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and printed for the use of

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JOINT COMMITTEE ON THE ECONOMIC REPORT

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To the Members of Congress:

As has been stated in previous issues of *Economic Indicators* from the time the Joint Committee on the Economic Report was established, its members realized that one of its basic needs was a concise and meaningful picture of current economic trends and developments.

Fortunately, the Joint Committee finds that *Economic Indicators*, a set of basic charts and tables compiled monthly by the Council of Economic Advisers, admirably fills this need. While this material was prepared primarily for the use of the President, the Council and other officials in the executive offices, the Council has made it available to the Joint Committee.

Other Members of Congress have also expressed an interest in being able to obtain a quick picture of current economic facts without having to go through voluminous and specialized documents. In addition, businessmen, farm leaders, labor organizations, and representatives of the press and radio have indicated their

desire for this information. Since nothing contained in these charts and tables is of a confidential nature they have urged that the material be made available to the general public.

Accordingly, the Joint Committee has, since last July, provided the Congress and the public with a limited number of copies of *Economic Indicators* as a Committee print pending final action on authorizing the publication on a more permanent basis. Since such legislation is still under consideration, the Committee is continuing to issue the report on a monthly basis.

Comments or suggestions with respect to possible improvements in this presentation will always be welcome.



Chairman, Joint Committee on the Economic Report.

Letter of Transmittal

Hon. JOSEPH C. O'MAHONEY, *Chairman,*
Joint Committee on the Economic Report,
United States Congress, Washington, D. C.

DEAR SENATOR: The Council of Economic Advisers is happy to cooperate with the Joint Committee on the Economic Report in your plans to make Economic Indicators available to the Congress as a whole and to the general public.

In carrying out its mandate under the Employment Act of 1946, the Council has found it desirable to bring together in concise and graphic form the most important facts showing current trends in the Nation's economy. Thus the Executive Office is in a better position to point up the key problems of national economic policy and to promote the improvement and coordination of the Federal Government's widespread statistical services.

We have realized, of course, that this material has a potential usefulness not only to the President, the Council and the executive departments, but also to the Congress. Furthermore, its usefulness to the general public has been impressed upon us, particularly by the representatives of business, labor, agriculture, and consumer organizations with whom we regularly consult.

We believe the Joint Committee will perform a service of real value by giving wide circulation to this material.

Sincerely yours,

Edwin F. Moore *Chairman.*

Leon Keyserling *Vice Chairman.*

John D. Clark

Contents

THE NATION'S ECONOMIC BUDGET

The Nation's Economic Budget.....	Page 1
-----------------------------------	-----------

PRICES

Consumers' Prices.....	2
Wholesale Prices.....	3
Prices Received and Paid by Farmers.....	4
Stock Prices.....	5

EMPLOYMENT

Labor Force.....	6
Employment in Business and Government.....	7
Average Weekly Hours.....	8
Work Stoppages.....	9

PRODUCTION AND BUSINESS ACTIVITY

Industrial Production.....	10
Production of Selected Durable Manufactures.....	11
Production of Selected Nondurable Manufactures.....	12
New Construction.....	13
New Housing Starts.....	14
Expenditures for New Plant and Equipment.....	15
New Corporate Security Issues.....	16
Inventories and Sales.....	17
Exports and Imports.....	18

PURCHASING POWER

National Income.....	19
Corporate Profits.....	20
Personal Income.....	21
Consumer Income, Spending, and Saving.....	22
Per Capita Income.....	23
Average Hourly Earnings.....	24
Average Weekly Earnings.....	25
Farm Income.....	26
Personal Consumption Expenditures.....	27
Consumer Credit.....	28

MONEY, BANKING, AND FEDERAL FINANCE

Bank Loans and Investments.....	29
Money Supply.....	30
Federal Cash Receipts From and Payments to the Public.....	31

THE NATION'S ECONOMIC BUDGET

A-1

THE NATION'S ECONOMIC BUDGET

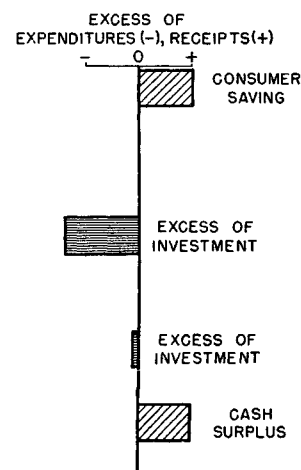
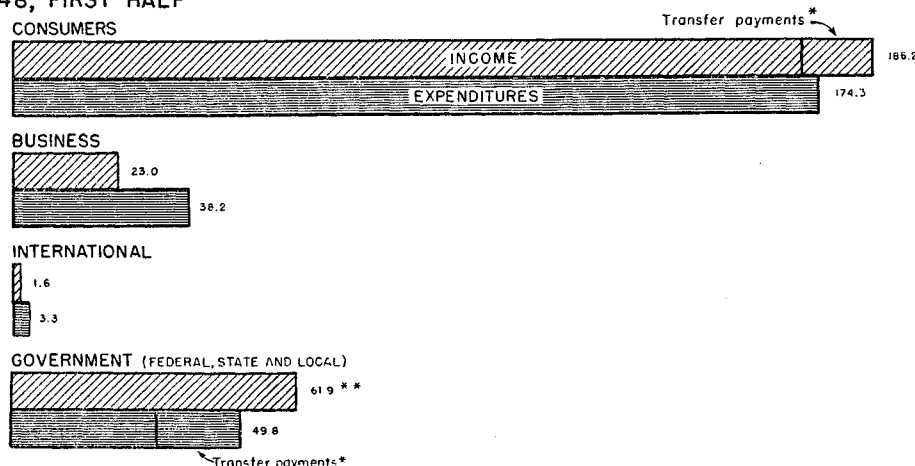
The Nation's Economic Budget dollar total increased by 4 percent from the 1st half to the 2nd half of 1948. The Government surplus declined sharply as receipts fell and payments rose.

TOTAL (GROSS NATIONAL PRODUCT)
1948, FIRST HALF

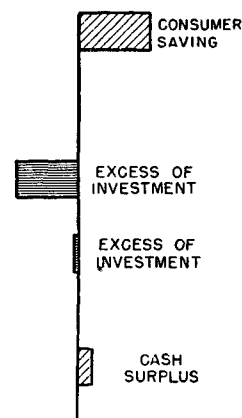
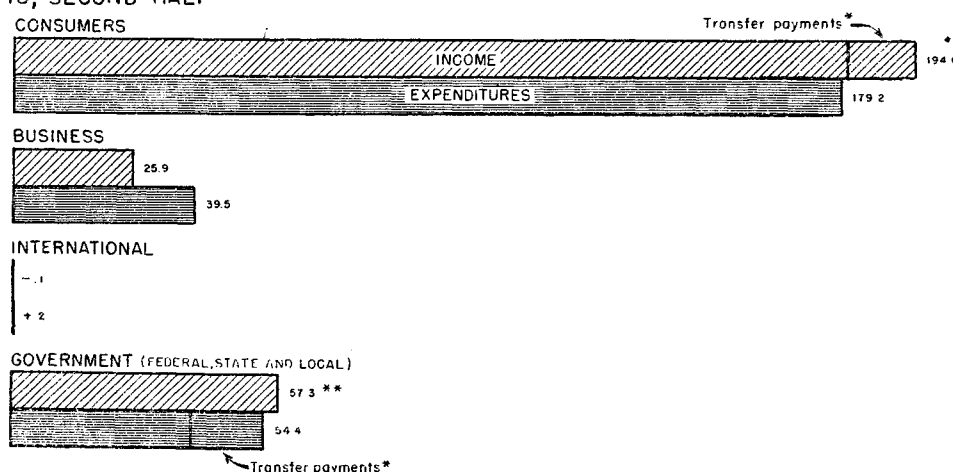
BILLIONS OF DOLLARS
ANNUAL RATES, SEASONALLY ADJUSTED



1948, FIRST HALF



1948, SECOND HALF



* TRANSFER PAYMENTS ARE INCLUDED IN RECEIPTS OR EXPENDITURES OF THE SEPARATE ACCOUNTS BUT NOT IN THE TOTAL GROSS NATIONAL PRODUCT.

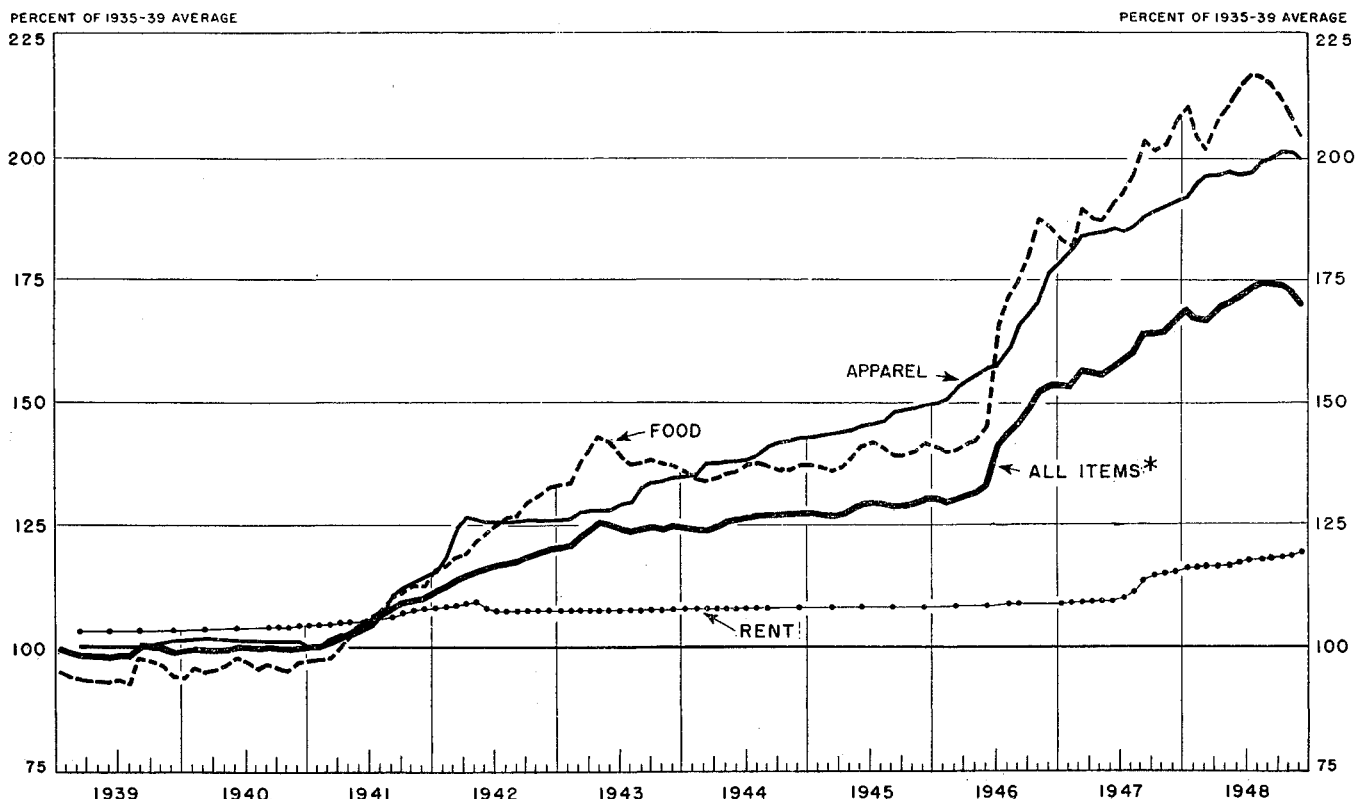
** INCLUDES AN ADJUSTMENT OF + \$2.8 BILLION IN FIRST HALF AND - \$2.3 BILLION IN SECOND HALF.

SOURCE: SEE ECONOMIC REPORT OF THE PRESIDENT, JANUARY 1949, APPENDIX A.

PRICES

CONSUMERS' PRICES

Consumers' prices in December were 2% below the September peak. Food prices accounted for most of the decline, while apparel prices dropped slightly. Rent continued upward.



* ALSO INCLUDES HOUSEFURNISHINGS, FUEL, ELECTRICITY, ICE, AND MISCELLANEOUS GOODS AND SERVICES, NOT SHOWN ON CHART.
SOURCE: DEPARTMENT OF LABOR.

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[1935-39=100]

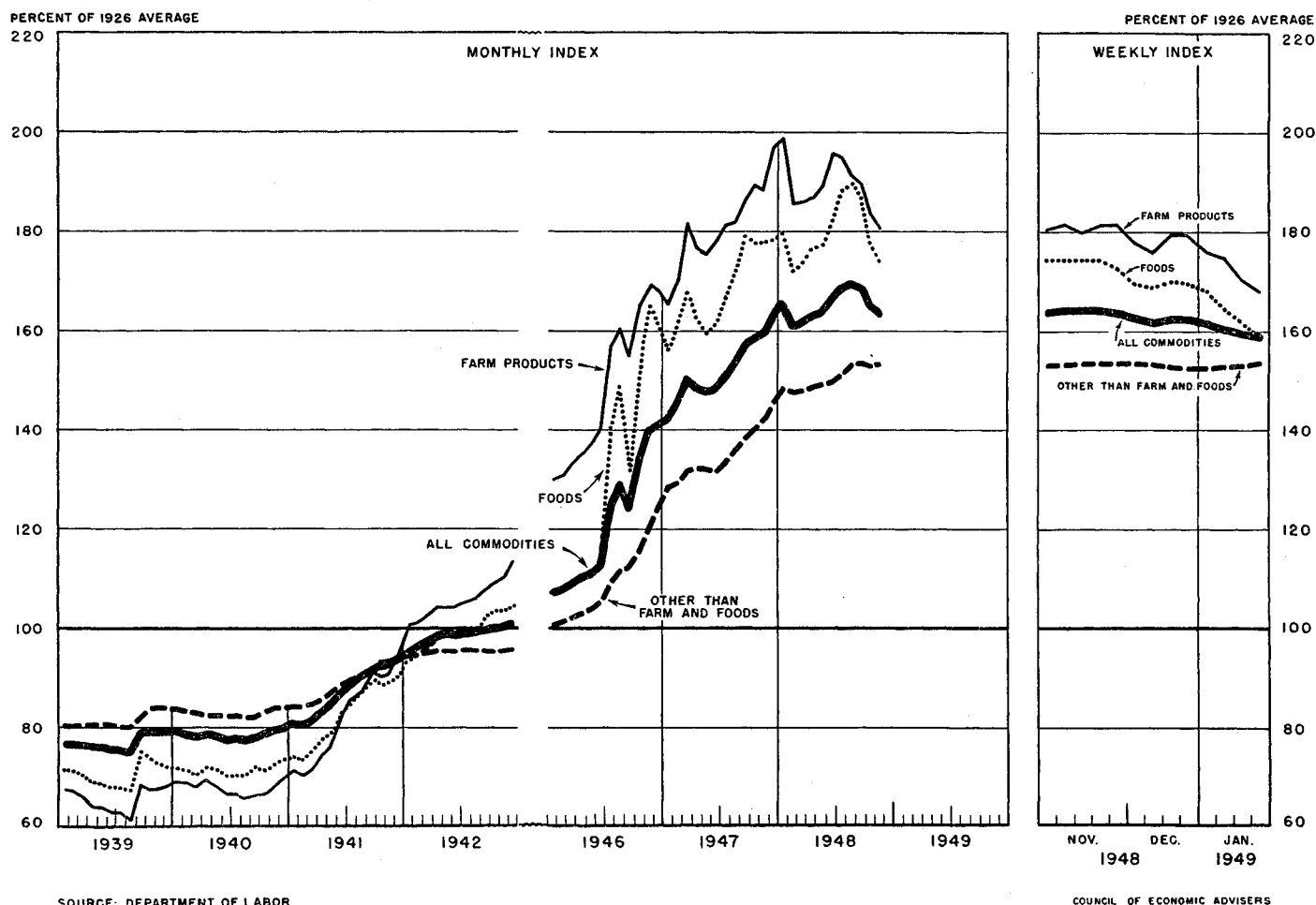
Period	All items ¹	Food	Apparel	Rent
1939 monthly average.....	99.4	95.2	100.5	104.3
1941 monthly average.....	105.2	105.5	106.3	106.2
1942 monthly average.....	116.5	123.9	124.2	108.5
1943 monthly average.....	123.6	138.0	129.7	108.0
1944 monthly average.....	125.5	136.1	138.8	108.2
1945 monthly average.....	128.4	139.1	145.9	108.3
1946 monthly average.....	139.3	159.6	160.2	108.6
1947 monthly average.....	159.2	193.8	185.8	111.2
1948 monthly average.....	171.2	210.2	198.0	117.4
1947: November.....	164.9	202.7	190.2	115.2
December.....	167.0	206.9	191.2	115.4
1948: January.....	168.8	209.7	192.1	115.9
February.....	167.5	204.7	195.1	116.0
March.....	166.9	202.3	196.3	116.3
April.....	169.3	207.9	196.4	116.3
May.....	170.5	210.9	197.5	116.7
June.....	171.7	214.1	196.9	117.0
July.....	173.7	216.8	197.1	117.3
August.....	174.5	216.6	199.7	117.7
September.....	174.5	215.2	201.0	118.5
October.....	173.6	211.5	201.6	118.7
November.....	172.2	207.5	201.4	118.8
December.....	171.4	205.0	200.4	119.5

¹ Also includes housefurnishings, fuel, electricity, refrigeration, and miscellaneous goods and services.

NOTE.—Prices are for moderate-income families in large cities.
Source: Department of Labor.

WHOLESALE PRICES

Further declines in farm and food prices brought the wholesale price level down again in January to about that of February 1948. Other than farm and food prices rose slightly.



[1926=100]

Period	All commodities	Farm products	Foods	Other than farm and foods
1939 monthly average.....	77.1	65.3	70.4	81.3
1941 monthly average.....	87.3	82.4	82.7	89.0
1942 monthly average.....	98.8	105.9	99.6	95.5
1946 monthly average.....	121.1	148.9	130.7	109.5
June.....	112.9	140.1	112.9	105.6
1947 monthly average.....	152.1	181.2	168.7	135.2
1948 monthly average.....	164.9	188.3	179.1	150.6
1948: January.....	165.7	199.2	179.9	148.3
February.....	160.9	185.3	172.4	147.6
March.....	161.4	186.0	173.8	147.7
April.....	162.8	186.7	176.7	148.7
May.....	163.9	189.1	177.4	149.1
June.....	166.2	196.0	181.4	149.5
July.....	168.7	195.2	188.3	151.1
August.....	169.5	191.0	189.5	153.1
September.....	168.7	189.9	186.9	153.3
October.....	165.2	183.5	178.2	153.1
November.....	163.9	180.8	174.3	153.3
December.....	162.2	177.3	170.2	152.8
1949: Week ended:				
Jan. 4.....	161.3	175.5	168.0	152.6
11.....	160.5	174.3	164.4	152.9
18.....	159.3	170.1	161.9	153.0
25.....	158.8	167.9	159.2	153.6
Feb. 1 ¹	158.8	168.9	158.6	153.5

¹ Data became available after chart was prepared.

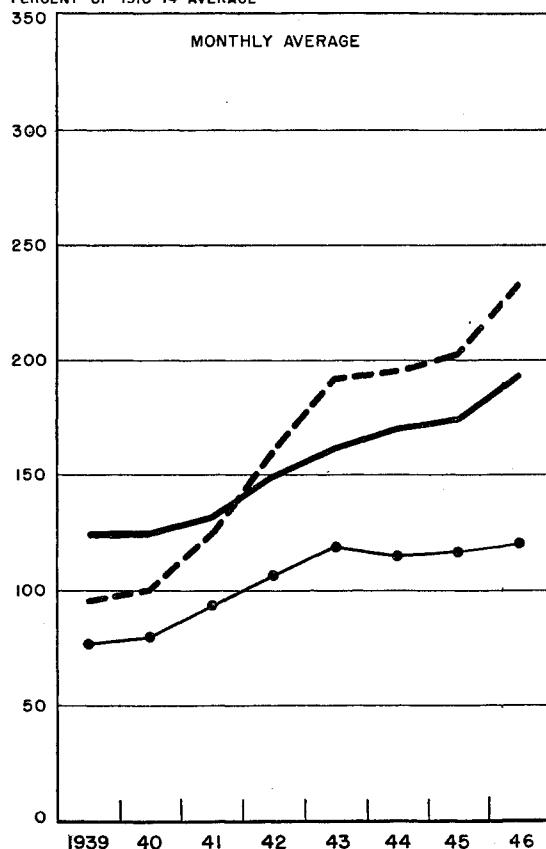
NOTE.—The weekly index presented here is a revised index which permits direct comparison with the monthly index. It is not comparable with the old weekly index which does not permit such a comparison.

Source: Department of Labor.

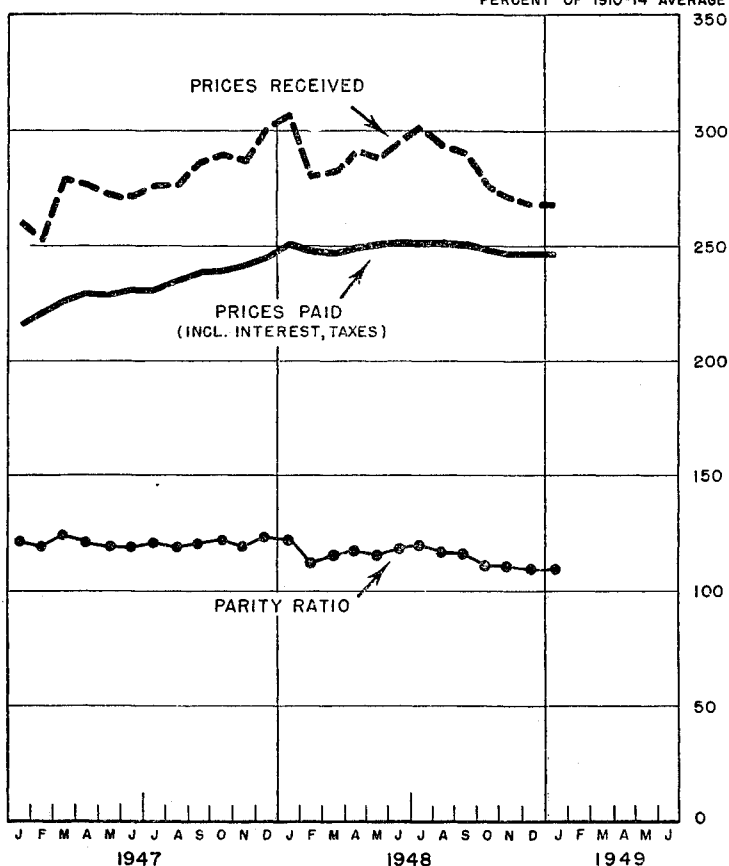
PRICES RECEIVED AND PAID BY FARMERS

Prices received and paid by farmers remained unchanged from December to January.

PERCENT OF 1910-14 AVERAGE



PERCENT OF 1910-14 AVERAGE



* RATIO OF PRICES RECEIVED TO PRICES PAID, INTEREST, AND TAXES
SOURCE: DEPARTMENT OF AGRICULTURE.

COUNCIL OF ECONOMIC ADVISERS

Period	Prices received by farmers ¹	Prices paid by farmers (including interest and taxes) ²	Parity ratio ³
1939 monthly average.....	95	124	77
1941 monthly average.....	124	132	94
1942 monthly average.....	159	150	106
1943 monthly average.....	192	162	119
1944 monthly average.....	195	170	115
1945 monthly average.....	202	174	116
1946 monthly average.....	233	194	120
1947 monthly average.....	278	231	120
1948 monthly average.....	287	249	115
1947: December.....	301	245	123
1948: January.....	307	251	122
February.....	279	248	112
March.....	283	247	115
April.....	291	249	117
May.....	289	250	116
June.....	295	251	118
July.....	301	251	120
August.....	293	251	117
September.....	290	250	116
October.....	277	249	111
November.....	271	247	110
December.....	268	248	108
1949: January.....	268	248	108

¹ August 1909-July 1914=100.

² 1910-14=100.

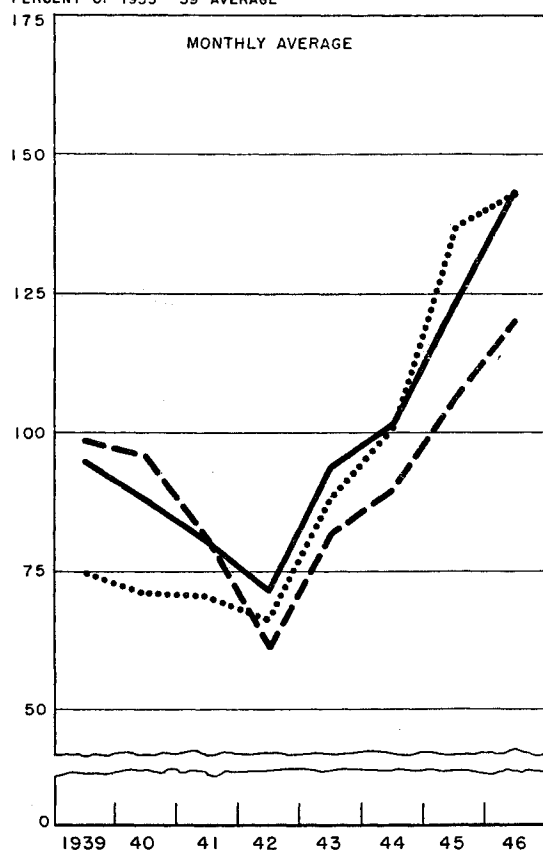
³ Ratio of prices received to prices paid, interest, and taxes.

Source: Department of Agriculture.

STOCK PRICES

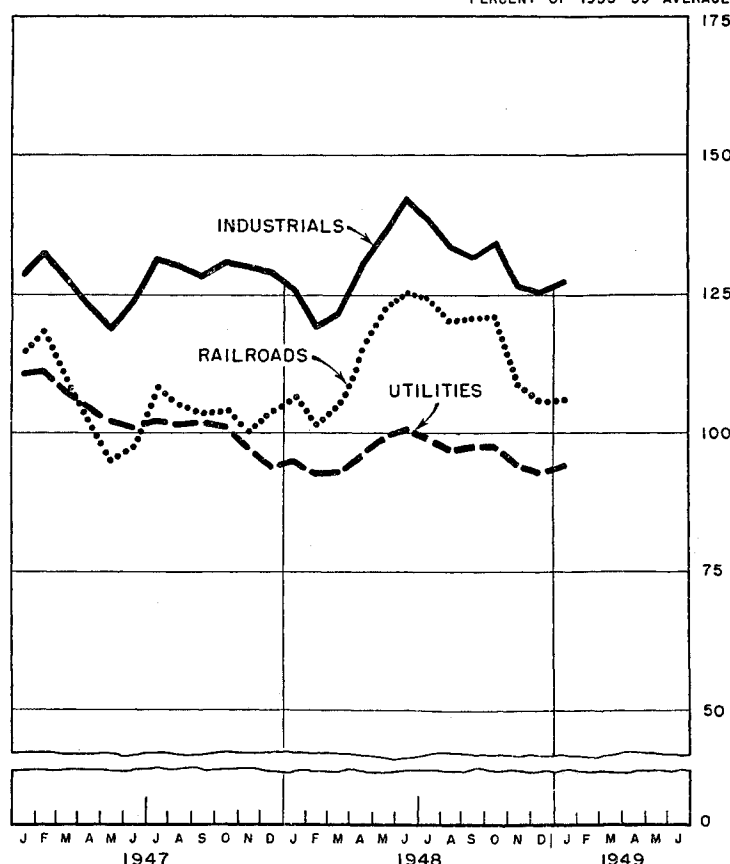
After dropping from October through December 1948, stock prices rose in January.

PERCENT OF 1935 - 39 AVERAGE



SOURCE: STANDARD AND POOR'S CORPORATION.

PERCENT OF 1935 - 39 AVERAGE



COUNCIL OF ECONOMIC ADVISERS

[1935-39=100]

Period	Combined index ¹	Industrials ¹	Railroads ¹	Utilities ¹
1939 monthly average.....	94.2	94.8	74.7	98.6
1941 monthly average.....	80.0	80.4	70.6	81.0
1942 monthly average.....	69.4	71.3	66.1	61.3
1943 monthly average.....	91.9	94.1	88.7	82.1
1944 monthly average.....	99.8	101.7	101.0	89.9
1945 monthly average.....	121.5	123.3	136.9	106.1
1946 monthly average.....	139.9	143.4	143.0	120.2
1947 monthly average.....	123.0	128.0	105.3	102.9
1948 monthly average.....	124.4	130.6	114.8	96.3
1947: December.....	122.4	129.2	103.9	94.0
1948: January.....	120.1	126.0	106.5	95.1
February.....	114.2	119.2	101.9	92.6
March.....	116.4	121.8	105.2	93.0
April.....	124.6	130.8	115.2	96.2
May.....	130.2	136.9	122.6	99.2
June.....	135.1	142.7	125.6	100.6
July.....	131.9	138.9	124.7	99.5
August.....	127.1	133.5	119.7	97.3
September.....	125.7	131.7	120.4	97.3
October.....	127.8	134.3	120.9	97.4
November.....	120.4	126.4	108.8	94.2
December.....	119.4	125.5	105.8	92.9
1949: January.....	121.0	127.3	105.9	94.2

¹ Combined index prior to June 23, 1948, was based on 402 common stocks, and included 354 industrials, 20 railroads, and 28 utilities; thereafter, 416 common stocks are represented, with 365 industrials, 20 railroads, and 31 utilities.

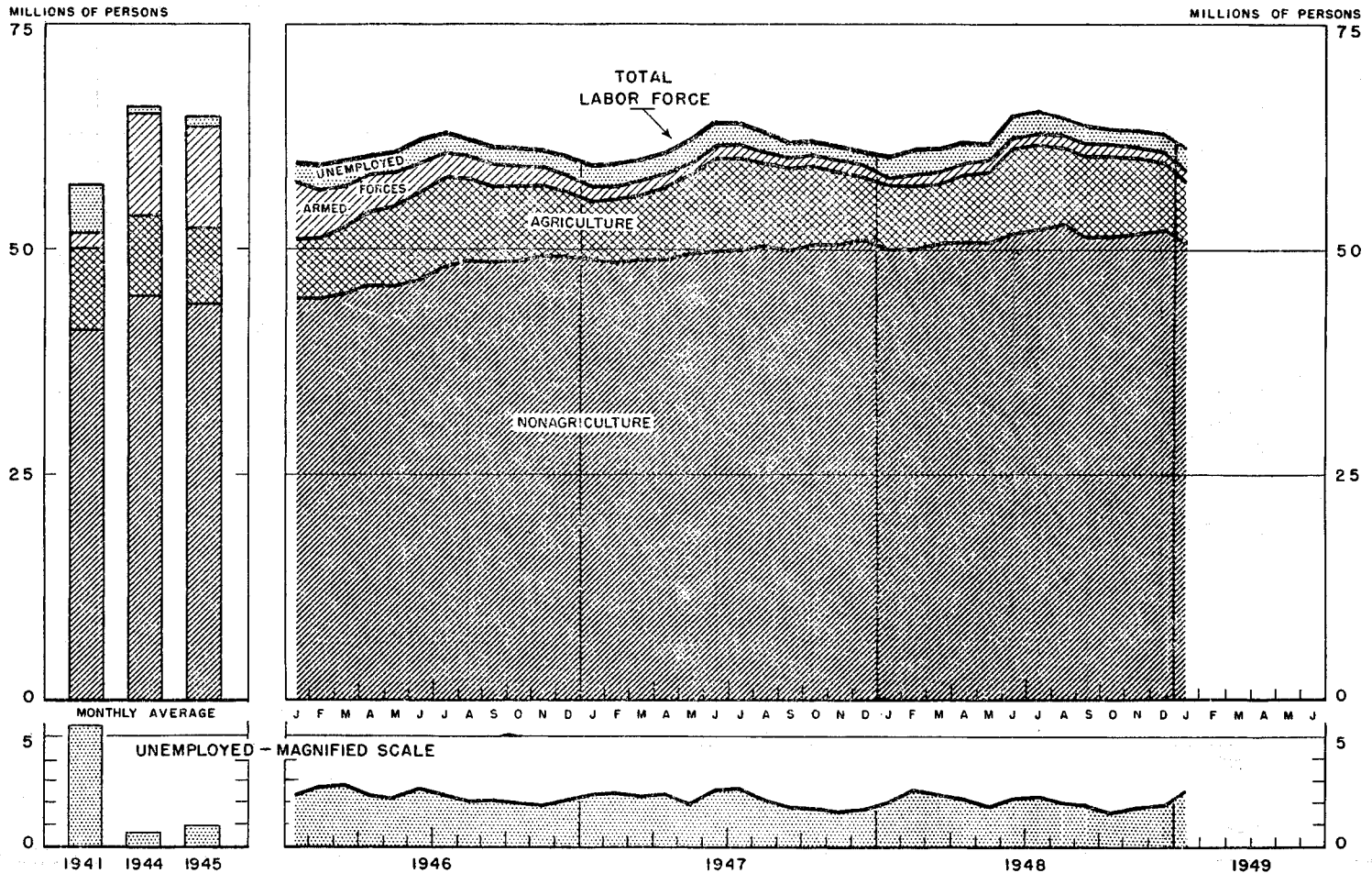
Source: Standard & Poor's Corporation.

EMPLOYMENT

C-1

LABOR FORCE

Unemployment increased more than seasonally in January to about 2.7 million, just above the level of February 1948. Employment dropped by 2 million.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

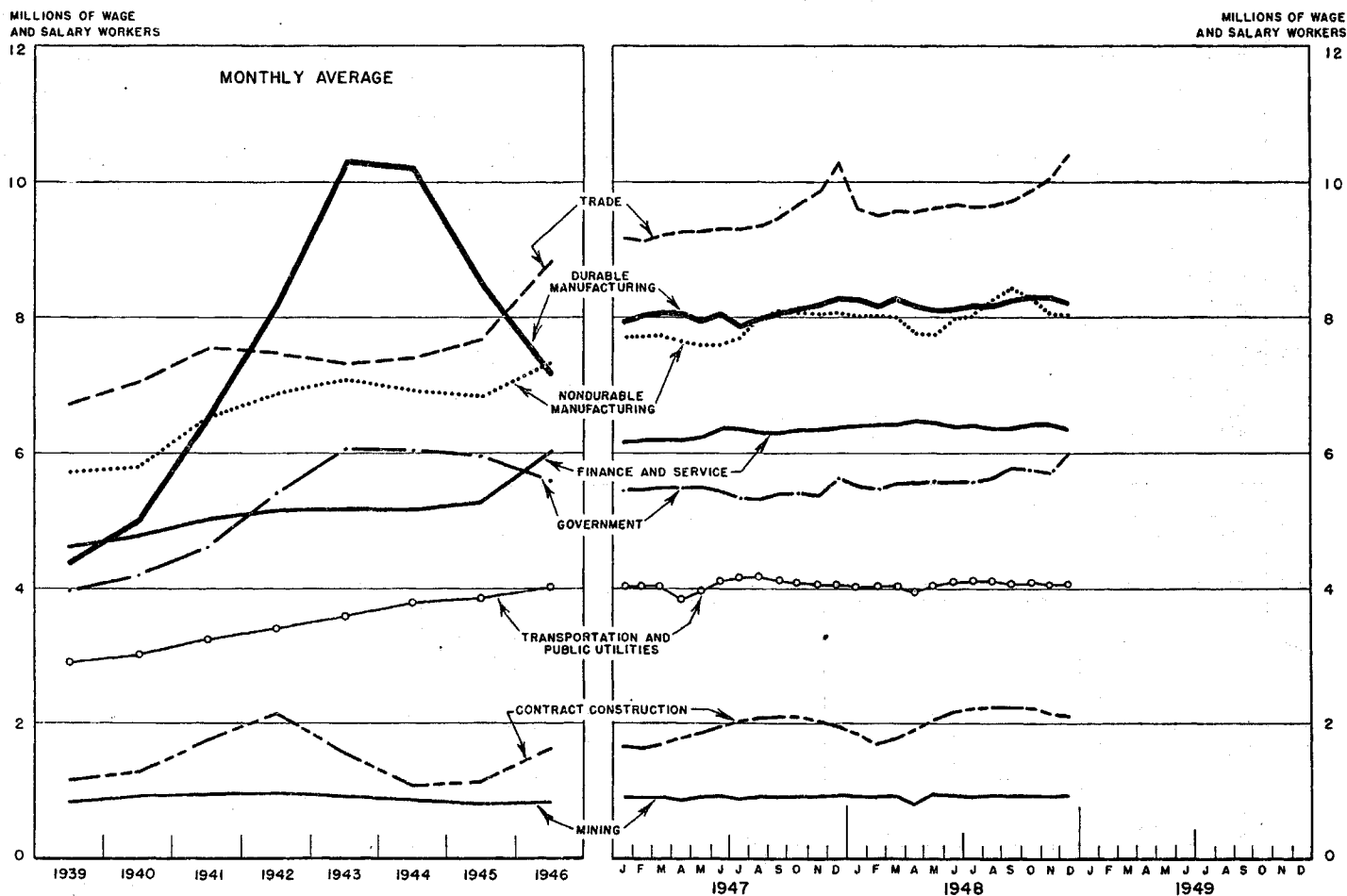
[Thousands of persons 14 years of age and over]

Period	Total labor force, including armed forces	Civilians employed			Armed forces	Unemployed
		Total	In non-agricultural industries	In agriculture		
1941 monthly average...	57,380	50,350	41,250	9,100	1,470	5,560
1944 monthly average...	65,890	53,960	45,010	8,950	11,260	670
1945 monthly average...	65,140	52,820	44,240	8,580	11,280	1,040
1946 monthly average...	60,820	55,250	46,930	8,320	3,300	2,270
1947 monthly average...	61,608	58,027	49,761	8,266	1,440	2,141
1948 monthly average...	62,748	59,378	51,405	7,973	1,307	2,064
1947: December.....	60,870	57,947	50,985	6,962	1,280	1,643
1948: January.....	60,455	57,149	50,089	7,060	1,241	2,065
February.....	61,004	57,139	50,368	6,771	1,226	2,639
March.....	61,005	57,329	50,482	6,847	1,236	2,440
April.....	61,760	58,330	50,883	7,448	1,236	2,193
May.....	61,660	58,660	50,800	7,861	1,238	1,761
June.....	64,740	61,296	51,899	9,396	1,261	2,184
July.....	65,135	61,615	52,452	9,163	1,293	2,227
August.....	64,511	61,245	52,801	8,444	1,325	1,941
September.....	63,578	60,312	51,590	8,723	1,366	1,899
October.....	63,166	60,134	51,506	8,627	1,391	1,642
November.....	63,138	59,893	51,932	7,961	1,414	1,831
December.....	62,828	59,434	52,059	7,375	1,453	1,941
1949: January.....	61,546	57,414	50,651	6,763	1,468	2,664

NOTE.—Detail will not necessarily add to totals because of rounding.
Source: Department of Commerce.

EMPLOYMENT IN BUSINESS AND GOVERNMENT

Employment in manufacturing industries dropped 200,000 in December to a total of 16.2 million, or slightly under the level of a year before. Employment in trade and post offices (part of government) increased seasonally.



SOURCE: Department of Labor

Council of Economic Advisers

[Thousands of wage and salary workers ¹]

Period	Durable manufacturing	Nondurable manufacturing	Trade	Finance and service	Government (Federal, State, local)	Transportation and public utilities	Contract construction	Mining
1939 monthly average.....	4,357	5,720	6,705	4,610	3,987	2,912	1,150	841
1943 monthly average.....	10,297	7,084	7,322	5,187	6,049	3,619	1,567	917
1946 monthly average.....	7,180	7,335	8,820	6,016	5,607	4,023	1,661	852
1947 monthly average.....	8,055	7,846	9,450	6,278	5,450	4,059	1,921	917
1948 monthly average ²	8,213	8,059	9,746	6,403	5,658	4,065	2,063	921
1947: November.....	8,194	8,062	9,886	6,343	5,387	4,077	2,046	922
December.....	8,274	8,080	10,288	6,364	5,638	4,071	1,978	922
1948: January.....	8,256	8,011	9,622	6,403	5,498	4,020	1,871	922
February.....	8,167	8,016	9,520	6,420	5,492	4,019	1,731	917
March.....	8,258	8,011	9,598	6,426	5,546	4,032	1,805	922
April.....	8,164	7,786	9,576	6,472	5,577	3,974	1,933	817
May.....	8,114	7,778	9,617	6,454	5,624	4,042	2,052	931
June.....	8,122	7,993	9,670	6,389	5,607	4,105	2,173	951
July.....	8,165	8,007	9,646	6,399	5,604	4,136	2,219	922
August.....	8,188	8,253	9,660	6,383	5,650	4,139	2,253	952
September.....	8,294	8,403	9,733	6,379	5,801	4,092	2,239	941
October.....	8,319	8,279	9,889	6,377	5,789	4,090	2,206	94
November ²	8,301	8,148	10,035	6,376	5,714	4,066	2,161	941
December ²	8,214	8,028	10,387	6,354	5,994	4,069	2,109	93

¹ Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked or received pay during the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total derived from this table not comparable with estimates of nonagricultural employment of the civilian labor force reported by the Department of Commerce (p. 6) which include proprietors, self-employed persons, and domestic servants; which count persons as employed when they are not at work because of industrial disputes; and which are based on an enumeration of population, whereas the estimates in this table are based on reports from employing establishments.

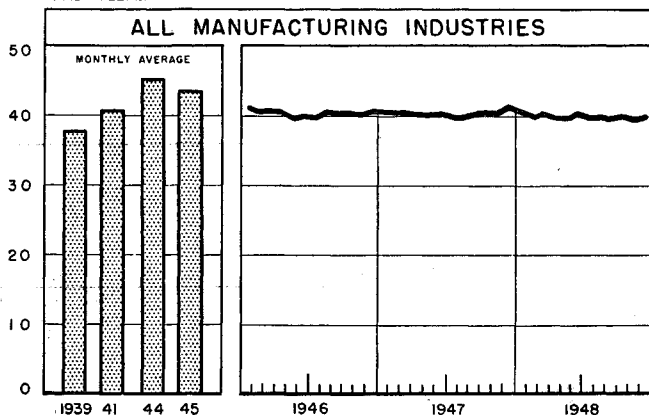
² Preliminary estimate.

Source: Department of Labor.

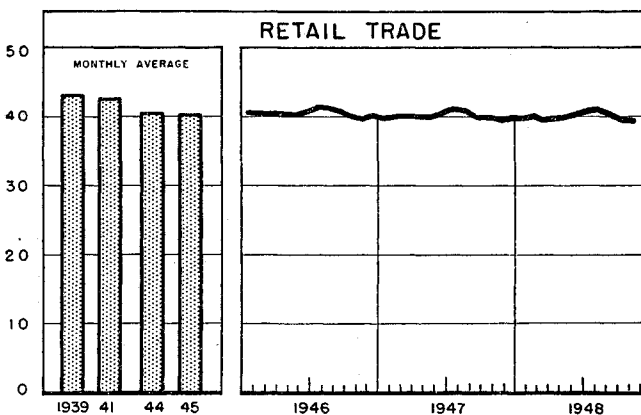
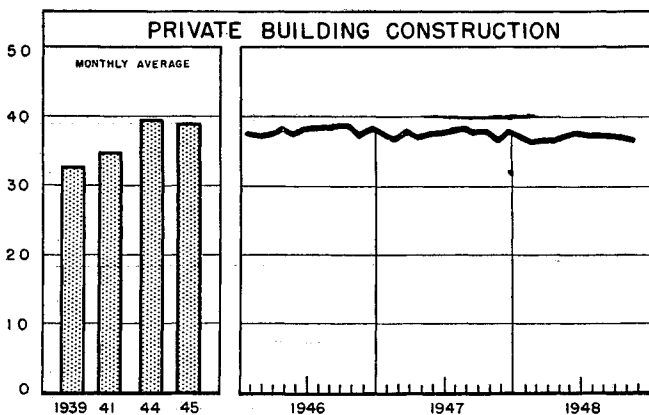
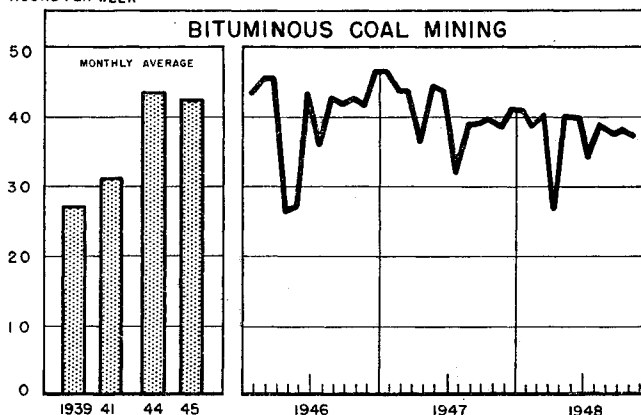
AVERAGE WEEKLY HOURS

A slight decrease in average weekly hours was registered generally in November. Preliminary data for December show a return to the October level for manufacturing.

HOURS PER WEEK



HOURS PER WEEK



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

[Hours per week, selected industries]

Period	All manu- facturing industries	Bituminous coal mining	Private building construction ¹	Retail trade
1939 monthly average.....	37.7	27.1	32.6	43.0
1941 monthly average.....	40.6	31.1	34.8	42.5
1944 monthly average.....	45.2	43.4	39.6	40.3
1945 monthly average.....	43.4	42.3	39.0	40.3
1946 monthly average.....	40.4	41.6	38.1	40.5
1947 monthly average.....	40.3	40.7	37.8	40.2
1947: October.....	40.6	39.9	38.1	40.0
November.....	40.4	38.5	36.6	39.5
December.....	41.2	41.2	37.9	39.7
1948: January.....	40.5	40.9	37.2	39.8
February.....	40.2	38.7	36.7	40.0
March.....	40.4	40.6	37.1	39.8
April.....	40.1	² 27.0	37.0	39.8
May.....	39.9	40.3	37.1	39.9
June.....	40.2	39.9	37.9	40.3
July.....	39.8	34.2	37.8	40.8
August.....	40.1	39.4	37.8	41.0
September.....	39.8	37.7	37.5	40.2
October ³	39.9	38.6	37.4	39.7
November ³	39.7	37.1	36.7	39.5
December ³	39.9			

¹ Covers only employees at the site of privately financed building projects.

² Based on pay period during coal stoppage.

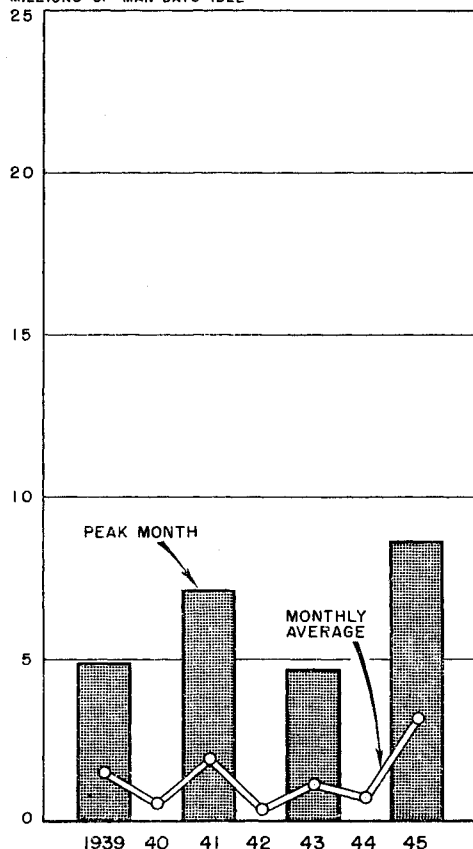
³ Preliminary estimate.

Source: Department of Labor.

WORK STOPPAGES

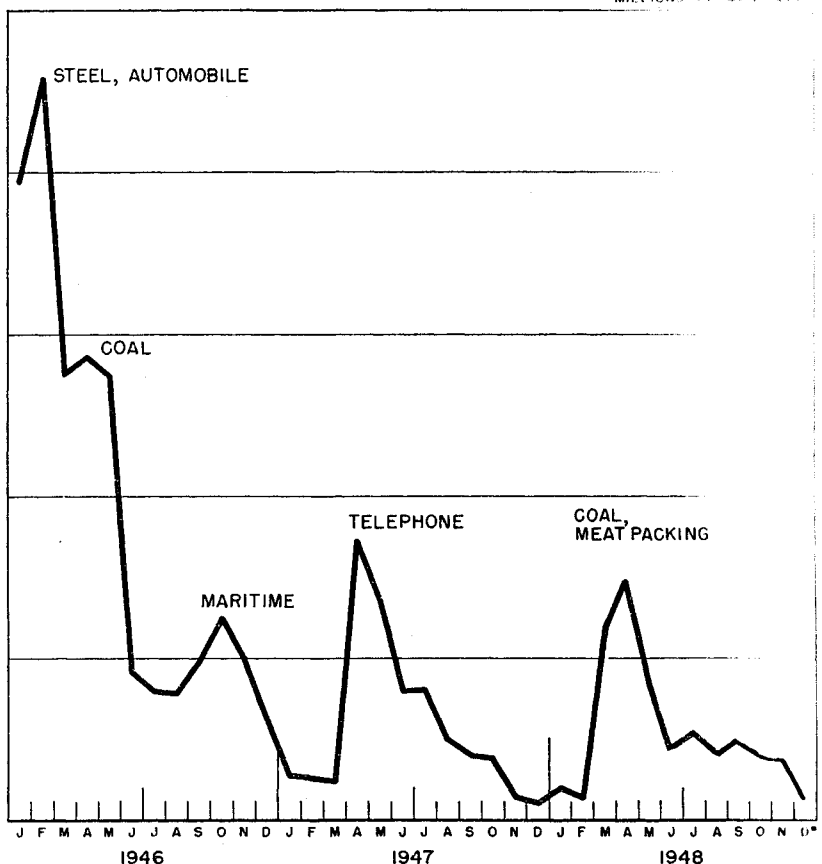
Work stoppages dropped sharply in December.

MILLIONS OF MAN-DAYS IDLE



* PRELIMINARY ESTIMATE.
SOURCE: DEPARTMENT OF LABOR.

MILLIONS OF MAN-DAYS IDLE



COUNCIL OF ECONOMIC ADVISERS

Period	Man-days idle (thousands)	Man-days idle as percent of estimated available working time
1939: Monthly average.....	1,484	0.28
April—peak month.....	4,902	
1941: Monthly average.....	1,921	.32
April—peak month.....	7,113	1.13
1942: Monthly average.....	349	.05
1943: Monthly average.....	1,125	.15
June—peak month.....	4,699	.62
1944: Monthly average.....	727	.09
1945: Monthly average.....	3,168	.47
October—peak month.....	8,610	1.39
1946: Monthly average.....	9,672	1.43
February—peak month.....	22,900	4.19
1947: Monthly average.....	2,993	.41
April—peak month.....	8,540	1.19
1948: Monthly average ¹	2,833	
1948: May ¹	4,100	.6
June ¹	2,200	.3
July ¹	2,750	.3
August ¹	2,100	.2
September ¹	2,500	.3
October ¹	2,000	.3
November ¹	1,900	.3
December ¹	600	.1

¹ Preliminary estimate.

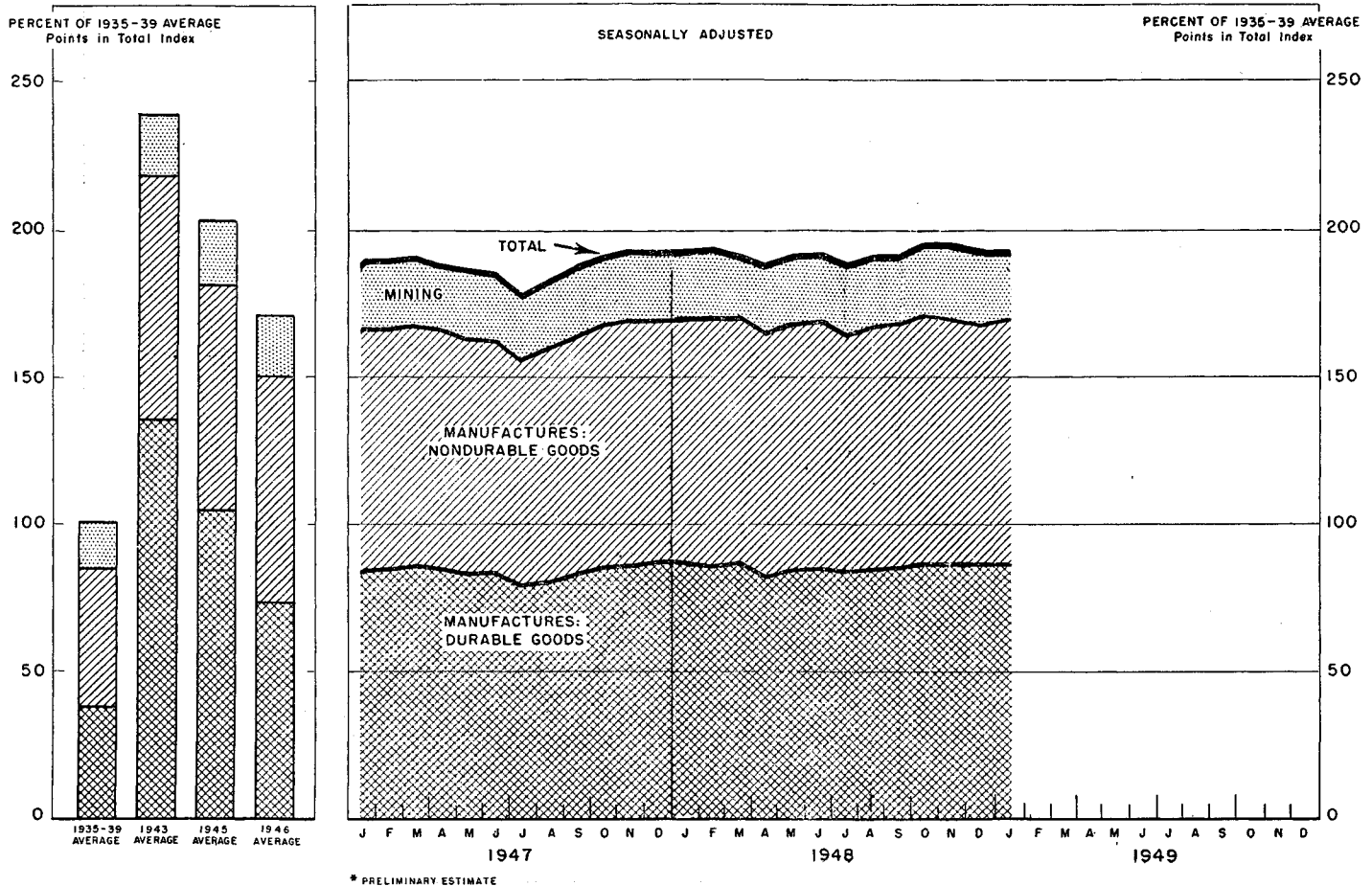
Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

D-1

INDUSTRIAL PRODUCTION

Industrial production declined about 1½ percent in December, chiefly as a result of reduced output of nondurable goods. Preliminary data indicate that production continued in January at about the December rate.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

Period	Indexes, 1935-39=100					Points in total index, 1935-39 average for total=100		
	Total industrial production	Manufactures			Mining	Manufactures		Mining
		Total	Durable goods	Nondurable goods		Durable goods	Nondurable goods	
1935-39 monthly average.....	100	100	100	100	100	38	47	15
1943 monthly average.....	239	258	360	176	132	136	83	20
1945 monthly average.....	203	214	274	166	137	104	78	21
1946 monthly average.....	170	177	192	165	134	73	77	21
1947 monthly average.....	187	194	220	172	149	83	81	23
1948 monthly average ¹	192	198	225	177	155	85	83	24
1947: December.....	192	198	230	173	156	87	81	24
1948: January.....	193	201	229	178	154	87	83	23
February.....	194	201	226	180	155	86	84	24
March.....	191	200	229	177	142	87	83	22
April.....	188	195	217	177	147	82	83	22
May.....	192	197	221	178	162	84	83	25
June.....	192	198	222	179	159	84	84	24
July.....	186	191	219	169	153	83	79	23
August.....	191	197	222	176	159	84	82	24
September.....	192	199	225	178	156	85	83	24
October.....	195	202	230	179	158	87	84	24
November.....	195	201	229	178	161	87	83	25
December ¹	192	198	228	174	156	87	81	24
1949: January ¹	192	200	229	176	153	87	82	23

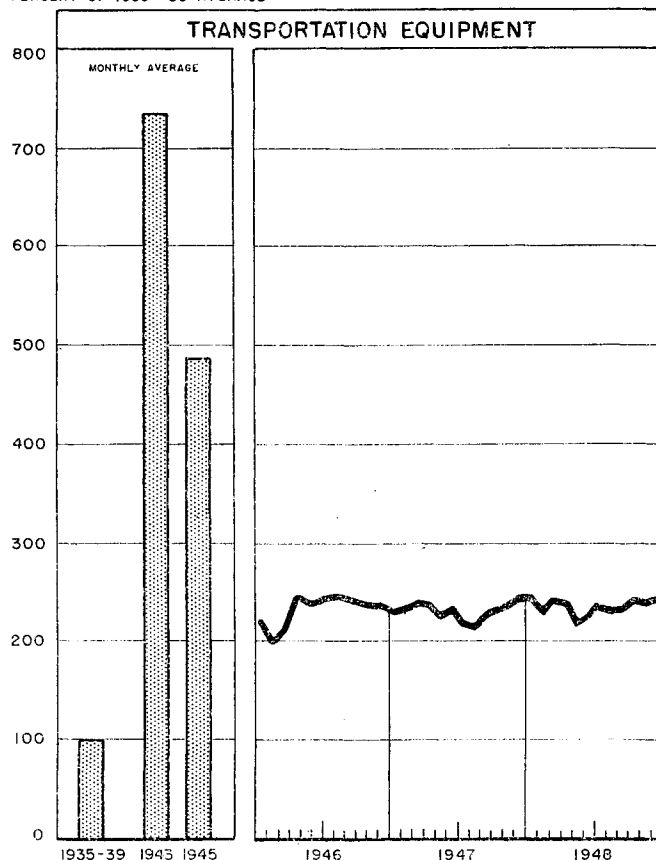
¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

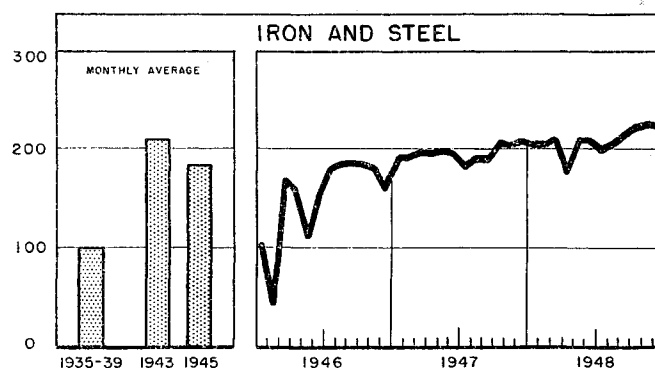
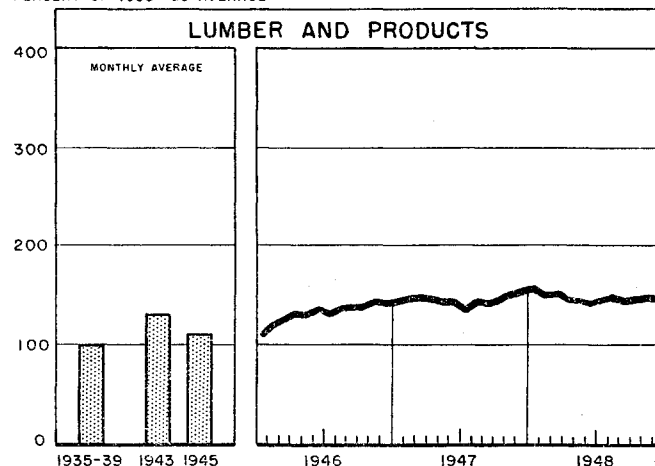
PRODUCTION OF SELECTED DURABLE MANUFACTURES

Output of transportation equipment in December was 2 percent over November. There was little change in lumber, or in iron and steel.

PERCENT OF 1935-39 AVERAGE



PERCENT OF 1935-39 AVERAGE



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

Period	Transportation equipment	Lumber and products	Iron and steel
1935-39 monthly average.....	100	100	100
1943 monthly average.....	734	130	208
1945 monthly average.....	487	110	183
1946 monthly average.....	232	130	150
1947 monthly average.....	230	144	195
1948 monthly average ¹	234	146	208
1947: November.....	234	150	202
December.....	244	153	205
1948: January.....	244	155	203
February.....	232	150	203
March.....	240	151	207
April.....	237	145	177
May.....	218	142	207
June.....	223	140	207
July.....	235	142	200
August.....	231	149	207
September.....	231	143	214
October.....	240	147	221
November.....	236	145	223
December ¹	240	144	222

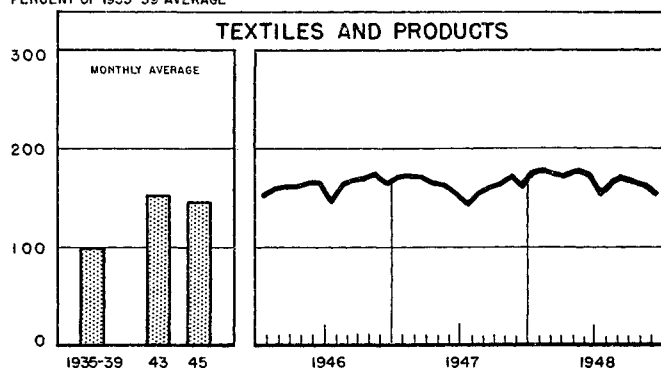
¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

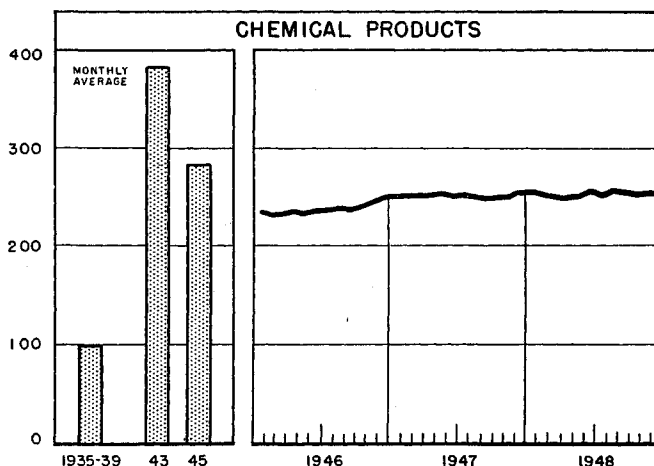
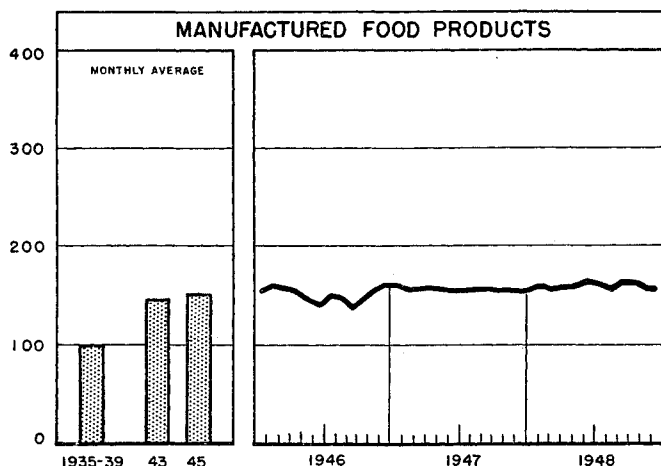
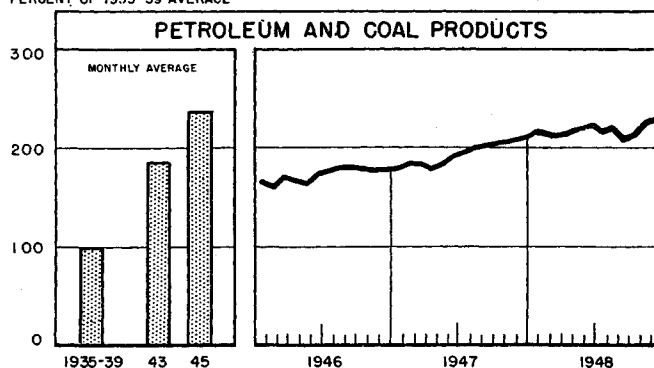
PRODUCTION OF SELECTED NONDURABLE MANUFACTURES

Textile output dropped 4 percent in December, while petroleum and coal products rose 2 percent.

PERCENT OF 1935-39 AVERAGE



PERCENT OF 1935-39 AVERAGE



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

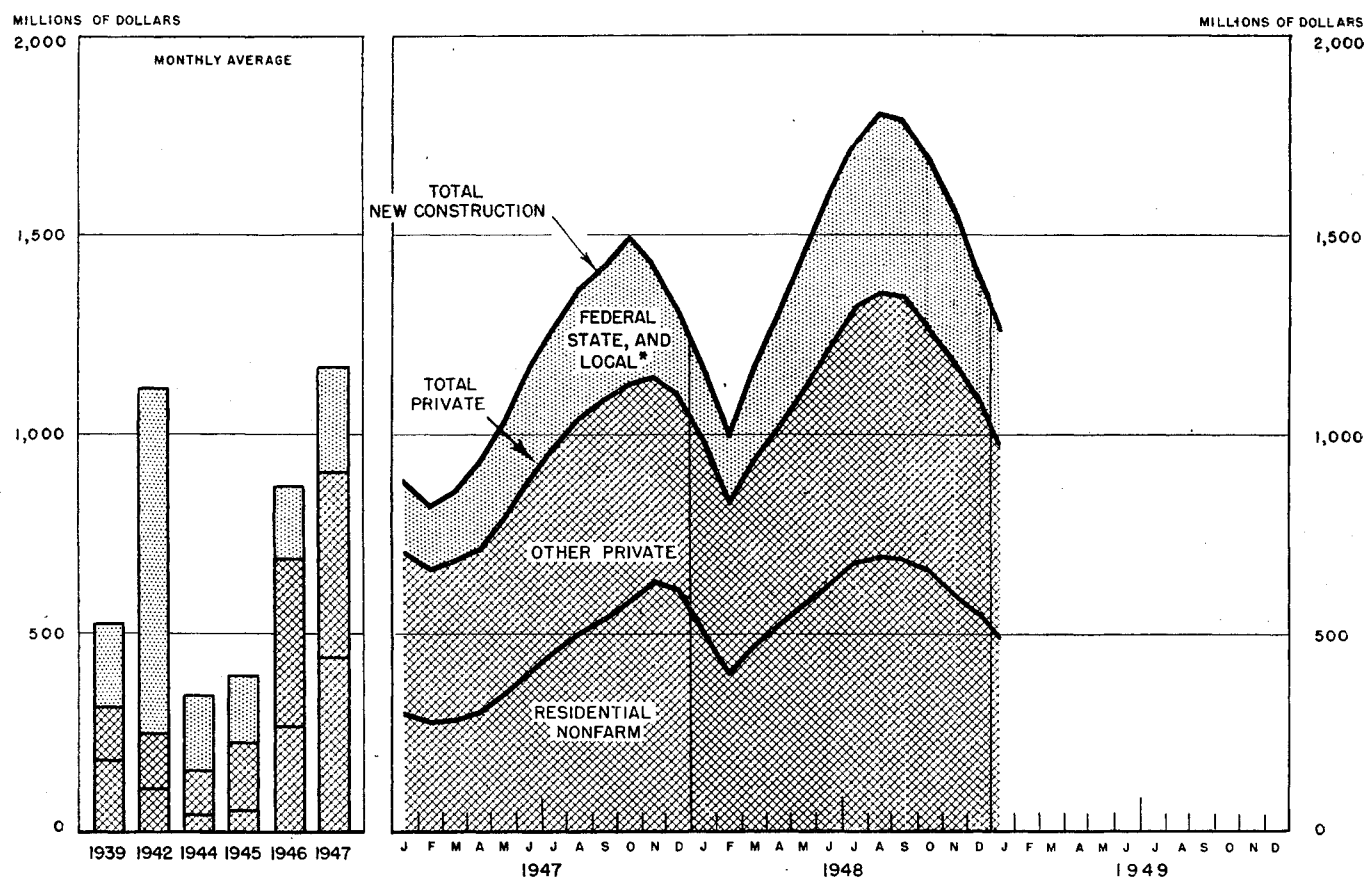
Period	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1935-39 monthly average.....	100	100	100	100
1943 monthly average.....	153	185	145	384
1945 monthly average.....	146	235	151	284
1946 monthly average.....	162	173	150	236
1947 monthly average.....	163	193	157	251
1948 monthly average ¹	169	218	159	254
1947: November.....	172	205	158	251
December.....	163	208	158	254
1948: January.....	179	214	158	255
February.....	179	215	160	252
March.....	175	211	158	250
April.....	174	213	157	249
May.....	176	220	159	249
June.....	174	221	163	256
July.....	154	217	160	251
August.....	166	222	154	259
September.....	168	207	163	257
October.....	167	217	161	255
November.....	164	226	159	256
December ¹	157	230	158	256

¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

The decline in the volume of construction activity in January was less than in January 1948. The value of private construction was about equal to a year ago while public construction was almost $\frac{1}{3}$ higher.



* INCLUDES PUBLIC RESIDENTIAL CONSTRUCTION

SOURCE: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Total new construction	Private construction			Federal, State, and local ¹
		Total private	Residential (nonfarm)	Other	
1939 monthly average.....	526	317	176	141	208
1942 monthly average.....	1,118	251	110	141	867
1944 monthly average.....	345	152	45	107	193
1945 monthly average.....	401	226	57	169	174
1946 monthly average.....	871	688	265	422	184
1947 monthly average.....	1,165	908	438	469	257
1948 monthly average.....	1,472	1,136	582	554	336
1947: December.....	1,320	1,097	610	487	223
1948: January.....	1,157	948	500	448	209
February.....	1,009	837	400	437	172
March.....	1,166	940	475	466	226
April.....	1,311	1,024	525	499	287
May.....	1,461	1,120	585	535	341
June.....	1,616	1,235	635	600	381
July.....	1,715	1,318	680	638	397
August.....	1,799	1,354	695	659	445
September.....	1,782	1,332	685	647	450
October.....	1,707	1,265	650	615	442
November.....	1,552	1,178	600	578	374
December.....	1,391	1,080	550	530	311
1949: January ²	1,261	978	490	488	283

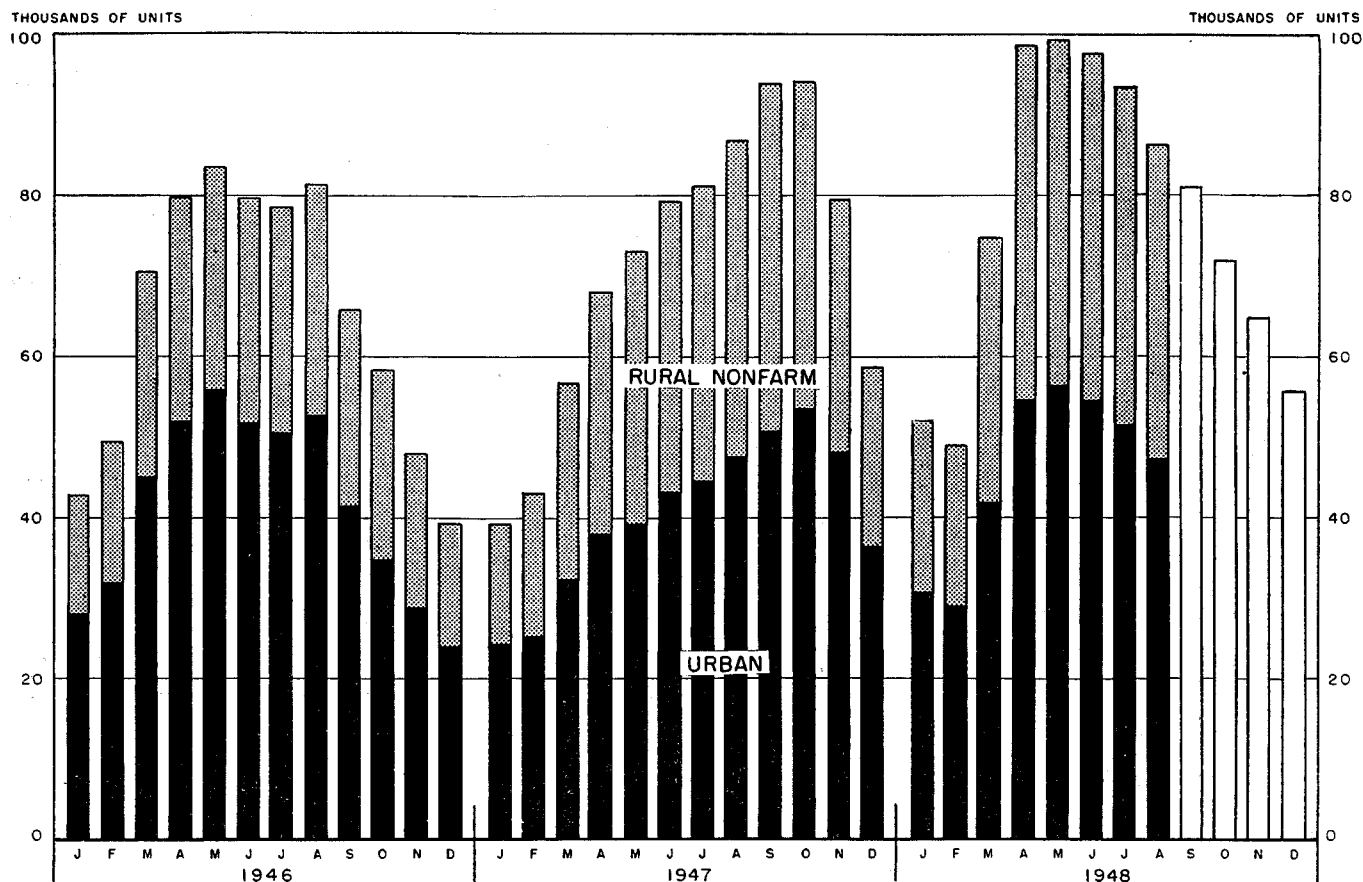
¹ Includes public residential construction.

² Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.
Sources: Department of Commerce and Department of Labor.

NEW HOUSING STARTS*

In December, housing starts declined less than half as much as in the preceding year. They were slightly below the levels of a year ago but 40 percent above those of two years ago.



* NEW NONFARM FAMILY DWELLING UNITS.

SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

Period	New nonfarm units (conventional and prefabricated) ¹		
	Total	Urban	Rural nonfarm
1946 monthly average.....	64,683	41,164	23,520
1947 monthly average.....	71,125	40,125	31,000
1948 monthly average ²	77,233		
1947: July.....	81,100	44,500	36,600
August.....	86,300	47,400	38,900
September.....	93,800	50,300	43,500
October.....	94,000	53,200	40,800
November.....	79,700	48,000	31,700
December.....	58,800	36,300	22,500
1948: January.....	52,600	30,400	22,200
February.....	49,600	28,800	20,800
March.....	75,100	42,000	33,100
April.....	98,800	54,400	44,400
May.....	99,400	56,700	42,700
June.....	97,500	54,400	43,100
July.....	93,500	51,600	41,900
August.....	86,300	47,400	38,900
September ²	81,000		
October ²	72,000		
November ²	65,000		
December ²	56,000		

¹ New nonfarm family dwelling units. Temporary units are excluded after 1947 when the program ended.

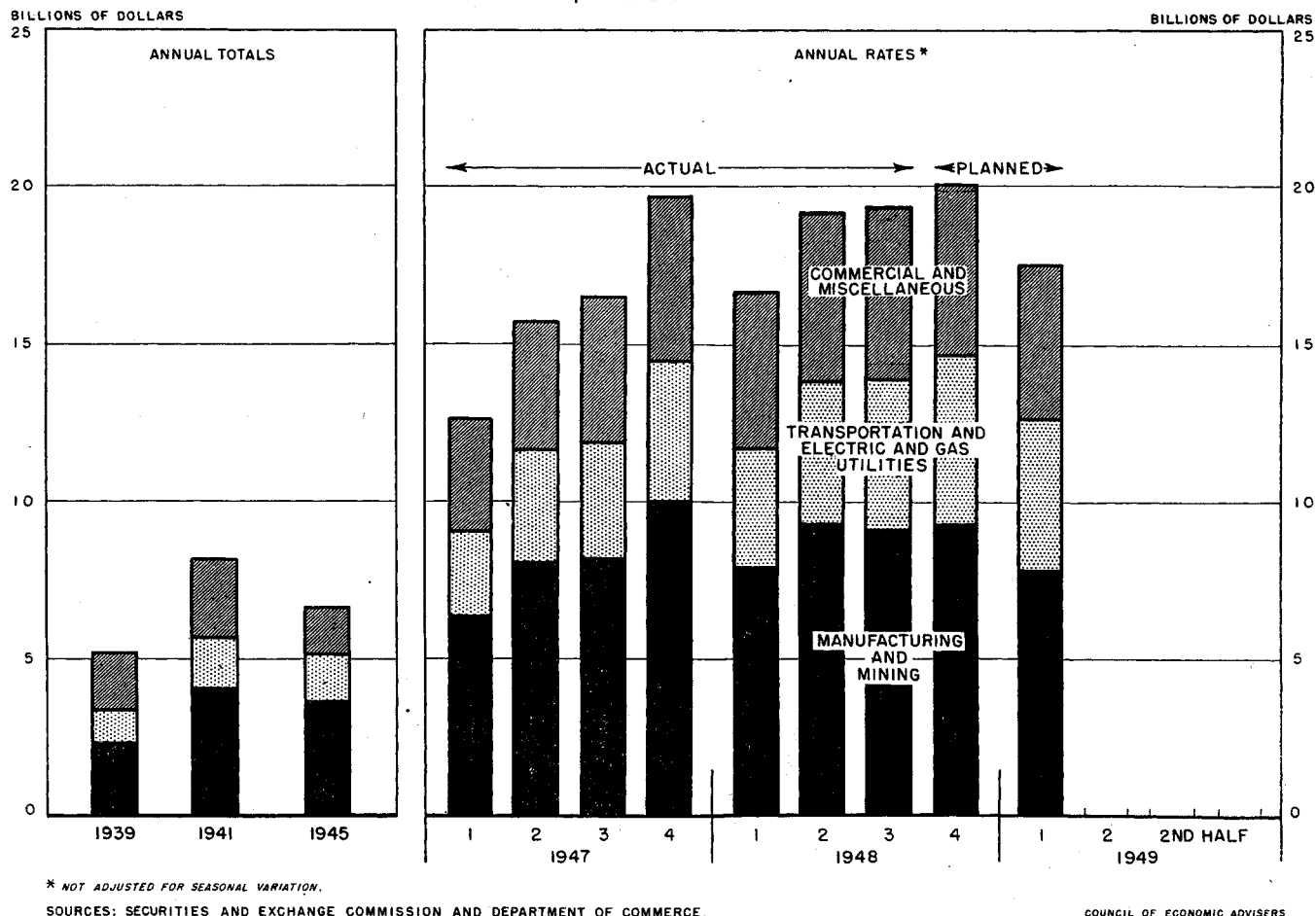
² Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Nonagricultural business expenditures for plant and equipment are expected to show a seasonal decline in the first quarter of 1949, but present estimates run above first quarter of 1948. Railroad and utility investment continues to increase in relative importance.



[Millions of dollars, annual rates, not adjusted for seasonal]

Period	Total ¹	Manufacturing	Mining	Transportation		Electric and gas utilities	Commercial and miscellaneous ²
				Railroad	Other		
1939	5,200	1,930	380	280	280	480	1,850
1941	8,190	3,400	680	560	340	710	2,490
1945	6,630	3,210	440	550	320	630	1,480
1946	12,040	5,910	560	570	660	1,040	3,300
1947	16,180	7,460	690	910	800	1,900	4,430
1948 ³	18,840	8,180	770	1,310	690	2,610	5,280
1947: First quarter	12,640	5,800	600	640	720	1,320	3,600
Second quarter	15,760	7,400	640	880	920	1,800	4,120
Third quarter	16,560	7,480	720	920	800	2,000	4,640
Fourth quarter	19,760	9,160	840	1,200	760	2,480	5,360
1948: First quarter	16,680	7,200	720	1,080	720	2,000	4,960
Second quarter	19,280	8,560	800	1,240	760	2,560	5,360
Third quarter	19,320	8,360	800	1,320	680	2,760	5,440
Fourth quarter ⁴	20,040	8,640	720	1,600	640	3,120	5,320
1949: First quarter ⁴	17,560	7,120	720	1,480	600	2,720	4,880

¹ Excludes agriculture.

² Includes trade, service, finance, and communication.

³ Based on actual expenditures for first three quarters and estimates for the fourth quarter.

⁴ Estimates based on anticipated capital expenditures of business.

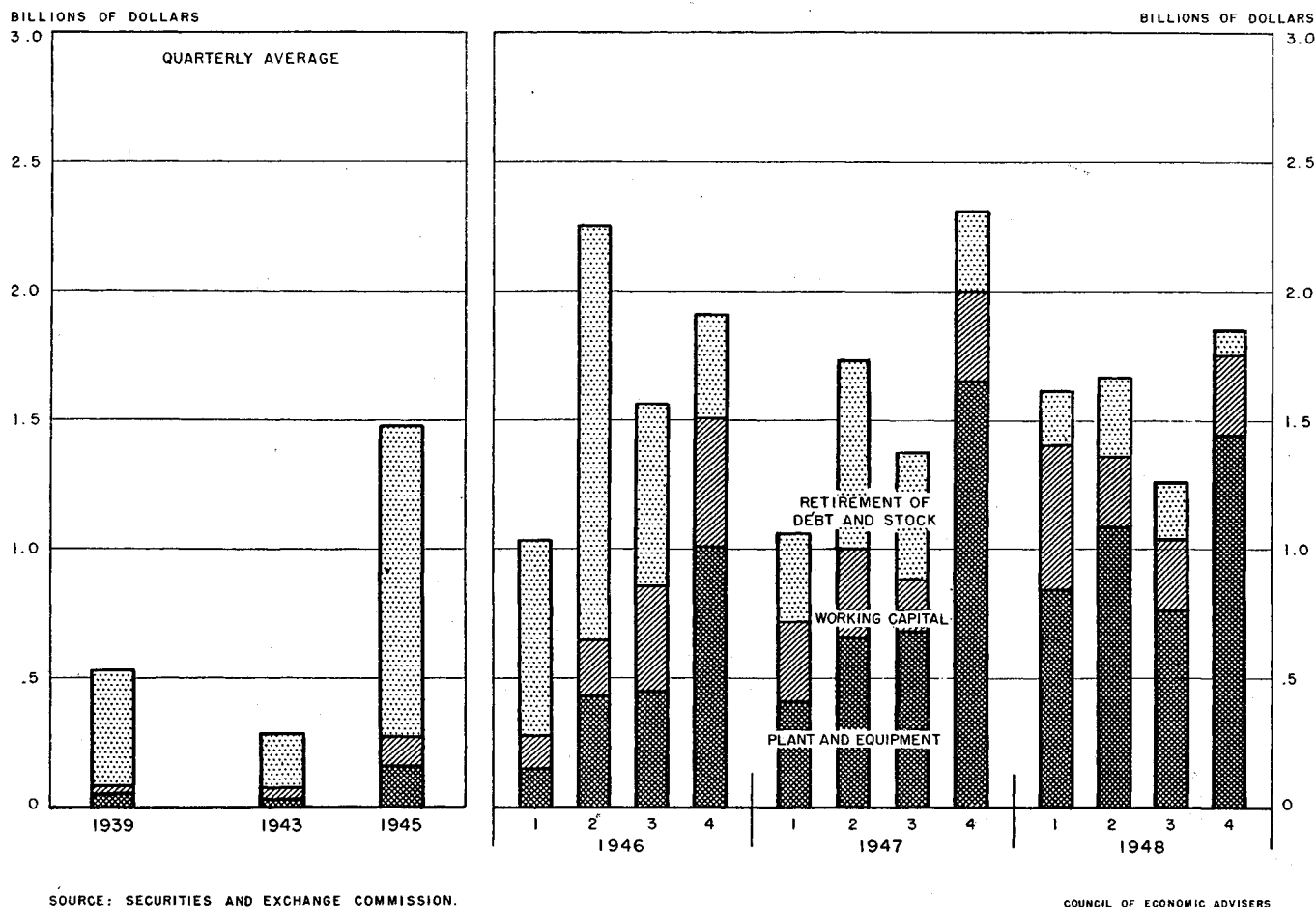
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal Reserve Board estimates based on Securities and Exchange Commission and other data.

Detail will not necessarily add to totals because annual rates are based on quarterly figures rounded to the nearest 10,000,000.

Sources: Securities and Exchange Commission and Department of Commerce (except as noted).

NEW CORPORATE SECURITY ISSUES

The seasonal increase in the 4th quarter, while less than in the preceding year, brought the yearly total of corporate security issues close to that of 1947.



SOURCE: SECURITIES AND EXCHANGE COMMISSION.

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Estimated net proceeds	Proposed uses of net proceeds			
		New money			Retirement of debt and stock ¹
		Total	Plant and equipment	Working capital	
1939 quarterly average.....	529	81	43	39	448
1943 quarterly average.....	287	77	35	42	210
1945 quarterly average.....	1,475	270	159	111	1,206
1946 quarterly average.....	1,689	820	529	291	869
1947 quarterly average.....	1,617	1,148	852	296	469
1948 quarterly average ²	1,599	1,388	1,032	356	210
1947: First quarter.....	1,054	706	402	305	348
Second quarter.....	1,727	1,000	661	338	727
Third quarter.....	1,374	884	692	192	490
Fourth quarter.....	2,311	2,000	1,654	347	310
1948: First quarter.....	1,614	1,400	845	555	214
Second quarter.....	1,663	1,353	1,080	274	309
Third quarter.....	1,266	1,046	765	280	221
Fourth quarter ²	1,852	1,754	1,438	316	97

¹ Includes small amount for other purposes.

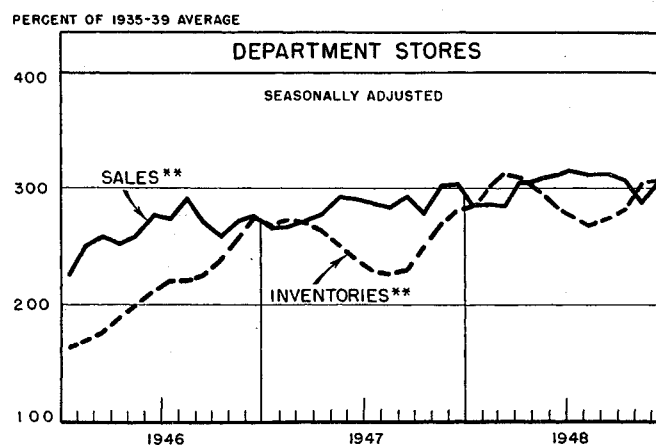
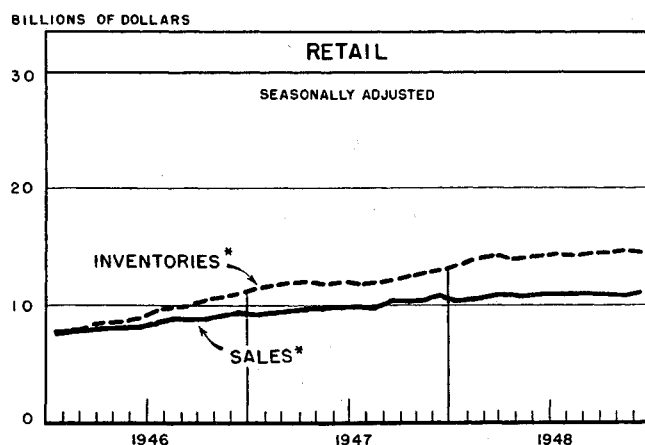
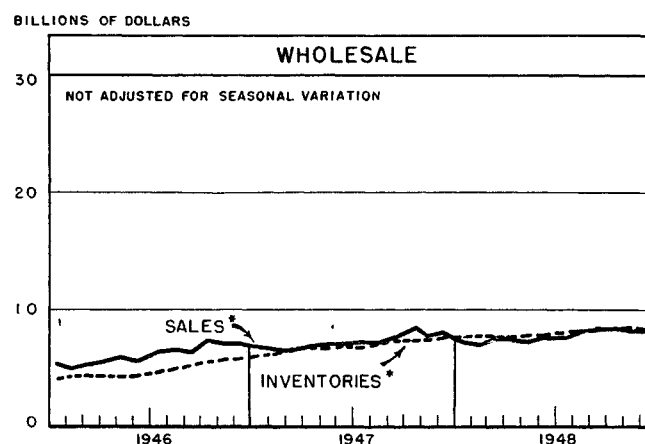
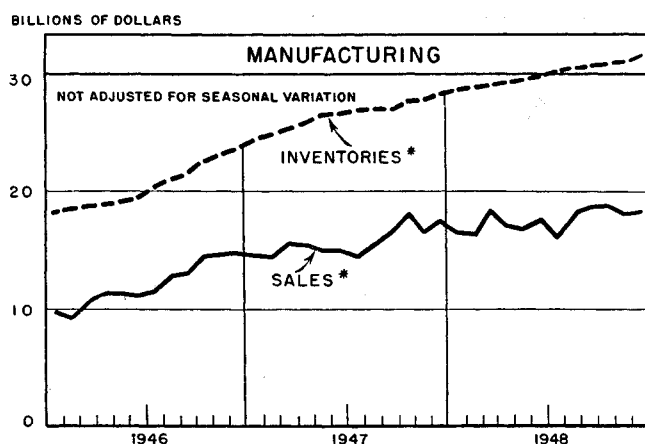
² Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

INVENTORIES AND SALES

Retail sales, which had been showing less than the normal seasonal rise through the autumn, increased more than seasonally in December and exceeded the 1947 level



* SALES ARE TOTAL FOR MONTH AND INVENTORIES ARE BOOK VALUE, END OF MONTH.

** INDEXES COMPUTED FROM DATA ON RETAIL VALUE OF SALES FOR MONTH AND RETAIL BOOK VALUE OF INVENTORIES, END OF MONTH.

SOURCES: DEPARTMENT OF COMMERCE AND BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

Period	Manufacturing ¹		Wholesale ¹		Retail ²		Department stores	
	Inventories ³	Sales ⁴	Inventories ³	Sales ⁴	Inventories ³	Sales ⁴	Inventories	Sales
Millions of dollars							1935-39=100, seasonally adjusted ⁵	
1946: March.....	18,773	10,712	4,309	5,338	8,023	7,796	177	255
June.....	19,468	11,132	4,337	5,575	8,917	8,164	210	275
September.....	21,500	13,055	5,172	6,321	9,995	8,876	226	272
December.....	23,432	14,634	5,823	7,118	11,049	9,258	274	276
1947: September.....	27,055	16,597	7,233	7,763	12,073	10,264	232	294
October.....	27,397	18,082	7,342	8,716	12,435	10,292	252	279
November.....	27,627	16,554	7,467	8,013	12,621	10,426	273	302
December.....	28,020	17,523	7,545	8,262	12,953	10,620	285	303
1948: January.....	28,501	16,552	7,850	7,692	13,384	10,464	289	286
February.....	28,768	16,225	7,885	7,121	13,751	10,463	306	286
March.....	29,064	18,117	7,869	7,726	14,040	10,658	313	285
April.....	29,161	17,229	7,777	7,652	13,907	10,891	309	306
May.....	29,437	16,777	7,801	7,389	13,951	10,620	297	310
June.....	29,727	17,871	7,953	7,766	14,065	10,862	284	312
July.....	30,236	16,403	7,930	7,796	14,080	10,857	273	316
August.....	30,429	18,169	8,100	8,161	14,145	10,893	268	311
September ⁶	30,710	18,781	8,243	8,286	14,531	10,968	275	312
October ⁶	30,848	18,807	8,382	8,376	14,576	10,894	282	306
November ⁶	31,200	18,000	8,501	8,242	14,779	10,771	304	287
December ⁶	31,700	18,300	8,286	8,191	14,562	11,074	306	309

¹ Not adjusted for seasonal variation.

² Adjusted for seasonal variation.

³ Book value, end of month.

⁴ Total for month.

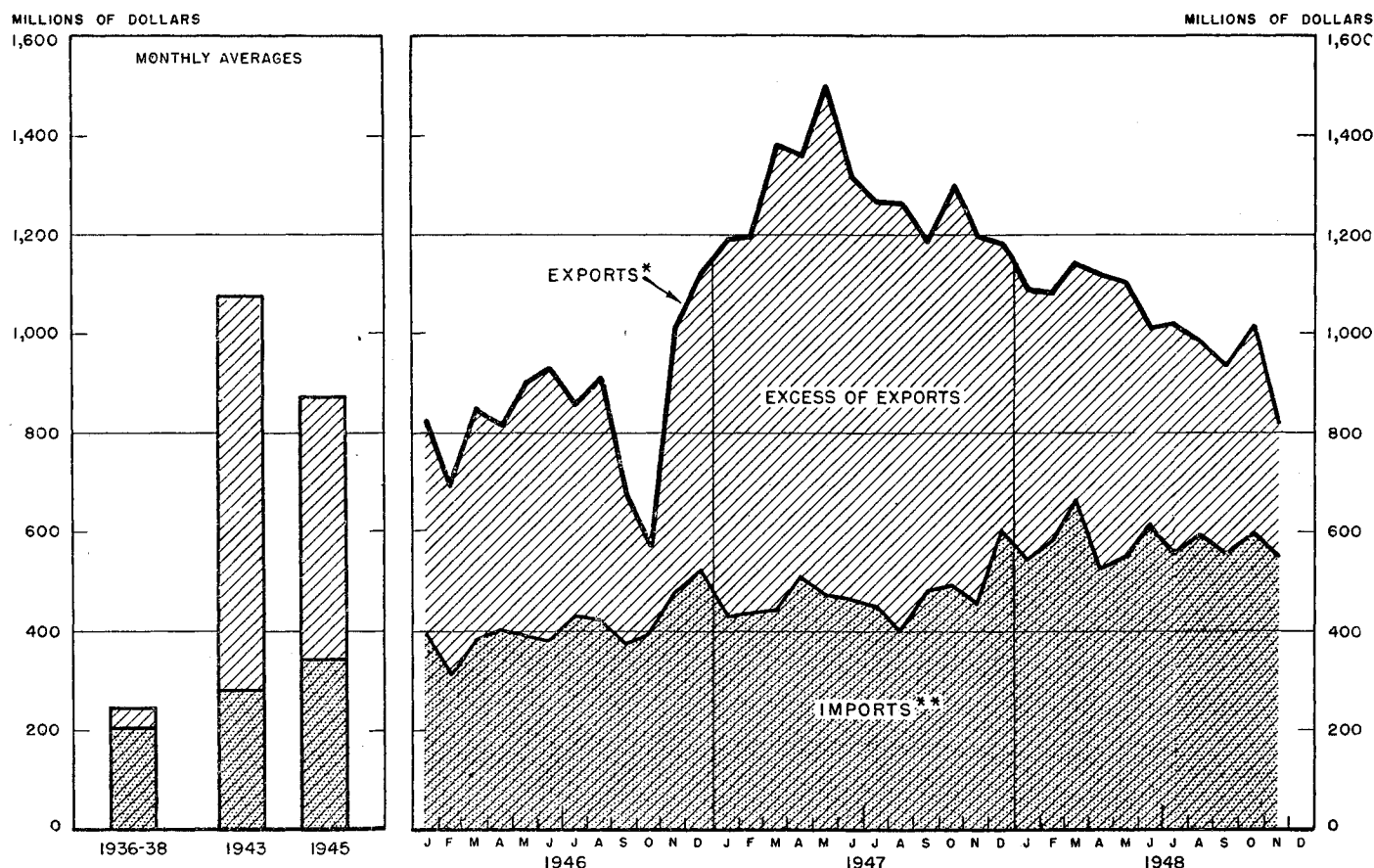
⁵ Indexes computed from data on retail value of sales for month and retail book value of inventories, end of month.

⁶ Preliminary estimate.

Sources: Department of Commerce and Board of Governors of the Federal Reserve System.

EXPORTS AND IMPORTS

Exports fell 20 percent in November to the lowest level in two years as the maritime strike hit the East Coast. The value of imports fell 10 percent.



* RECORDED MERCHANDISE EXPORTS, INCLUDING REEXPORTS, AND CIVILIAN SUPPLIES FOR OCCUPIED AREAS
** RECORDED GENERAL MERCHANDISE IMPORTS

SOURCES: DEPARTMENT OF COMMERCE, DEPARTMENT OF THE ARMY, AND DEPARTMENT OF THE NAVY

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Exports ¹	Imports ²	Excess of exports
1936-38 monthly average.....	247	207	40
1943 monthly average.....	1,080	282	798
1945 monthly average.....	877	346	531
1946 monthly average.....	849	410	439
1947 monthly average.....	1,278	478	801
1947: August.....	1,265	400	865
September.....	1,185	473	712
October.....	1,304	492	812
November.....	1,189	455	734
December.....	1,172	603	569
1948: January.....	1,092	545	546
February.....	1,086	582	504
March.....	1,138	666	473
April.....	1,120	528	592
May.....	1,102	549	553
June.....	1,014	616	398
July.....	1,020	558	461
August.....	986	598	387
September.....	926	558	368
October.....	1,020	597	423
November.....	819	550	269

¹ Recorded merchandise exports, including reexports, and civilian supplies for occupied areas.

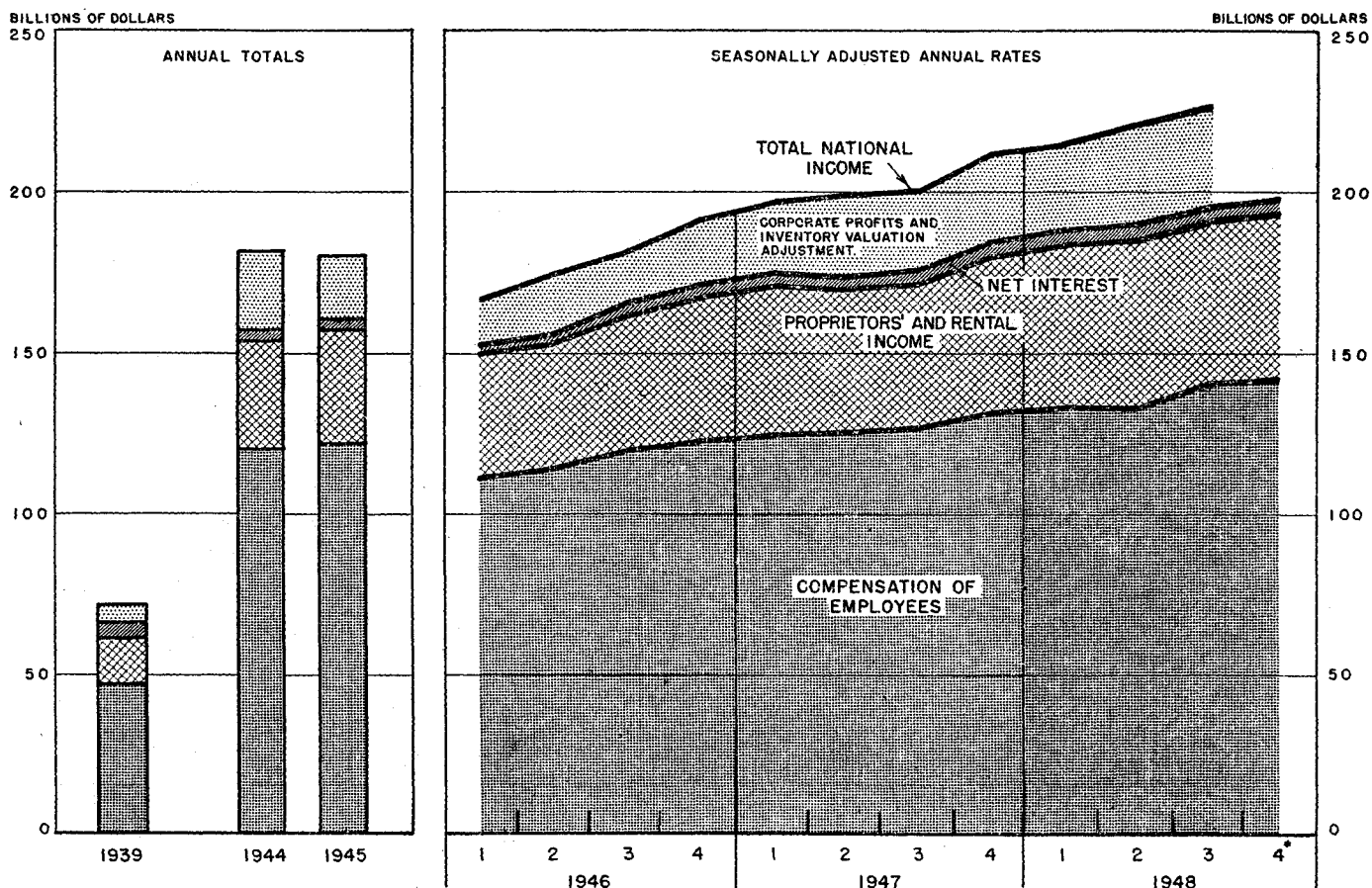
² Recorded general merchandise imports.

Sources: Department of Commerce, Department of the Army, and Department of the Navy.

PURCHASING POWER

NATIONAL INCOME

A steady rise throughout 1948 brought total national income for the year to 224 billion dollars, about 10 percent higher than for 1947.



* PRELIMINARY, ESTIMATE—SEE NOTE TO TABLE
SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Total national income	Compensation of employees	Proprietors' and rental income	Net interest	Corporate profits and inventory valuation adjustment
1939.....	72.5	47.8	14.7	4.2	5.8
1944.....	182.4	121.1	34.1	3.1	24.0
1945.....	181.7	122.9	36.0	3.0	19.8
1946.....	179.3	117.3	41.8	3.4	16.8
1947.....	202.5	127.5	46.0	4.3	24.7
1948 ¹	224.0	137.8	50.7	4.7	30.7
Annual rates, seasonally adjusted					
1947: First quarter.....	197.3	125.0	46.4	4.1	21.8
Second quarter.....	199.3	125.3	44.6	4.2	25.2
Third quarter.....	200.6	127.6	44.4	4.4	24.3
Fourth quarter.....	212.8	132.2	48.6	4.5	27.5
1948: First quarter.....	215.1	133.7	50.6	4.6	26.2
Second quarter.....	221.7	134.2	51.8	4.7	30.9
Third quarter.....	227.4	140.6	50.2	4.8	31.6
Fourth quarter ¹	(²)	142.8	50.3	4.9	(²)

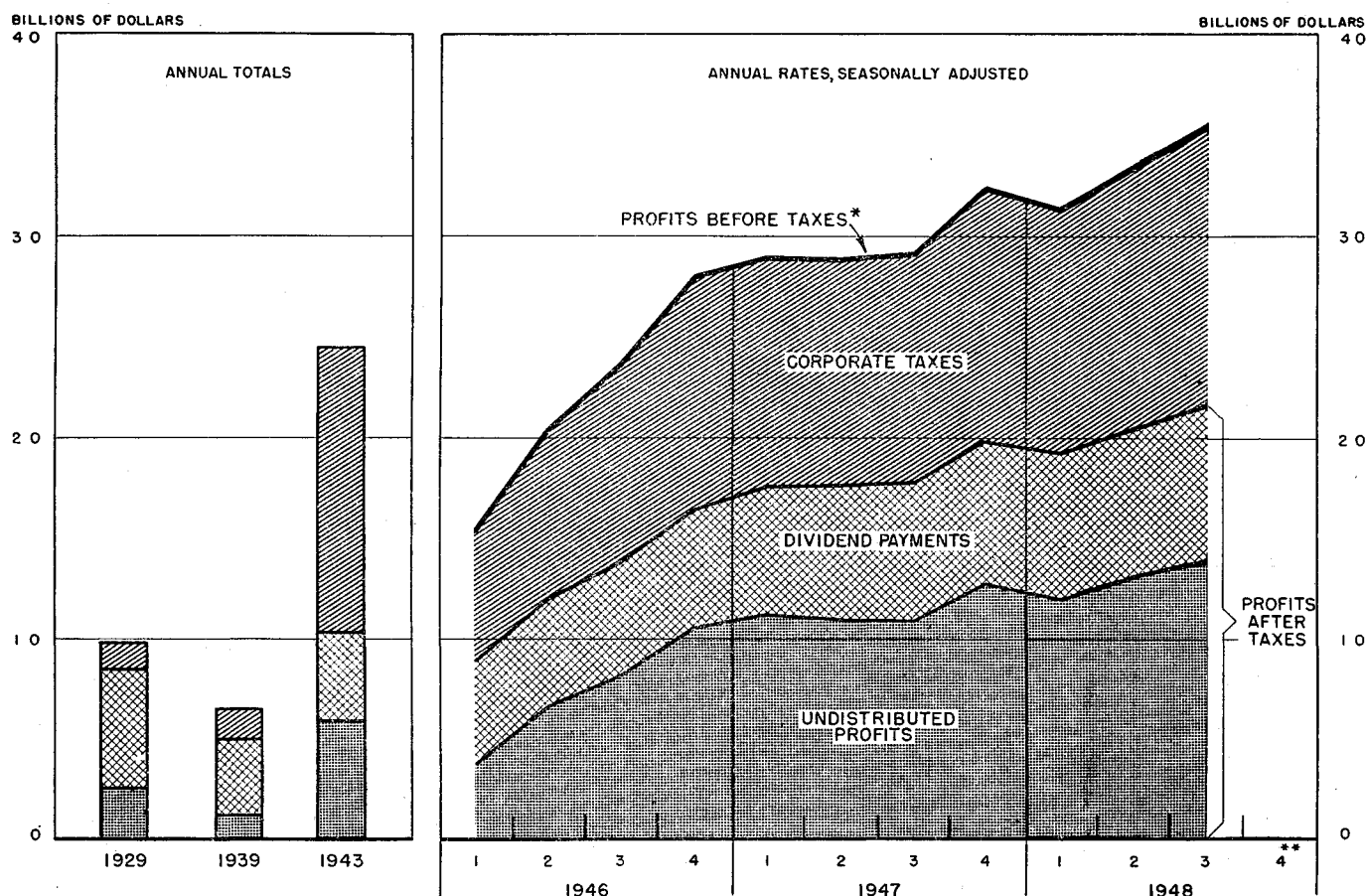
¹ Preliminary estimate.

² Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.
Source: Department of Commerce (except fourth quarter, 1948).

CORPORATE PROFITS

Corporate profits in the first 3 quarters of 1948 ran above the 1947 levels.



* NO ALLOWANCE FOR INVENTORY VALUATION ADJUSTMENT.
 ** Preliminary estimate.

SOURCE: DEPARTMENT OF COMMERCE.

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes		
			Total	Dividend payments	Undistributed profits
1929.....	9.8	1.4	8.4	5.8	2.6
1939.....	6.5	1.5	5.0	3.8	1.2
1943.....	24.5	14.2	10.4	4.5	5.9
1946.....	21.8	9.0	12.8	5.6	7.2
1947.....	29.8	11.7	18.1	6.9	11.2
1948 ¹	34.0	13.2	20.8	7.6	13.2
Annual rates, seasonally adjusted					
1947: First quarter.....	28.9	11.4	17.5	6.4	11.1
Second quarter.....	28.8	11.3	17.5	6.7	10.8
Third quarter.....	29.1	11.4	17.7	6.9	10.8
Fourth quarter.....	32.4	12.7	19.7	7.1	12.6
1948: First quarter.....	31.4	12.2	19.2	7.3	11.9
Second quarter.....	33.4	13.0	20.4	7.3	13.1
Third quarter.....	35.5	13.8	21.7	7.7	14.0

¹ Preliminary estimate.

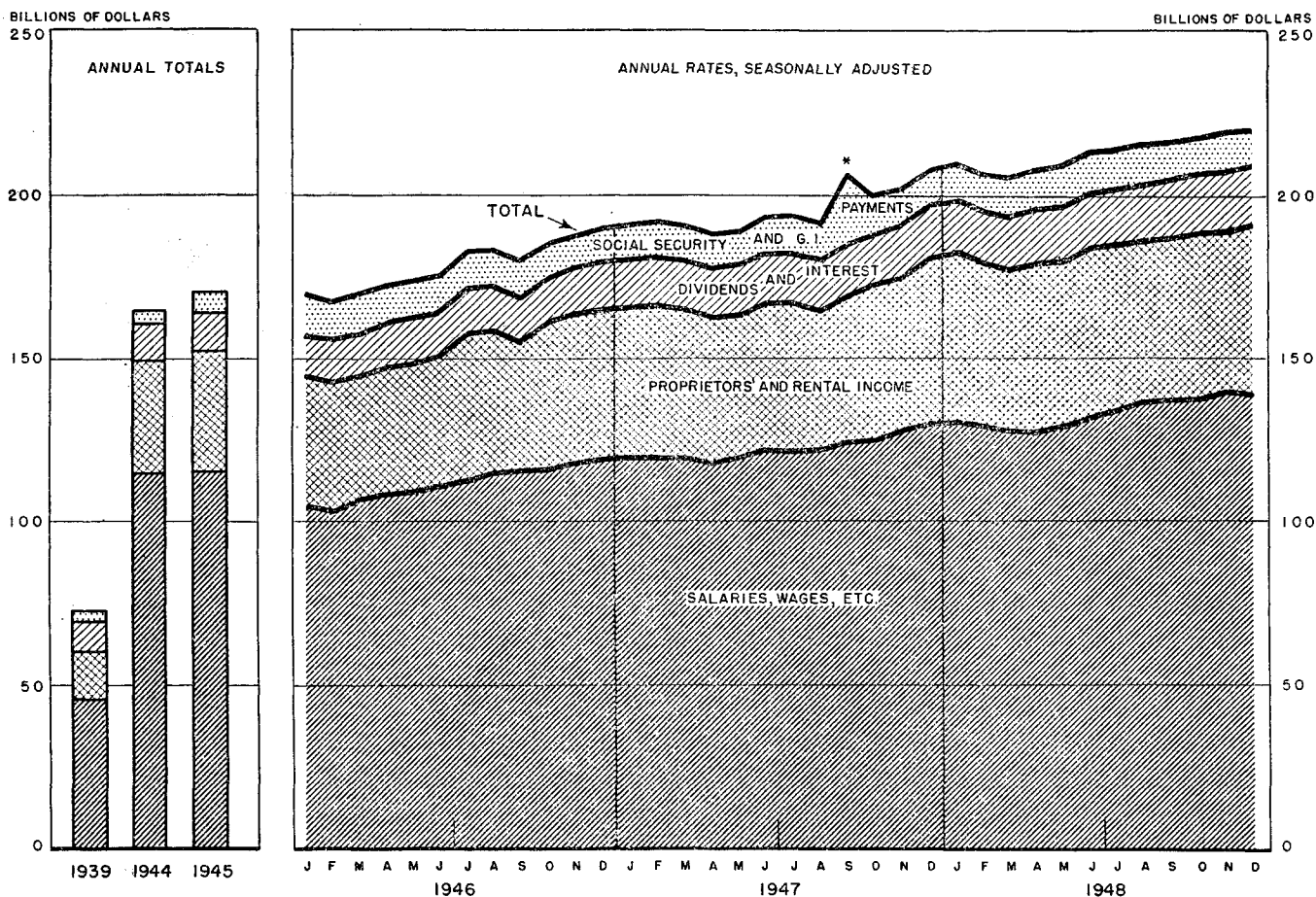
NOTE.—No allowance has been made for inventory valuation adjustment. See p. 19 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

PERSONAL INCOME

Total personal income continued its steady rise in December; salaries, wages and other labor income showed a decline while other components increased.



* TERMINAL LEAVE BOND CASHING STARTED IN SEPTEMBER, 1947.

SOURCE: DEPARTMENT OF COMMERCE.

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Total personal income	Salaries, wages, and other labor income	Proprietors' and rental income	Dividends and interest	Social security and GI payments
1939	72.6	45.7	14.7	9.2	3.0
1944	164.5	116.1	34.1	10.6	3.6
1945	170.3	116.8	36.0	11.4	6.2
1946	178.1	111.4	41.8	13.5	11.4
1947	195.2	121.9	46.0	15.6	11.7
1948 ¹	213.6	134.3	50.9	17.3	11.1
Annual rates, seasonally adjusted					
1947: November	201.4	127.4	47.1	16.1	10.8
December	207.7	129.3	51.3	16.2	10.9
1948: January	208.8	129.3	51.8	16.5	11.2
February	206.4	128.8	49.6	16.6	11.4
March	205.7	128.5	48.4	16.6	12.2
April	208.6	128.8	51.2	16.7	11.9
May	209.2	131.0	50.4	16.8	11.0
June	214.4	133.4	53.0	16.9	11.1
July	214.8	135.5	51.2	17.0	11.1
August	216.7	138.0	50.3	17.3	11.1
September	217.3	138.8	50.4	17.5	10.6
October	218.5	139.6	50.7	17.8	10.4
November	219.9	140.1	51.4	18.1	10.3
December ¹	221.0	139.5	52.3	18.4	10.8

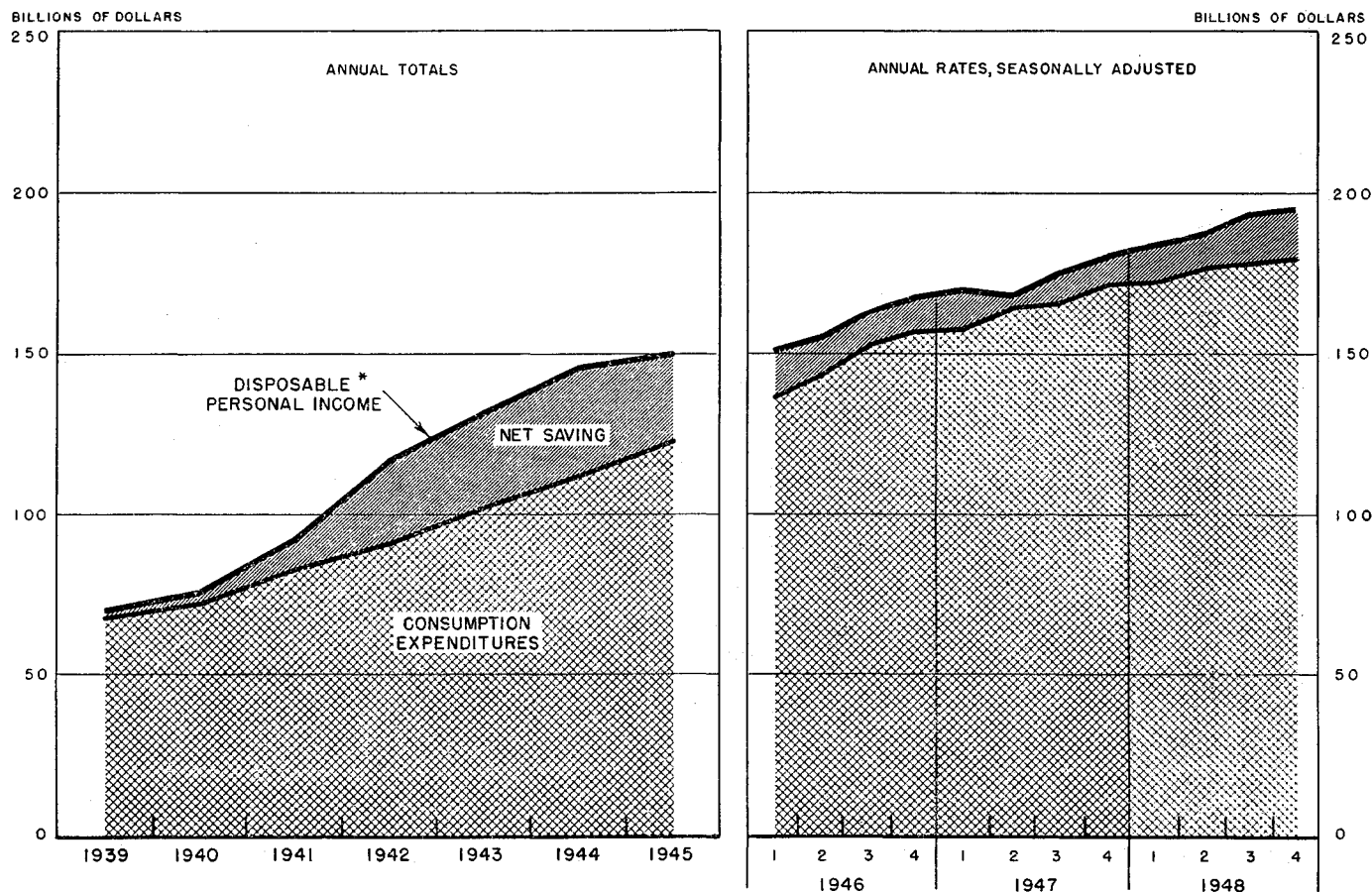
¹ Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

SOURCE: Department of Commerce.

CONSUMER INCOME, SPENDING, AND SAVING

At the end of the year consumers' saving was apparently running at an annual rate of about 15 billion dollars--considerably more than the estimates for 1946 and 1947.



* PERSONAL INCOME LESS TAXES

SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Disposable personal income ¹	Less: Personal consumption expenditures	Equals: Personal saving
1939	70.2	67.5	2.7
1940	75.7	72.1	3.7
1941	92.0	82.3	9.8
1942	116.2	90.8	25.4
1943	131.6	101.6	30.0
1944	145.6	111.4	34.2
1945	149.4	122.8	26.6
1946	159.2	147.4	11.8
1947	173.6	164.8	8.8
1948 ²	190.4	176.8	13.6
Annual rates, seasonally adjusted			
1947: First quarter	169.7	158.1	11.6
Second quarter	168.2	164.2	4.1
Third quarter	175.0	165.6	9.4
Fourth quarter	180.9	171.1	9.7
1948: First quarter	184.1	172.1	12.0
Second quarter	188.2	176.5	11.7
Third quarter	193.7	178.5	15.2
Fourth quarter ²	195.4	180.0	15.4

¹ Income less taxes.

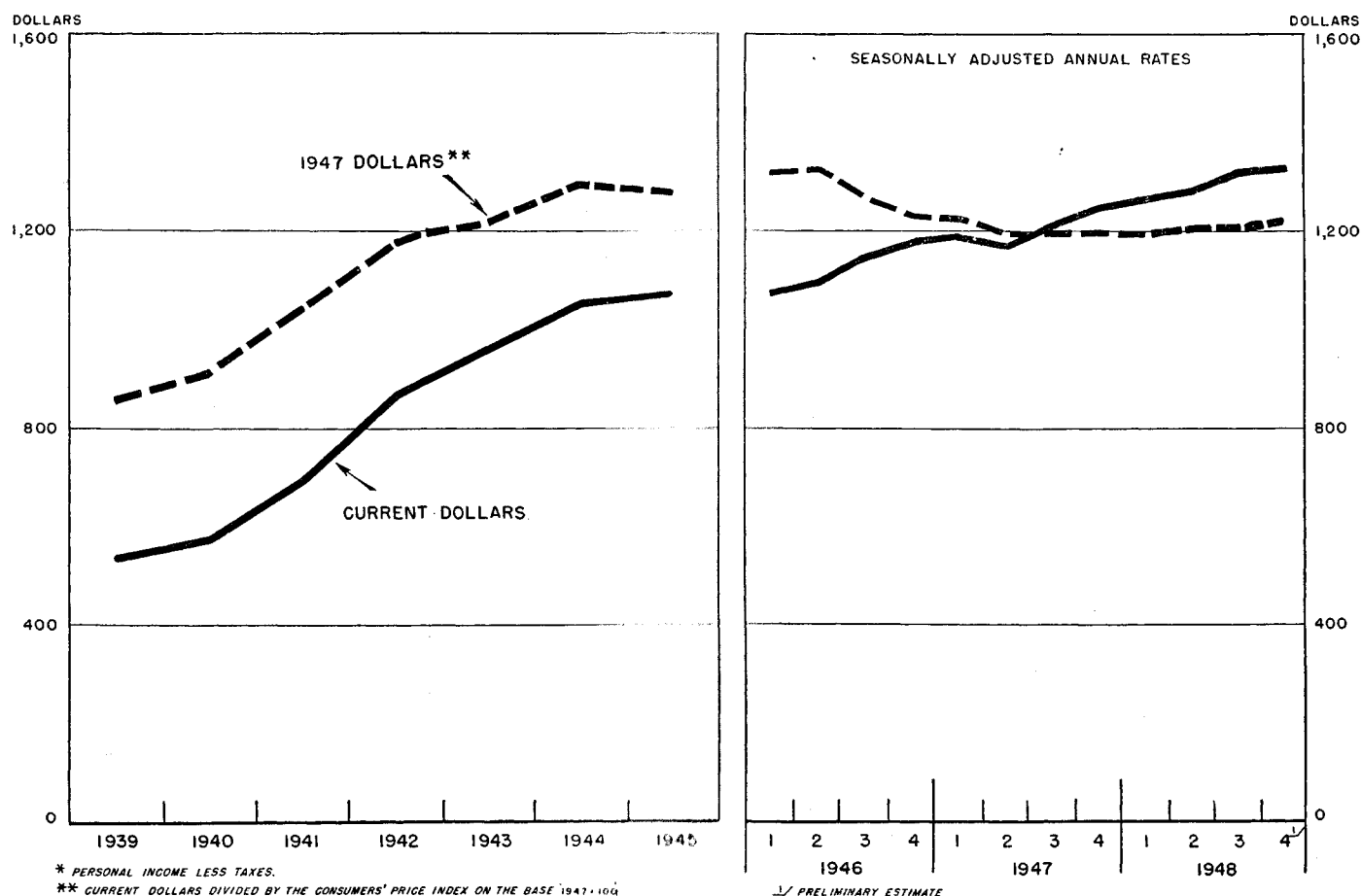
² Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

SOURCE: Department of Commerce (except fourth quarter, 1948).

PER CAPITA INCOME *

The last quarter of 1948 registered a moderate gain in the real purchasing power of consumers, reflecting mainly a reversal of the upward trend in consumers' prices.



SOURCES: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

Period	Per capita disposable personal income ¹		Consumers' price index ² 1947=100
	Current dollars	1947 dollars ³	
1939	\$536	\$859	62.4
1940	574	913	62.9
1941	691	1,047	66.0
1942	863	1,169	73.8
1943	964	1,217	79.2
1944	1,054	1,295	81.4
1945	1,070	1,280	83.6
1946	1,127	1,258	89.6
1947	1,205	1,205	100.0
1948 ⁴	1,299	1,208	107.5
Period	Annual rates, seasonally adjusted		Not adjusted for seasonal variation
	Current dollars	1947 dollars ³	
1947: First quarter	\$1,186	\$1,218	97.4
Second quarter	1,170	1,193	98.1
Third quarter	1,212	1,201	100.9
Fourth quarter	1,246	1,203	103.6
1948: First quarter	1,263	1,201	105.2
Second quarter	1,286	1,202	107.0
Third quarter	1,318	1,206	109.3
Fourth quarter ⁴	1,326	1,222	108.5

¹ Income less taxes.

² Current dollars divided by the consumers' price index on the base 1947=100.

³ The consumers' price index has been roughly adjusted to take account of the understatement from December 1941-February 1947. This adjustment is in line with the report of the Mitchell Committee. The unadjusted index will be found on page 2.

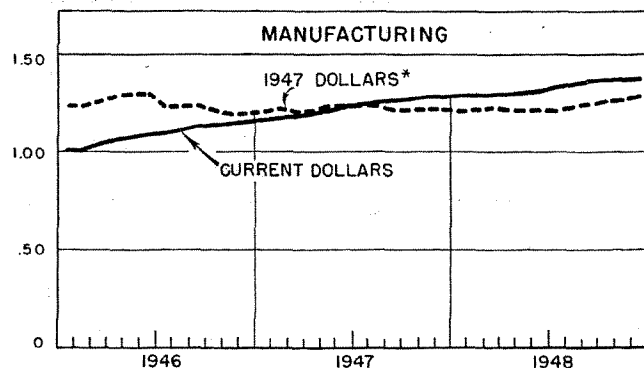
⁴ Preliminary estimate.

Sources: Department of Commerce and Department of Labor (except fourth quarter, 1948).

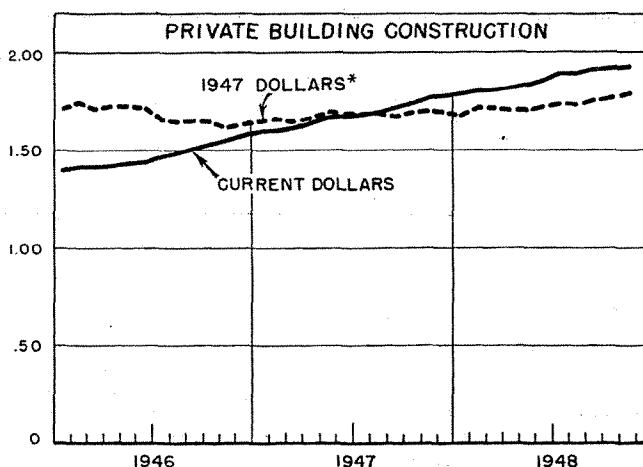
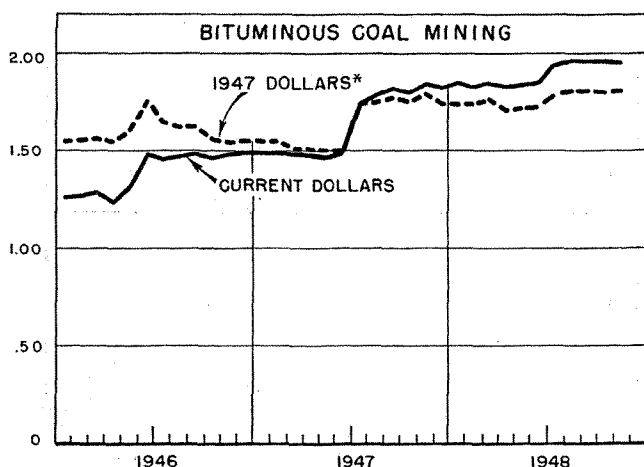
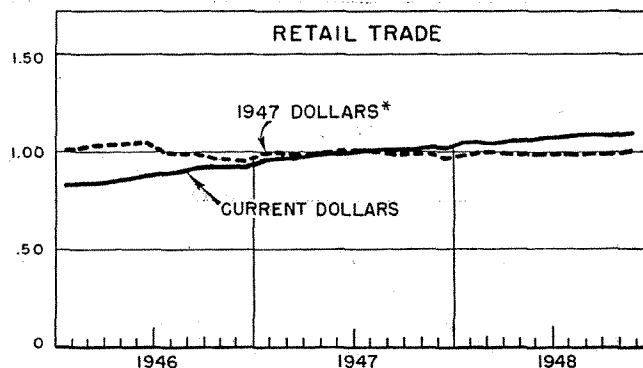
AVERAGE HOURLY EARNINGS

Hourly earnings continued to rise slightly in November except for bituminous coal mining. Preliminary data for December show a continuation of this movement in manufacturing industries.

DOLLARS PER HOUR



DOLLARS PER HOUR



* CURRENT DOLLARS DIVIDED BY CONSUMERS' PRICE INDEX ON THE BASE 1947=100.
SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

[Selected industries]

Period	Manufacturing		Retail trade		Bituminous coal mining		Private building construction ¹	
	Current dollars	1947 dollars ²	Current dollars	1947 dollars ²	Current dollars	1947 dollars ²	Current dollars	1947 dollars ²
1939 monthly average.....	\$0. 633	\$1. 014	\$0. 536	\$0. 859	\$0. 886	\$1. 420	\$0. 932	\$1. 494
1941 monthly average.....	. 729	1. 105	. 568	. 861	. 993	1. 505	1. 010	1. 530
1944 monthly average.....	1. 019	1. 252	. 724	. 889	1. 186	1. 457	1. 319	1. 620
1945 monthly average.....	1. 023	1. 224	. 773	. 925	1. 240	1. 483	1. 379	1. 650
1946 monthly average.....	1. 084	1. 210	. 878	. 980	1. 401	1. 564	1. 478	1. 650
1947 monthly average.....	1. 221	1. 221	. 991	. 991	1. 644	1. 644	1. 676	1. 676
1947: September.....	1. 249	1. 215	1. 012	. 984	1. 819	1. 769	1. 723	1. 676
October.....	1. 258	1. 224	1. 013	. 985	1. 798	1. 749	1. 743	1. 696
November.....	1. 268	1. 225	1. 025	. 990	1. 851	1. 788	1. 765	1. 705
December.....	1. 278	1. 219	1. 016	. 969	1. 826	1. 742	1. 774	1. 693
1948: January.....	1. 285	1. 213	1. 044	. 986	1. 847	1. 744	1. 781	1. 682
February.....	1. 287	1. 225	1. 050	. 999	1. 826	1. 737	1. 806	1. 718
March.....	1. 289	1. 231	1. 044	. 997	1. 842	1. 759	1. 805	1. 724
April.....	1. 292	1. 217	1. 055	. 993	1. 821	1. 715	1. 818	1. 712
May.....	1. 301	1. 216	1. 064	. 994	1. 841	1. 721	1. 835	1. 715
June.....	1. 316	1. 222	1. 070	. 994	1. 850	1. 718	1. 858	1. 725
July.....	1. 332	1. 222	1. 077	. 988	1. 936	1. 776	1. 890	1. 734
August.....	1. 349	1. 232	1. 080	. 986	1. 967	1. 796	1. 901	1. 736
September.....	1. 362	1. 244	1. 086	. 992	1. 966	1. 795	1. 919	1. 753
October ⁴	1. 366	1. 254	1. 080	. 992	1. 959	1. 799	1. 920	1. 763
November ⁴	1. 371	1. 269	1. 084	1. 004	1. 951	1. 806	1. 937	1. 794
December ⁴	1. 378	1. 281						

¹ Covers only employees at the site of privately financed building projects.

² Current dollars divided by consumers' price index on the base 1947=100. See note 3 to table on page 23.

³ Based on pay period during coal stoppage.

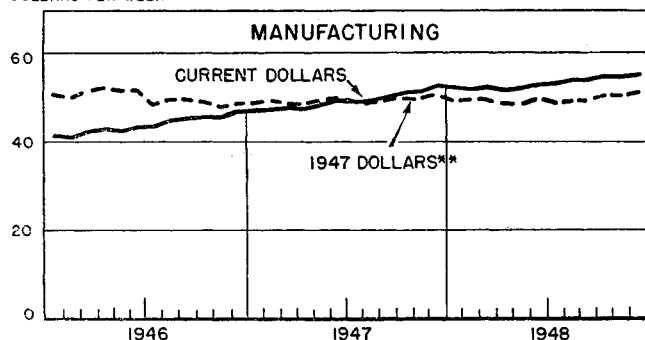
⁴ Preliminary estimate.

Source: Department of Labor.

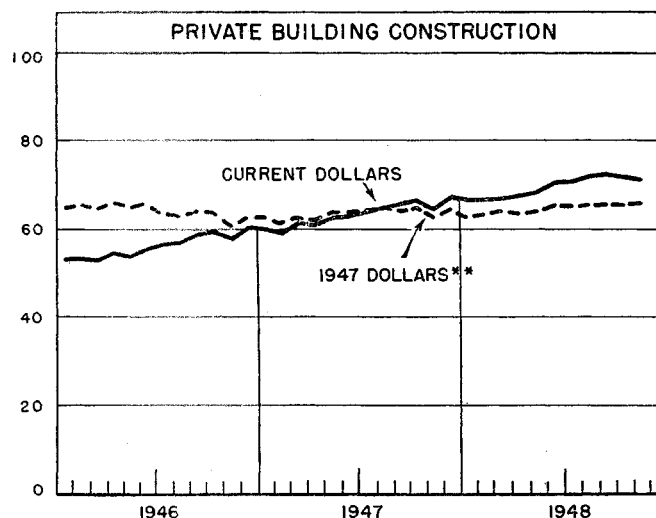
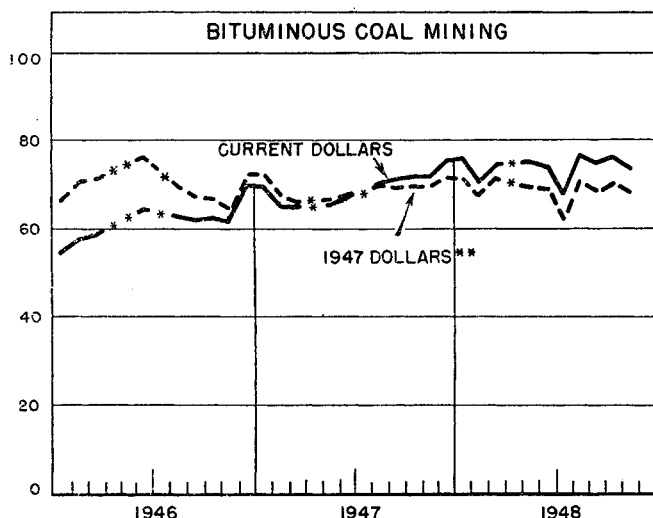
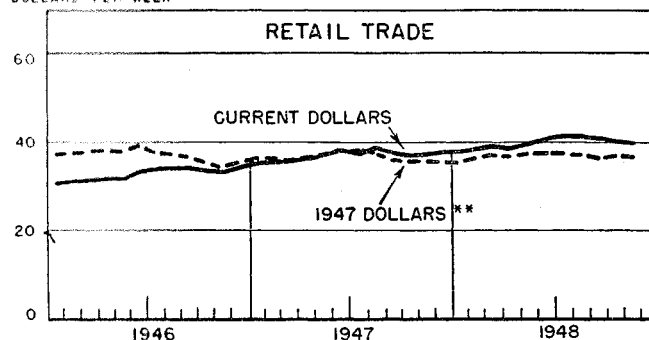
AVERAGE WEEKLY EARNINGS

The general decrease in average weekly earnings in November resulted from shorter hours of work. Preliminary data for December show that weekly earnings in manufacturing increased to a new high of about \$55.

DOLLARS PER WEEK



DOLLARS PER WEEK



* EARNINGS DATA DISTORTED DURING THESE MONTHS BECAUSE OF WORK STOPPAGES OR VACATIONS. ** CURRENT DOLLARS DIVIDED BY CONSUMER'S PRICE INDEX ON BASE OF 1947=100
SOURCE: DEPARTMENT OF LABOR. COUNCIL OF ECONOMIC ADVISERS

[Selected industries]

Period	Manufacturing		Retail trade		Bituminous coal mining		Private building construction ¹	
	Current dollars	1947 dollars ²	Current dollars	1947 dollars ²	Current dollars	1947 dollars ²	Current dollars	1947 dollars ²
1939 monthly average...	\$23.86	\$38.24	\$21.17	\$33.93	\$23.88	\$38.27	\$30.39	\$48.70
1941 monthly average...	29.58	44.82	21.94	33.24	30.86	46.76	35.14	53.24
1944 monthly average...	46.08	56.61	26.58	32.65	51.27	62.99	52.18	64.10
1945 monthly average...	44.39	53.10	28.31	33.86	52.25	62.50	53.73	64.27
1946 monthly average...	43.74	48.82	32.55	36.33	58.03	64.77	56.24	62.77
1947 monthly average...	49.25	49.25	36.67	36.67	66.86	66.86	63.30	63.30
1947: September.....	50.47	49.10	37.06	36.05	71.19	69.25	65.36	63.58
October.....	51.05	49.66	36.74	35.74	71.91	69.95	66.36	64.55
November.....	51.29	49.56	37.14	35.88	71.77	69.34	64.55	62.37
December.....	52.69	50.28	37.51	35.79	75.22	71.77	67.31	64.23
1948: January.....	52.07	49.17	37.62	35.52	75.78	71.56	66.28	62.59
February.....	51.75	49.24	38.33	36.47	70.54	67.12	66.31	63.09
March.....	52.07	49.73	38.89	37.14	74.84	71.48	66.89	63.89
April.....	51.79	48.77	39.27	36.98	³ 49.53	³ 46.64	67.31	63.38
May.....	51.86	48.47	39.84	37.23	74.08	69.23	68.13	63.67
June.....	52.85	49.07	40.52	37.62	73.87	68.59	70.49	65.45
July.....	52.95	48.58	41.19	37.79	67.62	62.04	71.38	65.49
August.....	54.05	49.36	41.19	37.62	78.10	71.32	71.89	65.65
September.....	54.18	49.48	40.48	36.97	74.98	68.47	72.06	65.81
October ⁴	54.50	50.05	40.32	37.02	76.40	70.16	71.79	65.92
November ⁴	54.47	50.43	39.67	36.73	73.52	68.07	71.02	65.76
December ⁴	55.01	51.12						

¹ Covers only employees at the site of privately financed building projects.

² Current dollars divided by consumers' price index on the base 1947=100.

See note 3 to table on page 23.

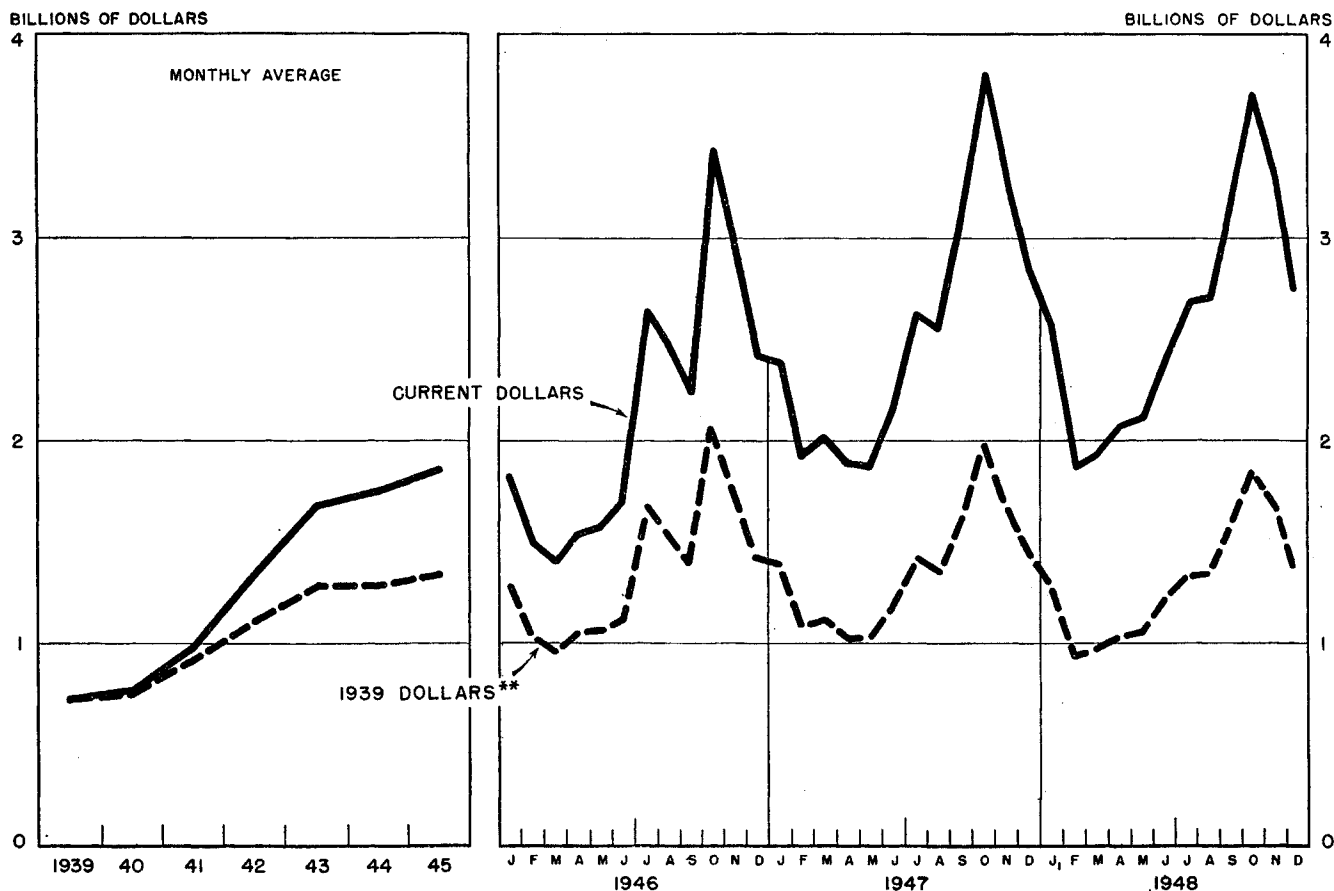
³ Based on pay period during coal stoppage.

⁴ Preliminary estimate.

Source: Department of Labor.

FARM INCOME*

Cash farm income continued seasonally downward in December.



* CASH RECEIPTS FROM MARKETING AND GOVERNMENT PAYMENTS.

** FARM INCOME IN CURRENT DOLLARS DIVIDED BY THE INDEX OF PRICES PAID, INTEREST, AND TAXES ON THE BASE 1939 = 100.

SOURCE: DEPARTMENT OF AGRICULTURE.

COUNCIL OF ECONOMIC ADVISERS

Period	Farm income (millions of current dollars) ¹	Prices paid by farmers (incl. interest and taxes) 1939= 100 ²	Farm income (millions of 1939 dollars) ³
1939 monthly average.....	723	100.0	723
1941 monthly average.....	981	106.5	921
1942 monthly average.....	1,340	121.0	1,107
1943 monthly average.....	1,678	130.6	1,285
1944 monthly average.....	1,753	136.3	1,286
1945 monthly average.....	1,857	138.7	1,339
1946 monthly average.....	2,136	155.6	1,373
1947 monthly average.....	2,542	186.3	1,364
1948 monthly average ⁴	2,609	201.1	1,298
1947: December.....	2,843	197.6	1,439
1948: January.....	2,571	202.4	1,270
February.....	1,862	200.0	931
March.....	1,932	199.2	970
April.....	2,075	200.8	1,033
May.....	2,119	201.6	1,051
June.....	2,437	202.4	1,204
July.....	2,693	202.4	1,331
August.....	2,722	202.4	1,345
September.....	3,132	201.6	1,554
October.....	3,714	200.8	1,850
November.....	3,314	199.2	1,664
December ⁴	2,740	200.0	1,370

¹ Includes cash farm income from marketings and Government payments.

² Converted from the reported base, 1910-14=100, to the base 1939=100.

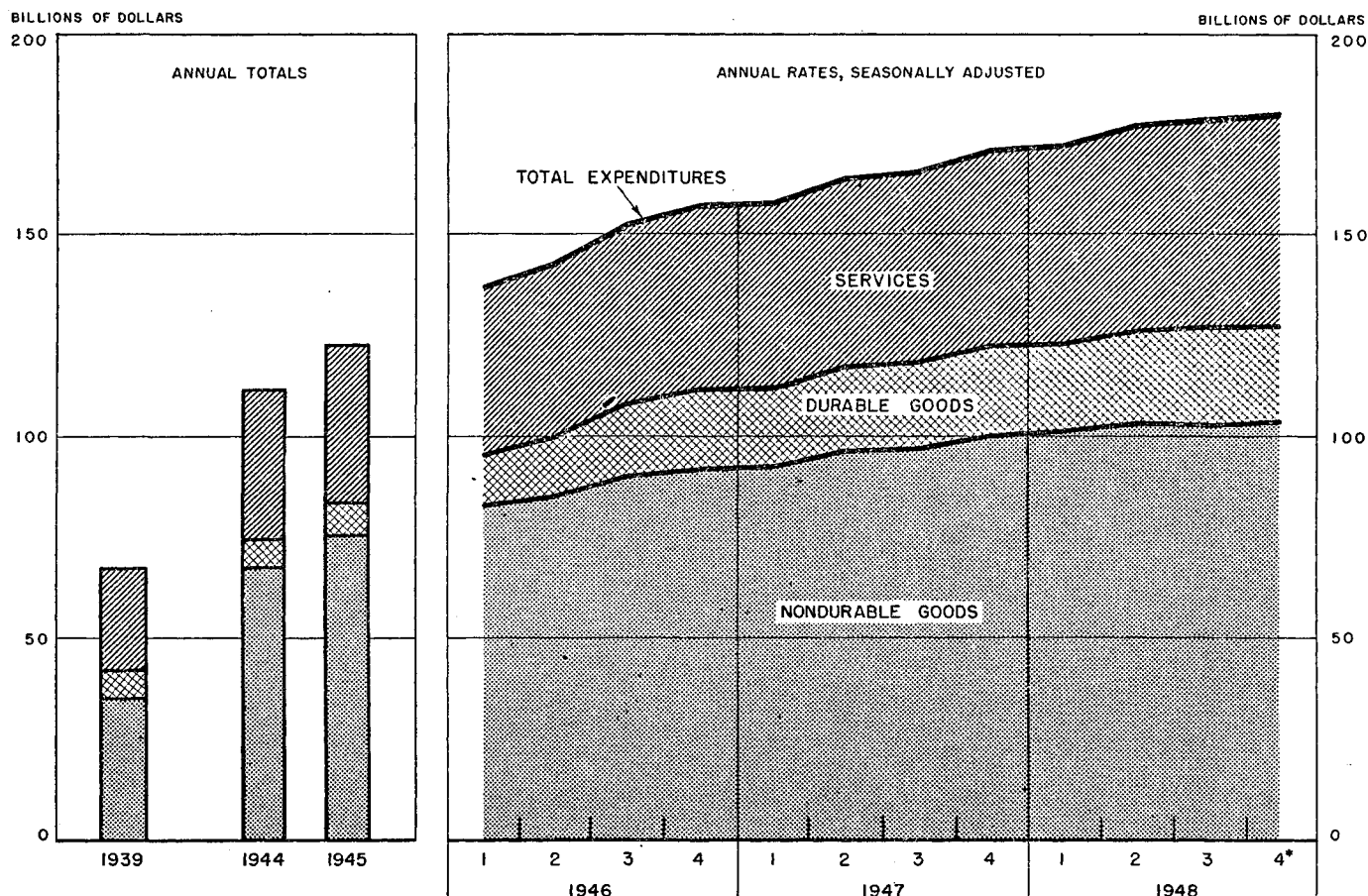
³ Farm income in current dollars divided by prices paid by farmers, interest, and taxes, 1939=100.

⁴ Preliminary.

Source: Department of Agriculture.

PERSONAL CONSUMPTION EXPENDITURES

Expenditures for both durable and nondurable goods increased less in 1948 than in 1947. Expenditures for services, however, increased more than in the preceding year.



*PRELIMINARY ESTIMATE

SOURCE: DEPARTMENT OF COMMERCE (except fourth quarter of 1948).

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

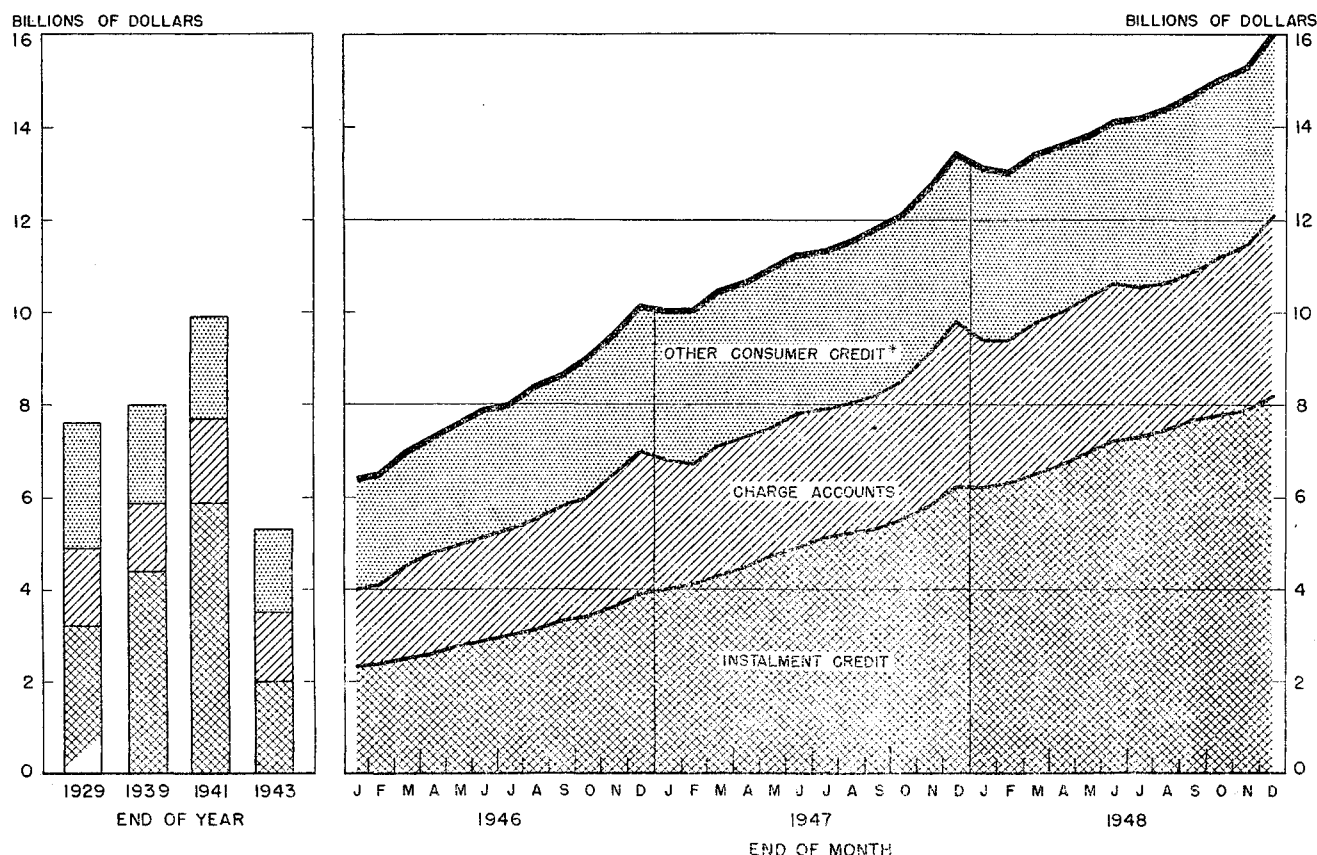
Period	Personal consumption expenditures			
	Total	Nondurable goods	Durable goods	Services
1939.....	67.5	35.3	6.7	25.5
1944.....	111.4	67.5	6.9	37.0
1945.....	122.8	75.4	8.3	39.2
1946.....	147.4	87.5	16.2	43.6
1947.....	164.8	96.5	21.0	47.3
1948 ¹	176.8	102.7	22.7	51.3
Annual rates, seasonally adjusted				
1947: First quarter.....	158.1	92.5	19.6	46.0
Second quarter.....	164.2	96.3	21.1	46.7
Third quarter.....	165.6	96.8	21.1	47.7
Fourth quarter.....	171.1	100.2	22.1	48.8
1948: First quarter.....	172.1	101.2	21.2	49.7
Second quarter.....	176.5	103.2	22.6	50.6
Third quarter.....	178.5	102.9	23.6	51.9
Fourth quarter ¹	180.0	103.5	23.5	53.0

¹ Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.
Source: Department of Commerce (except fourth quarter, 1948).

CONSUMER CREDIT

Consumer credit, increasing more than \$600 million during December, reached \$16 billion by the end of the year. The rise was attributable largely to seasonal increases in charge accounts and instalment credit.



* SINGLE PAYMENT LOANS AND SERVICE CREDIT

SOURCE: Board of Governors of the Federal Reserve System

Council of Economic Advisers

[Billions of dollars]

End of period	Total consumer credit outstanding	Instalment credit ¹	Charge accounts	Other consumer credit ²
1929.....	7.6	3.2	1.7	2.7
1939.....	8.0	4.4	1.5	2.0
1941.....	9.9	5.9	1.8	2.2
1943.....	5.3	1.9	1.5	1.9
1945.....	6.6	2.3	2.0	2.3
1946.....	10.1	3.9	3.1	3.1
1947.....	13.4	6.2	3.6	3.6
1948 ³	16.0	8.2	3.9	3.9
1947: December.....	13.4	6.2	3.6	3.6
1948: January.....	13.1	6.2	3.2	3.7
February.....	13.1	6.3	3.1	3.7
March.....	13.5	6.6	3.3	3.7
April.....	13.8	6.8	3.2	3.7
May.....	14.0	7.0	3.2	3.7
June.....	14.3	7.2	3.4	3.8
July.....	14.4	7.4	3.2	3.8
August.....	14.5	7.6	3.1	3.8
September.....	14.8	7.8	3.2	3.8
October.....	15.1	7.8	3.5	3.8
November.....	15.3	7.9	3.6	3.9
December ³	16.0	8.2	3.9	3.9

¹ Includes automobile and other sale credit and repair and modernization loans insured by Federal Housing Administration.

² Includes single-payment loans of commercial banks and pawnbrokers and service credit.

³ Preliminary estimate.

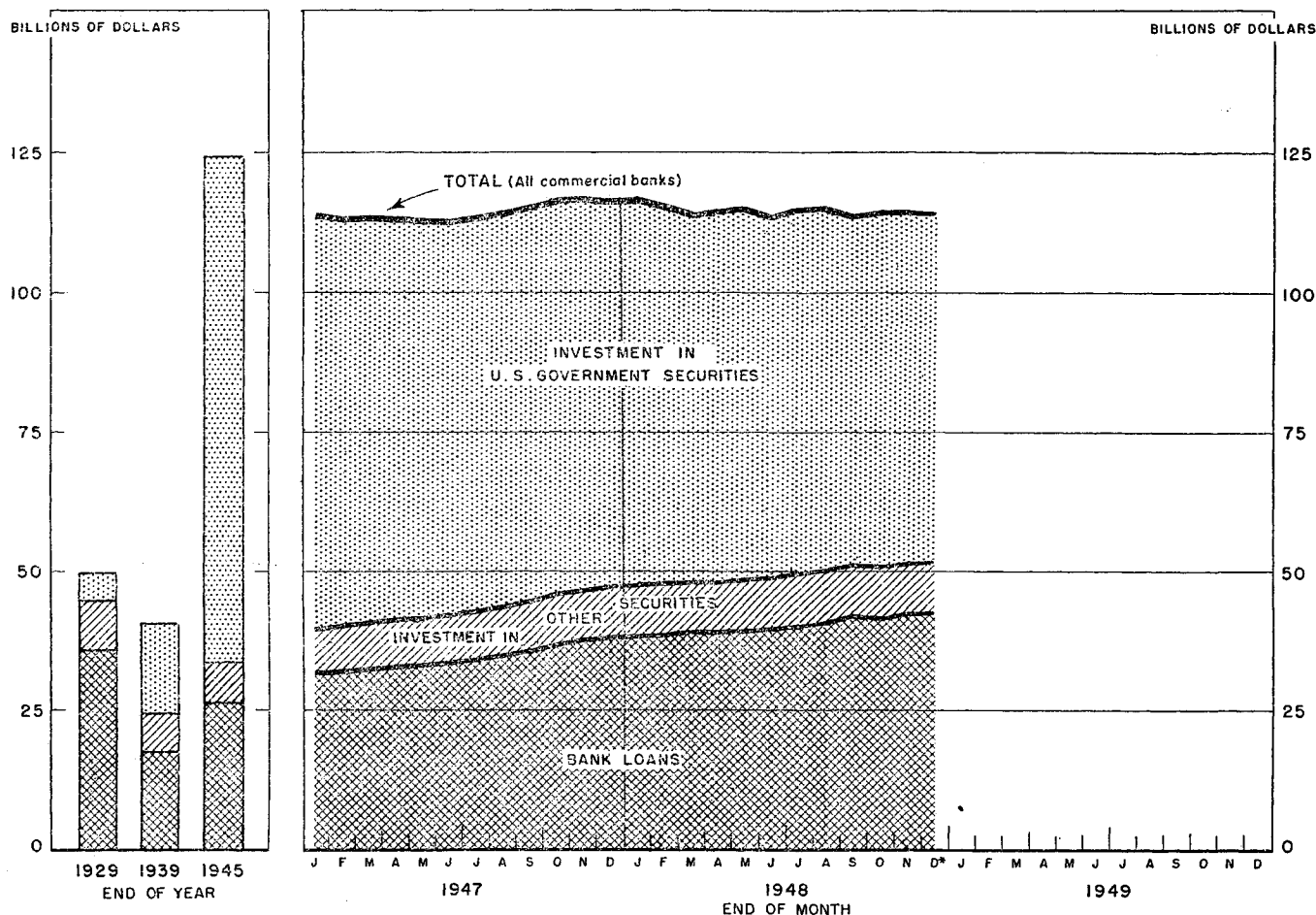
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

MONEY, BANKING, AND FEDERAL FINANCE

BANK LOANS AND INVESTMENTS

In November and December, bank loans increased at a rate only slightly less than that of the comparable period of 1947.



SOURCE: Board of Governors of the Federal Reserve System

*PRELIMINARY ESTIMATE

Council of Economic Advisers

[Billions of dollars]

End of period	Total loans and investments	Bank loans	Investments		
			Total	U. S. Government securities	Other securities
1929.....	49.5	36.0	13.5	4.8	8.7
1939.....	40.7	17.2	23.4	16.3	7.1
1945.....	124.0	26.1	97.9	90.6	7.3
1946.....	114.0	31.1	82.9	74.8	8.1
1947.....	116.4	38.1	78.3	69.3	9.0
1948 ¹	114.3	42.7	71.6	62.5	9.1
1947: December.....	116.3	38.1	78.2	69.2	9.0
1948: January.....	116.6	38.2	78.4	69.4	9.0
February.....	115.5	38.7	76.9	67.9	9.0
March.....	113.6	38.9	74.7	65.5	9.3
April.....	114.3	38.8	75.5	66.3	9.2
May.....	114.5	39.4	75.1	65.9	9.2
June.....	113.9	39.9	74.0	64.8	9.2
July.....	114.8	40.1	74.6	65.3	9.3
August.....	115.1	40.6	74.5	65.1	9.4
September.....	113.6	41.7	71.9	62.5	9.4
October.....	114.1	41.6	72.5	63.3	9.2
November.....	114.2	42.3	71.9	62.8	9.1
December ¹	114.3	42.7	71.6	62.5	9.1

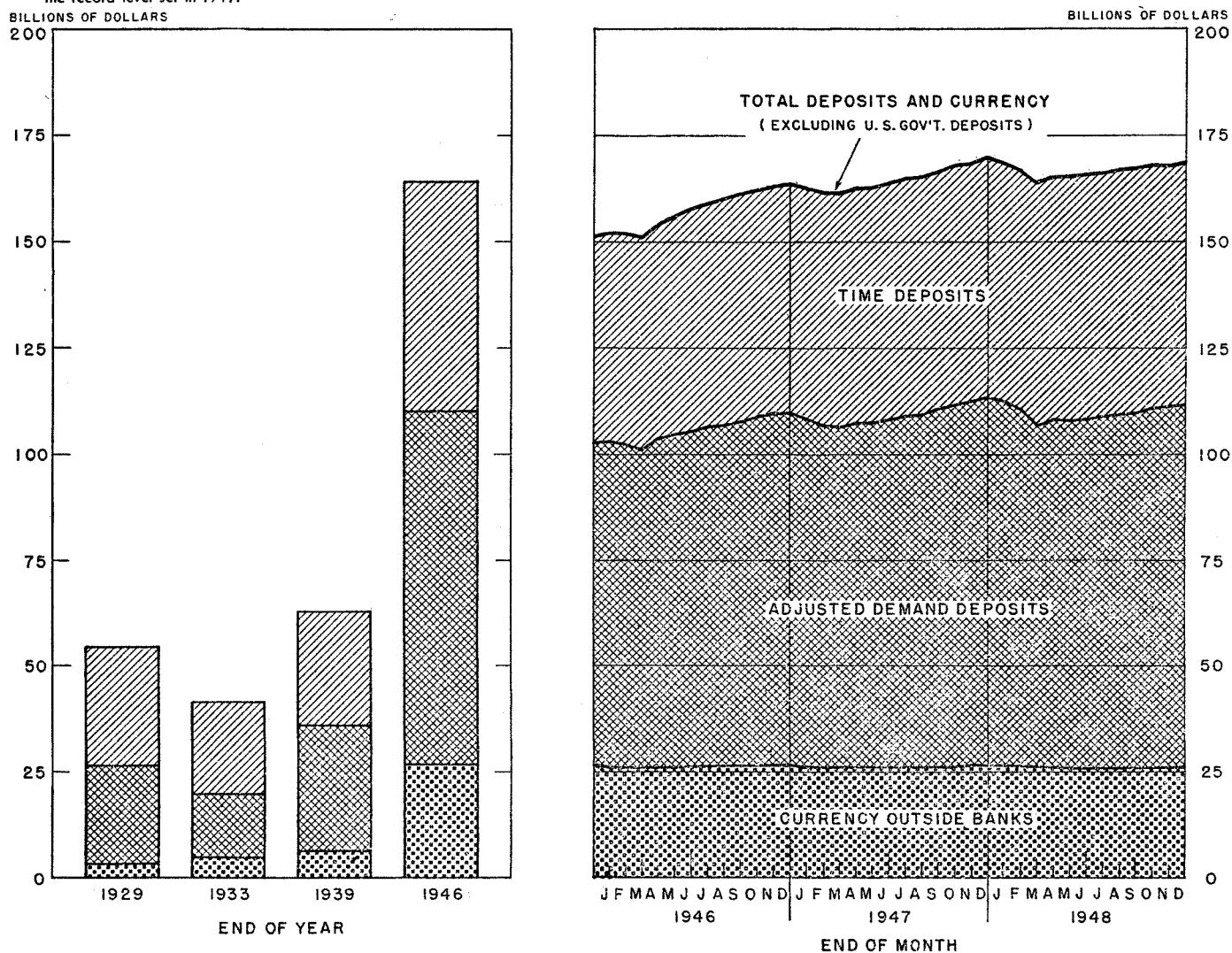
¹ Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

SOURCE: Board of Governors of the Federal Reserve System.

MONEY SUPPLY

Demand and time deposits rose in December resulting in a money supply about equal to the record level set in 1947.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISORS

[Billions of dollars]

End of period	Total money supply	Currency outside banks	Adjusted demand deposits ¹	Time deposits ²
1929.....	54.6	3.6	22.8	28.2
1939.....	63.3	6.4	29.8	27.1
1941.....	76.3	9.6	39.0	27.7
1943.....	112.3	18.8	60.8	32.7
1945.....	150.9	26.5	75.9	48.5
1946.....	164.0	26.7	83.3	54.0
1947.....	170.0	26.5	87.1	56.4
1948 ³	168.8	25.7	85.8	57.3
1947: December.....	170.0	26.5	87.1	56.4
1948: January.....	168.9	25.8	86.6	56.5
February.....	167.1	25.7	84.6	56.8
March.....	164.0	25.6	81.5	56.9
April.....	165.0	25.4	82.7	56.9
May.....	165.2	25.4	82.8	57.0
June.....	165.7	25.6	82.7	57.4
July.....	166.2	25.5	83.4	57.3
August.....	166.7	25.6	83.8	57.3
September.....	166.9	25.7	83.9	57.3
October.....	168.0	25.7	85.0	57.3
November.....	167.9	25.9	85.0	57.0
December ³	168.8	25.7	85.8	57.3

¹ Includes demand deposits, other than interbank and U. S. Government, less cash items in process of collection.

² Includes deposits in commercial banks, mutual savings banks, and Postal Savings System.

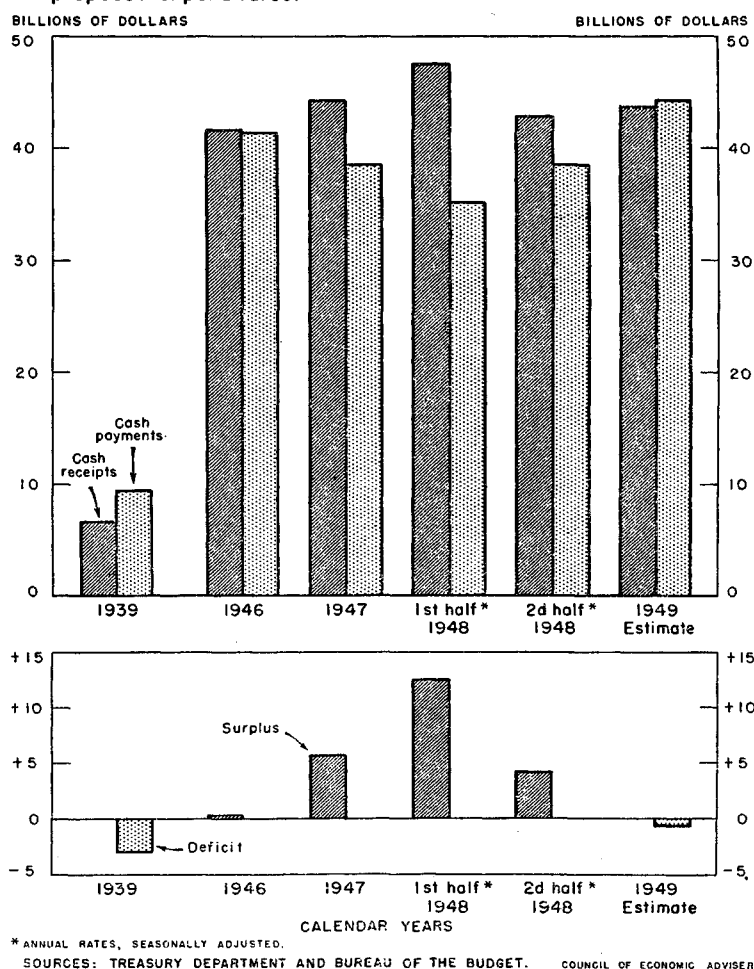
³ Preliminary estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

FEDERAL CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

The cash surplus was sharply reduced in the 2d half of 1948 and would disappear in 1949 under present tax rates and proposed expenditures.



[Billions of dollars; annual rates, seasonally adjusted]

Calendar year	Federal cash receipts	Federal cash payments	Surplus (+) or deficit (-)
1939.....	6.6	9.5	-2.9
1946.....	41.5	41.3	+.2
1947.....	44.3	38.6	+5.7
1948:			
First half.....	47.6	35.1	+12.5
Second half ¹	+42.3	38.7	+3.6
1949 estimate ²	43.7	44.3	-.6

¹ Based on incomplete data.

² Based on present and proposed legislation.

NOTE.—Detail will not necessarily add to totals because of rounding.
Sources: Treasury Department and Bureau of the Budget.

○