SEPTEMBER 1963

SUPPLEMENT

Bulletin No. 1351-1

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PREFACE

In this supplement to *Prices: A Chartbook, 1953-62* the Bureau of Labor Statistics has brought up to date key charts from the more comprehensive volume. The September 1963 Supplement includes data through June 1963, and consists of an analytical text, followed by a chart section and appendix tables. Although dealing primarily with the Consumer and Wholesale Price Indexes regularly published by the Bureau of Labor Statistics, a variety of other pertinent economic statistics are included.

The Supplement was prepared under the supervision of Pearl C. Ravner under the general direction of Arnold E. Chase, Assistant Commissioner, Prices and Living Conditions.

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CHART 1. DAILY INDEX OF SPOT MARKET PRICES, MONTHLY AVERAGES, SINCE JANUARY 1961

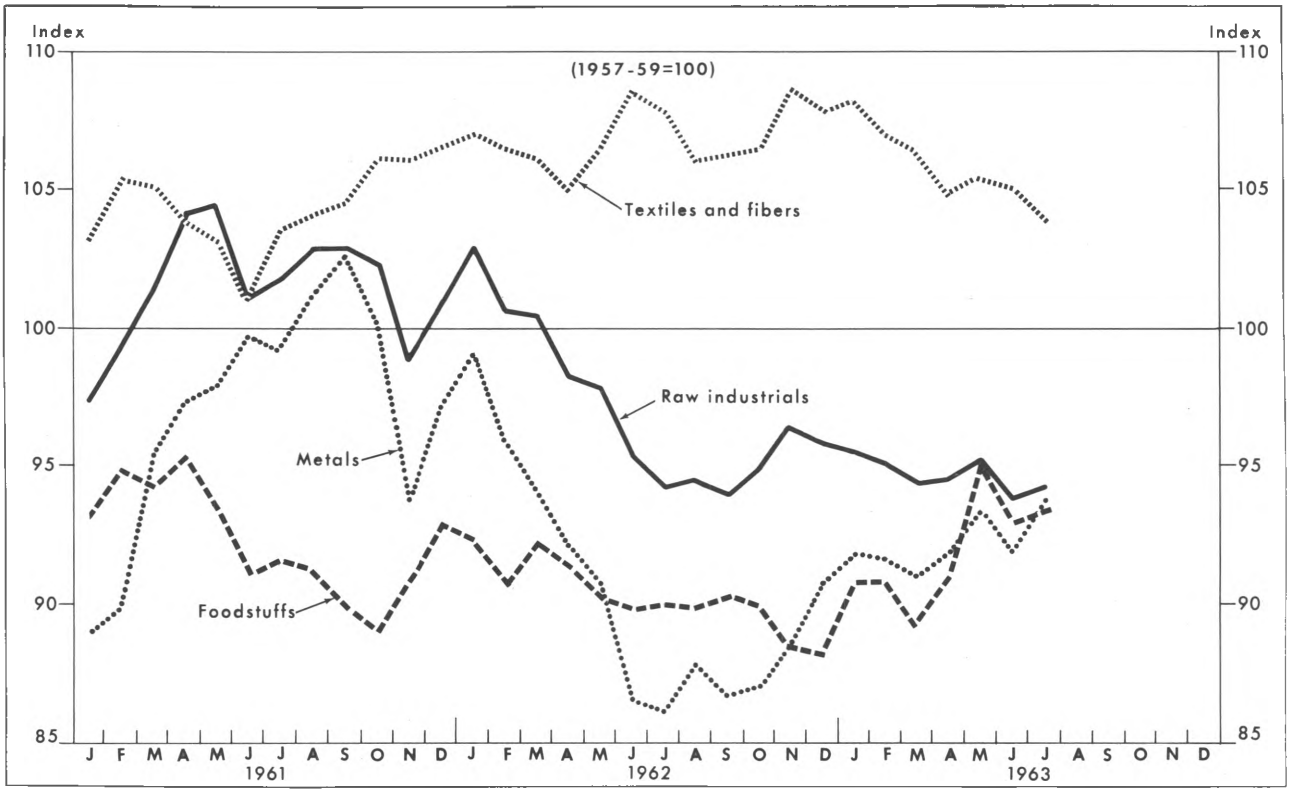
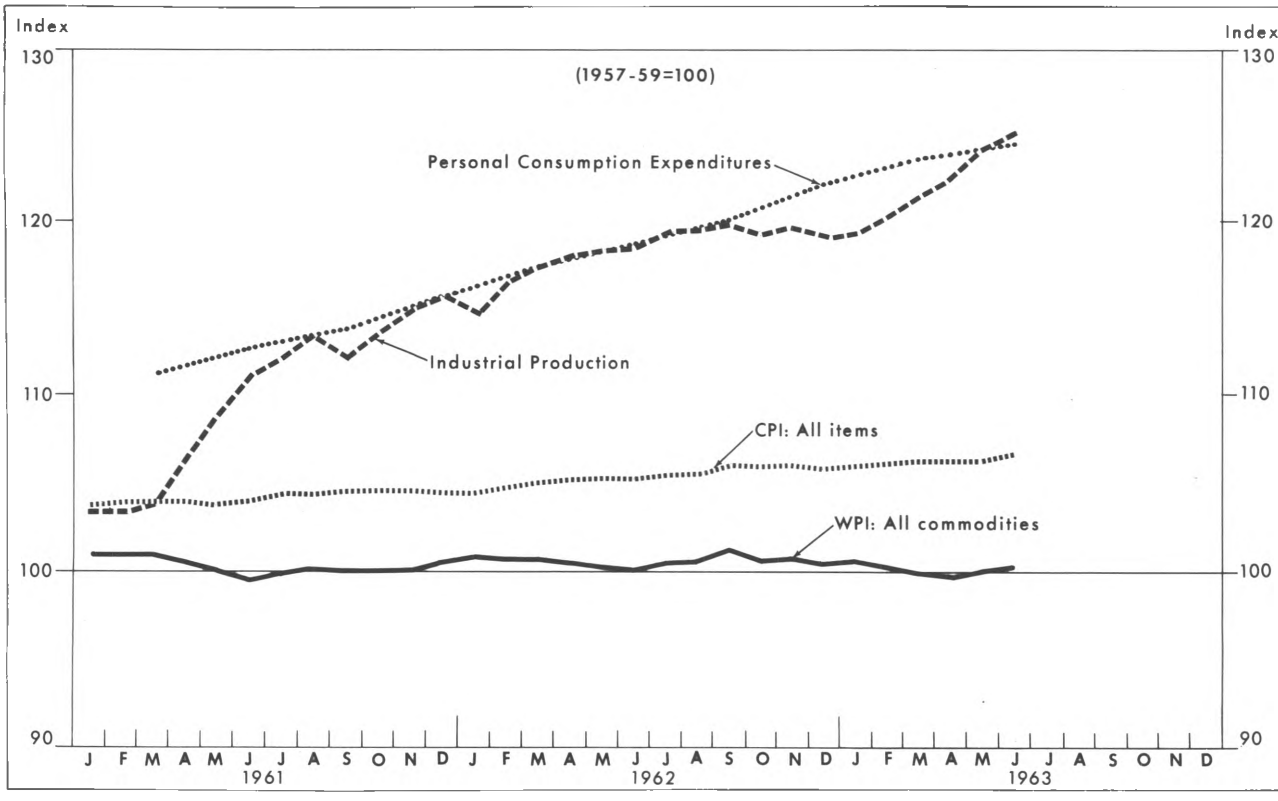


CHART 2. PRICES, PRODUCTION, AND CONSUMER EXPENDITURES, JANUARY 1961-JUNE 1963



RECENT PRICE TRENDS

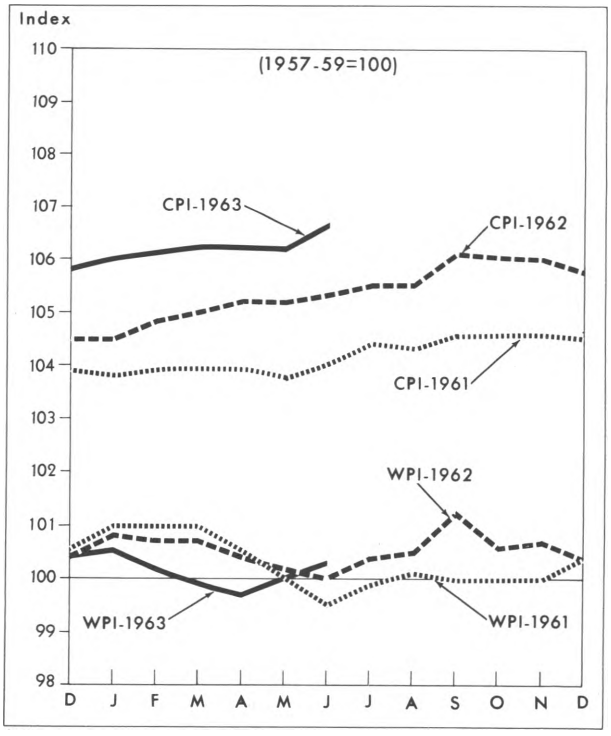
Prices were relatively stable throughout the first half of 1963 while industrial production turned upward and the amount of consumer spending continued to advance. (See chart 2.) Overall wholesale prices have changed very little in the last 5 years and, in June 1963, were almost identical with their 1957-59 level. The Consumer Price Index has continued to move upward at an average rate between 1.0 and 1.5 percent a year, chiefly because of further price increases for services. In June 1963, the Consumer Price Index was 6.6 percent higher than in the 1957-59 base period and 1.2 percent above the previous June.

At the wholesale level, farm product prices have tended down, processed food prices were relatively stable except for seasonal influences and the impact of the much-publicized rise in sugar prices, and prices of industrial commodities as a group were virtually motionless. At retail, prices of durable commodities, food, and other nondurables have trended upward slightly. Consumer service prices have continued their long-term advance, but at a diminishing rate.

The current business expansion, however, has been reflected to a certain extent by increases in the prices of some industrial commodities, notably steel, nonferrous metals, some types of machinery, and certain construction materials. Despite peak automobile sales and production, new car prices--both at wholesale and retail--are slightly below June 1962 levels. On the other hand, used car prices which fell sharply in January, have moved substantially upward since then, and are responsible for the uptrend in prices of consumer durables.

Considerable stability has also been evidenced thus far in 1963 by the raw industrial component of the daily index of spot market prices (composed of 22 basic commodities, particularly sensitive to market conditions). A slight overall downtrend in raw industrials resulted from a decline in textiles and fibers

CHART 3. CONSUMER AND WHOLESALE PRICES, DECEMBER 1960-JUNE 1963



prices which more than offset a rise in the metals index. (See chart 1.)

At the consumer level, increases in State and local sales taxes, as well as real estate taxes on owned homes, have been significant factors. As pressure for educational and other services to meet the needs of the expanding population increase, some States have turned to new or higher sales taxes as a means of solving their financial problems. Thus, in June 1963, the rise in the Consumer Price Index was in some part due to higher sales taxes adopted in Pennsylvania and in New York City.

Price developments during the first half of this year do not seem to indicate any significant upward pressures--other than seasonal--on farm and food prices. However, if price changes in some areas announced by producers occur as planned, a moderate uptrend in wholesale prices of industrial commodities may take place in the latter part of 1963 which will probably be reflected subsequently at the consumer level. Prices of consumer services are

expected to continue to advance, but at a slower rate.

No strong inflationary forces appear at work in the economy today. Excess demand pressures appear to be absent. Increasing productive capacity and improving technology, as well as competition from foreign imports, will probably temper any upward price impetus.

Consumer Services

The prices that consumers pay for services continued to move upward, as they have each year since the end of World War II. However, the rate of increase, which slowed significantly after 1960, has continued to moderate. (See chart 4.) Between 1953 and 1960, the annual increase in service prices averaged 2.9 percent a year. From 1960 to 1961, the rate dropped to 1.9 percent and, during the first half of this year, prices averaged 1.6 percent above the first 6 months of 1962. Prices of medical care services, as in the past, are advancing the most rapidly and, in June 1963, were 2.7 percent higher than a year ago.

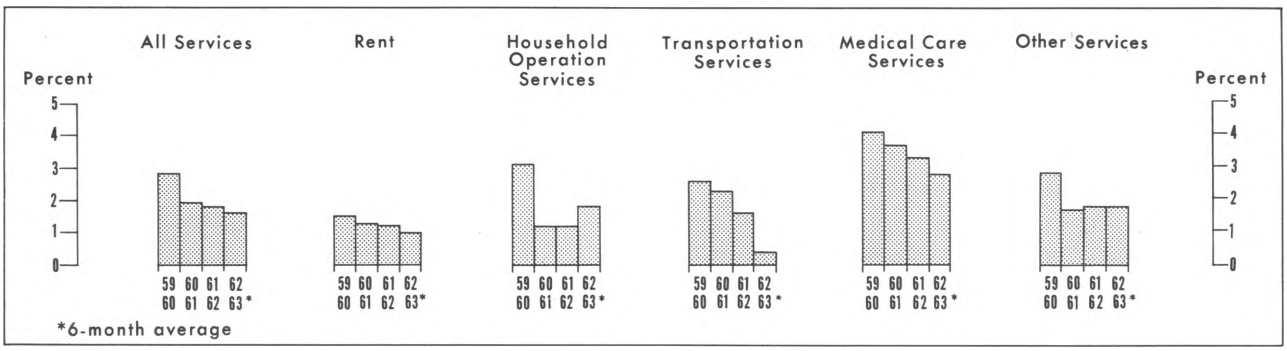
All major groups in the service component have showed a slackening in their upward trend. (See chart 4.) In each instance, the annual rate of price increase since 1960 has been significantly below the 1952-60 average and, in a number of cases, has slowed down even more in the first half of 1963.

	Percent Increase in Annual Average			Average annual increase
	1962-63[1]	1961-62	1960-61	1952-60
All services	1.6	1.8	1.9	2.9
Rent	1.0	1.2	1.3	2.3
Household operation	1.8	1.2	1.2	2.6
Transportation	0.4	1.6	2.3	3.7
Medical care	2.8	3.3	3.7	3.9
Other services	1.8	1.8	1.7	2.5

[1]For first 6 months of each year only.

While the rate of increase slackened for all groups, the deceleration was greatest for transportation services. Each component--auto

CHART 4. YEAR-TO-YEAR CHANGES IN CONSUMER SERVICE PRICES, SINCE 1959



repairs, registration, and insurance, as well as public transit and railroad fares--slowed its rate of advance after 1960. In the medical care services group, hospitalization insurance was chiefly responsible for the slowdown in the rate of increase. From a 1952-60 average increase of 7.6 percent, the rate of advance for hospitalization insurance receded to 4.6 percent between 1961 and 1962, and to 3.7 percent between the second quarter of 1962 and the second quarter of 1963. This, of course, was still a substantial rise. On the other hand, physicians' fees and hospital charges have continued to advance at about the same rate as in earlier years.

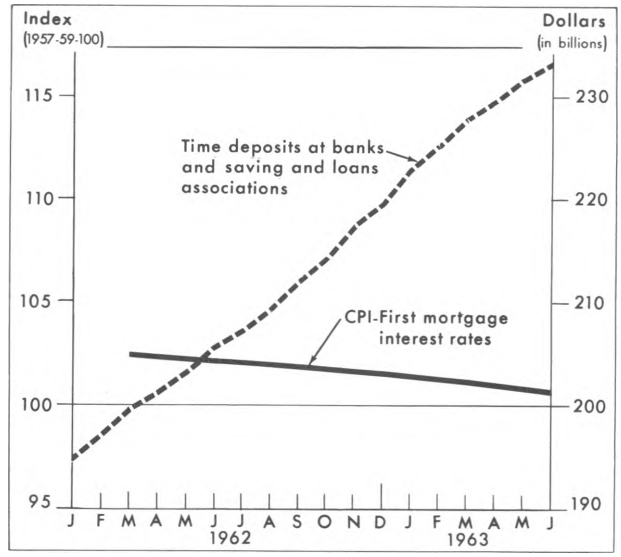
In the large "other services" category, the decline in mortgage interest rates since 1960 has been most significant. In the past few years, funds available for investment in mortgages have exceeded the demand. (See chart 5.) However, for movie admissions, men's haircuts, shoe repairs, and floor refinishing, the rate of price increase quickened during the first half of 1963.

Between 1952 and June 1963, the price of consumer services rose 32 percent compared with 8 percent for food, and 7 percent for retail prices of all other commodities. In relation to the prewar price structure, however, consumer services have not yet caught up with increased food prices and have only recently caught up with price increases for nonfood commodities. (The cost of services rose much less than commodity prices during World War II--13 percent compared with 55 percent from 1939 to 1946.)

One source of upward pressure upon service prices has come from increased expenditures for services. The services share of total consumer spending has trended upward since 1947, in both real and current dollar terms. In addition, the rate of productivity improvement is lower for certain services than for most goods-producing industries.

Although satisfactory data concerning output per-manhour in the service industries are not available, it is generally accepted that

CHART 5. TIME DEPOSITS AND MORTGAGE INTEREST RATES, JANUARY 1962-JUNE 1963

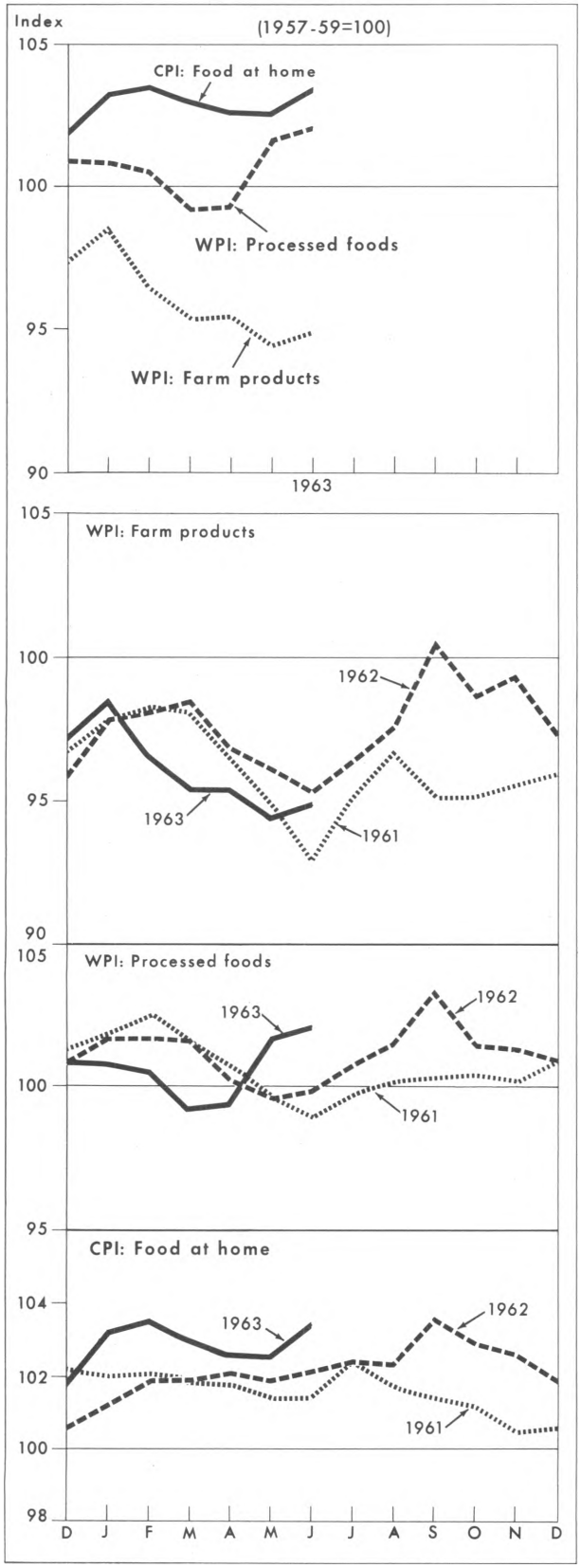


productivity gains in some service industries have lagged behind those of the economy as a whole. For many services included in the Consumer Price Index, such as haircuts, auto repair, and housepainting, increased costs often cannot be sufficiently offset by greater efficiency. (An outstanding exception has been the utility sector which has experienced greater than average productivity gains.)

On the whole, therefore, prices in the service industries--particularly those where productivity gains are limited--are generally responsive to increases in costs. As a result, some of the recent slowdown in the uptrend of service prices may be due to the slackening pace at which costs have increased over the last few years.

Despite the recent diminishing upward rate, there is little indication of any overall leveling off in service prices. Scarcities in some of the services such as hospital care and low-cost housing; the effect of declining demand on unit costs in railroad and public transit systems; and the fact that many service industries are not readily susceptible to improvements in productivity will tend to maintain the uptrend for the near future.

CHART 6. FARM AND FOOD PRICES, DECEMBER 1960-JUNE 1963



Farm and Food Prices

In the first half of 1963, farm product prices edged down; wholesale prices of processed foods, which declined early in the year, turned up in late spring, and retail prices of food at home were consistently above year-earlier levels. (See chart 6.) Restaurant meals--with their high service component--continued to rise each month.

Farm Products. The downturn of farm products prices in the first 5 months of 1963 was largely due to heavy livestock marketings. This was, in part, an aftermath of the price uptrend which began in the summer of 1962 and reached a peak in September as farmers withheld meat animals from slaughter. Subsequently, both cattle and hog prices moved downward, and the decline continued throughout most of the first half of 1963.

Hog prices rose sharply in May and June as market supplies became seasonally low. Fed cattle prices showed signs of recovering in late June and are expected to increase during the third quarter of 1963. However, supplies continue sufficiently high to keep prices from rising unduly. On January 1 this year, there were 4 percent more cattle on farms than a year earlier, and the number of hogs had risen 3 percent.[1]

In contrast with the decrease in livestock prices in early 1963, grain prices reached their highest levels in 5 years in April due to lowered supplies of both wheat and corn. (The defeat of the May 1963 wheat referendum is not expected to directly affect prices of this year's crop.) Freeze damage during the winter continued to push the price of citrus fruits upward.

Despite the general uptrend for grains and fruits over the first half of the year, and the substantial May to June increases in corn

[1] "Cattle, Hogs, and Turkeys Increase--Sheep and Chickens Down" *Agricultural Situation*, (monthly) March 1963, p. 1. (U.S. Department of Agriculture, Wash.)

and hog prices, farm product prices in June were fractionally lower than the year before, and about 5 percent below the 1957-59 level. In June 1963, wholesale prices of vegetables, wheat, and steers were well below year-earlier levels.

Food. The early months of 1963 also saw a drop in wholesale prices for processed foods, chiefly meats, but a swing upward after April. Retail prices for food at home remained relatively stable throughout the first half of the year. Lower prices for meats, dairy products, and eggs offset higher prices for other foods, particularly fruits and vegetables. Restaurant meal prices continued upward and, in June 1963, were 13 percent above their 1957-59 average and over 2 percent higher than in June of 1962.

Sharp price increases for raw and refined sugar caused the wholesale processed foods index to rise 2.4 percent between mid-April and mid-May. By mid-June, raw sugar prices had declined but were still over 40 percent higher than last June. Meanwhile, the price increase had been passed on to producers of some products containing sugar. The impact was felt at the retail level in June when sugar prices rose 32 percent above the previous month, and became a major cause of the 0.9 percent increase over May in the index for all food consumed at home.

Prices of Industrial Commodities

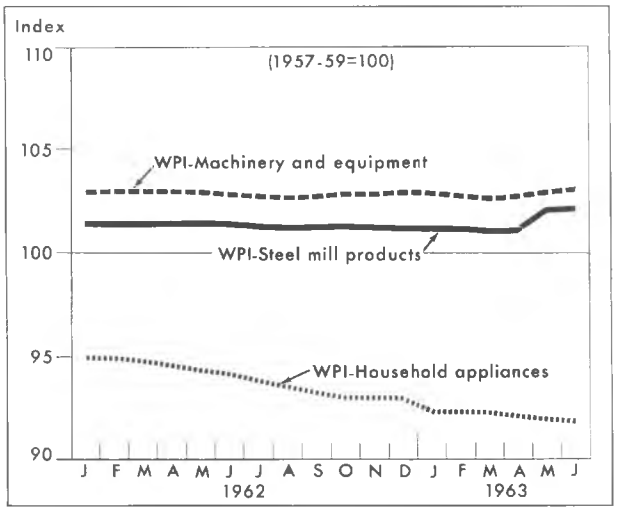
Overall wholesale prices for all commodities other than farm and food remained unchanged in the first half of 1963, while consumer prices for nonfood commodities rose 0.6 percent. Thus, the price stability in the industrial sector which the economy has experienced since the late 1950's continued. Wholesale industrial prices have been almost at a standstill since 1958, with some downward drift after 1960. Consumer nonfood commodity prices--pushed by small increases for nondurables--have inched upward.

In spite of this overall stability, significant price movements have occurred in certain commodity groups which reflect, to some extent, the current business expansion. These include steel, nonferrous metals, prices for certain types of machinery, and some construction materials. On the other hand, average wholesale prices of some industrial commodities--chemicals, leather, and pulp and paper--were below last year's levels.

KEY WHOLESALE AND CONSUMER PRICES, 1953-June 1963
(1957-59=100)

Year or Month	Wholesale Price Index						Consumer Price Index					
	All commodities	Farm products	Processed foods	All other commodities	Durability		All items	Services	Commodities			
					Durable goods	Nondurable goods			All	Durable	Nondurable	
											Food	Less food
	Annual Averages											
1953	92.7	105.9	97.0	90.1	85.2	98.3	93.2	87.5	96.4	101.6	95.6	94.0
1954	92.9	104.4	97.6	90.4	86.0	98.1	93.6	89.8	95.4	97.7	95.4	94.4
1955	93.2	97.9	94.3	92.4	89.5	96.1	93.3	91.4	94.4	94.9	94.0	94.4
1956	96.2	96.6	94.3	96.5	95.4	96.9	94.7	93.4	95.3	94.9	94.7	96.5
1957	99.0	99.2	97.9	99.2	98.6	99.4	98.0	97.0	98.4	98.2	97.8	99.1
1958	100.4	103.6	102.9	99.5	99.6	101.0	100.7	100.3	100.7	99.7	101.9	99.8
1959	100.6	97.2	99.2	101.3	101.8	99.6	101.5	102.7	101.0	102.0	100.3	101.0
1960	100.7	96.9	100.0	101.3	101.7	99.9	103.1	105.6	101.7	100.7	101.4	102.6
1961	100.3	96.0	100.7	100.8	101.3	99.6	104.2	107.6	102.4	100.5	102.6	103.2
1962	100.6	97.7	101.2	100.8	101.0	100.1	105.4	109.5	103.2	101.5	103.6	103.8
	Monthly Indexes, 1963											
1963												
Jan.	100.5	98.5	100.8	100.7	100.7	100.2	106.0	110.5	103.6	100.4	104.7	104.0
Feb.	100.2	96.5	100.5	100.6	100.7	99.7	106.1	110.5	103.8	100.6	105.0	104.1
Mar.	99.9	95.4	99.0	100.6	100.6	99.2	106.2	110.8	103.7	100.8	104.6	104.2
Apr.	99.7	95.4	99.3	100.4	100.6	99.0	106.2	111.1	103.6	100.9	104.3	104.3
May	100.0	94.4	101.7	100.5	100.8	99.4	106.2	111.1	103.6	101.0	104.2	104.2
June	100.3	94.9	102.1	100.6	100.8	99.7	106.6	111.3	104.1	101.3	105.0	104.5

CHART 7. STEEL AND DURABLES, JANUARY 1962-JUNE 1963



Automobiles. A key factor in the 1963 increase in business activity has been the heavy demand for automobiles. New car sales were at record levels and automobile production in July reached an all-time high for a model year. Despite heavy sales, automobile prices--both wholesale and retail--were slightly below last year's levels. Intensive selling efforts by the industry included granting relatively high trade-in allowances and discounts earlier in the model year than usual, as well as some slight lengthening of average maturities of automobile installment credit. In June 1963, the amount of automobile installment credit outstanding was 13.5 percent above that of June 1962. Wholesale prices of tires turned up in late 1962 and were 3 percent higher than a year earlier in June of 1963.

Nonferrous metals. The steady recovery in some nonferrous metals prices since last December has reflected the 1963 industrial expansion. After rising in the first few months of the economic recovery in 1961, nonferrous metals prices dropped 4 percent between September 1961 and December 1962. Since then, they have risen a little over one percent. While the largest increases have occurred in the scrap markets and for primary shapes, price increases have been recorded also for some finished products.

Steel. In April of this year, the steel industry raised prices on approximately 40 percent of their output. The direct effect of this increase upon average prices for all steel mill products was about one percent and was reflected in the wholesale price index for May. By June, prices for some steel-using products showed increases while others--notably household appliances and automobiles--did not. Wholesale prices for household appliances, which due to highly competitive conditions have trended down throughout the last decade, fell slightly between April and June, led by a relatively large drop in prices for refrigerators and freezers. (See chart 7.)

Machinery. Overall machinery and equipment prices in June were over 3 percent above their 1957-59 average but approximately the same as the June before. The greatest advance was in the prices of agricultural, construction, and metalworking machinery which were all approximately 10 percent higher than in 1957-59. However, only agricultural and construction machinery were substantially above their year-earlier levels.

Agricultural machinery and equipment prices have been rising each year since 1955. While the rate of increase slackened in 1960, prices have not evidenced the recent stability shown by some other machinery prices but have continued to advance approximately 2 percent each year. Demand has been high as a result of the continuing efforts of farmers to raise profits by maintaining the high rate of agricultural productivity characteristic of the entire post-World War II period.

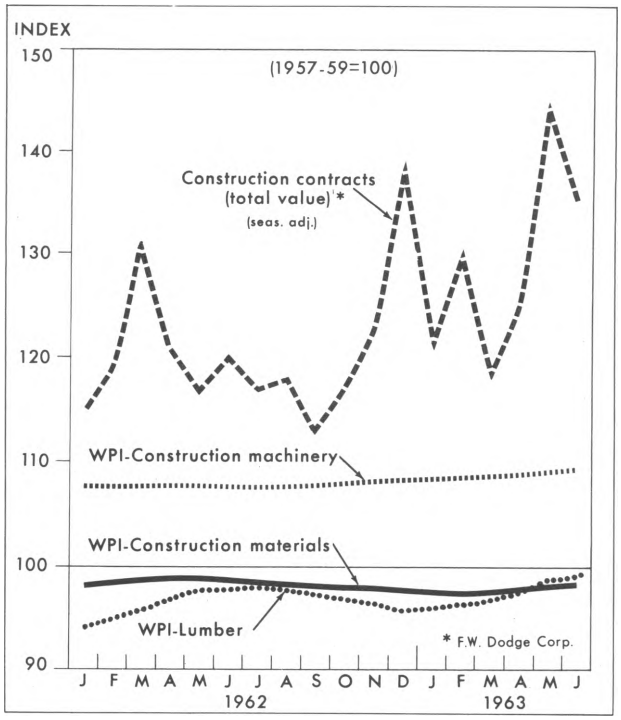
In contrast, average prices of electrical machinery continued their downtrend of recent years. Excess capacity and lagging demand for important items were among the factors which caused prices to decline 5 percent from the October 1959 high point. Sales of electrical machinery rose only 0.5 percent between May 1962 and May 1963, compared with a 3.2 percent increase in sales of nonelectrical machinery.

Increases in plant and equipment expenditures which are expected in the latter half of 1963, may bring a more general firming in the prices of machinery and equipment. For the near future, however, the continued presence of excess capacity--of both users and manufacturers of machinery and equipment--will probably prevent any sizeable increase in average prices for the machinery group.

Construction. Total new construction expenditures in June 1963 were at a seasonally adjusted annual rate of $63.7 billion, 1.6 percent above that of June 1962. Housing starts, for the first half of 1963, were about 7 percent higher than in 1962, and within 2 percent of the level in the 1959 boom.

Average prices of construction materials, however, were slightly below the levels of 1962 throughout the first half of 1963, although they have been rising fractionally each month since February of this year. Heavy demand for lumber and wood materials plus strikes against West Coast producers of Douglas fir lumber and softwood plywood have been chiefly responsible for the price increase. Since February, wholesale prices for these two products have increased 5 percent and 4 percent respectively. Offsetting this rise in the "construction materials" index have been price declines for concrete ingredients and products, paint, and various metal products used in construction. (See chart 8.)

CHART 8. CONSTRUCTION: PRICES AND CONTRACTS, JANUARY 1962-JUNE 1963



Construction machinery prices, after remaining stable for over a year, began to rise in the fall of 1962 and, by June 1963, had advanced almost 2 percent. Rising expenditures for new construction and the consequent demand for new machinery created a favorable climate for such price increases.

USED CAR PRICES

Toshiko Nakayama*

Prices of used cars began their latest uptrend in the spring of 1961 and, reaching a peak in September 1962, continued strong in the first half of 1963. (See chart 1.) In 1962, prices averaged 9 percent above those of the year before and, so far this year, have been slightly higher than in 1962.

Whether used car prices are likely to stay at their present high level is a question of current interest. Some observers believe that, if new car sales continue at present peak rates, the resulting influx of trade-ins will boost used car inventories and result in a weakening of prices. Others see indications of a strong and persistent demand that will continue to bolster prices, particularly over the long run.

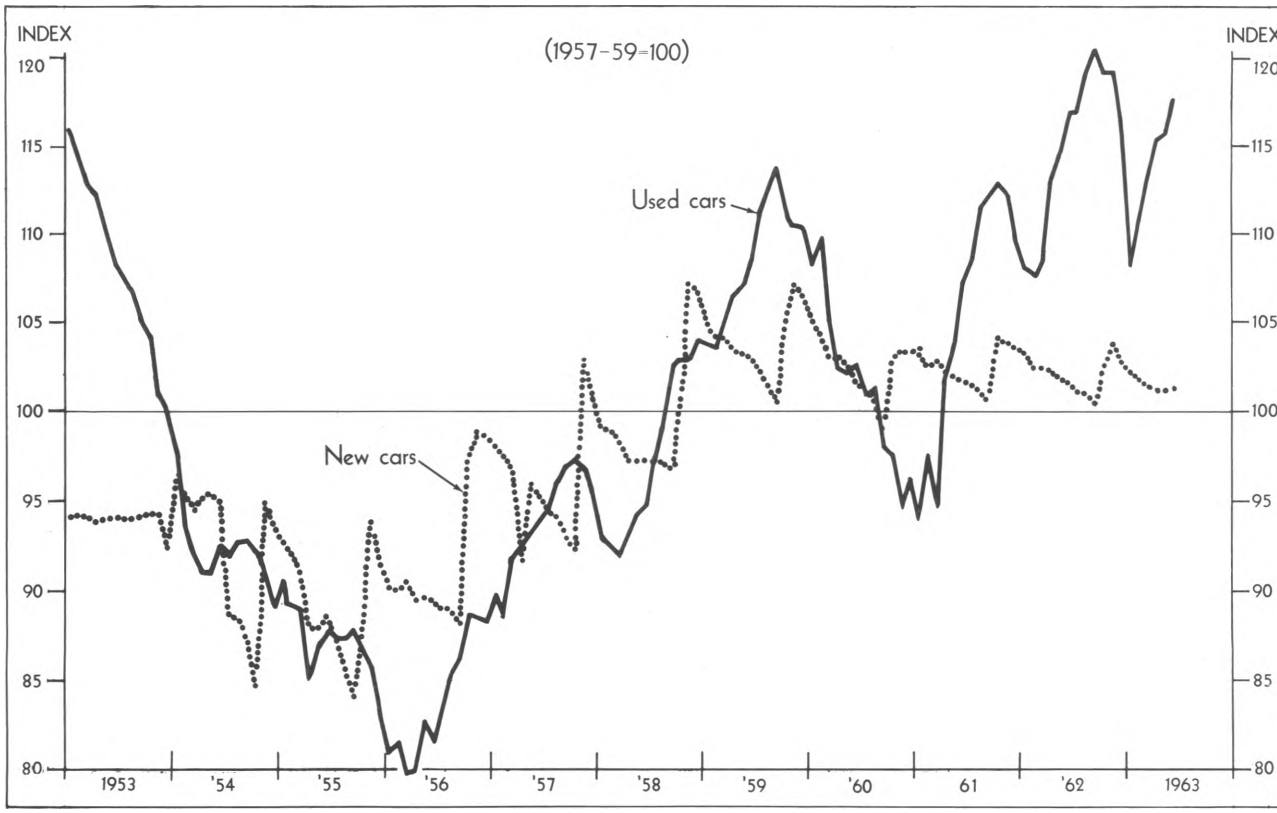
The Mid-1963 Situation

Monthly price indexes for used cars have been slightly higher in the first half of 1963 than for corresponding months in 1962, despite their December 1962-January 1963 price drop resulting largely from lagging winter sales caused by unusually severe weather. Typically, prices of used cars at mid-year are on a slight seasonal uptrend. (See chart 2.) They generally rise somewhat in the spring and summer with increased travel and begin to decline in the fall with the end of the summer vacation periods, the introduction of next-year car models, and the onset of bad weather.

Used car sales by franchised dealers in 1963 have, like prices, been higher each month (except March) than in 1962. By July 10, franchised dealers had sold over 5 million used

*Of Prices and Living Conditions, Bureau of Labor Statistics.

CHART 1. FLUCTUATIONS IN USED AND NEW CAR PRICES, JANUARY 1953-JUNE 1963



cars--the largest number since 1956. These dealers, who account for about two-thirds of the used cars sold in this country, expect to surpass last year's sales of 8,863,000 cars. (Historically, sales reached by the end of the first week in July have represented about 55 percent of total annual sales.)[1]

Despite the record number of new cars sold, used car inventories held by franchised dealers--in terms of days of supply--were not unduly high in mid-1963, as sales of used cars have kept pace with new car sales. Recent high prices of used cars have also encouraged many owners to sell their old cars directly to buyers rather than to use them as trade-ins.[2] Supplies of trade-ins have been further limited by the growing trend to keep used cars as a second or third car in a family instead of utilizing them as partial payment for a new car.

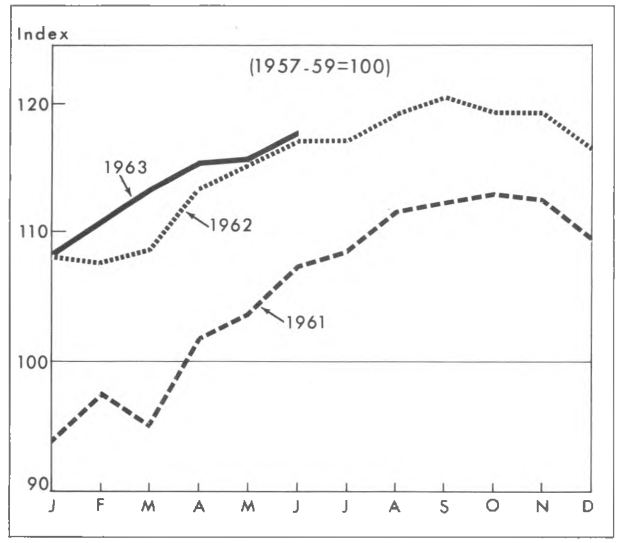
Fluctuations in Used Car Prices

For three years following introduction into the Consumer Price Index in January 1953,[3] prices for used cars fell and continued to do so, with only a few minor seasonal interruptions. By March 1956, prices were almost one-third below their January 1953 level. The proportion of all families owning automobiles increased from 65 percent in 1953 to 73 percent in 1956[4] and, as new car sales reached peak levels in 1955, the deluge of trade-ins caused a sharp drop in used car prices.

Since early 1956, the basic price movement has been upward. This general uptrend, however, was interrupted by the price drop which began in late 1959. Domestic compact cars were introduced at prices that were competitive with late-model used cars, and at a time when business activity was beginning to slacken. Prices fell more than one-sixth between September 1959 and March 1961, the beginning of the current used car price uptrend. Although prices of used cars are generally responsive to economic conditions, they do not always reflect the business cycle as clearly as they did in 1960 when they fell during the recession, and as they did in 1961 and 1962 when they rose in the recovery period after the February 1961 general economic trough.

The fluctuations in used car prices reflect seasonal, cyclical, and other influences. Consumer motoring and vacation habits, weather conditions, and introduction of new car models affect the seasonal pattern. The supply of trade-ins, the level of new car inventories, general economic conditions, and the availability of credit are major short-run determinants of used car prices. Among important long-term influences are changing consumer preferences, growth in population, development of the suburbs, and rising income levels. In almost every instance, the same factors affect new car prices--though not necessarily the same way--for the used and new car markets are inextricably interdependent.

CHART 2. MONTHLY USED CAR PRICE MOVEMENTS COMPARED, JANUARY 1961-JUNE 1963



[1] *Ward's Automotive Reports*, (weekly) July 22, 1963 (Detroit, Mich.).

[2] Ibid., November 5, 1962.

[3] For a detailed description see "Automobile Prices in the Consumer Price Index" by Louise J. Mack, *Monthly Labor Review*, November 1955, pp. 1269-1273.

[4] *Automobile Facts and Figures, 1961* (Automobile Manufacturers Association, Detroit, Mich.), p. 33.

Trade-ins. Used as partial payment by about 80 percent of all new car buyers, trade-ins are the chief source of used car supply. When trade-ins flooded the market due to record new car sales in 1955, prices of used cars reached their lowest level in the postwar period in March 1956. As new car sales declined drastically in the next 2 years and thus lowered the supply of trade-ins, used car prices rose. (See chart 16 in Chart Section.)

Use of Credit. Both the availability of of credit and the specific credit terms offered have influenced automobile sales and prices.[5] Although the majority of used car purchasers generally cannot afford new cars, a substantial group of automobile buyers switch back and forth between new and used cars. For some, this decision is determined by the credit terms available for used cars compared to those for new ones.

The tremendous gain in new car sales in 1955 resulted, in part, from a marked easing of installment financing terms on new car purchases. Maturities on new automobile paper generally were lengthened to 36 months, and the down payment required tended to be lower.

Credit terms on used cars were not eased as much as for new cars until after 1956. Financing for late-model used cars was lengthened to more than 24 months as used car prices began their upswing. Thirty-month contracts on late-model used cars increased rapidly between 1956 and 1959, and 36-month maturities were introduced. Credit terms were tightened in 1960 when prices of used cars fell, but they became easier again in 1961, and the number of 30-month or longer maturities grew.[6]

Because of the relatively small difference between the monthly payment required for new cars and late-model used cars,[7] a prospective used car buyer is generally willing, in prosperous times, to go a little further into debt to buy a new car. On the other hand, in the recession years of 1954, 1958, and 1960, used car sales were proportionately better than the sales of new cars as buyers held back from incurring additional debts. (See chart 3.)

Scrappage. The rate of scrappage of older cars is a factor, which, on the whole, tends to strengthen used car prices by reducing supplies. The average age of cars on the road declined from 7.8 years in 1950 to 5.5 years in 1957 with the great gains in number of new cars sold in the mid-1950's. In 1962, the average age was 6 years.[8]

At the end of 1962, there were 9.1 million cars over 10 years of age on the road, almost 50 percent more than the 6.4 million in 1959. As a result, the scrappage rate in 1963 is expected to be higher than the 4.5 million annual average of recent years.[9]

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[5] "Used Cars: Second-Hand Sirens," in *Business Review*, April 1959, Federal Reserve Bank of Philadelphia, and "Consumer Credit Rise," *Federal Reserve Bulletin*, June 1962, p. 686.

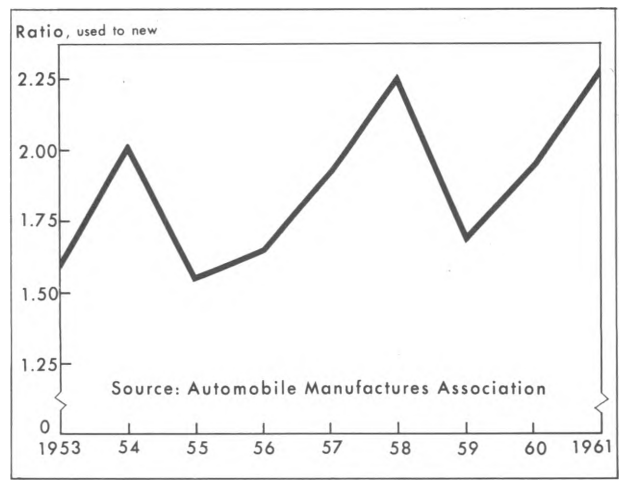
[6] Ibid., p. 687.

[7] Average monthly retail time payment in 1962 was $86 for new and $58 for used cars. *Ward's Automotive Reports*, (weekly) May 27, 1963, and "Used Cars: Second-Hand Siren," op. cit.

[8] *Automobile Facts and Figures, 1963*, p. 9.

[9] *Automobile Facts and Figures, 1962*, p. 20; and *1963*, pp. 9 and 22.

CHART 3. RATIO OF USED CAR PURCHASERS TO NEW CAR PURCHASERS, ANNUAL AVERAGES, 1953-61



Inventories. Fluctuations in new car inventories also affect used car prices. Inventories of new cars held by franchised dealers have tended to increase during the latter part of most business expansions when diminishing demand failed to keep pace with new car output. A dealer, under pressure to unload overstocked new cars, is then apt to over-allow extensively on trade-ins which must then be sold at a loss in the used car market.

In the last few years, however, inventories of new cars have fluctuated less than in the past, partly because of the absence of major work stoppages and, partly, because of the more important role inventory controls are playing in the planning of automobile production. This has resulted in less disruption to used car prices since dealers have fewer carryovers of new cars they are forced to liquidate before the model changes. A very low rate of carryover is expected at the end of the 1963 model year as tighter inventory controls are assisted by record new car sales.

Changing Buying Patterns

Growing resistance by consumers to higher prices of new cars as well as more than usual concern about the size, style, and design of available models became increasingly apparent after 1956. New car prices increased considerably each year between 1956 and 1959 with higher labor and materials costs, changes in automobile size and power, and additional equipment such as automatic transmissions and power steering. Despite higher trade-in allowances, final outlays for new cars increased. A growing number of consumers began to shift their purchases to used cars and to imported automobiles.

To compete with the small and lower-priced foreign automobiles, which often were also more economical to operate, major domestic producers brought out their compact cars in late 1959 with the introduction of 1960 models.[10] Because of the small price differential between late-model used cars and the new compacts, which had the advantage of a new car guarantee for parts and service, many consumers began to prefer compacts, and prices of used cars fell substantially.

Long-Term Strength

The rapid rise in multicar households which accompanied the population shift to the suburbs significantly enlarged the demand for used cars. In the 8 years between 1954 and 1962, the number of multicar households increased 90 percent.[11] This rapid growth accounts for not only the greater demand for used cars but also for much of the interest in foreign cars and compacts. As incomes continue to rise, the number of multicar families is expected to grow at an accelerated pace.

Our population expansion may have an even greater impact on used car demand in the future than in the past. Babies born during the years immediately following the end of World War II are now reaching the driving age. With limited incomes, and great interest in cars, teenagers are excellent prospects for used car sales. In general, used car buyers are in the lower age and income groups.

In addition, automobile travel--one of the Nation's favorite pastimes--has jumped 45 percent in the last 10 years to 629 billion vehicles miles a year.[12] This, too, is expected to grow with increased leisure time, rising income, and the major road construction programs currently underway. The number of passenger cars registered--both new and used--increased from 46 to 66 million between 1953 and 1962.[13]

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[10] For a discussion of pricing compact cars, see "Compact Cars in the Consumer Price Index," Technical Note, by Olga A. Larsgaard and Louise J. Mack, *Monthly Labor Review*, May 1961, pp. 519-23.

[11] *Automobile Facts and Figures, 1963*, p. 39.

[12] U. S. Department of Commerce, Bureau of Public Roads. Unpublished estimate.

[13] *Automobile Facts and Figures, 1963*, p. 18.

As a result, overall demand for automobiles, both new and used, is expected to continue upward. In such a complex market as that which exists for used cars, a certain amount of price fluctuation is to be anticipated, particularly in the short-run. However, if the market for used cars expands as anticipated, current indications are that this increasing demand will supply an underlying strength to used car prices over the long run.

MEASURING CHANGES IN THE GENERAL PRICE LEVEL

Geoffrey P. Faux*

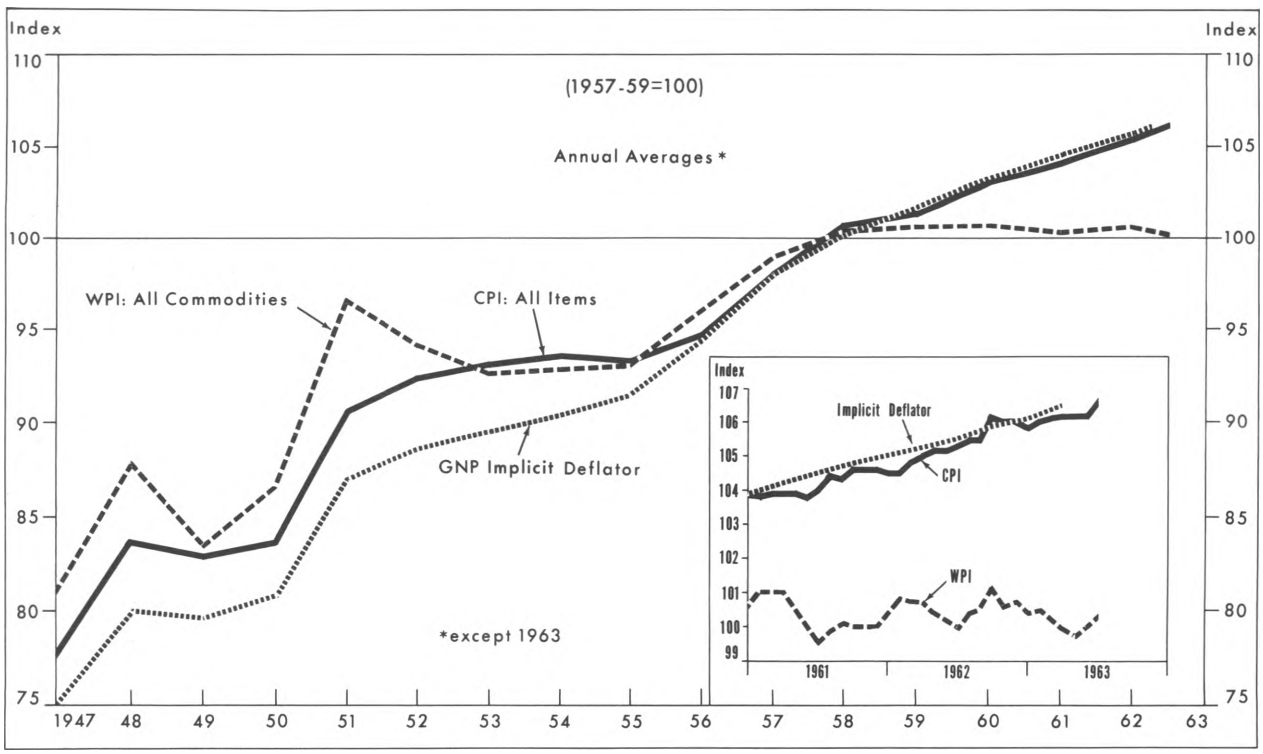
In early 1963, the Gross National Product Implicit Price Deflator was 6 percent higher than in 1958, the Consumer Price Index was 5 percent higher, and the Wholesale Price Index was at the same level as in 1958. Such differences in behavior among the three most widely used measures of change in the general price level are not limited to this recent period. Between 1951 and 1955, for example, the GNP Implicit Deflator rose 5.2 percent and the Consumer Price Index, 3.1 percent, while the Wholesale Price Index fell. Over the last 16 years, the Implicit Deflator has shown the greatest upward movement. (See chart 1.)

The varying trends of these three price measures result from basic conceptual differences. Because of these differences, each excludes sectors of the economy from its universe, even though they may be important in the analysis of general price trends. Both the Consumer and Wholesale Price Indexes are independently derived measures of price change specifically designed for that purpose. On the other hand, the GNP Implicit Deflator is a by-product of Gross National Product, adjusted for price change (with a variety of price indexes and other data) in order to determine changes in real output.

Although differences in methods of construction and weighting play a part, trend variations are primarily due to the price universe of each measure. The user, therefore, should be clear as to how these measures define the "general price level" before analyzing their movements. Does he wish to measure changes in the average price of goods and services for private consumption? Changes in average prices of current final output? Changes in average prices of goods sold by producers in the network of transactions throughout the production process?

*Of Prices and Living Conditions, Bureau of Labor Statistics.

CHART 1. TRENDS OF THE THREE GENERAL PRICE MEASURES, SINCE 1947



CHARACTERISTICS OF THREE GENERAL PRICE INDEXES

Characteristic	Consumer Price Index	Wholesale Price Index	GNP Implicit Price Deflator
Coverage	Goods and services purchased by families of urban wage earners and salaried clerical workers.	Commodities sold in primary markets in the U.S. including imports, exports (up to the point of departure from domestic market), and goods at various stages of processing.	Annual Gross National Product, i.e., value of total annual output of U.S. in final market prices.
Major exclusions	Income taxes, existing assets, securities, goods purchased solely by rural families or those with very high incomes, consumption items for which there is no direct payment.	Transportation, real estate, services, existing assets, securities, goods sold only to government, goods sold at retail by producers.	Existing assets, securities, primary and intermediate goods and services consumed in production.
Price collection	Sample of 300 items collected in 46 cities by trained interviewers using precise specification.	Sample of 2,200 items collected by mailed schedule from seller. Detailed specifications for items.	No direct price collection. Components adjusted with a variety of indexes (including the CPI and WPI) and data from secondary sources; government agencies, trade associations, catalogs. Many prices inputed with quantity and cost data.
Weighting	Fixed weights reflecting average consumer purchases. Current index based upon 1950 Survey of Consumer Expenditures.	Fixed weights reflecting producers' shipments. Current weights derived from 1958 and 1959 economic censuses.	Weights reflecting allocation of current output. Change from year-to-year and thus influence index behavior.
Seasonally adjusted	No	No	Yes
Published base period	1957-59=100	1957-59=100	1954=100
Publication frequency	Monthly	Monthly	Quarterly
Published detail	Monthly: Major groups and sub-groups, food and fuel items for U.S. and selected cities. Quarterly: Individual items.	Monthly: All groups and individual items.	Quarterly: Major components and groups. Annually: selected subgroups.
Actual prices available	Food and fuel prices	Selected commodities	None

Despite differences among the overall measures, the trends of their components are necessarily often similar. The wide economic sectors reflected by the general measures overlap, and a substantial number of CPI and WPI components are used to deflate the GNP.

Coverage

The Consumer Price Index, the most narrowly defined of the three, was developed to measure price changes for a "market basket" of goods and services which reflects average expenditures of urban workers' families. Although not intended to represent changes in prices paid by other population groups--rural families, elderly couples, or single individuals--it may reflect these changes to the extent that their expenditure patterns are similar to those of urban workers' families. (See summary table.)

While the CPI measures final retail price to the consumer, the Wholesale Price Index represents prices at the primary market level. The universe of the WPI includes the first important commercial transaction for almost all commodities sold in the United States. The index does not cover service, real estate, and security prices. In addition, goods produced solely for government and those sold directly at retail by the producers are excluded.

Goods are priced for the Wholesale Price Index at all stages of processing. Thus, prices for iron ore, finished steel, and automobiles are all included in the index and weighted according to their relative individual value in the universe of primary market transactions. As a result of this "vertical" coverage, the components of the index can be rearranged into a variety of subindexes representing price movements at various production levels of the economy.[1]

The Implicit Price Deflator--like the Gross National Product from which it is derived--covers total annual output of the national economy. "Horizontally", therefore, its scope is significantly broader than that of either the Consumer or Wholesale Price Index. However, because GNP is a measure of value of final output, the Implicit Deflator represents price change to the ultimate buyer. Only to the extent that price fluctuations for crude and intermediate materials are transmitted to the last market will they be reflected in the Implicit Deflator.

Index Construction

Both the Consumer and Wholesale Price Indexes are intended to measure directly changes in prices of identical or comparable items over time. They are constructed from price data obtained, for the most part, by field agents (CPI) or from schedules mailed by the seller (WPI). Items to be priced are described in detailed specifications so that changes in the index from one period to another will, as much as possible, reflect price rather than product changes.

The GNP Implicit Deflator is the result of deflating GNP aggregates to constant dollars in order to measure real output. Computation of the Deflator is not based upon a direct price collection program; the detailed components of current dollar Gross National Product are adjusted to 1954 dollars with a variety of price indexes from many different sources. Component indexes of both the CPI and WPI are used in substantial number. (The CPI is the chief source of price data for the deflation of Personal Consumption Expenditures, while WPI item indexes are used in several GNP components.) When price information is not available, cost and quantity data are utilized. The U.S. Department of Commerce, which publishes the Implicit Deflator, is necessarily dependent upon outside sources--both public and private--for its deflation data. As these statistical series generally have been collected for purposes other than the deflation of the GNP, and since adequate price data are not available for some sectors, the quality of the individual item deflators is uneven.

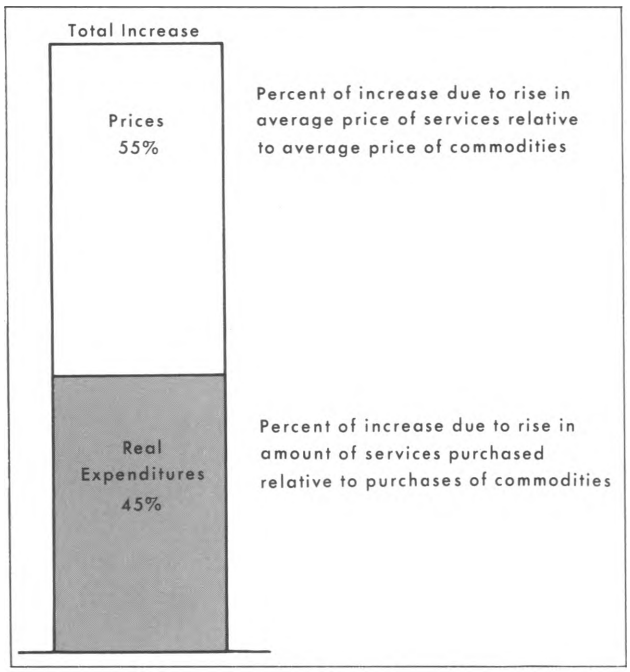
[1] Because the weights are based upon the relative values of individual items at all stages of production, the weights of goods consumed in production are duplicated in the weight of the finished commodity. Thus, this index does not identify value added by industry.

The sum of the deflated expenditures is GNP in constant dollars. The GNP Deflator is the quotient of constant divided into current dollar aggregates and, thus, is "implicit" in the deflation process.

Weighting

The varying purposes for which the three general price measures were developed lead to important differences in their weighting structures. The WPI and CPI measure price changes of a specific group of commodities or services--in fixed proportion--between any two periods. While these fixed proportions, or weights, are revised periodically to maintain correspondence with current demand patterns, they do not change with each pricing period. The current CPI carries weights derived from the 1950 BLS Survey of Consumer Expenditures in which consumers were interviewed concerning their purchases of goods and services. (A new survey was conducted in 1960-61 and a revised index will be introduced in early 1964.) The present WPI weights were developed from the 1958 and 1959 Economic Censuses.

CHART 2. RELATIVE CONTRIBUTION OF PRICE VERSUS CONSUMPTION CHANGES TO INCREASE IN SERVICE SHARE OF PERSONAL CONSUMPTION EXPENDITURES, 1952-62



In describing changes from the base year (1954) to any other year, the Implicit Deflator, like the CPI and WPI, measures average price movements. However, derived from the deflation of current output, the Implicit Deflator always reflects the current proportions in which items are produced. Since these proportions are constantly changing, comparisons between the Implicit Deflator for years other than 1954 will reflect the shifting pattern of output as well as price change. In the absence of abrupt shifts in composition of output, the resultant distortion can be overlooked for most short-run analysis.

The impact of the different weighting structures becomes evident when comparing the significance of changes in the relative importance of items. Between any two periods, a change in the relative importance of an item in the CPI or WPI reflects its price change relative to changes in the prices of other items. For example, the rise in the relative importance of services in the CPI from 33 percent in December, 1952, to 37 percent in December, 1962, was the result of a 28 percent rise in consumer service prices versus a 7 percent rise in average prices of commodities.[2]

In contrast, the Implicit Deflator reflects changes in the importance of an item in GNP and thus represents the influence of both price change and changes in the relative amount consumers are buying. Therefore, the increase in services as a portion of the Personal Consumption Expenditures component of GNP (current dollars) from 34 to 41 percent between 1952 and 1962 represents not only the 25 percent change in the Implicit Deflator for Services (as com-

[2]To Compute:

	Relative Importance December 1952 (percent)	x	Index of Price change December 1952-December 1962	=	Column (1) x Column (2)	Relative Importance December 1962
Services	33	x	128	=	42	37
Commodities	67	x	107	=	72	63
All Items	100		114		114	100

pared with an 8 percent rise in the Deflator for all other Personal Consumption Expenditures) but also the increase in real expenditures for services from 36 to 39 percent of the total. (See chart 2.)

The Wholesale Price Index and the GNP Implicit Deflator

The inclusion of three major sectors of additional coverage in the GNP Implicit Deflator --government purchases, services, and completed construction[3]--has been the chief cause of the steady uptrend of the GNP Implicit Deflator as compared to the WPI. Since 1947, the Implicit Deflator for the three areas together has risen 59 percent as opposed to a 26 percent rise for private goods (total GNP less government purchases, services, and construction).[4] When these differences in coverage are eliminated, the movements of the two indexes are similar, as is shown in the comparison of the WPI for finished goods with the Deflator for private goods. (See chart 3.)

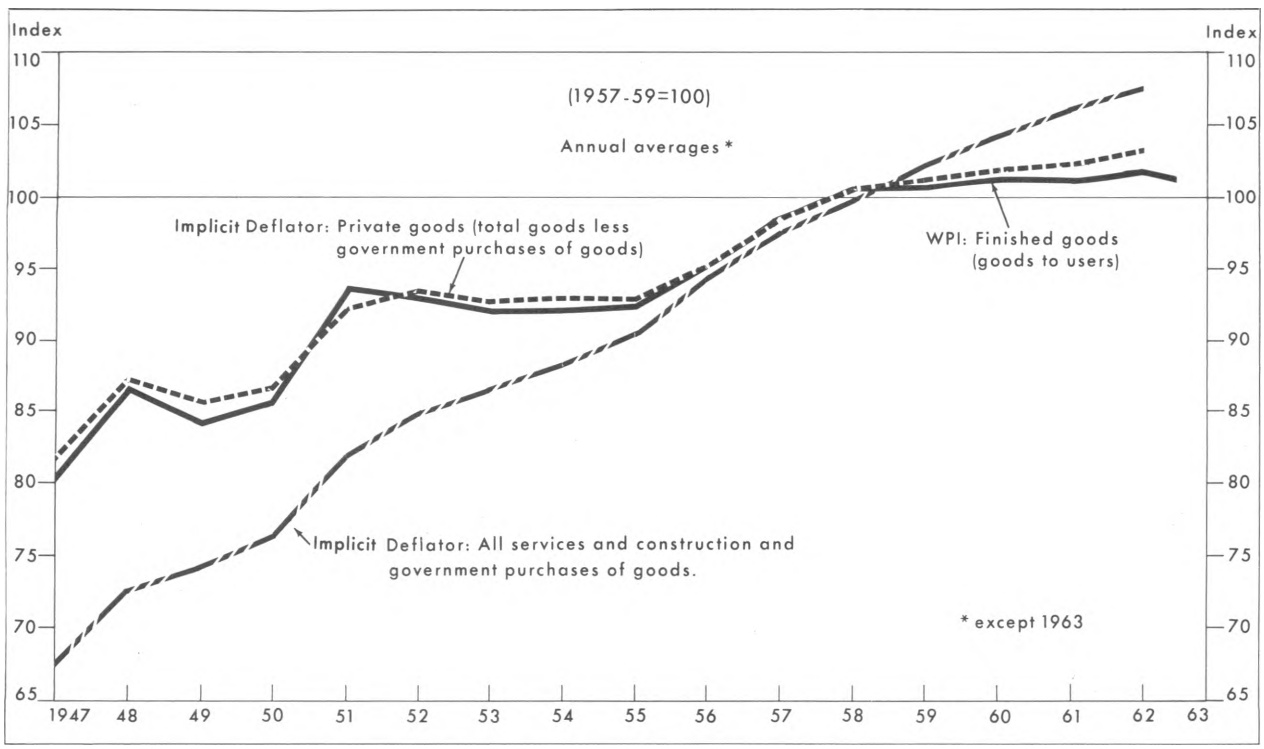
While the GNP Implicit Deflator is considerably broader in scope than the WPI, weaknesses in the deflation data seriously limit the accuracy of the Implicit Deflator for the sectors of additional coverage. These limitations involve failure to separate price change reflecting market conditions from those reflecting changes in the quality of the product. Although the problem is present in all price index construction, adjustment for such changes are especially difficult for government purchases, services, and construction.

In the consumer area, for example, changes in the quality of services generally, particularly medical care services, have resisted systematic measurement within the framework of price

[3]Only construction materials are represented in the WPI.

[4]Although these three GNP sectors overlap (for example, government purchases include services and construction as well as commodities) the data are presented in such a way as to permit the figures for the three sectors to be totaled without double counting. See *Survey of Current Business, National Income Number*, July 1963, and previous July issues.

CHART 3. WHOLESALE PRICE INDEX AND GNP IMPLICIT DEFLATOR SECTORS, SINCE 1947



index construction.[5] This applies to the Implicit Deflator as well as to the service sector of the CPI from which most of the item deflators are obtained. Similar difficulties exist in measuring government purchases of goods. Many of these, such as military and space items, are uniquely governmental in nature. They are often custom-made and, because little is known about their specifications, it is difficult to obtain prices of comparable items from period to period.

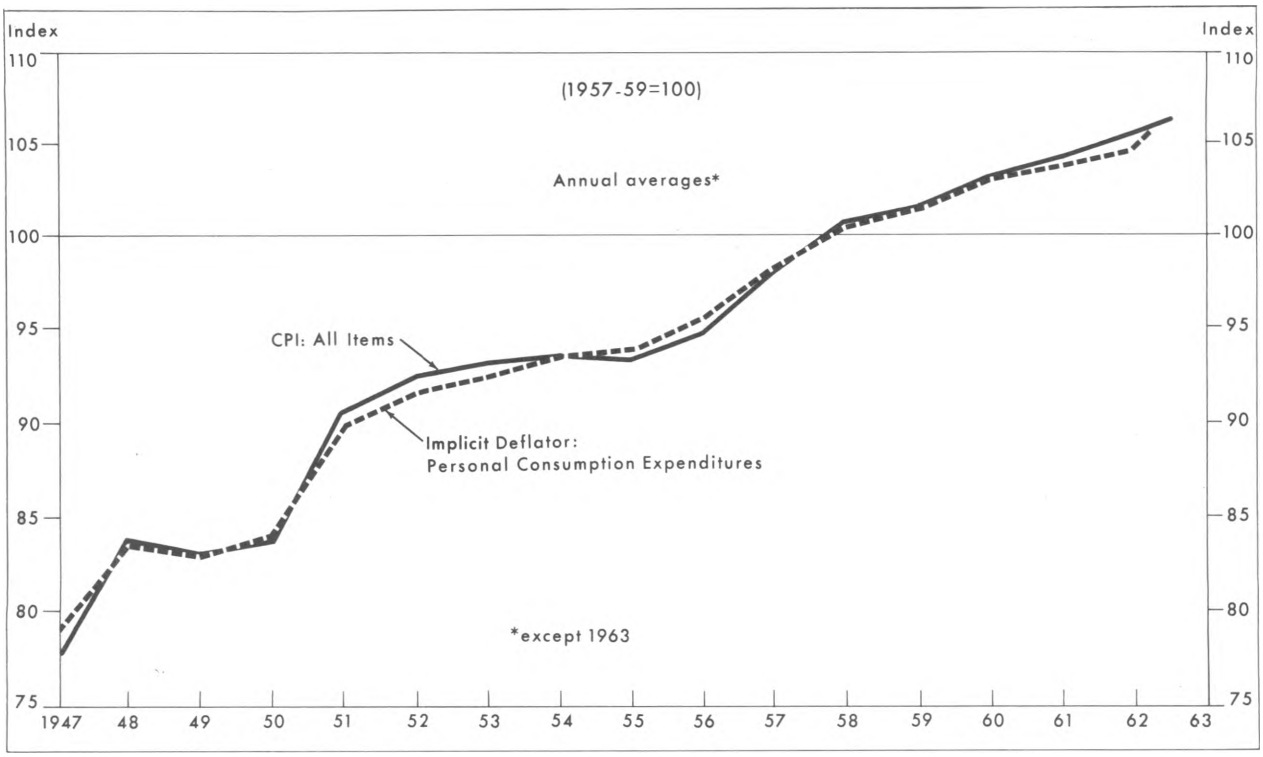
For both new construction and most government purchases of services, the quality problem relates primarily to production factors. The deflation of current dollar expenditures for most new construction is accomplished with indexes of labor and material costs and adjustments for profit margins. Inadequate allowance is made for productivity changes. Government expenditures for services are composed largely of employee compensation. Indexes of man-hours worked are used to deflate these expenditures and, to an even greater extent than in the construction sector, the Deflator fails to reflect productivity gains. While the absence of market value for most of government output precludes the measurement of true price and productivity changes, available evidence suggests that improvement in the efficiency of many government operations has been considerable.[6]

Since it is more difficult to make adequate allowances for quality improvements in government purchases, services, and construction than in other GNP sectors, the Implicit Deflator for these components has a greater tendency, particularly during periods of economic growth, to overstate the amount of price increase. The upward bias, resulting from the nature of the concepts of output and the lack of

[5]For discussions, see: Ethel D. Hoover, "The CPI and Problems of Quality Change," *Monthly Labor Review*, November 1961, pp. 1175-1185; Milton Gilbert, "The Problem of Quality Changes and Index Numbers," *Monthly Labor Review*, September 1961, pp. 992-997; and a critique of Mr. Gilbert's article by Zvi Griliches and Mr. Gilbert's reply, *Monthly Labor Review*, May 1962, pp. 542-545.

[6]For examples of efficiency change, see: *Impact of Office Automation in the Internal Revenue Service* (BLS Bulletin 1364, 1963); Henry Lytton, "Recent Productivity Trends in the Federal Government: An Explanatory Study," *Review of Economics and Statistics*, November 1959; and U.S. House of Representatives, House Committee on Post Office and Civil Service, 87th Cong., 2nd Sess., *Use of Electronic Data Processing Equipment.*, 1962.

CHART 4. CONSUMER PRICE INDEX AND IMPLICIT DEFLATOR FOR PERSONAL CONSUMPTION EXPENDITURES, SINCE 1947



adequate price data, makes the Implicit Deflator least reliable as a measure of price change in these three sectors, although it is the only general statistic which attempts to measure all of them.

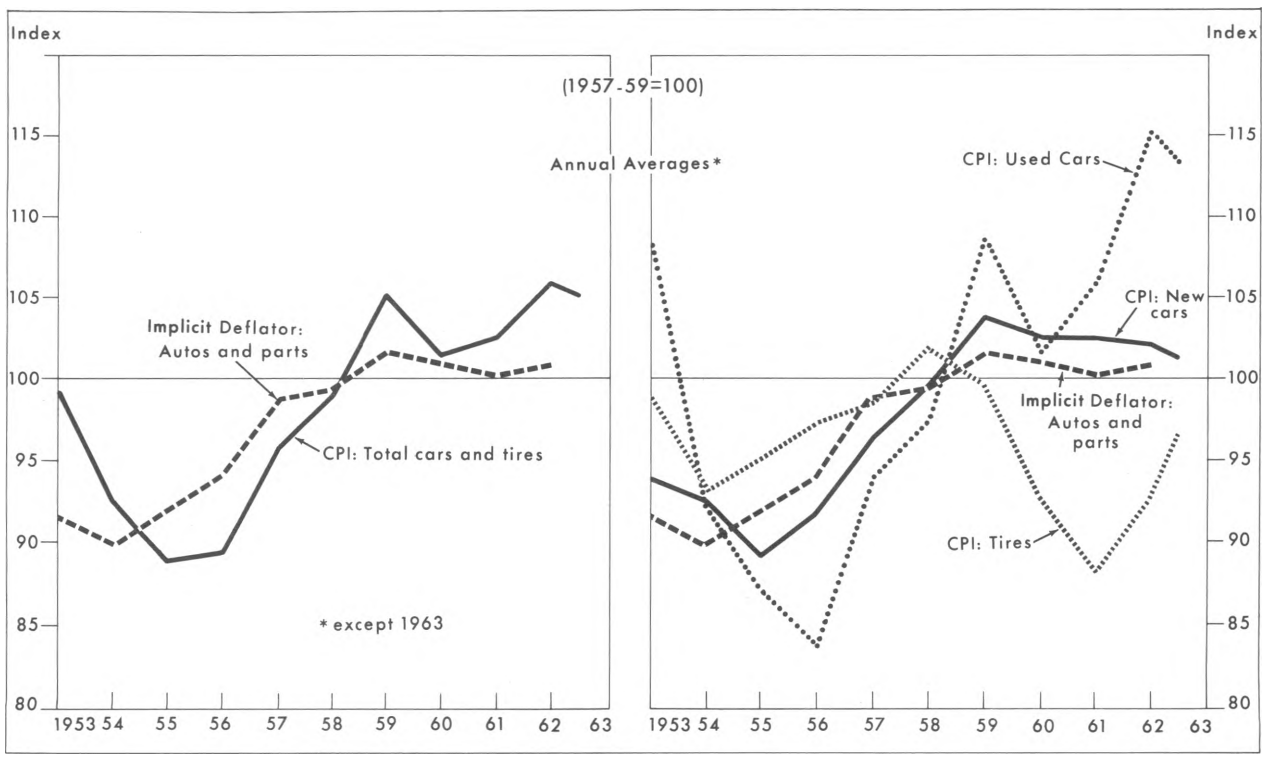
The CPI and the Implicit Deflator for Personal Consumption Expenditures

Although the Consumer Price Index and the GNP Deflator for Personal Consumption Expenditures both measure price change in the consumer sector of the economy, the coverage of the two series differs significantly. Since the CPI relates to average expenditures of urban workers' families within definite income ranges, certain items--luxury goods, foreign travel, farm house rental--are excluded from its coverage. Moveover, some items are excluded from the CPI because they are not sold in retail markets but are given a value in Personal Consumption Expenditures as they represent a claim upon resources (for example, expense of handling life insurance and services furnished free by financial intermediaries).

Despite differences in coverage, the CPI and PCE Deflator have followed each other closely since 1947, and, in early 1963, were both 6 percent above their 1957-59 average. (See chart 4.) Much of the similarity is due to the deflation of the major portion of Personal Consumption Expenditures with CPI components.

One area for which coverage in the two indexes is radically different is housing. Home purchase in the CPI is treated as a consumption item and, for any given year, represents current purchase prices. In the GNP accounts, home construction (current output) rather than home purchase is reflected and these expenditures are placed in the investment sector. A rental value is imputed for owner-occupied homes and counted, along with rent paid by tenants, as part of Personal Consumption Expenditures. The coverage of rent is also dissimilar, chiefly in that the CPI reflects contract rent or actual rent paid while the Deflator reflects space rent (excluding utilities and fuel) only. In addition, Personal Consumption Expenditures for housing includes space rent for farmhouses and rural dwellings as well as all

CHART 5. GNP IMPLICIT DEFLATOR AND CPI FOR AUTOS AND PARTS, SINCE 1953



spending for hotels, tourist homes, and other miscellaneous housing. In the CPI, rural housing is specifically excluded and the miscellaneous category represented only in proportion to its importance in total expenditures by urban workers' families.

The influence of conceptual differences upon the trends of the PCE Implicit Deflator and the CPI can be clearly seen in their automotive components. A comparison of the PCE Implicit Deflator for automobiles and parts[7] with a special index covering the same class of durables in the CPI (new cars, used cars, and tires)[8] shows that the CPI components have fluctuated more sharply. In 1962, the CPI was at a 10-year high while the PCE Implicit Deflator was at the same level as in 1957-59. The different treatment given to used cars in the price measures has been a major cause of variations in their behavior and illustrates the effect of the underlying concepts. (See chart 5.)

Since GNP is a measure of the value of annual output, total used car values are not included in Personal Consumption Expenditures. Only that part of used car sales that represents current demand for resources (i.e., gross margins of sellers) are a part of the GNP aggregates. The CPI, however, represents the whole range of consumer purchases and thus includes used car values in proportion to the amount consumers buy. Used car prices, therefore, have a much greater weight in the Consumer Price Index than they do in Personal Consumption Expenditures and, because of their fluctuations, have greater influence upon the CPI than upon the PCE Implicit Deflator.

Price Indexes as Cyclical Indicators

The three overall measures of the general price level neither forecast nor adequately reflect business cycle trends. The absence of primary markets from the coverage of the GNP Implicit Deflator and the inclusion of services and government tend to make the Deflator insensitive to short-run changes in economic conditions. The Consumer Price Index, like the Deflator, reflects the relatively rigid final market prices and includes the insensitive service sector. On the other hand, the Wholesale Price Index includes so many diverse products and levels of processing that price movements by cyclically responsive items are often offset by opposite movements in markets--such as for farm products--relatively unrelated to the business cycle.

Selected industrial components of the WPI are, however, extremely useful as indicators of individual market conditions and, when aggregated into special groupings, such as the index for crude nonfood materials, have often accurately reflected the movements of the business cycle. The price index most satisfactory as an advance economic indicator has been the Spot Market Index for raw industrials. (The Spot Market Index, computed independently of the WPI, is based upon daily prices for 22 basic commodities; the raw industrial component covers 13 crude materials.) Until mid-1961, this index was a reasonably reliable guide to the business cycle but, in the last two years, weak metal prices have given a deflationary character to the index in the face of expanding industrial production.

Conclusion

Since the analysis of price change is a vital part of public and private economic thinking, it is important that the basic differences among the three general price measures be understood, and their effects upon the behavior of the indexes recognized. Conceptual differences result in variations in both weighting structure and in the nature of what the measures describe. The WPI and CPI are designed to measure price change only, while the Implicit Deflator--when used as a series--reflects, in addition, changes in composition of output.

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[7] Deflators for Personal Consumption Expenditures for durables are available for only two components: "automobiles and parts" and "other durables."

[8] This special index was computed in the Bureau of Labor Statistics with the techniques described in "Relative Importance of CPI Items," *Monthly Labor Review*, August 1954, pp. 891-6. The article outlines the procedure for recombining CPI items into special indexes.

In terms of total output, the GNP Implicit Deflator has the widest coverage although, in the areas of additional coverage, it is less reliable. On the other hand, the WPI which represents producers' sales of commodities, is a better indicator of changes in total cost (including profit margin) of goods production. To estimate the effects of price change upon consumer purchasing power, however, one must turn to the CPI.

Thus, there is no completely satisfactory single measure of all price changes in the economy. The CPI, WPI, and GNP Implicit Price Deflator represent price change in specific, although overlapping, sectors. Used with some understanding of their basic differences, each can be a valuable tool in the analysis of prices and economic conditions.

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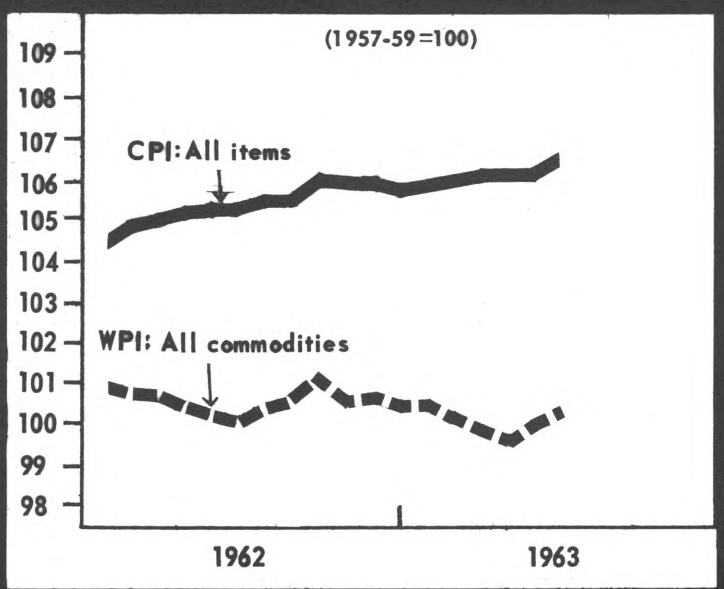
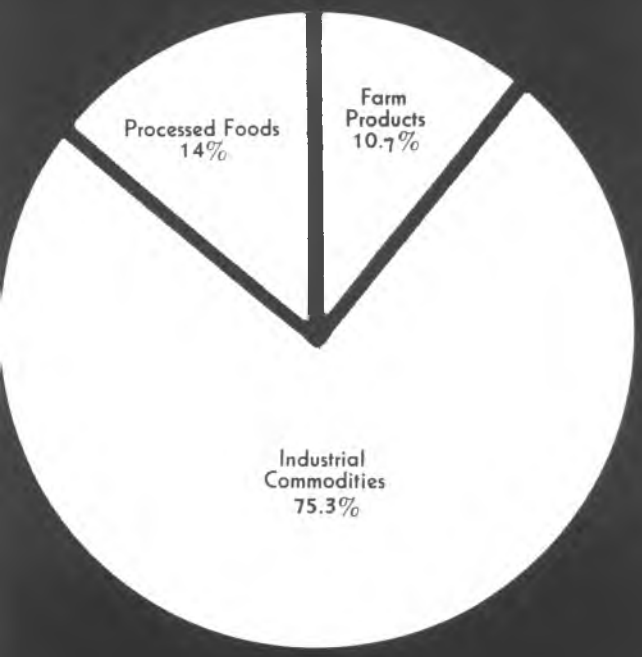
CHART SECTION

PRICES AND RELATED ECONOMIC TRENDS

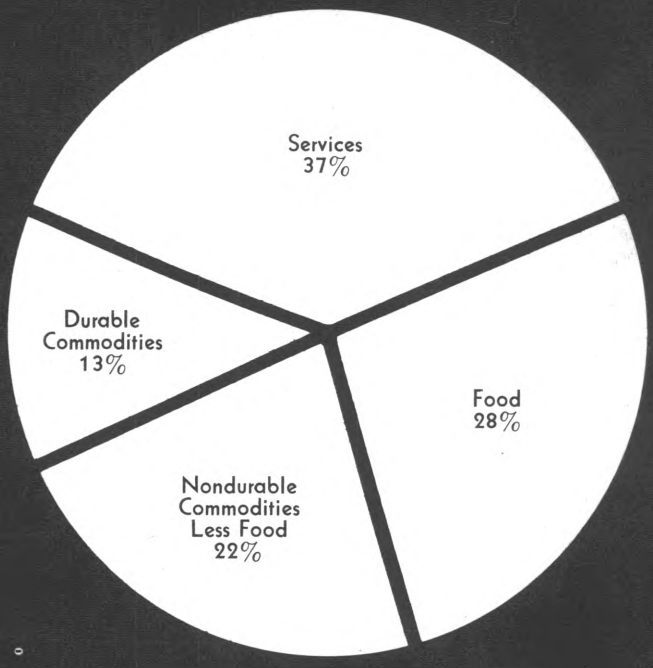


WHOLESALE PRICE INDEX



RELATIVE IMPORTANCE–DECEMBER 1962

CONSUMER PRICE INDEX



RELATIVE IMPORTANCE–DECEMBER 1962

TRENDS

FARM AND FOOD PRICES: WHOLESALE AND CONSUMER, SINCE 1953

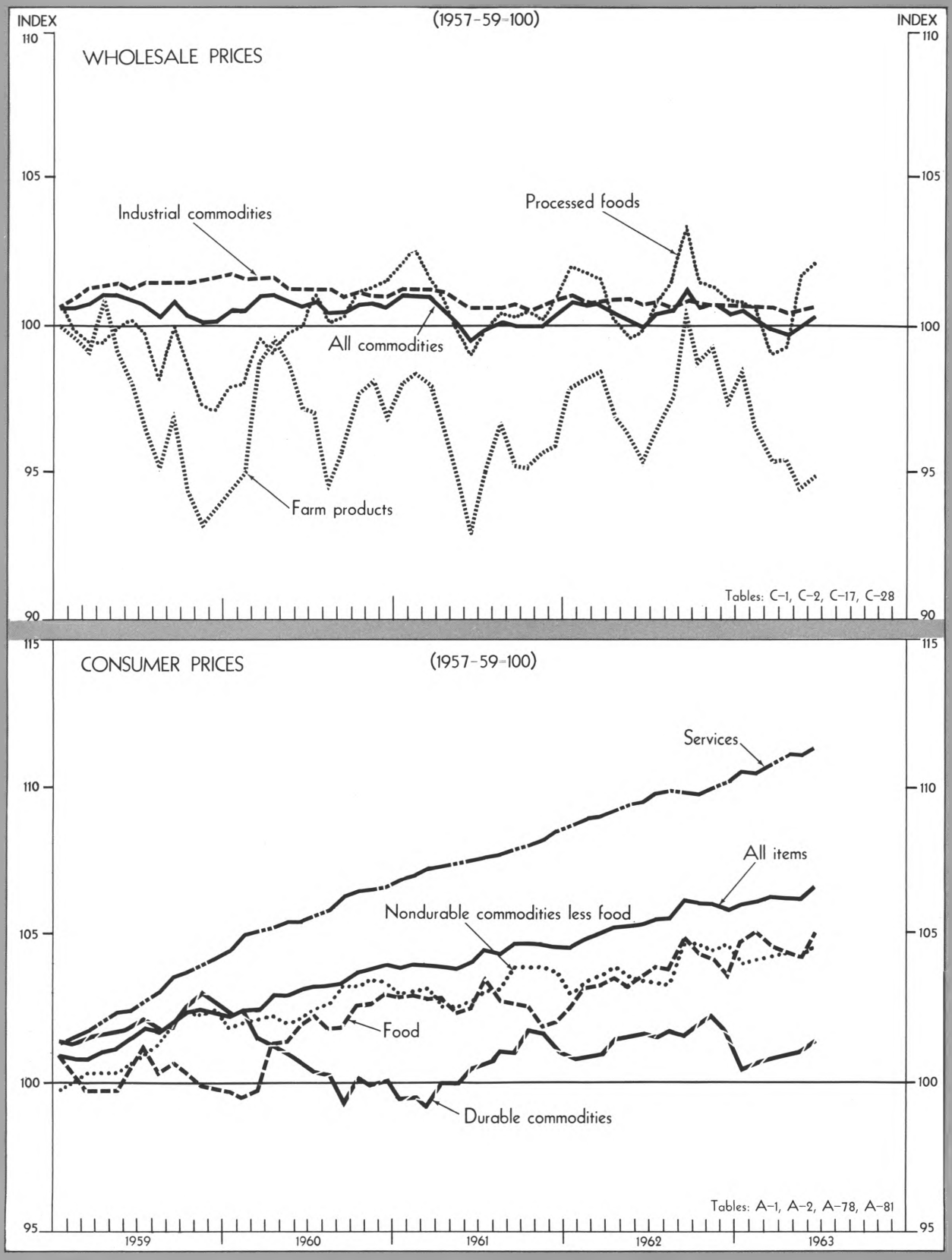
WHOLESALE PRICE INDEX, SINCE 1953

38. Motor trucks, passenger cars, and tractors
39. Hides and skins, leather, and footwear
40. Industrial chemicals, and drugs and pharmaceuticals
41. Industrial chemicals: Organic and inorganic
42. Plastic materials, and paint materials

CONSUMER PRICE INDEX, SINCE 1953

43. All items
44. All services and commodities
45. Food and nondurable commodities less food
46. Nondurables less food, durables, and durables less cars
47. Durables: New cars, appliances, and furniture and bedding
48. Apparel, and all nondurables less food and apparel
49. Nondurables: Gasoline, toilet goods, tobacco products, and alcoholic beverages
50. Major groups: Food, housing, and transportation
51. Major groups: Apparel, medical care, reading and recreation, and personal care
52. All housing, household operation, and housefurnishings
53. Selected home-owner costs: First mortgage interest rates, property insurance rates, and home maintenance and repairs
54. All apparel, and footwear
55. Men's and boys' apparel, and women's and girls' apparel
56. Apparel, by type of fabric: Cotton, man-made fibers, and wool
57. Services: Transportation, medical care, household operation, and rent
58. Medical care services: Hospitalization insurance, hospital rates, physicians' and dentists' fees

CHART 1: WHOLESALE AND CONSUMER PRICE INDEXES



NOTE: All tables referred to in the charts are contained in BLS Bulletin No. 1351, Prices, A Chartbook, 1953-62. Current data are given in tables at back of this volume.

CHART 2: INDUSTRIAL PRICES AND KEY INDICATORS SINCE THE FEBRUARY 1961 TROUGH

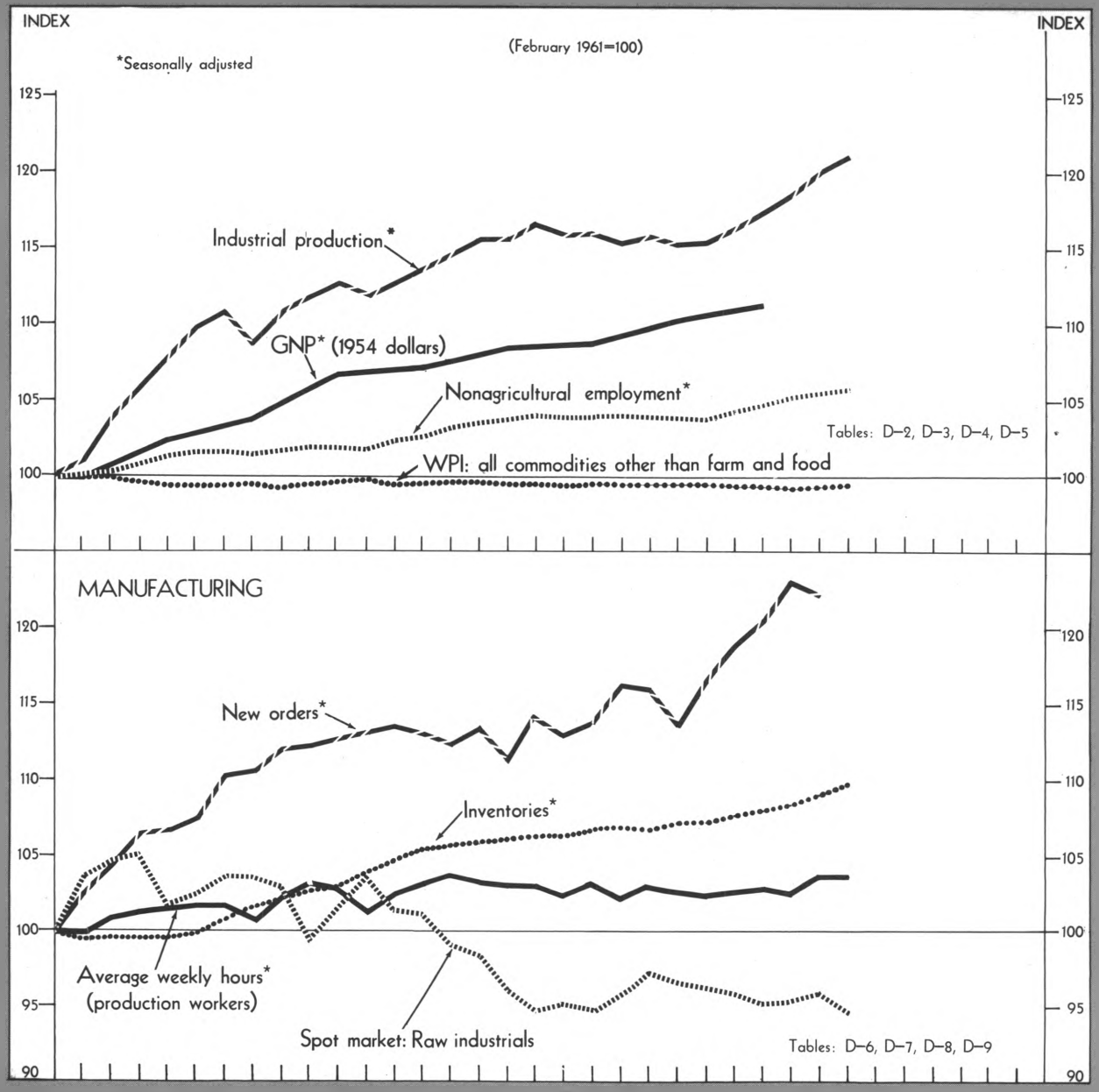


CHART 3: WHOLESALE PRICES OF DURABLE MANUFACTURES FROM TROUGH TO PEAK OF THREE BUSINESS CYCLES

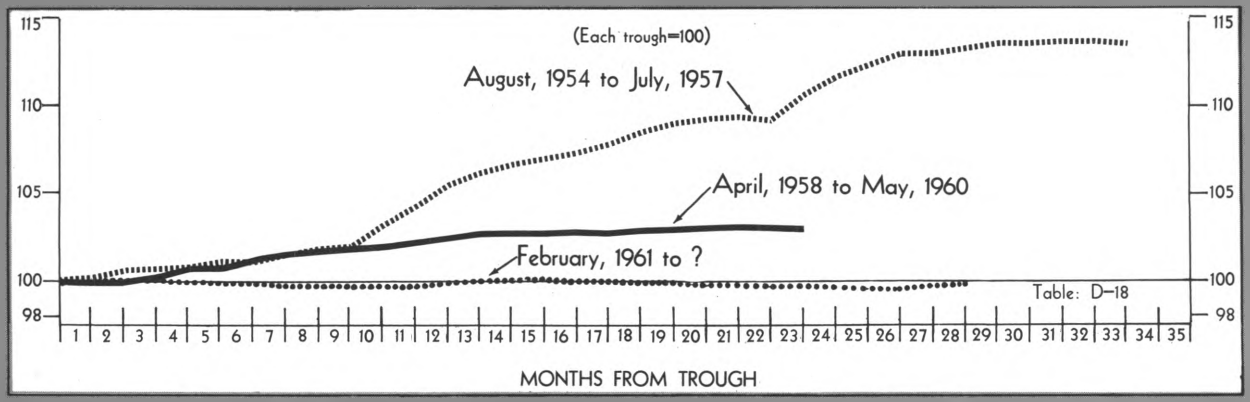
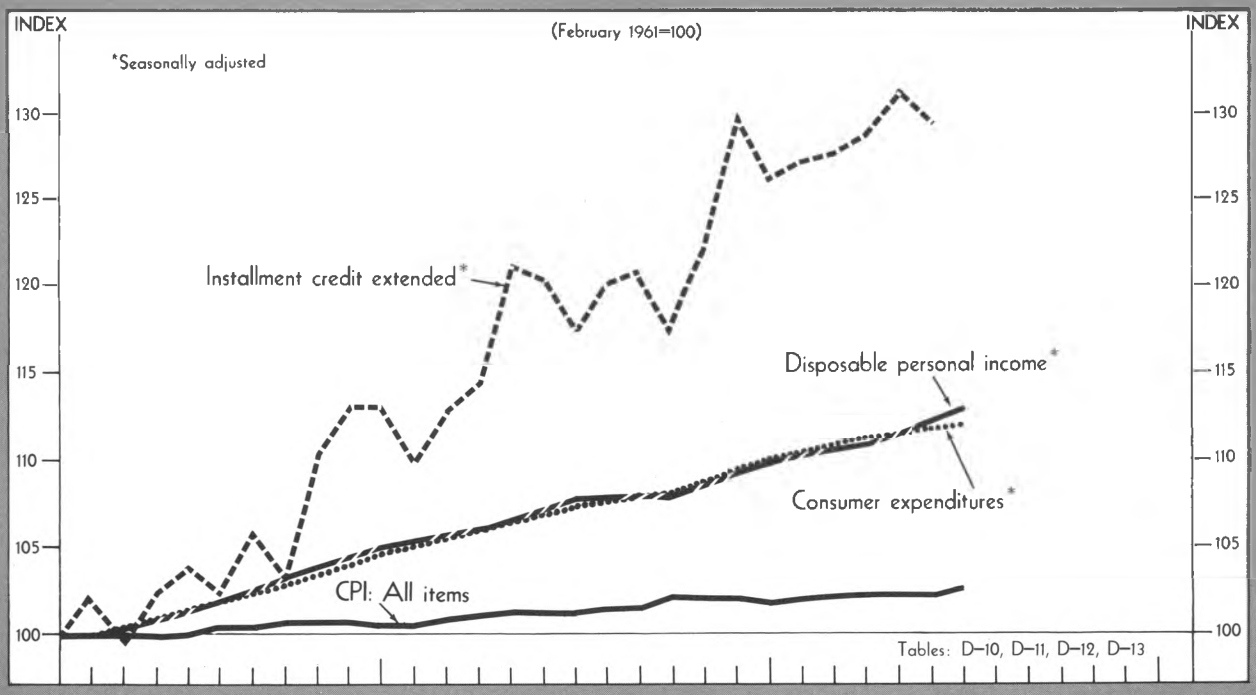


CHART 4: CONSUMER PRICES AND KEY INDICATORS SINCE THE FEBRUARY 1961 TROUGH



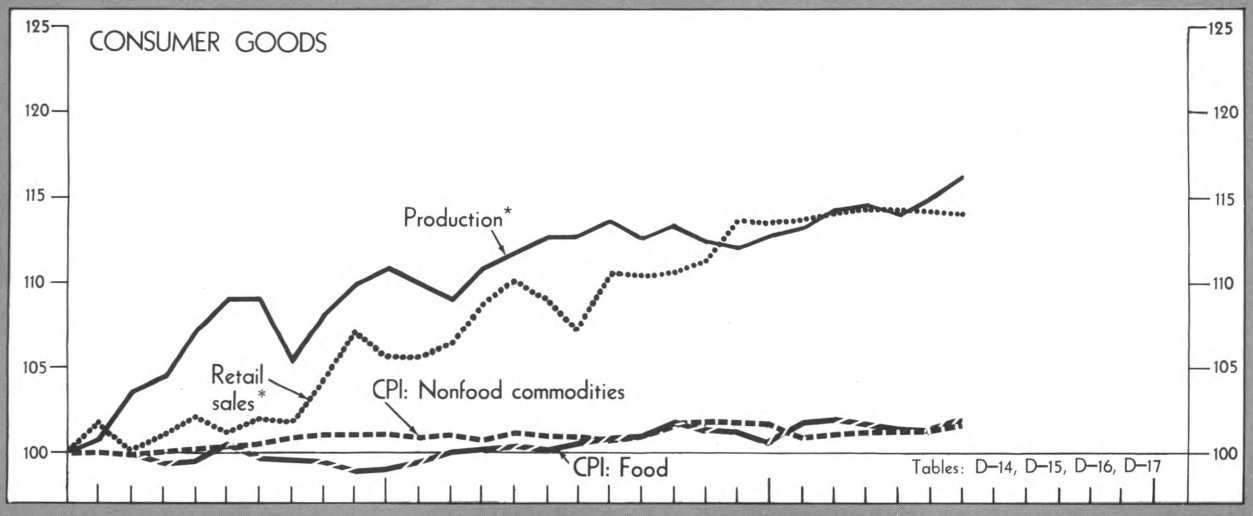


CHART 5: CONSUMER PRICES OF DURABLE COMMODITIES FROM TROUGH TO PEAK OF THREE BUSINESS CYCLES

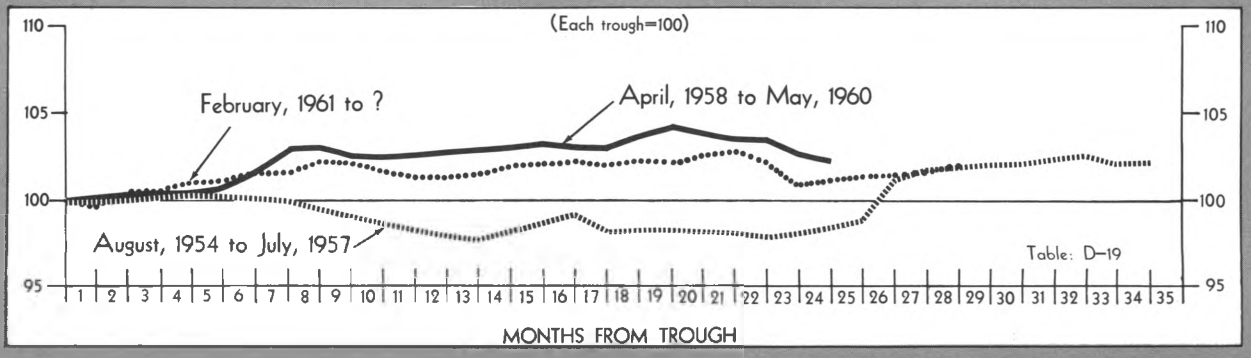


CHART 6: WHOLESALE AND CONSUMER PRICES OF INDUSTRIAL COMMODITIES, AND INDUSTRIAL PRODUCTION OF CONSUMER GOODS

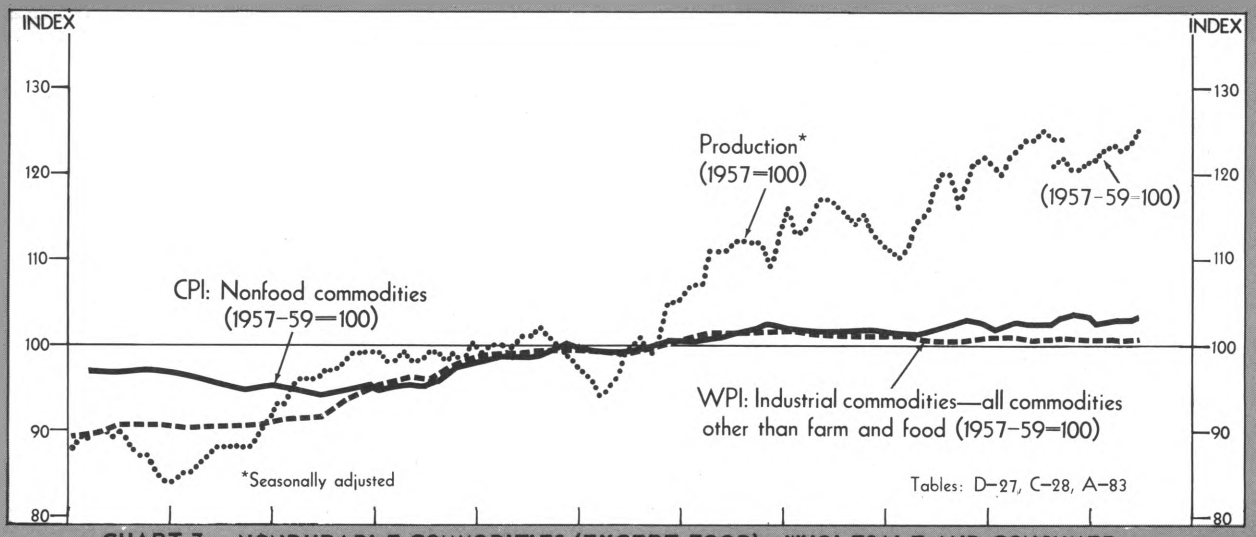


CHART 7: NONDURABLE COMMODITIES (EXCEPT FOOD): WHOLESALE AND CONSUMER PRICES AND PERSONAL CONSUMPTION EXPENDITURES

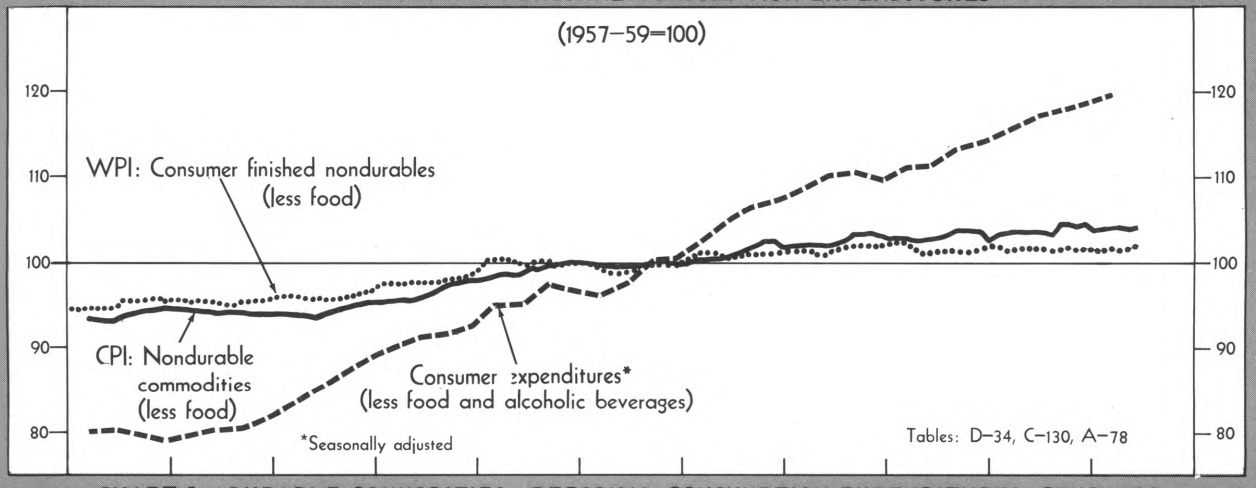


CHART 8: DURABLE COMMODITIES: PERSONAL CONSUMPTION EXPENDITURES, CONSUMER PRICES, AND WHOLESALE PRICES OF RAW DURABLES

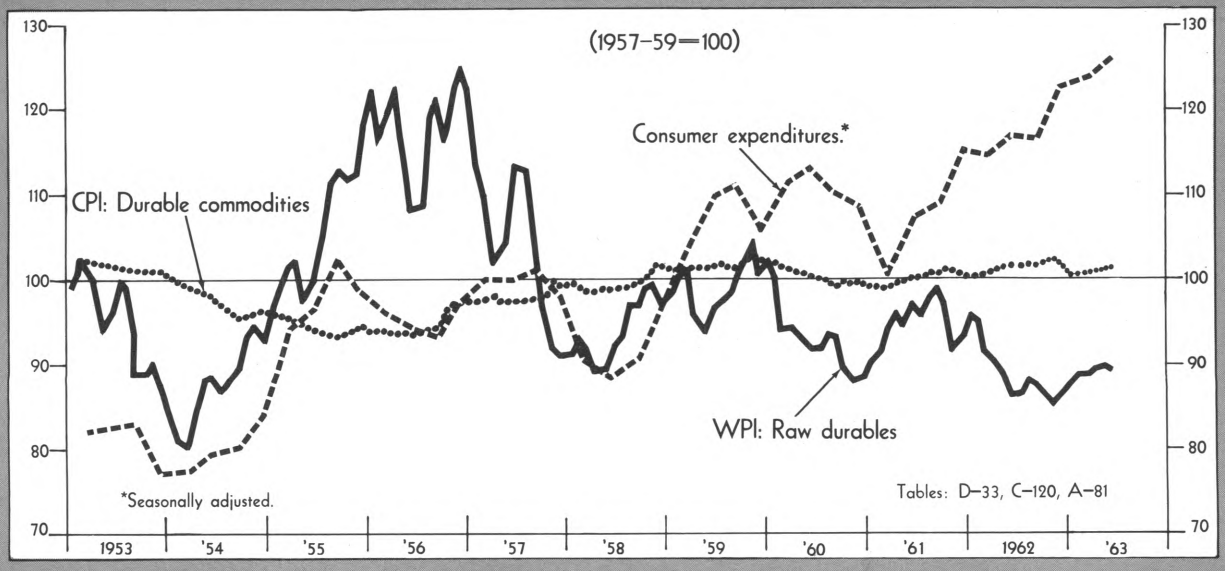


CHART 9: WHOLESALE PRICES AND OUTPUT OF CONSTRUCTION MATERIALS, AND EXPENDITURES FOR NEW CONSTRUCTION PUT IN PLACE

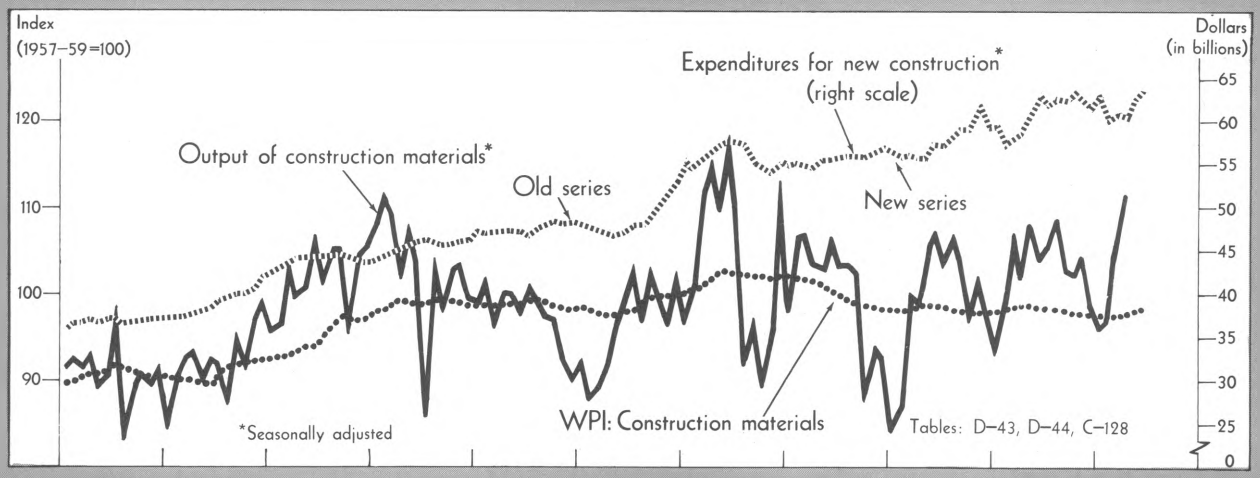


CHART 10: MORTGAGE INTEREST RATES, AND PRIVATE NONFARM DWELLING UNITS STARTED

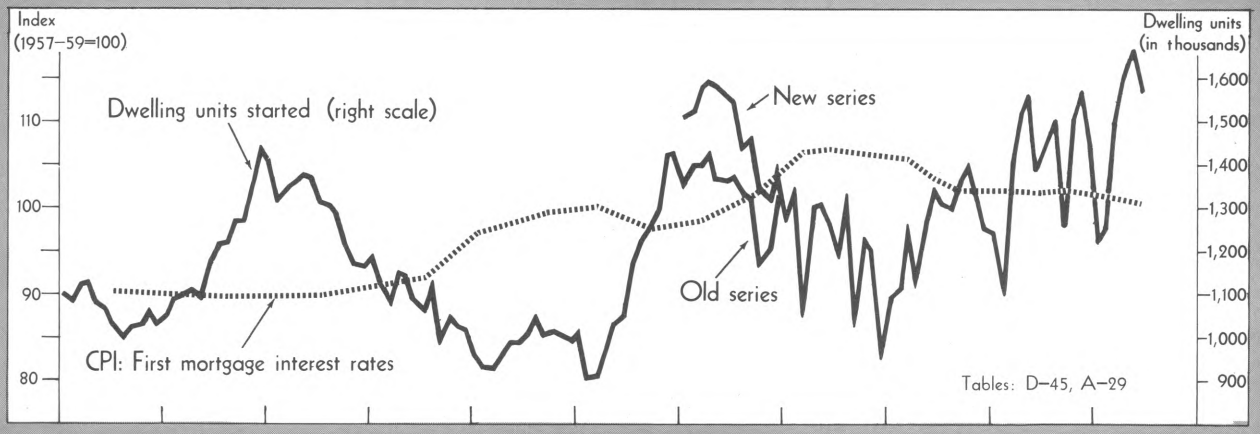


CHART 11: RENT, AND DWELLING UNITS STARTED IN 2-OR-MORE FAMILY STRUCTURES

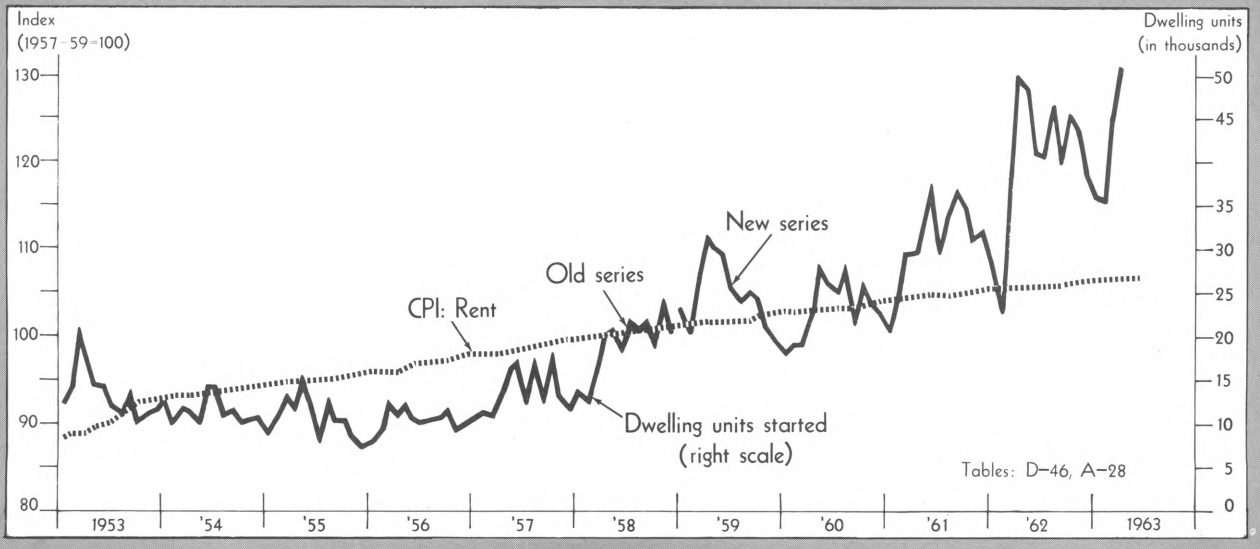


CHART 12: IRON AND STEEL: PRODUCTION, NEW ORDERS, HOURLY EARNINGS, AND WHOLESALE PRICES

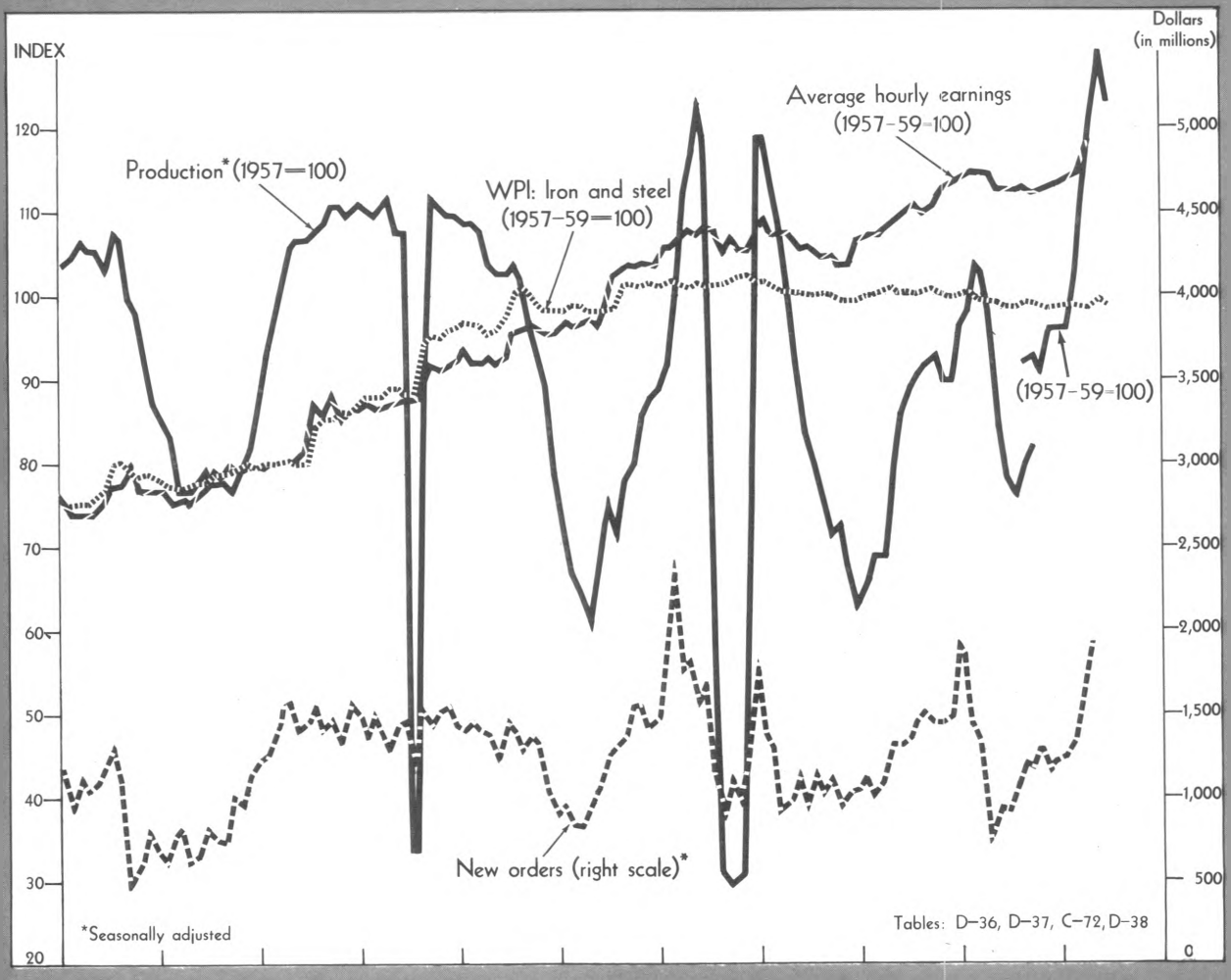


CHART 13: CONSUMER PRICES OF DURABLES, AND WHOLESALE PRICES OF RAW AND MANUFACTURED DURABLES

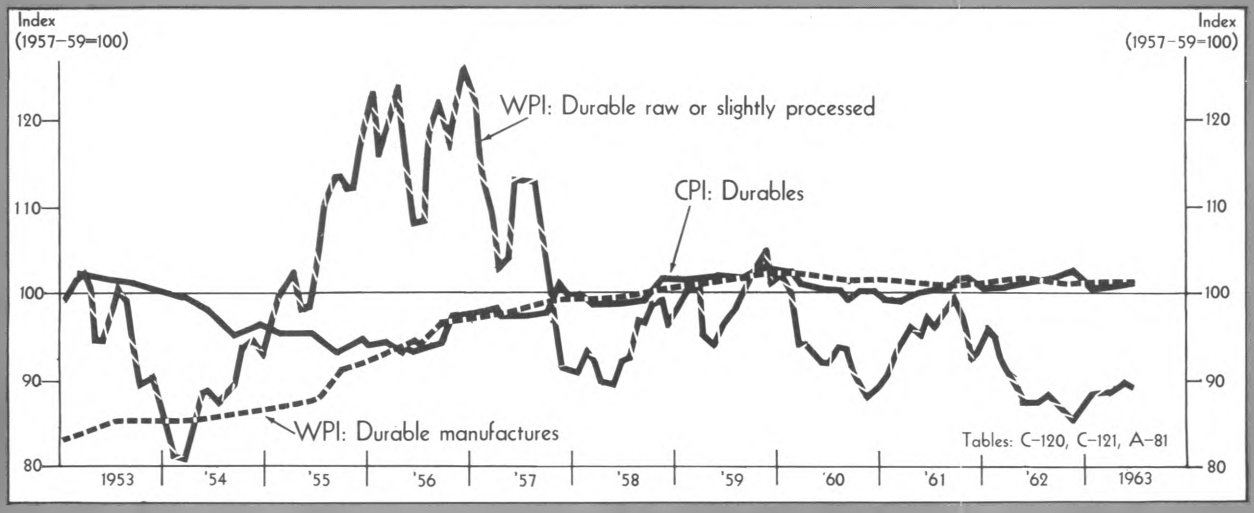


CHART 14: CONSUMER PRICES OF NEW CARS AND WHOLESALE PRICES OF FINISHED STEEL PRODUCTS

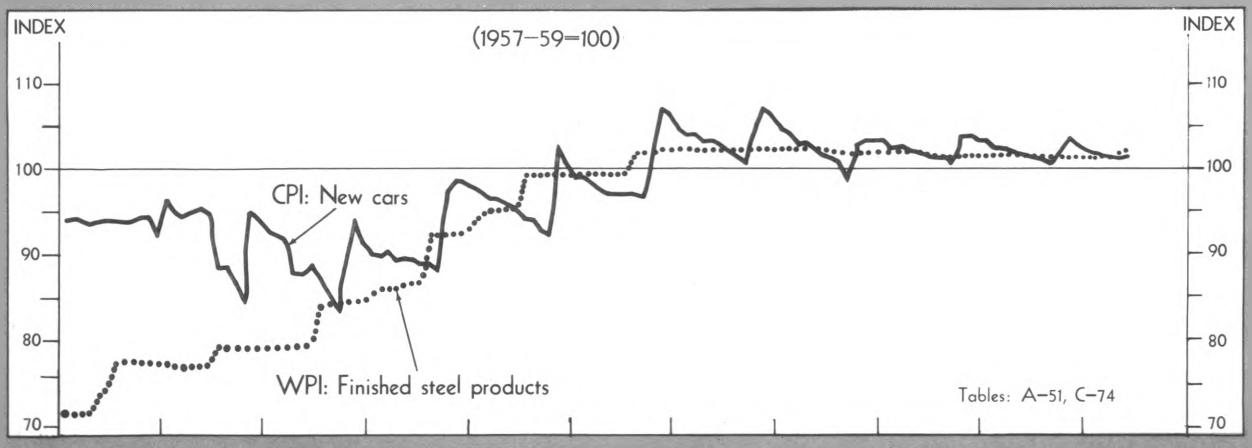


CHART 15: NEW CARS: DEALERS' INVENTORIES, ASSEMBLIES, AND WHOLESALE PRICES

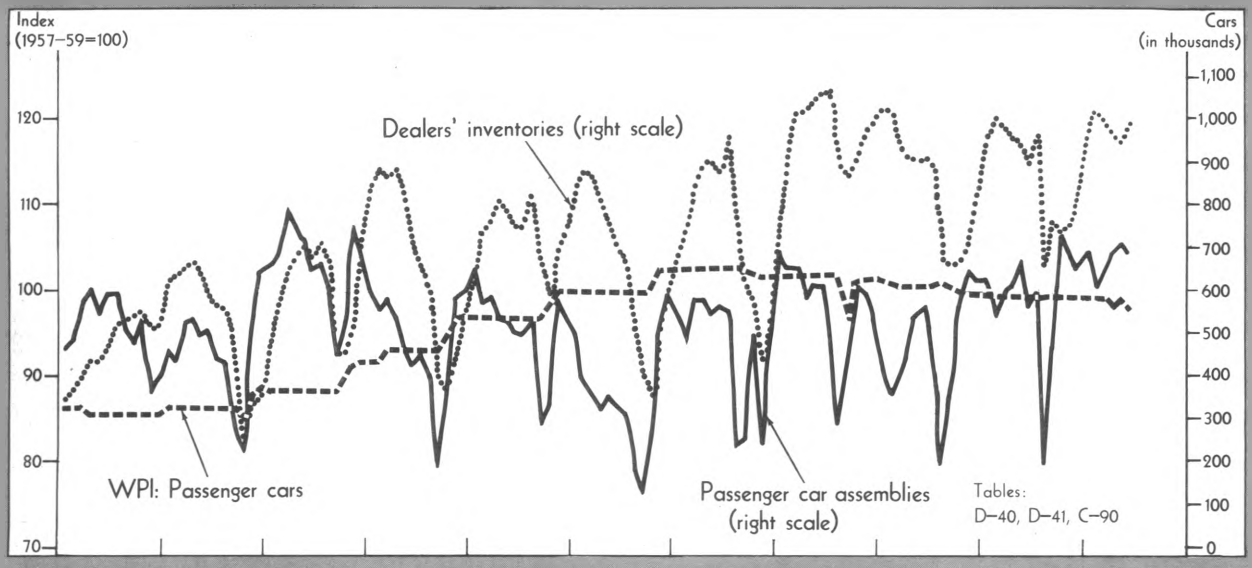


CHART 16: CONSUMER PRICES OF USED CARS AND FACTORY SALES OF NEW CARS

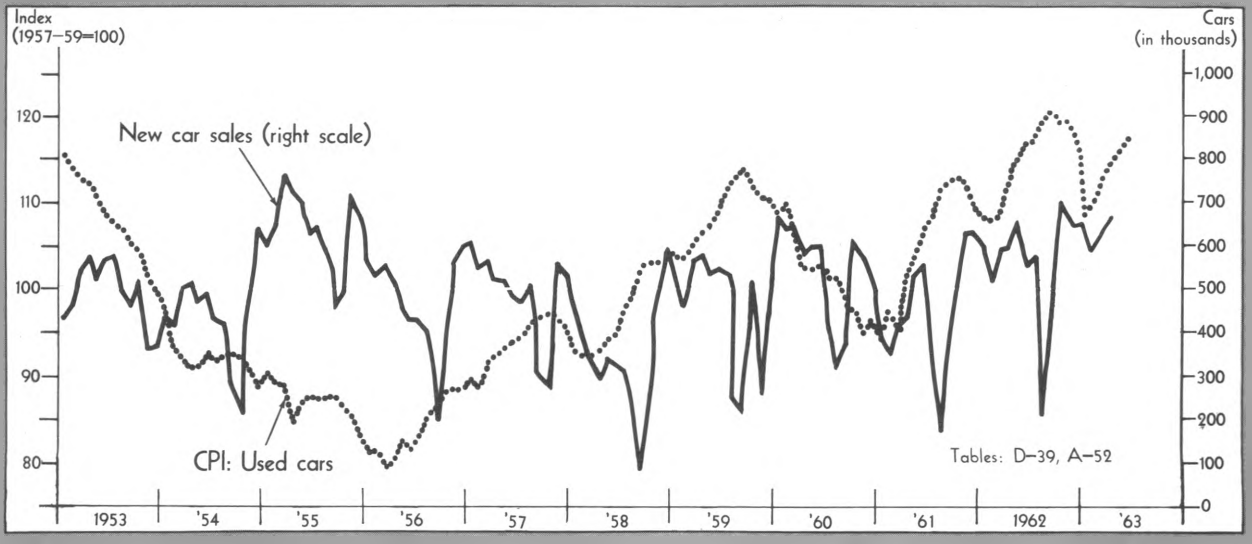
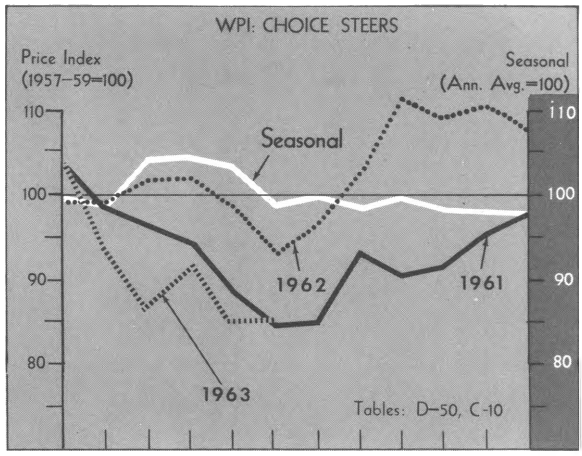
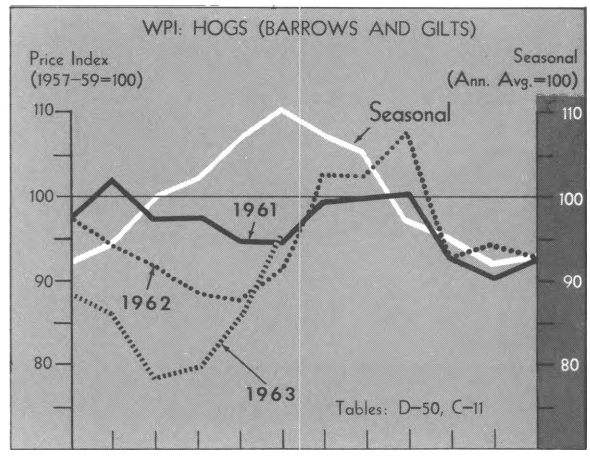
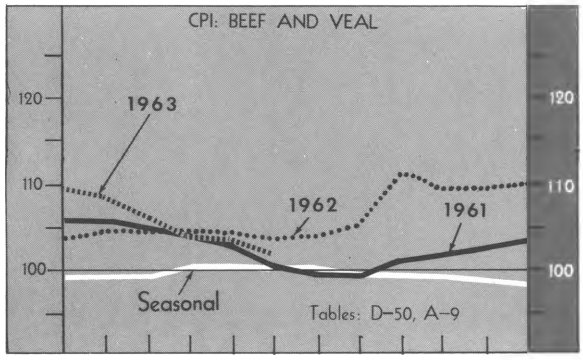
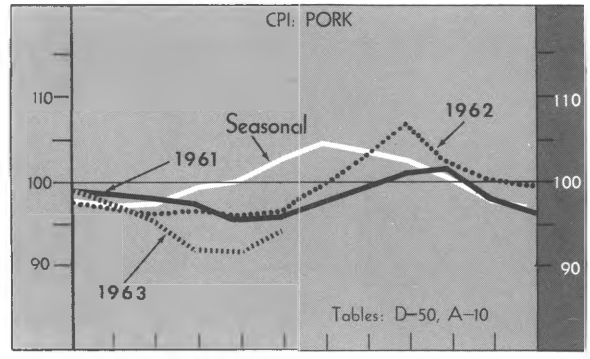


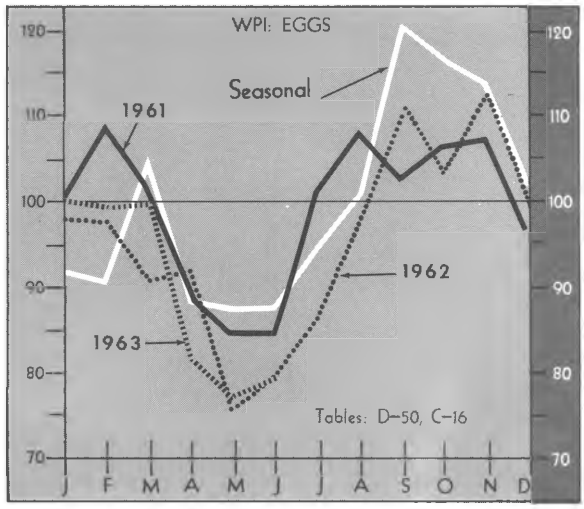
CHART 17: COMPARISON OF RECENT PRICES WITH THEIR SEASONAL TRENDS*

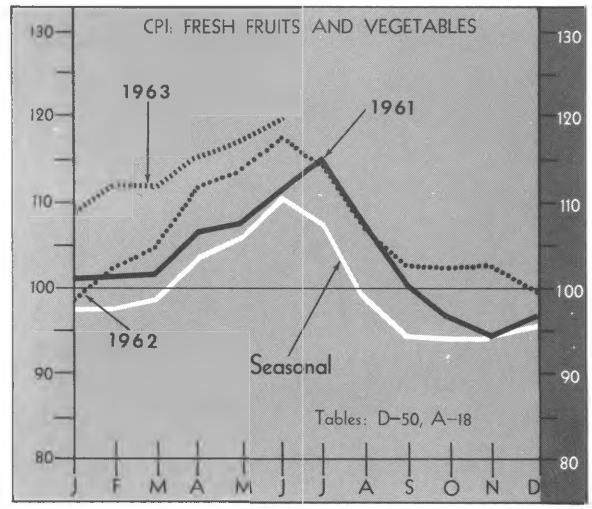












*The seasonal trends relate to the year 1960 and are based on a five-year weighted average which, for the CPI, includes data through November 1961 and for the WPI, includes data through June 1961.

(Reduced scale)

(1957-59=100)

CHART 18: FOOD AT HOME, AND FOOD AWAY FROM HOME

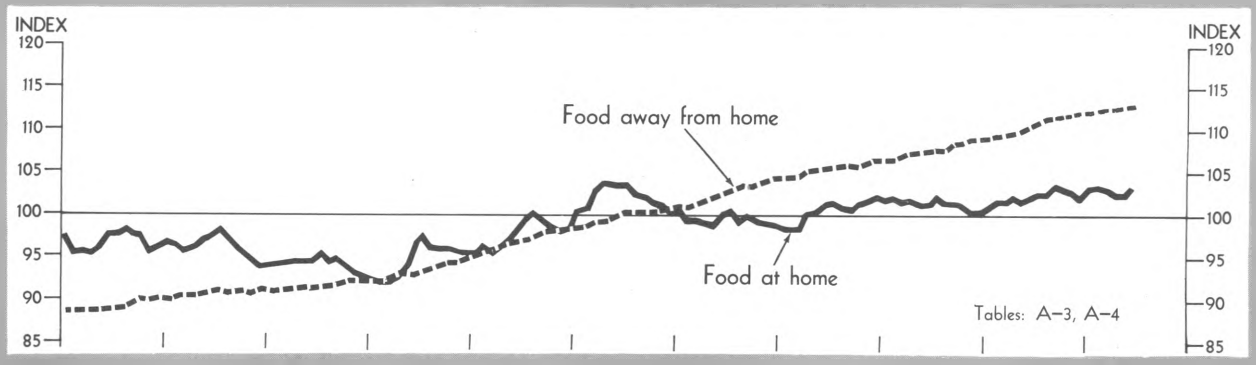


CHART 19: MEATS, POULTRY AND FISH

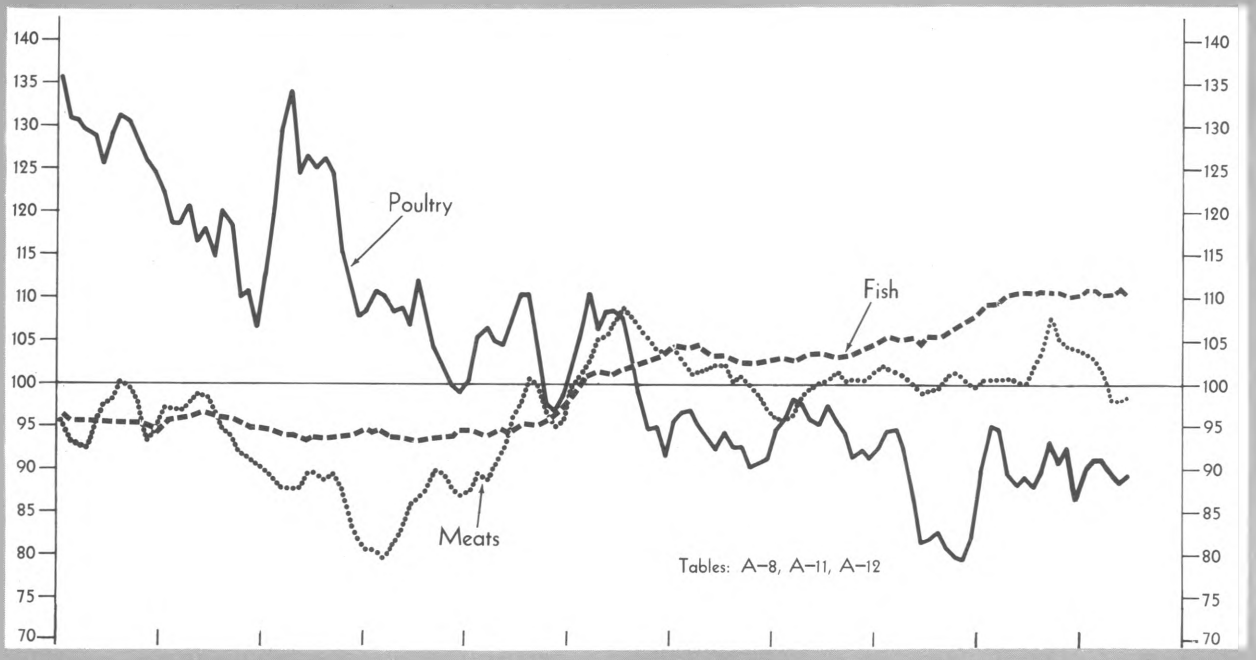
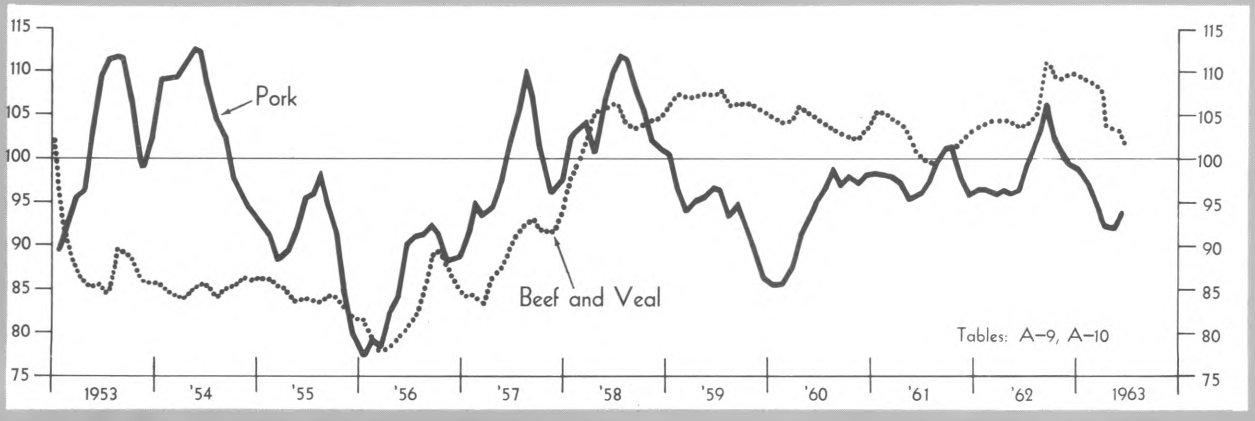


CHART 20: BEEF AND VEAL, AND PORK



(1957-59=100) (Reduced scale)

CHART 21: ALL FARM PRODUCTS, AND LIVESTOCK

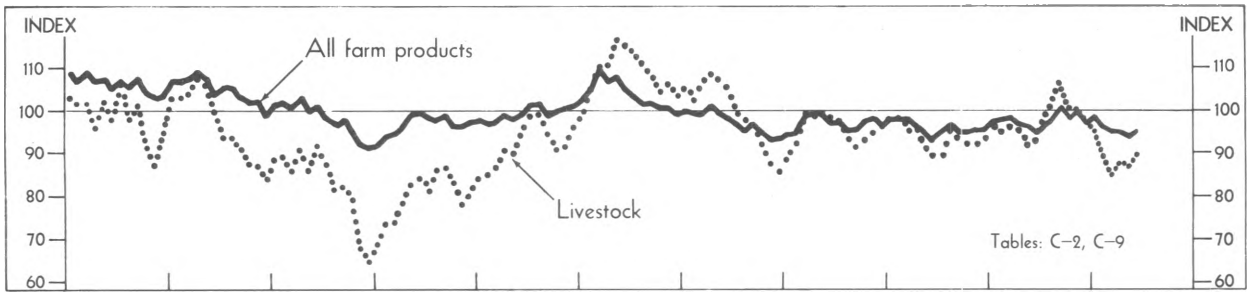


CHART 22: ALL PROCESSED FOODS, AND MEATS

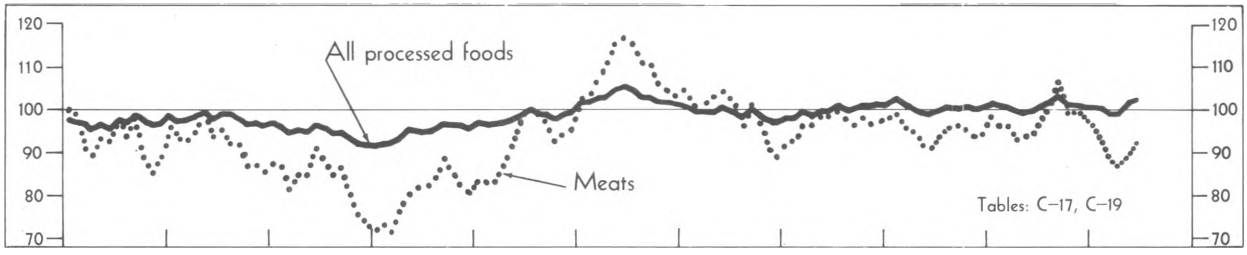


CHART 23: FRESH FRUITS, AND CANNED FRUITS AND JUICES

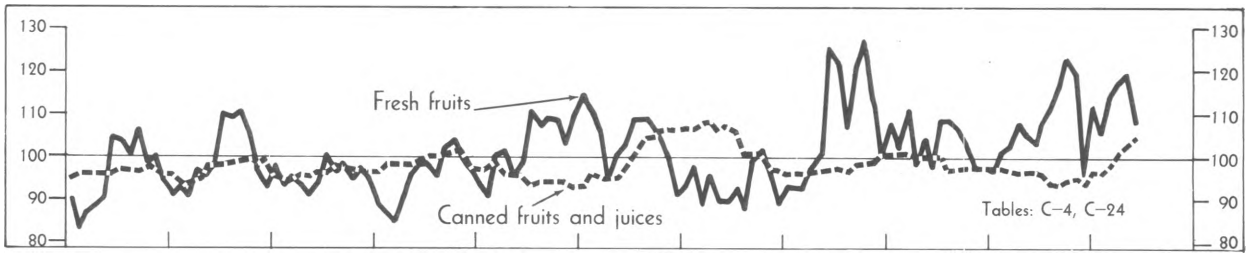
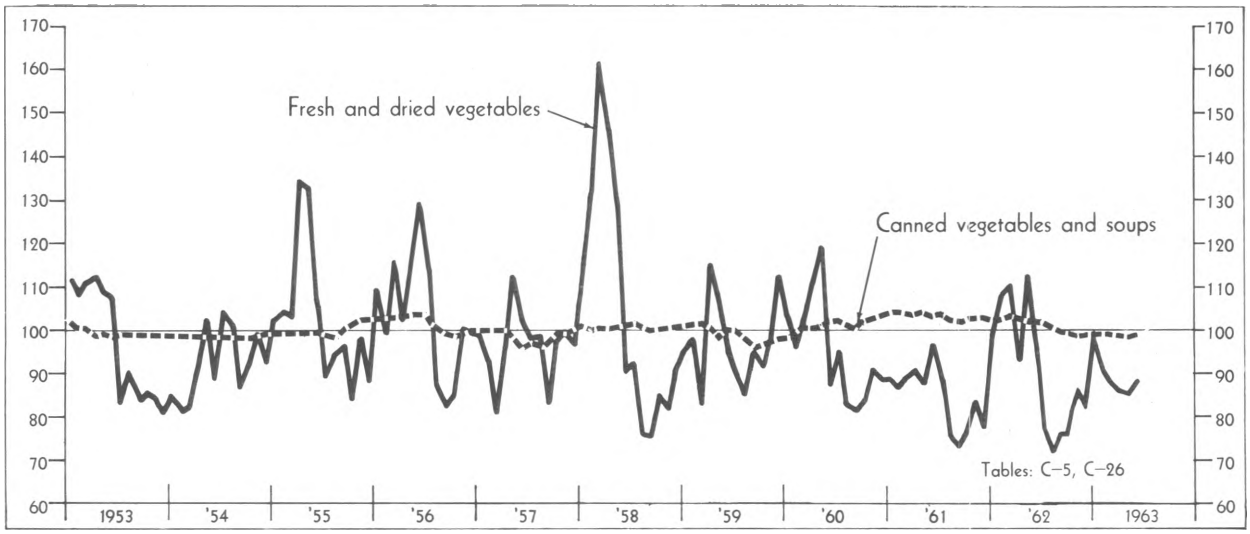


CHART 24: FRESH AND DRIED VEGETABLES, AND CANNED VEGETABLES AND SOUPS



(Reduced scale) (1957-59=100)

CHART 25: STEERS, AND HOGS

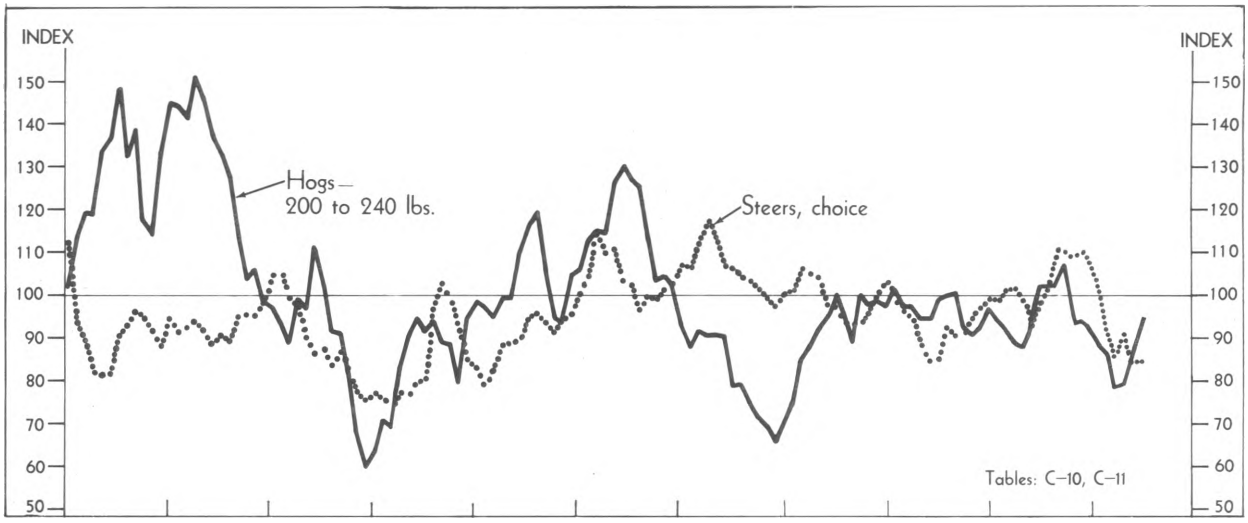


CHART 26: GRAINS, AND MANUFACTURED ANIMAL FEEDS

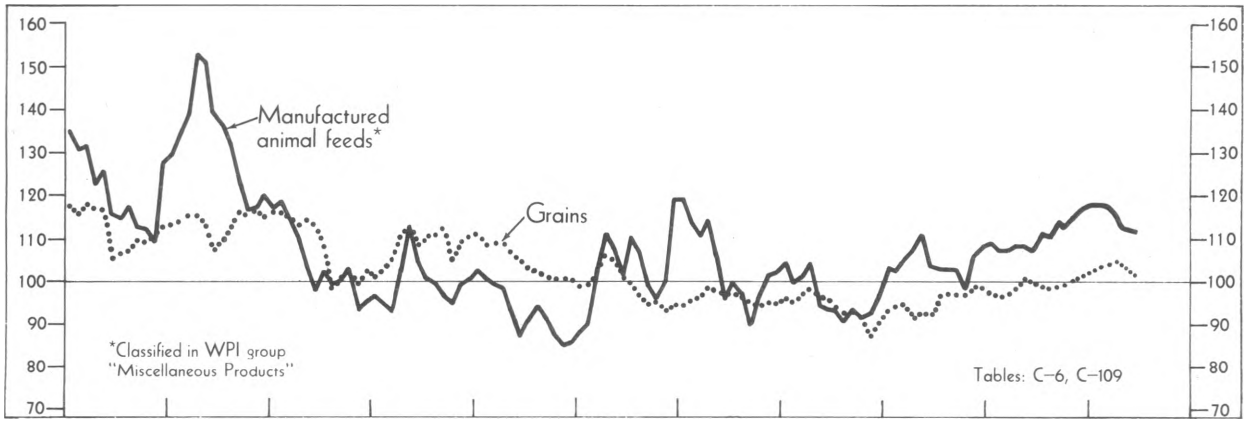


CHART 27: WHEAT, CORN, AND CEREAL AND BAKERY PRODUCTS

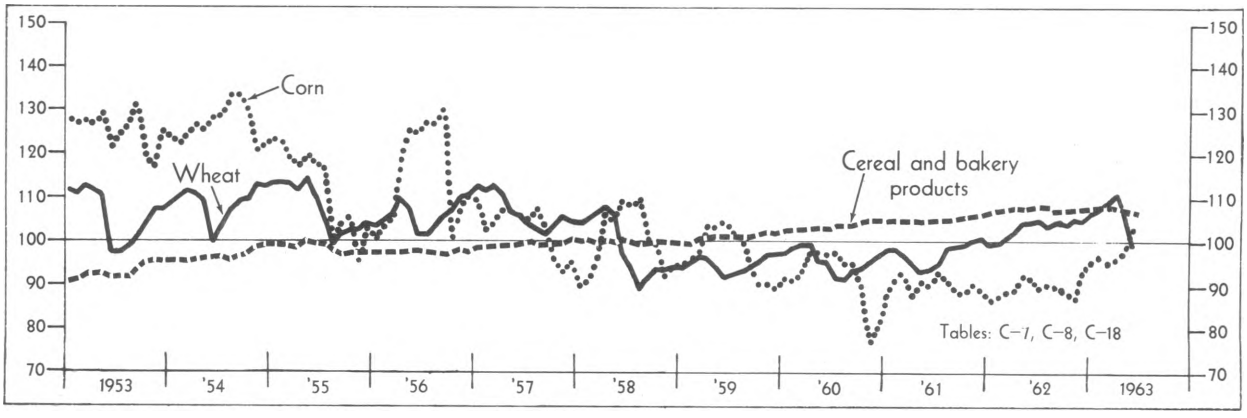


CHART 28: WHOLESALE PRICES OF STEERS, CONSUMER PRICES OF BEEF, AND CATTLE MARKETINGS

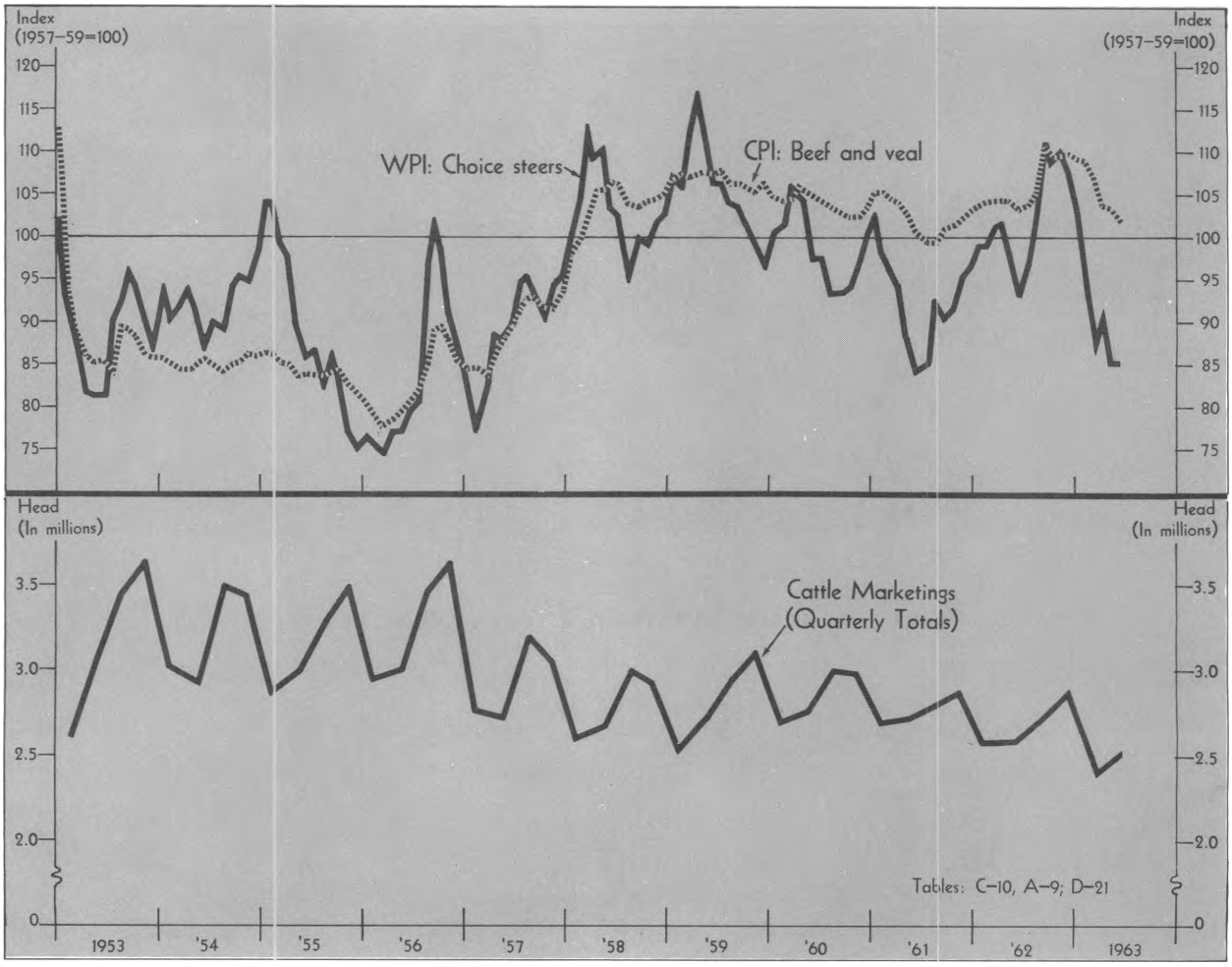


CHART 29: ANNUAL SUPPLY, PER CAPITA CONSUMPTION, AND CONSUMER PRICES OF BEEF AND MILK

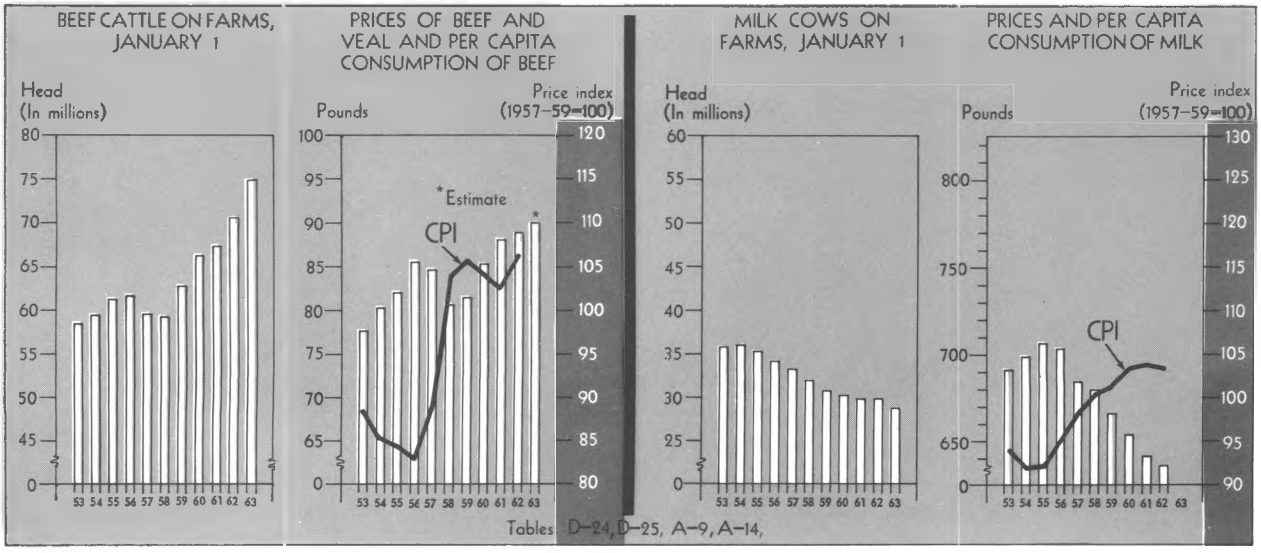


CHART 30: WHOLESALE PRICES OF HOGS, CONSUMER PRICES OF PORK, AND HOG MARKETINGS

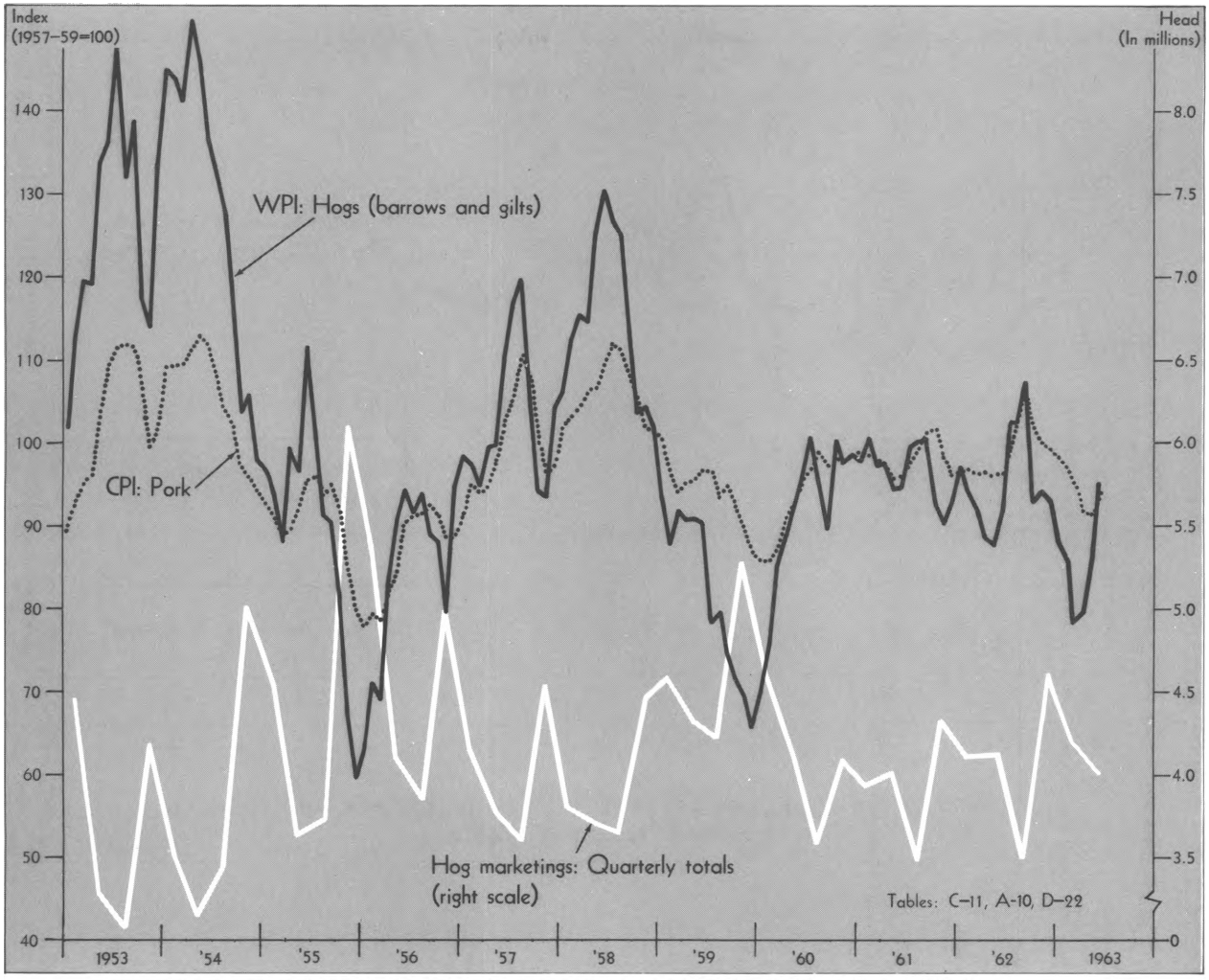
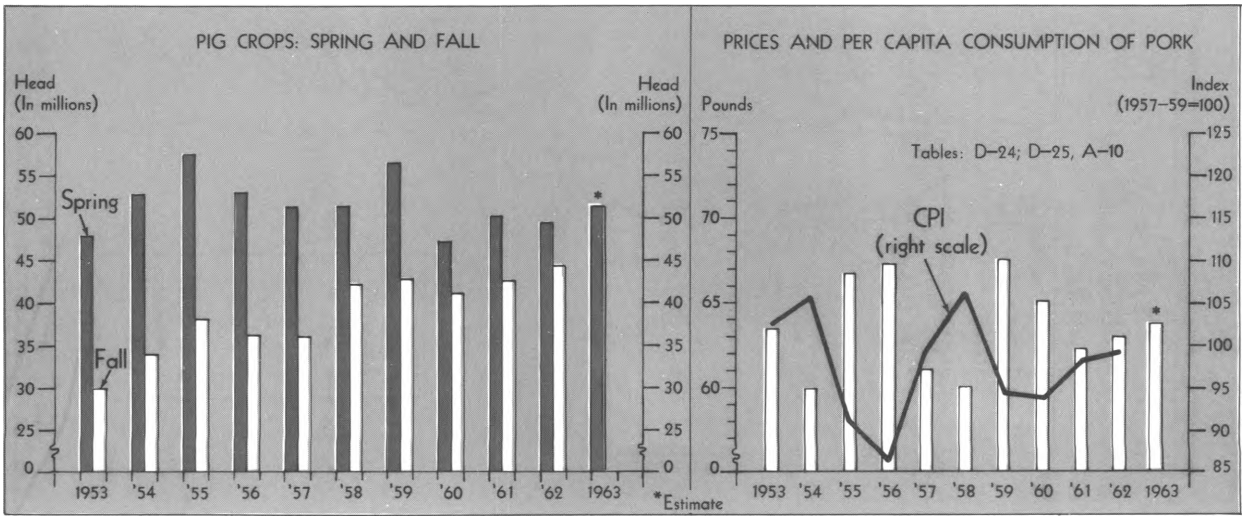


CHART 31: ANNUAL SUPPLY, PER CAPITA CONSUMPTION, AND CONSUMER PRICES FOR PORK



(1957-59=100)

CHART 32: MACHINERY AND MOTOR VEHICLES, METALS, AND FUEL AND POWER

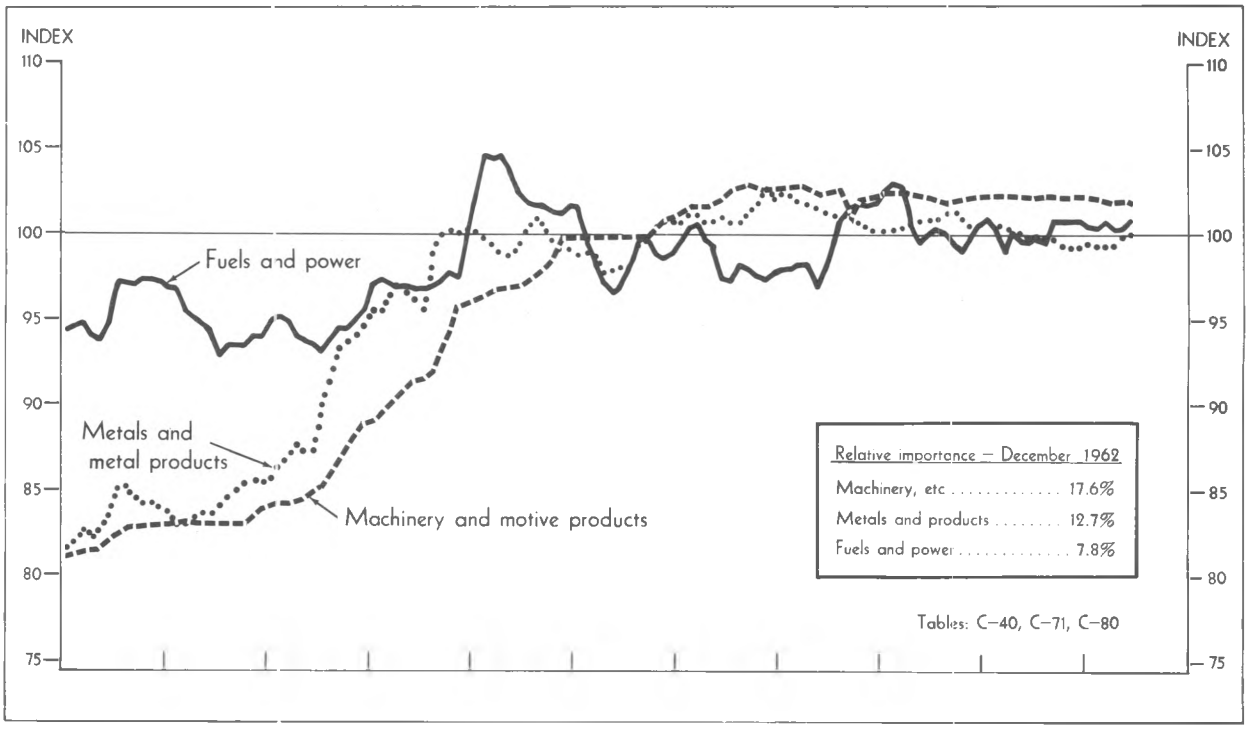
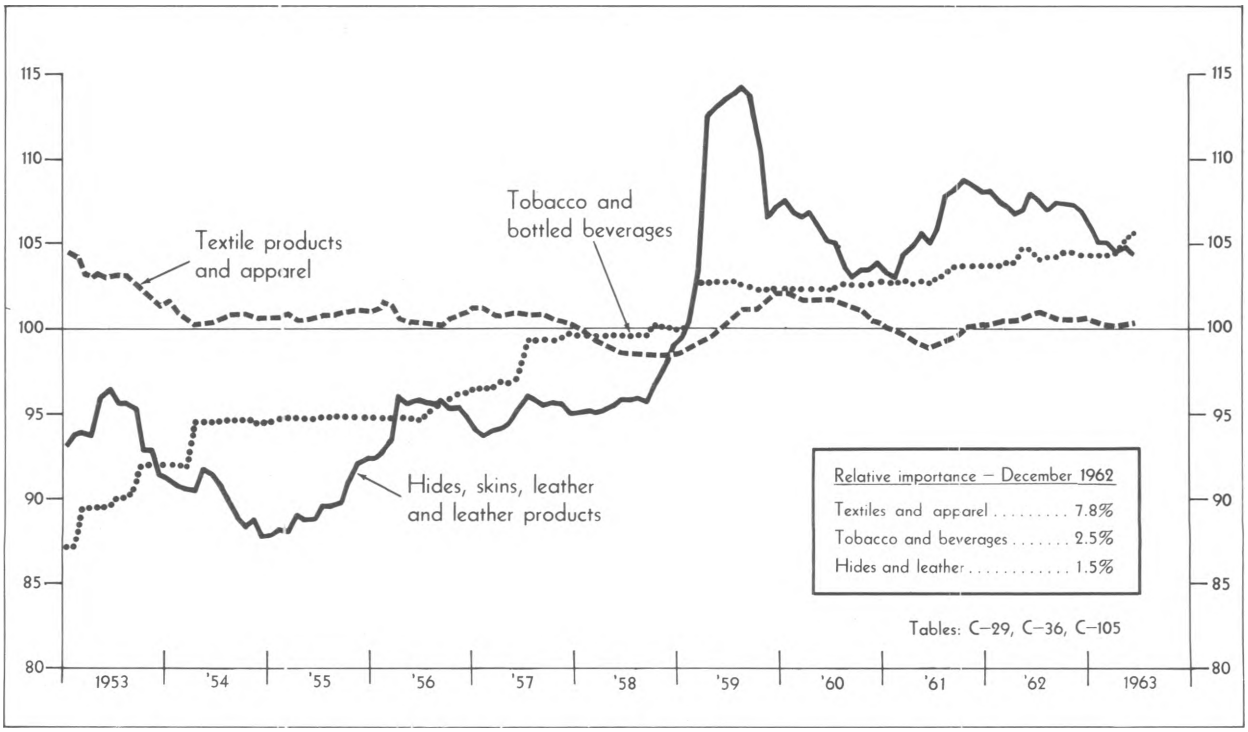


CHART 33: TEXTILES AND APPAREL, HIDES AND LEATHER, AND TOBACCO AND BOTTLED BEVERAGES



(1957-59=100)

CHART 34: CHEMICALS, NONMETALLIC MINERAL PRODUCTS, AND RUBBER

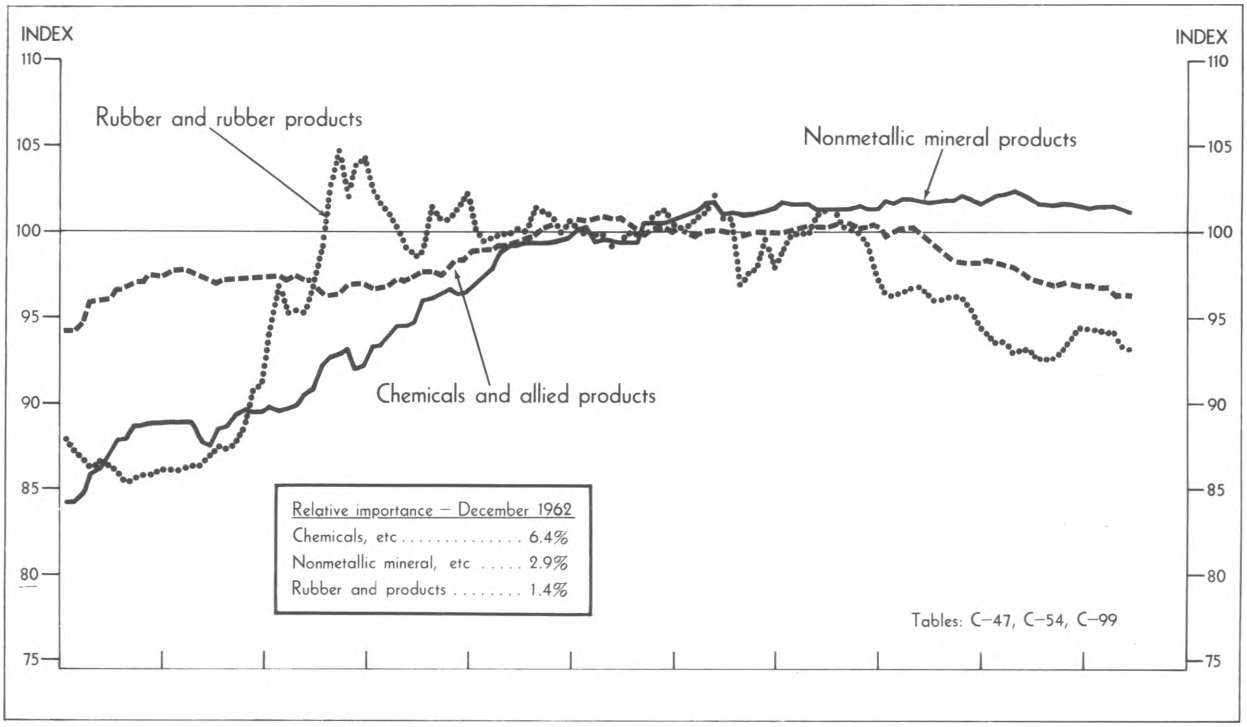
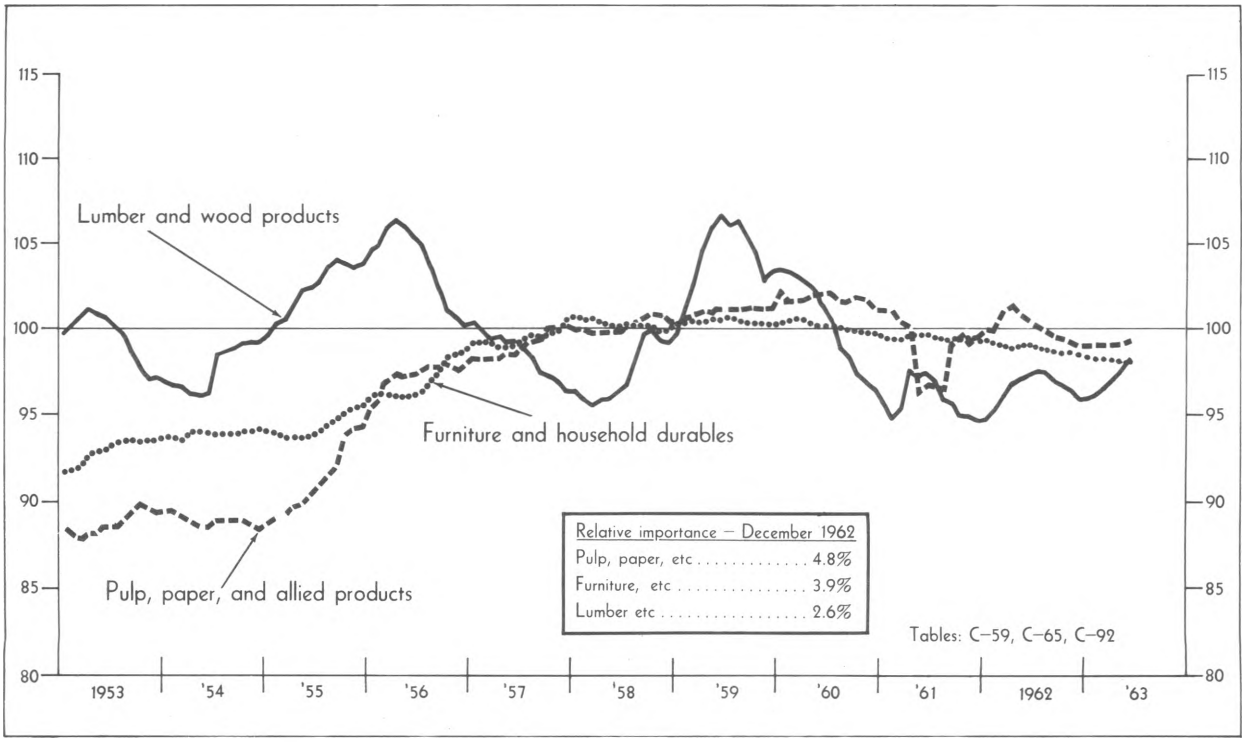
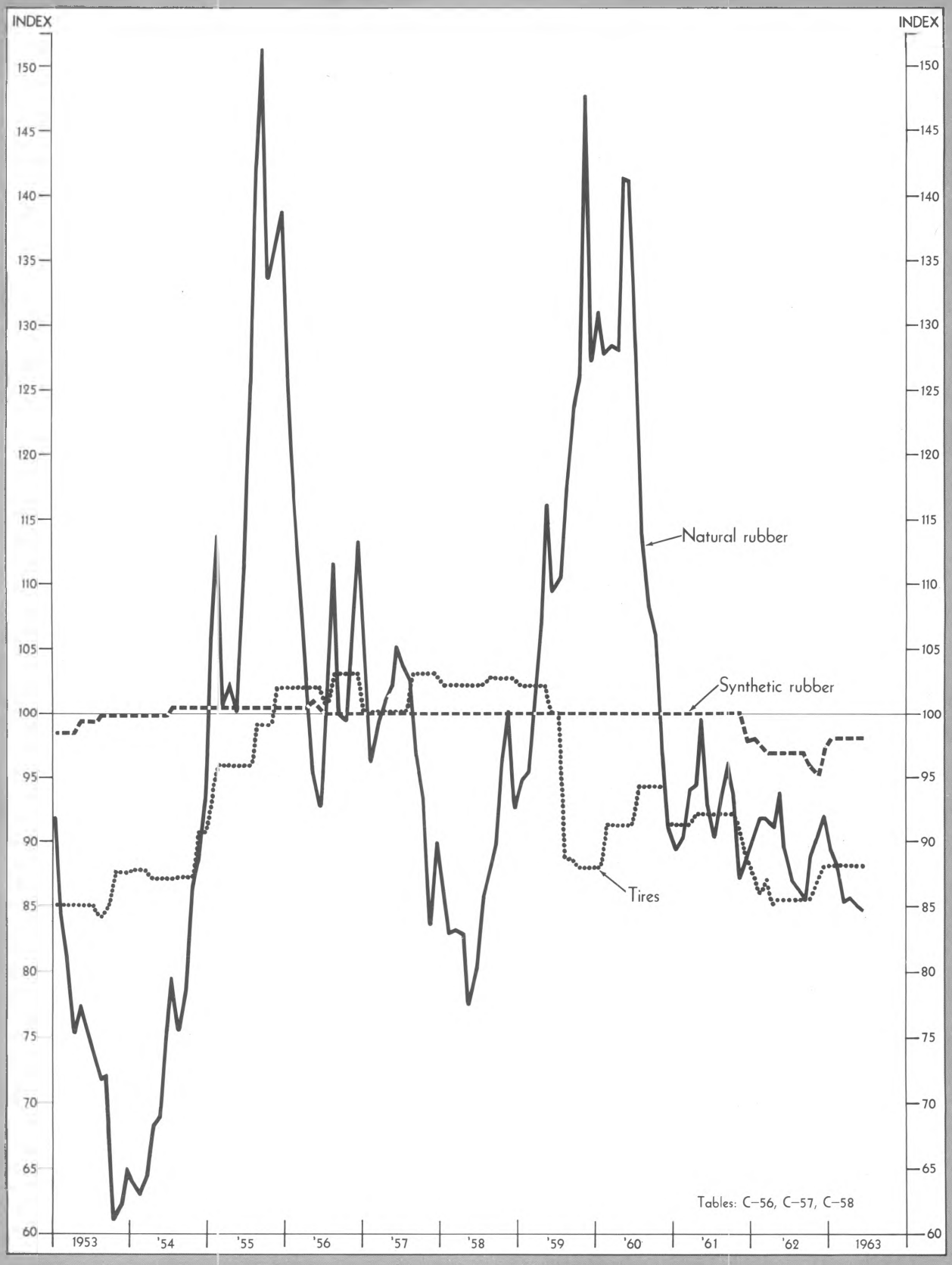


CHART 35: PAPER AND PRODUCTS, FURNITURE AND HOUSEHOLD DURABLES, AND LUMBER AND WOOD PRODUCTS



(1957-59=100)

CHART 36 : RUBBER: NATURAL, SYNTHETIC, AND TIRES



(1957-59=100)

CHART 37: ALL MACHINERY AND EQUIPMENT, AND ALL MOTOR VEHICLES

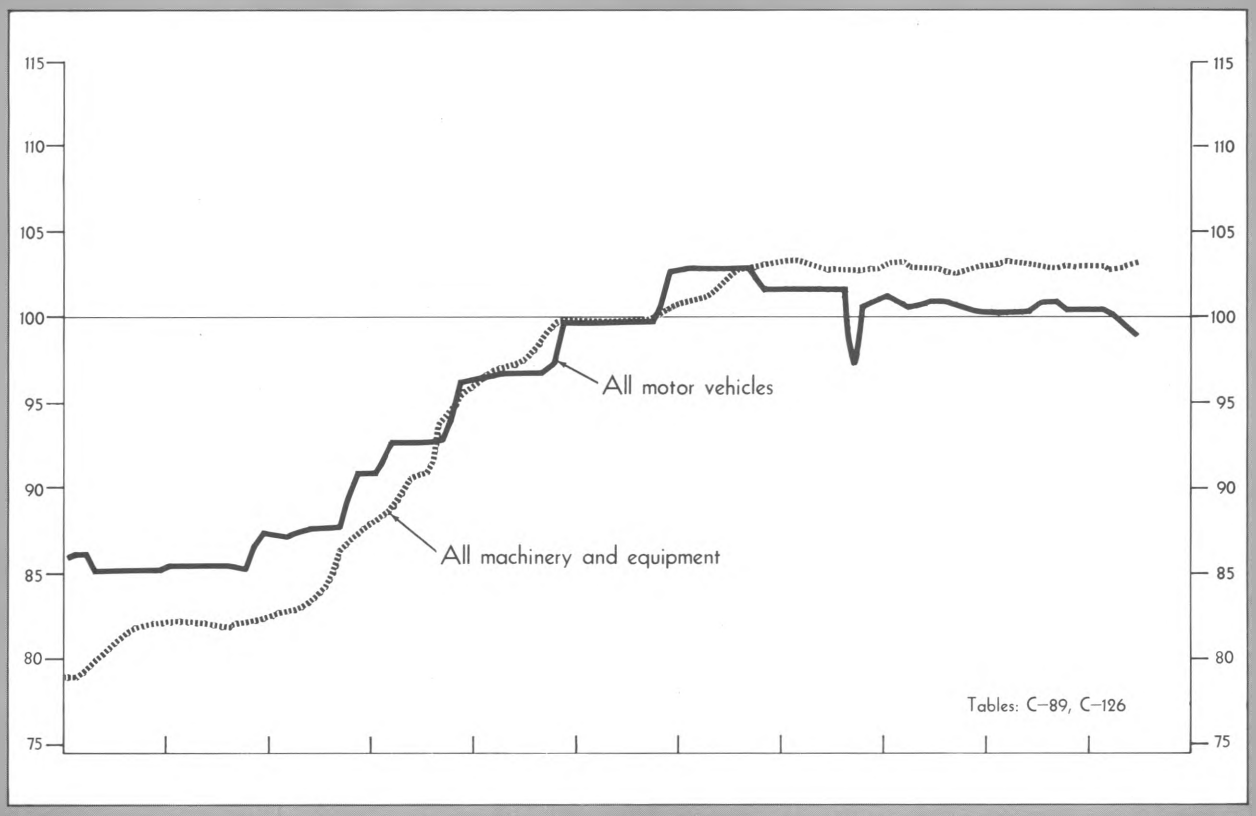
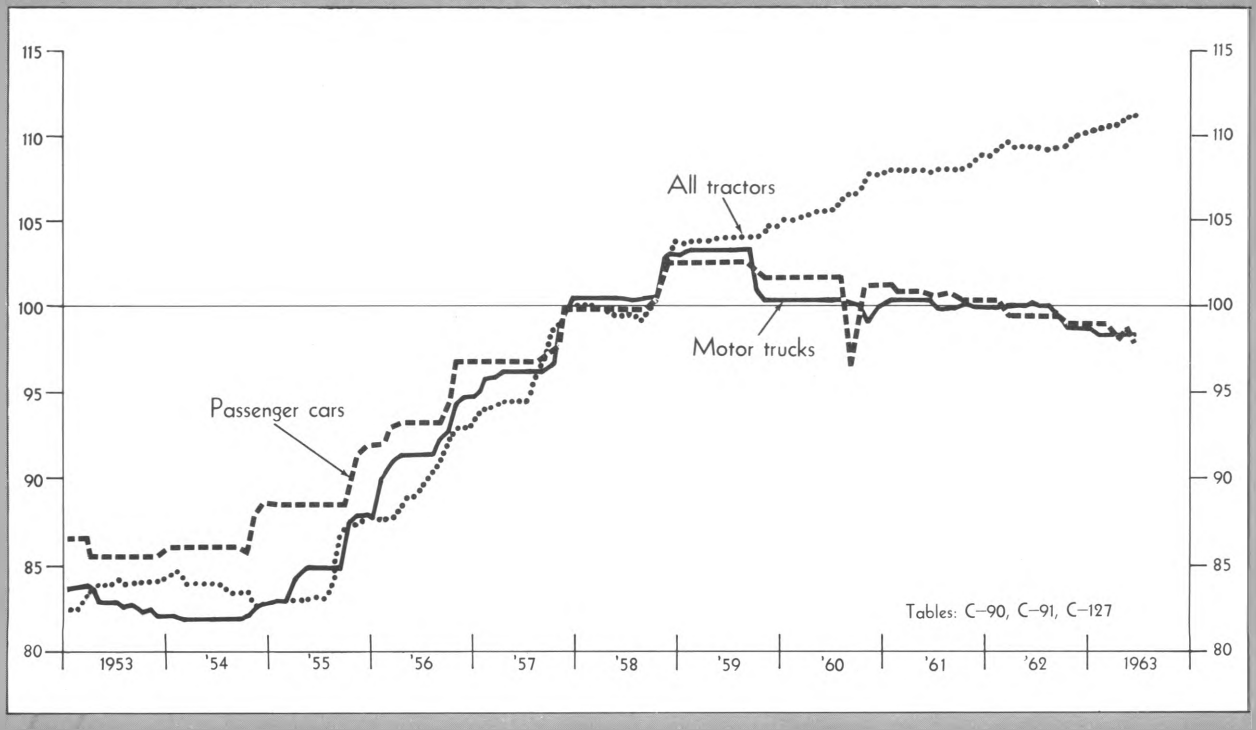
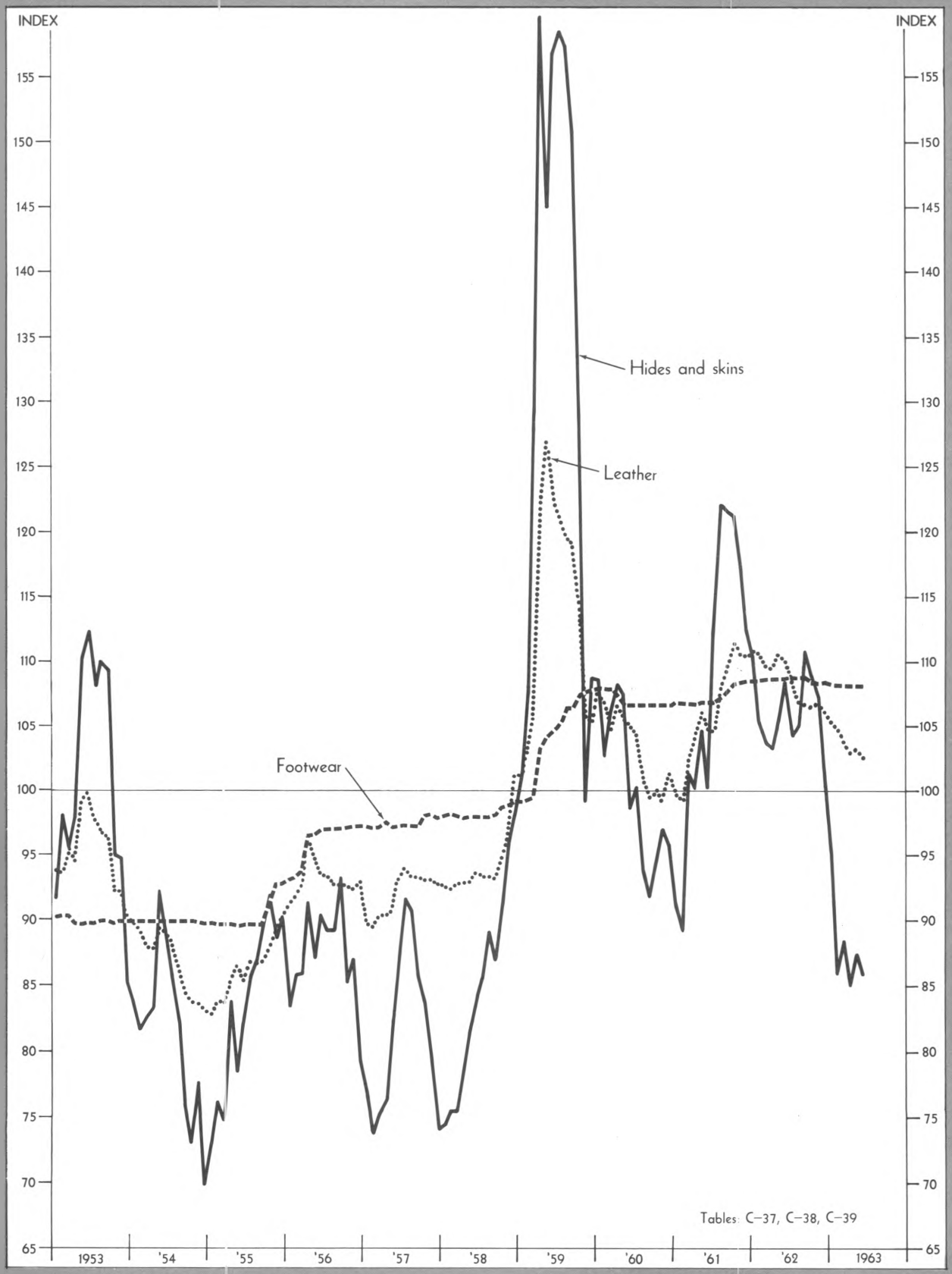


CHART 38: MOTOR TRUCKS, PASSENGER CARS,AND TRACTORS



(1957-59=100)

CHART 39: HIDES AND SKINS, LEATHER, AND FOOTWEAR



(1957-59=100)

CHART 40 : INDUSTRIAL CHEMICALS,AND DRUGS AND PHARMACEUTICALS

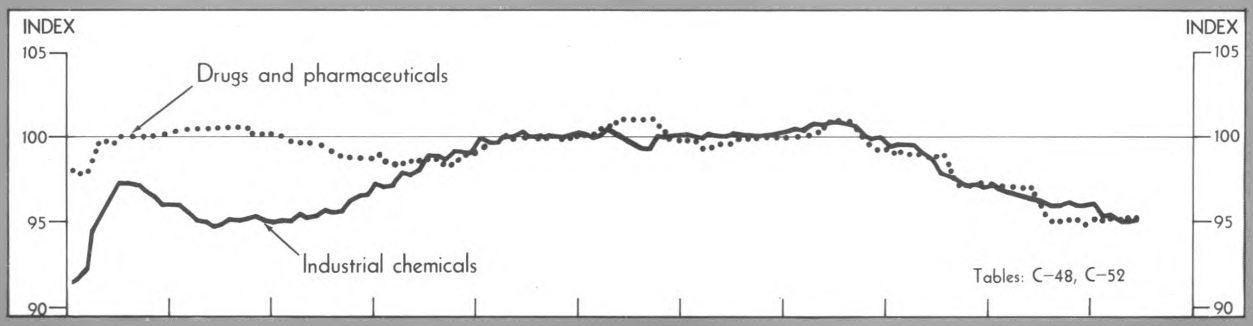


CHART 41 : INDUSTRIAL CHEMICALS: ORGANIC AND INORGANIC

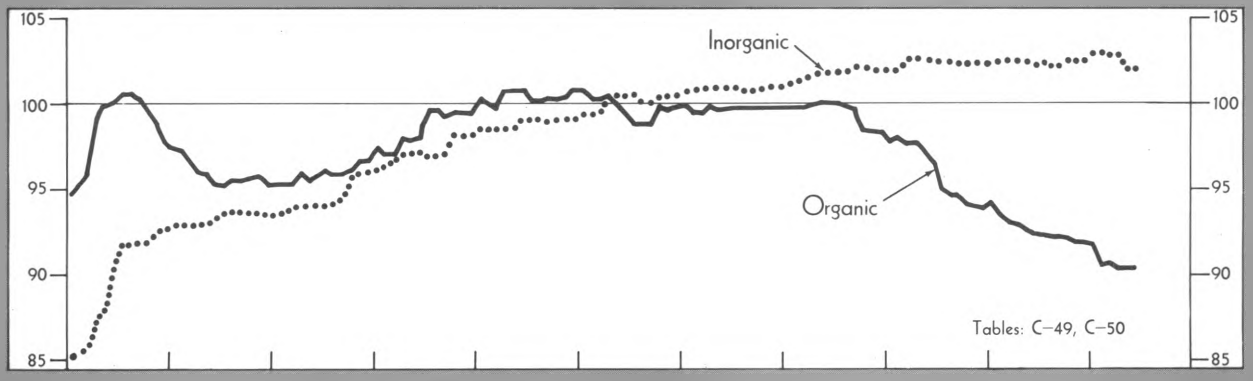
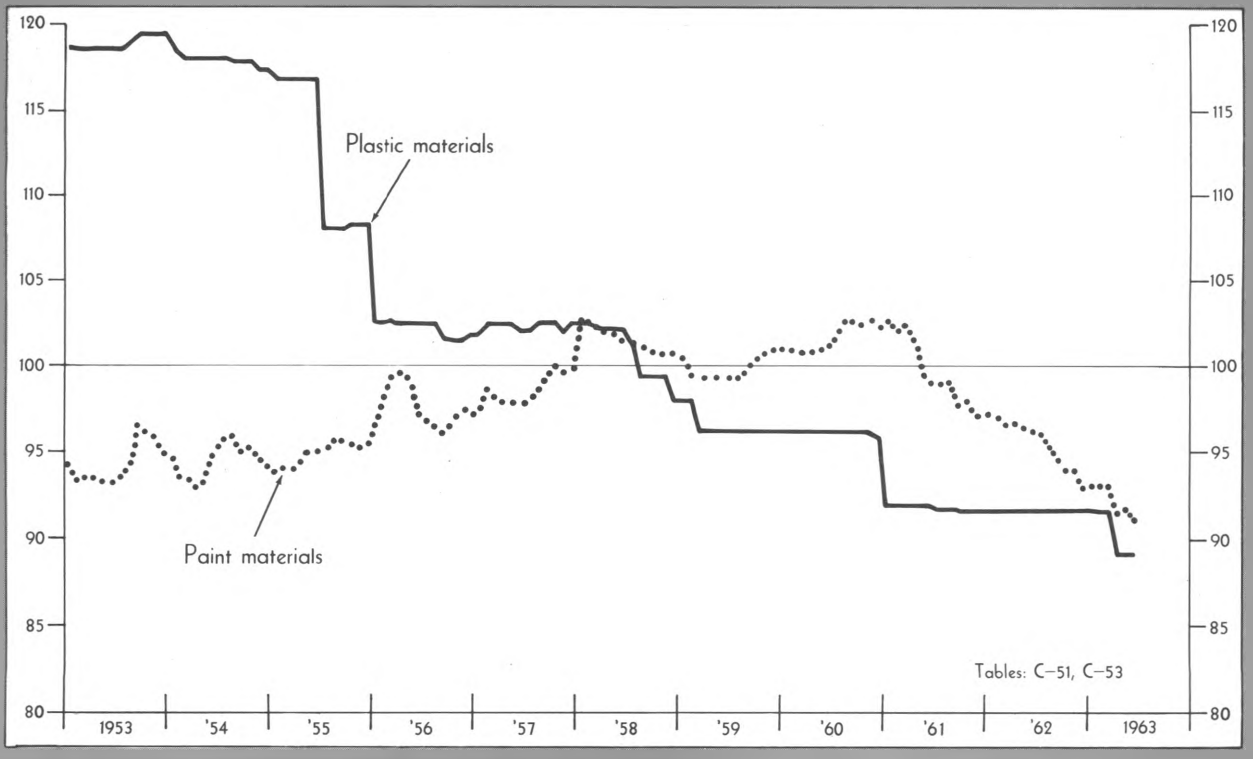


CHART 42: PLASTIC MATERIALS,AND PAINT MATERIALS



(1957-59=100)

CHART 43: ALL-ITEMS CPI

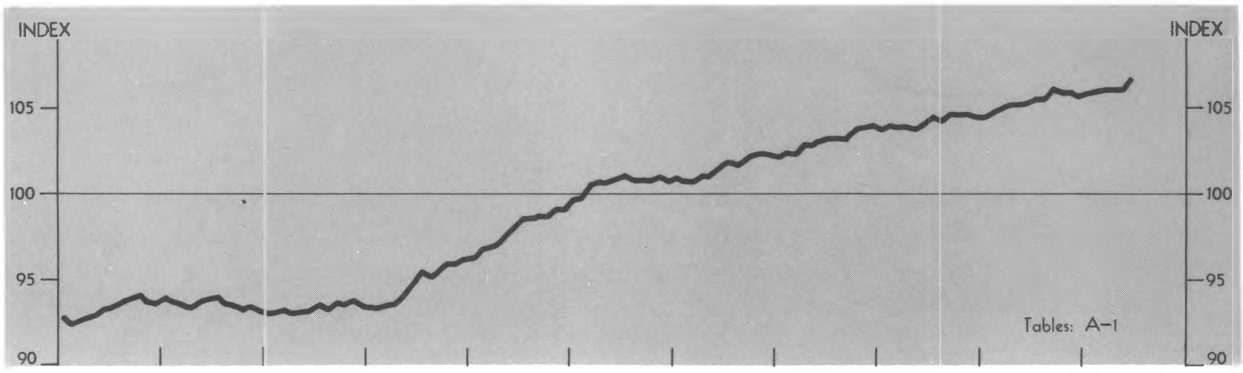


CHART 44: ALL SERVICES AND COMMODITIES

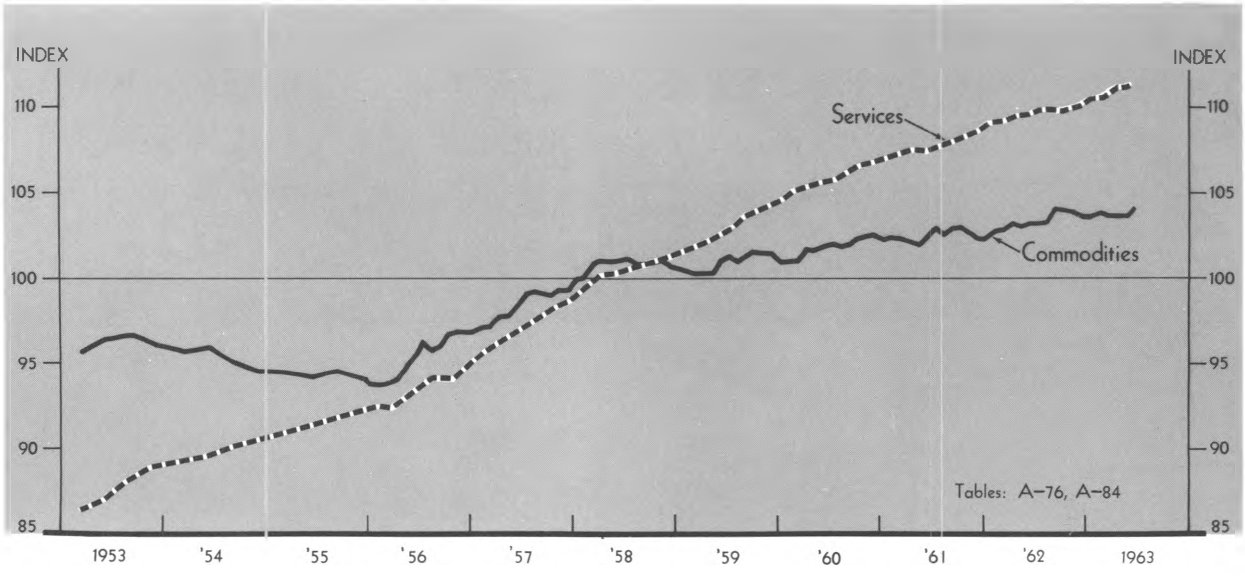
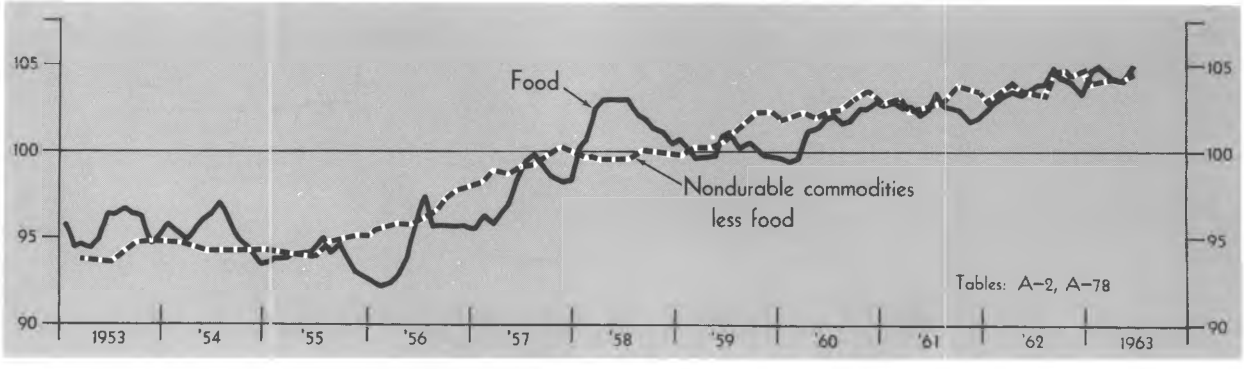


CHART 45: FOOD AND NONDURABLE COMMODITIES LESS FOOD



(1957-59=100)

CHART 46: NONDURABLES LESS FOOD, DURABLES, AND DURABLES LESS CARS

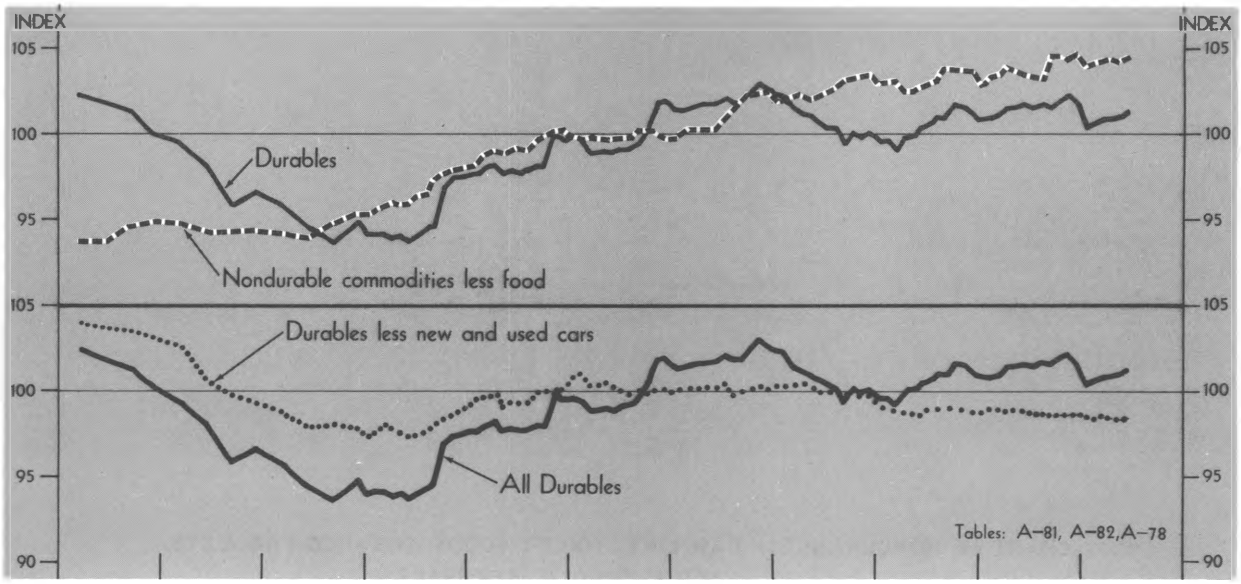
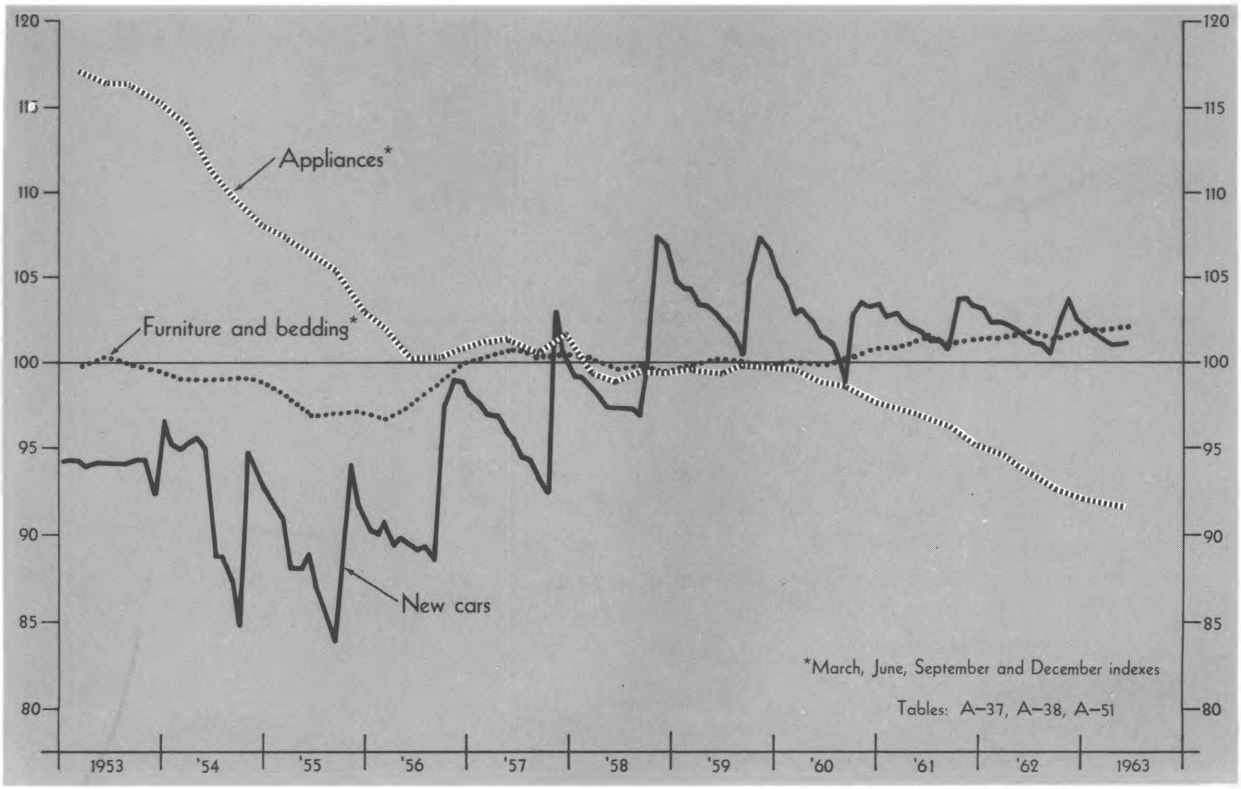


CHART 47: DURABLES: NEW CARS, APPLIANCES, AND FURNITURE AND BEDDING



(1957-59=100)

CHART 48: APPAREL, AND ALL NONDURABLES LESS FOOD AND APPAREL

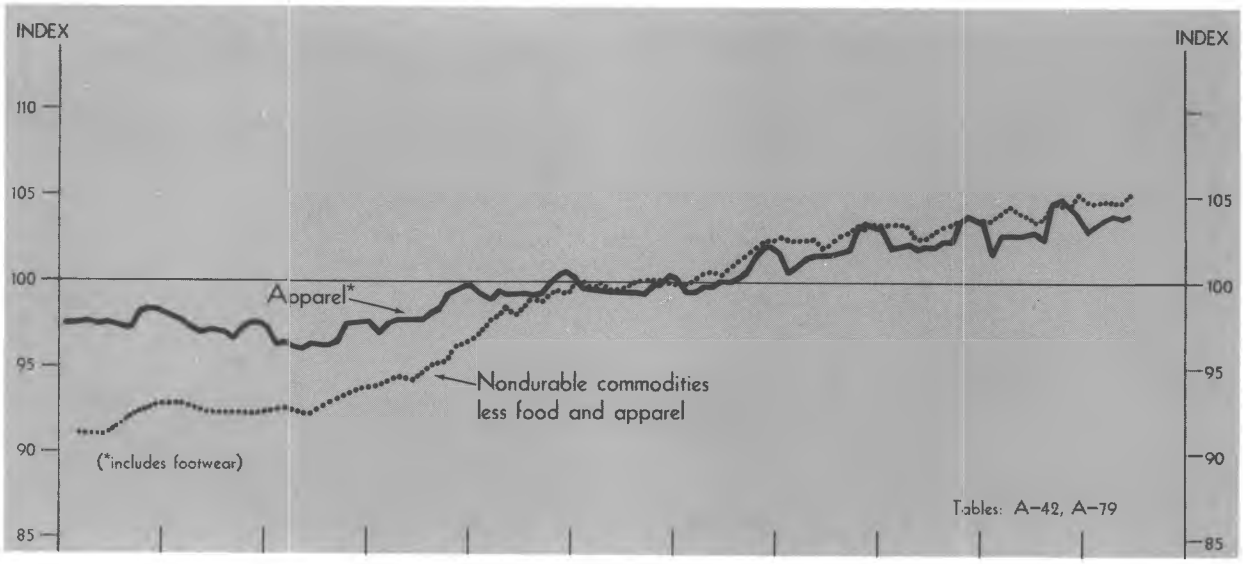
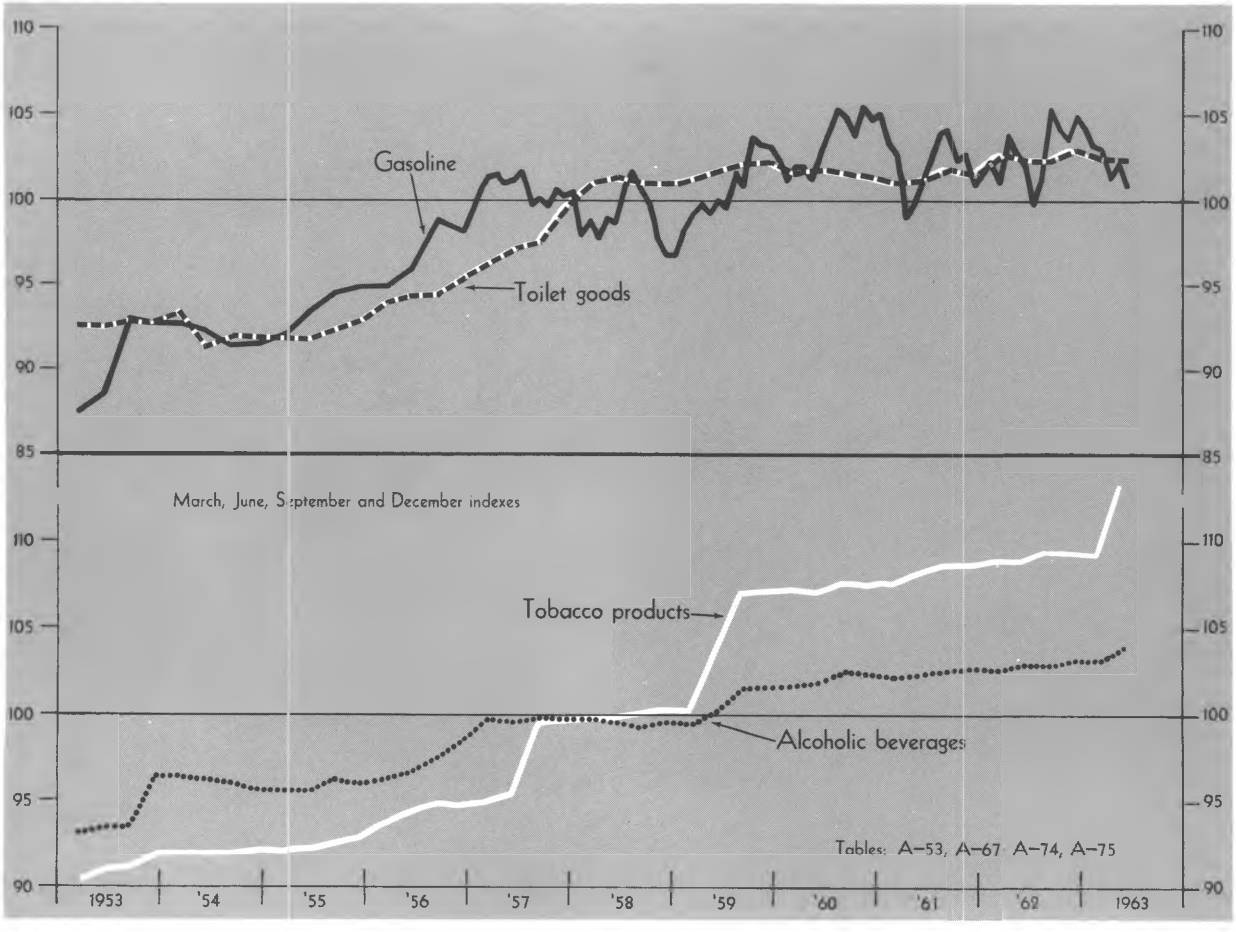


CHART 49: NONDURABLES: GASOLINE, TOILET GOODS, TOBACCO PRODUCTS, AND ALCOHOLIC BEVERAGES



(1957-59=100)

CHART 50: FOOD, HOUSING, AND TRANSPORTATION

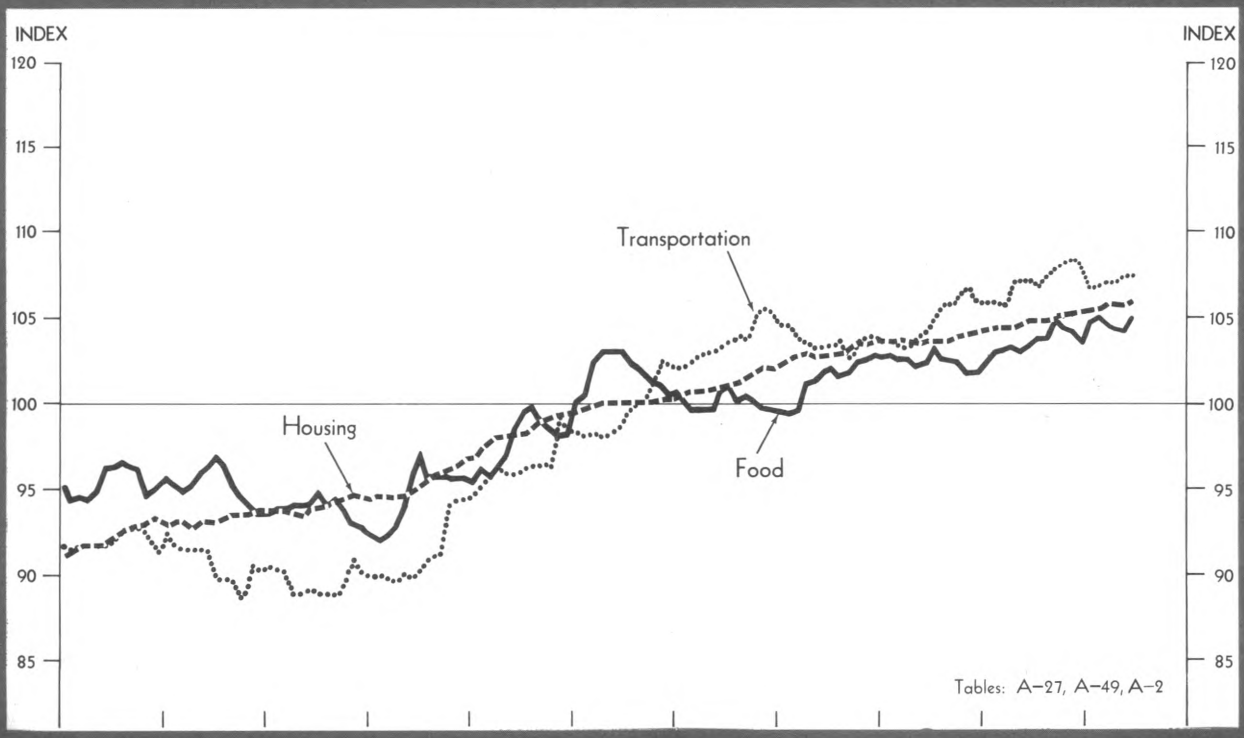
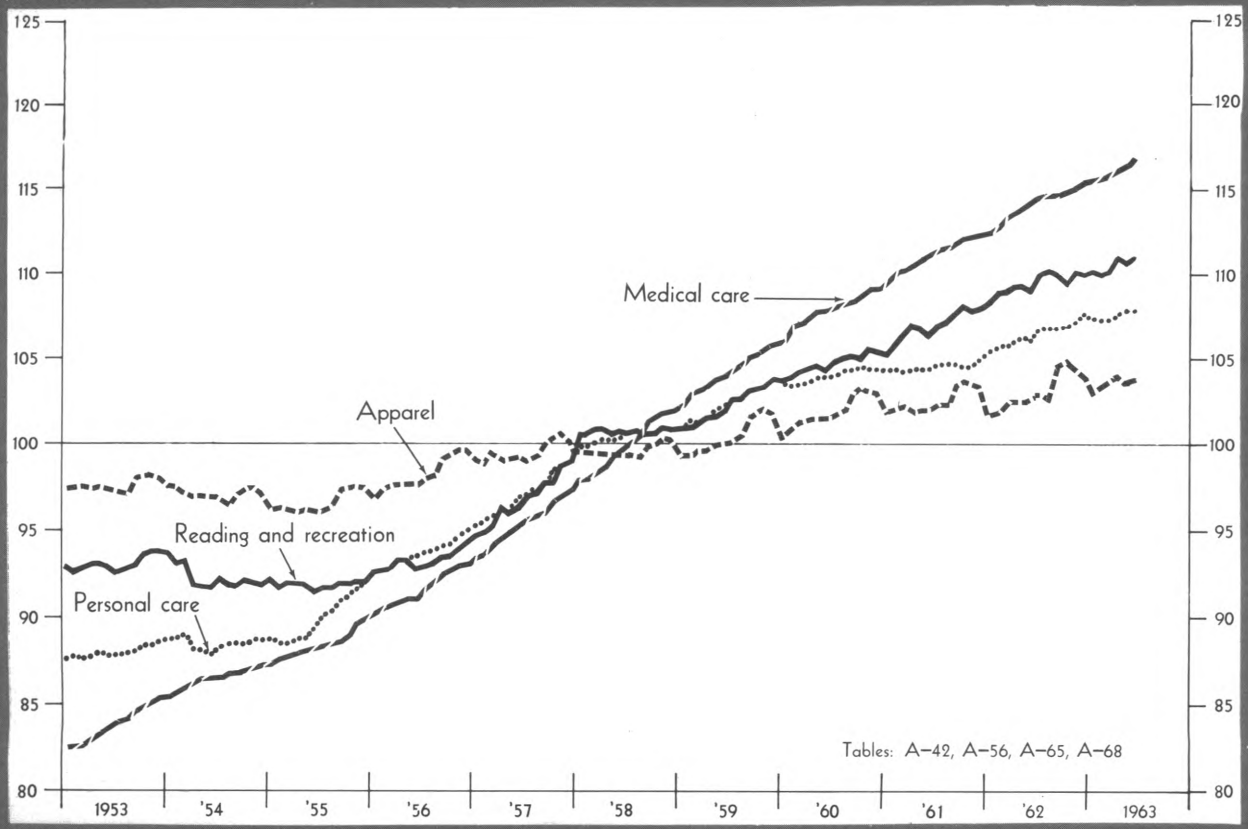


CHART 51: APPAREL, MEDICAL CARE, READING AND RECREATION, AND PERSONAL CARE



(1957-59=100)

CHART 52: ALL HOUSING, HOUSEHOLD OPERATION, AND HOUSEFURNISHINGS

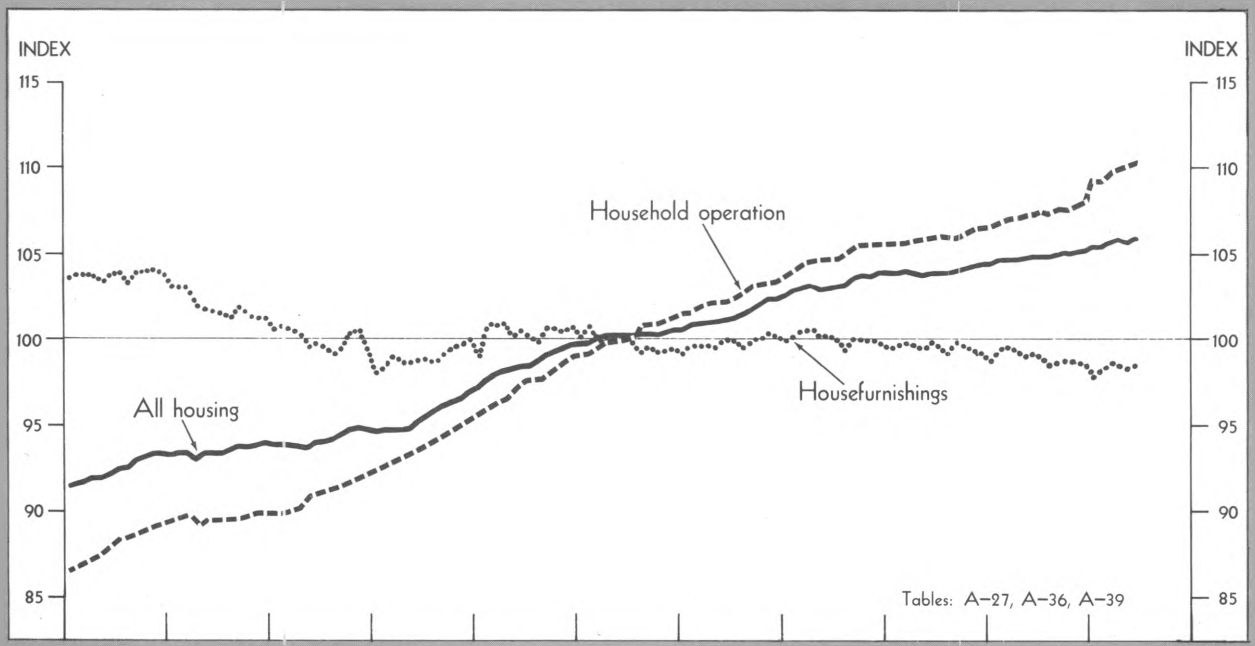
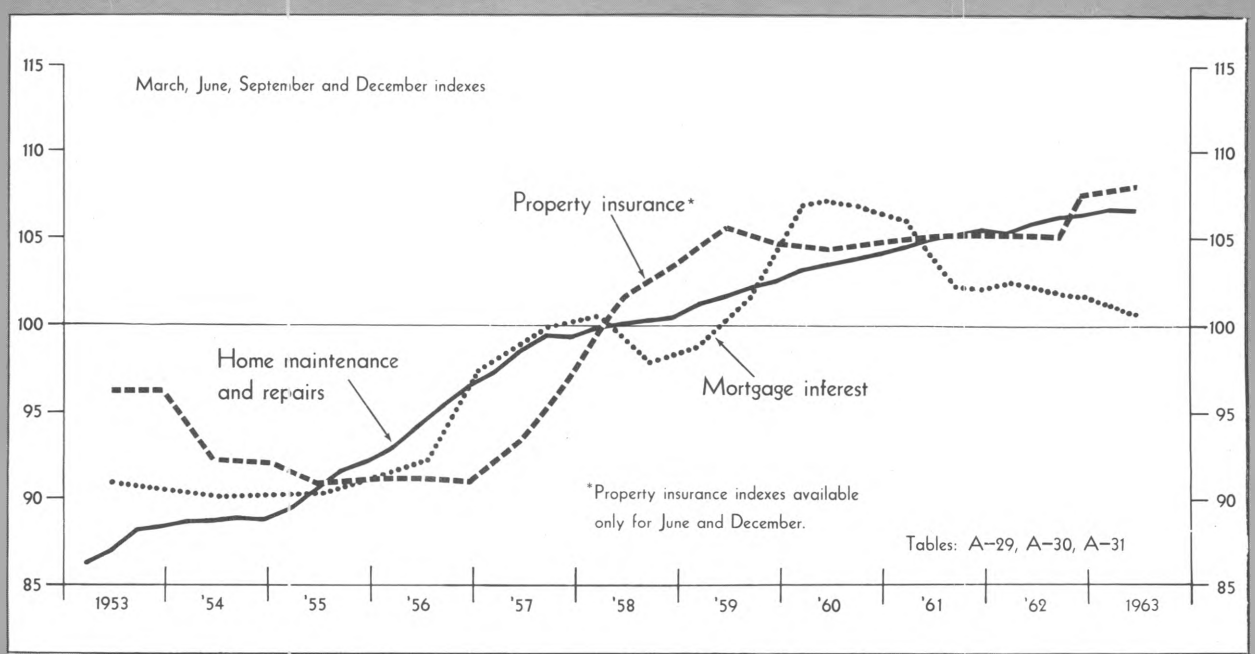


CHART 53: SELECTED HOME-OWNER COSTS: FIRST MORTGAGE INTEREST RATES, PROPERTY INSURANCE RATES, AND HOME MAINTENANCE AND REPAIRS



(1957-59=100)

CHART 54: ALL APPAREL, AND FOOTWEAR

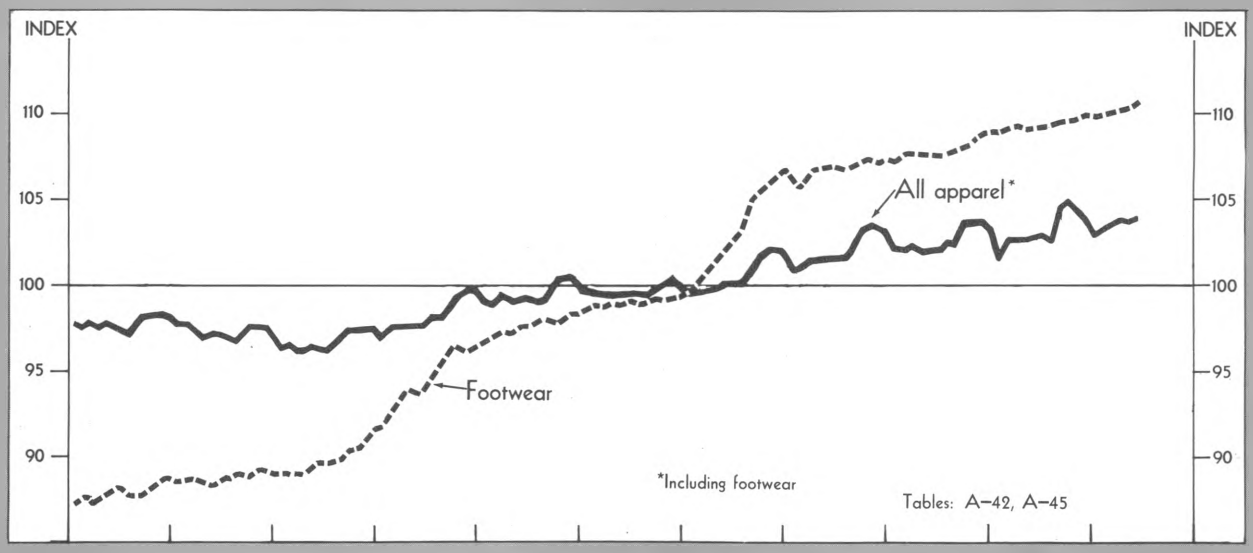


CHART 55: MEN'S AND BOYS' APPAREL, AND WOMEN'S AND GIRLS' APPAREL

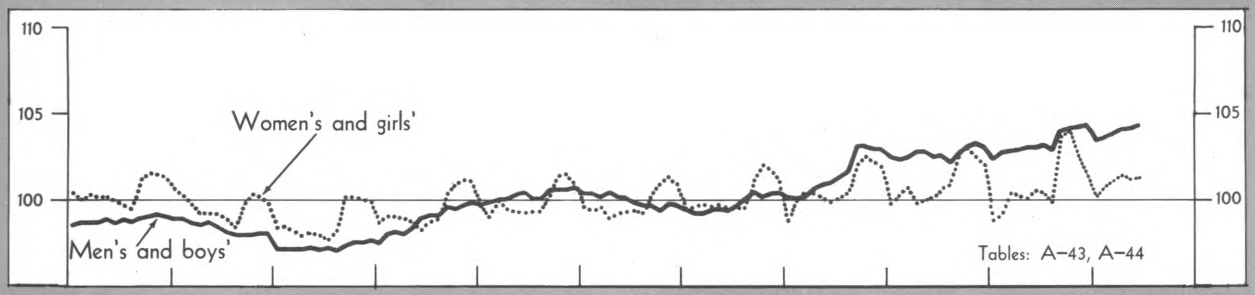
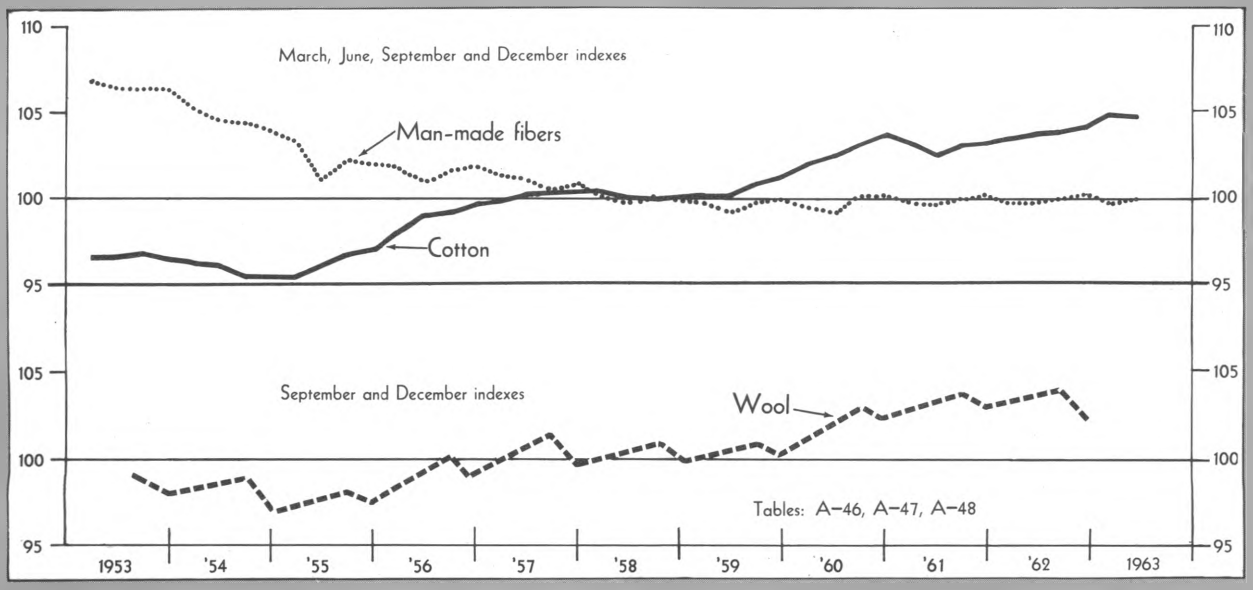
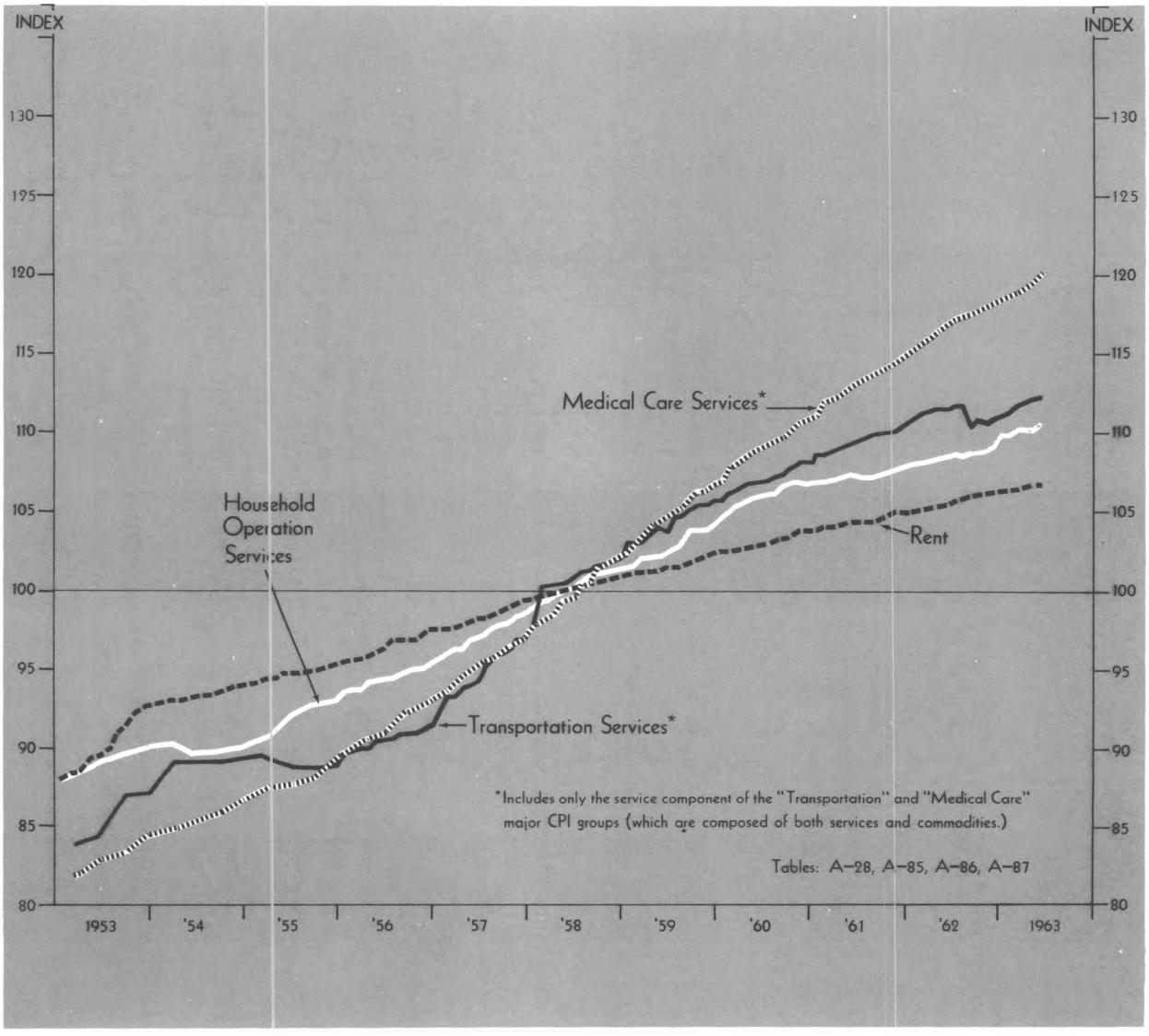


CHART 56: APPAREL, BY TYPE OF FABRIC: COTTON, MAN-MADE FIBERS, AND WOOL



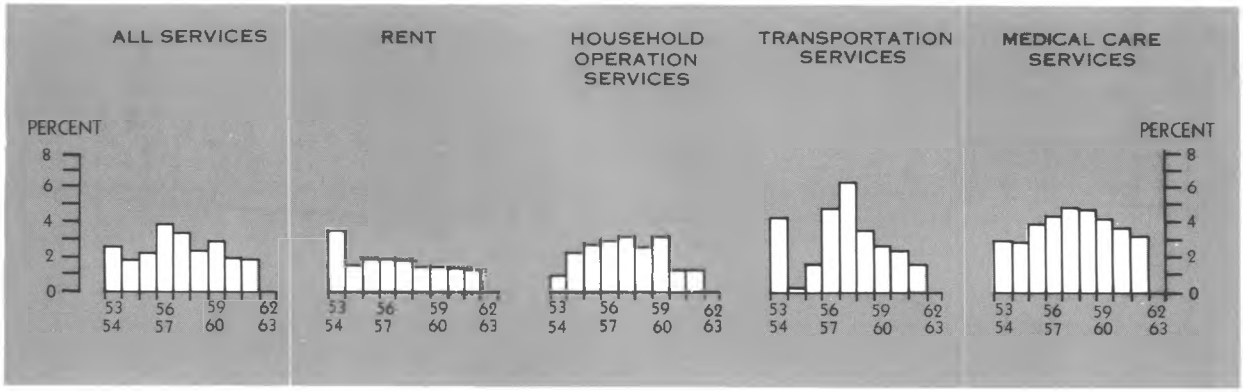
(1957-59=100)

CHART 57: SERVICES: TRANSPORTATION, MEDICAL CARE, HOUSEHOLD OPERATION, AND RENT



YEAR-TO-YEAR CHANGES, SINCE 1953

(Percent changes in annual averages)



(1957-59=100)

CHART 58: HOSPITALIZATION, HOSPITAL RATES, PHYSICIANS' AND DENTISTS' FEES

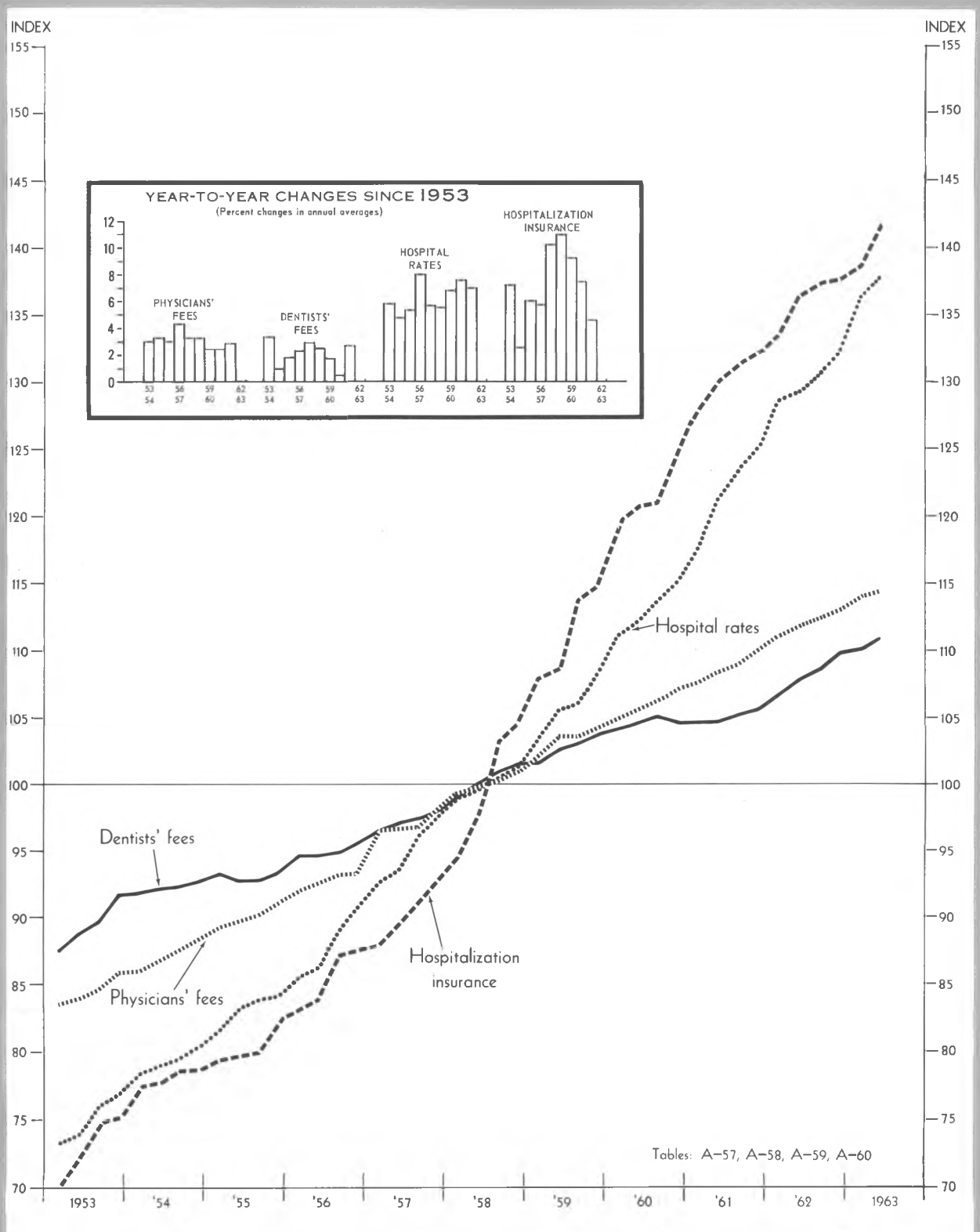


Table 1. Consumer Price Indexes, October 1962-June 1963

(1957-59=100 unless otherwise indicated)

Index	Table No.[1]	1962 annual average	1962			1963					
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
ALL ITEMS	A-1	105.4	106.0	106.0	105.8	106.0	106.1	106.2	106.2	106.2	106.6
Food (1957-59=100)	A-2	103.6	104.3	104.1	103.5	104.7	105.0	104.6	104.3	104.2	105.0
Food (1947-49=100)	A-2a	122.3	123.1	122.8	122.1	123.5	123.9	123.4	123.1	123.0	123.9
Food (1939=100)	A-2b	259.6	261.4	260.9	259.4	262.4	263.1	262.1	261.4	261.1	263.1
Food away from home	A-3	110.7	111.8	111.9	112.2	112.3	112.5	112.6	112.8	112.9	113.0
Food at home	A-4	102.2	102.9	102.6	101.9	103.2	103.5	103.0	102.6	102.5	103.4
Cereal and bakery products	A-5	107.6	108.0	108.4	108.2	108.7	109.2	109.1	109.2	109.3	109.2
Flour, wheat	A-6	104.0	104.7	104.9	104.7	104.6	103.3	103.1	103.4	104.7	105.3
Bread, white	A-7	110.3	110.4	111.0	110.7	111.7	113.0	113.0	112.9	112.8	112.6
Meats	A-8	102.5	105.4	104.5	104.1	103.6	102.8	101.2	98.3	98.1	98.6
Beef and veal	A-9	106.2	109.5	109.5	109.8	109.3	108.9	107.1	103.5	103.3	101.8
Pork	A-10	99.1	102.2	100.2	99.1	98.4	97.1	95.2	91.9	91.5	94.1
Poultry, fryers	A-11	90.7	91.0	92.5	86.8	90.0	91.0	91.1	89.8	88.5	89.4
Fish	A-12	110.2	110.7	110.2	110.4	111.0	111.0	110.4	110.5	111.1	110.3
Dairy products	A-13	104.1	104.3	104.2	103.9	103.8	103.6	103.5	102.9	102.8	102.8
Milk, fresh (grocery)	A-14	103.5	104.0	104.0	103.4	103.3	103.1	102.8	102.1	101.6	101.4
Butter	A-15	101.1	100.9	100.9	100.9	101.0	100.7	100.8	100.6	100.8	100.7
Cheese, American process	A-16	109.8	109.6	109.6	109.5	109.6	109.4	109.5	109.4	110.0	110.1
Fruits and vegetables	A-17	105.0	102.0	102.1	100.2	106.4	109.4	109.6	112.0	113.9	115.6
Fresh fruits and vegetables	A-18	106.3	102.3	102.6	99.6	108.3	111.9	111.8	115.1	117.4	119.7
Tomatoes	A-19	97.9	73.9	87.1	108.8	126.7	129.3	124.0	94.4	112.5	103.2
Oranges	A-20	120.1	140.8	127.1	110.4	119.4	130.5	141.8	145.5	150.5	143.6
Potatoes	A-21	104.9	101.9	100.7	100.6	103.0	103.1	103.9	104.6	106.9	112.3
Canned fruits and vegetables	A-22	103.3	102.4	102.0	102.0	102.7	104.6	105.0	105.5	106.2	107.0
Coffee	A-23	78.8	78.9	77.5	77.1	77.2	77.1	76.7	76.7	76.9	77.4
Margarine	A-24	98.4	97.0	96.8	96.2	96.4	95.7	95.2	95.2	95.0	94.9
Eggs, Grade A, large	A-25	94.6	104.6	101.1	101.8	103.1	100.1	98.6	96.1	85.2	83.6
Sugar	A-26	104.6	105.0	105.2	105.1	105.2	106.2	106.7	107.3	113.9	150.2
Housing	A-27	104.8	105.0	105.1	105.2	105.4	105.4	105.7	105.8	105.7	105.9
Rent	A-28	105.7	106.1	106.2	106.2	106.3	106.4	106.4	106.5	106.6	106.7
First mortgage interest rates	A-29	102.0	-	-	101.6	-	-	101.2	-	-	100.7
Property insurance rates	A-30	105.8	-	-	107.5	-	-	-	-	-	108.2
Home maintenance and repairs	A-31	105.9	-	-	106.4	-	-	106.7	-	-	106.6
Gas	A-32	112.4	112.4	112.5	112.6	112.8	112.5	112.5	112.4	112.4	112.6
Electricity	A-33	103.0	103.2	103.2	103.2	103.1	103.1	103.0	103.1	103.0	103.2
Solid fuels	A-34	102.5	103.7	103.9	104.8	104.8	104.9	104.9	103.8	101.7	101.6
Petroleum fuels	A-35	101.4	100.6	102.9	109.6	104.6	104.5	104.5	104.5	103.0	102.4
Housefurnishings	A-36	98.9	98.8	98.7	98.6	97.9	98.3	98.6	98.5	98.4	98.5
Furniture and bedding	A-37	101.6	-	-	101.8	-	-	101.9	-	-	102.0
Appliances	A-38	93.5	-	-	92.2	-	-	91.8	-	-	91.6
Household operation	A-39	107.4	107.6	107.8	108.1	109.3	109.3	109.7	109.9	110.0	110.2
Dry cleaning	A-40	105.2	-	-	106.1	-	-	106.1	-	-	106.8
Telephone	A-41	104.3	-	-	104.3	-	-	104.3	-	-	104.5
Apparel	A-42	103.2	104.9	104.3	103.9	103.0	103.3	103.6	103.8	103.7	103.9
Men's and boys' apparel	A-43	103.3	104.2	104.3	104.3	103.5	103.7	103.9	104.1	104.2	104.4
Women's and girls' apparel	A-44	100.9	104.0	102.5	101.5	100.2	100.7	101.1	101.4	101.1	101.2
Footwear	A-45	109.3	109.6	109.7	109.9	109.8	109.9	110.0	110.2	110.3	110.6
Wool apparel	A-46	103.1	-	-	102.3	-	-	-	-	-	-
Cotton apparel	A-47	103.6	-	-	104.0	-	-	104.7	-	-	104.6
Manmade fibers apparel	A-48	99.9	-	-	100.3	-	-	99.7	-	-	100.0
Transportation	A-49	107.2	108.1	108.3	108.0	106.6	106.8	107.0	107.0	107.4	107.4
Private transportation	A-50	105.9	106.9	107.2	106.8	105.3	105.3	105.6	105.5	106.0	106.1
New cars	A-51	102.1	102.5	103.8	102.6	102.1	101.7	101.4	101.1	101.1	101.2
Used cars	A-52	115.2	119.4	119.4	116.7	108.2	110.7	113.3	115.4	115.7	117.7
Gasoline	A-53	102.7	104.3	103.7	105.0	104.2	103.1	103.0	101.4	102.1	100.9

[1]Table number is that of Appendix Table in *Prices: A Chartbook, 1953-62*, BLS Bulletin No. 1351.

Table 1. Consumer Price Indexes, October 1962-June 1963 - Continued

(1957-59=100 unless otherwise indicated)

Index	Table No.[1]	1962 Annual average	1962			1963					
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
Auto repair	A-54	107.7	-	-	108.2	-	-	108.7	-	-	108.8
Auto insurance	A-88	111.5	-	-	110.0	-	-	112.1	-	-	113.5
Public transportation	A-55	115.4	116.0	115.4	115.7	115.7	116.3	116.4	116.5	116.5	116.6
Medical Care	A-56	114.2	114.9	115.0	115.3	115.5	115.6	115.8	116.1	116.4	116.8
Physicians' fees	A-57	112.2	-	-	113.1	-	-	114.1	-	-	114.4
Dentists' fees	A-58	108.3	-	-	109.9	-	-	110.1	-	-	110.9
Hospital rates	A-59	130.4	-	-	132.3	-	-	136.3	-	-	137.9
Hospitalization insurance	A-60	136.5	-	-	138.1	-	-	138.6	-	-	141.7
Prescriptions and drugs	A-61	99.6	-	-	98.5	-	-	98.7	-	-	98.7
Prescriptions	A-62	95.3	-	-	93.7	-	-	93.3	-	-	93.1
Aspirin tablets	A-63	106.1	-	-	105.9	-	-	106.7	-	-	105.6
Multiple vitamin concentrate	A-64	95.8	-	-	94.2	-	-	94.6	-	-	96.0
Personal Care	A-65	106.5	106.9	107.1	107.6	107.4	107.3	107.3	107.6	107.8	107.8
Men's haircuts	A-66	109.9	-	-	112.4	-	-	112.4	-	-	113.5
Toilet goods	A-67	102.6	-	-	102.9	-	-	102.3	-	-	102.3
Reading and Recreation	A-68	109.6	109.5	110.1	110.0	110.2	110.0	110.1	111.0	110.7	111.0
Motion picture admissions	A-69	121.1	-	-	122.5	-	-	122.8	-	-	124.3
Newspapers	A-70	109.6	-	-	110.7	-	-	111.0	-	-	117.9
Television sets	A-71	94.2	-	-	93.1	-	-	92.7	-	-	92.1
Radios, table	A-72	92.0	-	-	91.4	-	-	91.3	-	-	90.1
Sporting goods	A-73	103.0	-	-	103.2	-	-	102.7	-	-	102.7
Other Goods and Services											
Tobacco products	A-74	108.9	-	-	109.2	-	-	109.1	-	-	113.2
Alcoholic beverages	A-75	102.9	-	-	103.2	-	-	103.2	-	-	104.0
SPECIAL GROUPS											
All Commodities	A-76	103.2	104.0	103.9	103.6	103.6	103.8	103.7	103.6	103.6	104.1
Nondurables	A-77	103.6	104.4	104.2	104.0	104.3	104.5	104.4	104.2	104.2	104.8
Nondurables less food	A-78	103.8	104.6	104.4	104.6	104.0	104.1	104.2	104.3	104.2	104.5
Nondurables less food and apparel	A-79	104.2	104.5	104.5	105.1	104.7	104.6	104.7	104.7	104.7	105.1
Apparel less footwear	A-80	101.8	103.8	103.0	102.5	101.5	101.8	102.1	102.3	102.2	102.4
Durables	A-81	101.5	102.0	102.2	101.7	100.4	100.6	100.8	100.9	101.0	101.3
Durables less new and used cars	A-82	98.8	98.6	98.6	98.6	98.5	98.4	98.5	98.4	98.3	98.4
All Commodities Less Food	A-83	102.8	103.6	103.5	103.4	102.6	102.7	102.9	103.0	103.0	103.3
All Commodities Less Food (1947-49=100)	A-83a	116.8	117.7	117.6	117.5	116.6	116.7	116.9	117.0	117.0	117.3
All Commodities Less Food (1939=100)	A-83b	196.5	198.0	197.8	197.6	196.1	196.3	196.7	196.9	196.9	197.4
All Services	A-84	109.5	109.8	110.0	110.1	110.5	110.5	110.8	111.1	111.1	111.3
All Services (1947-49=100)	A-84a	155.5	155.9	156.2	156.3	156.9	156.9	157.3	157.8	157.8	158.0
All Services (1939=100)	A-84b	193.3	193.8	194.1	194.3	195.0	195.0	195.6	196.1	196.1	196.4
Household operation services[1]	A-85	108.5	108.7	108.8	109.1	109.9	109.9	110.2	110.2	110.2	110.6
Transportation services	A-86	111.2	110.8	110.7	110.9	111.1	111.4	111.8	112.0	112.2	112.3
Medical care services	A-87	116.8	117.8	118.0	118.2	118.5	118.7	118.9	119.2	119.5	120.1

[1]Table number is that of Appendix Table in *Prices: A Chartbook, 1953-62*, BLS Bulletin No. 1351.

Table 2. Wholesale Price Indexes, October 1962-June 1963

(1957-59=100 unless otherwise indicated)

Index	Table No.[1]	1962 Annual average	1962			1963					
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
ALL COMMODITIES	C-1	100.6	100.6	100.7	100.4	100.5	100.2	99.9	99.7	100.0	100.3
Farm Products and Processed Foods	C-27	99.6	100.3	100.4	99.3	99.8	98.7	97.4	97.6	98.4	98.9
Farm Products (1957-59=100)	C-2	97.7	98.7	99.3	97.3	98.5	96.5	95.4	95.4	94.4	94.9
Farm Products (1947-49=100)	C-2a	89.5	90.4	91.0	89.1	90.2	88.4	87.4	87.4	86.5	86.9
Farm Products (1939=100)	C-2b	245.0	247.5	249.0	244.0	247.0	242.0	239.2	239.2	236.7	238.0
Fresh and dried fruits and vegetables	C-3	97.7	97.5	96.4	88.5	104.0	96.5	99.0	99.6	99.8	96.8
Fresh fruits	C-4	107.0	122.7	108.8	95.0	111.4	105.4	114.2	117.3	118.9	108.3
Fresh and dried vegetables	C-5	90.5	75.7	86.0	82.3	99.8	89.8	86.9	85.6	84.7	88.1
Grains	C-6	98.8	98.5	99.5	101.1	102.0	103.0	103.7	105.1	102.9	101.4
Corn	C-7	89.4	88.9	87.3	92.7	95.6	96.3	95.4	96.0	97.4	103.5
Wheat	C-8	103.3	104.1	105.6	105.5	106.2	107.3	108.7	111.0	105.3	98.5
Livestock	C-9	97.6	100.3	100.1	97.4	95.1	98.2	85.0	87.9	87.1	89.8
Steers, choice	C-10	102.6	108.9	110.3	107.5	103.3	93.0	86.5	91.2	85.1	85.1
Hogs (barrows and gilts) 200-240 lbs.	C-11	95.3	93.0	94.0	93.0	88.2	86.1	78.6	79.6	86.1	95.3
Live poultry	C-12	85.3	85.5	84.1	86.0	85.8	90.7	89.5	89.5	83.5	84.5
Plant and animal fibers	C-13	98.4	97.5	97.6	98.1	99.3	100.8	101.8	102.0	101.7	101.4
Raw cotton	C-14	98.9	97.5	97.4	97.6	98.7	99.5	100.5	100.8	100.9	100.4
Fluid milk	C-15	101.2	102.5	102.1	101.9	101.3	101.1	99.6	98.3	97.3	97.9
Eggs	C-16	95.2	103.1	112.4	99.3	100.1	99.1	99.8	81.3	77.1	79.2
Processed Foods (1957-59=100)	C-17	101.2	101.5	101.3	100.9	100.8	100.5	99.0	99.3	101.7	102.1
Processed Foods (1947-49=100)	C-17a	109.1	109.5	109.2	108.8	108.7	108.4	106.8	107.1	109.7	110.1
Processed Foods (1939=100)	C-17b	252.0	252.8	252.3	251.3	251.1	250.3	246.6	247.3	253.3	254.3
Cereal and bakery products	C-18	107.6	107.6	107.7	107.6	107.4	108.6	108.0	108.1	107.6	107.0
Meats	C-19	97.8	99.3	99.5	98.1	96.2	92.8	88.4	87.2	89.2	92.1
Beef, choice	C-20	103.3	106.4	108.4	108.9	105.1	97.1	90.4	91.7	92.0	90.3
Pork loins, fresh	C-21	97.9	99.5	95.1	89.9	93.2	90.6	82.2	78.6	87.0	98.5
Dairy products and ice cream	C-22	106.9	107.7	108.0	108.1	107.8	108.0	107.1	106.9	106.8	106.6
Canned and frozen fruits and vegetables	C-23	98.0	96.4	96.3	95.7	100.0	99.8	101.3	102.9	103.4	104.5
Canned fruits and juices	C-24	95.6	94.1	94.5	92.9	96.5	96.4	98.6	100.5	102.0	104.4
Frozen fruits and juices	C-25	83.2	82.1	82.0	81.6	110.8	109.0	116.7	128.3	128.3	128.3
Canned vegetables and soups	C-26	101.3	99.0	98.4	98.4	98.3	98.7	98.7	98.1	98.2	98.9
All Other than Farm and Food (1957-59=100)	C-28	100.8	100.7	100.7	100.7	100.7	100.6	100.6	100.4	100.5	100.6
All Other than Farm and Food (1947-49=100)	C-28a	127.6	127.5	127.5	127.5	127.5	127.4	127.4	127.1	127.3	127.4
All Other than Farm and Food (1939=100)	C-28b	219.6	219.4	219.4	219.4	219.4	219.1	219.1	218.7	218.9	219.1
Textile Products and Apparel	C-29	100.6	100.5	100.5	100.6	100.4	100.3	100.2	100.1	100.2	100.3
Cotton products	C-30	101.7	101.0	100.7	100.8	100.6	100.5	100.2	100.1	99.7	99.7
Wool products	C-31	99.1	99.6	100.1	100.2	100.7	100.7	100.8	100.8	100.6	100.6
Manmade fiber textile products	C-32	93.9	93.6	93.6	93.7	93.7	93.7	93.8	93.8	93.8	93.8
Apparel	C-33	101.5	101.7	101.7	101.7	101.3	101.4	101.4	101.3	101.6	101.9
Women's, misses', and juniors' apparel	C-34	100.5	100.6	100.5	100.4	100.1	100.3	100.3	100.2	100.3	100.5
Men's and boys' apparel	C-35	103.8	104.3	104.2	104.3	104.1	104.1	104.1	104.1	105.0	105.7
Hides, Skins, Leather and Leather Products	C-36	107.4	107.4	107.3	106.9	106.0	105.1	105.1	104.5	104.8	104.4
Hides and skins	C-37	106.2	108.8	107.1	101.6	95.2	85.9	88.4	85.0	87.4	85.8
Leather	C-38	108.5	106.5	106.8	106.1	105.2	104.7	103.7	102.8	103.2	102.5
Footwear (leather)	C-39	108.7	108.4	108.4	108.5	108.3	108.3	108.3	108.2	108.2	108.2

[1] Table number is that of Appendix Table in *Prices: A Chartbook, 1953-62*, BLS Bulletin No. 1351.

Table 2. Wholesale Price Indexes, October 1962-June 1963 - Continued

(1957-59=100 unless otherwise indicated)

Index	Table No.[1]	1962 Annual average	1962			1963					
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
Fuels and Related Products and Power	C-40	100.2	100.8	100.8	100.8	100.4	100.3	100.8	100.3	100.4	100.9
Bituminous coal, screening, industrial use	C-41	94.9	94.8	94.8	94.8	94.8	95.1	95.2	94.5	94.9	94.9
Natural gas	C-42	134.0	133.7	133.2	134.1	131.3	135.4	135.4	135.4	135.0	135.0
Electric power, industrial	C-43	104.0	103.9	104.0	104.0	103.8	103.9	103.7	103.7	103.4	103.3
Crude petroleum	C-44	97.7	97.7	97.7	97.7	97.7	97.3	97.3	97.3	97.3	97.3
Gasoline	C-45	97.3	99.7	98.4	97.0	95.3	93.2	95.3	96.3	99.4	101.0
Residual fuels	C-46	95.2	94.4	94.4	95.4	94.4	94.2	93.3	92.2	92.2	91.0
Chemicals and Allied Products	C-47	97.5	97.1	97.0	96.8	96.9	96.7	96.8	96.3	96.4	96.3
Industrial chemicals	C-48	96.3	96.1	95.9	95.9	96.0	95.2	95.4	95.0	95.0	95.1
Inorganic chemicals	C-49	102.4	102.5	102.5	102.5	102.9	102.9	102.8	102.0	102.0	102.0
Organic	C-50	92.6	92.1	91.8	91.8	91.7	90.5	90.6	90.4	90.4	90.4
Paint materials	C-51	95.6	93.9	93.9	92.9	93.0	93.0	93.0	91.5	91.7	91.1
Drugs and pharmaceuticals	C-52	96.0	95.1	95.1	94.8	95.2	95.1	95.2	95.1	95.2	95.2
Plastic materials	C-53	91.7	91.7	91.7	91.7	91.7	91.6	91.6	89.1	89.1	89.1
Rubber and Rubber Products	C-54	93.3	93.1	93.7	93.4	94.3	94.2	94.1	94.1	93.2	93.1
Crude rubber	C-55	93.6	92.7	92.8	94.7	94.1	93.7	92.7	92.8	92.6	92.5
Natural rubber	C-56	89.9	89.0	90.5	92.0	89.3	88.1	85.3	85.6	85.1	84.7
Synthetic rubber	C-57	96.8	95.7	95.1	97.4	98.0	98.0	98.0	98.0	98.0	98.0
Tires	C-58	86.1	85.5	87.1	88.1	88.1	88.1	88.1	88.1	88.1	88.1
Lumber and Wood Products	C-59	96.5	96.6	96.3	95.8	95.9	96.1	96.5	97.0	97.5	98.2
Lumber	C-60	96.5	96.7	96.3	95.8	95.9	96.2	96.6	97.6	98.4	99.0
Douglas fir	C-61	97.7	96.9	96.4	95.5	96.0	97.6	98.6	99.4	101.1	102.6
Millwork	C-62	101.8	102.3	102.3	102.1	102.3	102.3	102.5	102.4	102.4	102.8
Softwood plywood	C-63	87.3	86.7	85.6	84.6	84.7	84.8	85.9	85.6	85.4	88.3
Hardwood plywood	C-64	97.8	97.3	98.0	96.9	96.9	96.9	96.9	96.9	96.9	96.9
Pulp, Paper and Allied Products	C-65	100.0	99.3	99.1	99.0	99.0	99.1	99.0	99.0	99.1	99.3
Woodpulp	C-66	93.2	91.3	89.4	89.4	89.4	89.4	89.4	91.3	91.3	91.3
Wastepaper	C-67	97.5	96.1	96.0	94.6	94.7	96.1	96.6	92.5	89.8	90.8
Paper	C-68	102.6	102.3	102.2	102.2	102.2	102.2	102.2	102.2	102.2	102.2
Paperboard	C-69	93.1	94.0	94.1	94.1	94.1	94.1	94.1	94.1	94.1	94.1
Converted paper and paperboard products	C-70	101.0	100.0	99.7	99.6	99.6	99.9	99.7	99.7	99.9	100.1
Metals and Metal Products	C-71	99.9	99.4	99.3	99.3	99.5	99.4	99.4	99.4	99.9	100.0
Iron and steel	C-72	99.3	98.7	98.4	98.7	98.8	98.6	98.4	98.5	99.3	99.0
Iron ore	C-129	93.9	93.2	93.2	93.2	93.2	93.2	93.2	93.2	93.2	93.2
Iron and steel scrap	C-73	69.0	61.9	58.9	62.7	65.2	67.1	66.6	67.0	68.6	65.1
Finished steel products	C-74	101.4	101.3	101.3	101.3	101.2	101.2	101.1	101.2	102.0	102.1
Foundry and forge shop products	C-75	103.6	103.9	103.8	103.8	103.9	103.7	103.6	103.5	103.5	103.3
Pig iron and ferroalloys	C-76	91.1	90.5	87.8	87.8	87.8	81.0	81.0	81.0	82.6	82.6
Nonferrous metals	C-77	99.2	97.9	98.3	97.7	98.0	98.0	98.1	98.2	98.7	98.7
Fabricated structural metal products	C-78	98.2	98.2	98.1	98.1	98.1	98.0	97.8	97.6	98.2	98.3
Fabricated nonstructural metal products	C-79	103.9	103.8	103.9	103.8	103.7	103.7	103.7	103.8	104.0	104.9
Machinery and Motive Products	C-80	102.3	102.2	102.2	102.3	102.3	102.2	102.0	101.9	102.0	101.9
Agricultural machinery	C-81	109.5	109.6	110.2	110.5	110.8	110.8	111.0	110.9	110.9	111.0
Construction machinery and equipment	C-82	107.8	108.0	108.2	108.3	108.3	108.5	108.8	108.8	109.2	109.5
Metalworking machinery and equipment	C-83	109.3	109.3	109.3	109.3	109.2	109.1	109.1	109.4	109.4	109.6
General purpose machinery and equipment	C-84	103.3	103.7	103.7	103.8	103.9	103.6	103.4	103.4	103.4	103.5
Oil field machinery and equipment	C-85	103.2	103.4	103.4	103.5	103.2	102.5	102.4	102.4	102.1	102.1
Electrical machinery and equipment	C-86	98.4	98.4	98.1	98.1	98.0	97.8	97.1	97.0	97.7	97.7
Motors, generators, and motor generator sets	C-87	89.8	89.7	89.7	89.6	89.2	89.1	88.9	88.9	89.1	89.3
Switchgear, switchboard, etc., equipment	C-88	101.8	101.6	101.6	101.6	101.5	101.8	101.8	102.0	102.0	102.0

[1] Table number is that of Appendix Table in *Prices: A Chartbook, 1953-62*, BLS Bulletin No. 1351.

Table 2. Wholesale Price Indexes, October 1962-June 1963 - Continued

(1957-59=100 unless otherwise indicated)

Index	Table No.[1]	1962 Annual average	1962			1963					
			Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
Motor vehicles[2]	C-89	100.5	100.7	100.8	100.8	100.8	100.8	100.7	100.2	99.8	99.3
Passenger cars[2]	C-90	99.3	99.3	99.4	99.4	99.4	99.4	99.3	98.6	99.1	98.4
Motor trucks[2]	C-91	99.7	98.7	98.9	98.9	98.9	98.7	98.7	98.7	98.7	98.7
Furniture and Other Household Durables	C-92	98.8	98.5	98.6	98.4	98.3	98.2	98.2	98.1	98.0	98.1
Household furniture	C-93	103.8	104.0	104.1	104.2	104.5	104.5	104.6	104.4	104.4	104.4
Commercial furniture	C-94	102.3	102.5	102.5	102.3	102.3	102.3	102.3	102.3	102.3	102.4
Floor coverings	C-95	97.0	96.8	96.8	96.4	96.2	95.9	96.0	95.9	95.7	95.9
Household appliances	C-96	94.0	93.0	93.1	93.0	92.3	92.3	92.3	92.1	92.0	91.9
Household laundry equipment	C-97	95.6	94.7	94.7	94.3	94.2	94.1	94.1	94.8	94.8	94.9
Household refrigeration equipment	C-98	84.7	83.3	83.2	83.2	82.4	82.5	82.5	82.3	82.2	81.7
Nonmetallic Mineral Products	C-99	101.8	101.6	101.6	101.5	101.4	101.5	101.5	101.5	101.3	101.1
Window glass	C-100	100.6	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8	101.8
Sand, gravel, and crushed stone	C-101	103.4	103.7	103.7	103.7	103.7	104.2	104.5	104.5	104.5	104.5
Portland cement	C-102	103.1	102.9	102.9	102.8	101.9	101.9	101.8	101.8	101.7	101.6
Concrete products	C-103	102.6	102.7	102.8	102.5	102.5	102.2	102.2	102.2	101.9	101.9
Structural clay products	C-104	103.5	103.4	103.4	103.5	103.7	103.6	103.6	103.8	104.0	104.0
Tobacco Products and Bottled Beverages	C-105	104.1	104.5	104.5	104.3	104.3	104.3	104.3	104.4	105.2	105.6
Cigarettes	C-106	101.4	101.4	101.4	101.4	101.4	101.4	101.4	101.4	104.2	105.6
Alcoholic beverages	C-107	101.0	101.5	101.5	101.1	101.1	101.1	101.1	101.1	101.0	101.0
Nonalcoholic beverages	C-108	116.9	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4	117.4
Manufactured Animal Feeds	C-109	110.6	112.8	114.9	115.7	118.3	118.2	117.1	111.9	111.2	112.1
Stage of Processing											
Crude materials for further processing	C-110	97.1	97.4	97.6	96.8	96.8	95.6	94.5	95.0	94.2	94.8
Crude foodstuffs and feedstuffs	C-111	96.8	97.9	98.2	97.1	97.1	94.7	92.8	93.9	92.8	93.7
Crude nonfood materials, except fuel	C-112	97.4	96.0	95.9	95.8	95.8	96.4	96.7	96.5	96.6	96.4
Intermediate materials, supplies and components	C-113	100.2	100.1	100.1	100.1	100.2	100.1	100.0	99.9	100.5	100.6
Intermediate materials for nondurable manufacturing	C-114	98.0	97.6	97.4	97.3	97.3	97.2	97.1	97.1	97.1	97.0
Intermediate materials for durable manufacturing	C-115	100.4	100.1	100.1	99.9	100.0	99.8	99.7	99.6	100.1	100.4
Finished goods (goods to users, including raw foods and fuels)	C-116	101.7	101.9	102.0	101.6	101.8	101.5	101.1	100.8	101.1	101.3
Consumer finished goods	C-117	101.2	101.5	101.5	101.0	101.2	100.9	100.3	99.9	100.4	100.7
Consumer other nondurable goods	C-130	101.6	101.8	101.7	101.8	101.7	101.7	101.8	101.6	101.8	102.1
Producer finished goods	C-118	102.9	102.8	102.9	103.0	103.0	103.0	102.9	102.9	102.9	102.9
Durability of Product											
Total durable goods	C-119	101.0	100.7	100.7	100.7	100.7	100.7	100.6	100.6	100.8	100.8
Durable raw or slightly processed goods	C-120	89.2	86.3	85.4	86.4	87.7	88.6	88.7	89.4	89.9	89.1
Durable manufactures	C-121	101.3	101.1	101.1	101.1	101.1	101.0	100.9	100.9	101.1	101.2
Total nondurable goods	C-122	100.1	100.4	100.5	100.0	100.2	99.7	99.2	99.0	99.4	99.7
Nondurable raw or slightly processed goods	C-123	100.1	101.0	101.4	100.1	100.9	99.7	98.9	98.9	98.9	98.6
Nondurable manufactures	C-124	100.1	100.2	100.2	100.0	100.0	99.7	99.2	99.0	99.5	100.1
Total manufactures	C-131	100.8	100.7	100.7	100.6	100.6	100.4	100.2	100.0	100.4	100.7
Special Commodity Group											
Steel mill products	C-125	101.4	101.4	101.3	101.3	101.3	101.3	101.1	101.2	102.0	102.1
Machinery and equipment	C-126	102.9	103.0	102.8	103.0	103.0	102.9	102.6	102.7	103.0	103.1
Total tractors	C-127	109.4	109.5	110.0	110.2	110.4	110.5	110.6	110.7	111.1	111.3
Construction materials	C-128	98.3	98.0	97.9	97.7	97.7	97.6	97.7	97.8	98.1	98.3

[1] Table number is that of Appendix Table in *Prices: A Chartbook, 1953-62*, BLS Bulletin No. 1351.

[2] Indexes revised back to October 1961.

	Table No.[1,2]	1962			1963					
		Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
BUSINESS CYCLE (February 1961=100, unless otherwise noted)										
Total industrial production index (seas. adj.)	D-2	115.3	115.6	115.2	115.3	116.2	117.3	118.5	120.0	121.0 P
Gross National product in 1954 dollars (seas. adj.) (1st quarter 1961=100)	D-3	-	-	110.1	-	-	111.2	-	-	-
All employees in nonagricultural establishments (seas. adj.)	D-4	104.0	103.9	103.9	103.8	104.2	104.6	105.1	105.5	105.7 P
WPI: All commodities other than farm and food	D-5	99.5	99.5	99.5	99.5	99.4	99.4	99.2	99.3	99.4
Manufacturers' new orders, net (seas. adj.)	D-6	116.2	116.0	113.5	116.5	118.8	120.4	123.0	122.2	-
Manufacturers' inventories, book value (seas. adj.)	D-7	106.8	106.7	107.1	107.2	107.6	108.0	108.4	109.0	109.7 P
Average weekly hours (seas. adj.) of production workers in manufacturing	D-8	102.0	102.8	102.5	102.3	102.5	102.8	102.5	103.6	103.6 P
Spot Market Index: Raw industrials	D-9	95.6	97.1	96.5	96.2	95.8	95.1	95.2	95.9	94.6
Consumer installment credit extended (seas. adj.)	D-10	122.3	129.6	126.1	127.2	127.6	128.8	131.4	129.3	-
Personal consumption expenditures (seas. adj.) (1st quarter 1961=100)	D-11	-	-	110.0	-	-	111.2	-	-	112.0
Disposable personal income (seas. adj.) (1st quarter 1961=100)	D-12	-	-	109.9	-	-	110.8	-	-	112.9 P
CPI: All items	D-13	102.0	102.0	101.8	102.0	102.1	102.2	102.2	102.2	102.6
Consumer goods--Industrial production (seas. adj.)	D-14	112.3	112.2	112.8	113.4	114.4	114.6	114.1	115.0	116.4
Retail store sales (seas. adj.)	D-15	111.4	113.7	113.5	113.7	114.3	114.4	114.2	114.2	114.1 P
CPI: Food	D-16	101.4	101.2	100.6	101.7	102.0	101.7	101.4	101.3	102.0
CPI: All commodities less food	D-17	101.9	101.8	101.7	100.9	101.0	101.2	101.3	101.3	101.6
WPI: Durable manufactures	D-18	99.7	99.7	99.7	99.7	99.6	99.5	99.5	99.7	99.8
CPI: Durables	D-19	102.5	102.7	102.2	100.9	101.1	101.3	101.4	101.5	101.8
INDUSTRIAL COMMODITIES										
Consumer goods--Industrial production index (seas. adj.) (1957-59=100)	D-27	120.6	120.5	121.2	121.8	122.9	123.1	122.5	123.5	125.0 P
Average hourly earnings (excluding overtime) of production workers in manufacturing (1957-59=100)	D-28	113.0	114.0	115.0	115.0	115.0	115.0	116.0	116.0	-
Durable manufactures--Industrial production index (seas. adj.) (1957-59=100)	D-29	118.8	119.2	118.9	119.0	120.0	121.5	122.8	125.2	126.9
DURABLES										
Iron and steel--Industrial production index (seas. adj.) (1957-59=100)	D-36	91.0	95.3	95.8	96.0	102.2	111.5	121.7	129.0	123.0 P
New orders, net (seas. adj.) for iron and steel (billions of dollars)	D-37	1.28	1.18	1.22	1.25	1.34	1.61	1.93	-	-
Gross average hourly earning (excluding overtime) of blast furnace and basic steel production workers (1957-59=100)	D-38	112.5	112.5	112.9	113.6	114.3	114.6	118.1	-	-
Factory sales (in U.S.) of domestic passenger cars (thousands)	D-39	705.7	669.6	647.4	658.0	592.8	637.1	671.8	-	-
New car dealers' inventories of U.S. make cars (thousands)	D-40	732.2	749.6	827.3	960.4	1,021.0	1,004.0	972.8	952.7	993.5
Passenger car assemblies (thousands)	D-41	723.6	687.4	648.4	687.4	601.0	647.4	691.1	715.1	690.0
CONSTRUCTION										
Index of construction material output (1957-59=100)	D-44	102.2	104.2	98.5	96.0	96.9	106.2	111.6	-	-
Housing starts: Private nonfarm dwelling units (thousands)	D-45	1,504.0	1,571.0	1,453.0	1,220.0	1,255.0	1,497.0	1,605.0	1,663.0	1,568.0
Housing starts: 2 or more family structure (thousands)	D-46	45.4	43.5	38.4	35.9	35.2	45.2	50.9	-	-
Expenditure for new construction (millions of dollars)	D-43	63.5	62.6	61.8	62.9	60.2	61.0	60.5	62.7	63.7 P

[1] Table number is that of Appendix Table in *Prices: A Chartbook, 1953-62*, BLS Bulletin No. 1351. P = Preliminary.

[2] Except for Business Cycle Series, quarterly and annual data not included for Related Economic Series which appeared in the *Chartbook*.

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