 | 125 | 146 | 123 | 161 |
| September | 152 | 148 | 177 | 140 | 165 | 189 | 168 | 126 | 145 | 121 | 152 |
| October | 153 | 149 | 182 | 141 | 167 | 193 | 171 | 125 | 145 | 120 | 152 |
| November | 154 | 151 | 185 | 142 | 168 | 194 | 174 | 122 | 143 | 120 | 146 |
| December | 155 | 152 | 188 | 142 | 169 | 195 | 176 | 117 | 142 | 118 | 142 |
| 1975 |  |  |  |  |  |  |  |  |  |  |  |
| January .... | 156 | 153 | 192 | 144 | 171 | 196 | 178 | 114 | 139 | 119 | r143 |
| February | 157 | 154 | 196 | $1 / 14$ | 173 | 196 | 181 | 111 | 140 | 119 | 143 |
| March | 158 | 155 | 200 | 145 | 174 | 198 | 181 | 110 | 139 | 116 | 139 |
| April | 159 | 156 | 207 | 146 | 176 | 203 | 183 | 110 | 139 | 114 | 139 |
| May . | 159 | 157 | 216 | 147 | 177 | 205 | 185 | 110 | 138 | 112 | rl34 |
| June | 161 | 159 | 220 | 148 | 178 | 205 | 186 | 111 | 139 | 112 | 139 |
| July . . | 162 | 162 | 222 | 148 | 179 | 206 | 187 | 112 | 138 | 112 | 137 |
| August ... | 163 | 163 | 224 | 148 | 181 | 205 | r188 | 114 | r138 | plll | pl37 |
| September . . . | 164 | 163 | 226 | 149 | 182 | 209 | 190 | 116 | pl36 | (NA) | (NA) |
| October . . . . November | 165 | (NA) | ( NA ) | 149 | (NA) | 212 | (NA) | pll6 | (NA) |  |  |
| December .... |  |  |  |  |  |  |  |  |  |  |  |

NOTE: Series are seasonally adjusted except those series that appear to contain no seasonal movement. Unadjusted series are indicated by (u). Series numbers are for identification anly and do not reflect series relationships or order. Complete titles and sources are shown at the back of the book. The "r" indicates revised; " $p$ ", preliminary; " $e$ ", estimated; " $a$ ", anticipated; and "NA", not available.
Graphs of these series are shown on pages 66 and 67.

| $\begin{aligned} & \text { Year } \\ & \text { and } \\ & \text { month } \end{aligned}$ | F2 Industrial production-Con. |  |  |  | F3 STOCK PRICES |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 125. West Germany, index of industria\} production $(1967=100)$ | 128. Japan, index of industria! production $(1967=100)$ | 121. OECD,' European countries, index of industrial production $(1967=100)$ | 127. Italy, index of industrial production $(1967=100)$ | 19. United States, index of stock prices, 500 common stocks(L) $(1967=100)$ | 143. Canada, index of stock prices(1) $(1967=100)$ | 142. United Kingdom, index of stock prices(1) $(1967=100)$ | 146. France, index of stock prices(1) $(1967=100)$ | 145. West Germany, index of stock prices (u) $(1967=100)$ | 148. Japan, index of stock prices(1) $(1967=100)$ | 147. Italy, index of stock prices(4) $(1967=100)$ |
| 1973 |  |  |  |  |  |  |  |  |  |  |  |
| January | 150 | 186 | 142 | 124 | 129 | 146 | 182 | 174 | 139 | 387 | 83 |
| February | 156 | 186 | 144 | 123 | 124 | 145 | 168 | 173 | 136 | 364 | 84 |
| March . . | 151 | 193 | 142 | 123 | 122 | 143 | 164 | 185 | 142 | 363 | 93 |
| April | 153 | 190 | 142 | 132 | 120 | 142 | 168 | 191 | 142 | 344 | 97 |
| May . | 152 | 196 | 144 | 134 | 117 | 135 | 167 | 196 | 130 | 339 | 109 |
| June | 154 | 197 | 145 | 138 | 114 | 135 | 171 | 190 | 128 | 338 | 125 |
| July. | 147 | 197 | 14.4 | 141 | 115 | 141 | 161 | 183 | 120 | 355 | 118 |
| August . | 154 | 200 | 146 | 131 | 113 | 144 | 156 | 179 | 119 | 351 | 105 |
| September | 156 | 201 | 147 | 139 | 115 | 146 | 154 | 180 | 116 | 333 | 107 |
| October . | 155 | 205 | 148 | 141 | 119 | 153 | 159 | 183 | 118 | 325 | 109 |
| November | 156 | 207 | 148 | 139 | 111 | 148 | 151 | 166 | 112 | 313 | 108 |
| December . | 156 | 203 | 146 | 138 | 103 | 134 | 126 | 166 | 106 | 285 | 97 |
| 1974 |  |  |  |  |  |  |  |  |  |  |  |
| January | 154 | 202 | 147 | 148 | 104 | 139 | 126 | 173 | 110 | 293 | 106 |
| February | 153 | 202 | 147 | 143 | 102 | 147 | 124 | 167 | 110 | 308 | 108 |
| March . . | 152 | 199 | 147 | 144 | 106 | 146 | 116 | 153 | 108 | 304 | 112 |
| April . | 152 | 196 | 148 | 148 | 101 | 136 | 112 | 145 | 112 | 305 | 116 |
| May . | 152 | 200 | 148 | 145 | 98 | 123 | 112 | 134 | 112 | 303 | 106 |
| June ....... | 153 | 189 | 150 | 147 | 98 | 122 | 103 | 134 | 108 | 306 | 97 |
| July . . . . . | 150 | 191 | 148 | 14.4 | 90 | 118 | 94 | 135 | 103 | 295 | 90 |
| August. | 149 | 183 | 146 | 131 | 83 | 113 | 82 | 125 | 104 | 270 | 88 |
| September . . . | 151 | 183 | 147 | 145 | 74 | 101 | 74 | 106 | 99 | 261 | 76 |
| October. | 149 | 180 | 145 | 138 | 76 | 101 | 71 | 114 | 96 | 239 | 74 |
| November | 148 | 175 | 142 | 130 | 78 | 97 | 65 | 113 | 97 | 245 | 79 |
| December | 142 | 169 | 137 | 124 | 73 | 93 | 58 | 117 | 101 | 255 | 72 |
| 1975 |  |  |  |  |  |  |  |  |  |  |  |
| January | 140 | 162 | 137 | 129 | 79 | 103 | 69 | 177 | 105 | 250 | 71 |
| February . | 142 | 160 | 138 | 132 | 87 | 112 | 99 | 134 | 112 | 271 | 79 |
| March | 144 | 160 | 137 | 126 | 91 | 109 | 109 | 144 | 120 | 284 | 82 |
| April .... | 136 | 165 | 135 | 128 | 92 | 112 | 115 | 155 | 124 | 290 | 78 |
| May . . | 141 | 166 | 133 | 120 | 98 | 115 | 126 | 142 | 119 | 298 | 77 |
| June | 138 | 169 | 135 | 127 | 101 | 116 | 127 | 139 | 114 | 297 | 73 |
| July . . . . . . . | 132 | 173 | rl32 | pl28 | 101 | 118 | 119 | 14.4 | 117 | 293 | 66 |
| August ... | 140 | pl70 | pl35 | (NA) | 93 | 115 | 115 | 150 p 145 | 1120 | 280 271 | 66 .64 |
| September ... | (NA) | (NA) | (NA) |  | 92 | plll | 128 | p145 | 116 | 271 | 64 |
| October ..... |  |  |  |  |  |  | rpl32 | rpl44 | 119 | rp287 | p61 |
| November . . . <br> December ... |  |  |  |  | p98 | pl07 | p141 | pl48 | pl24 | p295 | p63 |

NOTE: Series are seasonally adjusted except those'series that appear to contain no seasonal movement. Unadjusted series are indicated by (@). Series numbers are for identification only and do not reflect series relationships or order: Complete titles and sources are shown at the back of the book. The " r " indicates revised; " p ", preliminary; " e ", estimated; " $a$ ", anticipated; and " $N A^{\prime}$, not available.

Graphs of these series are shown on pages 67 and 68.
${ }^{1}$ Organization for Economic Cooperation and Development.

## APPENDIXES

## E. Business Cycle Expansions and Contractions in the United States: 1854 to 1970


NOTE: Underscored figures are the wartime expansions (Civil Waf, World Wars I and II, Korean War, and Vietnam War), the postwar contractions, and the full cycles that include the wartime expansions.

| ${ }^{1} 26$ cycles, $1857-1969$. | ${ }^{3} 5$ cycles, $1945-1969$. | ${ }^{5} 7$ cycles, $1920-1960$. |
| :--- | :--- | :--- |
| ${ }^{2} 10$ cycles, $1920-1969$. | ${ }^{4} 21$ cycles, $1857-1960$. | 6 cycles, $1945-1960$. |

Source: National Bureau of Economic Research, Inc.

## G. Experimental Data and Analyses

Selected Components of New Composite Index of Leading Indicators
$\qquad$
$\qquad$
$\qquad$
$\qquad$ (DEC.) (NOV.)


NOTE: Current data for these series are shown on page 107. The new leading index is shown on pages 37 and 83 .
1 Series is a weighted 4-term moving average (with weights $1,2,2,1$ ) placed at the terminal month of the span.

## G. Experimental Data and Analyses-Continued

Current Data for Selected Components of New Leading Index

| Year and <br> month | X213. New orders, consumer goods and materials, 1967 dollars <br> (Mil. dol.) | 10D. Contracts and orders for plant and equipment, 1967 dollars (Bil. dol.) | X170D. Net change in inventories on hand and on order, 1967 dollars, smoothed ${ }^{1}$ <br> (Ann. rate, bil. dol.) | X201. Percent change in sensitive prices, WPI crude materials excluding foods and feeds, smoothed ${ }^{1}$ <br> (Percent) | X108. Money balance (M1). 1967 dollars $^{2}$ <br> (Bil. dol.) | X136. Percent change in total liquid assets, smoothed ${ }^{1}$ <br> (Percent) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1973 |  |  |  |  |  |  |
| January . | 29,135 | 9.13 | 10.70 | 1.12 | 200.8 | (H) 1.12 |
| February . . . . | 29,833 | 9.06 | 10.84 | 0.95 | 200.4 | 1.07 |
| March . ...... | 30,085 | 9.37 | 11.32 | 0.90 | 198.8 | 0.99 |
| April | 29,806 | 9.11 | 11.51 | 1.16 | 198.4 | 0.99 |
| May . | 30,401 | 9.40 | 13.25 | 1.59 | 199.5 | 1.06 |
| June ......... | 30,022 | 10.03 | 17.44 | 2.08 | 200.6 | 1.10 |
| July . . . . . . . . | 29,694 | 10.08 | (H) 21.33 | 2.16 | 200.5 | 1.06 |
| August ....... | 29,801 | 9.75 | 19.97 | 1.85 | 197.0 | 0.98 |
| September . . . | 29,229 | 9.70 | 16.81 | 1.90 | 196.3 | 0.89 |
| October . | 30,134 | (H) 10.62 | 16.38 | 2.36 | 195.3 | 0.79 |
| November . | 29,608 | 10.42 | 17.79 | 3.27 | 195.8 | 0.71 |
| December $\qquad$ $1974$ | 28,750 | 9.95 | 18.97 | 3.88 | 196.0 | 0.72 |
| January . . . . | 28,034 | 9.72 | 13.47 | 4.06 | 193.4 | 0.82 |
| February . | 28,025 | 10.02 | 6.35 | 4.42 | 192.8 | 0.89 |
| March . | (H) 30,931 | 9.76 | 0.65 | 4.94 | 192.4 | 0.88 |
| April | 28,192 | 10.14 | -2.77 | (H) 5.46 | 192.1 | 0.90 |
| May. | 28,970 | 10.39 | -2.70 | 4.02 | 190.8 | 0.92 |
| June . | 28,579 | 9.80 | 0.30 | 1.61 | 190.7 | 0.90 |
| July . . . . . . . | 28,351 | 10.40 | 2.05 | 0.95 | 189.4 | 3.82 |
| August . . . . . . | 28,334 | 9.15 | -3.26 | 1.70 | 187.3 | 0.67 |
| September ... | 27,096 | 9.25 | -10.85 | 2.26 | 185.3 | 0.52 |
| October .... | 25,854 | 8.36 | -13.75 | 1.29 | 184.2 | 0.44 |
| November | 24,356 | 7.86 | -13.38 | 0.18 | 183.8 | 0.46 |
| December ... 1975 | 21,569 | 8.42 | -13.78 | -0.53 | 182.9 | 0.48 |
| January . . . . | 20,655 | 7.13 | r-11.71 | -1.39 | 180.0 | 0.48 |
| February . | 21,152 | 7.06 | $\mathrm{r}-18.34$ | -1.70 | 179.5 | 0.51 |
| March ... | 20,831 | 7.00 | $\mathrm{r}-25.60$ | -1.28 | 180.6 | 0.60 |
| April | 22,536 | 7.83 | r-28.13 | -0.41 | 180.1 | 0.68 |
| May . . . . . . . . | 22,777 | 7.80 | r-24.81 | 0.45 | 181.1 | 0.73 |
| June ..... | 23,114 | 7.42 | r-21.50 | 0.99 | 182.6 | 0.86 |
| July . . . . . . . . | 24,285 | 7.60 | r-18.50 | 0.84 | 180.8 | 0.98 |
| August . . . . . . . | 24,931 | r8.22 | r-11.38 | 0.42 | 180.9 | r0.91 |
| September . . . . | r24,933 | r7.14 | p-4.26 | r0.71 | r180.4 | r0.70 |
| October $\qquad$ <br> November $\qquad$ December | p25,171 | p7.26 | (NA) | 1.11 | pl78.8 | p0.54 |

NOTE: Graphs of these series are shown on page 106. Historical data were shown in the May 1975 BCD (pages xx-xCij). The new leading indexes are shown on pages 37 and 83. The old leading index is shown on page 108. Series are seasonally adjusted.
Gurrent high values are indicated by $(\mathbb{H}$. The "r" indicates revised; "p", preliminary; "e", estimated; and "NA", not available.
${ }^{1}$ Series is a weighted 4 -term moving average (with weights $1,2,2,1$ ) placed at the terminal month of the span.
${ }^{2}$ Series X108 reached its current high value (200.9) in December 1972.
G. Experimental Data and Analyses-Continued

Old Composite Index of Leading Indicators



|  |  | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oot. | Nov. | Dec. |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Series 810: | 1973- | 155.9 | 158.8 | 161.3 | 159.7 | 162.9 | 164.3 | 165.6 | 167.3 | 165.1 | 166.8 | 168.1 | 165.6 |
|  | 1974- | 167.8 | 170.2 | 172.3 | 173.0 | 175.6 | 176.0 | (H)179.6 | 177.9 | 172.2 | 168.3 | 162.8 | 159.3 |
|  | 1975- | 153.2 | 153.4 | 152.5 | 157.6 | 159.5 | rl64.5 | r169.9 | rl71.9 | 174.0 | ${ }^{\text {a }} 175.4$ |  |  |
| Series 811: | 1973- | 121.5 | 123.3 | 124.8 | 123.1 | 125.1 | 125.7 | 126.2 | 127.0 | 124.9 | 125.7 | 126.2 | 123.9 |
|  | 1974- | 125.1 | 126.3 | 127.5 | 127.4 | 128.9 | 128.7 | (H) 130.8 | 129.2 | 124.5 | 121.3 | 116.9 | 113.9 |
|  | 1975- | 109.1 | 108.9 | 107.8 | 111.0 | 111.9 | rll5.0 | r118.4 | rl19.3 | 120.3 | ${ }^{2} 120.8$ |  |  |

[^18]
[^0]:    The Secretary of Commerce has determined that the publication of this periodical is necessary in the transaction of the public business required by law of this Department. Use of funds for printing this periodical has been approved by the Director of the Office of Management and Budget through September 1, 1980.

[^1]:    ${ }^{1}$ Major parts of the project were carried out by members of the National Bureau of Economic Research (NBER), and substantial contributions were made by the staff of the Statistical Indicators Division of BEA. This staff is under the immediate direction of Feliks Tamm, Chief of the Division, and is under the general supervision of Beatrice $N$. Vaccara, Associate Director for National Analysis and Projections. The study benefitted from the advice, suggestions, and guidance of the BCD Technical Committee under the chairmanship of Edgar R. Fiedler, U.S. Department of the Treasury. The authors also gratefully acknowledge the helpful advice of Geoffrey H. Moore of NBER and Julius Shiskin of the Bureau of Labor Statistics.
    ${ }^{2}$ V. Zarnowitz and C. Boschan, "Cyclical Indicators: An Evaluation and New Leading Indexes," Business Conditions Digest (BCD), May 1975.
    ${ }^{3}$ Zarnowitz and Boschan, op. cit., pp. vi-viii.

[^2]:    ${ }^{4}$ Business cycles of historical experience vary greatly in duration, but as a rule several years are required for the cumulative movements to complete a round from peak to peak or trough to trough. For more detail and references to literature, see V. Zarnowitz, "The Business Cycle Today: An Introduction," in Zarnowitz, ed., The Business Cycle Today, New York: NBER, 1972, p. 2 ff .
    ${ }^{5}$ Aggregate economic activity, like so many general concepts in economic analysis, is difficult to define precisely. It is an open concept and can be established only by approximations in empirical research. There is no single time series that measures it adequately, only a variety of statistical data representing some of its different aspects. On the interpretation and uses of that notion in defining and dating business cycles, see Arthur F. Burns and Wesley C. Mitchell, Measuring Business Cycles, New York: NBER, 1947, pp. 3-8, 71-76.
    ${ }^{6}$ In fact, they were often cast in the star roles. Thus, Burns and Mitchell, op. cit., pp. 72-73, note that GNP at current prices or, better, the part of GNP that "passes through the market" (i.e., excluding imputations) would be an acceptable measure of aggregate economic activity if a satisfactory monthly or quarterly series of this type were available for a sufficiently long time period.

[^3]:    ${ }^{7}$ Employment in manufacturing and other goods-producing industries has led at business cycle peaks of the period 1948-69 and, consequently, so has (by much shorter intervals) total nonagricultural employment through the 1950's. More recently, however, and particularly in 1974, nonagricultural employment as a whole lagged at peaks, apparently mainly because of labor-hoarding in the service industries. (The long lag in 1974 was perhaps induced by the special events and uncertainties of the timeenergy crisis, supply constraints, etc. Employment in goods-producing industries started moving down gently at the beginning of 1974, total employment according to the establishment survey rose, if slowly, through October 1974.)
    ${ }^{8}$ Unemployment statistics, of course, measure economic inactivity rather than activity, hence their conformity to business cycles is inverse.
    ${ }^{9}$ The reasons why employment recovers relatively slowly lie in the initial uncertainties about the prospects for an enduring expansion and the concurrent rises in the average workweek and labor productivity. The reasons why employment grows less in late than in mid-expansion stages lie in either demand slowdowns or supply constraints, or both.
    ${ }^{10}$ In 1920-37, industrial production had roughly coincident timing at all but one of the five business cycle peaks (median, O ); in 1948-69, it had three rough coincidences and two longer leads (median, -3 months). At troughs, roughly coincident timing was the rule in both 1921-38 and 1949-70 (with only one exception, in the earlier period).

[^4]:    ${ }^{11}$ Specifically, the adjustment for price changes is done here by means of the deflator for personal consumption expenditures. We tested the possibility that using the consumer price index would lead to improvements. Whether CPI or the PCE deflator is used matters very little empirically (the only noticeable difference is that the use of CPI results in a slightly better conforming behavior of real personal income during the 1970 recession), but on conceptual grounds the latter is preferable, for this purpose, in terms of weights and coverage.
    ${ }^{12}$ This shows up in a reduction of the ratio $T / \bar{C}$, where $T$ is the average month-to-month percentage change, without regard to sign, in the irregular component and $\bar{C}$ is the same for the cyclical component. $\overline{\bar{T}} / \overline{\mathrm{C}}$ is .85 for real personal income including transfer payments; it is .74 for real personal income excluding transfer payments.

[^5]:    ${ }^{13}$ The cyclical behavior of manufacturers' sales in constant doliars resembles closely that of manufacturing production and hence rather well, too, that of the total industrial production index. Inclusion in the composite index of both the broad aggregate for real sales and industrial production in effect gives a large weight to manufacturing, and the question arises whether this weight is not in some sense excessive. We have therefore examined the alternative of excluding manufacturers' sales and using total wholesale and retail sales (in 1967 dollars) only. However, the two deflated trade sales series (wholesale and retail) do not score well enough as coincident indicators, separately or jointly, to qualify as components of the index.
    ${ }^{14}$ Note, in particular, the minuscule decline in the index before the business peak in August 1957, which causes the index to show a lead of 5 months.
    ${ }^{15}$ For a survey of the evidence, see Geoffrey H. Moore, "Slowdowns, Recessions, and Inflation: Some Issues and Answers," Explorations in Economic Research, vol. 2, No. 2, spring, 1975.

[^6]:    ${ }^{16}$ In fact, the direct scores for the performance of each of the three indexes in the sample period are almost identical and would not permit a meaningful discrimination between these constructs (table 1, lines 12-14).
    ${ }^{17}$ On the relative frequencies of leads, rough coincidences, and lags in the period 1948-70, see Zarnowitz and Boschan in BCD, May 1975, p. viii. A complete account of the evidence will be given in a separate report.
    ${ }^{18}$ As is the corresponding restriction for the index of leading indicators; see Zarnowitz and Boschan, op. cit., note 23 and app. A.
    ${ }^{19}$ The series on unemployment rates often move in steps (appearing to have periods of unchanged values separated by large discrete changes), but this is merely the effect of rounding, the figures being carried only to the first decimal. Because of the adopted convention of locating the specific turning points at the end of the high and low steps, the measured timing of the unemployment rate series is more lagging than that of the corresponding series on the numbers of the unemployed (which, like the un-employment-duration data, have no steps). But this, of course, is merely a statistical artifact (as is the apparent greater smoothness of the rates).

[^7]:    ${ }^{1}$ Numbers preceded by asterisks (*) refer to series included in the current lagging index (BCD 830).
    ${ }^{2}$ All scores are 1 isted on the 0 -to- 100 scale.
    ${ }^{3}$ These are scores for all turns; the separate peak and trough scores are not given. All series are scored on the assumption of lagging timing at peaks and at troughs.
    ${ }^{4}$ Weighted averages of scores in columns 4-9. (For weights, see footnote 4 to table 1.)
    ${ }^{5}$ When series 61 is treated as roughly coincident at peaks and lagging at troughs ( $C$, Lg), instead of lagging at all turns, its timing score is 82 , and its total score is 77.
    ${ }^{6}$ Columns 1-3, medians; columns 4-10, means.
    ${ }^{7}$ Columns 1-3, medians; columns 4-10, means. Crediting series 61 for nonlagging behavior (see footnote 5 ) would raise the timing score (col. 6) to 86 and the total score (col. 10) to 79 .
    ${ }^{8}$ Entries in columns 4, 5, and 9 are the same as the corresponding entries in 1 ine 11 .
    ${ }^{9}$ Entries in columns 4,5 , and 9 are the same as the corresponding entries in line 12.

[^8]:    ${ }^{20}$ These include (1) the monthly series on machinery and equipment sales and business construction expenditures (industrial and commercial construction put in place), separately and combined (BCD 69); (2) the quarterly series for nonresidential fixed investment and its components, producers' durable equipment and nonresidential structures (from GNP accounts, in current and constant dollars); and (3) the monthly data corresponding to (2) now being developed by BEA and available for several recent years, which will provide important additions to the set of principal indicators.

[^9]:    ${ }^{21}$ For detailed historical evidence, see Zarnowitz, Orders, Production, and Investment. New York: NBER, 1973, pt. III.

    22 The record of manufacturers' unfilled orders indicates that inventories on order, i.e., stocks of goods ordered for further processing or resale but not yet received, have earlier timing, leading at peaks and lagging or, less often, coinciding at troughs. This would be expected, since the on-order part of inventories can be adjusted more promptly to desired target levels than the on-hand part. The new composite index of leading indicators includes a series on net change in inventories on hand and on order, in deflated and smoothed form. See Zarnowitx and Boschan, op. cit., p. ix.
    ${ }^{23}$ Wesley C. Mitchell, Business Cycles, Berkeley: University of California Press, 1913 (part 3, reprinted in 1959 as Business Cycles and Their Causes). For a recent application and appraisal of Mitchell's theory, see Geoffrey H. Moore, "Productivity, Costs, and Prices: New Light From an Old Hypothesis," Explorations in Economic Research, vol. 2, No. 1, winter 1975. It is of interest to add that the analysis of cyclical aspects of unit labor costs has been largely disregarded in the more recent writings on inflation, although the treatment of the role of wages and productivity changes in that literature is extensive. (See Martin Bronfenbrenner and F. D. Holzman, "Survey of Inflation Theory," American Economic Review, September 1963.)

[^10]:    ${ }^{24}$ It may be noted, however, that they show smaller and shorter declines in the early 1960's and also more continuous rises in 1971-72. In 1975, BCD 68 was the first one to turn down (in the second quarter).
    $25^{\prime} \mathrm{A}$ general formula for nominal unit labor costs is NULC $=\mathrm{Wh} / \mathrm{y}$, where $W=$ average hourly money compensation of employees, $h=$ total number of hours worked, and $y=$ real output produced. Deflation with the wage rate (division by $W$ ) produces one type of real unit labor costs, RULC $_{1}=h / y$, which is the reciprocal of output per man-hour. Deflation with the price level $P$ produces another type, RULC $_{2}=W h / P y$, which is a labor share series (as approximated by the quarterly estimates of compensation as percent of national income, BCD 280A, or as percent of GNP). RULC $1_{1}$ has a strong downward trend, RULC $_{2}$ is relatively stable in the long run; both lag by very long and variable intervals.

[^11]:    ${ }^{26}$ Moreover, it is not clear how to deflate this series in a meaningful way, i.e.; what prices to use, with what timing, etc. Nor is there a monthly business income series to which the loans could be related (as we relate consumer debt to personal income).
    ${ }^{7}$ See Paut W. McCracken, James C. T. Mao, and Cedric Fricke, Consumer Installment Credit and Public Policy, Michigan Business Studies, vol. XVII, No. 1; 1965, and Philip A. Klein, The Cyclical Timing of Consumer Credit, 1920-67, Occasional Paper 113, New York: NBER, 1971.

    28 The ratio series, like BCD 66, failed to decline in 1948-49. The rapid increase in consumer debt during the late 1940's and early 1950's was probably due mainly to the huge backlog of unsatisfied demand for automobiles and other durable consumer goods that originated in the wartime shortages.

    29 The lags have decreased much more for long-term than for short-term interest rates, and for the latter primarily at peaks rather than at troughs. See Phillip Cagan, Changes in the Cyclical Behavior of Interest Rates, Occasional Paper 100, New York: NBER, 1966.
    ${ }^{30}$ However, bank loan rates usually turn later than the active open-market rates (such as the Treasury bill and bond rates) which tend to have roughly coincident timing at peaks and lag at troughs. These sequences, in which the rates of negotiated markets turn last, would be expected to persist. See Cagan, op. cit.

[^12]:    ${ }^{31}$ Zarnowitz and Boschan, op. cit.

[^13]:    ${ }^{32}$ See his "Generating Leading Indicators From Lagging Indicators," Western Economic Journal, vol. VII, No. 2; June 1969, pp. 135-144.

[^14]:    ${ }^{33}$ The scores being compared are tabulated below. The scores for economic significance, statistical adequacy, and currency are based in each case on the mean scores of the individual series used in the computation of the particular index (C/Lg or L).

    |  | Eco- <br> nomic <br> signifi- <br> cance | Statis- <br> tical <br> ade- <br> quacy | Tim- <br> ing | Confor- <br> mity | Smooth- <br> ness | Cur- <br> rency | Total |
    | :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
    | C/Lg....... 88 | 71 | 79 | 29 | 100 | 76 | 73 |  |
    | L........ 81 | 73 | 84 | 78 | 100 | 76 | 82 |  |
    | Average, 12 <br> leading series . | 81 | 73 | 82 | 58 | 70 | 76 | 74 |

[^15]:    NOTE: Series are saesonsilly adjusted except for those indicated by (1), which appear to contain no seasonal movement. "Series included in the 1966 NBER "short list" of indicators. NA $=$ not available. a $=$ anticipated. EOP = end of period. S/A-soasonally edjusted (used for special emphasis). For complete series titles (including composition of composite indexes) and sources, see "Titles and Sources of Series" in the back of BCD.
    ${ }^{1}$ For a few series, data show here have been rounded to fewer digits than those shown in the tables in part II. Where available, annual figures are those published by the source agencies; otherwise, they (and the quarterly figures for monthly series) are averages of the data as show in part II. Differences rather than percent changes are show for this series.
    ${ }^{3}$ For the latest month, new indexes are based on 11 components, old index on 9.
    ${ }^{4}$ Inverted series. Since this series tends to move counter to movements in general business activity, signs of the changes are reversed.
    ${ }^{5}$ End-of-period series. The annual figures (and quarterly figures for monthly series) are the last figures for the period.

[^16]:    Current data for these series are shown on page 88. Annual totals are used prior to 1960.

[^17]:    'One-month percent changes have been multiplied by a constant (12) so that they may be shown against the background of the annualized changes over 6 -month spans.

[^18]:    Gurrent high values are indicated by $\mathbb{H}$; "r" indicates revised.
    ${ }_{2}^{2}$ Reverse trend adjusted index contains the same trend as the index of 5 coincident indicators (series 820).
    ${ }^{2}$ Excludes series 16,31 , and 113 for which data are not yet available.

