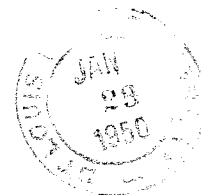


# Economic Indicators

**JANUARY 1950**

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

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# JOINT COMMITTEE ON THE ECONOMIC REPORT

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

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[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 filled this need. While this material was prepared originally for the use of the President, the Council, and other officials in 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 on authorizing the publication on a more permanent basis. As is indicated above such legislation has now been passed and 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.

A handwritten signature in dark ink, reading "Joseph C. O'Mahoney". Below the signature, the letters "U.S.S." are printed.

*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 Keyserling* Acting Chairman.

*John D. Clark*

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# THE NATION'S ECONOMIC BUDGET

## THE NATION'S ECONOMIC BUDGET

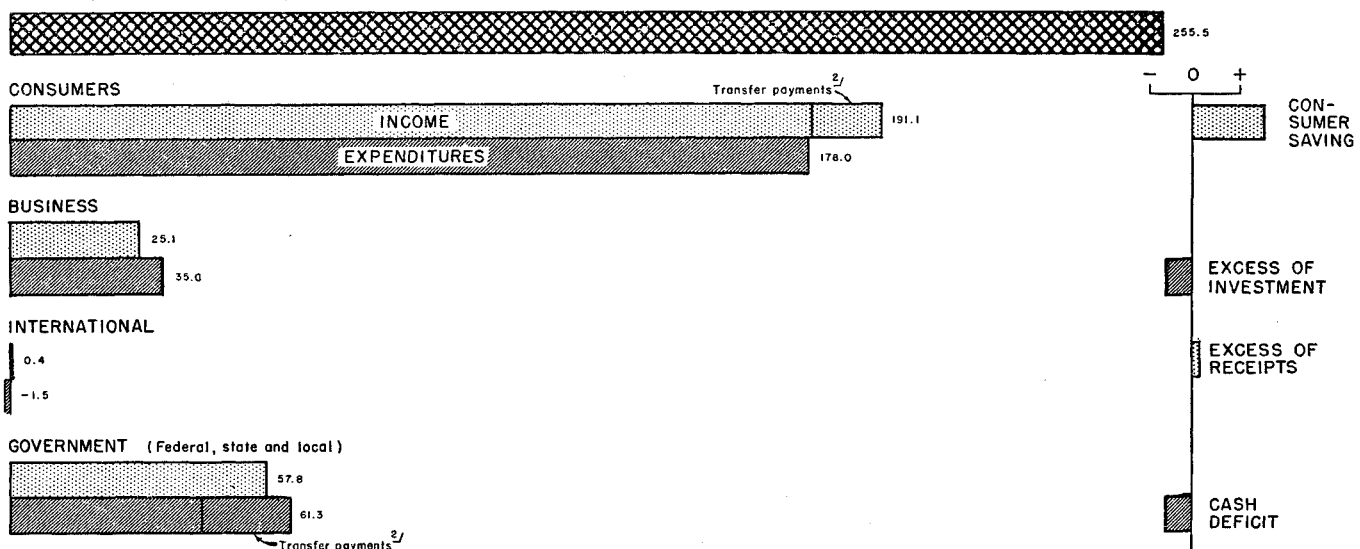
The economic decline leveled off in 4th quarter 1949, the total output of goods and services being less than \$1 billion (annual rate) below 3rd quarter, according to preliminary estimates. Allowing for the effects of industrial disputes, the year's end found the economy moving upward.

1949, 4th Quarter

(BILLIONS OF DOLLARS)<sup>1/</sup>

EXCESS OF  
EXPENDITURES (-), RECEIPTS (+)

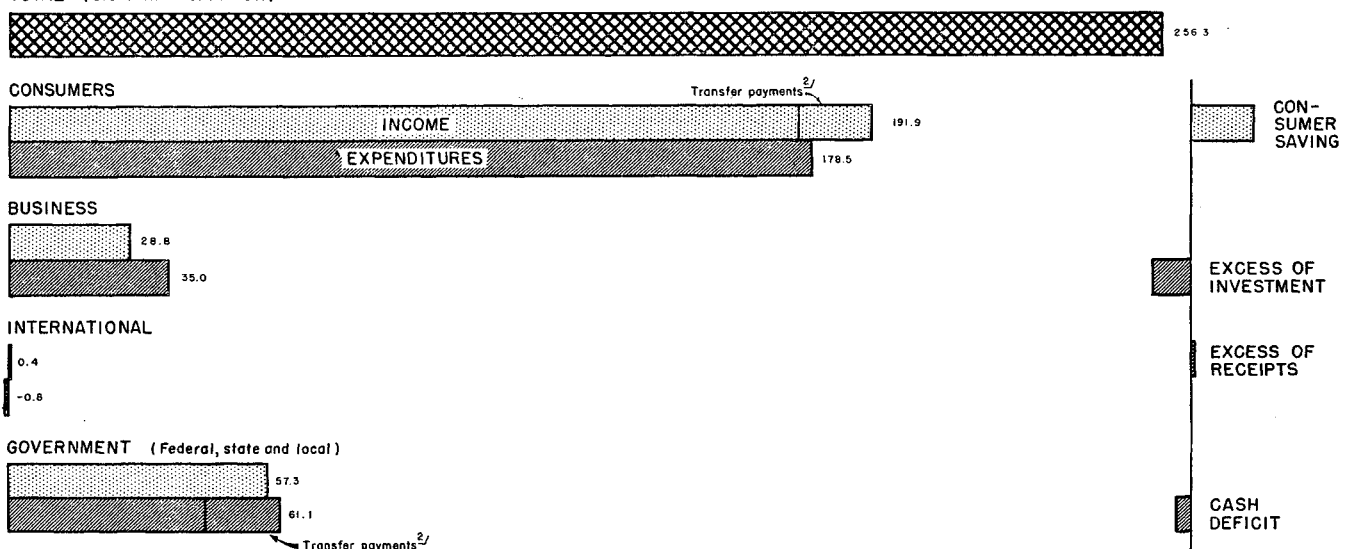
TOTAL (Gross National Product)



1949, 3rd Quarter

(BILLIONS OF DOLLARS)<sup>1/</sup>

TOTAL (Gross National Product)



<sup>1/</sup> ANNUAL RATES, SEASONALLY ADJUSTED.

<sup>2/</sup> TRANSFER PAYMENTS ARE INCLUDED IN RECEIPTS OR EXPENDITURES OF THE SEPARATE ACCOUNTS BUT NOT IN THE TOTAL GROSS NATIONAL PRODUCT.

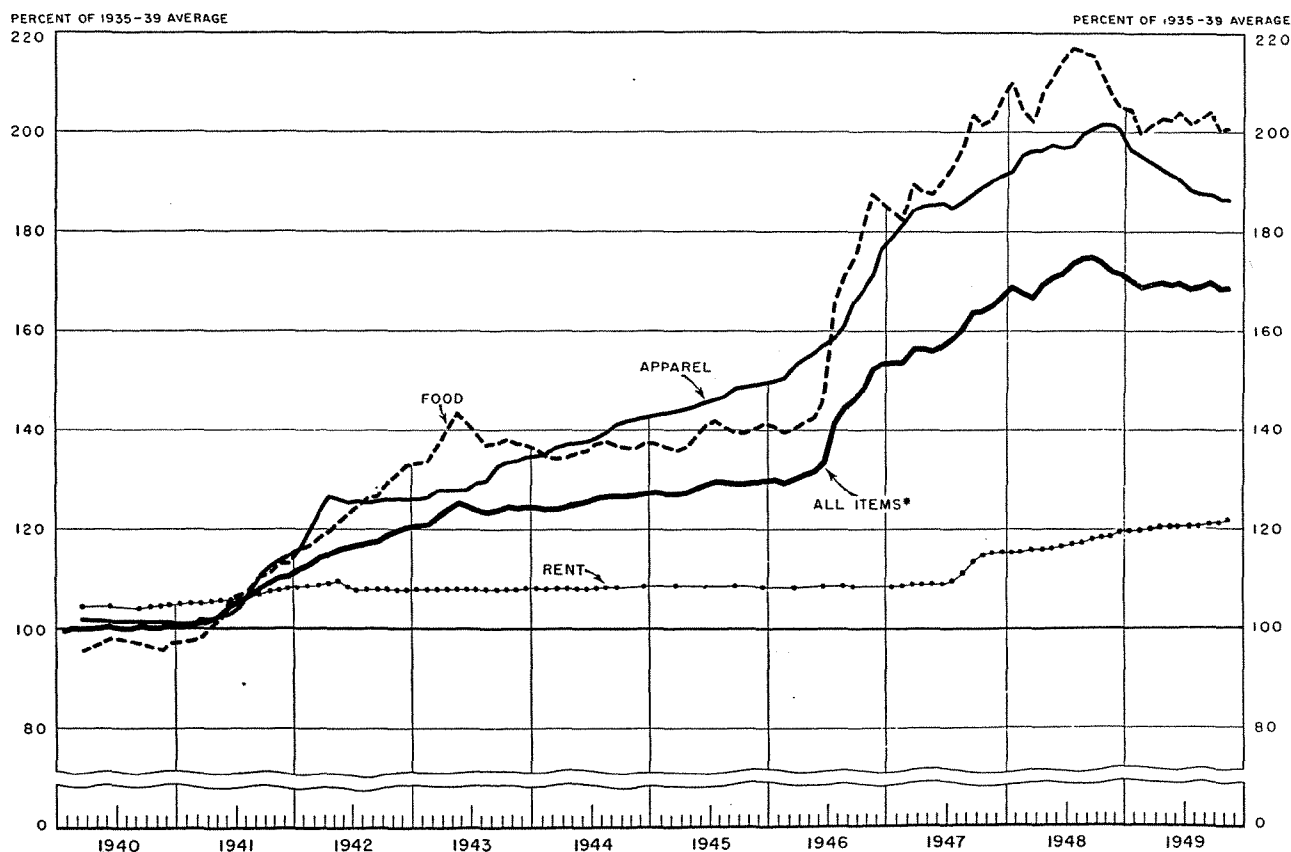
SOURCE: SEE ECONOMIC REPORT OF THE PRESIDENT, JANUARY 1950, APPENDIX A.

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# PRICES

## CONSUMERS' PRICES

Overall, consumers' prices were virtually unchanged in November. Price decreases in apparel and miscellaneous did not quite offset increases in other components. Most changes were small except for the increase in fuel, electricity, and refrigeration.



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

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[1935-39=100]

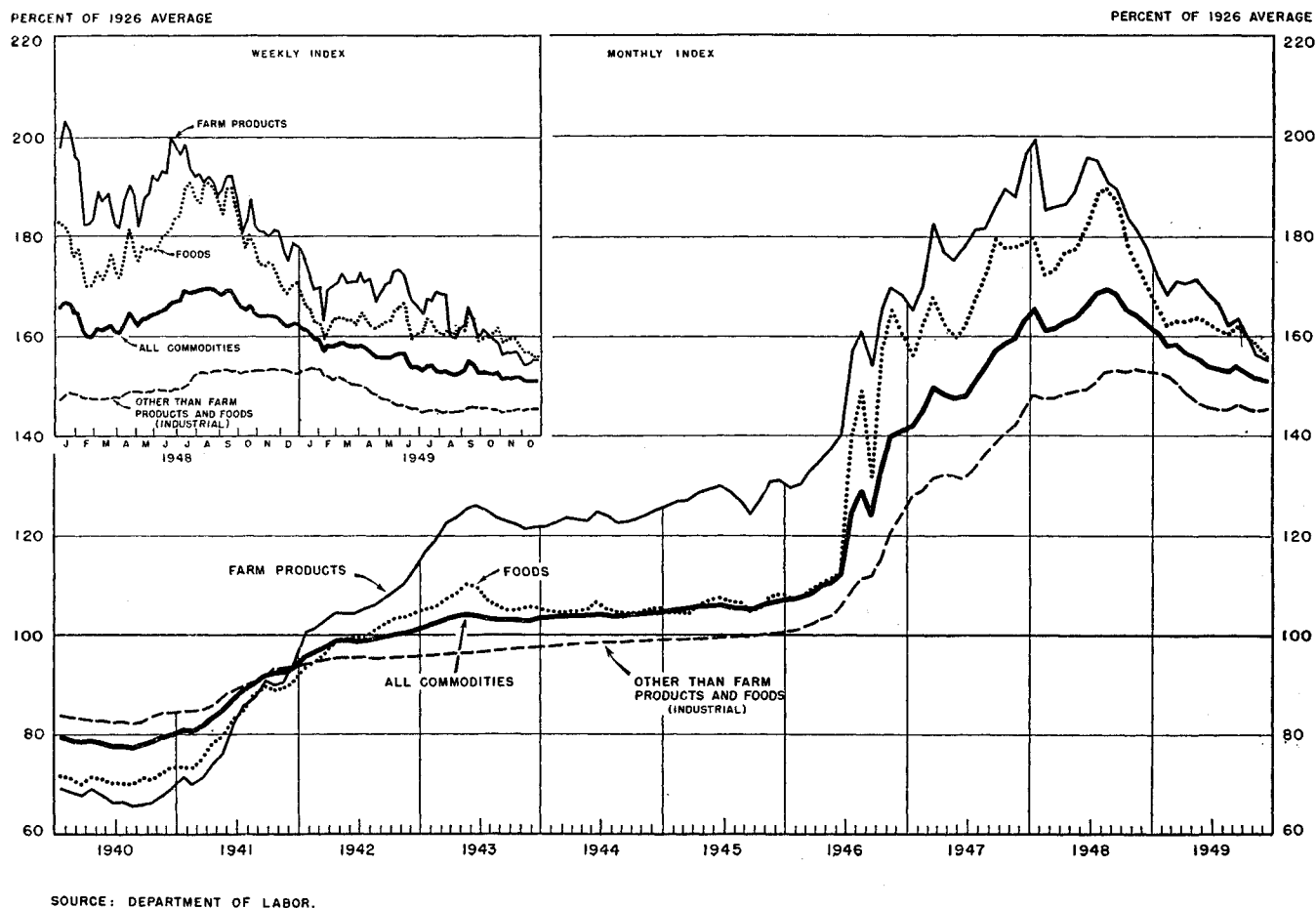
Period	All items	Food	Apparel	Rent	Fuel, electricity, and refrigeration	House furnishings	Miscellaneous
1939 monthly average.....	99.4	95.2	100.5	104.3	99.0	101.3	100.7
1940 monthly average.....	100.2	96.6	101.7	104.6	99.7	100.5	101.1
1941 monthly average.....	105.2	105.5	106.3	106.2	102.2	107.3	104.0
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: November 15.....	172.2	207.5	201.4	118.8	137.9	198.7	153.9
December 15.....	171.4	205.0	200.4	119.5	137.8	198.6	154.0
1949: January 15.....	170.9	204.8	196.5	119.7	138.2	196.5	154.1
February 15.....	169.0	199.7	195.1	119.9	138.8	195.6	154.1
March 15.....	169.5	201.6	193.9	120.1	138.9	193.8	154.4
April 15.....	169.7	202.8	192.5	120.3	137.4	191.9	154.6
May 15.....	169.2	202.4	191.3	120.4	135.4	189.5	154.5
June 15.....	169.6	204.3	190.3	120.6	135.6	187.3	154.2
July 15.....	168.5	201.7	188.5	120.7	135.6	186.8	154.3
August 15.....	168.8	202.6	187.4	120.8	135.8	184.8	154.8
September 15.....	169.6	204.2	187.2	121.2	137.0	185.6	155.2
October 15.....	168.5	200.6	186.8	121.5	138.4	185.2	155.2
November 15.....	168.6	200.8	186.3	122.0	139.1	185.4	154.9

NOTE.—Prices are for moderate-income families in large cities.

Source: Department of Labor.

# WHOLESALE PRICES

Wholesale prices were somewhat lower in December. There was a sharp drop in wholesale food prices and a small drop in farm prices. Industrial prices rose slightly.



[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
1949 monthly average <sup>1</sup> .....	154.9	165.5	161.4	147.3
1948: 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.....	153.6	163.1	162.0	145.3
October.....	152.2	159.6	159.6	145.0
November.....	151.6	156.8	158.9	145.0
December <sup>1</sup> .....	151.2	155.2	155.7	145.4
Week ended:				
December 6.....	151.0	154.0	156.6	145.1
13.....	151.1	154.2	156.5	145.3
20.....	151.1	155.0	155.6	145.4
27.....	151.1	155.1	155.6	145.4
1950: January 3 <sup>2</sup> .....	150.5	153.2	154.5	145.1
10 <sup>2</sup> .....	151.2	154.6	155.9	145.2

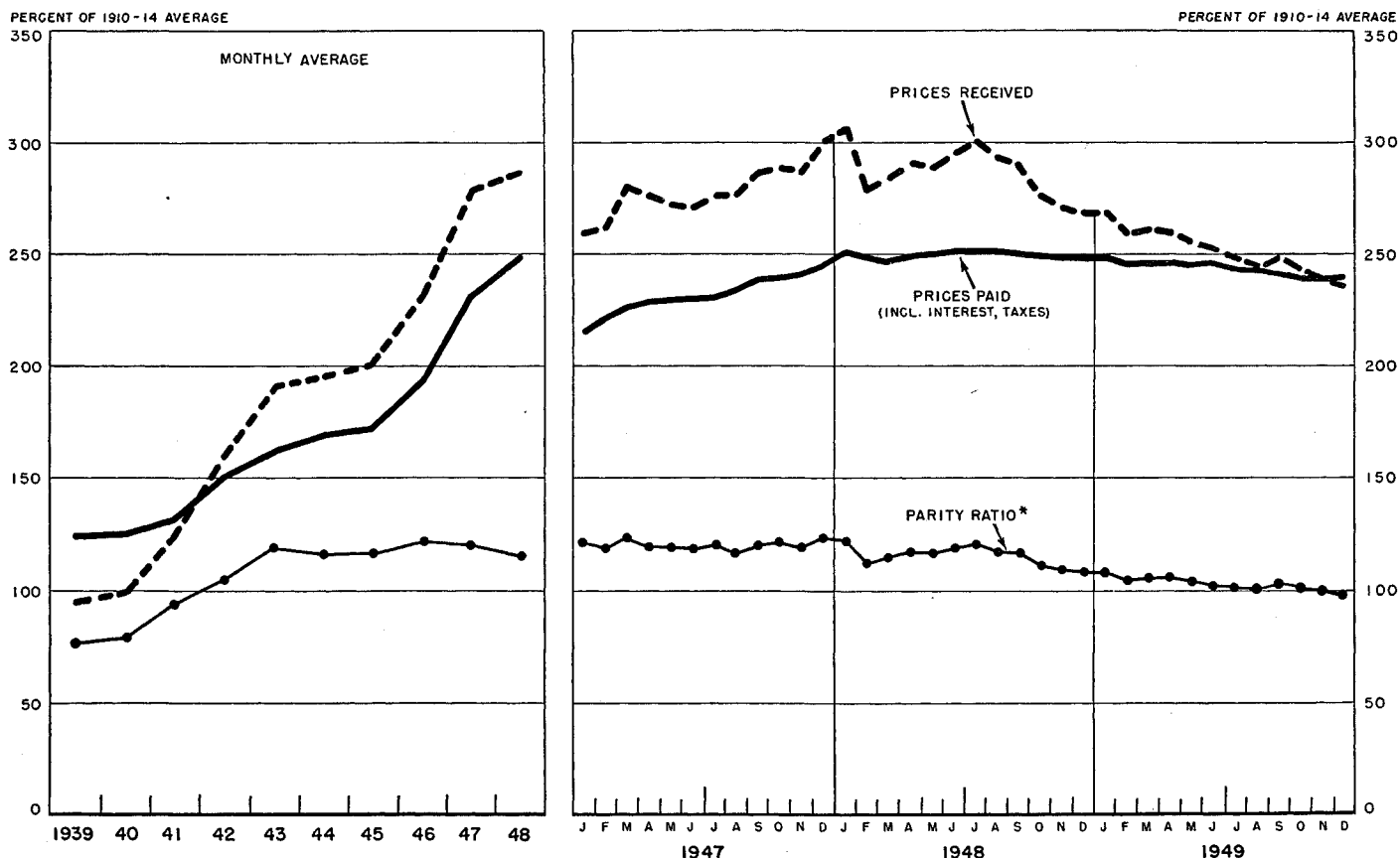
<sup>1</sup> Estimate based on incomplete data.

<sup>2</sup> Data became available after chart was prepared.

Source: Department of Labor.

# PRICES RECEIVED AND PAID BY FARMERS

Prices received by farmers fell about 1 percent from November to December, continuing a decline without significant interruption since July 1948. This brought the parity ratio below 100.



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

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Period	Prices received by farmers <sup>1</sup>	Prices paid by farmers (including interest and taxes) <sup>2</sup>	Parity ratio <sup>3</sup>
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
1949 monthly average.....	251	244	103
1948: December 15.....	268	246	109
1949: January 15.....	268	248	108
February 15.....	258	245	105
March 15.....	261	246	106
April 15.....	260	246	106
May 15.....	256	245	104
June 15.....	252	245	103
July 15.....	249	244	102
August 15.....	245	243	101
September 15.....	249	242	103
October 15.....	243	240	101
November 15.....	239	239	100
December 15.....	236	240	98

<sup>1</sup> August 1909-July 1914=100.

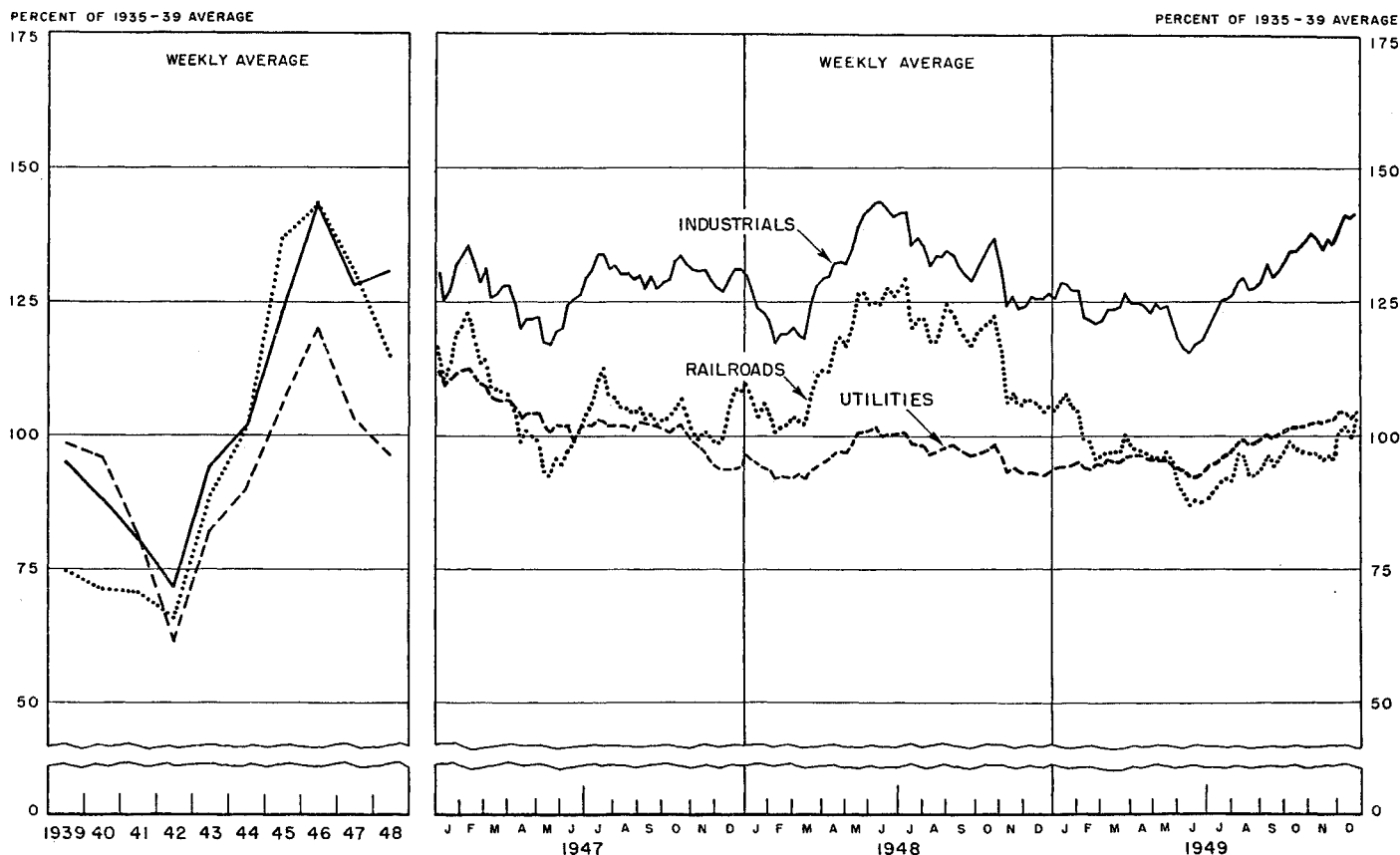
<sup>2</sup> 1910-14=100.

<sup>3</sup> Ratio of prices received to prices paid, interest, and taxes.

Source: Department of Agriculture.

# STOCK PRICES

Stock prices of all groups rose in December with railroads scoring the largest advances. The combined index reached the highest level since May 1946.



SOURCE: STANDARD AND POOR'S CORPORATION.

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100]

Period	Combined index <sup>1</sup>	Industrials	Railroads	Utilities
<b>Weekly average:</b>				
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
1949 <sup>2</sup> .....	121.3	127.5	96.4	97.5
<b>1949: January.....</b>	<b>121.0</b>	<b>127.3</b>	<b>105.9</b>	<b>94.2</b>
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
December.....	132.6	140.3	101.0	104.1
<b>Week ended:</b>				
December 7.....	131.5	138.9	100.0	104.2
14.....	133.3	141.1	101.2	104.3
21.....	132.3	140.1	99.6	103.5
28.....	133.5	141.2	103.3	104.3
1950: January 4 <sup>2</sup> .....	135.0	142.7	107.5	105.0

<sup>1</sup> 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.

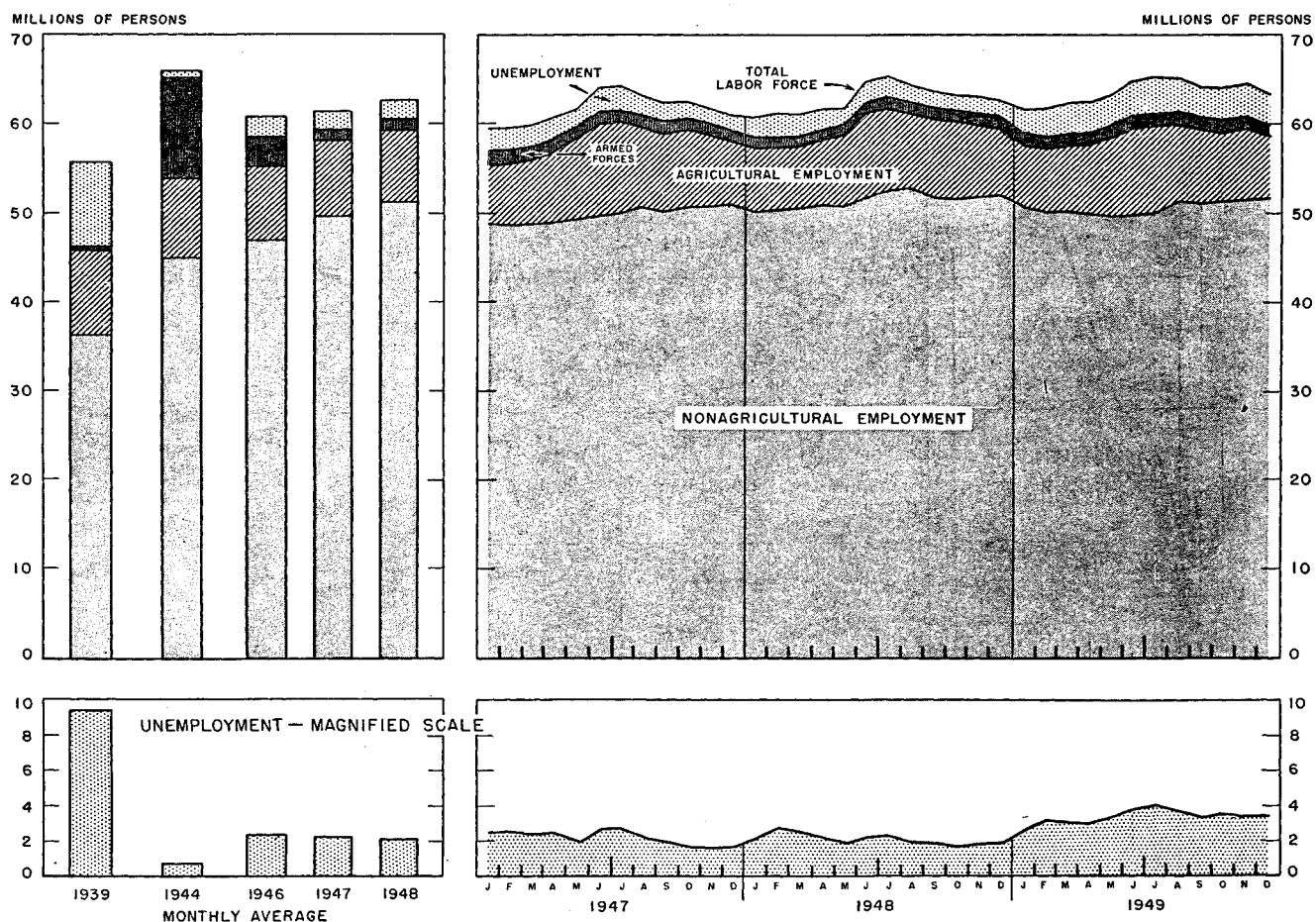
<sup>2</sup> Data became available after chart was prepared.

Source: Standard & Poor's Corporation.

# EMPLOYMENT

## LABOR FORCE

Total civilian employment dropped 1 million in December as farm operations were curtailed seasonally. The labor force also declined about 1 million leaving unemployment practically unchanged.



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 <sup>1</sup>			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
1949 monthly average...	63,571	58,710	50,684	8,026	1,466	3,395
1948: 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
December.....	63,475	58,556	51,783	6,773	1,430	3,489

<sup>1</sup> 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.

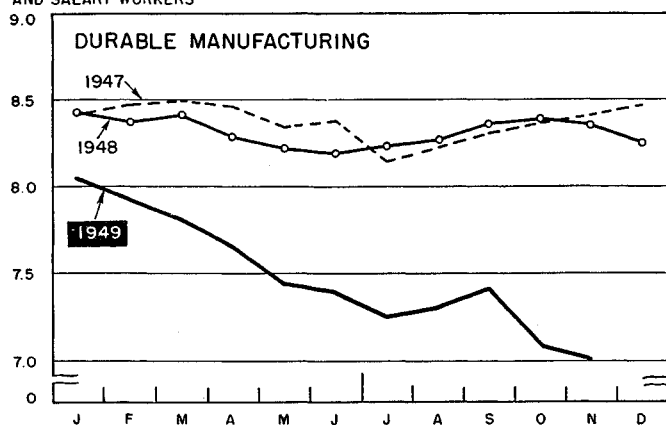
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

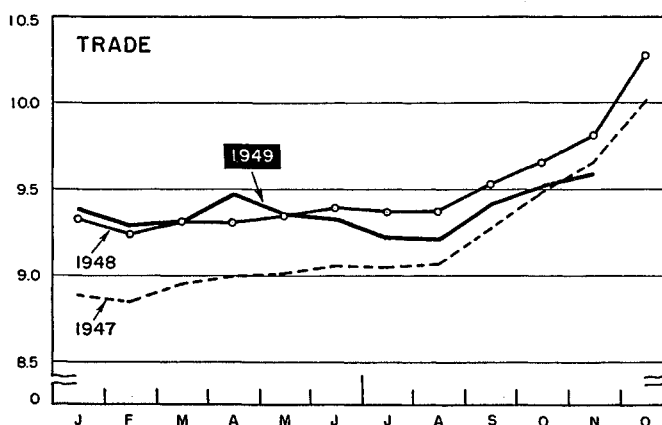
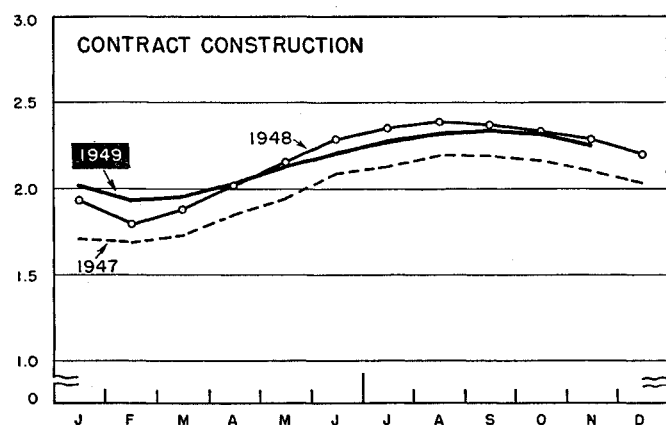
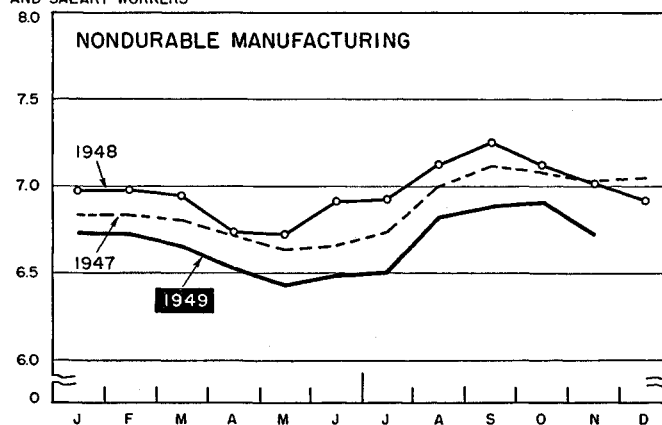
# NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

In November, seasonal factors accounted for the decrease in employment in nondurable manufacturing and construction and the increase in trade. Following cessation of the coal work stoppage, mining and transportation increased. Government registered the largest drop in employment since 1945.

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 <sup>1</sup>]

Period	Manufacturing			Contract construction	Trade	Finance and service	Government (Federal, State, local)	Transporta- tion and public utilities	Mining
	Total	Durable goods	Nondur- able 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: 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, 884	7, 392	6, 492	2, 205	9, 336	6, 608	5, 803	4, 031	968
July.....	13, 757	7, 255	6, 502	2, 277	9, 220	6, 631	5, 738	4, 007	943
August.....	14, 114	7, 302	6, 812	2, 340	9, 213	6, 616	5, 763	3, 992	956
September <sup>3</sup> .....	14, 312	7, 416	6, 896	2, 341	9, 409	6, 602	5, 893	3, 959	948
October <sup>3</sup> .....	13, 903	7, 006	6, 897	2, 310	9, 503	6, 559	5, 866	3, 873	593
November <sup>3</sup> .....	13, 741	7, 019	6, 722	2, 245	9, 579	6, 524	5, 783	3, 896	927

<sup>1</sup> 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.

<sup>2</sup> Not available.

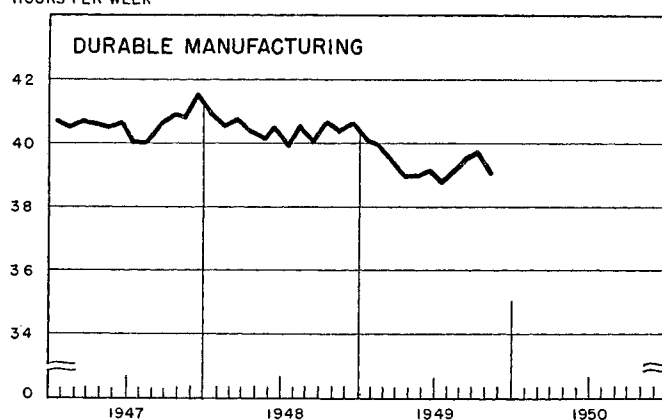
<sup>3</sup> Preliminary estimate.

Source: Department of Labor.

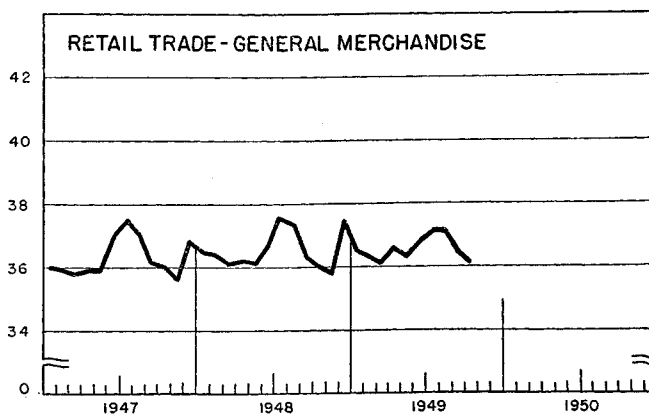
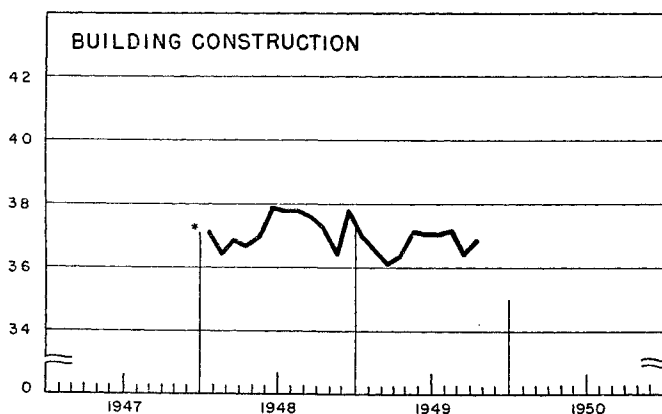
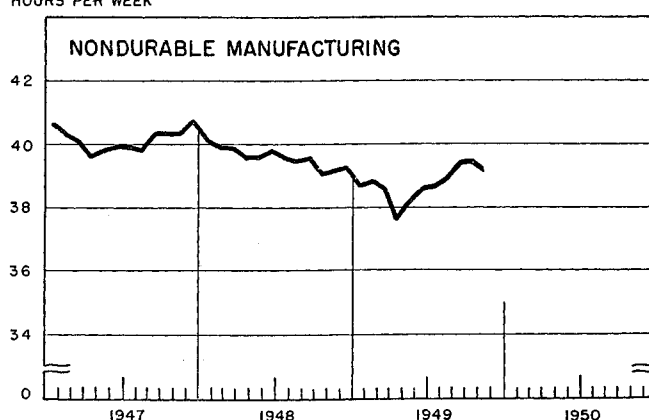
# AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

In November, the workweek in durable manufacturing industries was approximately  $\frac{3}{4}$  hour less and in nondurables about  $\frac{1}{2}$  hour less than in October.

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 <sup>1</sup>]

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				
1948 monthly average.....	40.1	40.6	40.1	(2)	36.3
		40.5	39.6	37.3	36.6
1948: 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	39.2	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.....	39.1	39.3	38.9	37.2	37.2
September <sup>3</sup> .....	39.6	39.7	39.6	36.4	36.6
October <sup>3</sup> .....	39.7	39.8	39.6	36.9	36.1
November <sup>3</sup> .....	39.2	39.1	39.2	(2)	(2)

<sup>1</sup> For production and related workers.

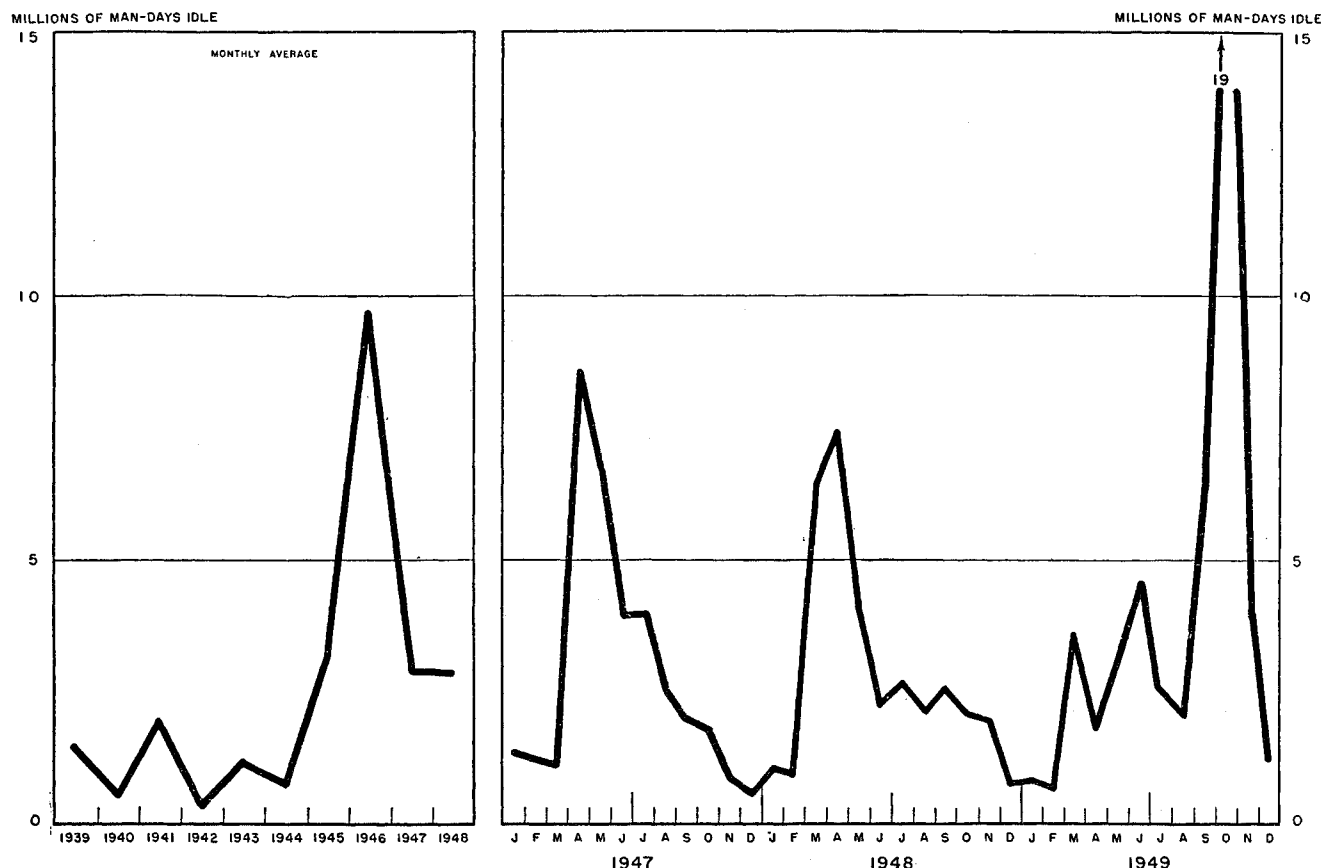
<sup>2</sup> Not available.

<sup>3</sup> Preliminary estimate.

Source: Department of Labor.

# WORK STOPPAGES

With the ending of the coal and steel stoppages, man-days of idleness dropped sharply in November and December from the high level in October.



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	-----
1949 <sup>1</sup> .....	4,417	.60	3,100	-----	3,600	-----
1948: November.....	1,910	.26	111	189	216	388
December.....	713	.09	41	93	144	283
1949: January <sup>1</sup> .....	725	.10	77	100	275	385
February <sup>1</sup> .....	675	.10	77	105	240	370
March <sup>1</sup> .....	3,500	.46	500	530	290	440
April <sup>1</sup> .....	1,900	.27	160	210	365	535
May <sup>1</sup> .....	3,450	.49	235	310	455	680
June <sup>1</sup> .....	4,500	.61	575	675	385	635
July <sup>1</sup> .....	2,400	.36	110	250	350	600
August <sup>1</sup> .....	2,100	.27	140	240	380	625
September <sup>1</sup> .....	6,550	.91	475	565	290	525
October <sup>1</sup> .....	19,000	2.70	600	1,000	250	425
November <sup>1</sup> .....	7,500	1.00	70	875	200	360
December <sup>1</sup> .....	1,200	.15	40	400	120	225

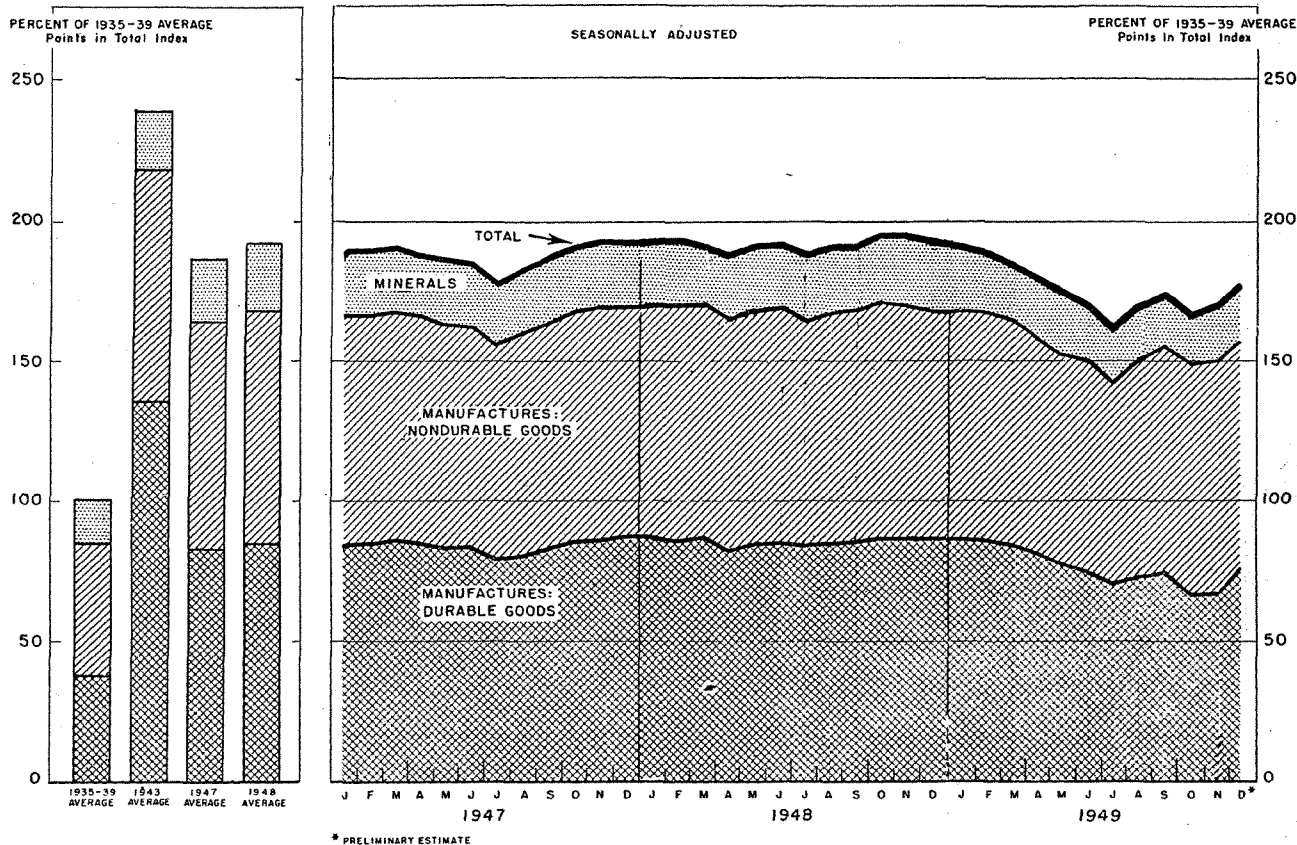
<sup>1</sup> Preliminary estimate.

Source: Department of Labor.

# PRODUCTION AND BUSINESS ACTIVITY

## INDUSTRIAL PRODUCTION

Following resumption of activities at steel mills and coal mines, industrial production increased about  $3\frac{1}{2}$  percent in November. Preliminary data indicate a further increase of 3 percent in December, with a rise in durable goods output more than offsetting drops in nondurables and minerals.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

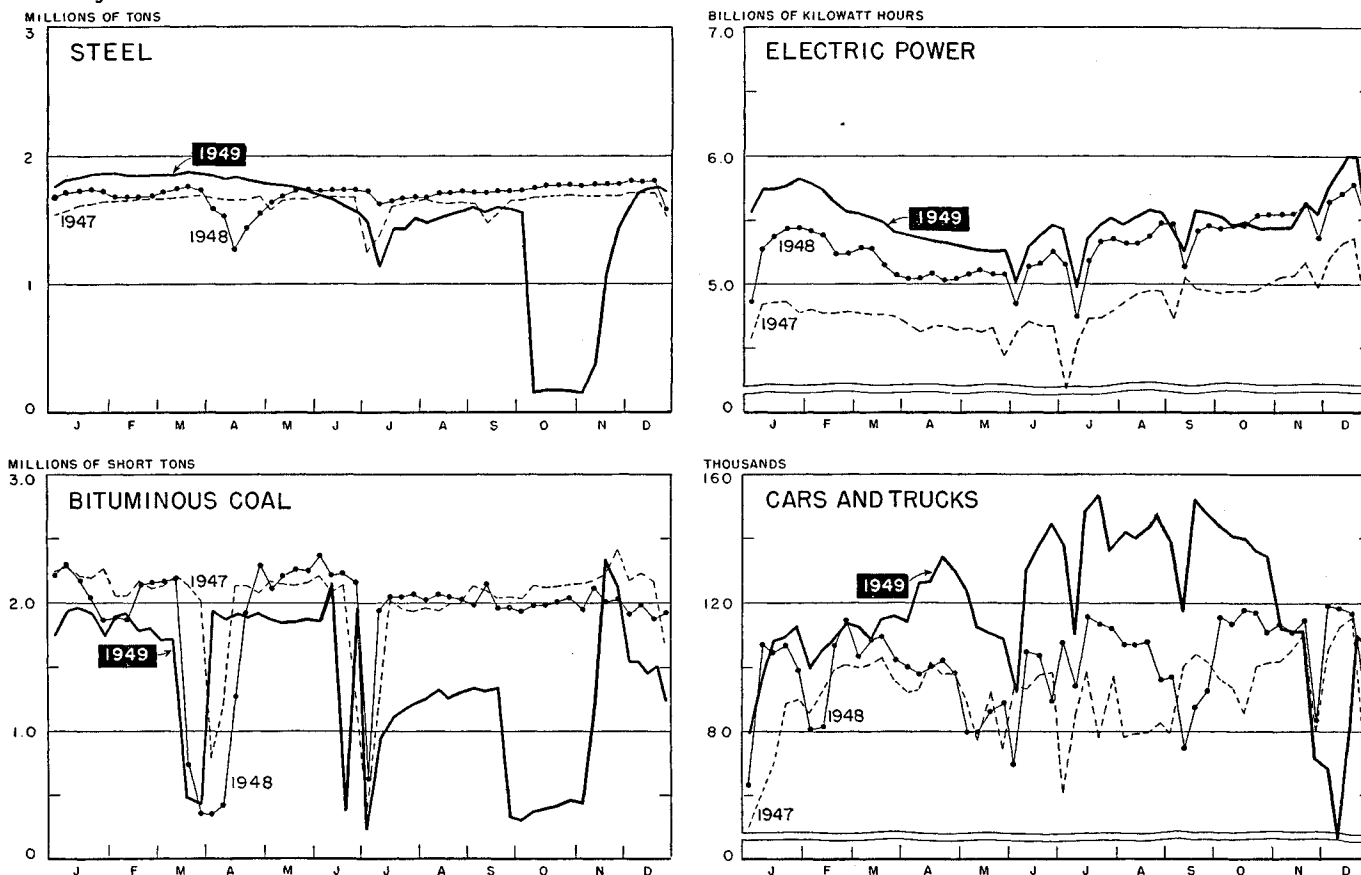
Period	Indexes, 1935-39=100					Points in total index, 1935-39 average for total=100		
	Total industrial production	Manufactures			Minerals	Manufactures		Minerals
		Total	Durable goods	Nondura- ble goods		Durable goods	Nondura- ble goods	
1935-39 monthly average.....	100	100	100	100	100	38	47	15
1943 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.....	192	198	225	177	155	85	83	24
1949 monthly average <sup>1</sup> .....	175	183	201	168	134	76	79	21
1948: 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	193	165	129	73	77	20
September.....	174	184	199	172	119	75	81	18
October.....	166	176	175	176	112	66	83	17
November <sup>1</sup> .....	172	178	180	176	138	68	82	21
December <sup>1</sup> .....	177	186	200	173	130	76	81	20

<sup>1</sup> Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

# WEEKLY PRODUCTION - SELECTED INDICATORS

Steel ingot output in December was scheduled at 93 percent of capacity, the highest rate since last May. Electric power continued at high levels. Coal production decreased as coal miners returned to a reduced workweek. With progress made in model changeovers, the number of cars and trucks being assembled increased.



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

COUNCIL OF ECONOMIC ADVISERS

Period	Steel		Electric power, by utilities (millions of kilowatt-hours)	Bituminous coal (thousands of short tons) <sup>1</sup>	Cars and trucks (number)
	Thousands of net tons	Percent of capacity			
Weekly average:					
1947.....	1,628	93.0	4,821	2,058	90,860
1948.....	1,695	94.1	5,300	1,948	100,670
1949.....	1,493	81.0	5,500	1,206	120,800
Week ended:					
1948: December 4.....	1,804	100.1	5,646	1,969	119,037
11.....	1,802	100.0	5,705	2,042	117,897
18.....	1,802	100.0	5,790	1,932	117,045
25.....	1,597	88.6	5,508	1,956	89,686
1949: January 1.....	1,754	97.3	5,562	1,770	79,377
1949: December 3.....	1,617	87.7	5,743	1,542	68,385
10.....	1,690	91.7	5,881	1,542	46,667
17.....	1,735	94.1	5,997	1,453	79,692
24.....	1,742	94.5	5,994	1,507	110,594
31.....	1,716	93.1	5,493	1,251	106,744
1950: January 7 <sup>2</sup> .....	1,772	96.1	5,695	937	112,346

<sup>1</sup> Daily average for week.

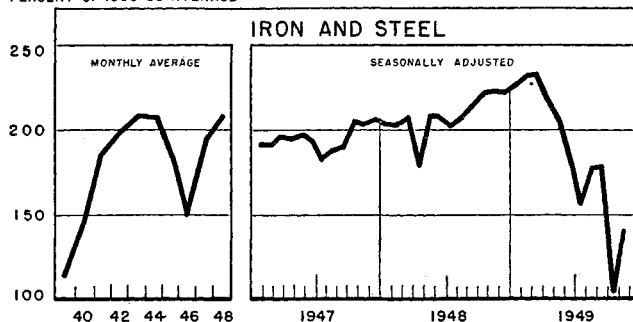
<sup>2</sup> Data became available after chart was prepared.

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

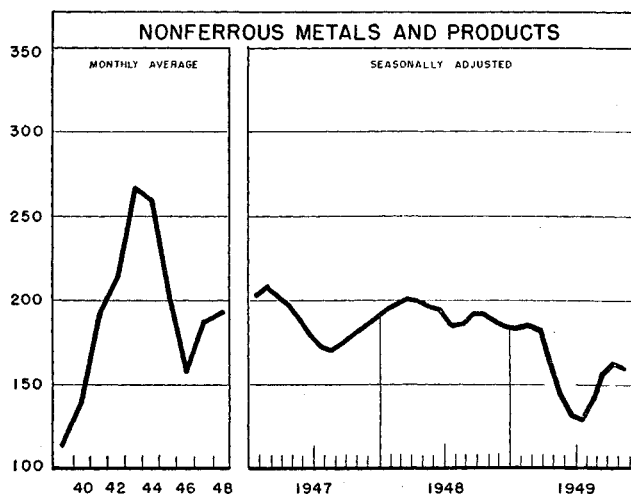
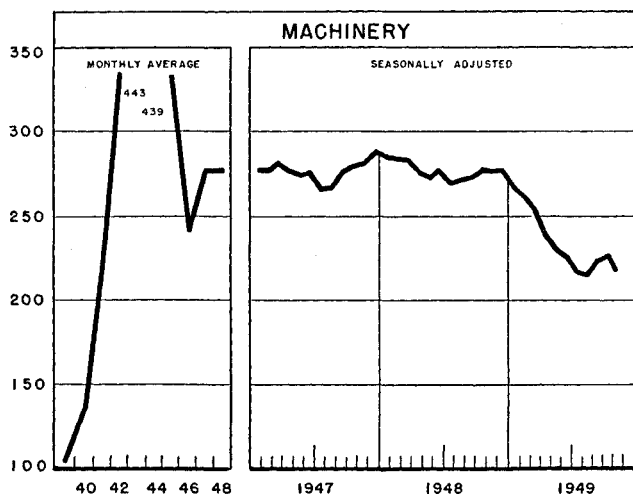
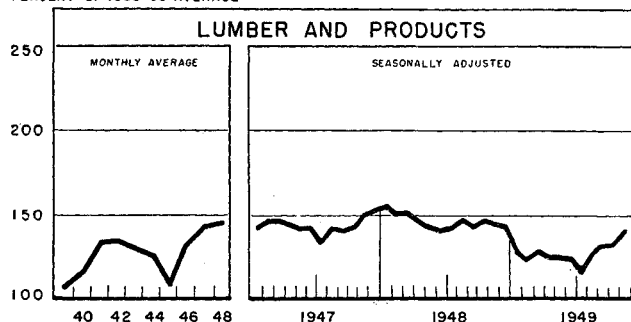
# PRODUCTION OF SELECTED DURABLE MANUFACTURES

Iron and steel production made substantial recovery in November; weekly data for December indicate further gains. Lumber output also increased in November. Machinery, chiefly producers' equipment, and nonferrous metals dropped below their October rates.

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	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: 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.....	103	133	226	164
November <sup>1</sup> .....	142	141	218	161

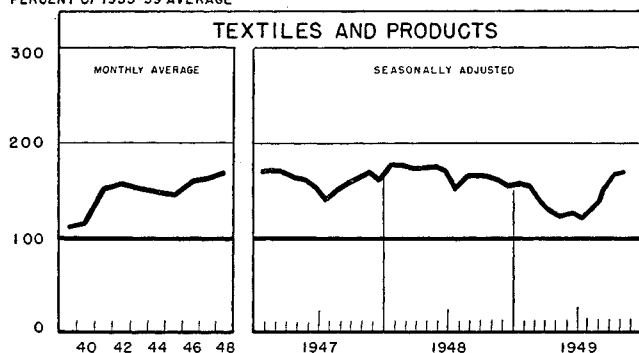
<sup>1</sup> Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

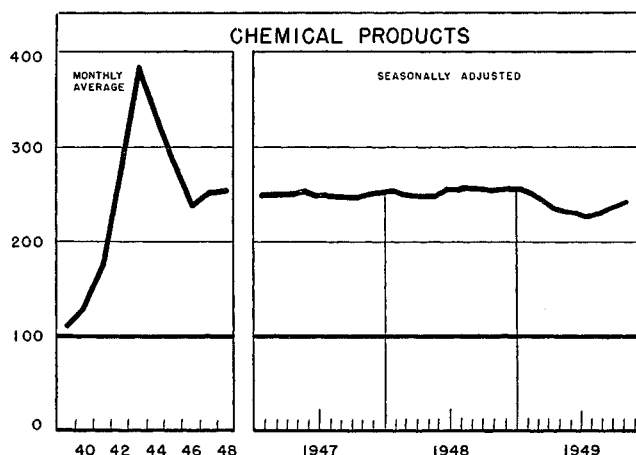
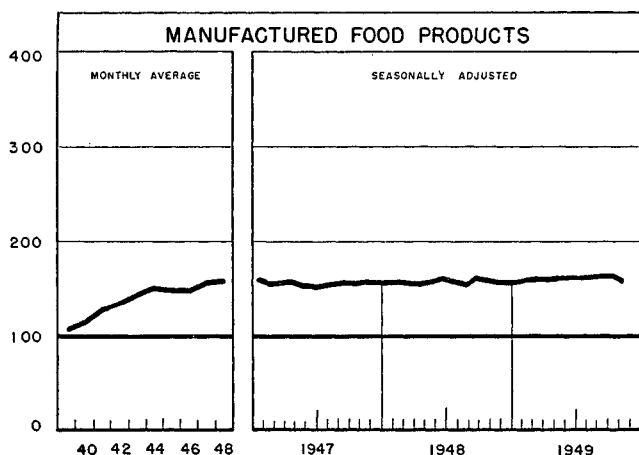
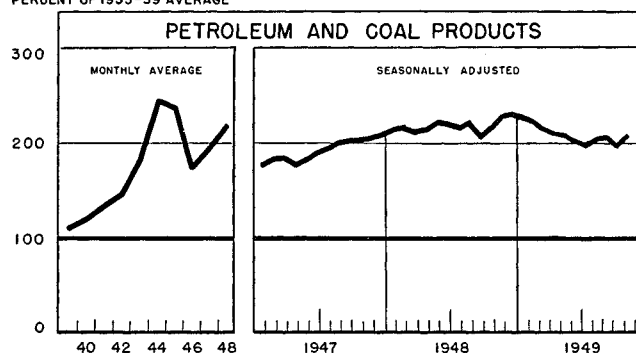
# PRODUCTION OF SELECTED NONDURABLE MANUFACTURES

Production of textiles and chemicals increased again in November. Petroleum and coal products recovered its October drop. Manufactured food products declined somewhat.

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]

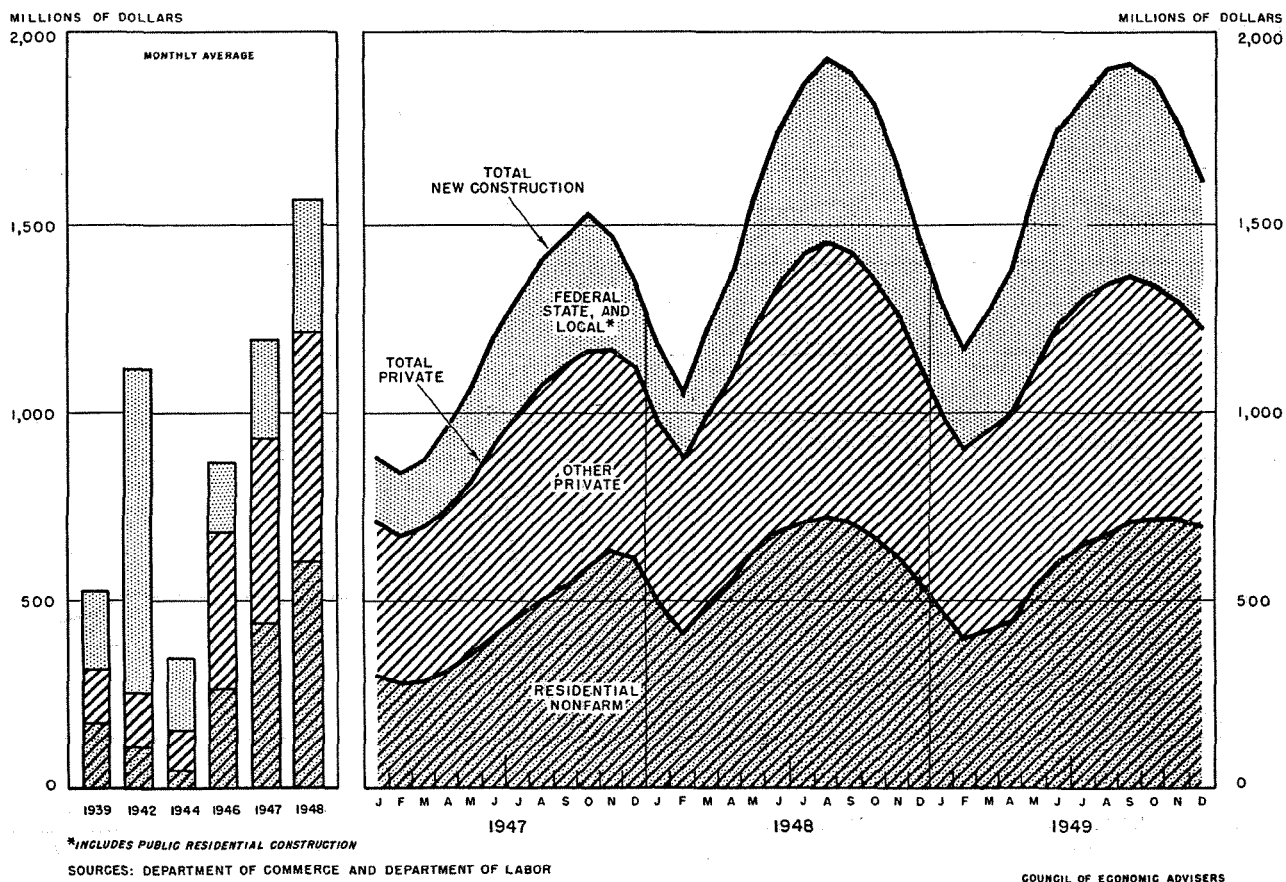
Period	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1935-39 monthly average.....	100	100	100	100
1943 monthly average.....	153	185	145	384
1945 monthly average.....	146	235	151	284
1946 monthly average.....	162	173	150	236
1947 monthly average.....	163	193	157	251
1948 monthly average.....	169	218	159	254
1948: 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	203	166	230
September.....	155	208	166	236
October.....	169	198	166	240
November <sup>1</sup> .....	171	208	157	243

<sup>1</sup> Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

# NEW CONSTRUCTION

New construction again declined less than seasonally in December. Both private and public activity were above levels of December 1948.



[Millions of dollars]

Period	Total new construction	Private construction			Federal, State, and local <sup>1</sup>
		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
1949 monthly average.....	1,611	1,172	585	586	439
1948: 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.....	1,879	1,343	715	628	536
November.....	1,767	1,295	715	580	472
December <sup>2</sup> .....	1,612	1,225	690	535	387

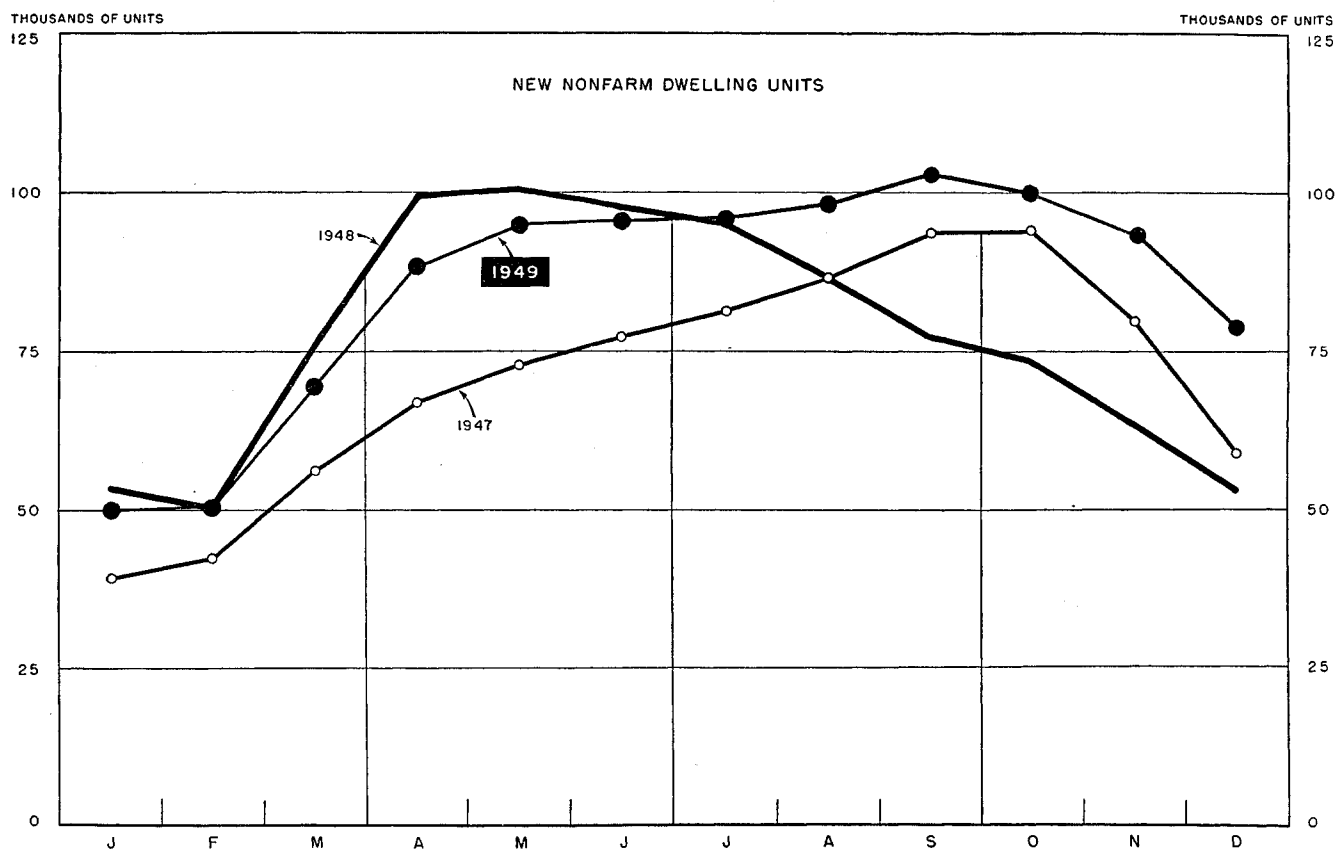
<sup>1</sup> Includes public residential construction.

<sup>2</sup> Preliminary estimate.

Sources: Department of Commerce and Department of Labor.

# NEW HOUSING STARTS

Housing starts maintained their high levels to the end of 1949. The total for the year was 1,019,000 compared with 931,300 in 1948.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

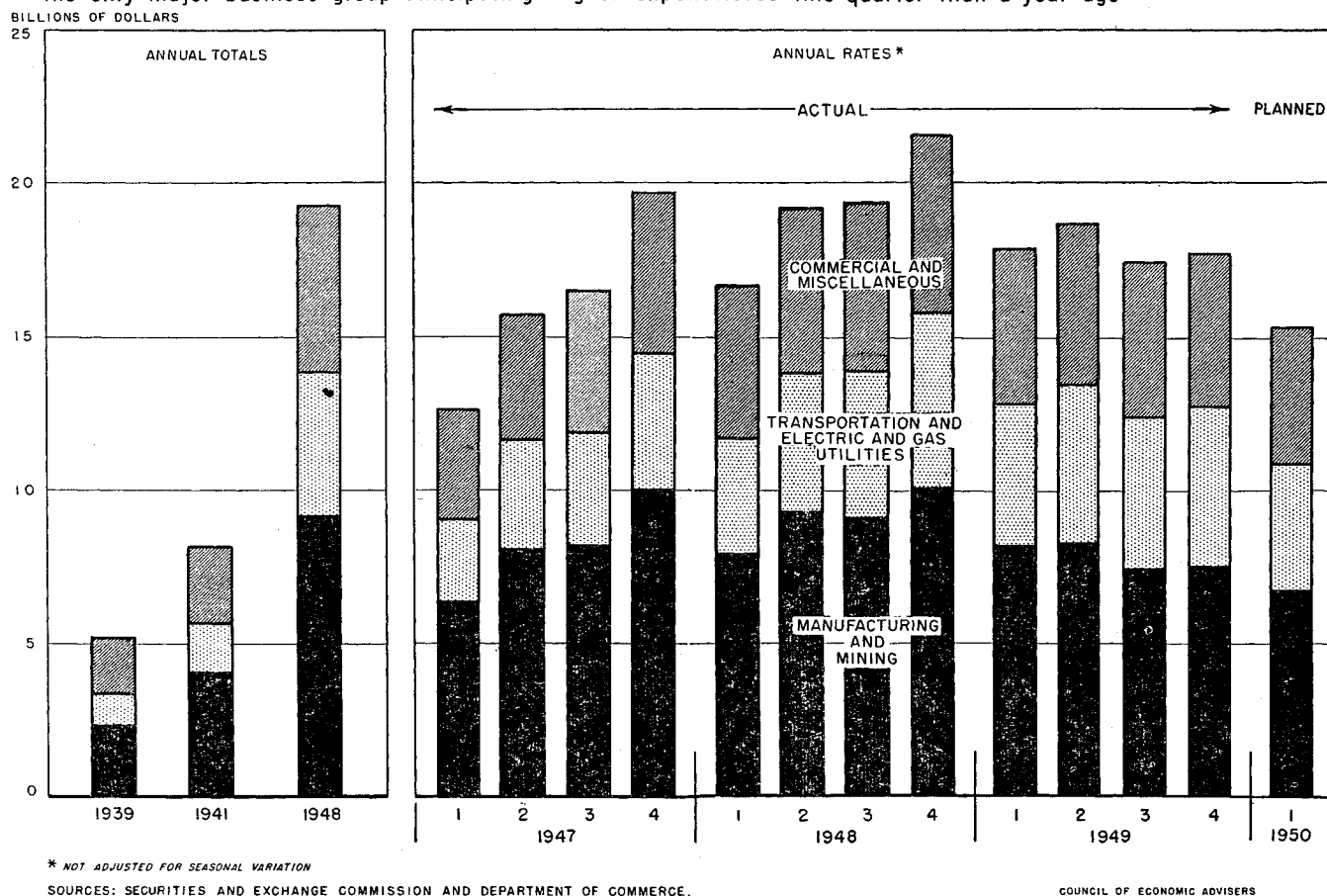
Month	New nonfarm units started		
	1947	1948	1949
January.....	39,800	53,500	50,000
February.....	42,800	50,100	50,400
March.....	56,000	76,400	69,400
April.....	67,100	99,500	88,300
May.....	72,900	100,300	95,400
June.....	77,200	97,800	95,500
July.....	81,100	95,000	96,100
August.....	86,300	86,600	99,000
September.....	93,800	82,200	<sup>1</sup> 102,900
October.....	94,000	73,400	<sup>1</sup> 100,000
November.....	79,700	63,600	<sup>1</sup> 93,000
December.....	58,800	52,900	<sup>1</sup> 79,000
Total.....	849,000	931,300	<sup>1</sup> 1,019,000
Monthly average.....	70,750	77,600	<sup>1</sup> 84,900

<sup>1</sup> Preliminary estimate.

Source: Department of Labor.

# EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Plant and equipment expenditures by nonagricultural business firms in 2nd half of 1949 were estimated at 14 percent less than those of 2nd half of 1948. Anticipated expenditures for 1st quarter of 1950 are likewise reported as 14 percent below those of 1st quarter 1949. Electric and gas utilities are the only major business group anticipating higher expenditures this quarter than a year ago



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

Period	Total <sup>1</sup>	Manufacturing	Mining	Transportation		Electric and gas utilities	Commercial and miscellaneous <sup>2</sup>
				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 <sup>3</sup> .....	17,910	7,130	730	1,340	510	3,160	5,040
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 <sup>3</sup> .....	17,440	6,760	720	1,240	520	3,160	5,040
Fourth quarter <sup>3</sup> .....	17,720	6,840	680	1,160	440	3,600	5,000
1950: First quarter <sup>3</sup> .....	15,280	6,080	640	880	320	2,960	4,440

<sup>1</sup> Excludes agriculture.

<sup>2</sup> Commercial and miscellaneous composed of trade, service, finance, and communication.

<sup>3</sup> Estimates for third quarter are based on preliminary estimates of business in July; figures for fourth quarter and first quarter of 1950 are based on anticipated capital expenditures.

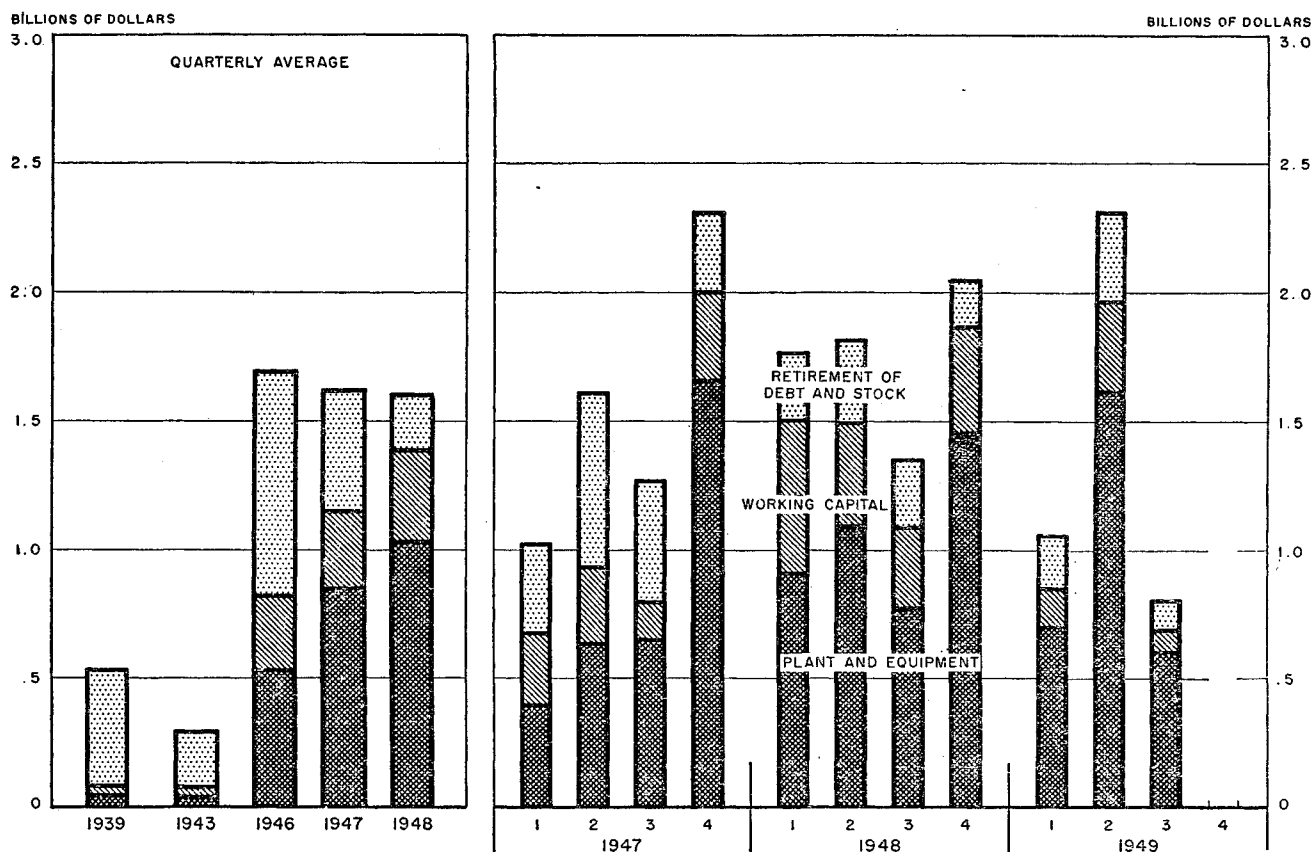
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal 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 <sup>1</sup>
		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 <sup>2</sup> .....	807	688	599	89	119

<sup>1</sup> Includes small amount for other purposes.

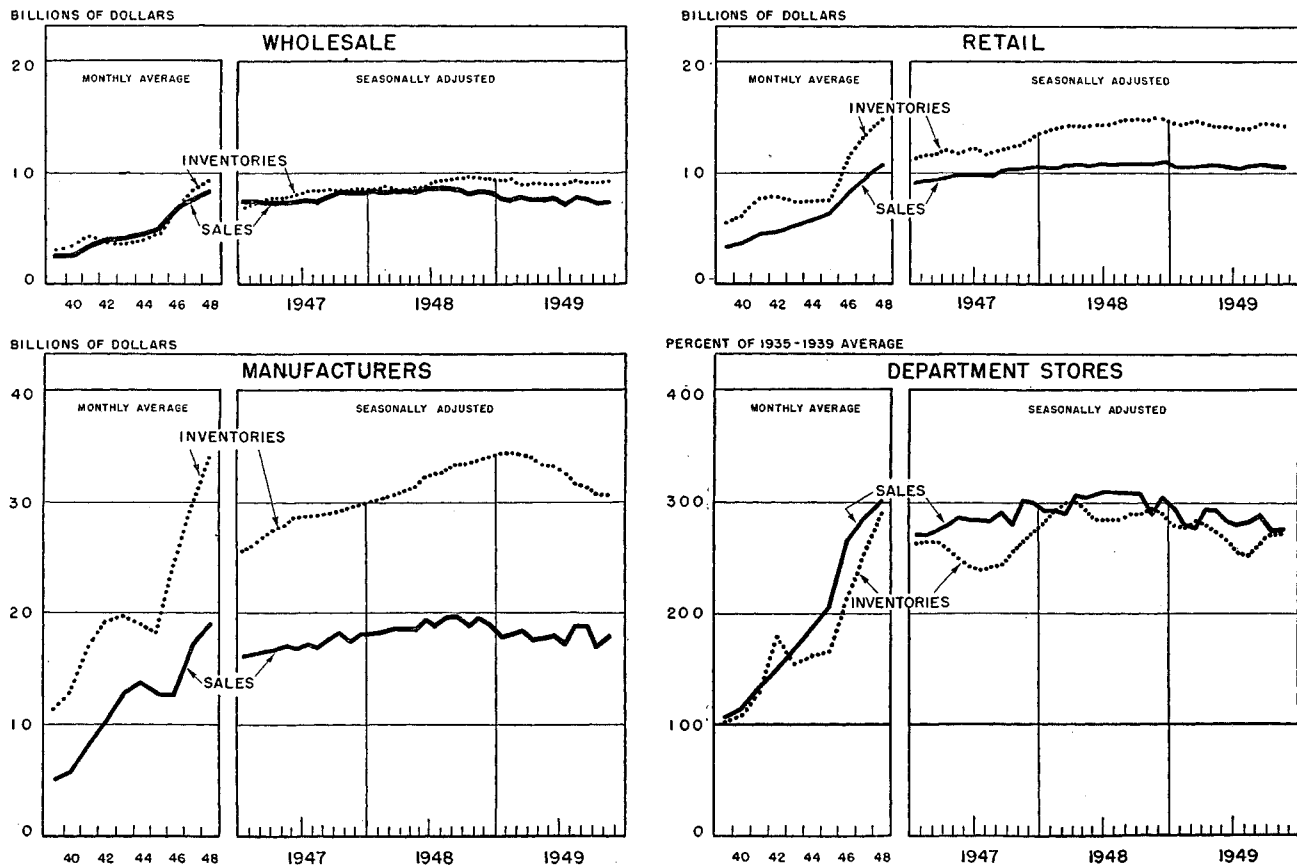
<sup>2</sup> Preliminary estimate.

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

Source: Securities and Exchange Commission.

# INVENTORIES AND SALES

Sales of manufacturers and wholesalers rebounded in November from their October dip. Retail Sales, and inventories generally, showed little change.



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

COUNCIL OF ECONOMIC ADVISERS

Period	Wholesale		Retail		Manufacturers		Department stores	
	Inventories <sup>1</sup>	Sales <sup>2</sup>	Inventories <sup>1</sup>	Sales <sup>2</sup>	Inventories <sup>1</sup>	Sales <sup>2</sup>	Inventories <sup>3</sup>	Sales <sup>3</sup>
Millions of dollars, seasonally adjusted <sup>4</sup>							1935-39=100, seasonally adjusted	
1939-----	3,175	2,505	5,532	3,504	11,465	5,100	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	12,883	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	29,818	17,076	255	286
1948-----	9,511	8,355	14,969	10,837	34,066	18,998	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	19,288	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	7,539	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	7,522	13,932	10,644	31,638	18,945	253	283
September-----	9,186	7,518	14,355	10,824	31,060	18,866	264	289
October-----	9,169	7,160	14,475	10,647	30,754	16,805	270	276
November <sup>5</sup> -----	9,228	7,466	14,262	10,630	30,700	18,000	273	276

<sup>1</sup> Book value, end of period.

<sup>2</sup> Monthly average for year and total for month.

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

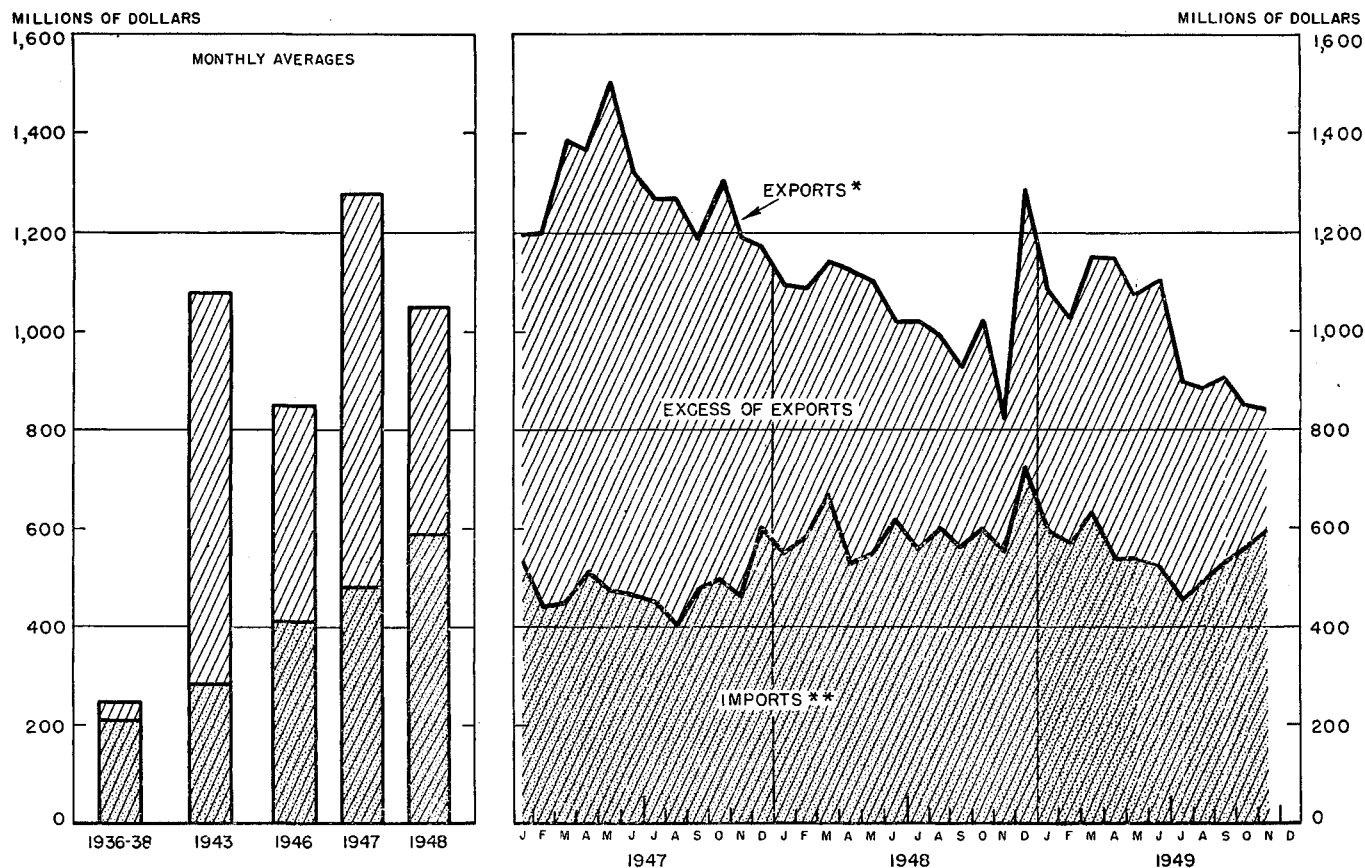
<sup>4</sup> All dollar figures, except for retail sales, have been revised and do not agree with data published prior to October 1949.

<sup>5</sup> Preliminary estimates.

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

# MERCHANDISE EXPORTS AND IMPORTS

Imports rose in November for the 4th consecutive month, reaching the 1948 monthly average, while exports continued to fall. As a result, the merchandise export surplus was cut to the lowest level since the maritime strike of 1946 and to about half of the monthly average for 1948.



\* 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 <sup>1</sup>	Imports <sup>2</sup>	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: October.....	1,021	600	421
1948: November.....	820	554	266
1948: December.....	1,285	720	565
1949: January.....	1,094	590	504
1949: February.....	1,032	568	464
1949: March.....	1,159	632	527
1949: April.....	1,148	534	614
1949: May.....	1,077	539	538
1949: June.....	1,104	527	578
1949: July.....	897	456	441
1949: August.....	881	491	390
1949: September.....	904	530	374
1949: October.....	849	559	290
1949: November.....	836	593	243

<sup>1</sup> Recorded merchandise exports, including reexports, and civilian supplies for occupied areas.

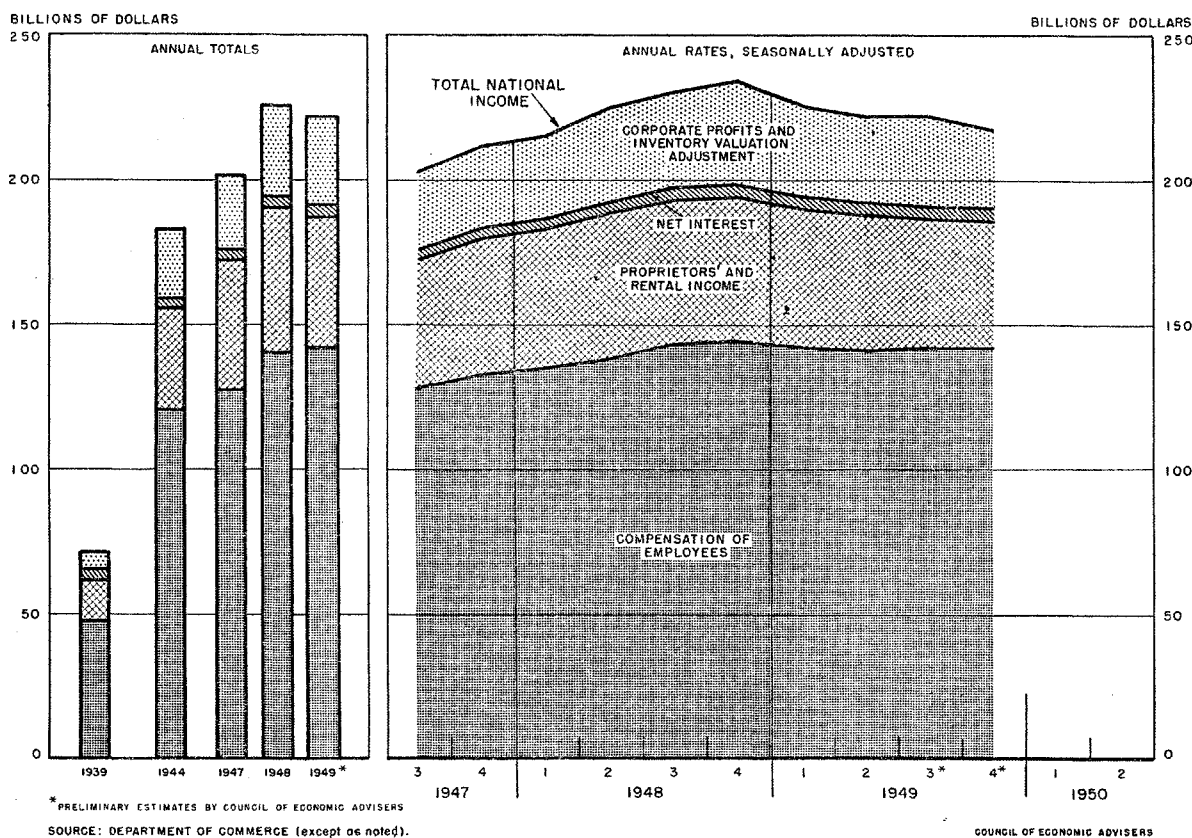
<sup>2</sup> Recorded general merchandise imports.

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

# PURCHASING POWER

## NATIONAL INCOME

The drop in national income from 3rd to 4th quarter of 1949 was due largely to a fall in corporate profits plus inventory valuation adjustment, although proprietors' income also fell somewhat.



[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
1949 <sup>1</sup>	222.5	142.2	45.7	4.3	30.3	27.6	-2.7
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 <sup>2</sup>	222.5	142.2	44.5	4.3	31.5	28.0	+3.5
Fourth quarter <sup>1</sup>	217.8	142.3	44.0	4.4	27.1	26.5	+0.6

<sup>1</sup> Estimates by Council of Economic Advisers; based on incomplete data.

<sup>2</sup> Preliminary estimates.

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

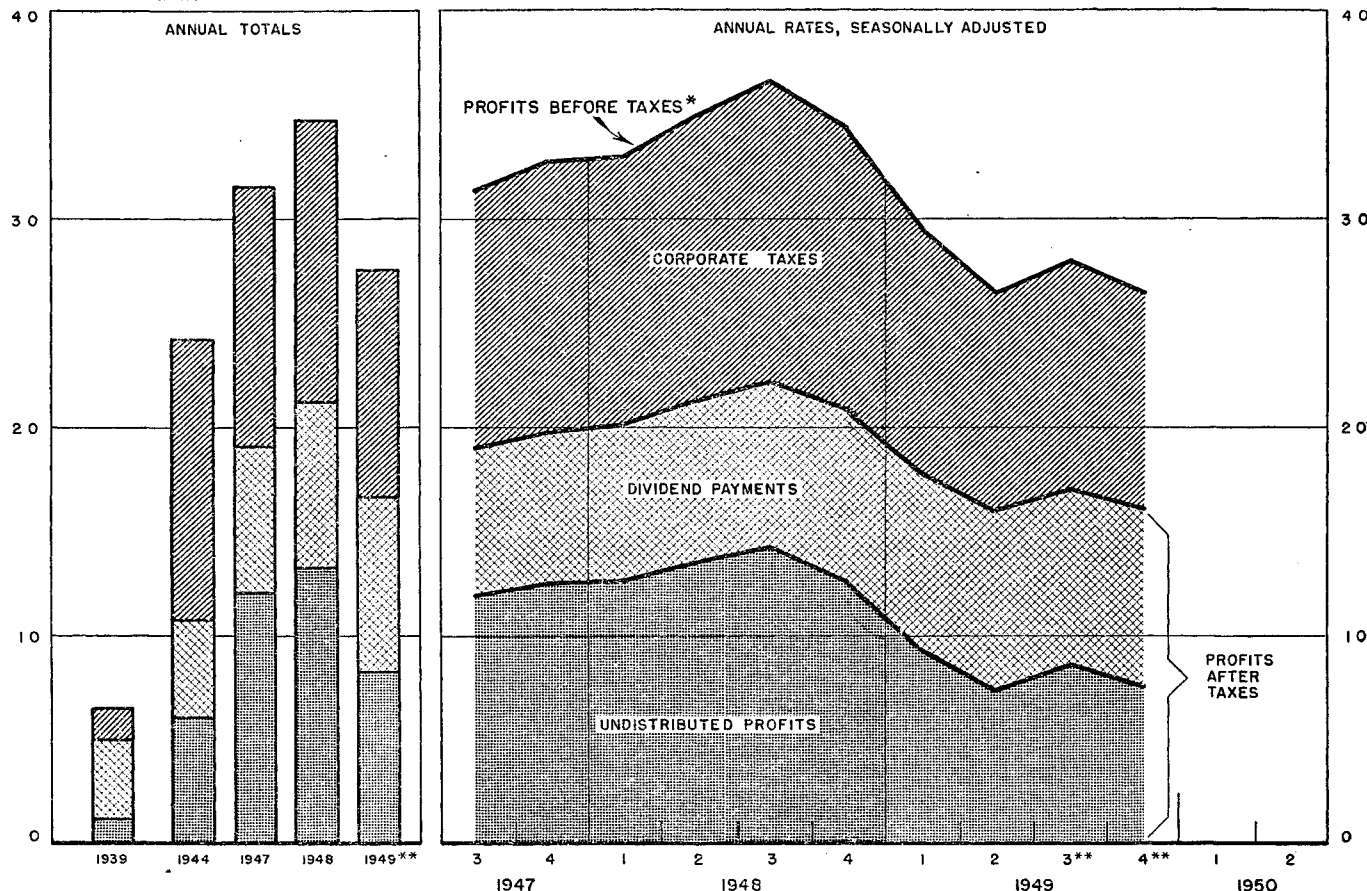
Source: Department of Commerce (except as noted).

# CORPORATE PROFITS

Corporate profits during 3rd quarter of 1949 rose substantially from 2nd quarter levels. The rebound in manufacturing activity and the peak output of automobiles were largely responsible. The 4th quarter level was affected by the work stoppages in steel and coal.

BILLIONS OF DOLLARS

BILLIONS OF DOLLARS



[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
1949 <sup>1</sup> .....	27.6	10.9	16.7	8.4	8.3
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.....	26.4	10.6	15.8	8.4	7.4
Third quarter <sup>1</sup> .....	28.0	11.0	17.0	8.4	8.6
Fourth quarter <sup>1</sup> .....	26.5	10.4	16.1	8.5	7.6

<sup>1</sup> Estimates by Council of Economic Advisers; based on incomplete data.

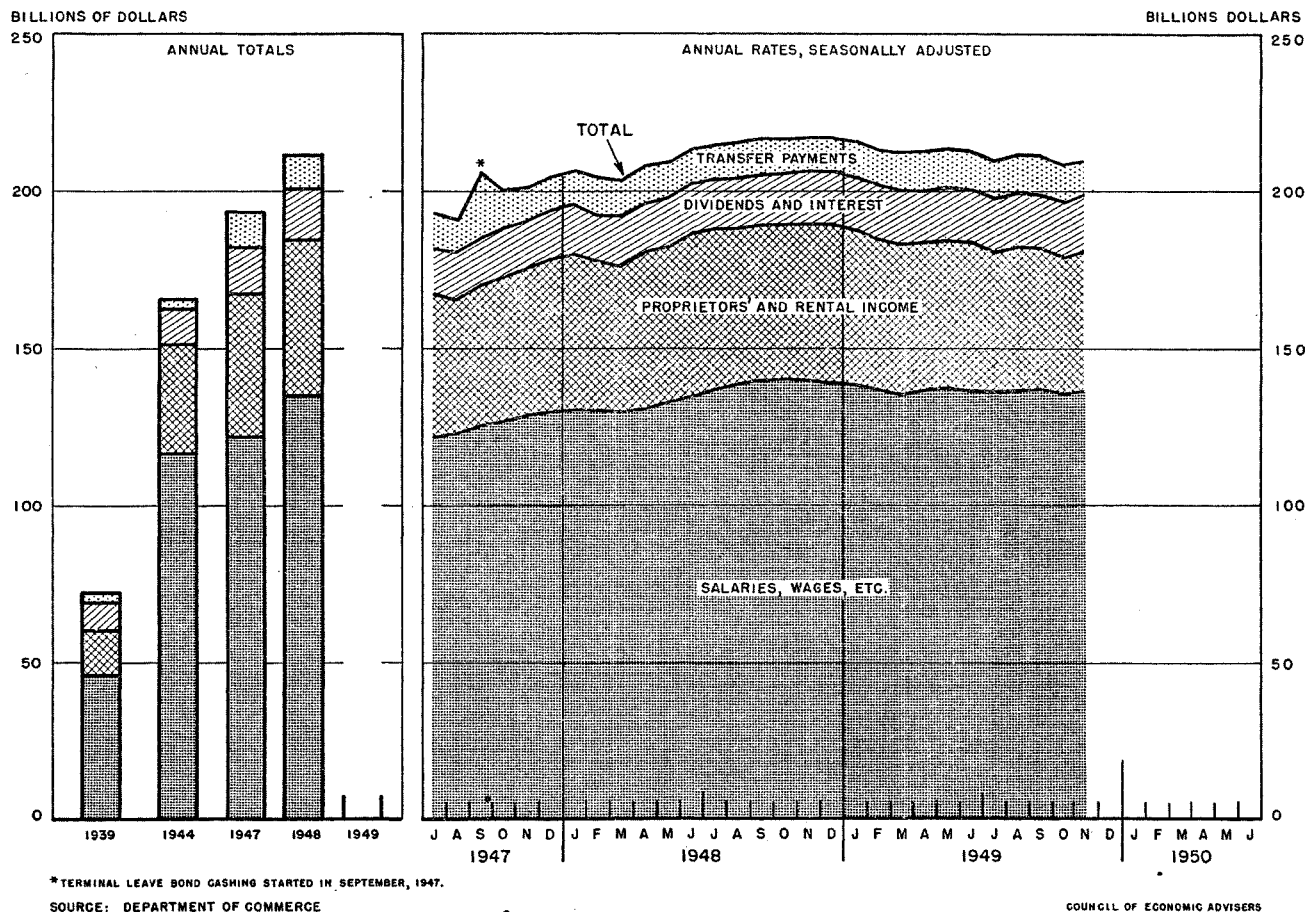
NOTE.—No allowance has been made for inventory valuation adjustment. See p. 20 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

# PERSONAL INCOME

Personal income rose slightly in November with transfer payments accounting for the largest part of the increase.



[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: 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.....	208.4	135.3	43.9	17.5	11.7
November <sup>1</sup> .....	209.7	135.9	44.1	17.6	12.1

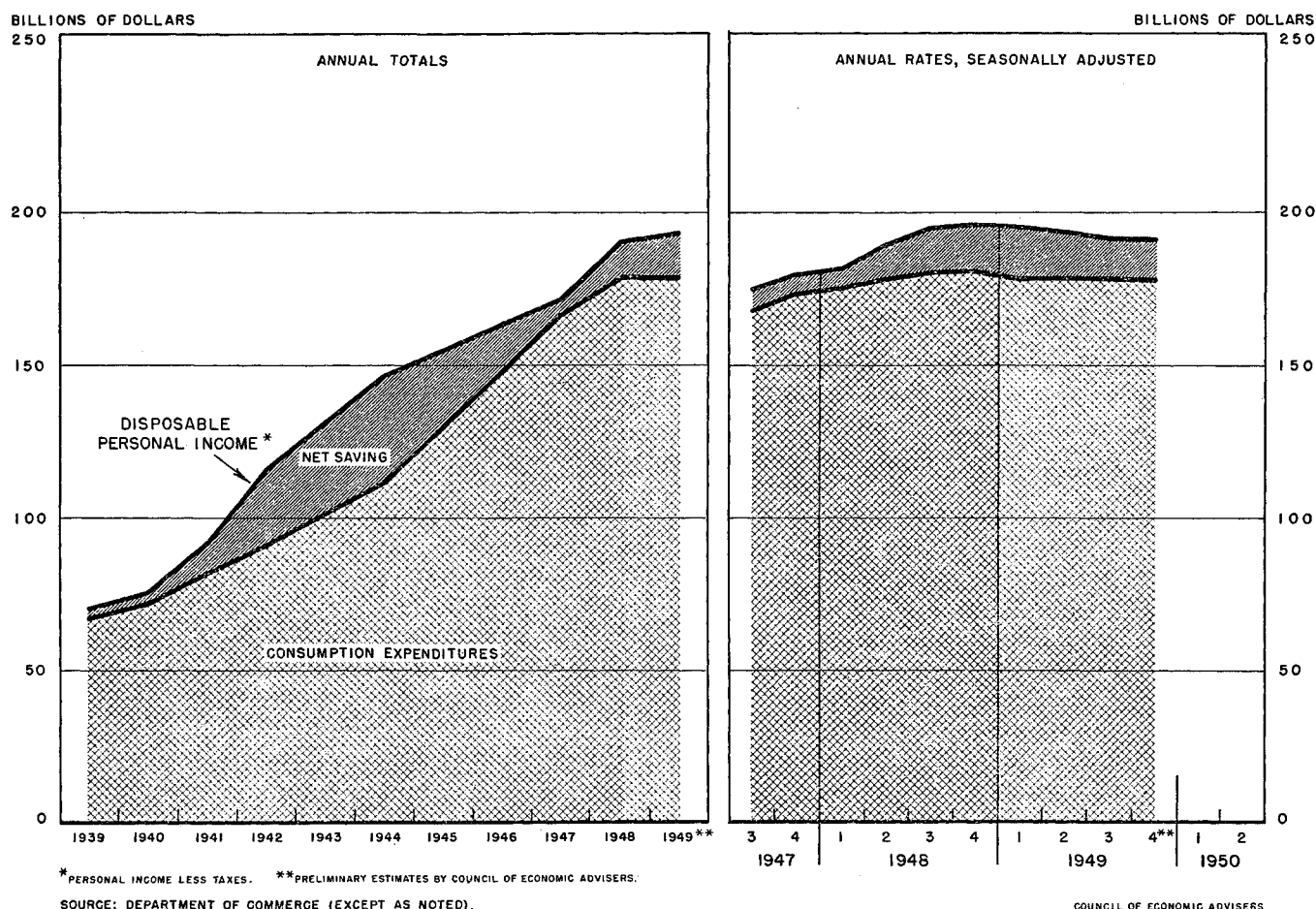
<sup>1</sup> Preliminary estimate.

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

Source: Department of Commerce.

# CONSUMER INCOME, SPENDING, AND SAVING

Consumer expenditures in 4th quarter of 1949 were \$ 178 billion (annual rate), a drop of only \$ 3 billion from the 4th quarter of 1948. During the same period, personal disposable income dropped \$ 5 billion and saving \$ 2 billion.



[Billions of dollars]

Period	Disposable personal income <sup>1</sup>	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
1949 <sup>2</sup> .....	192.9	178.5	14.4
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.....	191.9	178.5	13.3
Fourth quarter <sup>2</sup> .....	191.1	178.0	13.1

<sup>1</sup> Income less taxes.

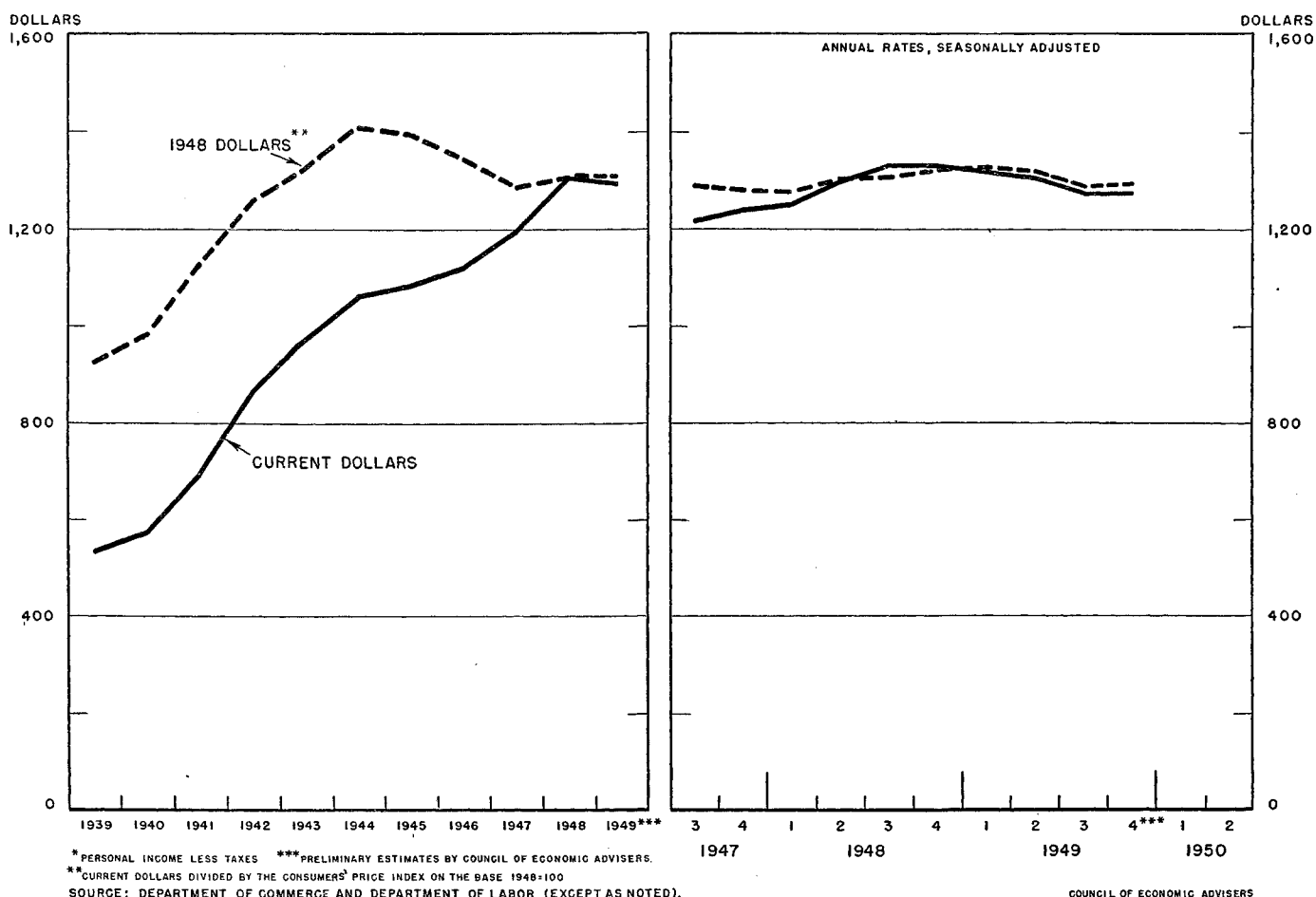
<sup>2</sup> Preliminary estimates by Council of Economic Advisers.

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, has declined very slowly but steadily since the first quarter of 1949.



Period	Per capita disposable personal income <sup>1</sup>		Consumers' price index <sup>2</sup> 1948=100
	Current dollars	1948 dollars <sup>3</sup>	
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
1949 <sup>4</sup>	1,293	1,309	98.8
	Annual rates, seasonally adjusted		Not adjusted for seasonal variation
	Current dollars	1948 dollars <sup>3</sup>	
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	1,283	1,300	98.7
Fourth quarter <sup>4</sup>	1,271	1,294	98.2

<sup>1</sup> Income less taxes.

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

<sup>3</sup> 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.

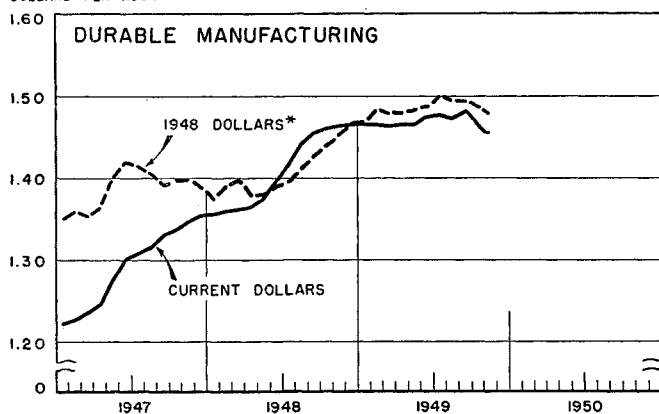
<sup>4</sup> Preliminary estimates by Council of Economic Advisers.

Sources: Department of Commerce and Department of Labor.

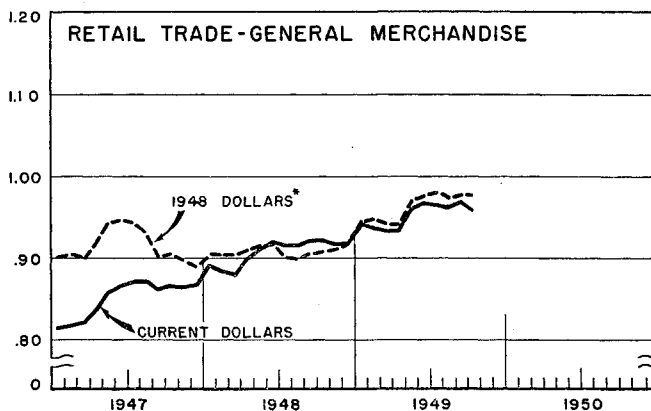
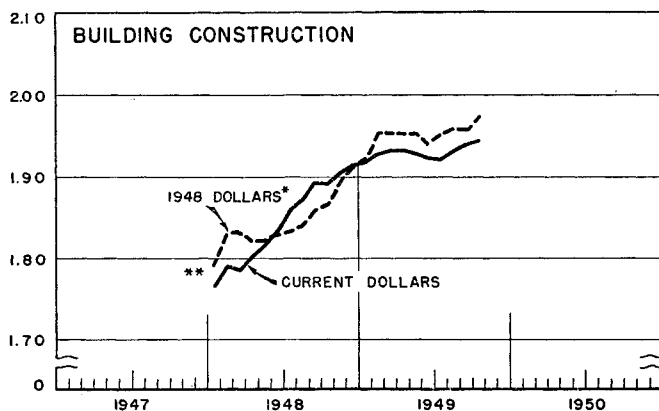
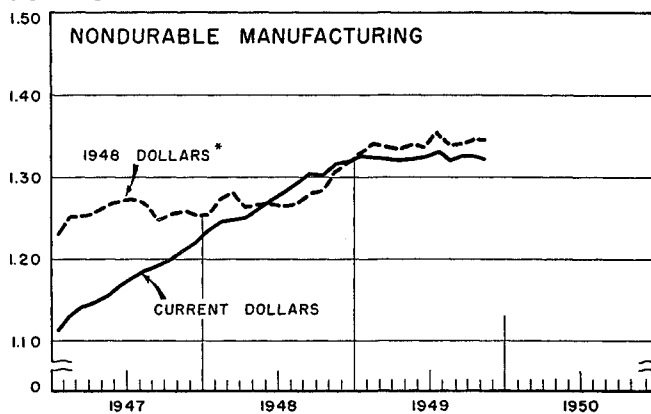
# AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Hourly earnings in both durable and nondurable manufacturing industries showed little change during November.

DOLLARS PER HOUR



DOLLARS PER HOUR



\* CURRENT DOLLARS DIVIDED BY CONSUMERS PRICE INDEX ON BASE OF 1948=100

\*\* NOT AVAILABLE PRIOR TO JANUARY 1948

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Selected industries <sup>1</sup>]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		General merchandise retail trade	
	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>
.939 monthly average.....	\$0. 633	\$1. 090	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
.943 monthly average.....	. 961	1. 302	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
.946 monthly average.....	1. 084	1. 300	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
.947 monthly average.....	1. 237	1. 329	\$1. 292	\$1. 388	\$1. 171	\$1. 258	( <sup>3</sup> )	( <sup>3</sup> )	\$0. 853	\$0. 916
.948 monthly average.....	1. 350	1. 350	1. 410	1. 410	1. 278	1. 278	\$1. 848	\$1. 848	. 910	. 910
.948: 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
.949: 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. 405	1. 418	1. 475	1. 488	1. 324	1. 336	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.....	1. 399	1. 419	1. 473	1. 494	1. 319	1. 338	1. 932	1. 959	. 961	. 975
September <sup>4</sup> .....	1. 407	1. 420	1. 482	1. 495	1. 328	1. 340	1. 940	1. 958	. 965	. 974
October <sup>4</sup> .....	1. 392	1. 415	1. 458	1. 482	1. 326	1. 348	1. 943	1. 975	. 960	. 976
November <sup>4</sup> .....	1. 389	1. 410	1. 454	1. 476	1. 321	1. 341	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )

<sup>1</sup> Production and related workers.

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

<sup>3</sup> Not available.

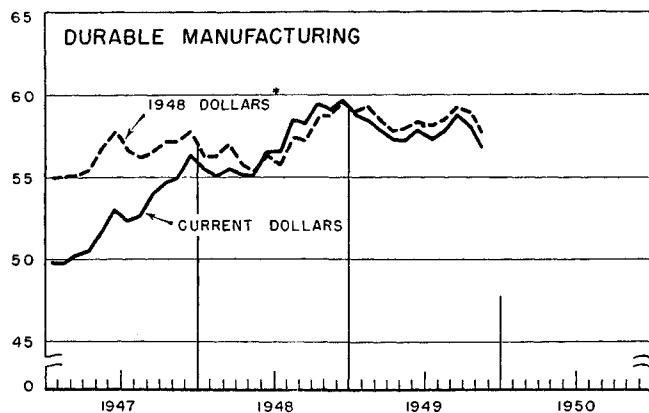
<sup>4</sup> Preliminary estimates.

Source: Department of Labor.

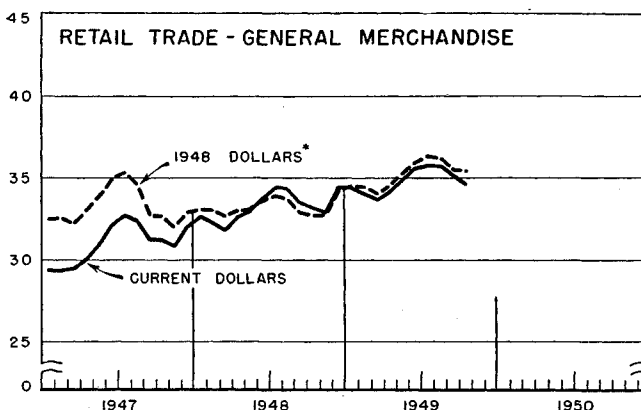
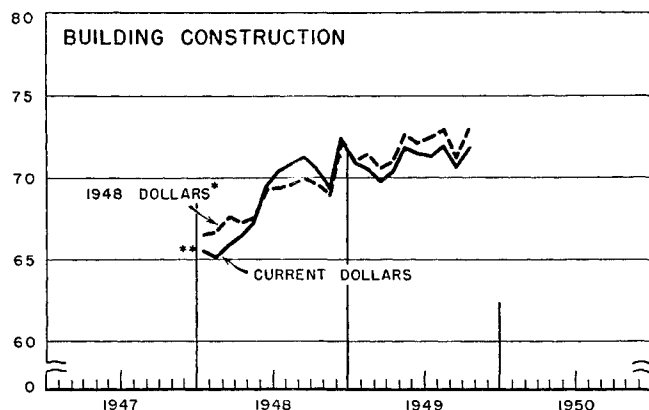
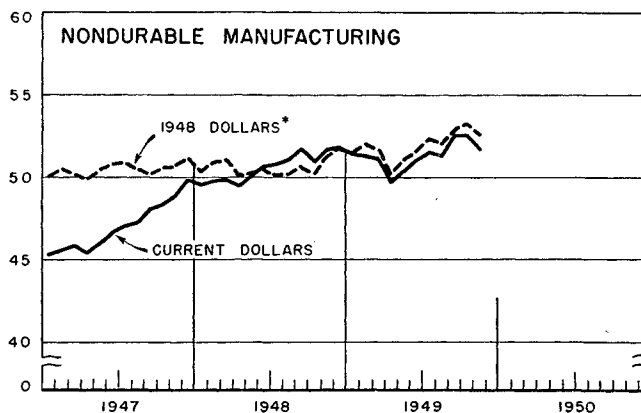
# AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings in November dropped more than a dollar for durable manufacturing and more than half a dollar for nondurables. Both decreases were attributed to a shorter workweek.

DOLLARS PER WEEK



DOLLARS PER WEEK



\* 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 industries <sup>1</sup>]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		General merchandise retail trade	
	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>	Current dollars	1948 dollars <sup>2</sup>
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: 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.....	54.51	55.00	57.82	58.35	50.97	51.43	71.44	72.09	35.62	35.94
July.....	54.63	55.52	57.31	58.24	51.55	52.39	71.28	72.44	35.86	36.44
August.....	54.70	55.48	57.89	58.71	51.31	52.04	71.95	72.97	35.75	36.26
September <sup>4</sup> .....	55.72	56.23	58.84	59.37	52.59	53.07	70.69	71.33	35.32	35.64
October <sup>4</sup> .....	55.26	56.16	58.03	58.97	52.51	53.36	71.76	72.93	34.66	35.22
November <sup>4</sup> .....	54.45	55.28	56.85	57.72	51.78	52.57	(3)	(3)	(3)	(3)

<sup>1</sup> For production and related workers.

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

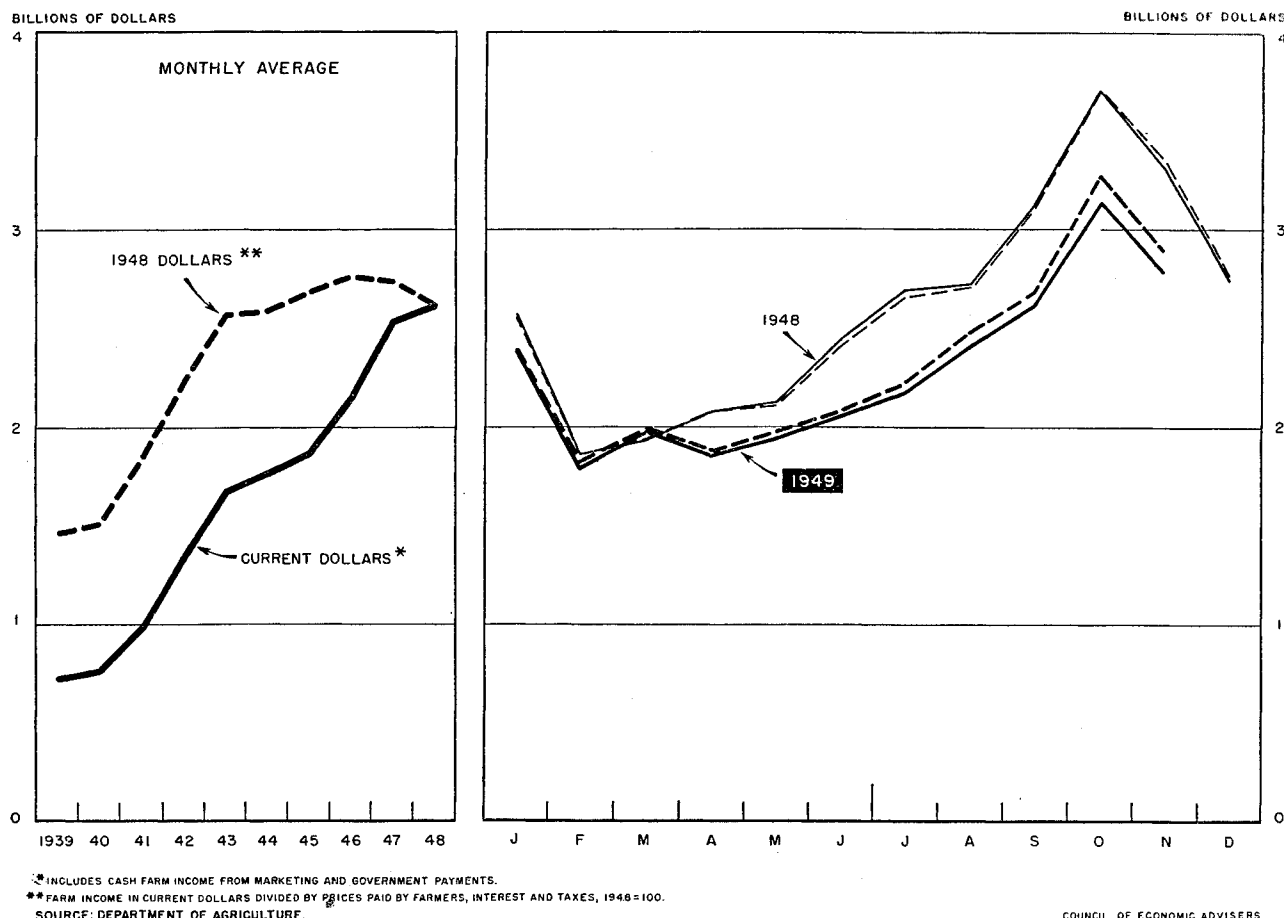
<sup>3</sup> Not available.

<sup>4</sup> Preliminary estimates.

Source: Department of Labor.

# FARM INCOME

Farm income decreased in November as fall crop movements tapered off from their October peak. In current dollars it was nearly 16 percent lower than in November 1948, in purchasing power about 13 percent lower.



Period	Farm income (millions of current dollars) <sup>1</sup>	Prices paid by farmers (incl interest and taxes) 1948= 100 <sup>2</sup>	Farm income (millions of 1948 dollars) <sup>3</sup>
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: 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.....	2,608	97.2	2,683
October <sup>4</sup> .....	3,139	96.4	3,256
November <sup>4</sup> .....	2,790	96.0	2,906

<sup>1</sup> Includes cash farm income from marketings and Government payments.

<sup>2</sup> Converted from the reported base, 1910-14=100, to the base 1948=100.

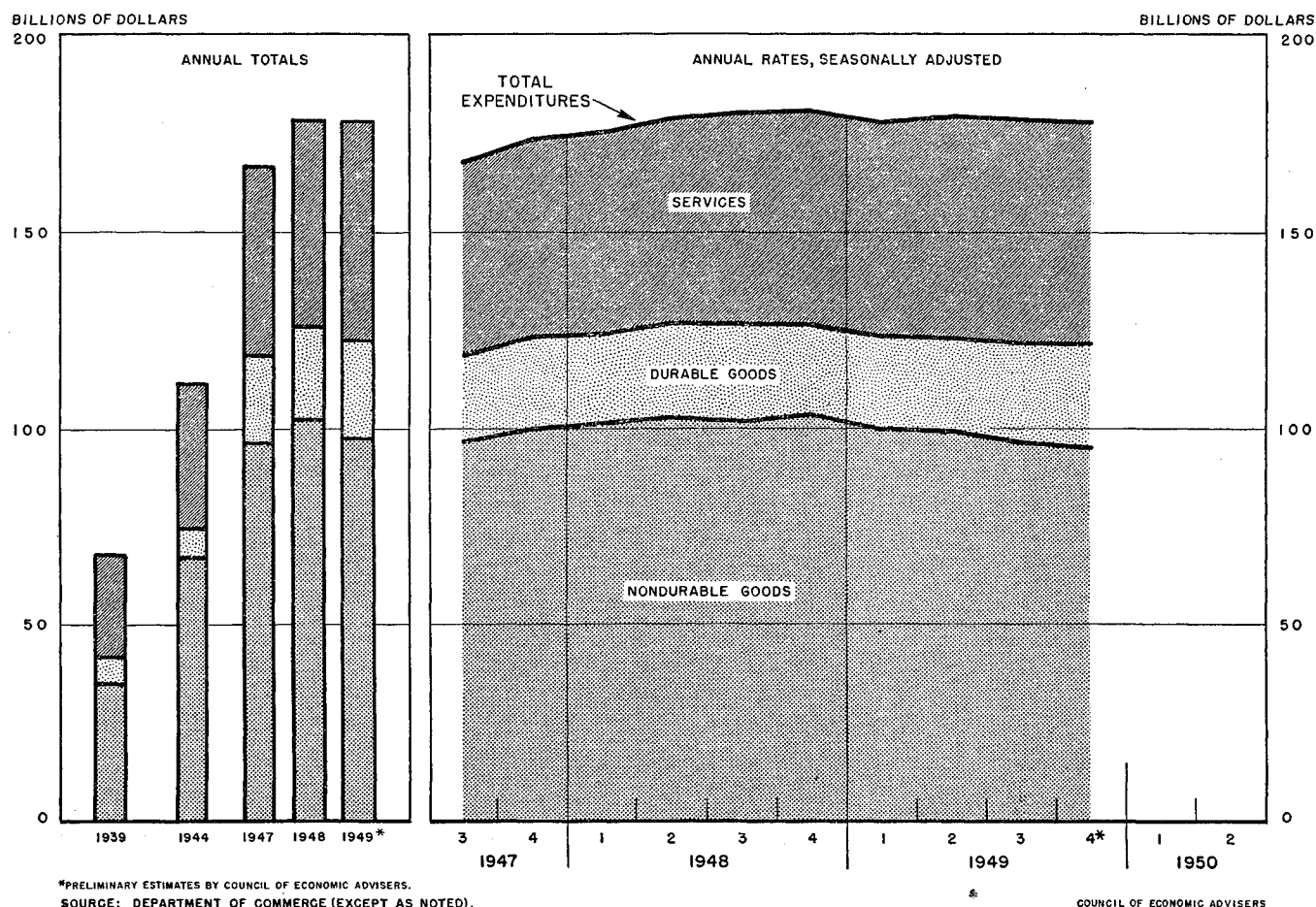
<sup>3</sup> Farm income in current dollars divided by prices paid by farmers, interest, and taxes, 1948=100.

<sup>4</sup> Preliminary estimates.

Source: Department of Agriculture.

# PERSONAL CONSUMPTION EXPENDITURES

According to preliminary estimates, purchases of durable goods and services reached a new high in 4th quarter of 1949. Nondurable goods continued the decline started the first part of this year, and were 8 percent below 4th quarter of 1948.



[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
1949 <sup>1</sup> .....	178.5	97.7	24.8	56.0
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.....	178.5	96.5	25.8	56.2
Fourth quarter <sup>1</sup> .....	178.0	95.0	26.5	56.5

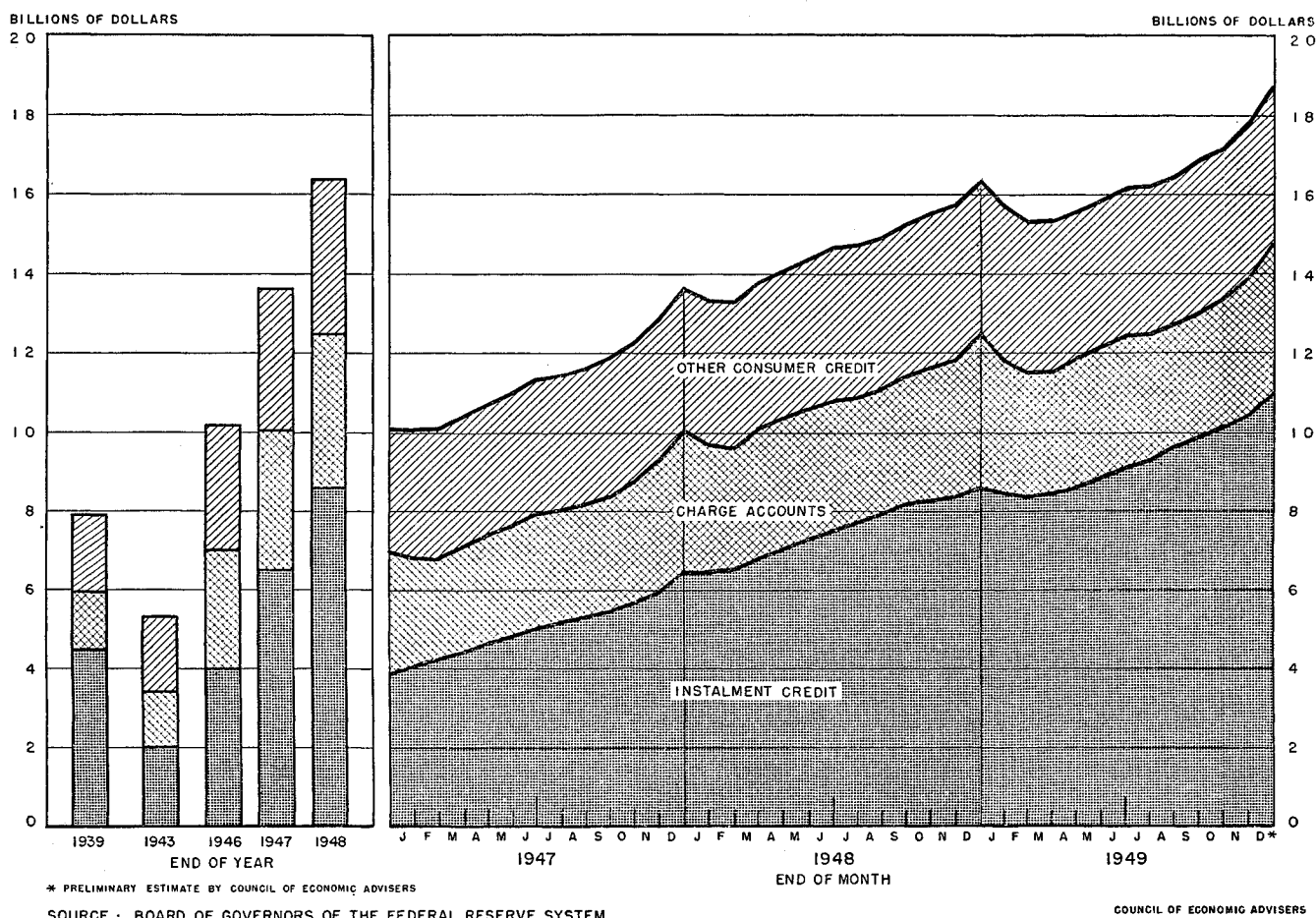
<sup>1</sup>Preliminary estimates by Council of Economic Advisers.

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

Source: Department of Commerce.

# CONSUMER CREDIT

With a large seasonal rise in instalment credit, chiefly other than automobile, and in charge accounts, total consumer credit in December increased more than during the corresponding period of 1948.



[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit			Charge accounts	Other consumer credit <sup>1</sup>
		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
1949 <sup>2</sup> .....	18,700	10,900	3,200	7,700	3,800	4,000
1948: 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.....	16,801	9,897	2,876	7,021	3,123	3,781
October.....	17,220	10,162	2,986	7,176	3,197	3,861
November.....	17,823	10,450	3,095	7,355	3,454	3,919
December <sup>2</sup> .....	18,700	10,900	3,200	7,700	3,800	4,000

<sup>1</sup> Includes single-payment loans of commercial banks and pawnbrokers and service credit.

<sup>2</sup> Preliminary estimates by Council of Economic Advisers.

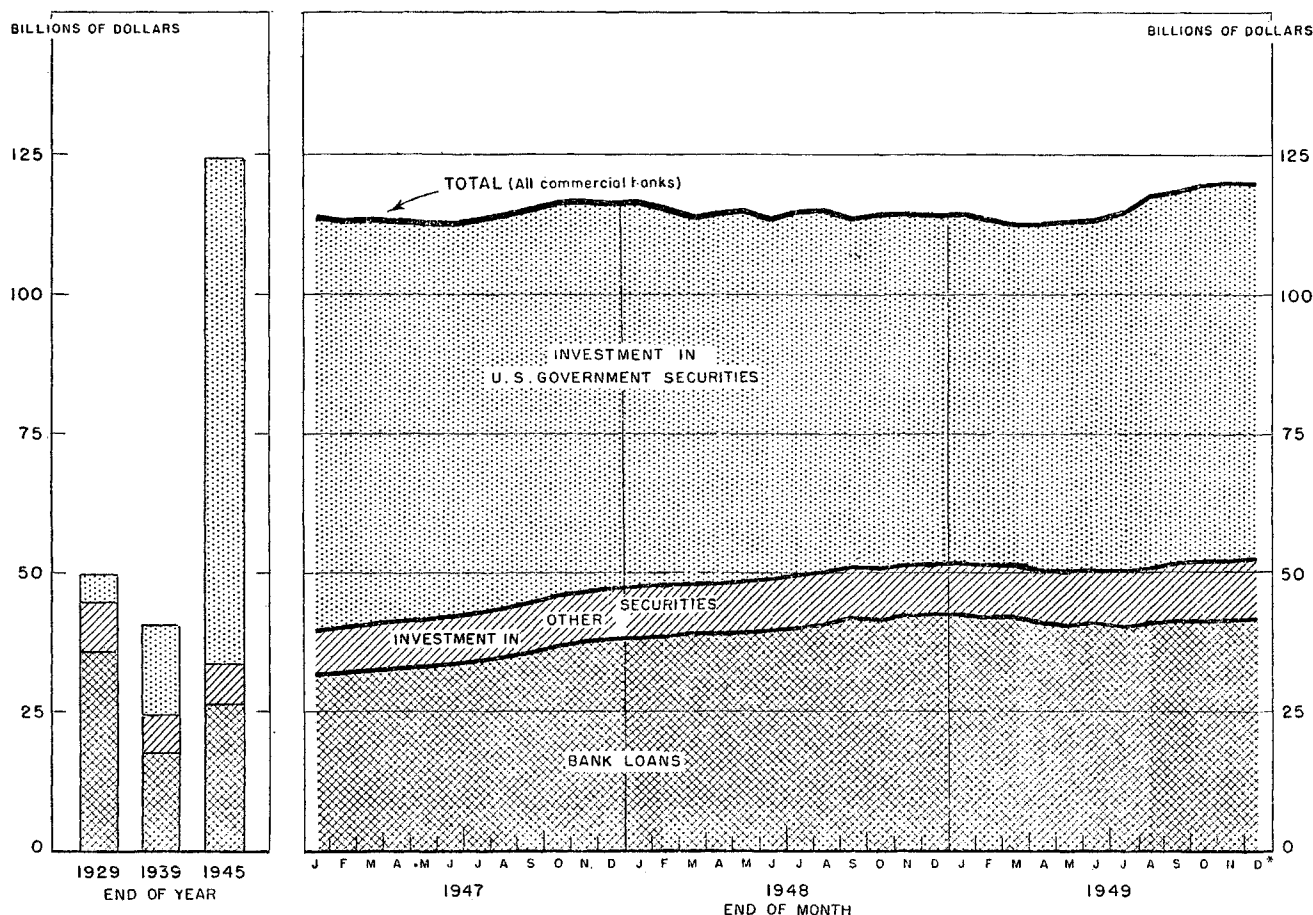
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

# MONEY, BANKING, AND FEDERAL FINANCE

## BANK LOANS AND INVESTMENTS

Since July commercial bank loans have risen steadily, reaching at the end of December a figure about \$700 million larger than at the end of 1948.



\*PRELIMINARY ESTIMATE BY COUNCIL OF ECONOMIC ADVISERS  
SOURCE: Board of Governors of the Federal Reserve System

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
1949 <sup>1</sup> .....	121.0	43.2	77.8	67.5	10.3
1948: 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.....	119.8	41.9	77.9	67.7	10.2
November.....	120.2	42.9	77.3	67.1	10.2
December <sup>1</sup> .....	121.0	43.2	77.8	67.5	10.3

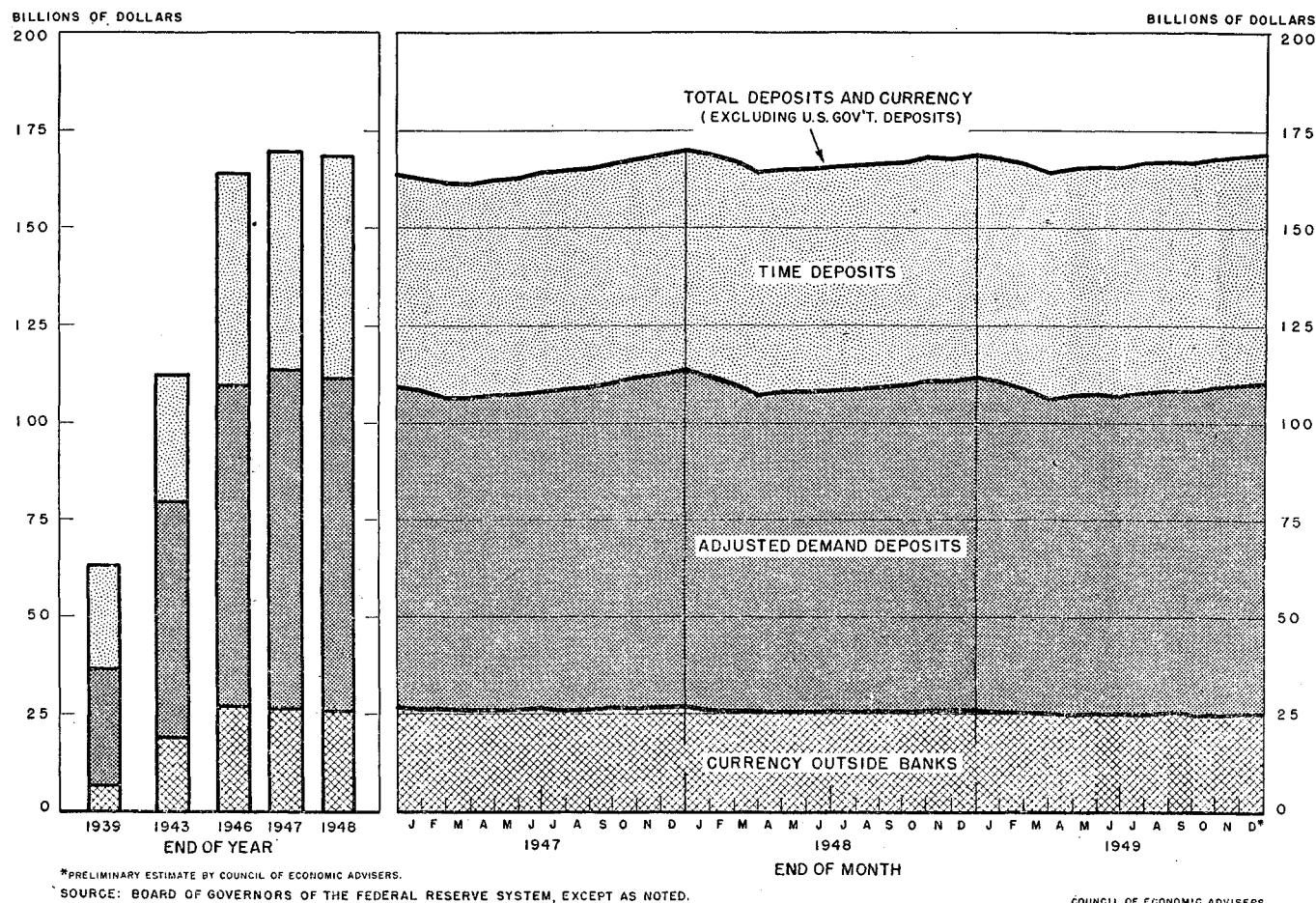
<sup>1</sup> Preliminary estimates by Council of Economic Advisers.

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

Source: Board of Governors of the Federal Reserve System.

# MONEY SUPPLY

The money supply increased \$1.5 billion in December, exceeding the 1948 year-end total by \$1 billion.



[Billions of dollars]

End of period	Total money supply	Currency outside banks	Adjusted demand deposits <sup>1</sup>	Time deposits <sup>2</sup>
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
1949 <sup>3</sup> .....	170.1	25.2	86.7	58.2
1948: November.....	168.1	25.9	85.2	57.0
1948: December.....	169.1	26.1	85.5	57.5
1949: January.....	168.2	25.2	85.4	57.6
1949: February.....	166.3	25.1	83.4	57.8
1949: March.....	164.2	25.1	81.1	58.0
1949: April.....	165.5	24.9	82.4	58.1
1949: May.....	165.7	25.0	82.6	58.2
1949: June.....	165.6	25.0	82.2	58.4
1949: July.....	166.3	24.9	83.1	58.4
1949: August.....	166.9	25.1	83.4	58.3
1949: September.....	166.6	24.9	83.3	58.4
1949: October.....	168.0	24.9	84.6	58.4
1949: November.....	168.6	25.1	85.5	58.0
1949: December <sup>3</sup> .....	170.1	25.2	86.7	58.2

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

<sup>2</sup> Includes deposits in commercial banks, mutual savings banks, and Postal Savings System.

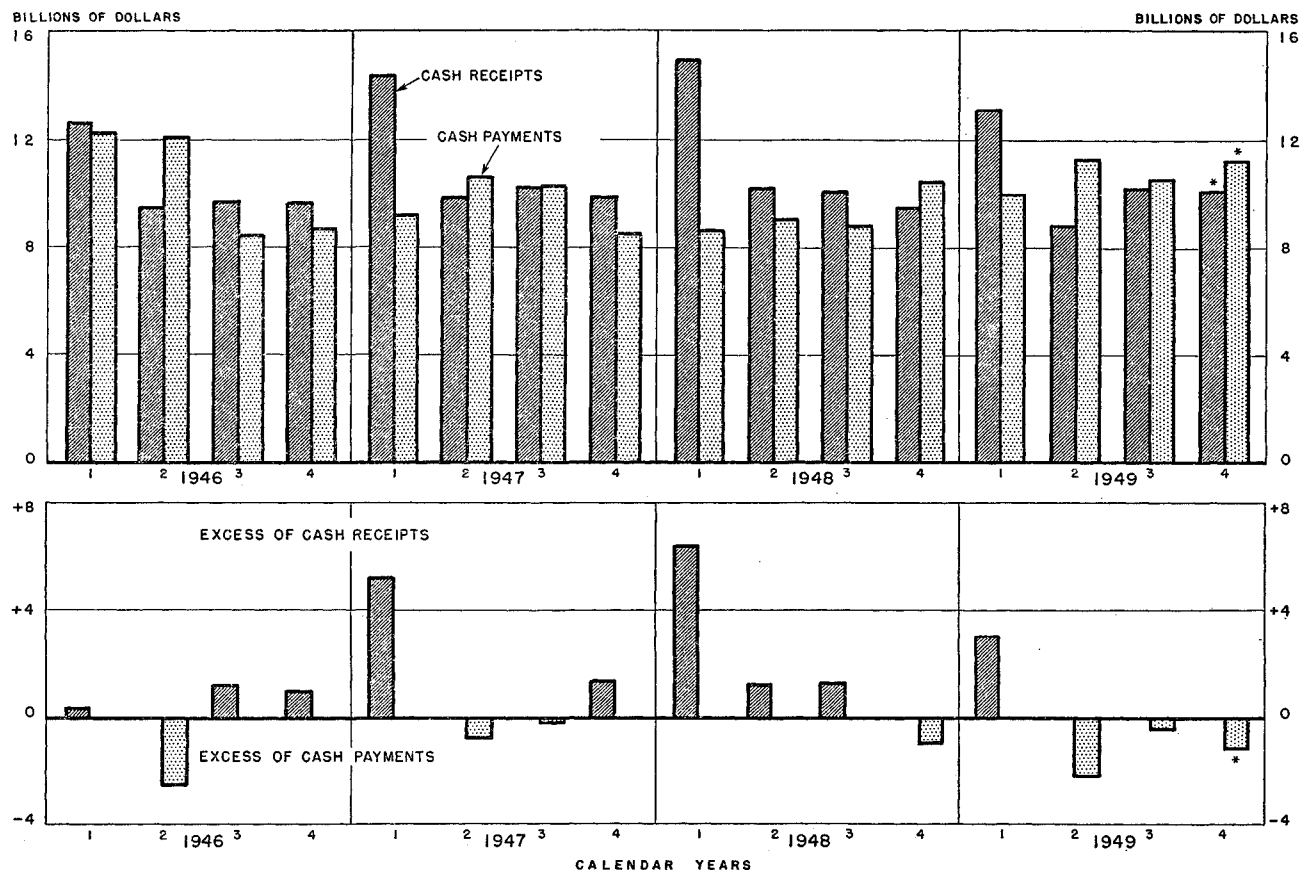
<sup>3</sup> Preliminary estimates by Council of Economic Advisers.

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 \$1.9 billion for the 4th quarter compares with a deficit of about \$0.9 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 <sup>1</sup>	Federal cash payments to the public <sup>1</sup>	Excess of receipts (+) or payments (-)
<b>Calendar year total:</b>			
1946.....	41,426	41,372	+54
1947.....	44,279	38,584	+5,695
1948.....	44,920	36,954	+7,967
1949 <sup>2</sup> .....	41,400	43,100	-1,700
<b>Quarterly total, not adjusted for seasonal:</b>			
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.....	10,143	10,528	-385
Fourth quarter <sup>2</sup> .....	9,300	11,200	-1,900

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

<sup>2</sup> 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.