

81st Congress, 1st Session



Economic Indicators

DECEMBER 1949

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

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1949

JOINT COMMITTEE ON THE ECONOMIC REPORT

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

JOSEPH C. O'MAHOONEY, Wyoming, *Chairman*

EDWARD J. HART, New Jersey, *Vice Chairman*

FRANCIS J. MYERS, Pennsylvania

JOHN J. SPARKMAN, Alabama

PAUL H. DOUGLAS, Illinois

ROBERT A. TAFT, Ohio

RALPH E. FLANDERS, Vermont

ARTHUR V. WATKINS, Utah

WRIGHT PATMAN, Texas

WALTER B. HUBER, Ohio

FRANK BUCHANAN, Pennsylvania

JESSE P. WOLCOTT, Michigan

ROBERT F. RICH, Pennsylvania

CHRISTIAN A. HERTER, Massachusetts

THEODORE J. KREPS, *Staff Director*

GROVER W. ENSLEY, *Associate Staff Director*

JOHN W. LEHMAN, *Clerk*

[PUBLIC LAW 120—81ST CONGRESS; CHAPTER 237—1ST SESSION]

JOINT RESOLUTION [S. J. Res. 55]

To print the monthly publication entitled "Economic Indicators"

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Joint Committee on the Economic Report be authorized to issue a monthly publication entitled "Economic Indicators," and that a sufficient quantity be printed to furnish one copy to each Member of Congress; the Secretary and the Sergeant at Arms of the Senate; the Clerk, Sergeant at Arms, and Doorkeeper of the House of Representatives; two copies to the Libraries of the Senate and House, and the Congressional Library; seven hundred copies to the Joint Committee on the Economic Report; and the required number of copies to the Superintendent of Documents for distribution to depository libraries; and that the Superintendent of Documents be authorized to have copies printed for sale to the public.

Approved June 23, 1949.

To the Members of Congress:

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 found that *Economic Indicators*, a set of basic charts and tables compiled monthly by the Council of Economic Advisers, admirably met this need. While this material was prepared originally for the use of the President, the Council, and other officials, the executive offices, the Council made it available to the joint committee.

Other Members of Congress 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 indicated their desire for this information.

Accordingly, the joint committee provided the Congress and the public with a limited number of copies of *Economic Indicators* as a committee print pending final action. As is indicated above such legislation has now been passed authorizing the publication on a more permanent basis. The committee will issue the report on a regular monthly basis.

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


U.S.S.

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 making *Economic Indicators* available to the Congress as a whole and to the general public, in accordance with Public Law 120, Eighty-first Congress.

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.

In this undertaking the Council has the full cooperation of the several agencies of the Federal Government that collect statistical material. In many cases these agencies supply advance estimates for use in *Economic Indicators*. While the charts are drawn through the courtesy of the Graphics Unit in the Office of the Secretary of Commerce, the Council takes complete responsibility for the graphic presentation.

This material has proven useful to the President, the Council, the executive departments, and 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 that the Congress is performing a service of real value by making this material available.

Sincerely yours,

Leon H. Keyserling Acting Chairman.

John D. Clark

Contents

THE NATION'S ECONOMIC BUDGET

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

PRICES

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

EMPLOYMENT

Labor Force.....	6
Nonagricultural Employment—Selected Industries.....	7
Average Weekly Hours—Selected Industries.....	8
Work Stoppages.....	9

PRODUCTION AND BUSINESS ACTIVITY

Industrial Production.....	10
Weekly Production—Selected Indicators.....	11
Production of Selected Durable Manufactures.....	12
Production of Selected Nondurable Manufactures.....	13
New Construction.....	14
New Housing Starts.....	15
Expenditures for New Plant and Equipment.....	16
New Corporate Security Issues.....	17
Inventories and Sales.....	18
Merchandise Exports and Imports.....	19

PURCHASING POWER

National Income.....	20
Corporate Profits.....	21
Personal Income.....	22
Consumer Income, Spending, and Saving.....	23
Per Capita Income.....	24
Average Hourly Earnings—Selected Industries.....	25
Average Weekly Earnings—Selected Industries.....	26
Farm Income.....	27
Personal Consumption Expenditures.....	28
Consumer Credit.....	29

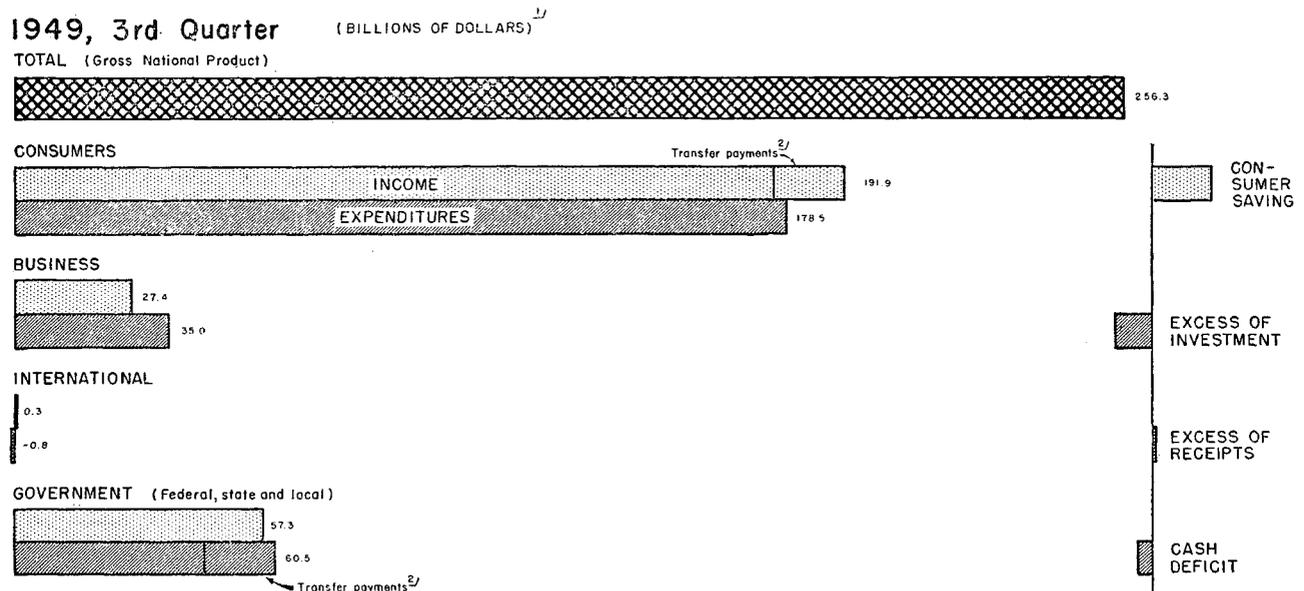
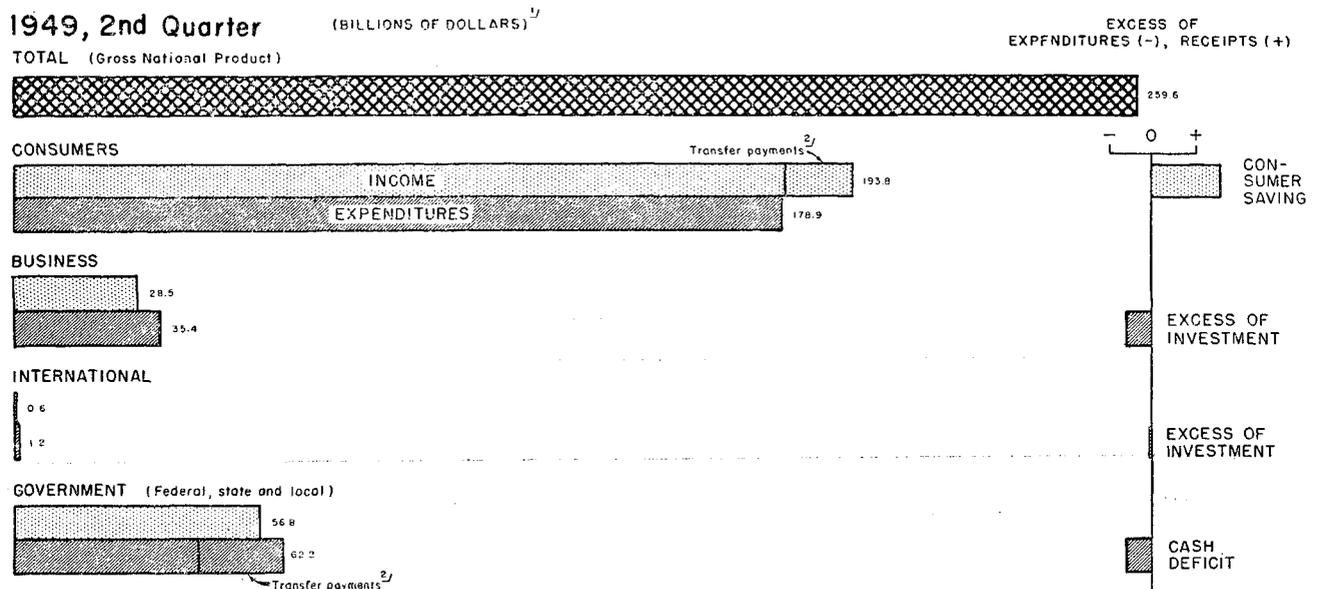
MONEY, BANKING, AND FEDERAL FINANCE

Bank Loans and Investments.....	30
Money Supply.....	31
Federal Cash Receipts From and Payments to the Public.....	32

THE NATION'S ECONOMIC BUDGET

THE NATION'S ECONOMIC BUDGET

Economic activity declined slightly from the 2nd to the 3rd quarter, both in dollars and in real terms. Consumer income dropped moderately but expenditures remained fairly stable.



^{1/} ANNUAL RATES, SEASONALLY ADJUSTED.

^{2/} TRANSFER PAYMENTS ARE INCLUDED IN RECEIPTS OR EXPENDITURES OF THE SEPARATE ACCOUNTS BUT NOT IN THE TOTAL GROSS NATIONAL PRODUCT.

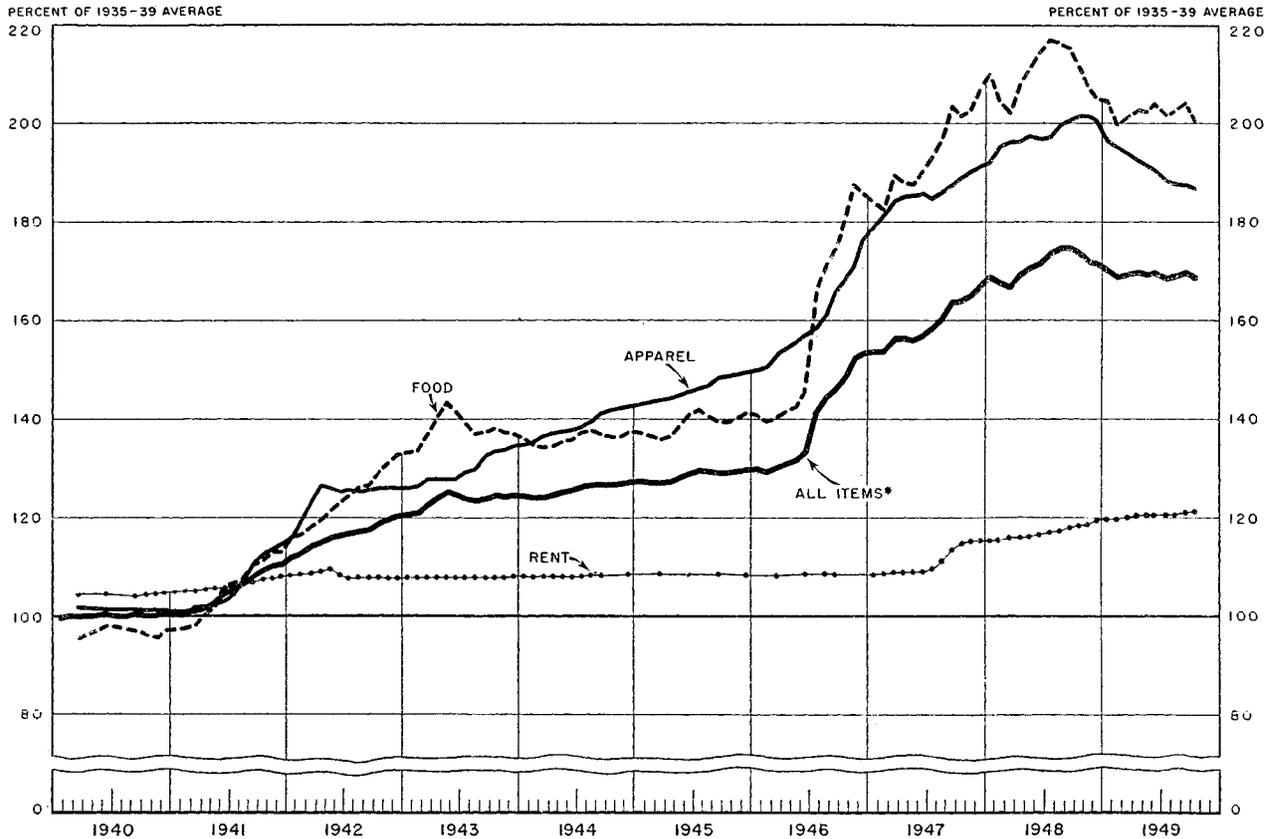
SOURCE: SEE ECONOMIC REPORT OF THE PRESIDENT, JULY 1949, APPENDIX A.

COUNCIL OF ECONOMIC ADVISERS

PRICES

CONSUMERS' PRICES

Since February, the consumers' price index has fluctuated within a narrow range. A drop of nearly 4 points in the index of food prices in October brought the total index down about $\frac{2}{3}$ of 1 percent.



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

COUNCIL OF ECONOMIC ADVISERS

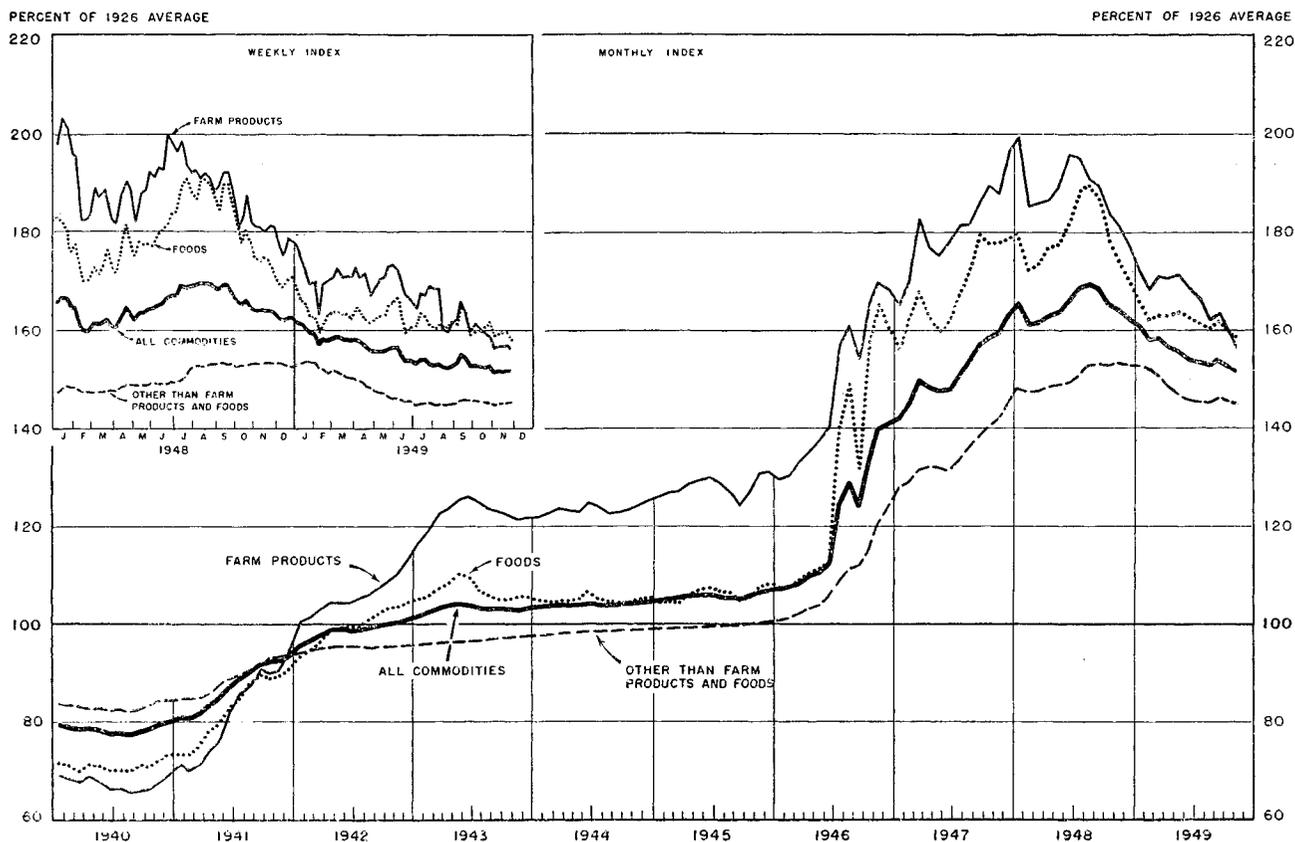
[1935-39=100]

Period	All items	Food	Apparel	Rent	Fuel, electricity, and refrigeration	House furnishings	Miscellaneous
1939 monthly average.....	99.4	95.2	100.5	104.3	99.0	101.3	100.7
1940 monthly average.....	100.2	96.6	101.7	104.6	99.7	100.5	101.1
1941 monthly average.....	105.2	105.5	106.3	106.2	102.2	107.3	104.0
1942 monthly average.....	116.5	123.9	124.2	108.5	105.4	122.2	110.9
1943 monthly average.....	123.6	138.0	129.7	108.0	107.7	125.6	115.8
1944 monthly average.....	125.5	136.1	138.8	108.2	109.8	136.4	121.3
1945 monthly average.....	128.4	139.1	145.9	108.3	110.3	145.8	124.1
1946 monthly average.....	139.3	159.6	160.2	108.6	112.4	159.2	128.8
1947 monthly average.....	159.2	193.8	185.8	111.2	121.1	184.4	139.9
1948 monthly average.....	171.2	210.2	198.0	117.4	133.9	195.8	149.9
1948: October.....	173.6	211.5	201.6	118.7	137.8	198.8	153.7
November.....	172.2	207.5	201.4	118.8	137.9	198.7	153.9
December.....	171.4	205.0	200.4	119.5	137.8	198.6	154.0
1949: January.....	170.9	204.8	196.5	119.7	138.2	196.5	154.1
February.....	169.0	199.7	195.1	119.9	138.8	195.6	154.1
March.....	169.5	201.6	193.9	120.1	138.9	193.8	154.4
April.....	169.7	202.8	192.5	120.3	137.4	191.9	154.6
May.....	169.2	202.4	191.3	120.4	135.4	189.5	154.5
June.....	169.6	204.3	190.3	120.6	135.6	187.3	154.2
July.....	168.5	201.7	188.5	120.7	135.6	186.8	154.3
August.....	168.8	202.6	187.4	120.8	135.8	184.8	154.8
September.....	169.6	204.2	187.2	121.2	137.0	185.6	155.2
October.....	168.5	200.6	186.8	121.5	138.4	185.2	155.2

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

WHOLESALE PRICES

Wholesale prices were at a lower level during November because of a drop in farm prices and foods. Industrial prices maintained the overall stability that began at the end of June.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

[1926=100]

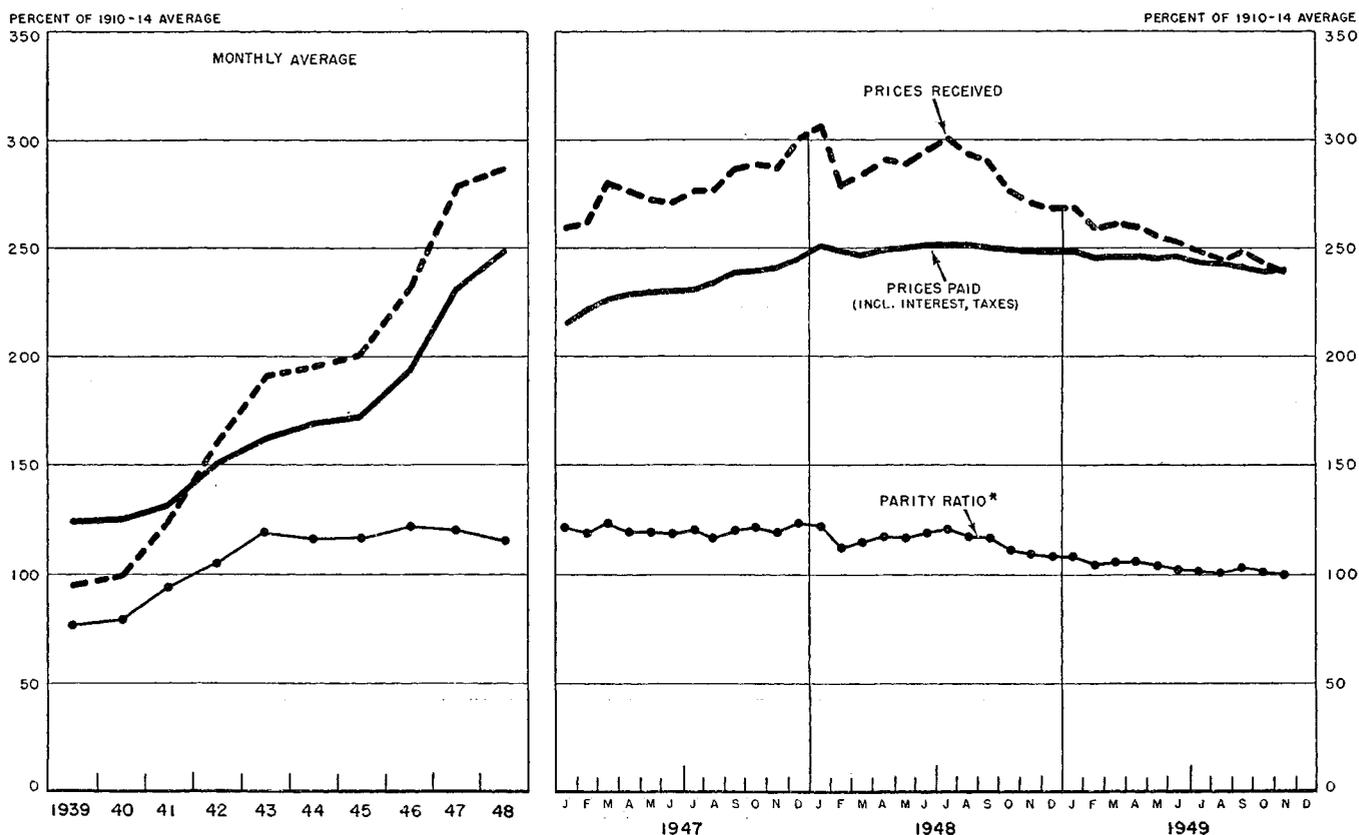
Period	All commodities	Farm products	Foods	Other than farm products and foods
1941 monthly average.....	87.3	82.4	82.7	89.0
1942 monthly average.....	98.8	105.9	99.6	95.5
1946 monthly average.....	121.1	148.9	130.7	109.5
June.....	112.9	140.1	112.9	105.6
1947 monthly average.....	152.1	181.2	168.7	135.2
1948 monthly average.....	165.1	188.3	179.1	151.0
1948: October.....	165.4	183.5	178.2	153.4
November.....	164.0	180.8	174.3	153.6
December.....	162.4	177.3	170.2	153.1
1949: January.....	160.6	172.5	165.8	152.9
February.....	158.1	168.3	161.5	151.8
March.....	158.4	171.5	162.9	150.7
April.....	156.9	170.5	162.9	148.9
May.....	155.7	171.2	163.8	146.8
June.....	154.5	168.8	162.4	145.6
July.....	153.5	166.2	161.3	145.0
August.....	152.9	162.3	160.6	145.0
September.....	153.7	163.1	162.0	145.3
October.....	152.2	159.6	159.6	145.0
November ¹	151.4	155.9	158.2	145.0
Week ended:				
October 25.....	152.5	158.5	161.7	144.8
November 1.....	151.4	156.3	158.7	144.6
8.....	151.5	156.7	159.3	144.8
15.....	151.4	156.5	159.6	144.8
22.....	151.5	156.8	159.5	145.0
29.....	151.4	155.3	157.9	145.1

¹ Estimate based on change in weekly index.

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

Farm prices decreased again from October to November with substantial drops in prices of hogs, soybeans, corn and eggs, but a sharp recovery in truck crops. The parity ratio reached 100, lower than at any time since December 1941.



* 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	169	116
1945 monthly average.....	202	172	117
1946 monthly average.....	233	193	121
1947 monthly average.....	278	231	120
1948 monthly average.....	287	249	115
1948: October.....	277	249	111
November.....	271	247	109
December.....	268	247	108
1949: January.....	268	248	108
February.....	258	245	105
March.....	261	246	106
April.....	260	246	106
May.....	256	245	104
June.....	252	245	103
July.....	249	244	102
August.....	245	243	101
September.....	249	242	103
October.....	243	240	101
November.....	239	240	100

¹ August 1909-July 1914=100.

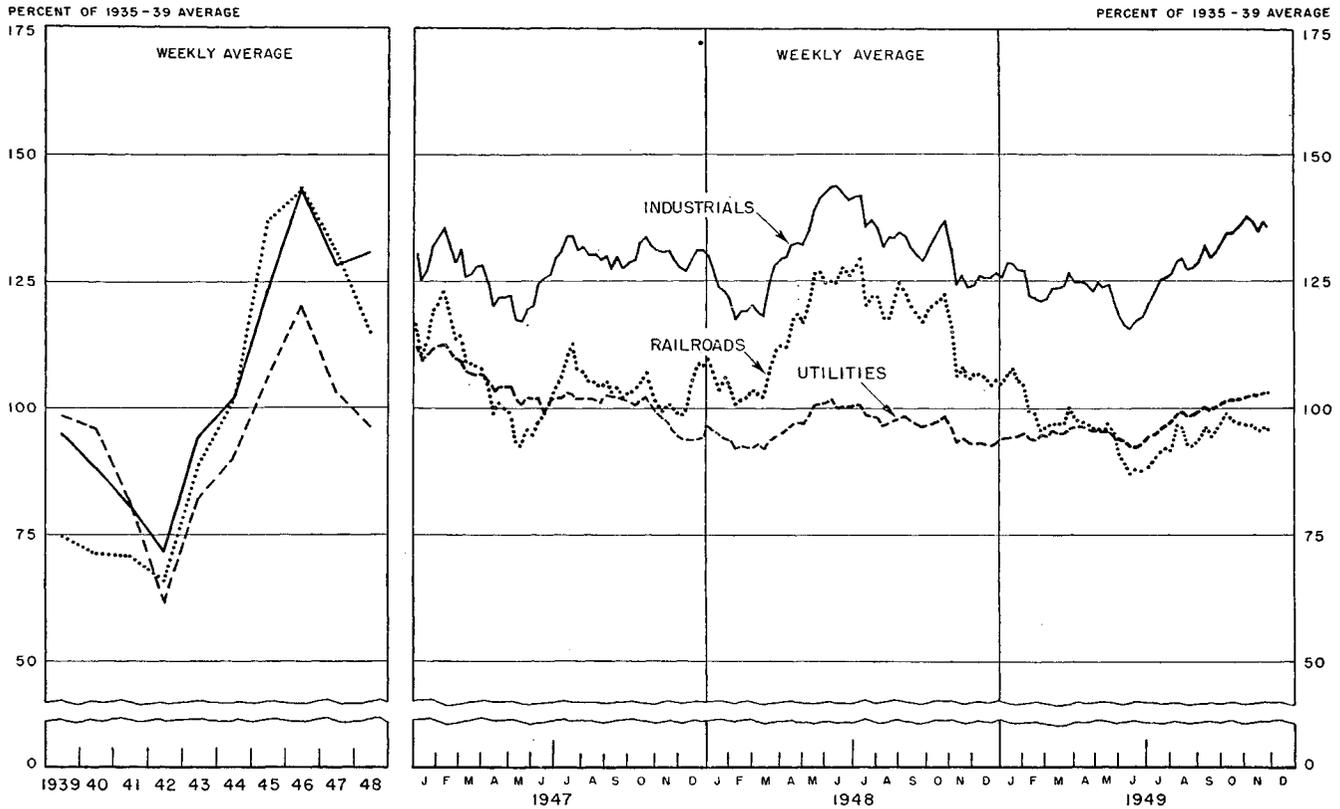
² 1910-14=100.

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

Source: Department of Agriculture.

STOCK PRICES

Despite periods of buoyancy of the stock market during November, prices at the end of the month were close to those at the end of October. Utilities stock made the best showing.



SOURCE: STANDARD AND POOR'S CORPORATION.

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100]

Period	Combined index ¹	Industrials	Railroads	Utilities
Weekly average:				
1939.....	94.2	94.8	74.7	98.6
1942.....	69.4	71.3	66.1	61.3
1946.....	139.9	143.4	143.0	120.2
1948.....	124.4	130.6	114.7	96.2
1948: 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
February.....	117.2	122.7	99.6	94.4
March.....	118.0	123.7	97.4	95.3
April.....	118.5	124.2	97.1	96.1
May.....	117.7	123.4	95.8	95.3
June.....	112.0	117.0	88.4	93.0
July.....	117.8	123.4	90.6	95.4
August.....	121.9	128.2	94.6	98.5
September.....	123.8	130.3	95.1	100.0
October.....	127.3	134.4	97.6	101.2
November.....	129.1	136.5	96.2	102.6
Week ended:				
November 2.....	130.3	138.0	96.9	102.1
9.....	129.4	136.8	96.9	102.4
16.....	127.7	134.7	95.6	102.3
23.....	129.7	137.1	96.3	103.1
30.....	128.6	135.7	95.5	103.0

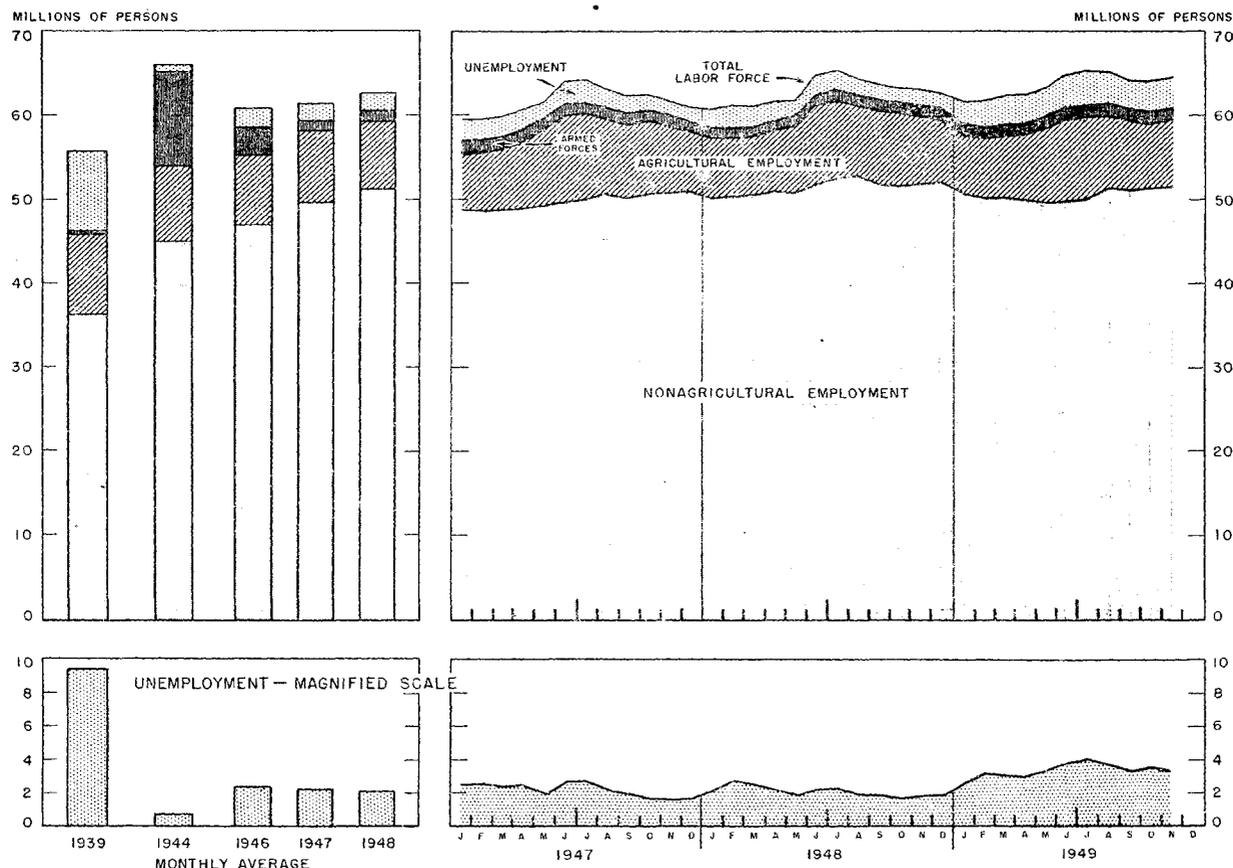
¹ Combined index prior to June 23, 1948, was based on 402 common stocks, and included 354 industrials, 20 railroads, and 28 utilities; thereafter, 416 common stocks are represented, with 365 industrials, 20 railroads, and 31 utilities.

Source: Standard & Poor's Corporation.

EMPLOYMENT

LABOR FORCE

The ending of work stoppages combined with seasonal improvement caused nonagricultural employment to increase in November. Agricultural employment rose contraseasonal. Unemployment declined slightly.



SOURCE: DEPARTMENT OF COMMERCE.

COUNCIL OF ECONOMIC ADVISERS

[Thousands of persons 14 years of age and over]

Period	Total labor force, including armed forces	Civilian employment ¹			Armed forces	Unemployment
		Total	In non-agricultural industries	In agriculture		
1939 monthly average	55,600	45,750	36,140	9,610	370	9,480
1944 monthly average	65,890	53,960	45,010	8,950	11,260	670
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	2,142
1948 monthly average	62,748	59,378	51,405	7,973	1,307	2,064
1948: 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
February	61,896	57,168	50,174	6,993	1,508	3,221
March	62,305	57,647	50,254	7,393	1,491	3,167
April	62,327	57,819	49,999	7,820	1,492	3,016
May	63,452	58,694	49,720	8,974	1,469	3,289
June	64,866	59,619	49,924	9,696	1,468	3,778
July	65,278	59,720	50,073	9,647	1,463	4,095
August	65,105	59,947	51,441	8,507	1,468	3,689
September	64,222	59,411	51,254	8,158	1,459	3,351
October	64,021	59,001	51,290	7,710	1,445	3,576
November	64,363	59,518	51,640	7,878	1,436	3,409

¹ Includes part-time workers and those who had jobs but were not at work for such reasons as vacation, illness, bad weather, temporary lay-off, and industrial disputes.

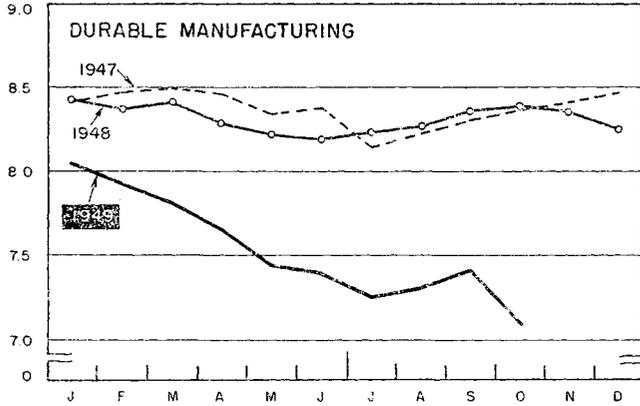
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

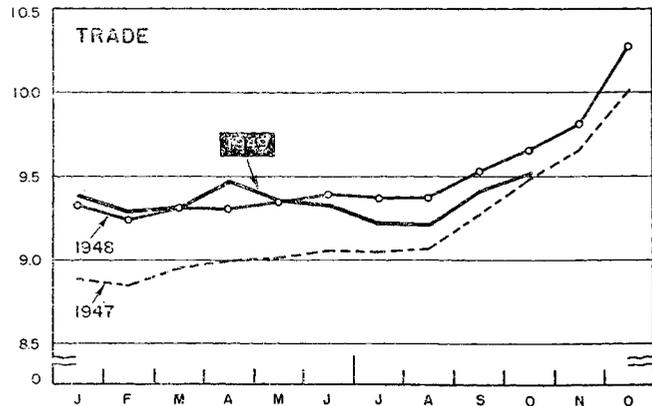
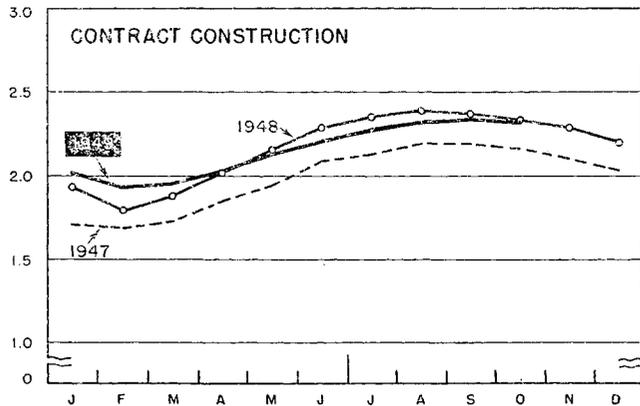
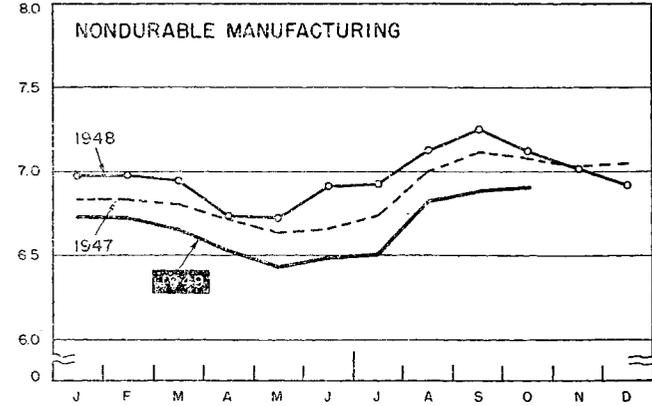
NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Employment in durable goods manufacturing, transportation, and mining dropped sharply in October as a result of the steel and coal labor disputes and seasonal factors. Trade employment increased seasonally. Most other industries showed little change.

MILLIONS OF WAGE AND SALARY WORKERS



MILLIONS OF WAGE AND SALARY WORKERS



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Thousands of wage and salary workers ¹]

Period	Manufacturing			Contract construction	Trade	Finance and service	Government (Federal, State, local)	Transportation and public utilities	Mining
	Total	Durable goods	Nondurable goods						
1939 monthly average	10,078	(²)	(²)	1,150	6,705	4,610	3,987	2,912	845
1943 monthly average	17,381	(²)	(²)	1,567	7,322	5,187	6,049	3,619	917
1946 monthly average	14,461	(²)	(²)	1,661	8,815	5,994	5,607	4,023	852
1947 monthly average	15,247	8,373	6,874	1,982	9,196	6,427	5,454	4,122	943
1948 monthly average	15,286	8,315	6,970	2,165	9,491	6,515	5,613	4,151	981
1948: September	15,617	8,360	7,257	2,369	9,522	6,574	5,668	4,189	1,007
October	15,514	8,393	7,121	2,334	9,654	6,531	5,694	4,188	1,000
November	15,368	8,352	7,016	2,287	9,807	6,503	5,685	4,166	999
December	15,174	8,258	6,916	2,200	10,273	6,481	5,994	4,158	1,002
1949: January	14,782	8,044	6,738	2,016	9,388	6,454	5,764	4,054	991
February	14,649	7,923	6,726	1,926	9,292	6,447	5,737	4,024	986
March	14,475	7,819	6,656	1,947	9,310	6,469	5,761	3,975	981
April	14,177	7,656	6,521	2,036	9,478	6,525	5,775	3,991	984
May	13,877	7,441	6,436	2,137	9,342	6,567	5,813	4,021	974
June	13,885	7,396	6,489	2,205	9,327	6,603	5,772	4,030	970
July	13,757	7,255	6,592	2,277	9,220	6,631	5,738	4,007	943
August ³	14,115	7,305	6,810	2,340	9,218	6,619	5,763	3,994	957
September ³	14,307	7,413	6,894	2,342	9,412	6,610	5,893	3,964	948
October ³	13,984	7,082	6,902	2,321	9,510	6,567	5,866	3,874	583

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 Not available.

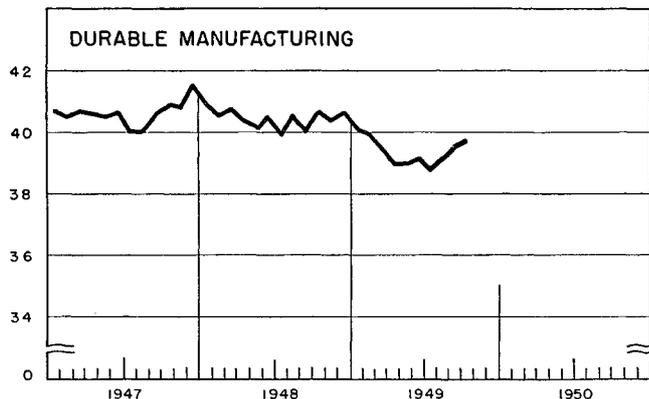
³ Preliminary estimate.

Source: Department of Labor.

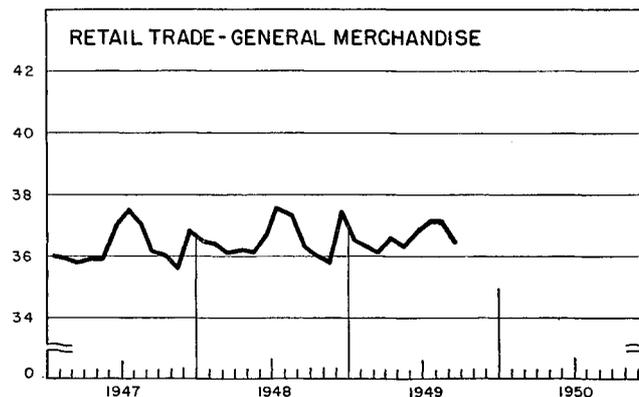
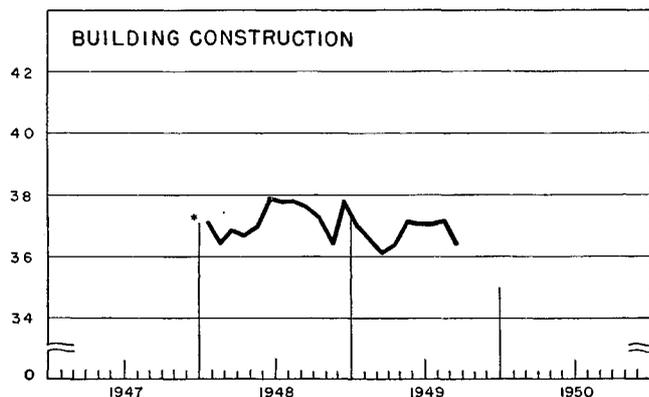
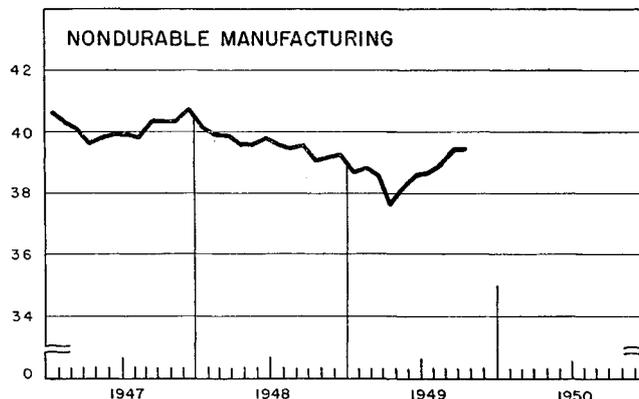
AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

Hours of work averaged 39.8 in durable goods manufacturing and 39.5 in nondurables in October, according to preliminary estimates. Both averages were above the levels of spring and summer.

HOURS PER WEEK



HOURS PER WEEK



* NOT AVAILABLE PRIOR TO JANUARY 1948

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Hours per week, selected industries ¹]

Period	Manufacturing			Building construction	Retail trade, general merchandise
	Total	Durable goods	Nondurable goods		
1939 monthly average.....	37.7	(²)	(²)	(²)	(²)
1943 monthly average.....	44.9	(²)	(²)	(²)	(²)
1946 monthly average.....	40.4	(²)	(²)	(²)	(²)
1947 monthly average.....	40.4	40.6	40.1	(²)	36.3
1948 monthly average.....	40.1	40.5	39.6	37.3	36.6
1948: September.....	39.8	40.0	39.6	37.6	36.3
October.....	40.0	40.7	39.1	37.3	36.0
November.....	39.8	40.4	39.2	36.4	35.8
December.....	40.1	40.7	39.3	37.8	37.5
1949: January.....	39.5	40.1	38.7	37.0	36.5
February.....	39.4	39.9	38.8	36.5	36.3
March.....	39.1	39.5	38.6	36.1	36.1
April.....	38.4	39.0	37.6	36.4	36.6
May.....	38.6	39.0	38.1	37.2	36.3
June.....	38.8	39.2	38.5	37.1	36.8
July.....	38.8	38.8	38.7	37.1	37.2
August ³	39.1	39.2	38.9	37.3	37.2
September ³	39.6	39.7	39.5	36.4	36.4
October ³	39.7	39.8	39.5	(²)	(²)

¹ For production and related workers.

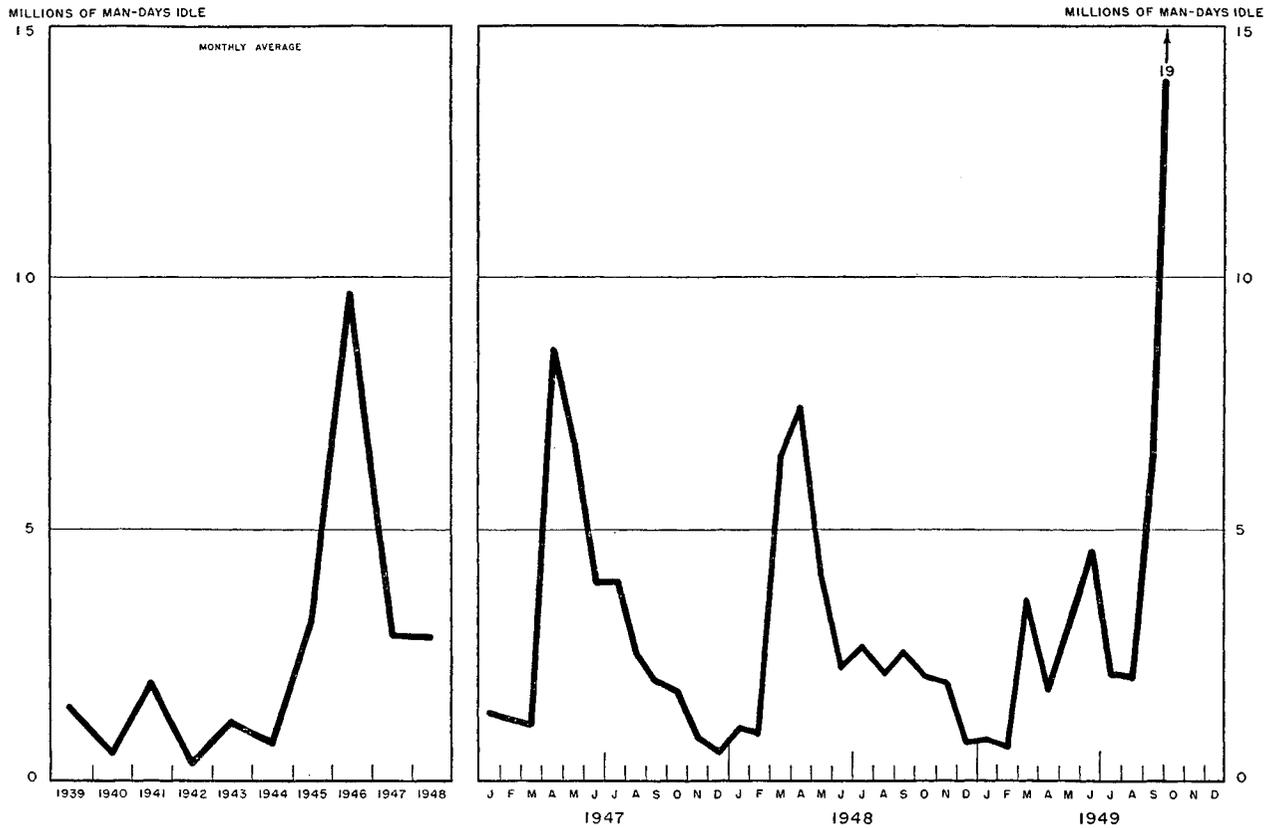
² Not available.

³ Preliminary estimate.

Source: Department of Labor.

WORK STOPPAGES

Because of steel and coal work stoppages, time lost from labor disputes jumped in October to the highest level since February 1946.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

Period	Man-days idle during period		Workers involved in stoppages		Number of stoppages	
	Monthly average (thousands)	Percent of estimated working time	Beginning in period (thousands)	In effect during month (thousands)	Beginning in period	In effect during month
1939	1,484	0.28	1,171		2,613	
1941	1,921	.32	2,363		4,288	
1942	349	.05	840		2,968	
1943	1,125	.15	1,981		3,752	
1944	727	.09	2,116		4,956	
1945	3,169	.47	3,467		4,750	
1946	9,667	1.43	4,600		4,985	
1947	2,883	.41	2,170		3,693	
1948	2,842	.37	1,960		3,419	
1948: September	2,540	.33	158	267	299	553
October	2,060	.27	110	194	256	468
November	1,910	.26	111	189	216	388
December	713	.09	40	93	144	283
1949: January ¹	800	.11	70	110	225	400
February ¹	650	.10	80	120	225	350
March ¹	3,600	.46	500	540	275	400
April ¹	1,800	.25	175	225	400	500
May ¹	3,200	.45	250	320	450	600
June ¹	4,600	.61	575	660	375	550
July ¹	2,100	.31	110	225	300	525
August ¹	2,000	.26	150	250	375	550
September ¹	6,350	.88	510	610	275	475
October ¹	19,000	2.70	600	1,000	250	425

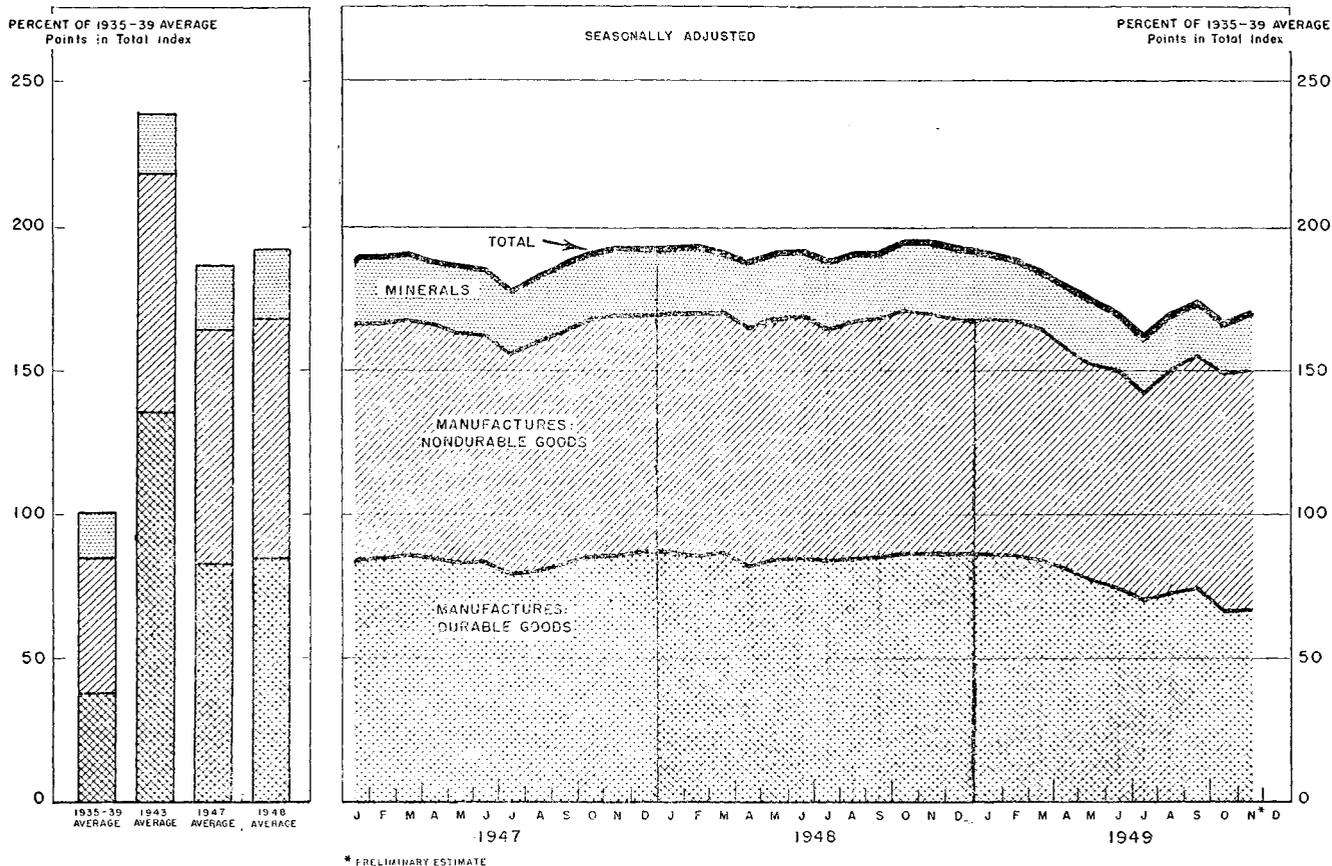
¹ Preliminary estimate.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

Industrial production dropped about 5 percent in October as a result of steel and coal labor disputes. Following resumption of these activities, production increased about 3 percent in November. During both of these months the nondurable rate was the highest since the peak a year ago.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

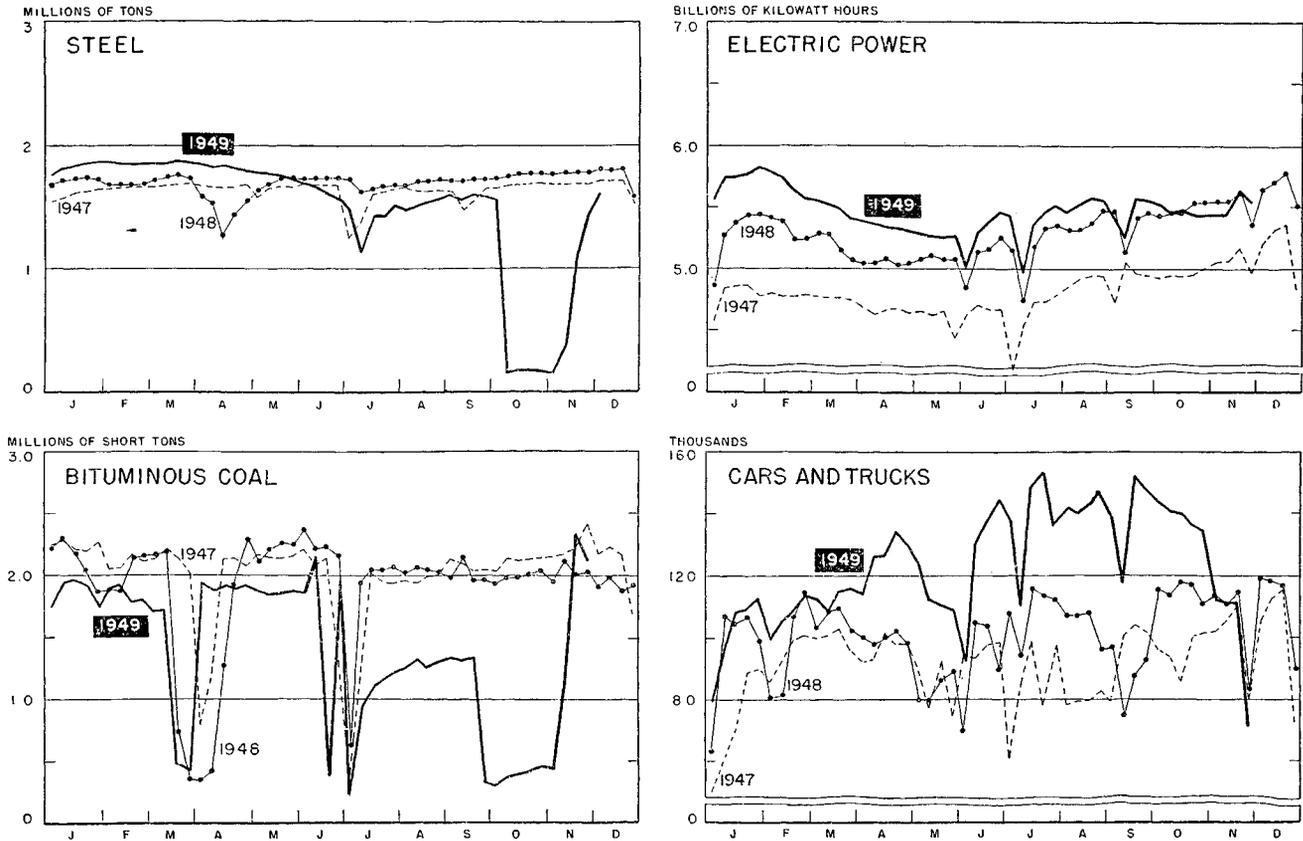
Period	Indexes, 1935-39=100					Points in total index, 1935-39 average for total=100		
	Total industrial production	Manufactures			Minerals	Manufactures		Minerals
		Total	Durable goods	Nondurable goods		Durable goods	Nondurable goods	
1935-39 monthly average.....	100	109	100	100	100	38	47	15
1943 monthly 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.....	192	198	225	177	155	85	83	24
1948: October.....	195	202	231	179	158	87	84	24
November.....	195	201	229	178	161	87	83	25
December.....	192	199	231	173	156	87	81	24
1949: January.....	191	198	227	175	149	86	82	23
February.....	189	196	225	173	149	85	81	23
March.....	184	193	223	168	136	84	79	21
April.....	179	184	212	162	148	81	76	23
May.....	174	179	201	161	145	76	75	22
June.....	169	176	194	161	133	74	75	20
July.....	161	168	185	154	123	70	72	19
August.....	170	177	192	165	129	73	77	20
September.....	174	184	199	172	119	75	81	18
October ¹	166	175	174	176	114	67	82	17
November ¹	171	178	181	176	135	69	82	20

¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

WEEKLY PRODUCTION - SELECTED INDICATORS

After being at almost a standstill in October and early November because of labor disputes, steel and bituminous coal output increased sharply during the last of November. Electric power production moved upward. The number of cars and trucks being assembled dropped further, chiefly because of model changeovers.



SOURCES: AMERICAN IRON AND STEEL INSTITUTE, EDISON ELECTRIC INSTITUTE, DEPARTMENT OF THE INTERIOR, WARD'S AUTOMOTIVE REPORTS. COUNCIL OF ECONOMIC ADVISERS

Period	Steel (thousands of net tons)	Electric power, by utilities (millions of kilowatt-hours)	Bituminous coal (thousands of short tons) ¹	Cars and trucks (number)
Weekly average:				
1947-----	1,637	4,821	2,058	90,860
1948-----	1,700	5,300	1,948	100,670
Week ended:				
1948: Nov. 6-----	1,783	5,564	2,038	112,791
13-----	1,792	5,571	2,190	110,495
20-----	1,785	5,627	2,078	114,656
27-----	1,788	5,349	2,098	83,284
Dec. 4-----	1,804	5,646	1,969	119,037
11-----	1,803	5,705	2,042	117,897
1949: Nov. 5-----	162	5,435	447	112,838
12-----	387	5,435	1,183	111,727
19-----	1,058	5,644	2,358	111,779
26-----	1,442	5,537	2,387	71,860
Dec. 3-----	1,617			² 66,559
10-----	² 1,690			

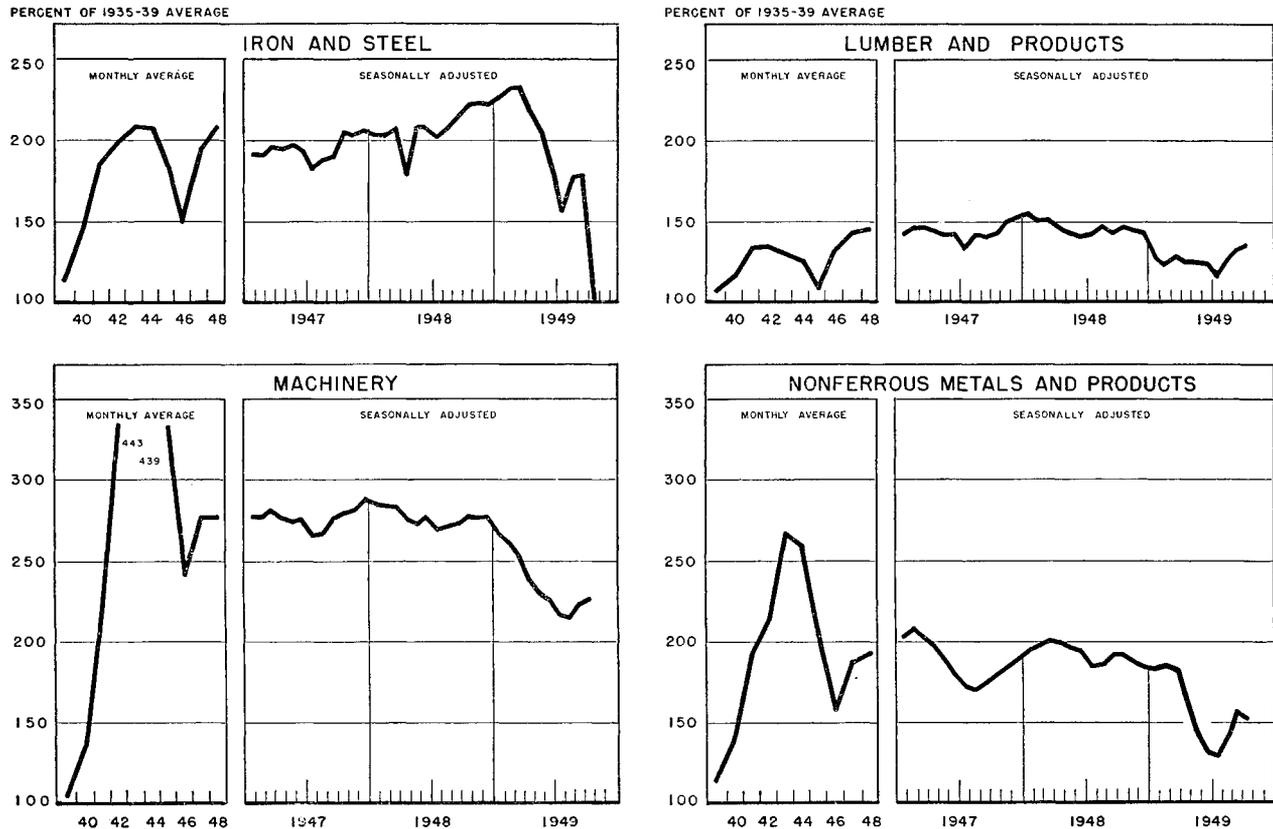
¹ Daily average for week.

² Data became available after chart was prepared.

Sources: American Iron and Steel Institute, Edison Electric Institute, Department of the Interior, and Ward's Automotive Reports.

PRODUCTION OF SELECTED DURABLE MANUFACTURES

Iron and steel production decreased sharply in October to the average 1935-39 level; weekly data for November indicate substantial recovery. Nonferrous metals dropped slightly after considerable gains in September. Output of lumber was at its peak for the year and machinery output continued to increase.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[1935-39= 100, seasonally adjusted]

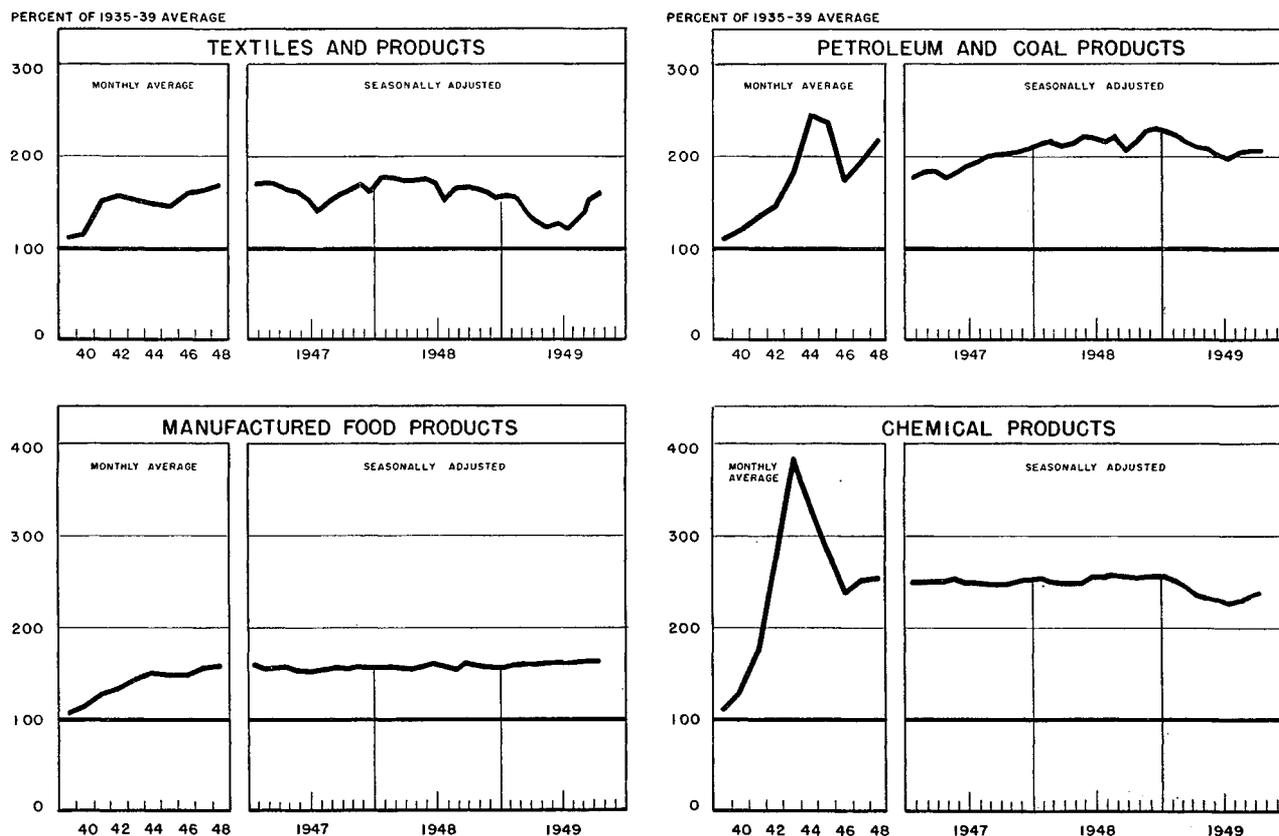
Period	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products
1935-39 monthly average.....	100	100	100	100
1943 monthly average.....	208	129	443	267
1945 monthly average.....	183	109	343	204
1946 monthly average.....	150	131	240	157
1947 monthly average.....	195	143	276	187
1948 monthly average.....	208	145	277	193
1948: September.....	214	143	273	192
October.....	221	147	277	192
November.....	224	145	276	187
December.....	223	143	277	184
1949: January.....	228	129	268	183
February.....	232	123	262	185
March.....	233	129	252	183
April.....	219	126	240	167
May.....	204	126	232	145
June.....	177	123	225	133
July.....	156	115	217	127
August.....	178	126	215	141
September.....	179	133	224	157
October ¹	101	137	227	152

¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

PRODUCTION OF SELECTED NONDURABLE MANUFACTURES

Activity in textile industries in October was at its highest point since November 1948. Production of chemicals showed some further improvement; manufactured foods continued at peak levels; petroleum and coal products remained unchanged.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

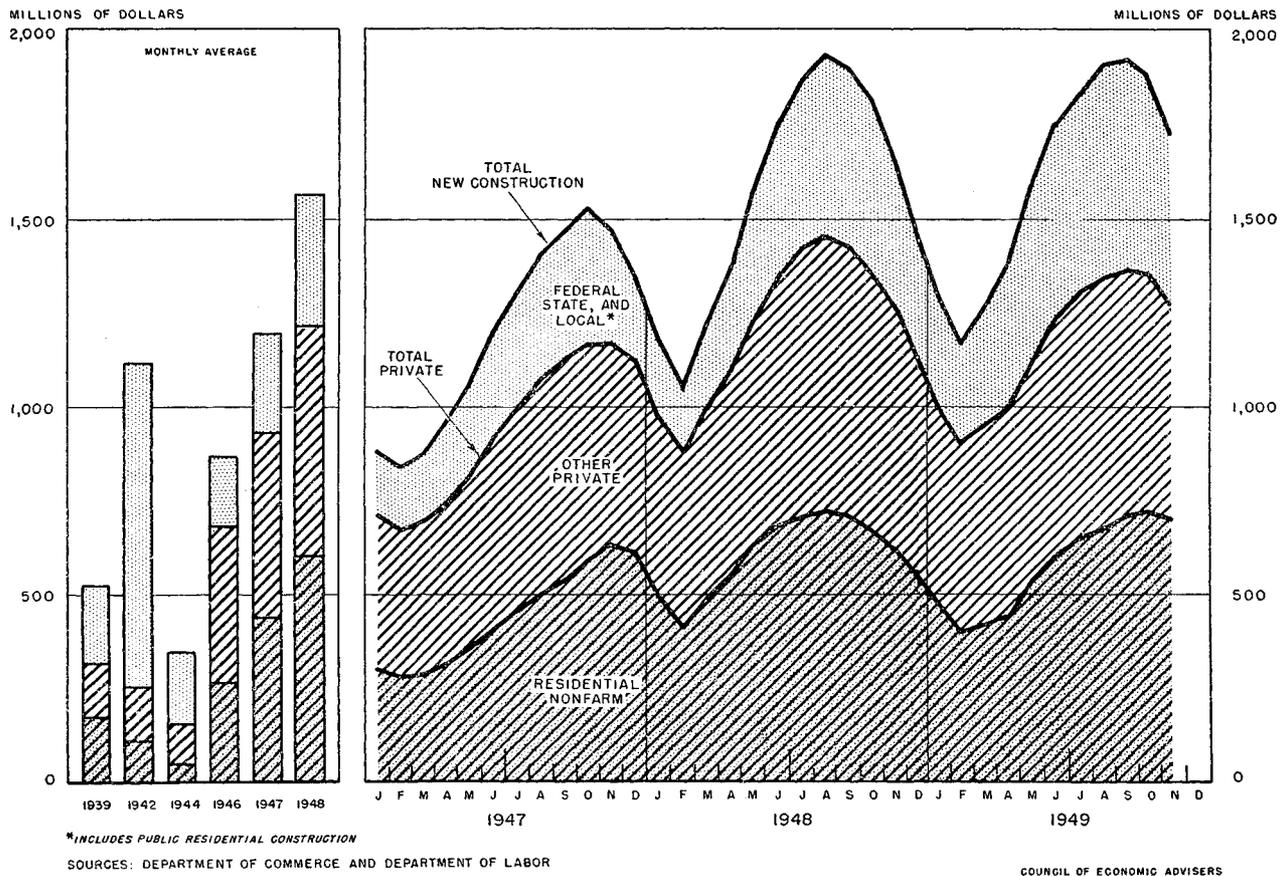
Period	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1935-39 monthly average.....	100	100	100	100
1943 monthly average.....	153	185	145	384
1945 monthly average.....	146	235	151	284
1946 monthly average.....	162	173	150	236
1947 monthly average.....	163	193	157	251
1948 monthly average.....	169	218	159	254
1948: September.....	168	207	163	257
October.....	167	217	161	255
November.....	164	227	159	257
December.....	156	231	158	257
1949: January.....	160	228	160	257
February.....	157	221	162	250
March.....	142	213	162	245
April.....	129	209	162	237
May.....	123	207	162	234
June.....	126	202	165	231
July.....	120	198	161	226
August.....	140	204	164	228
September.....	154	206	166	236
October ¹	164	206	166	239

¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

New construction declined seasonally in November, with residential activity showing particular strength.



[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
1946 monthly average.....	871	688	265	422	184
1947 monthly average.....	1,194	932	438	493	262
1948 monthly average.....	1,565	1,214	602	612	351
1948: September.....	1,901	1,427	707	720	474
October.....	1,814	1,355	670	685	459
November.....	1,646	1,256	615	641	390
December.....	1,447	1,129	547	582	318
1949: January.....	1,293	1,002	475	527	291
February.....	1,172	905	400	505	267
March.....	1,267	951	420	531	316
April.....	1,370	989	445	544	381
May.....	1,576	1,108	530	578	468
June.....	1,735	1,229	600	629	506
July.....	1,833	1,301	650	651	532
August.....	1,903	1,343	675	668	560
September.....	1,922	1,368	710	658	554
October.....	1,886	1,354	725	629	532
November ²	1,726	1,279	700	579	447

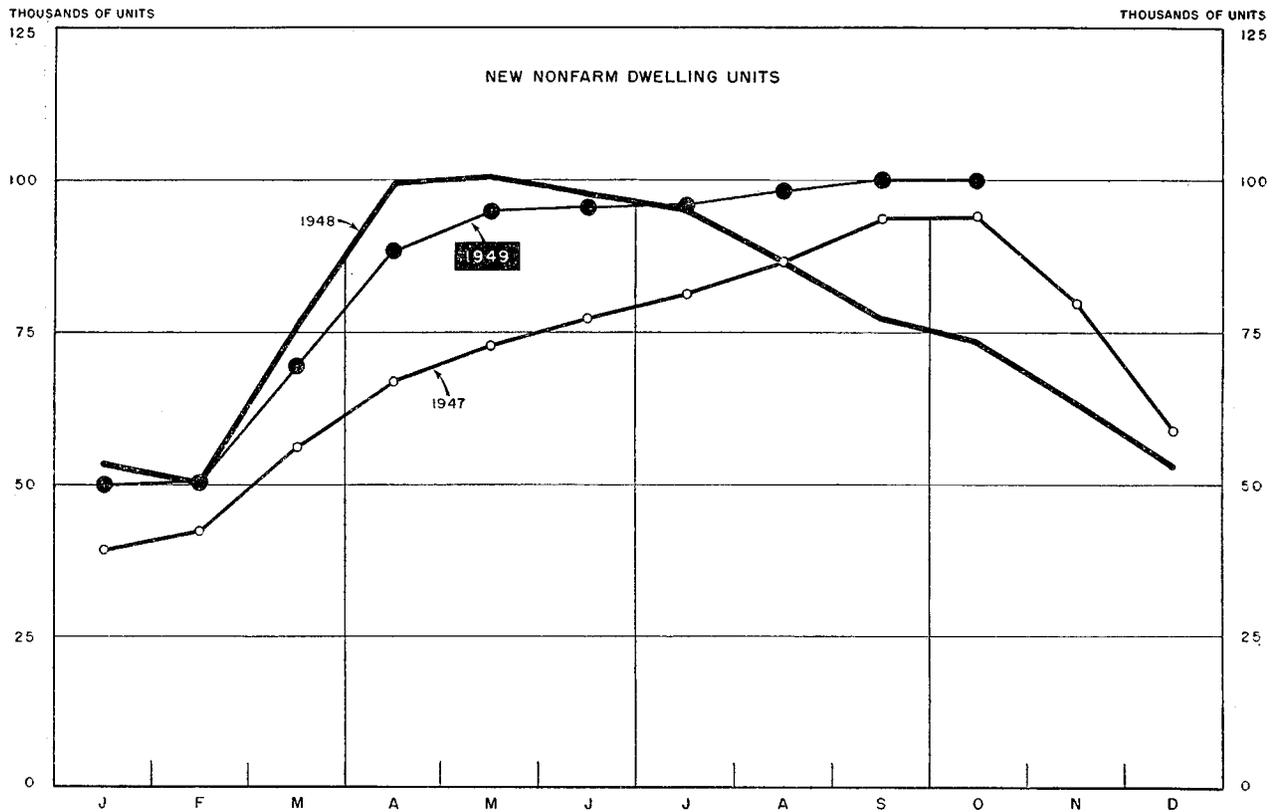
¹ Includes public residential construction.

² Preliminary estimate.

Sources: Department of Commerce and Department of Labor.

NEW HOUSING STARTS

Housing starts continued at very high levels in October. This year appears certain to establish a record.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

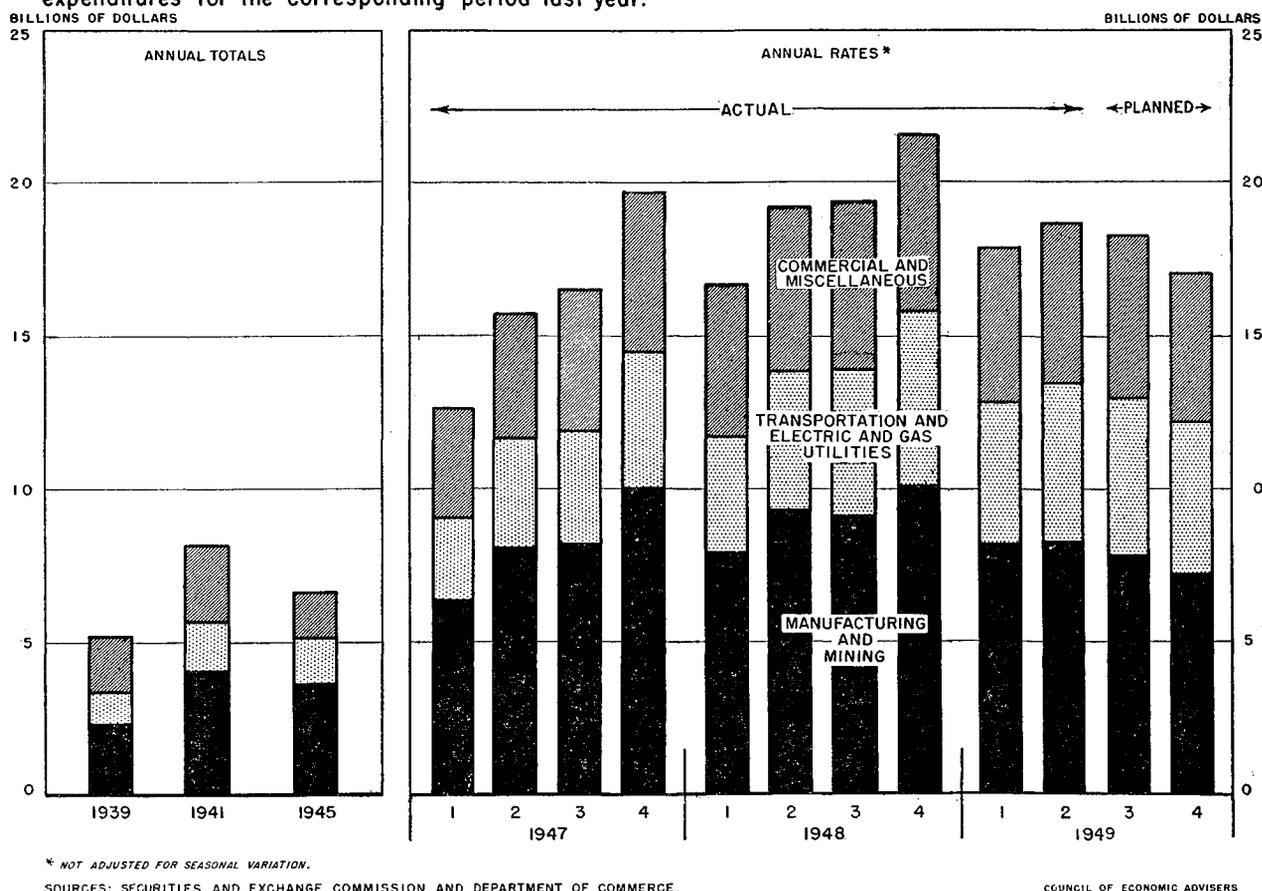
Month	New nonfarm units started		
	1947	1948	1949
January	39,300	53,500	50,000
February	42,800	50,100	50,400
March	56,000	76,400	69,400
April	67,100	99,500	88,300
May	72,900	100,300	95,400
June	77,200	97,800	95,500
July	81,100	95,000	96,100
August	86,300	86,600	¹ 98,000
September	93,800	82,200	¹ 100,000
October	94,000	73,400	¹ 100,000
November	79,700	63,600	-----
December	58,800	52,900	-----
Total	849,000	931,300	-----
Monthly average	70,750	77,600	-----

¹ Preliminary estimate.

Source: Department of Labor.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Nonagricultural business firms reported in a recent SEC-Commerce survey expected expenditures of \$17.9 billion on new plant and equipment for 1949. Actual expenditures for 1st half of this year were 1 percent above 1st half of 1948 but estimate for 2nd half was about 14 percent under actual expenditures for the corresponding period last year.



[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
1947	16,180	7,460	690	910	800	1,900	4,430
1948	19,230	8,340	800	1,320	700	2,680	5,390
1949 ³	17,920 ³	7,120	740	1,360	540	3,100	5,080
1947: 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	21,640	9,280	880	1,640	680	3,400	5,760
1949: First quarter	17,840	7,400	760	1,440	520	2,720	5,040
Second quarter	18,640	7,520	760	1,520	560	3,120	5,160
Third quarter ³	18,200	7,080	720	1,360	560	3,240	5,200
Fourth quarter ³	17,000	6,480	680	1,120	520	3,320	4,960

¹ Excludes agriculture.

² Commercial and miscellaneous composed of trade, service, finance, and communication.

³ Estimates for third quarter are based on preliminary estimates of business in July; fourth quarter figures are based on anticipated capital expenditures.

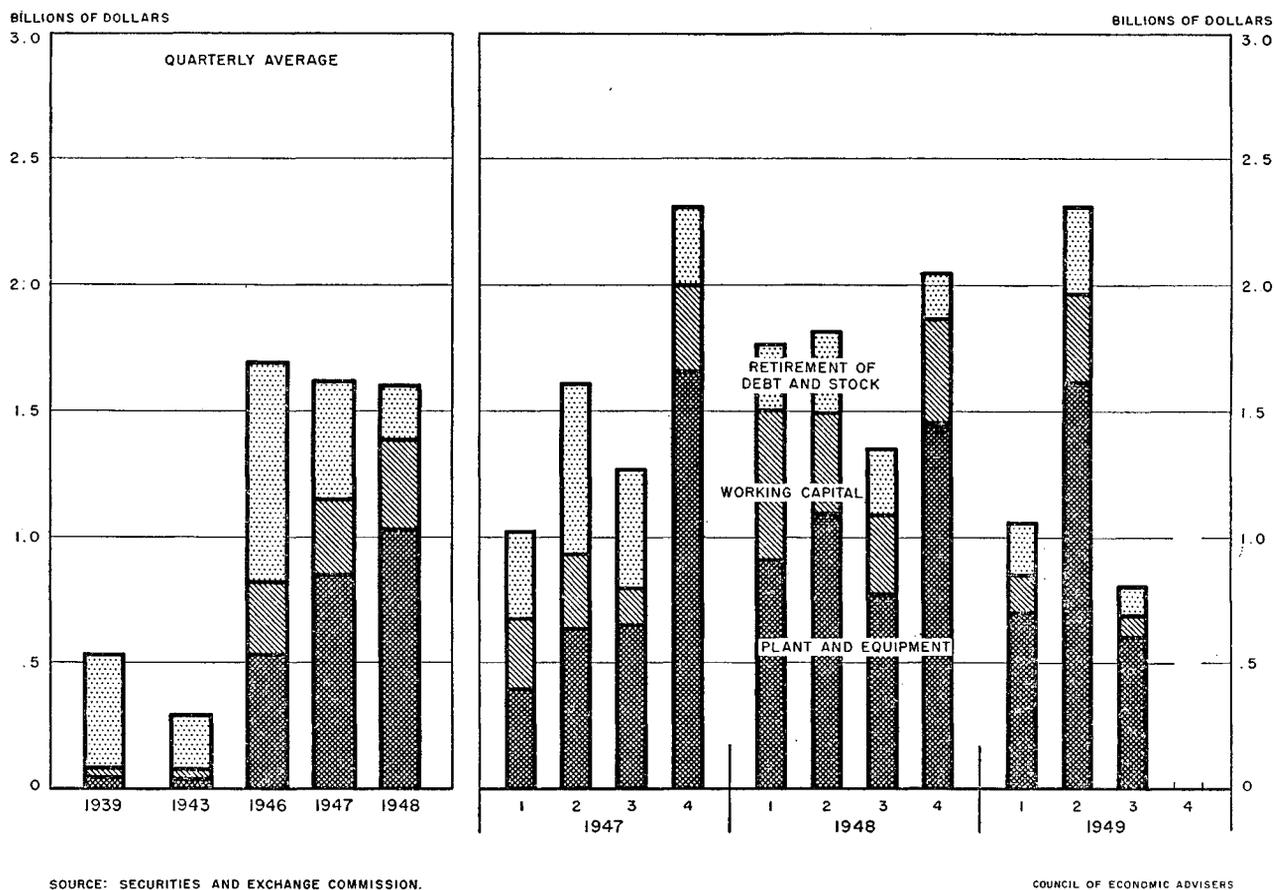
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal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

After reaching the postwar peak (quarterly rate) during the 2nd quarter of this year, corporate issues fell substantially in the 3rd quarter, reflecting the usual seasonal movement.



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.....	1,748	1,491	1,060	431	257
1947: Third quarter.....	1,374	884	692	192	490
Fourth quarter.....	2,311	2,000	1,654	347	310
1948: First quarter.....	1,769	1,511	918	593	260
Second quarter.....	1,817	1,493	1,091	402	325
Third quarter.....	1,352	1,087	774	314	265
Fourth quarter.....	2,054	1,874	1,459	415	180
1949: First quarter.....	1,056	850	699	152	206
Second quarter.....	2,311	1,968	1,615	353	343
Third quarter ²	807	688	599	89	119

¹ Includes small amount for other purposes.

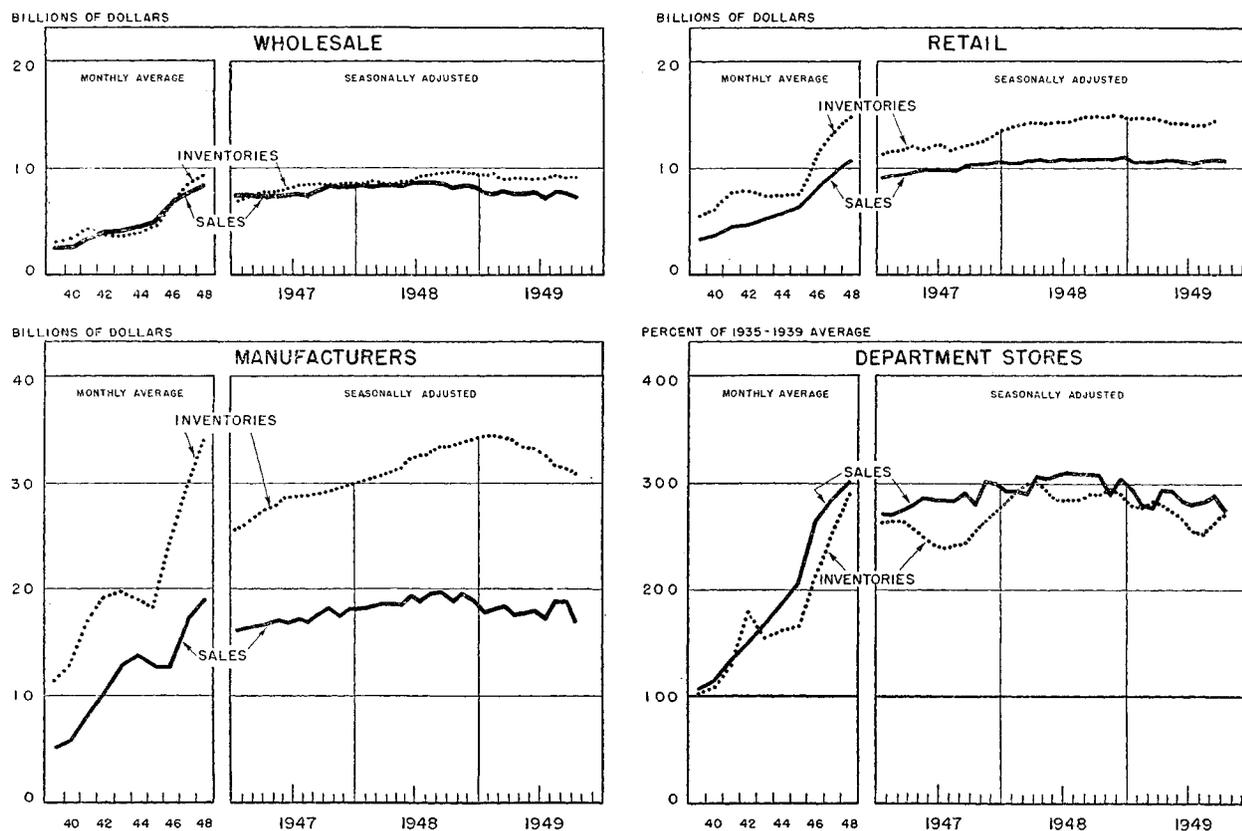
² Preliminary estimate.

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

Source: Securities and Exchange Commission.

INVENTORIES AND SALES

In October there was only a slight further net liquidation of inventories by manufacturers, while wholesalers and department stores continued to add to stocks. Sales dropped sharply in both manufacturing and trade.



SOURCE: DEPARTMENT OF COMMERCE AND BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

Period	Wholesale		Retail		Manufacturers		Department stores	
	Inventories ¹	Sales ²	Inventories ¹	Sales ²	Inventories ¹	Sales ²	Inventories ³	Sales ³
	Millions of dollars, seasonally adjusted ⁴						1935-39=100, seasonally adjusted	
1939	3,175	2,505	5,532	3,504	11,465	5,099	102	106
1941	4,182	3,620	7,630	4,624	16,960	8,168	131	133
1943	3,684	4,273	7,361	5,277	20,098	12,822	155	168
1945	4,638	4,983	7,543	6,315	18,390	12,873	166	207
1946	6,665	6,601	11,226	8,358	24,818	12,841	213	264
1947	8,653	7,754	13,221	9,909	29,817	17,076	255	286
1948	9,511	8,355	14,969	10,837	34,066	19,028	291	302
1948: September	9,581	8,489	14,877	10,961	33,380	19,902	291	309
October	9,730	8,083	14,937	10,899	33,528	18,978	290	309
November	9,714	8,236	15,027	10,763	33,810	19,648	295	290
December	9,511	8,158	14,969	10,987	34,066	19,065	288	303
1949: January	9,464	7,723	14,659	10,592	34,409	17,880	278	295
February	9,479	7,680	14,479	10,686	34,408	18,175	276	281
March	9,293	7,890	14,700	10,705	34,223	18,451	283	277
April	9,330	7,422	14,458	10,790	34,018	17,643	280	294
May	9,153	7,498	14,139	10,738	33,565	17,741	273	292
June	9,002	7,718	14,182	10,663	33,250	17,990	265	285
July	9,091	7,158	13,862	10,521	32,367	17,114	256	280
August	9,061	7,703	13,932	10,679	31,656	18,689	253	283
September	9,186	7,572	14,355	10,824	31,100	18,900	264	289
October ⁵	9,220	7,166	14,478	10,647	30,900	16,700	270	275

¹ Book value, end of period.

² Monthly average for year and total for month.

³ Indexes computed from data on retail value of sales for month and retail book value of inventories, end of period.

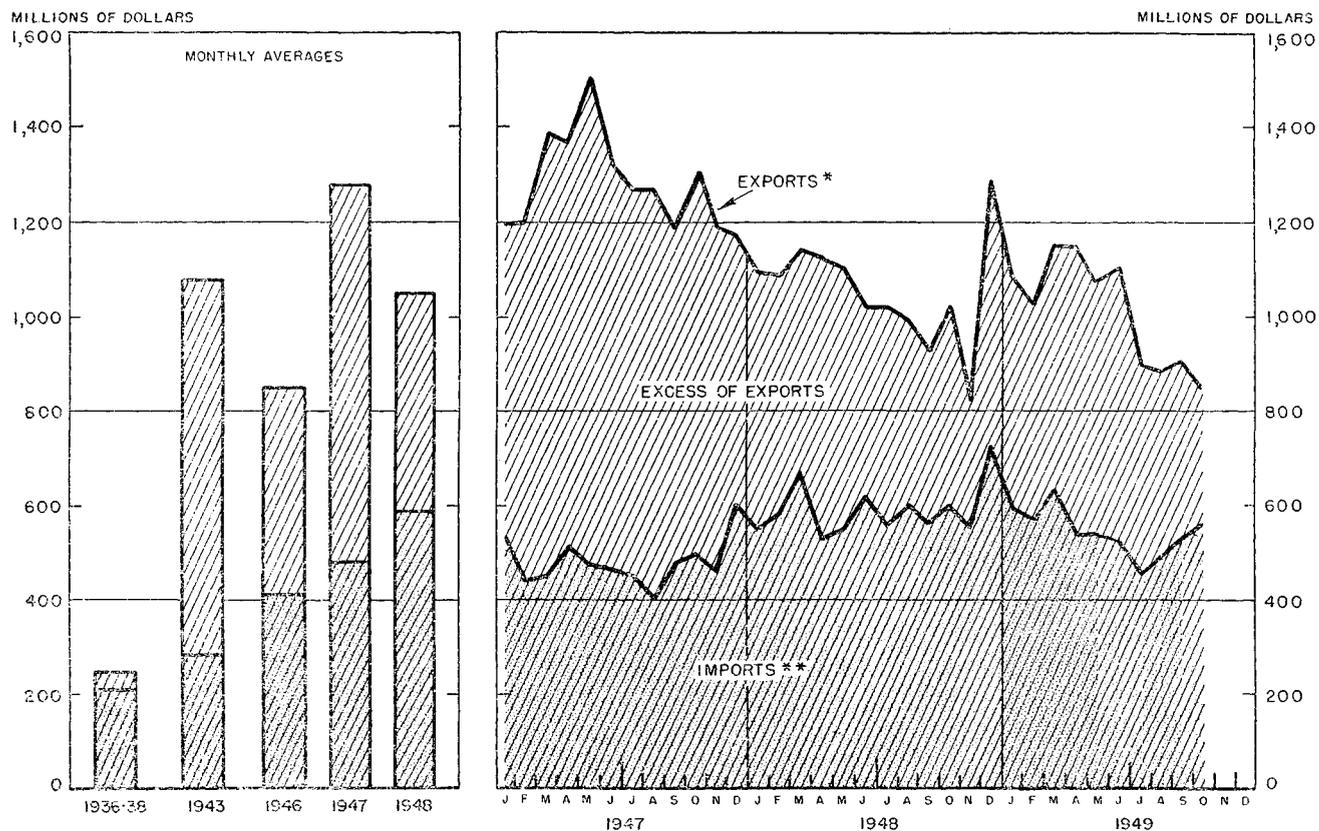
⁴ All dollar figures, except for retail sales, have been revised and do not agree with data published prior to October 1949.

⁵ Preliminary estimates.

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

MERCHANDISE EXPORTS AND IMPORTS

In October the merchandise export surplus fell sharply. Imports of goods continued to recover for the third successive month, reaching the highest level since March, while exports fell to the lowest point since the maritime strike a year ago.



* 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
1948 monthly average.....	1,051	594	457
1948: September.....	926	560	366
October.....	1,021	600	421
November.....	820	554	266
December.....	1,285	720	565
1949: January.....	1,094	590	504
February.....	1,032	568	464
March.....	1,159	632	527
April.....	1,148	534	614
May.....	1,077	539	538
June.....	1,104	527	578
July.....	897	456	441
August.....	881	491	390
September.....	904	530	374
October.....	849	559	290

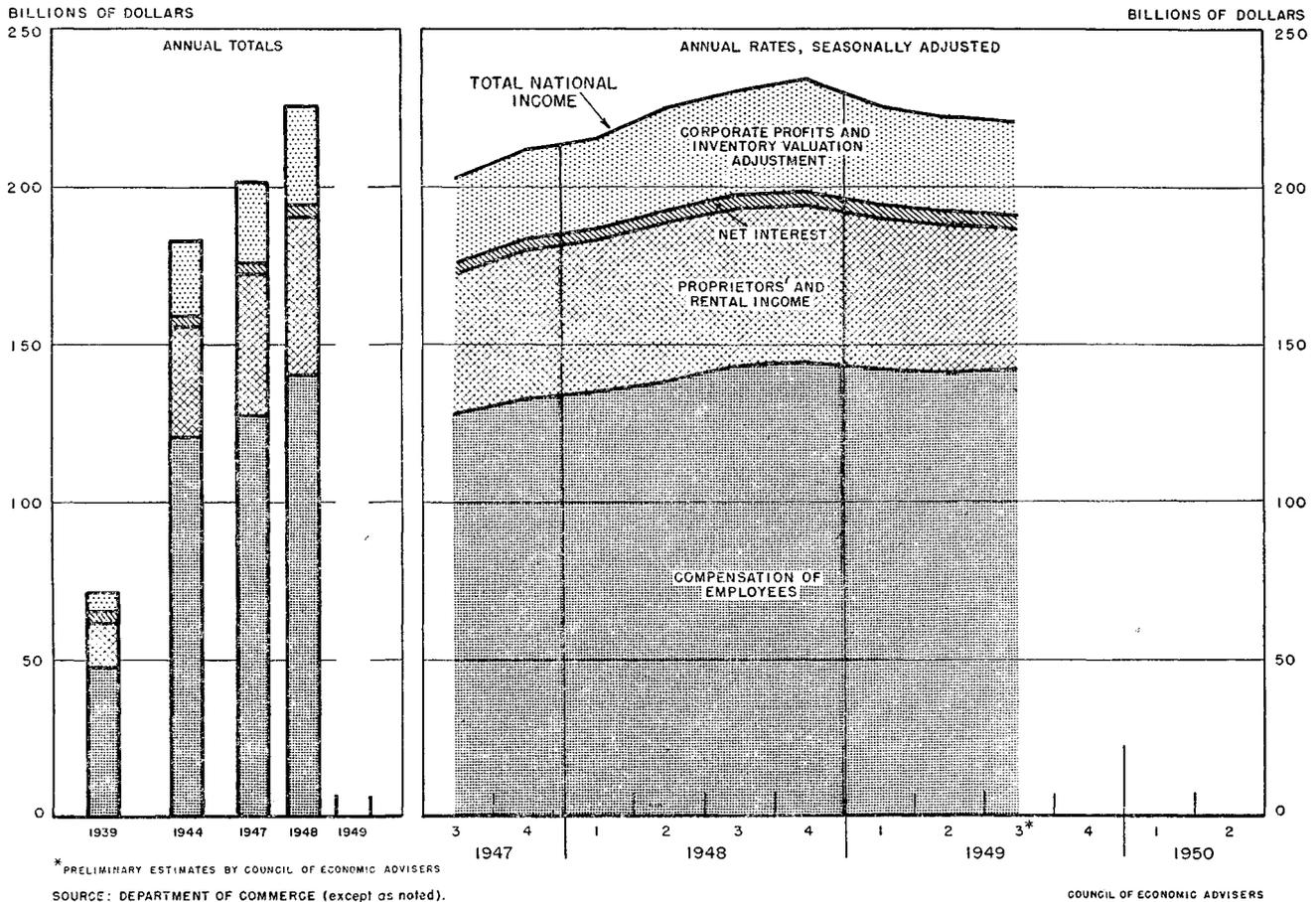
¹ Recorded merchandise exports, including reexports, and civilian supplies for occupied areas.
² Recorded general merchandise imports.

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

PURCHASING POWER

NATIONAL INCOME

National income continued to decline in 3rd quarter. Compensation of employees increased very slightly, while farm income (part of proprietors' and rental) showed significant drop.



[Billions of dollars]

Period	Total national income	Compensation of employees	Proprietors' and rental income	Net interest	Corporate profits and inventory valuation adjustment		
					Total	Profits before taxes	Inventory valuation adjustment
1939.....	72.5	47.8	14.7	4.2	5.8	6.5	-0.7
1944.....	183.8	121.2	35.5	3.1	24.0	24.3	-0.3
1946.....	179.6	117.0	41.3	3.0	18.3	23.6	-5.3
1947.....	201.7	127.6	45.1	3.4	25.6	31.6	-6.0
1948.....	226.2	140.3	49.5	3.8	32.6	34.8	-2.2
Annual rates, seasonally adjusted							
1948: First quarter.....	215.1	135.1	48.0	3.6	28.5	33.0	-4.5
Second quarter.....	224.9	137.7	50.4	3.7	33.0	35.0	-2.0
Third quarter.....	230.4	143.3	49.9	3.9	33.3	36.6	-3.3
Fourth quarter.....	234.3	144.9	49.7	4.1	35.7	34.5	+1.2
1949: First quarter.....	226.3	142.5	47.8	4.2	31.8	29.4	+2.3
Second quarter.....	223.4	141.8	46.5	4.3	30.9	26.4	+4.5
Third quarter ¹	² 220.5	142.2	44.5	4.3	² 29.5	² 26.0	+3.5

¹ Preliminary estimates.

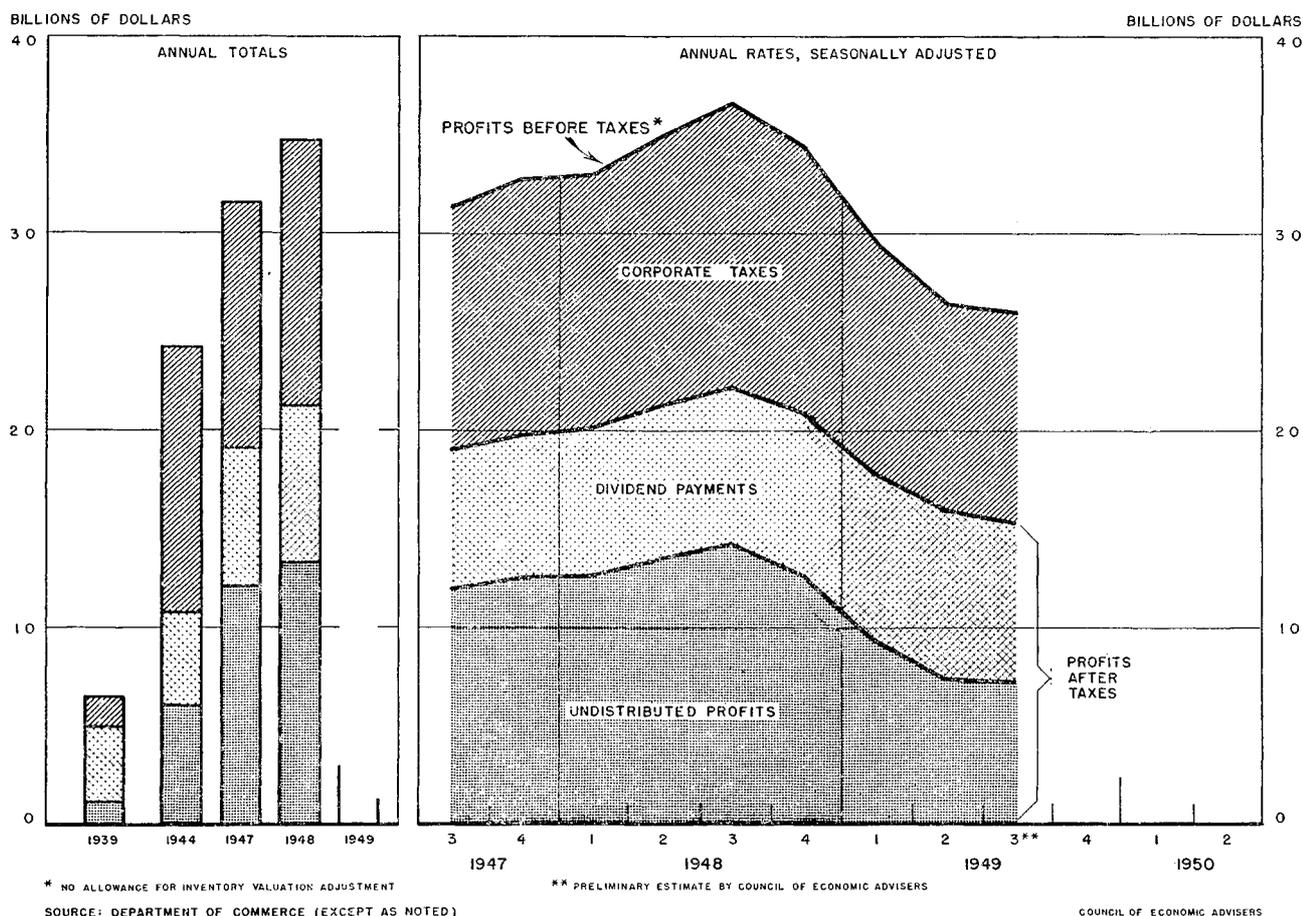
² Estimates by Council of Economic Advisers; based on incomplete data.

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

Source: Department of Commerce (except as noted).

CORPORATE PROFITS

According to preliminary estimates for the 3rd quarter, corporate profits were slightly below the 2nd quarter rate. When allowance is made for inventory valuation adjustment, the decline was more substantial.



[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
1944.....	24.3	13.5	10.8	4.7	6.1
1946.....	23.6	9.6	13.9	5.8	8.1
1947.....	31.6	12.5	19.1	7.0	12.1
1948.....	34.8	13.6	21.2	7.9	13.2
Annual rates, seasonally adjusted					
1948: First quarter.....	33.0	12.8	20.2	7.6	12.6
Second quarter.....	35.0	13.7	21.3	7.7	13.6
Third quarter.....	36.6	14.4	22.2	7.9	14.3
Fourth quarter.....	34.5	13.6	20.9	8.3	12.6
1949: First quarter.....	29.4	11.5	17.9	8.4	9.5
Second quarter ¹	26.4	10.6	15.8	8.4	7.4
Third quarter ²	26.0	10.4	15.6	8.4	7.2

¹ Preliminary estimates.

² Estimates by Council of Economic Advisers; based on incomplete data.

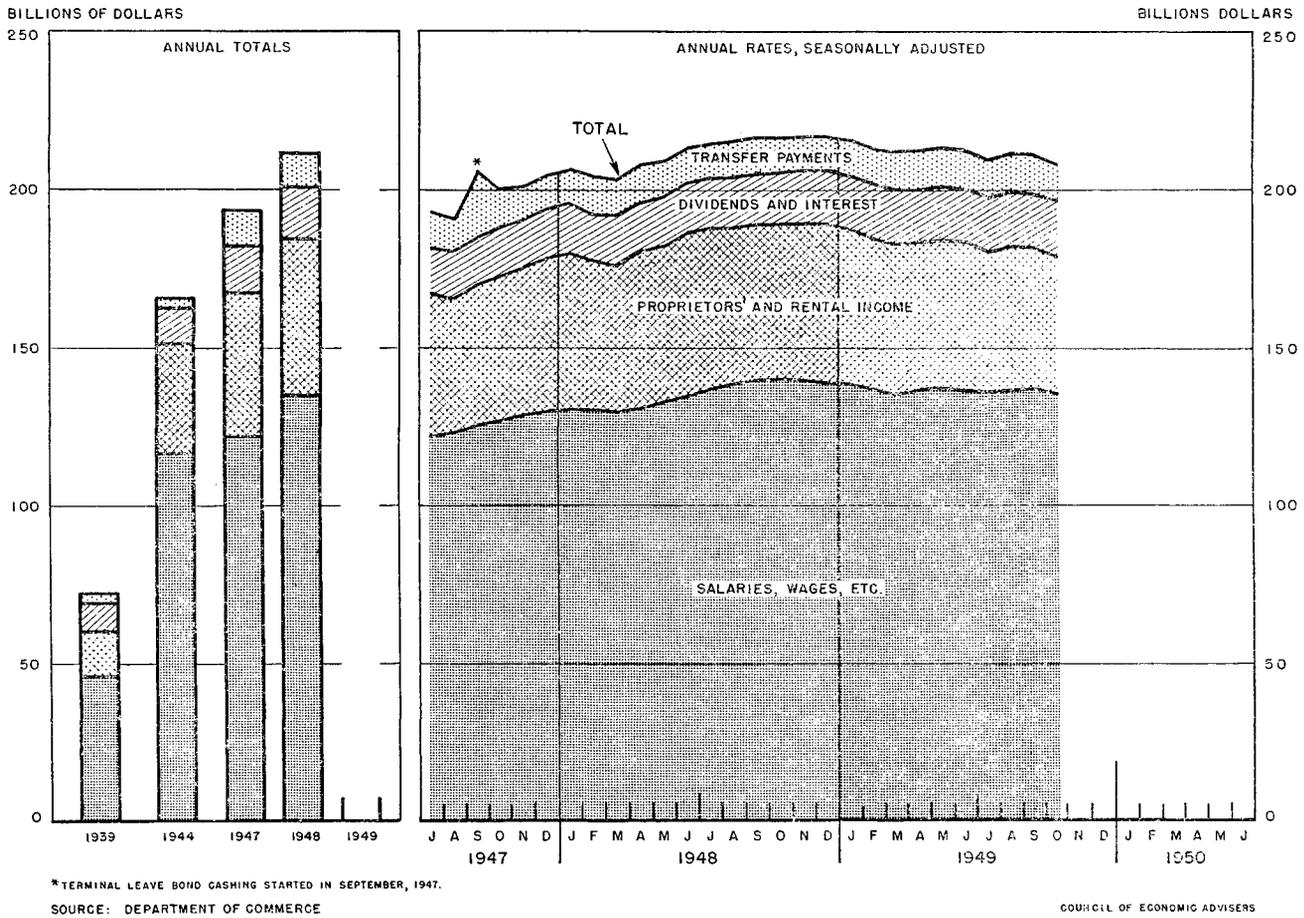
NOTE.—No allowance has been made for inventory valuation adjustment. See p. 20 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

PERSONAL INCOME

Personal income dropped sharply in October, largely because work stoppages affected wage and salary income adversely. Transfer payments fell because of the termination of the life insurance dividend for World War I veterans.



[Billions of dollars]

Period	Total personal income	Salaries, wages, and other labor income	Proprietors' and rental income	Dividends and personal interest	Transfer payments
1939.....	72.6	45.7	14.7	9.2	3.0
1944.....	165.9	116.2	35.5	10.6	3.6
1946.....	176.9	111.0	41.2	13.2	11.4
1947.....	193.5	122.0	45.1	14.8	11.7
1948.....	211.9	135.1	49.5	16.2	11.1
Annual rates, seasonally adjusted					
1948: September.....	216.3	139.7	49.4	16.5	10.7
October.....	216.3	140.1	49.0	16.8	10.4
November.....	216.6	139.5	49.8	16.9	10.4
December.....	217.0	139.1	50.3	16.9	10.7
1949: January.....	215.7	138.6	49.0	17.0	11.1
February.....	212.9	137.1	47.2	17.1	11.5
March.....	212.4	135.6	47.3	17.1	12.4
April.....	212.5	136.8	46.3	17.2	12.2
May.....	213.1	137.1	46.7	17.3	12.0
June.....	211.9	136.1	46.5	17.2	12.1
July.....	209.7	136.3	44.2	17.1	12.1
August.....	211.4	136.6	45.2	17.3	12.3
September.....	210.5	137.0	43.8	17.4	12.3
October ¹	208.4	135.3	43.9	17.5	11.7

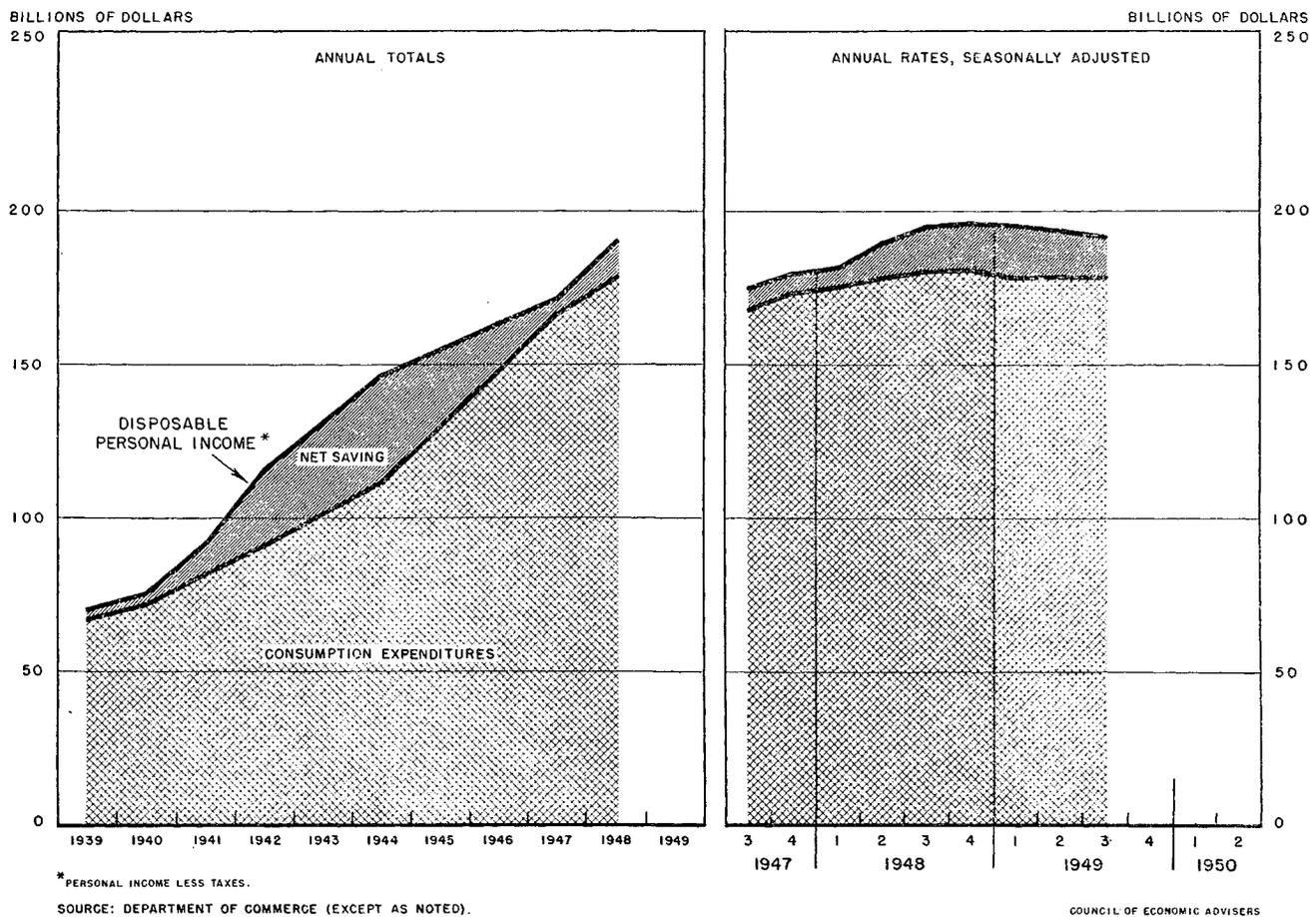
¹ Preliminary estimate.

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

Source: Department of Commerce.

CONSUMER INCOME, SPENDING, AND SAVING

Disposable income declined about \$2 billion (annual rate) in the 3rd quarter. A considerable part of the decline was concentrated in farm income. Expenditures dropped less than \$1/2 billion.



[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	147.0	111.6	35.4
1945	151.1	123.1	28.0
1946	158.1	147.8	10.3
1947	172.0	166.9	5.1
1948	190.8	178.8	12.0
Annual rates, seasonally adjusted			
1948: First quarter	181.9	175.2	6.7
Second quarter	189.6	178.7	10.8
Third quarter	195.2	180.3	15.0
Fourth quarter	196.2	180.9	15.3
1949: First quarter	194.9	178.6	16.3
Second quarter	193.8	178.9	14.8
Third quarter ²	191.9	178.5	13.3

¹ Income less taxes.

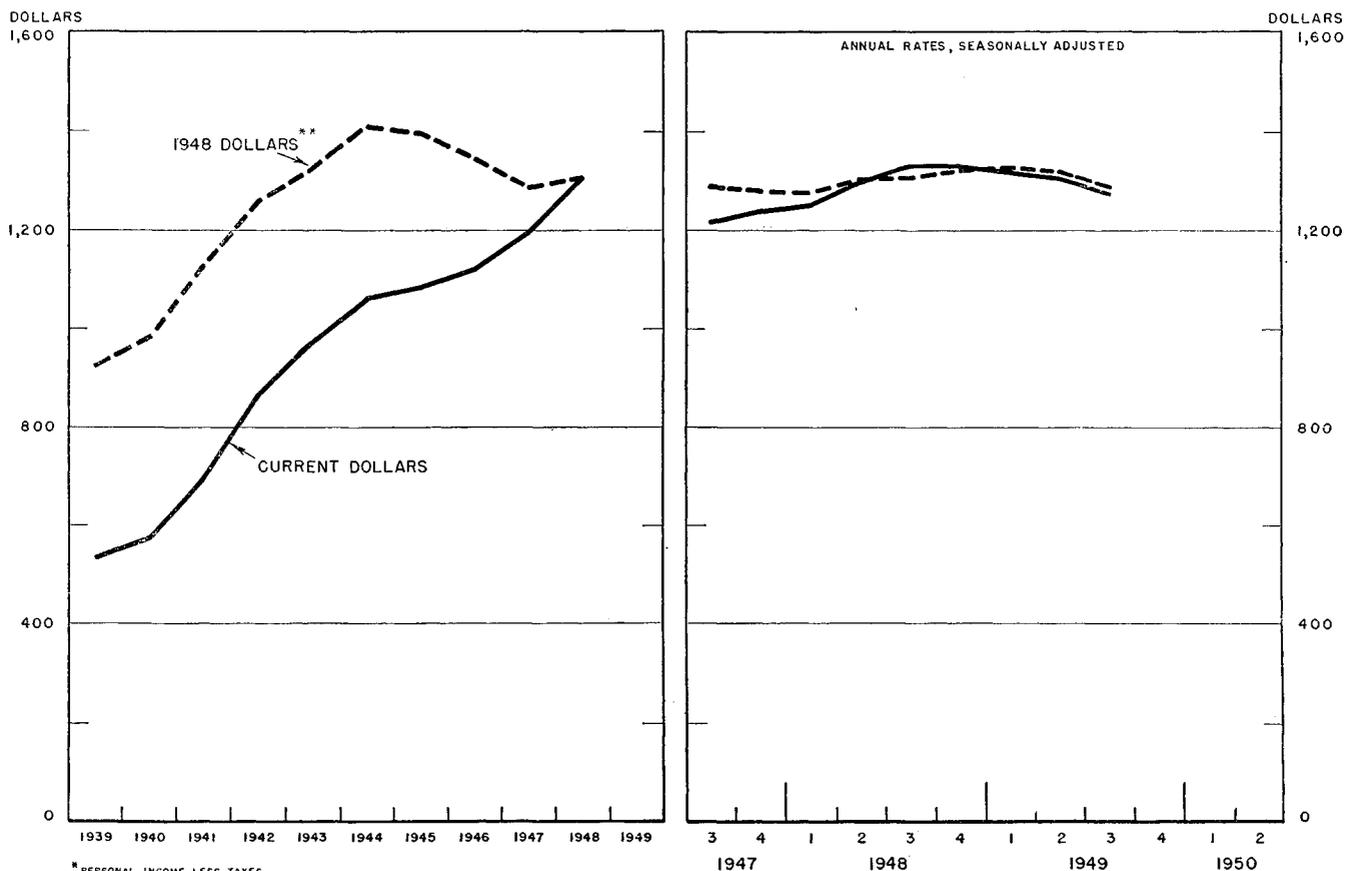
² Preliminary estimates.

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

Source: Department of Commerce.

PER CAPITA INCOME*

Per capita disposable income, in terms of real purchasing power, continued near peak levels in 3rd quarter.



* PERSONAL INCOME LESS TAXES

** CURRENT DOLLARS DIVIDED BY THE CONSUMERS' PRICE INDEX ON THE BASE 1948=100

SOURCE: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR, (EXCEPT AS NOTED).

COUNCIL OF ECONOMIC ADVISERS

Period	Per capita disposable personal income ¹		Consumers' price index ² 1948=100
	Current dollars	1948 dollars ³	
1939	\$536	\$923	58.1
1940	574	981	58.5
1941	691	1,125	61.4
1942	867	1,262	68.7
1943	970	1,314	73.8
1944	1,065	1,405	75.8
1945	1,082	1,389	77.9
1946	1,119	1,342	83.4
1947	1,194	1,282	93.1
1948	1,302	1,302	100.0
	Annual rates, seasonally adjusted		Not adjusted for seasonal variation
1948: First quarter	1,248	1,273	98.0
Second quarter	1,296	1,301	99.6
Third quarter	1,328	1,305	101.8
Fourth quarter	1,328	1,319	100.7
1949: First quarter	1,314	1,325	99.2
Second quarter	1,301	1,314	99.0
Third quarter ⁴	1,283	1,300	98.7

¹ Income less taxes.

² Current dollars divided by the consumers' price index on the base 1948=100.

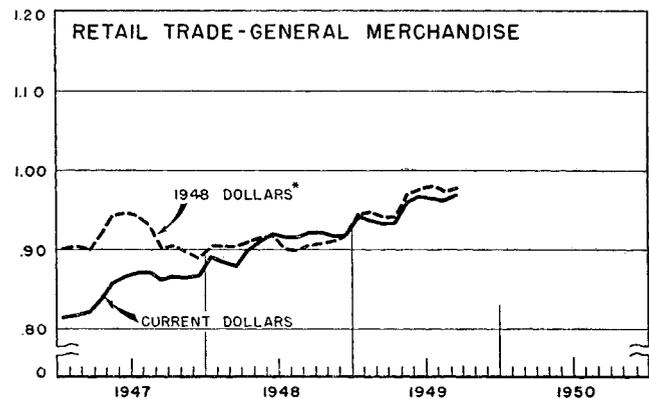
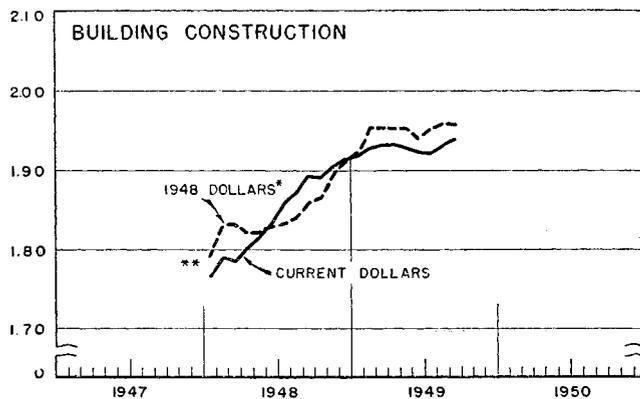
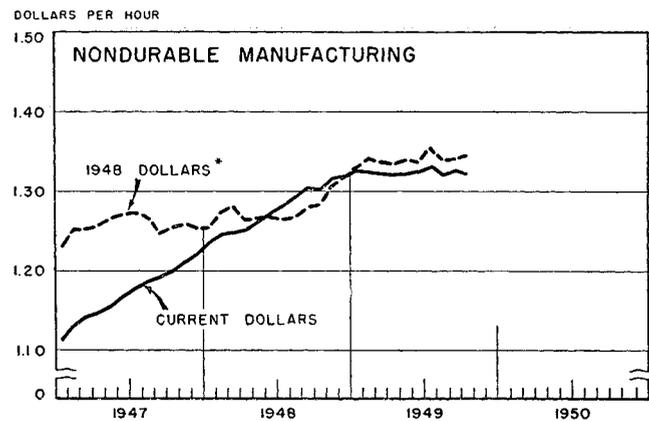
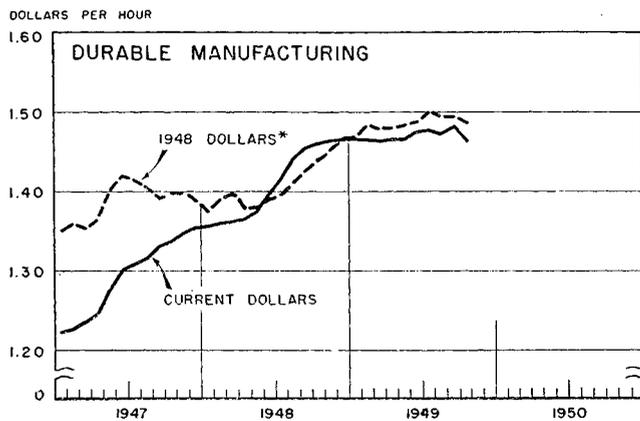
³ The consumers' price index has been roughly adjusted to take account of the understatement from December 1941-February 1947. This adjustment is in line with the report of the Mitchell Committee. The unadjusted index will be found on page 2.

⁴ Preliminary estimates.

Sources: Department of Commerce and Department of Labor.

AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Average hourly earnings in manufacturing dropped more than a cent to \$1.39 in October. Most of the drop occurred in durable goods where several hundred thousand higher-paid workers were removed from the pay-rolls as a result of the steel strike.



* CURRENT DOLLARS DIVIDED BY CONSUMERS PRICE INDEX ON BASE OF 1948=100
SOURCE: DEPARTMENT OF LABOR

** NOT AVAILABLE PRIOR TO JANUARY 1948

COUNCIL OF ECONOMIC ADVISERS

[Selected industries ¹]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		General merchandise retail trade	
	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²
1939 monthly average.....			(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1943 monthly average.....	\$0. 961	\$1. 302	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1946 monthly average.....	1. 084	1. 300	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1947 monthly average.....	1. 237	1. 329	\$1. 292	\$1. 388	\$1. 171	\$1. 258	(3)	(3)	\$0. 853	\$0. 916
1948 monthly average.....	1. 350	1. 350	1. 410	1. 410	1. 278	1. 278	\$1. 848	\$1. 848	. 910	. 910
1948: September.....	1. 386	1. 360	1. 457	1. 430	1. 304	1. 280	1. 895	1. 360	. 923	. 906
October.....	1. 390	1. 371	1. 462	1. 442	1. 302	1. 284	1. 892	1. 866	. 922	. 909
November.....	1. 397	1. 389	1. 463	1. 454	1. 317	1. 309	1. 906	1. 895	. 918	. 913
December.....	1. 400	1. 399	1. 466	1. 465	1. 319	1. 318	1. 915	1. 913	. 919	. 918
1949: January.....	1. 405	1. 408	1. 467	1. 470	1. 327	1. 330	1. 918	1. 922	. 943	. 945
February.....	1. 401	1. 419	1. 466	1. 485	1. 323	1. 340	1. 930	1. 955	. 937	. 949
March.....	1. 400	1. 414	1. 464	1. 480	1. 323	1. 336	1. 933	1. 953	. 933	. 942
April.....	1. 401	1. 414	1. 467	1. 480	1. 321	1. 333	1. 934	1. 952	. 934	. 942
May.....	1. 401	1. 418	1. 467	1. 485	1. 323	1. 339	1. 930	1. 953	. 960	. 972
June.....	1. 406	1. 419	1. 476	1. 489	1. 325	1. 337	1. 924	1. 941	. 968	. 977
July.....	1. 408	1. 431	1. 477	1. 501	1. 332	1. 354	1. 922	1. 953	. 964	. 980
August ⁴	1. 398	1. 418	1. 472	1. 493	1. 319	1. 338	1. 932	1. 959	. 961	. 975
September ⁴	1. 407	1. 420	1. 481	1. 494	1. 328	1. 340	1. 938	1. 956	. 968	. 977
October ⁴	1. 392	1. 415	1. 460	1. 484	1. 323	1. 345	(3)	(3)	(3)	(3)

¹ Production and related workers.

² Current dollars divided by consumers' price index on base 1948=100. See note 3 to table on page 24.

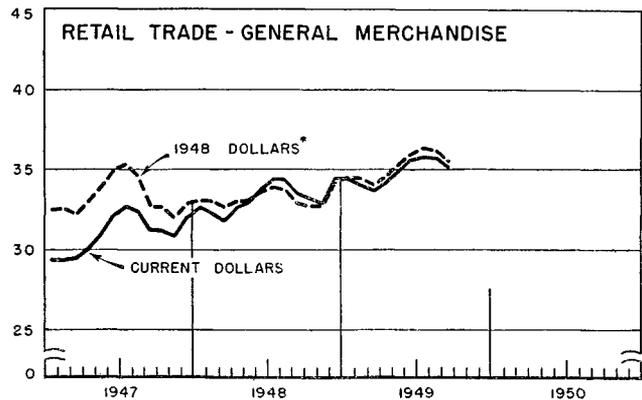
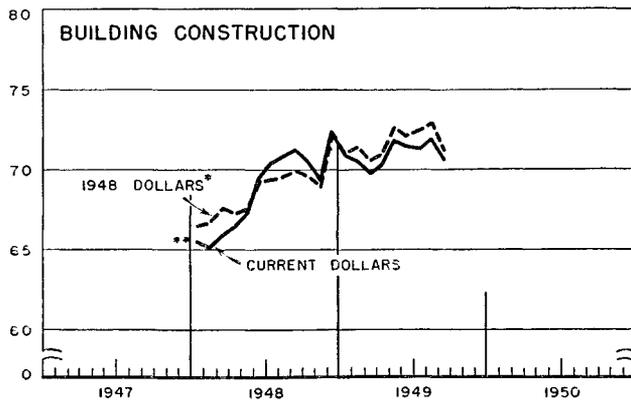
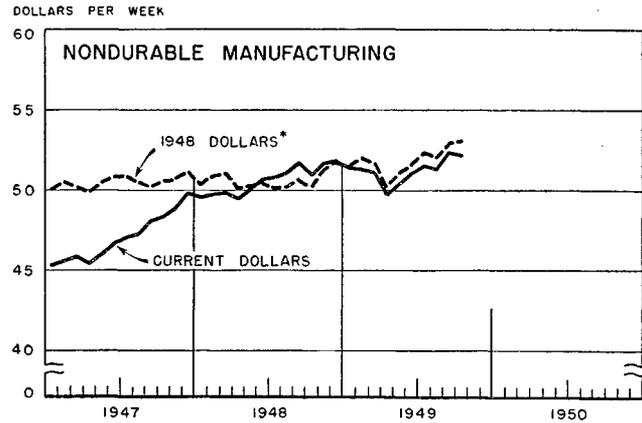
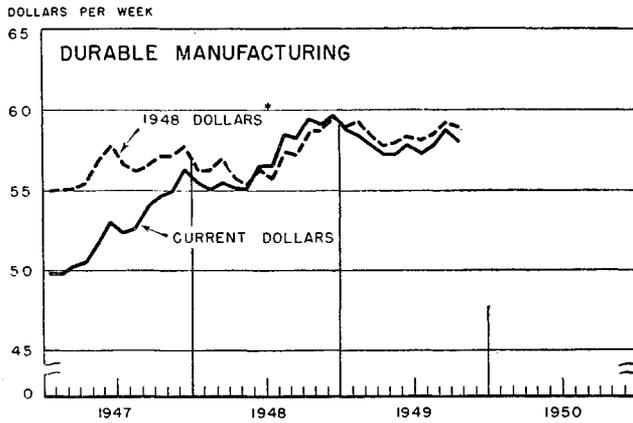
³ Not available.

⁴ Preliminary estimates.

Source: Department of Labor.

AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings dropped slightly in both durable and nondurable manufacturing in October.



* CURRENT DOLLARS DIVIDED BY CONSUMERS PRICE INDEX ON BASE OF 1948=100
SOURCE: DEPARTMENT OF LABOR

** NOT AVAILABLE PRIOR TO JANUARY 1948

COUNCIL OF ECONOMIC ADVISORS

[Selected industries¹]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		General merchandise retail trade	
	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²	Current dollars	1948 dollars ²
1939 monthly average.....	\$23.86	\$41.07	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1943 monthly average.....	43.14	58.46	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1946 monthly average.....	43.74	52.45	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1947 monthly average.....	49.97	53.67	\$52.46	\$56.35	\$46.96	\$50.44	(3)	(3)	\$30.96	\$33.25
1948 monthly average.....	54.14	54.14	57.11	57.11	50.61	50.61	\$68.85	\$68.85	33.31	33.31
1948: September.....	55.16	54.13	58.28	57.19	51.64	50.68	71.29	69.96	33.50	32.88
October.....	55.60	54.83	59.50	58.68	50.91	50.21	70.59	69.62	33.19	32.73
November.....	55.60	55.27	59.11	58.76	51.63	51.32	69.39	68.98	32.86	32.66
December.....	56.14	56.08	59.67	59.61	51.84	51.79	72.33	72.26	34.46	34.43
1949: January.....	55.50	55.61	58.83	58.95	51.35	51.45	70.88	71.02	34.42	34.49
February.....	55.20	55.93	58.49	59.26	51.33	52.01	70.53	71.46	34.01	34.46
March.....	54.74	55.29	57.83	58.41	51.07	51.59	69.83	70.54	33.68	34.02
April.....	53.80	54.29	57.21	57.73	49.67	50.12	70.33	70.97	34.18	34.49
May.....	54.08	54.74	57.21	57.90	50.41	51.02	71.81	72.68	34.85	35.27
June.....	54.55	55.05	57.86	58.39	51.01	51.47	71.44	72.09	35.62	35.94
July.....	54.63	55.52	57.31	58.24	51.51	52.35	71.28	72.44	35.86	36.44
August ⁴	54.66	55.44	57.70	58.52	51.31	52.04	71.96	72.98	35.75	36.26
September ⁴	55.72	56.23	58.80	59.33	52.46	52.94	70.62	71.26	35.24	35.56
October ⁴	55.26	56.16	58.11	59.05	52.26	53.11	(3)	(3)	(3)	(3)

¹ For production and related workers.

² Current dollars divided by consumers' price index on the base 1948=100. See note³ to table on page 24.

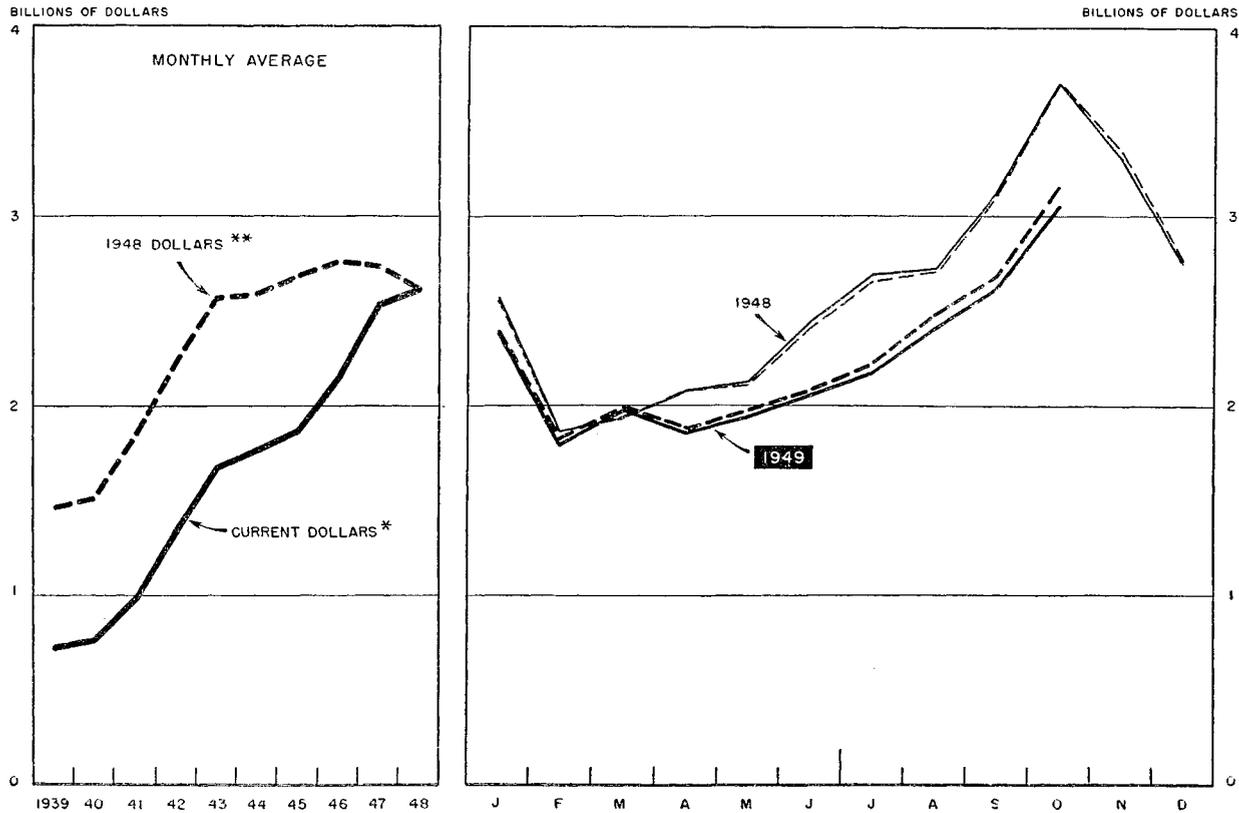
³ Not available.

⁴ Preliminary estimates.

Source: Department of Labor.

FARM INCOME

Farm income increased in October as major crops moved to market, and the fall run of hogs began. Both in current dollars and in purchasing power, however, income fell increasingly below last year's level.



* INCLUDES CASH FARM INCOME FROM MARKETING AND GOVERNMENT PAYMENTS.
 ** FARM INCOME IN CURRENT DOLLARS DIVIDED BY PRICES PAID BY FARMERS, INTEREST AND TAXES, 1948=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) 1948=100 ²	Farm income (millions of 1948 dollars) ³
1939 monthly average.....	724	49.8	1,454
1941 monthly average.....	981	53.0	1,851
1942 monthly average.....	1,340	60.2	2,226
1943 monthly average.....	1,678	65.1	2,578
1944 monthly average.....	1,765	67.9	2,599
1945 monthly average.....	1,857	69.1	2,687
1946 monthly average.....	2,110	77.5	2,723
1947 monthly average.....	2,542	92.8	2,739
1948 monthly average.....	2,609	100.0	2,609
1948: September.....	3,132	100.4	3,120
October.....	3,714	100.0	3,714
November.....	3,314	99.2	3,341
December.....	2,740	99.6	2,751
1949: January.....	2,383	99.6	2,393
February.....	1,783	98.4	1,812
March.....	1,973	98.8	1,997
April.....	1,850	98.8	1,872
May.....	1,944	98.4	1,976
June.....	2,053	98.4	2,086
July.....	2,177	98.0	2,221
August.....	2,417	97.7	2,474
September ⁴	2,608	97.2	2,683
October ⁴	3,051	96.4	3,165

¹ Includes cash farm income from marketings and Government payments.

² Converted from the reported base, 1910-14=100, to the base 1948=100.

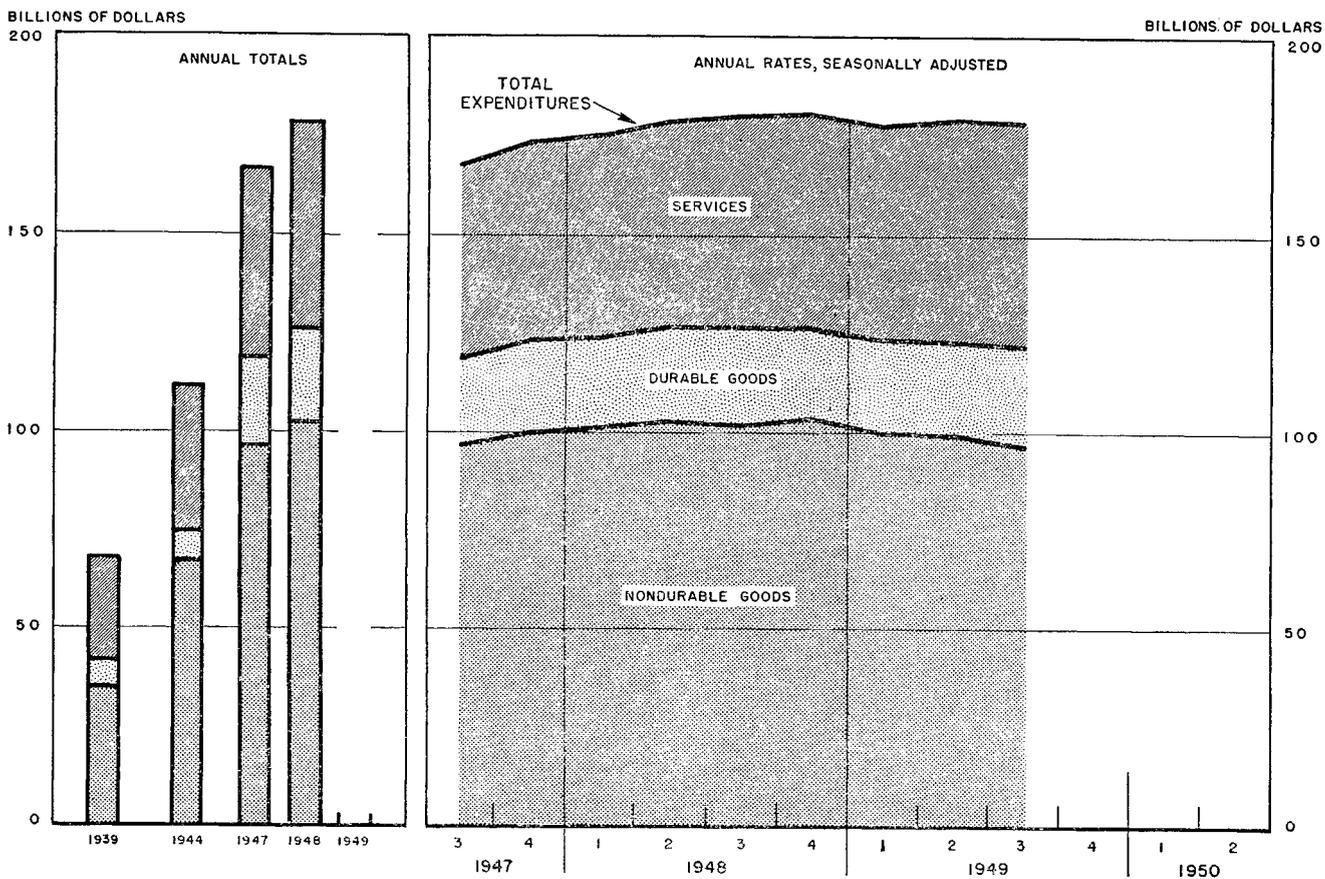
³ Farm income in current dollars divided by prices paid by farmers, interest, and taxes, 1948=100.

⁴ Preliminary estimates.

Source: Department of Agriculture.

PERSONAL CONSUMPTION EXPENDITURES

Heavy purchases of automobiles and other durables plus an increase in service expenditures almost completely offset the drop in expenditures for nondurables in 3rd quarter.



SOURCE: DEPARTMENT OF COMMERCE (EXCEPT AS NOTED).

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.....	111.6	67.1	7.1	37.4
1946.....	147.8	86.8	16.5	44.5
1947.....	166.9	96.2	22.0	48.8
1948.....	178.8	102.2	23.5	53.1
Annual rates, seasonally adjusted				
1948: First quarter.....	175.2	101.2	22.7	51.3
Second quarter.....	178.7	102.4	23.8	52.5
Third quarter.....	180.3	101.8	24.8	53.7
Fourth quarter.....	180.9	103.3	22.9	54.8
1949: First quarter.....	178.6	100.1	23.1	55.4
Second quarter.....	178.9	99.3	23.8	55.9
Third quarter ¹	178.5	96.5	25.8	56.2

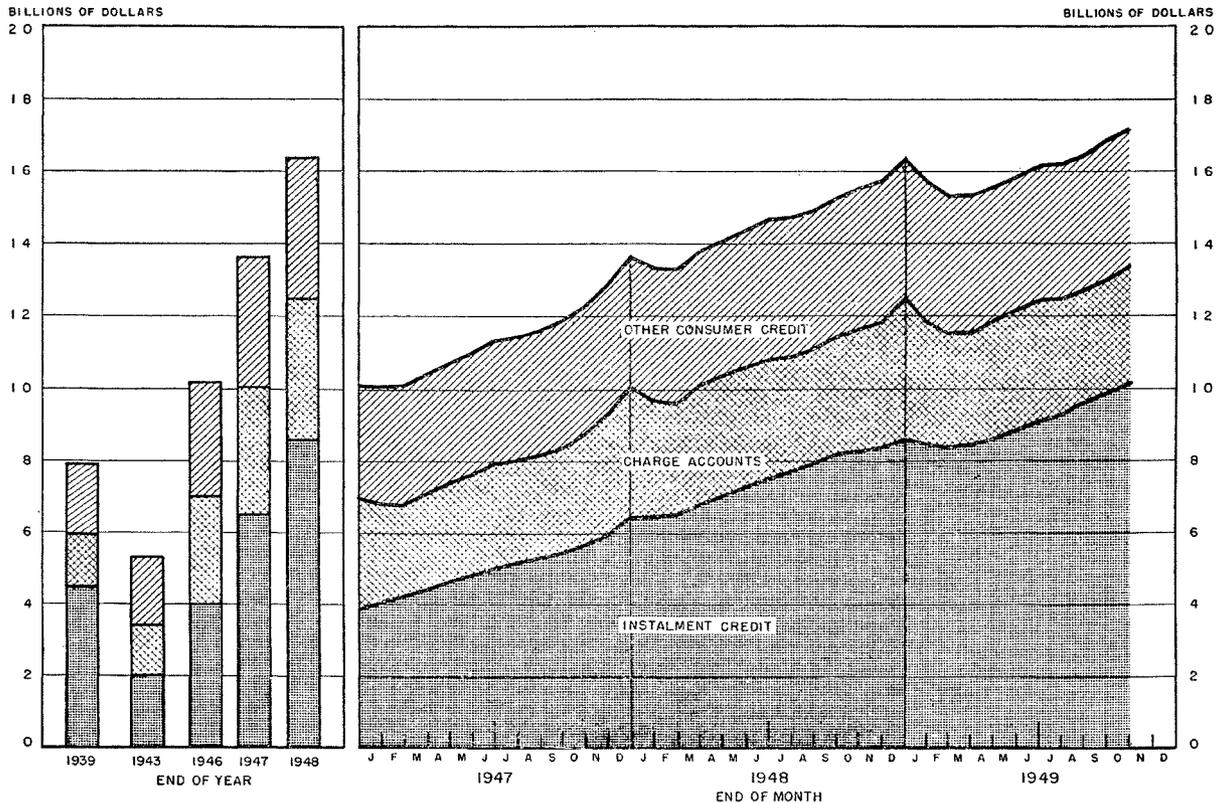
¹ Preliminary estimates.

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

Source: Department of Commerce.

CONSUMER CREDIT

During October, instalment credit accounted for the major portion of the \$388 million expansion in consumer credit. This rise was larger than the rise for the corresponding period of 1948.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit			Charge accounts	Other consumer credit ¹
		Total	Automobile sale credit	Other sale credit and loans		
1939.....	7,969	4,424	1,267	3,157	1,544	2,001
1943.....	5,378	2,001	175	1,826	1,498	1,879
1946.....	10,191	4,000	544	3,456	3,054	3,137
1947.....	13,673	6,434	1,151	5,283	3,612	3,627
1948.....	16,319	8,600	1,961	6,639	3,854	3,865
1948: September.....	15,231	8,190	1,858	6,332	3,227	3,814
October.....	15,518	8,233	1,889	6,344	3,457	3,828
November.....	15,739	8,322	1,922	6,400	3,557	3,860
December.....	16,319	8,600	1,961	6,639	3,854	3,865
1949: January.....	15,748	8,424	1,965	6,459	3,457	3,867
February.....	15,325	8,339	1,996	6,343	3,169	3,817
March.....	15,335	8,429	2,105	6,324	3,121	3,785
April.....	15,595	8,630	2,241	6,389	3,232	3,733
May.....	15,843	8,888	2,386	6,502	3,235	3,720
June.....	16,124	9,123	2,499	6,624	3,274	3,727
July.....	16,198	9,335	2,610	6,725	3,123	3,740
August.....	16,453	9,622	2,761	6,861	3,064	3,767
September ²	16,799	9,893	2,876	7,017	3,130	3,776
October ²	17,187	10,171	3,002	7,169	3,192	3,824

¹ Includes single-payment loans of commercial banks and pawnbrokers and service credit.

² Preliminary estimates.

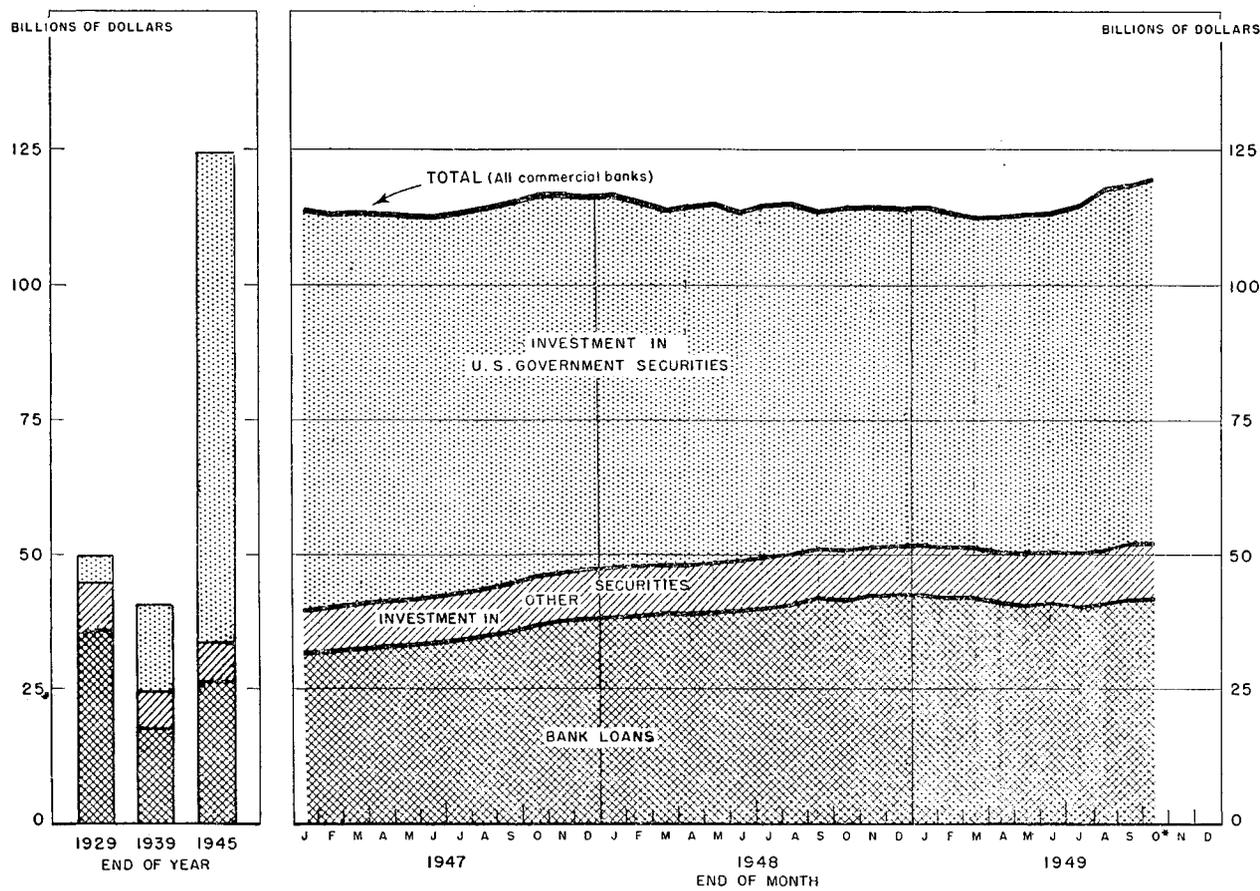
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

MONEY, BANKING, AND FEDERAL FINANCE

BANK LOANS AND INVESTMENTS

In October, commercial banks increased their holdings of Government securities by nearly \$1 billion, while their loans and private investments remained relatively stable.



SOURCE: Board of Governors of the Federal Reserve System

* PRELIMINARY ESTIMATE

Council of Economic Advisers

[Billions of dollars, all commercial banks]

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
1947.....	116.3	38.1	78.2	69.2	9.0
1948.....	114.3	42.5	71.8	62.6	9.2
1948: 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.....	114.3	42.5	71.8	62.6	9.2
1949: January.....	114.5	42.4	72.0	63.0	9.1
February.....	113.4	42.0	71.4	62.2	9.1
March.....	112.5	42.4	70.1	60.9	9.2
April.....	112.5	41.3	71.2	62.0	9.2
May.....	113.4	40.9	72.6	63.2	9.3
June.....	113.7	41.2	72.5	63.0	9.5
July.....	114.7	40.5	74.2	64.4	9.8
August.....	117.9	41.2	76.7	66.7	10.0
September.....	118.8	41.8	77.0	66.8	10.2
October ¹	119.8	41.9	77.9	67.7	10.2

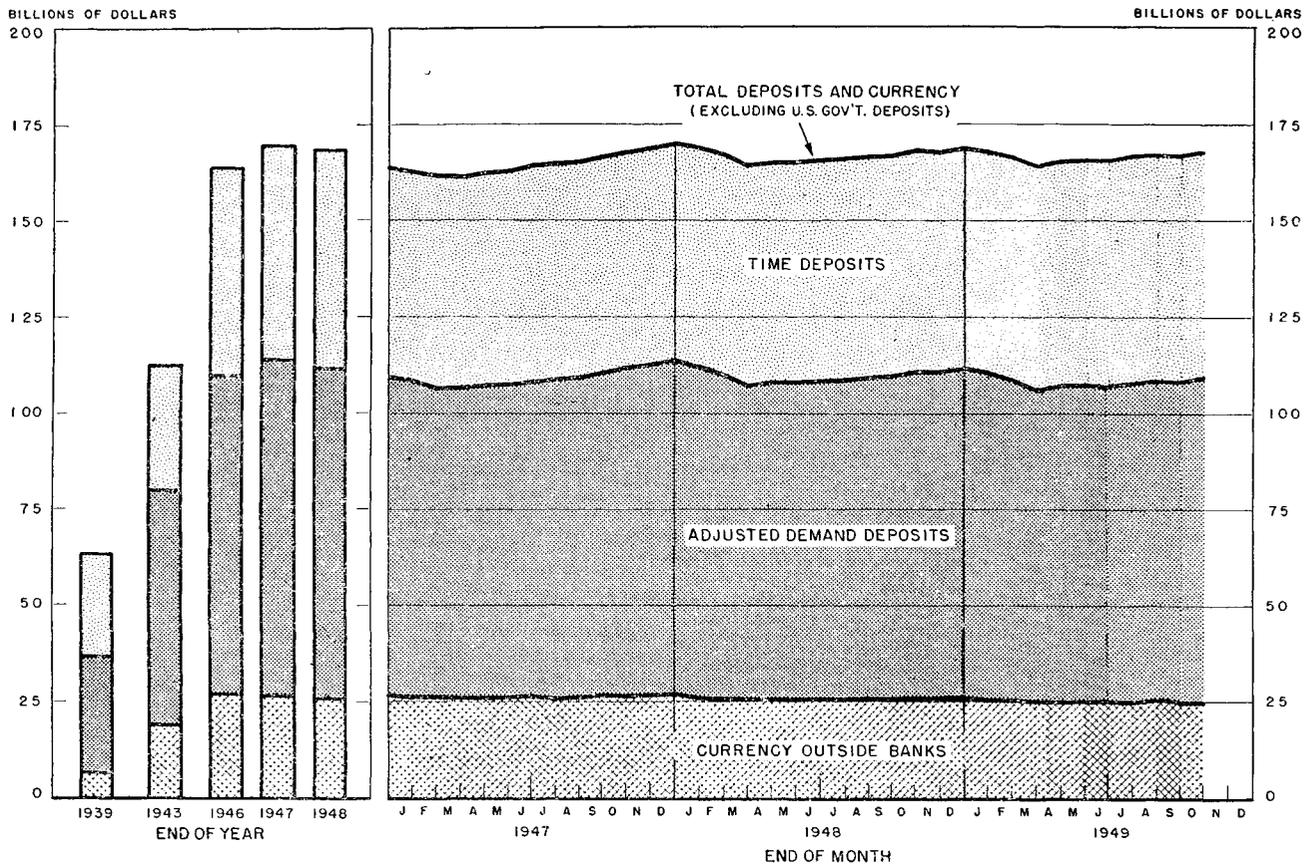
¹ Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

MONEY SUPPLY

Increased demand deposits expanded the total money supply almost \$1½ billion in October.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

End of period	Total money supply	Currency outside banks	Adjusted demand deposits ¹	Time deposits ²
1939.....	63.3	6.4	29.8	27.1
1943.....	112.4	18.8	60.8	32.7
1946.....	164.0	26.7	83.3	54.0
1947.....	170.0	26.5	87.1	56.4
1948.....	169.1	26.1	85.5	57.5
1948: September.....	166.9	25.7	83.9	57.3
October.....	168.1	25.7	85.1	57.3
November.....	168.1	25.9	85.2	57.0
December.....	169.1	26.1	85.5	57.5
1949: January.....	168.2	25.2	85.4	57.6
February.....	166.3	25.1	83.4	57.8
March.....	164.2	25.1	81.1	58.0
April.....	165.5	24.9	82.4	58.1
May.....	165.7	25.0	82.6	58.2
June.....	165.6	25.0	82.2	58.4
July.....	166.3	24.9	83.1	58.4
August.....	166.9	25.1	83.4	58.3
September.....	166.6	24.9	83.3	58.4
October ³	168.0	24.9	84.6	58.4

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.

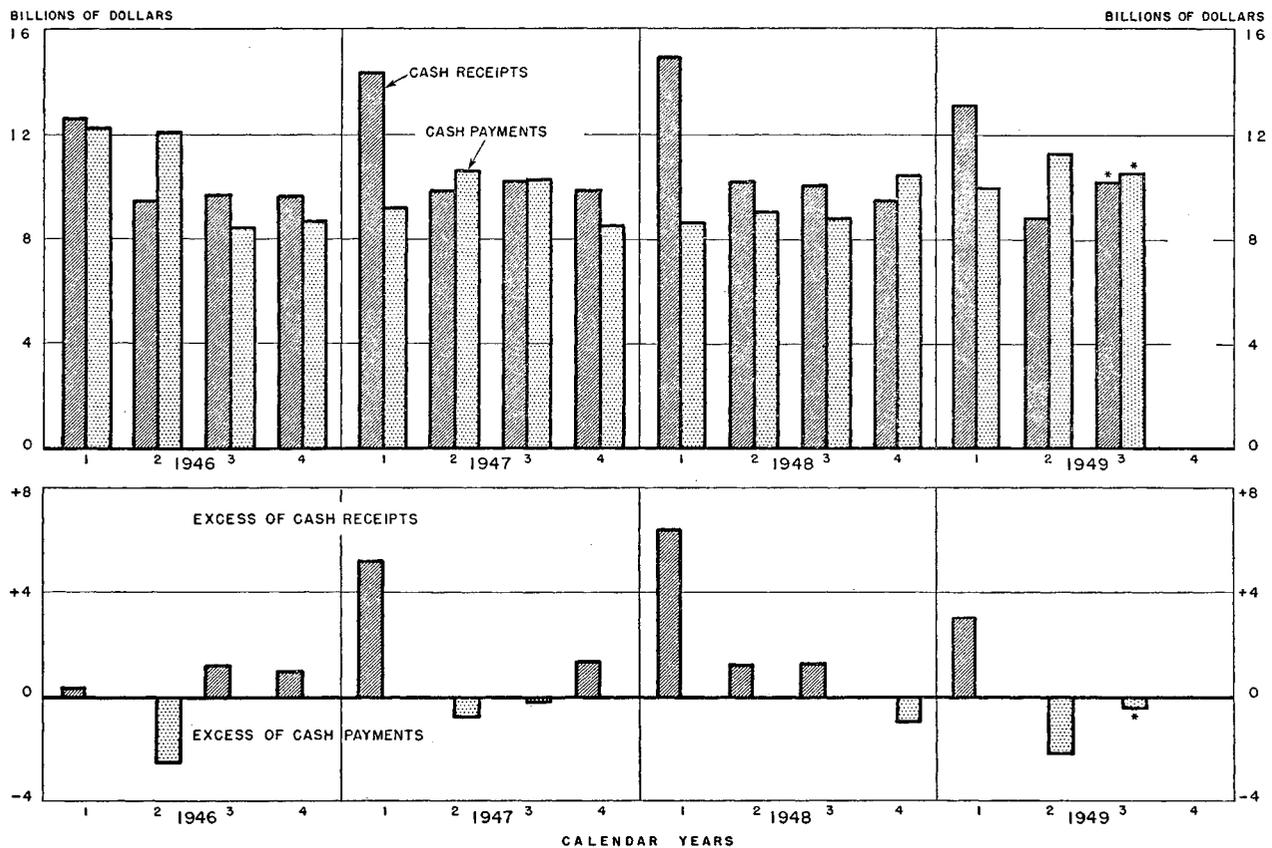
³ Preliminary estimates.

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 deficit of about \$400 million for the 3rd quarter compares with a surplus of \$1.3 billion for the same quarter of 1948.



* PRELIMINARY ESTIMATES

SOURCE: BUREAU OF THE BUDGET AND TREASURY DEPARTMENT.

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Calendar years	Federal cash receipts from the public ¹	Federal cash payments to the public ¹	Excess of receipts (+) or payments (-)
Calendar year total:			
1946.....	41,426	41,372	+54
1947.....	44,279	38,584	+5,695
1948.....	44,920	36,954	+7,967
Quarterly total, not adjusted for seasonal:			
1946: Third quarter.....	9,702	8,449	+1,252
Fourth quarter.....	9,630	8,671	+959
1947: First quarter.....	14,345	9,163	+5,182
Second quarter.....	9,847	10,628	-781
Third quarter.....	10,220	10,257	-37
Fourth quarter.....	9,869	8,536	+1,331
1948: First quarter.....	15,037	8,637	+6,400
Second quarter.....	10,238	9,033	+1,205
Third quarter.....	10,085	8,798	+1,287
Fourth quarter.....	9,560	10,486	-925
1949: First quarter.....	13,122	9,964	+3,158
Second quarter.....	8,814	11,355	-2,541
Third quarter ²	10,143	10,528	-385

¹ Payments of refunds of Government receipts are now reported as deductions from total receipts; previously, they were reported as expenditures.

² Preliminary estimates based on incomplete data.

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

Sources: Treasury Department and Bureau of the Budget.

