

Economic Indicators

JULY 1950

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



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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.

Charts drawn by Graphics Unit, Office of the Secretary, Department of Commerce

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THE TOTAL OUTPUT OF THE ECONOMY

THE NATION'S ECONOMIC BUDGET

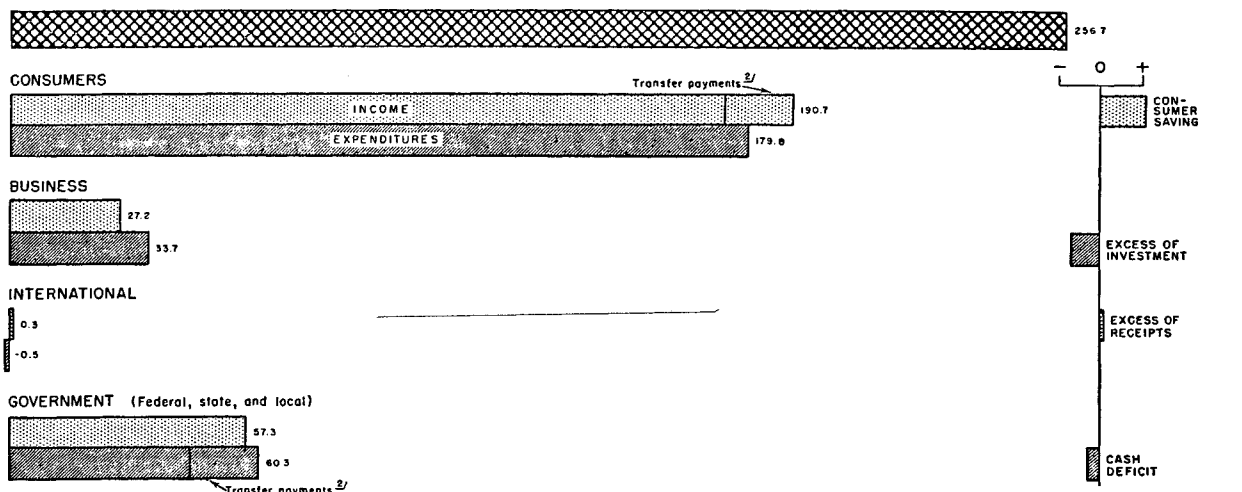
The Nation's Economic Budget total in 1st quarter of 1950 was about 3 percent above 4th quarter of 1949, according to revised estimates. The payment of the National Service Life Insurance dividend to veterans resulted in a sharp rise in consumer disposable income

1949, 4th Quarter

(BILLIONS OF DOLLARS) ^{1/}

TOTAL (Gross National Product)

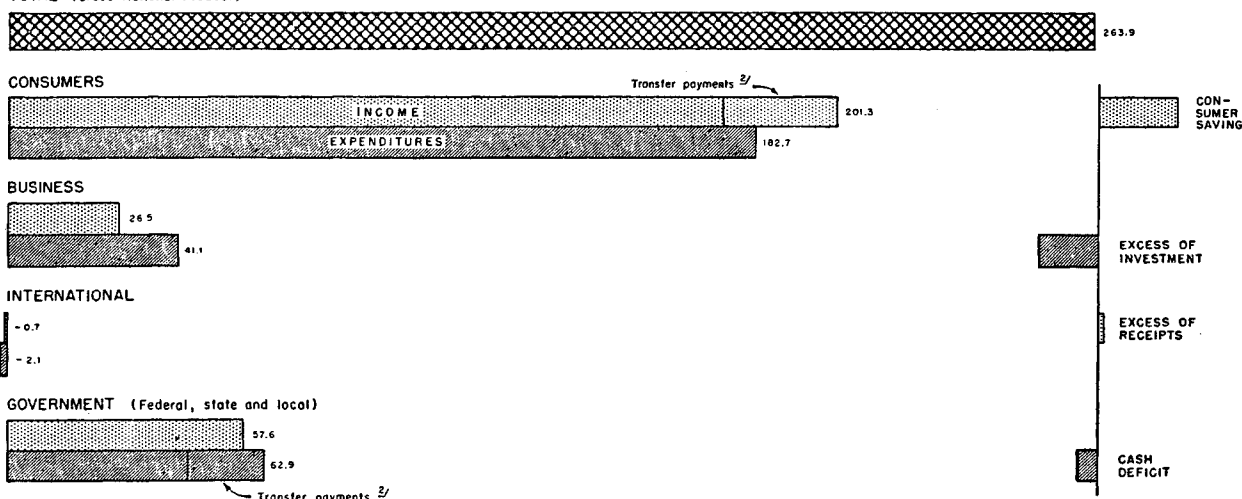
EXCESS OF
EXPENDITURES (-), RECEIPTS (+)



1950, 1st Quarter

(BILLIONS OF DOLLARS) ^{1/}

TOTAL (Gross National Product)



^{1/} ANNUAL RATES, SEASONALLY ADJUSTED

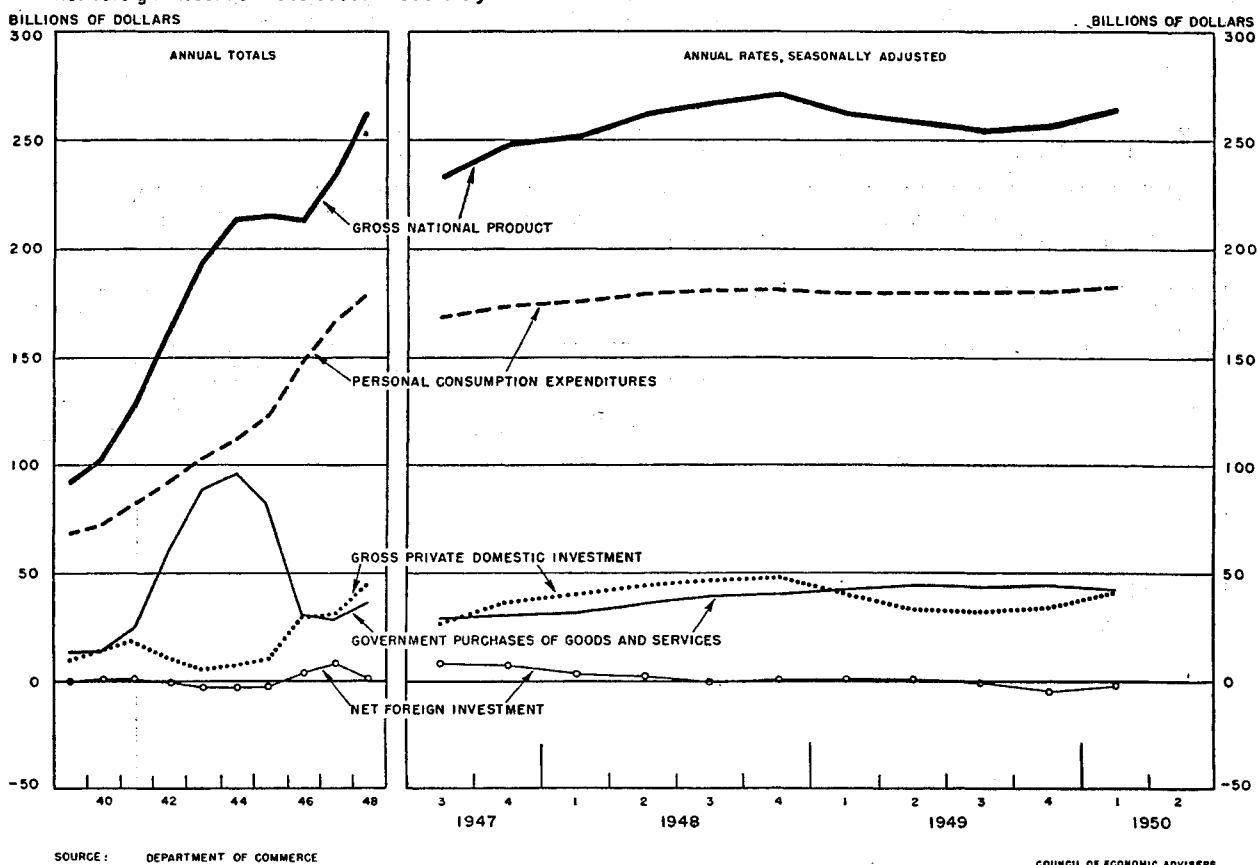
^{2/} TRANSFER PAYMENTS ARE INCLUDED IN RECEIPTS OR EXPENDITURES OF THE SEPARATE ACCOUNTS BUT NOT IN THE TOTAL GROSS NATIONAL PRODUCT.

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

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GROSS NATIONAL PRODUCT

Total gross national product rose \$7.2 billion (annual rate) in 1st quarter of 1950. Personal consumption expenditures were \$2.9 billion higher. Private investment increased \$7.4 billion due to the peak rate of residential construction and a shift from inventory liquidation to accumulation. Government purchases and net foreign investment decreased moderately.



SOURCE: DEPARTMENT OF COMMERCE

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[Billions of dollars]

Period	Total gross national product	Personal consumption expenditures	Gross private domestic investment	Net foreign investment	Government purchases of goods and services
1939-----	91.3	67.5	9.9	0.9	13.1
1944-----	213.7	111.6	7.7	-2.1	96.5
1946-----	212.6	147.8	29.5	4.7	30.7
1947-----	235.7	166.9	31.1	8.9	28.8
1948-----	262.4	178.8	45.0	1.9	36.7
1949-----	257.8	179.4	34.7	.4	43.4
Annual rates, seasonally adjusted					
1948: Third quarter-----	266.5	180.3	47.1	-0.1	39.2
1948: Fourth quarter-----	270.3	180.9	48.0	1.0	40.3
1949: First quarter-----	262.0	178.7	40.0	1.0	42.3
1949: Second quarter-----	257.9	179.3	33.2	1.2	44.2
1949: Third quarter-----	254.6	179.7	32.1	-3	43.2
1949: Fourth quarter-----	256.7	179.8	33.7	-5	43.7
1950: First quarter-----	263.9	182.7	41.1	-2.1	42.2

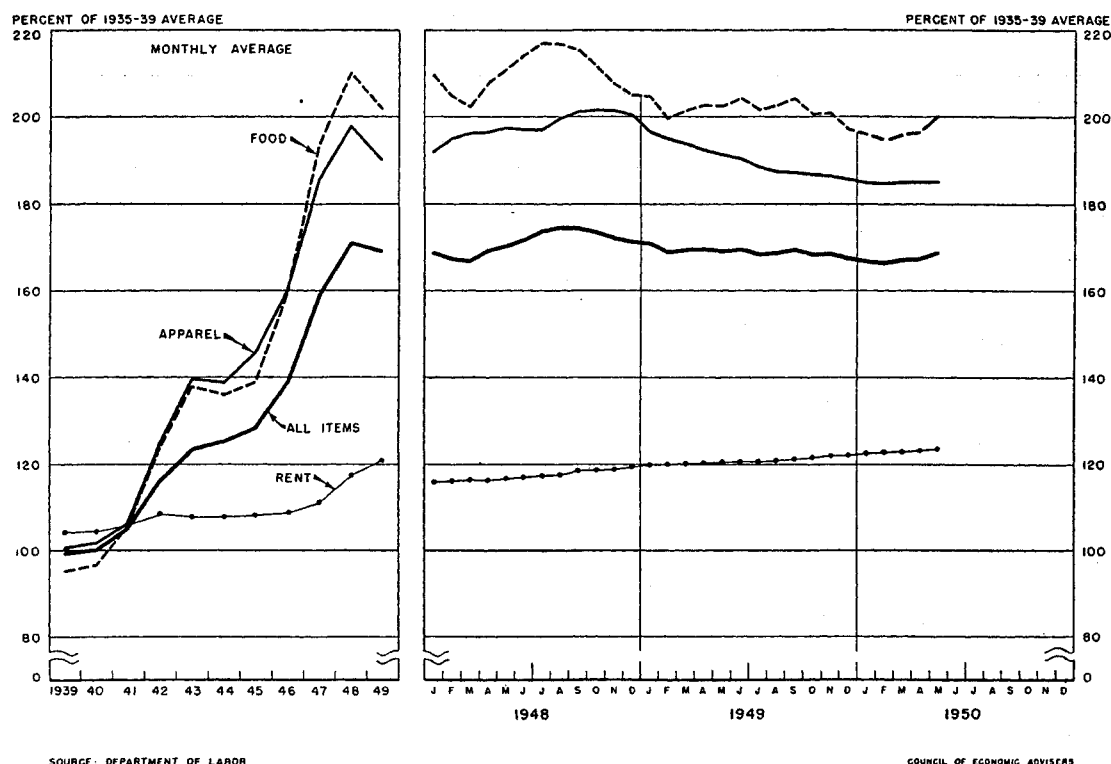
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

PRICES

CONSUMERS' PRICES

Consumers' prices rose in May, mainly because of advances in food prices although rents and the miscellaneous group also increased slightly. Other prices showed little change, except fuels, which declined substantially.



[1935-39=100]

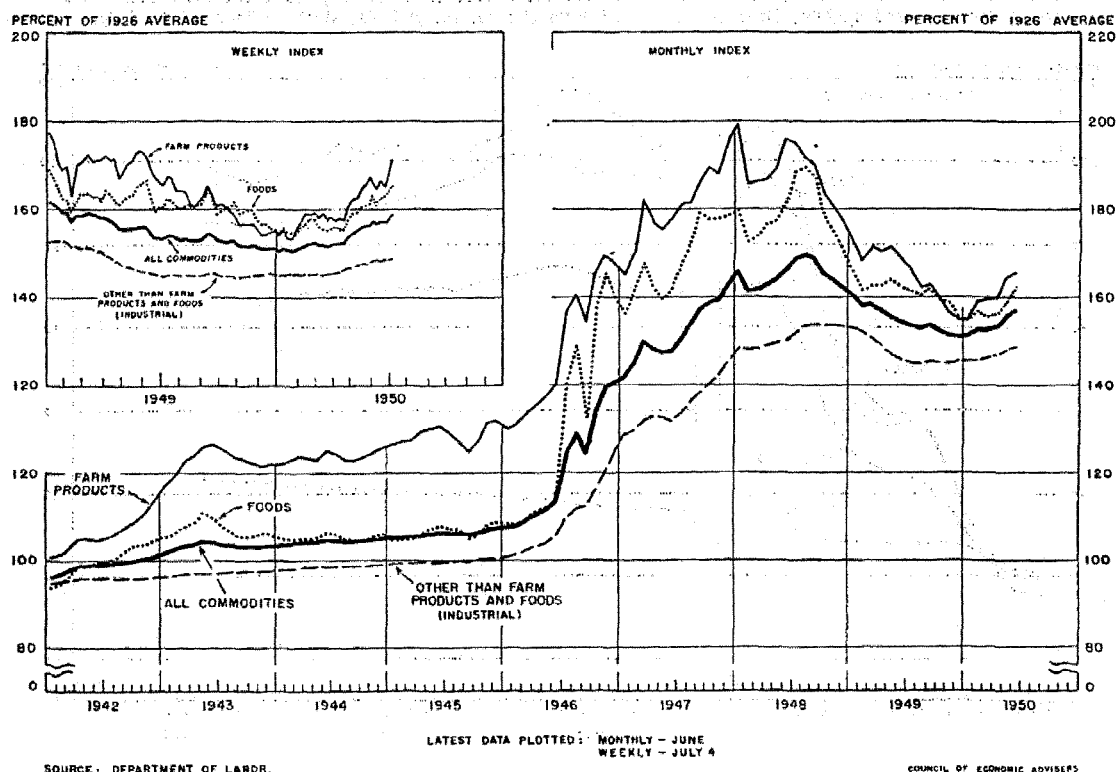
Period	All items	Food	Apparel	Rent	Fuel, electricity, and refrigeration	House furnishings	Miscellaneous
1940 monthly average.....	100.2	96.6	101.7	104.6	99.7	100.5	101.1
1941 monthly average.....	105.2	105.5	106.3	106.2	102.2	107.3	104.0
1942 monthly average.....	116.5	123.9	124.2	108.5	105.4	122.2	110.9
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
1949 monthly average.....	169.1	201.9	190.1	120.8	137.5	189.0	154.6
1949: 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
December 15.....	167.5	197.3	185.8	122.2	139.7	185.4	155.5
1950: January 15.....	166.9	196.0	185.0	122.6	140.0	184.7	155.1
February 15.....	166.5	194.8	184.8	122.8	140.3	185.3	155.1
March 15.....	167.0	196.0	185.0	122.9	140.9	185.4	155.0
April 15.....	167.3	196.6	185.1	123.1	141.4	185.6	154.8
May 15.....	168.6	200.3	185.1	123.5	138.8	185.4	155.3

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

Source: Department of Labor.

WHOLESALE PRICES

Wholesale prices were slightly higher in June than a month earlier. Farm product prices averaged slightly higher for the month. Food prices were higher. Industrial prices continued to advance moderately.



[1926=100]

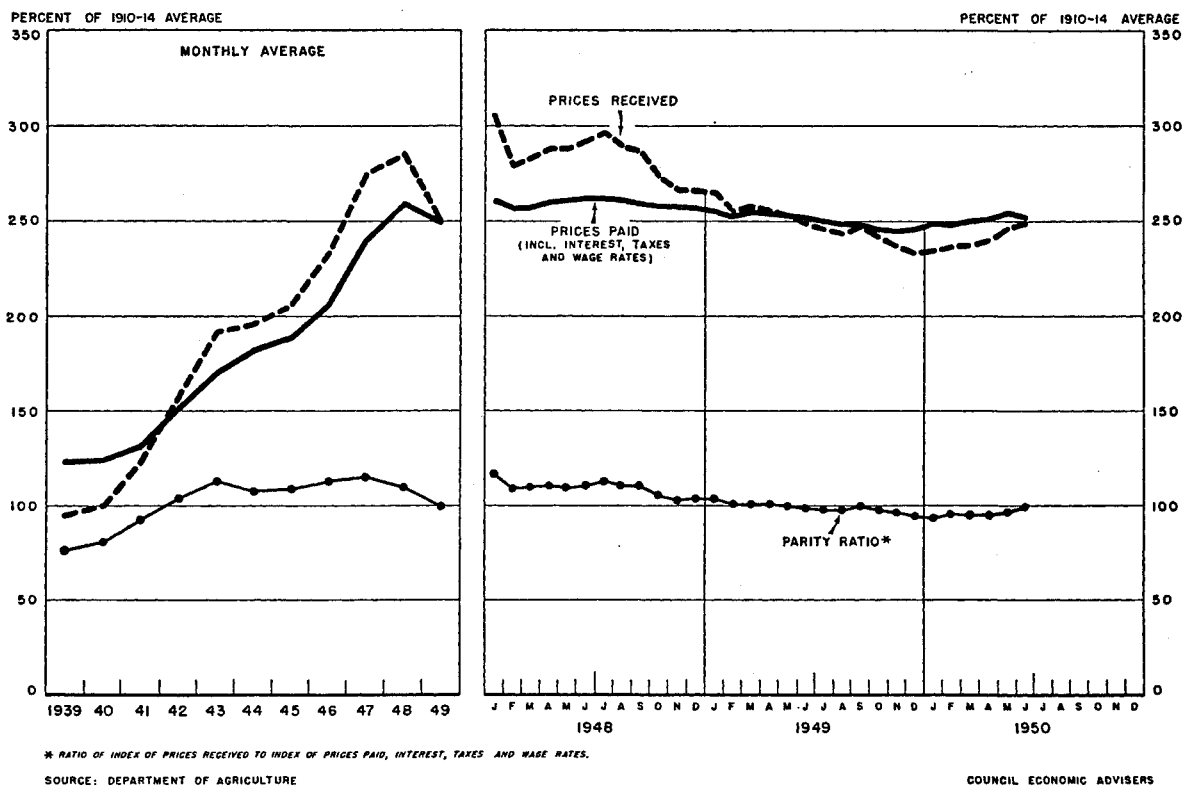
Period	All commodities	Farm products	Foods	Other than farm products and foods
1942 monthly average	98.8	105.9	99.6	95.5
1946 monthly average	121.1	148.9	130.7	109.5
June	112.9	140.1	112.9	105.6
1947 monthly average	152.1	181.2	168.7	135.2
1948 monthly average	165.1	188.3	179.1	151.0
1949 monthly average	155.0	165.5	161.4	147.3
1949: May	155.8	171.5	163.8	146.9
June	154.5	168.8	162.4	145.5
July	153.6	166.2	161.3	145.1
August	152.9	162.3	160.6	145.0
September	153.5	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	151.2	154.9	155.7	145.4
1950: January	151.5	154.7	154.8	145.8
February	152.7	159.1	156.7	145.9
March	152.7	159.4	155.5	146.1
April	152.9	159.3	155.3	146.4
May	155.9	164.7	159.9	147.6
June ¹	157.3	165.8	162.2	148.7
Week ended:				
1950: June 6	157.4	166.4	163.2	148.2
13	156.7	164.5	161.0	148.3
20	157.1	166.2	162.5	148.3
27	157.1	165.0	162.7	148.7
July 4	159.0	171.3	165.2	149.0

¹ Estimate based on incomplete data.

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

A rise of 2 points in prices received, and a drop of 2 points in prices paid by farmers, from May 15 to June 15, raised the parity ratio to 99—just equal to the June 1949 ratio.



[1910-14=100]

Period	Prices received by farmers	Prices paid by farmers (including interest, taxes, and wage rates)	Parity ratio ¹
1939 monthly average.....	95	123	77
1942 monthly average.....	158	152	104
1944 monthly average.....	² 196	182	108
1945 monthly average.....	² 206	189	109
1946 monthly average.....	² 234	207	113
1947 monthly average.....	275	240	115
1948 monthly average.....	285	259	110
1949 monthly average.....	249	250	100
1949: May 15.....	253	253	100
June 15.....	249	252	99
July 15.....	246	250	98
August 15.....	244	249	98
September 15.....	247	248	100
October 15.....	242	246	98
November 15.....	237	245	97
December 15.....	233	246	95
1950: January 15.....	235	249	94
February 15.....	237	248	96
March 15.....	237	250	95
April 15.....	241	251	96
May 15.....	247	254	97
June 15.....	249	252	99

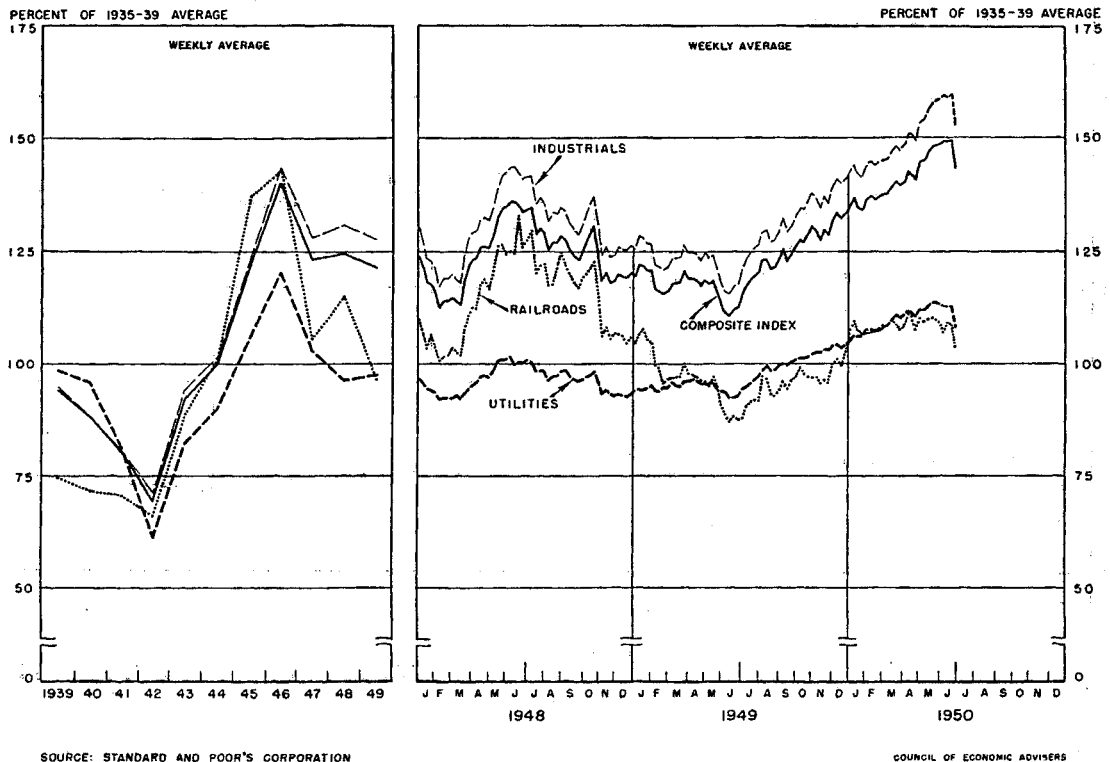
¹ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates.

² Includes wartime subsidy payments paid on beef cattle, sheep, lambs, milk, and butterfat between October 1943 and June 1946.

Source: Department of Agriculture.

STOCK PRICES

After reaching new peak levels in June, the Korean development caused stock prices to break sharply, wiping out most of the gains since April.



[1935-39=100]

Period	Composite 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
1949.....	121.3	127.5	96.4	97.5
1949: May.....	117.7	123.5	95.8	95.3
June.....	112.0	117.0	88.4	93.0
July.....	117.8	123.8	90.6	95.4
August.....	121.8	128.0	94.2	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.....	132.7	140.3	101.0	104.1
1950: January.....	135.1	142.6	107.8	105.8
February.....	136.7	144.4	107.2	107.4
March.....	138.8	146.5	108.5	109.6
April.....	141.6	150.0	109.4	111.1
May.....	146.9	156.1	109.7	112.8
June.....	147.7	157.6	107.1	111.5
Week ended:				
1950: June 7.....	149.2	159.3	106.7	112.9
14.....	149.0	158.9	109.3	112.6
21.....	149.4	159.5	108.6	112.5
28.....	143.2	152.9	103.6	108.0
July 5 ²	140.9	150.4	102.5	106.2

¹ Composite 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.

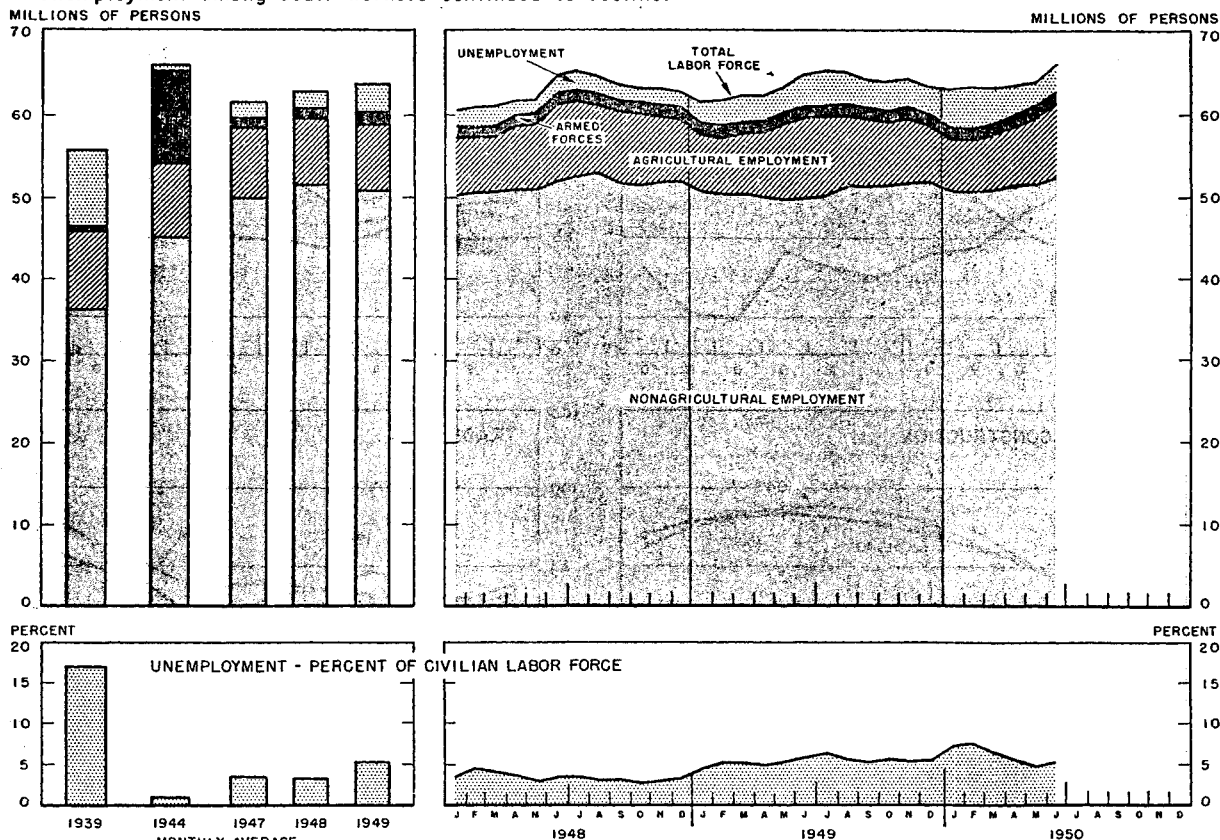
² Data became available after chart was prepared.

Source: Standard & Poor's Corporation.

EMPLOYMENT

LABOR FORCE

Civilian employment of 61.5 million in June was a record high for the month of June. Agricultural employment increased by about 1 million from May to June and nonagricultural employment by $\frac{3}{4}$ million. Unemployment was $\frac{1}{3}$ million higher because of school-age persons seeking summer jobs; unemployment among adult workers continued to decline.



SOURCE: DEPARTMENT OF COMMERCE

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Period	Total labor force (including armed forces)	Armed forces	Civilian labor force					Unemployment as percent of total civilian labor force
			Total civilian labor force	Employment ¹			Unemployment	
				Total	Agricultural	Nonagricultural		
Thousands of persons, 14 years of age and over								
1939 monthly average	55,600	370	55,230	45,750	9,610	36,140	9,480	17.2
1944 monthly average	65,890	11,260	54,630	53,960	8,950	45,010	670	1.2
1947 monthly average	61,608	1,440	60,168	58,027	8,266	49,761	2,142	3.6
1948 monthly average	62,748	1,306	61,442	59,378	7,973	51,405	2,064	3.4
1949 monthly average	63,571	1,466	62,105	58,710	8,026	50,684	3,395	5.5
1949: May	63,452	1,469	61,983	58,694	8,974	49,720	3,289	5.3
June	64,866	1,468	63,398	59,619	9,696	49,924	3,778	6.0
July	65,278	1,463	63,815	59,720	9,647	50,073	4,095	6.4
August	65,105	1,468	63,637	59,947	8,507	51,441	3,689	5.8
September	64,222	1,459	62,763	59,411	8,158	51,254	3,351	5.3
October	64,021	1,445	62,576	59,001	7,710	51,290	3,576	5.7
November	64,363	1,436	62,927	59,518	7,878	51,640	3,409	5.4
December	63,475	1,430	62,045	58,556	6,773	51,783	3,489	5.6
1950: January	62,835	1,408	61,427	56,947	6,198	50,749	4,480	7.3
February	63,003	1,366	61,637	56,953	6,223	50,730	4,684	7.6
March	63,021	1,346	61,675	57,551	6,675	50,877	4,123	6.7
April	63,513	1,330	62,183	58,668	7,195	51,473	3,515	5.7
May	64,108	1,320	62,788	59,731	8,062	51,669	3,057	4.9
June	66,177	1,311	64,866	61,482	9,046	52,436	3,384	5.2

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.

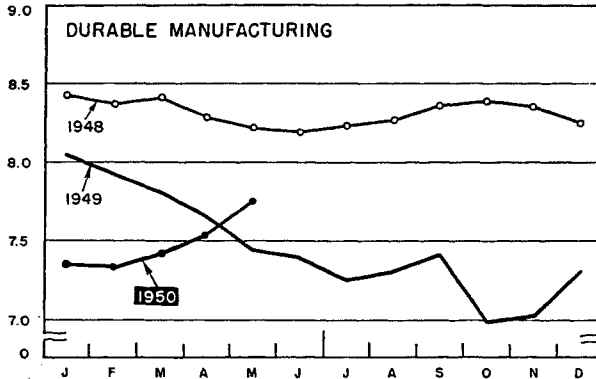
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

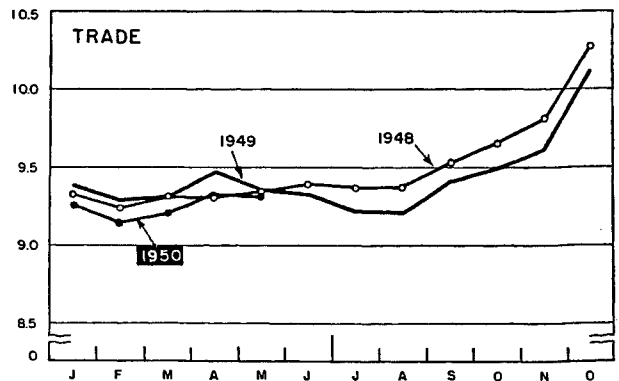
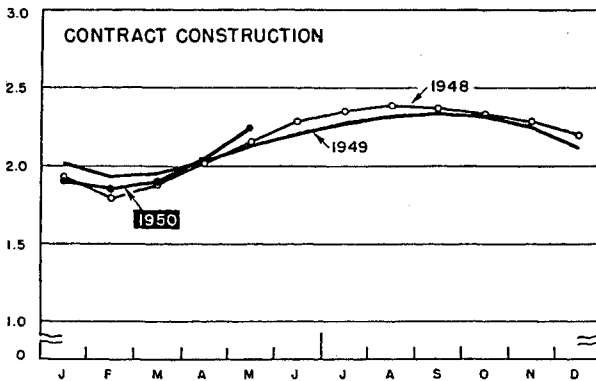
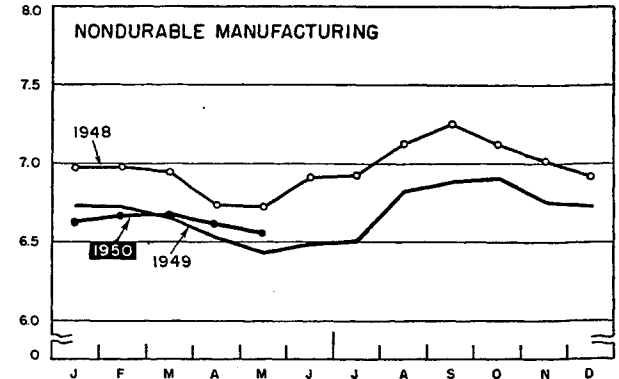
NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Employment in durable goods manufacturing increased by about 200,000 in May. Employment in contract construction again reached an all-time high for the month.

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	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
1949 monthly average.....	14, 146	7, 465	6, 681	2, 156	9, 438	6, 544	5, 811	3, 979	932
1949: 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.....	14, 312	7, 409	6, 903	2, 341	9, 409	6, 604	5, 893	3, 959	948
October.....	13, 892	6, 986	6, 906	2, 313	9, 505	6, 561	5, 866	3, 871	593
November.....	13, 807	7, 050	6, 757	2, 244	9, 607	6, 534	5, 783	3, 892	917
December.....	14, 031	7, 303	6, 728	2, 088	10, 156	6, 508	6, 041	3, 930	940
1950: January.....	13, 980	7, 342	6, 638	1, 919	9, 246	6, 473	5, 777	3, 869	861
February.....	13, 997	7, 324	6, 673	1, 861	9, 152	6, 473	5, 742	3, 841	595
March ²	14, 101	7, 418	6, 683	1, 903	9, 199	6, 497	5, 769	3, 873	919
April ³	14, 153	7, 546	6, 607	2, 065	9, 332	6, 559	5, 902	3, 928	917
May ³	14, 324	7, 745	6, 579	2, 243	9, 318	6, 600	5, 900	3, 888	913

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.

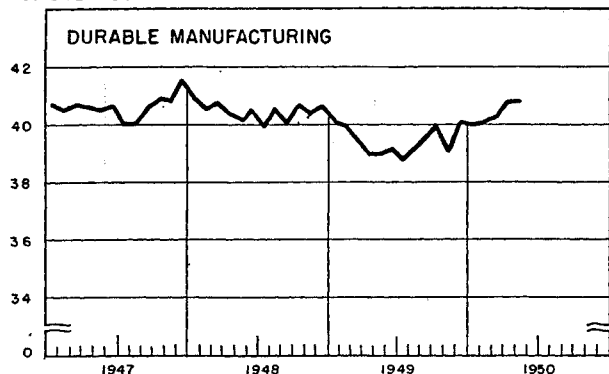
³ Preliminary estimate.

Source: Department of Labor.

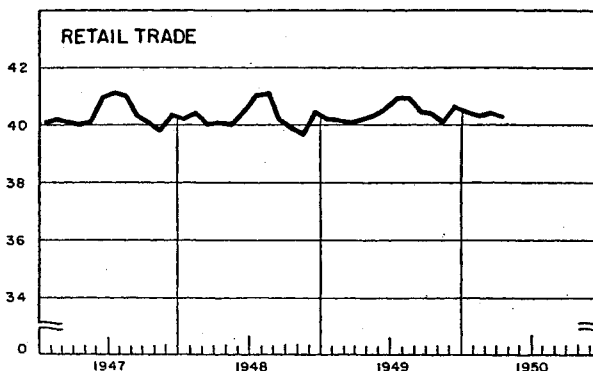
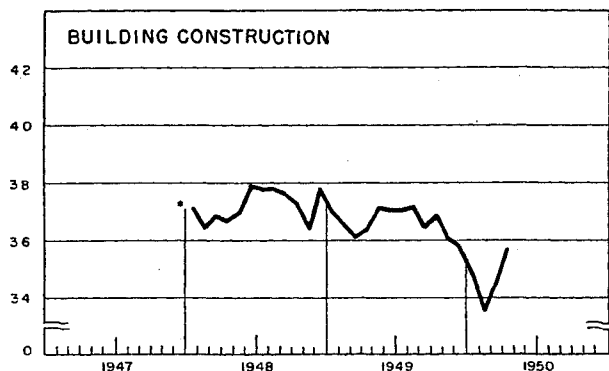
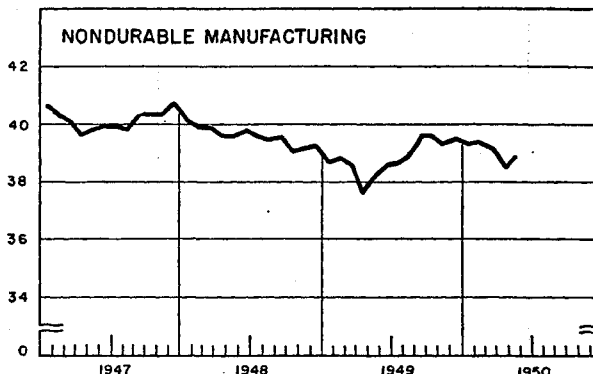
AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

The workweek in nondurable manufacturing recovered part of its April decline due to a seasonal expansion in food processing industries, and substantial overtime in the rubber products industry; it was still almost 2 hours less than the workweek in durables.

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
	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)	40.3
1948 monthly average.....	40.1	40.5	39.6	37.3	40.3
1949 monthly average.....	39.2	39.5	38.8	36.6	40.4
1949: April.....	38.4	39.0	37.6	36.4	40.2
May.....	38.6	39.0	38.1	37.2	40.3
June.....	38.8	39.2	38.5	37.1	40.5
July.....	38.8	38.8	38.7	37.1	40.9
August.....	39.1	39.3	38.9	37.2	40.9
September.....	39.6	39.6	39.6	36.5	40.5
October.....	39.7	39.9	39.6	36.9	40.4
November.....	39.1	39.0	39.3	36.1	40.1
December.....	39.8	40.1	39.5	35.8	40.7
1950: January.....	39.7	40.0	39.4	34.8	40.4
February.....	39.7	40.1	39.3	33.7	40.4
March ²	39.7	40.2	39.2	34.6	40.4
April ³	39.7	40.8	38.5	35.7	40.3
May ²	39.9	40.8	38.9	(2)	(2)

¹ For production and related workers.

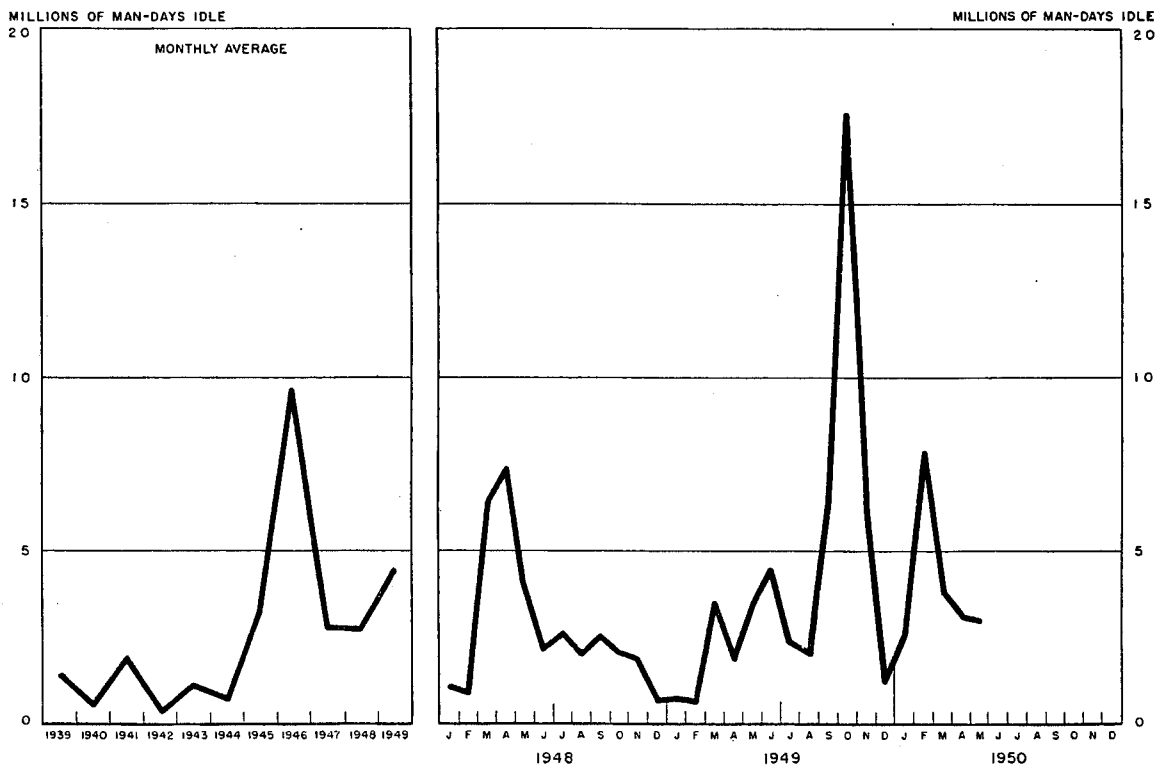
² Not available.

³ Preliminary estimate.

Source: Department of Labor.

WORK STOPPAGES

The 150,000 drop in man-days of idleness was largely due to the end of the Chrysler strike in May. The number of workers involved increased because of a 6-day stoppage by 150,000 railway firemen.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

Period	Man-days of idleness 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.....	1,483	0.28	1,170	-----	2,613	-----
1941.....	1,917	.32	2,360	-----	4,288	-----
1942.....	348	.05	840	-----	2,968	-----
1943.....	1,125	.15	1,980	-----	3,752	-----
1944.....	727	.09	2,120	-----	4,956	-----
1945.....	3,166	.47	3,470	-----	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.....	4,208	.59	3,030	-----	3,606	-----
1949: April.....	1,880	.27	160	208	360	531
May.....	3,430	.49	231	309	449	678
June.....	4,470	.61	572	673	377	632
July.....	2,350	.35	110	249	343	603
August.....	2,140	.27	134	232	365	643
September.....	6,270	.87	507	603	287	536
October.....	17,500	2.49	570	977	256	475
November.....	6,270	.93	57	914	197	388
December.....	1,350	.19	46	417	170	323
1950: January.....	2,600	.38	185	300	225	340
February.....	7,850	1.27	75	515	210	325
March ¹	3,750	.49	80	530	260	400
April ¹	3,150	.47	160	300	400	550
May ¹	3,000	.40	325	500	450	650

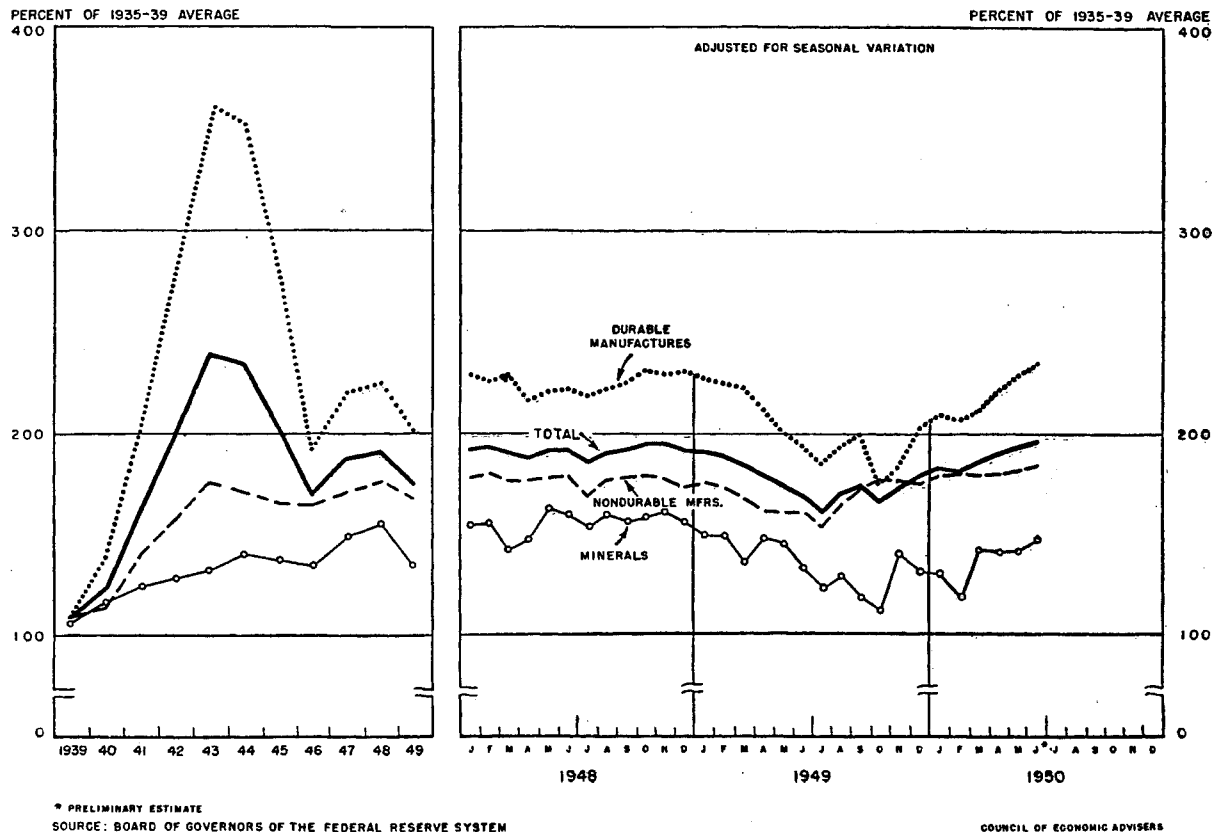
¹ Preliminary estimate.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

Industrial production reached a new postwar record in June, about 1 percent higher than the peak of October–November, 1948, and 17 percent above the level of June 1949.



[1935-39=100, seasonally adjusted]

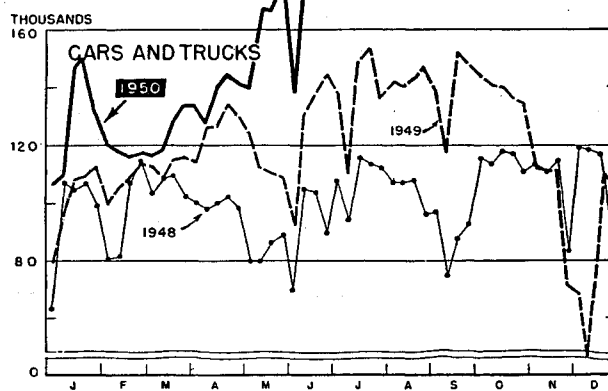
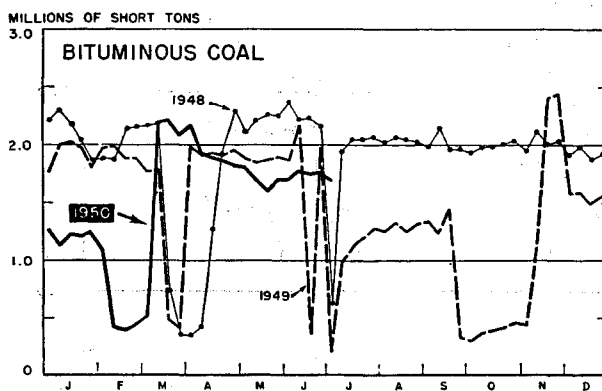
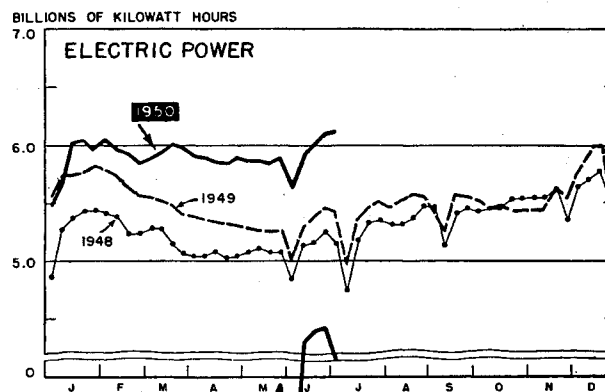
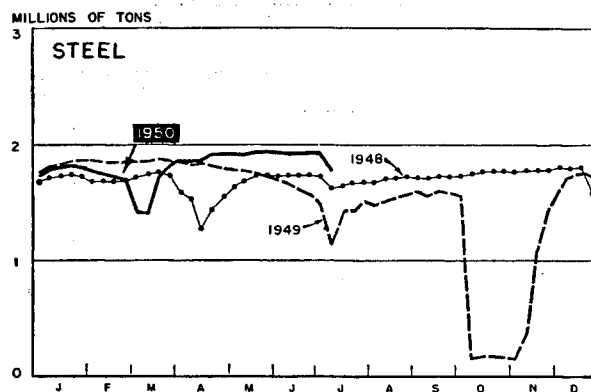
Period	Total industrial production	Manufactures			Minerals
		Total	Durable goods	Nondurable goods	
1943 monthly average.....	239	258	360	176	132
1946 monthly average.....	170	177	192	165	134
1947 monthly average.....	187	194	220	172	149
1948 monthly average.....	192	198	225	177	155
1949 monthly average.....	176	183	202	168	135
1949: April.....	179	184	212	162	148
May.....	174	179	201	161	145
June.....	169	175	194	161	133
July.....	161	168	185	154	123
August.....	170	178	193	165	129
September.....	174	184	199	172	119
October.....	166	176	175	177	112
November.....	173	179	181	177	141
December.....	179	188	203	176	132
1950: January.....	183	192	209	179	130
February.....	180	192	207	180	118
March.....	187	194	211	181	144
April.....	190	199	222	180	140
May ¹	193	202	228	182	143
June ¹	197	205	233	184	148

¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

WEEKLY PRODUCTION - SELECTED INDICATORS

The steel industry continued to operate above stated capacity levels throughout June. Automobile production was more than 10 percent above the peak output for May. Electric power production was at a new high. Bituminous coal mining 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) ²	Cars and trucks (number)
	Thousands of net tons	Percent of theoretical capacity ¹			
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	1,418	120,800
Week ended:					
1949: June 4-----	1,692	91.8	5,018	1,868	91,555
11-----	1,643	89.1	5,300	2,178	130,151
18-----	1,598	86.7	5,373	365	139,005
25-----	1,556	84.4	5,466	1,989	145,372
July 2-----	1,473	79.9	5,410	217	137,802
9-----	1,128	61.2	4,982	983	111,793
1950: June 3-----	1,935	101.5	5,632	1,689	138,402
10-----	1,931	101.3	5,921	1,768	191,417
17-----	1,927	101.1	6,012	1,740	195,643
24-----	1,929	101.2	6,102	1,770	196,348
July 1-----	1,929	101.2	6,115	1,693	185,789
8-----	1,765	92.6			

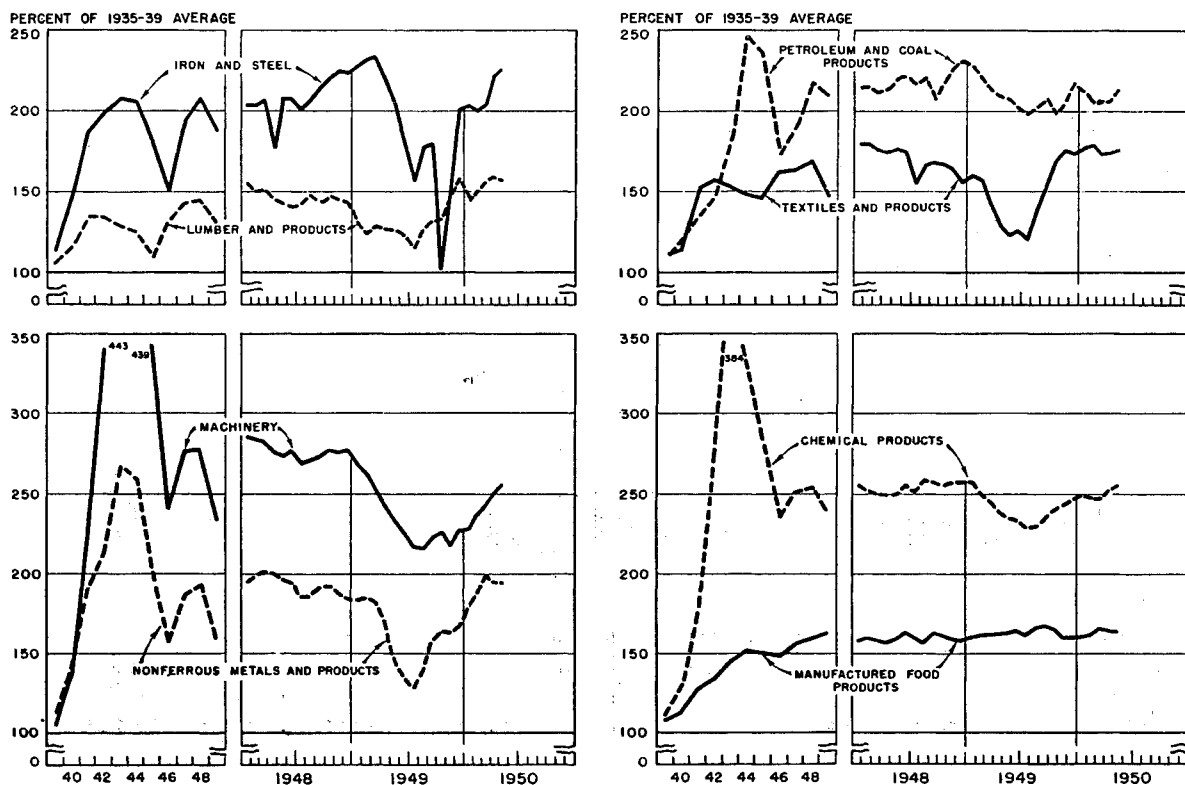
¹ Based on weekly net ton capacity of 1,749,928 for 1947, 1,802,476 for 1948, 1,843,515 for 1949, and 1,906,268 for 1950.

² Daily average for week.

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

PRODUCTION OF SELECTED MANUFACTURES

Industries with increased output in May included iron and steel, machinery, textiles, petroleum and coal products, and chemical products. Decreases were registered for the groups lumber and products and nonferrous metals and products.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

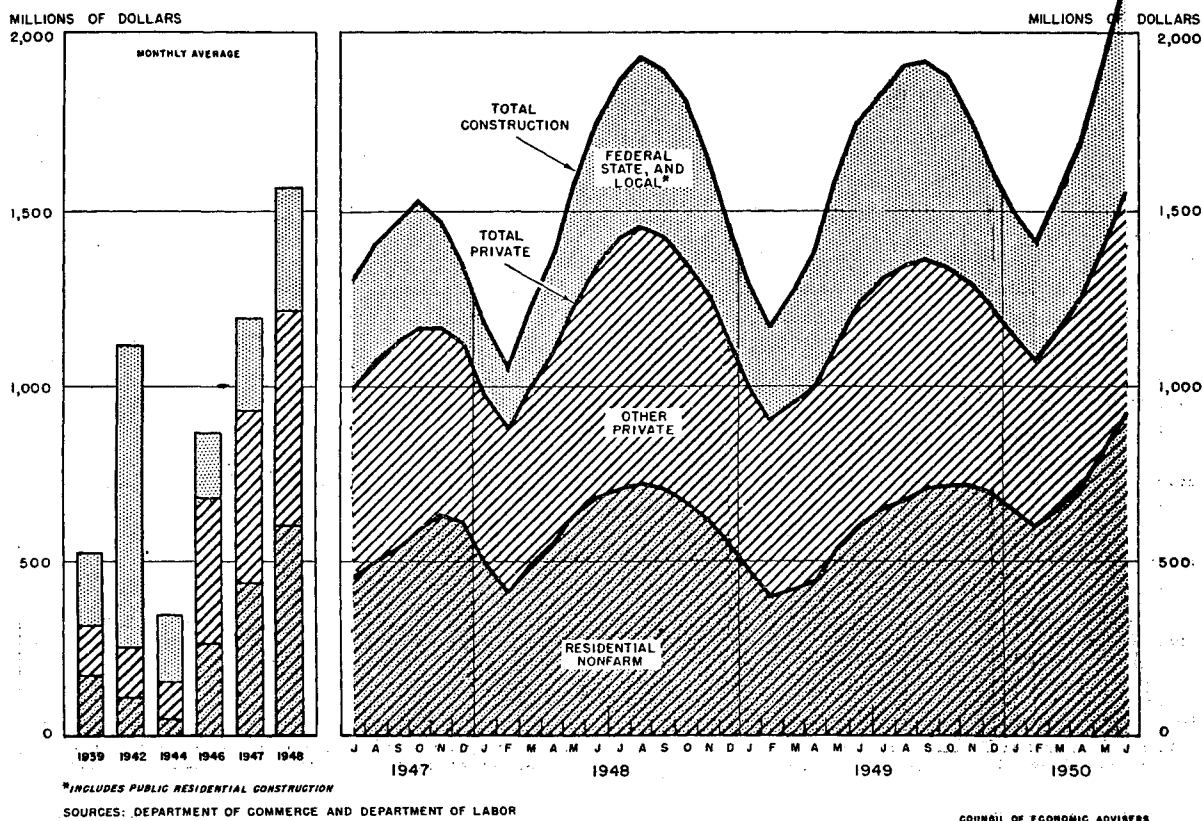
Period	Durable manufactures				Nondurable manufactures			
	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1943 monthly average.....	208	129	443	267	153	185	145	384
1946 monthly average.....	150	131	240	157	162	173	150	236
1947 monthly average.....	195	143	276	187	163	193	157	251
1948 monthly average.....	208	145	277	193	169	218	159	254
1949 monthly average.....	188	131	234	159	147	209	163	240
1949: April.....	219	126	240	167	129	209	162	237
May.....	204	126	232	145	123	207	163	234
June.....	177	123	225	133	126	202	165	233
July.....	156	115	217	127	120	198	161	228
August.....	178	126	216	141	140	203	166	229
September.....	179	132	224	157	155	208	167	236
October.....	102	133	226	164	169	198	165	240
November.....	145	147	217	163	175	205	160	243
December.....	201	159	227	165	173	219	160	246
1950: January.....	203	144	229	179	178	211	161	248
February.....	201	150	237	188	179	205	161	247
March.....	205	156	243	199	173	206	166	247
April.....	222	159	251	196	174	206	164	252
May ¹	225	157	256	192	175	213	164	255

¹ Preliminary estimate.

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

The expansion in new construction continued in June when it was 20 percent above a year earlier. The rise was pronounced in all categories.



[Millions of dollars]

Period	Total new construction	Private construction			Federal, State, and local ¹
		Total private	Residential (nonfarm)	Other	
1939 monthly average.....	683	366	223	142	317
1942 monthly average.....	1,173	285	143	142	888
1944 monthly average.....	438	182	68	114	256
1946 monthly average.....	1,000	803	335	469	197
1947 monthly average.....	1,386	1,094	526	568	291
1948 monthly average.....	1,798	1,389	715	674	409
1949 monthly average.....	1,883	1,350	691	659	532
1949: May.....	1,870	1,315	641	674	555
June.....	2,039	1,428	712	716	611
July.....	2,119	1,481	757	724	638
August.....	2,195	1,514	782	732	681
September.....	2,214	1,513	809	704	701
October.....	2,177	1,506	832	674	671
November.....	2,044	1,484	837	647	560
December.....	1,852	1,401	806	595	451
1950: January.....	1,712	1,298	742	556	414
February.....	1,618	1,262	717	545	356
March.....	1,750	1,313	741	572	437
April.....	1,959	1,453	852	601	506
May.....	2,220	1,635	980	655	585
June ²	2,441	1,798	1,086	712	643

¹ Includes public residential construction.

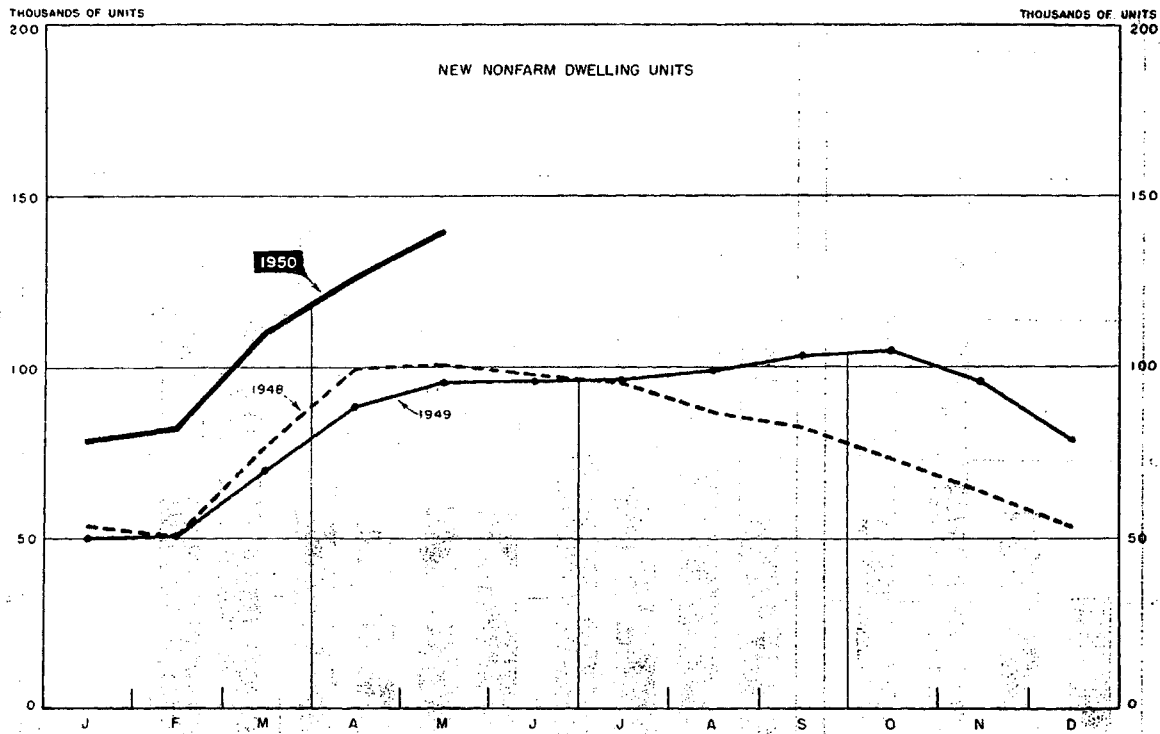
² Preliminary estimate.

Sources: Department of Commerce and Department of Labor

NOTE.—Construction data have been revised. See May 1960 Supplement to Construction and Construction Materials. The chart has not yet been revised to take account of the revisions.

NEW HOUSING STARTS

May recorded a further sharp advance in housing starts with a new all-time record of 140,000. During the first 5 months of 1950, there were 537,600 starts, compared with 353,500 during the same period of 1949.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

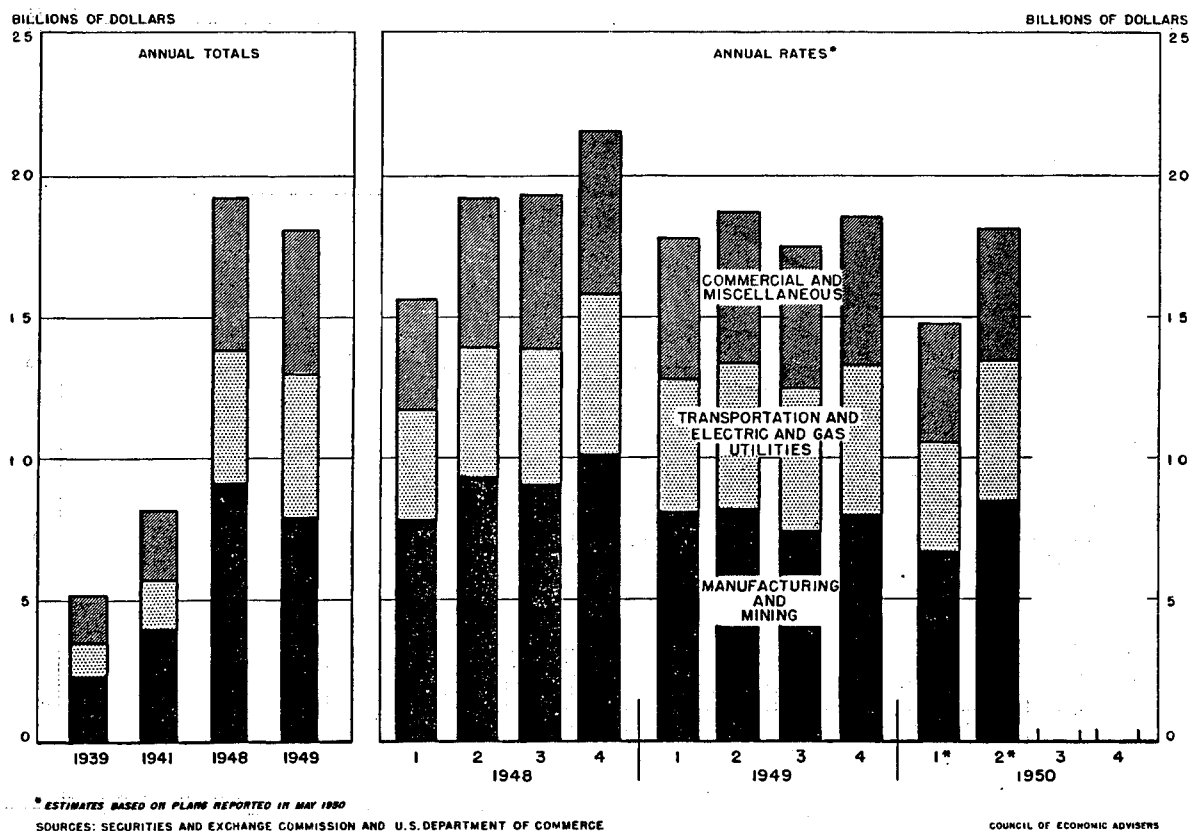
Month	New nonfarm units started			
	1947	1948	1949	1950
January.....	39,300	53,500	50,000	78,700
February.....	42,800	50,100	50,400	82,900
March.....	56,000	76,400	69,400	¹ 110,000
April.....	67,100	99,500	88,300	¹ 126,000
May.....	72,900	100,300	95,400	¹ 140,000
June.....	77,200	97,800	95,500	-----
July.....	81,100	95,000	96,100	-----
August.....	86,300	86,700	99,000	-----
September.....	93,800	82,300	102,900	-----
October.....	94,000	73,400	104,300	-----
November.....	79,700	63,700	95,500	-----
December.....	58,800	52,900	78,300	-----
Total.....	849,000	931,600	1,025,100	-----
Monthly average.....	70,750	77,600	85,425	-----

¹ Preliminary estimate.

Source: Department of Labor.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Plant and equipment expenditures by nonagricultural business firms rose more than seasonally in 2nd quarter of 1950 and were only 3 percent below the level of a year previous. Outlays in 2nd quarter by manufacturing companies and gas and electric utilities were considerably higher than the same quarter last year.



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

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
1948	19,230	8,340	800	1,320	700	2,680	5,390
1949	18,120	7,250	740	1,350	520	3,140	5,120
1950 ³	16,090	6,740	650	930	350	2,940	4,480
1948: Third quarter	19,320	8,360	800	1,320	680	2,760	5,440
1948: 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
1949: Second quarter	18,640	7,520	760	1,520	560	3,120	5,160
1949: Third quarter	17,480	6,760	720	1,240	560	3,160	5,040
1949: Fourth quarter	18,520	7,320	720	1,200	480	3,560	5,280
1950: First quarter	14,800	6,080	600	920	320	2,600	4,240
1950: Second quarter ³	18,120	7,880	640	1,200	360	3,400	4,680

¹ Excludes agriculture.

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

³ Figures for second quarter of 1950 are based on anticipated capital expenditures reported in the May 1950 survey.

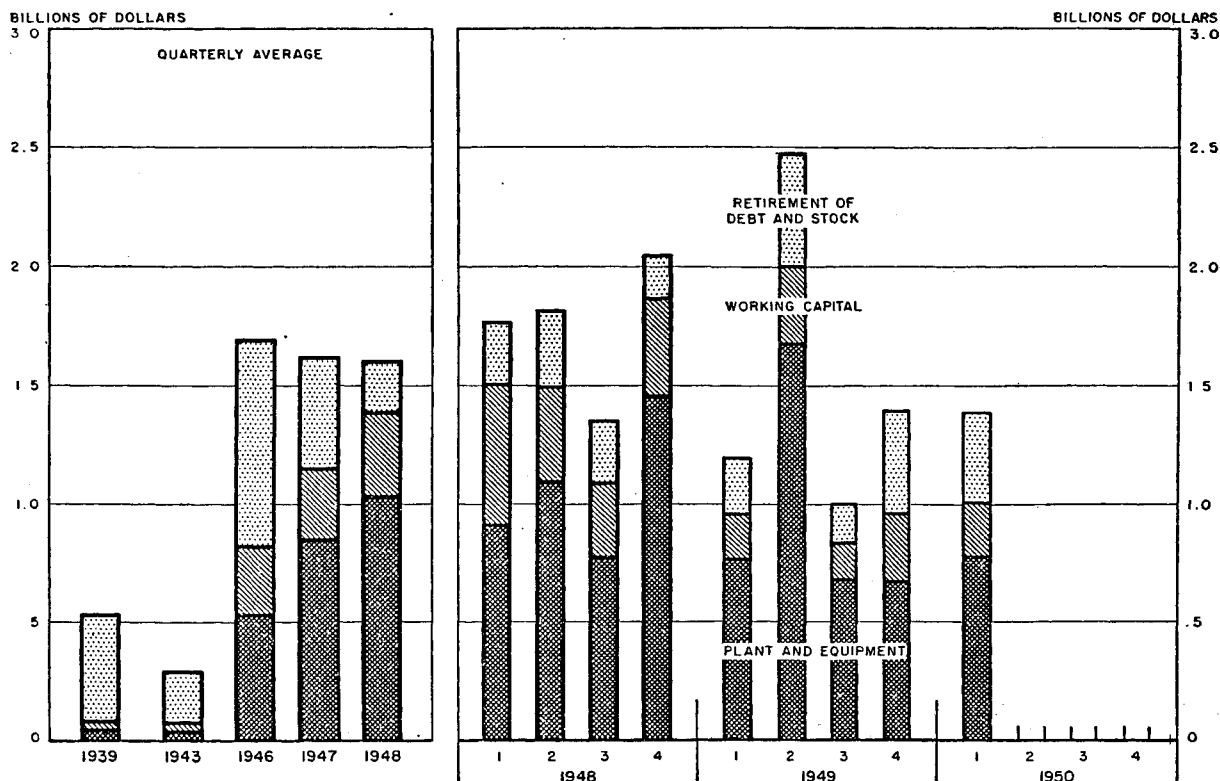
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal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

New corporate security issues during 1st quarter of this year rose above the seasonally high 4th quarter rate, and were substantially above 1st quarter of last year. Most of the additional proceeds from the larger security issues were used for retirement of debt and stock.



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
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
1949 quarterly average.....	1,520	1,209	948	261	311
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.....	1,195	954	762	193	241
Second quarter.....	2,475	2,088	1,679	409	386
Third quarter.....	1,006	834	677	157	172
Fourth quarter.....	1,403	960	675	285	444
1950: First quarter.....	1,398	1,014	777	237	384

¹ Includes small amount for other purposes.

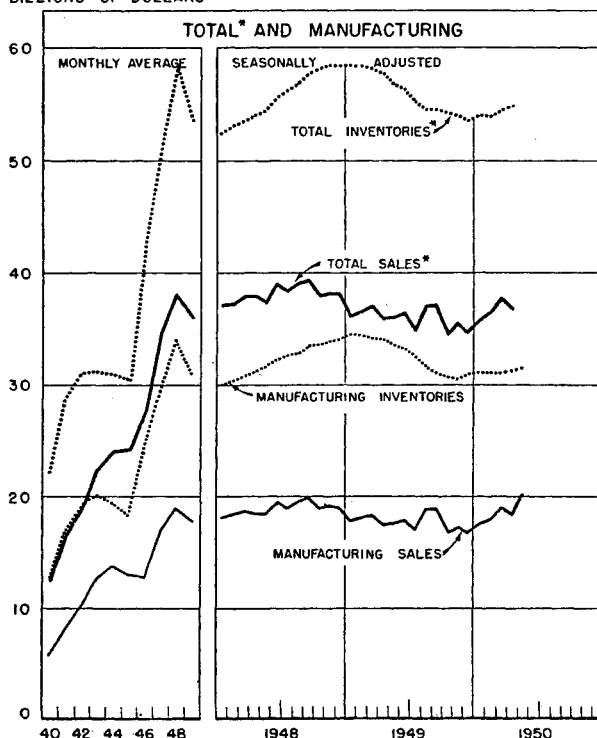
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

INVENTORIES AND SALES

Manufacturers' sales rose sharply in May to a new postwar peak. The increase in overall retail sales was moderate. Department store sales declined slightly. Manufacturers' inventories also reported a substantial gain.

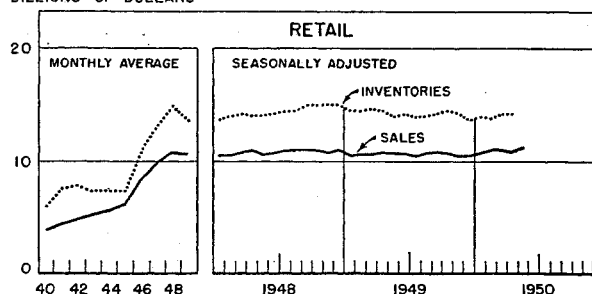
BILLIONS OF DOLLARS



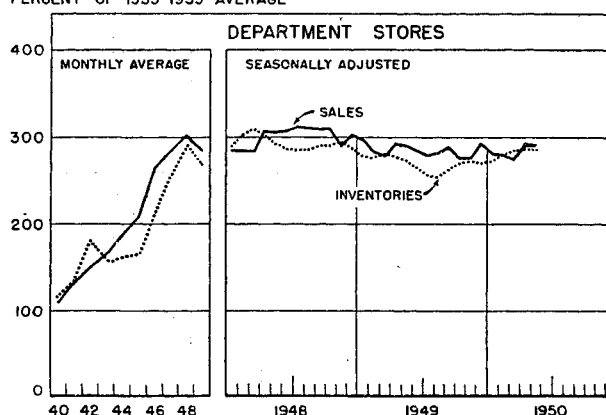
* WHOLESALE, MANUFACTURING, AND RETAIL

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

BILLIONS OF DOLLARS



PERCENT OF 1935-1939 AVERAGE



COUNCIL OF ECONOMIC ADVISERS

Period	Total business ¹		Manufacturing			Retail		Department stores	
	Inven- tories ²	Sales ³	Inven- tories ²	Sales ³	New orders ⁴	Inven- tories ²	Sales ³	Inven- tories ⁵	Sales ⁵
	Millions of dollars, seasonally adjusted ⁴							1935-39=100, season- ally adjusted	
1939-----	20, 172	11, 109	11, 465	5, 100	(⁶)	5, 532	3, 504	102	106
1943-----	31, 143	22, 372	20, 098	12, 822	(⁶)	7, 361	5, 277	155	168
1945-----	30, 571	24, 181	18, 390	12, 883	(⁶)	7, 543	6, 315	166	207
1946-----	42, 709	27, 800	24, 818	12, 841	14, 004	11, 226	8, 358	213	264
1947-----	51, 692	34, 739	29, 818	17, 076	16, 768	13, 221	9, 909	255	286
1948-----	58, 546	38, 190	34, 066	18, 998	18, 694	14, 969	10, 837	291	302
1949-----	53, 628	35, 997	30, 899	17, 815	17, 189	13, 698	10, 682	270	285
1949: April-----	57, 806	35, 879	34, 018	17, 643	15, 968	14, 458	10, 814	278	293
May-----	56, 858	36, 039	33, 566	17, 741	15, 734	14, 139	10, 759	273	291
June-----	56, 435	36, 391	33, 251	17, 989	16, 300	14, 182	10, 684	265	285
July-----	55, 320	34, 820	32, 367	17, 114	15, 496	13, 862	10, 549	256	280
August-----	54, 631	37, 136	31, 638	18, 946	18, 697	13, 932	10, 669	253	283
September-----	54, 617	37, 239	31, 076	18, 865	19, 441	14, 355	10, 856	263	289
October-----	54, 356	34, 603	30, 744	16, 805	18, 359	14, 475	10, 678	270	276
November-----	53, 996	35, 496	30, 547	17, 313	18, 138	14, 336	10, 630	273	277
December-----	53, 628	34, 651	30, 899	16, 857	16, 775	13, 698	10, 503	271	293
1950: January-----	54, 125	35, 678	31, 136	17, 650	18, 646	13, 998	10, 855	272	282
February-----	53, 932	36, 463	31, 098	18, 035	17, 983	13, 800	11, 101	279	280
March ⁷ -----	54, 513	37, 946	31, 103	19, 144	20, 228	14, 282	11, 125	285	274
April ⁷ -----	54, 748	36, 822	31, 214	18, 456	18, 320	14, 138	11, 072	286	292
May ⁷ -----	55, 228	39, 283	31, 500	20, 100	19, 500	14, 273	11, 245	285	290

¹ Total business includes manufacturing, retail, and wholesale (not shown separately in this table).

² Book value, end of period.

³ Monthly average for year and total for month.

⁴ Data for new orders not adjusted for seasonal variation.

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

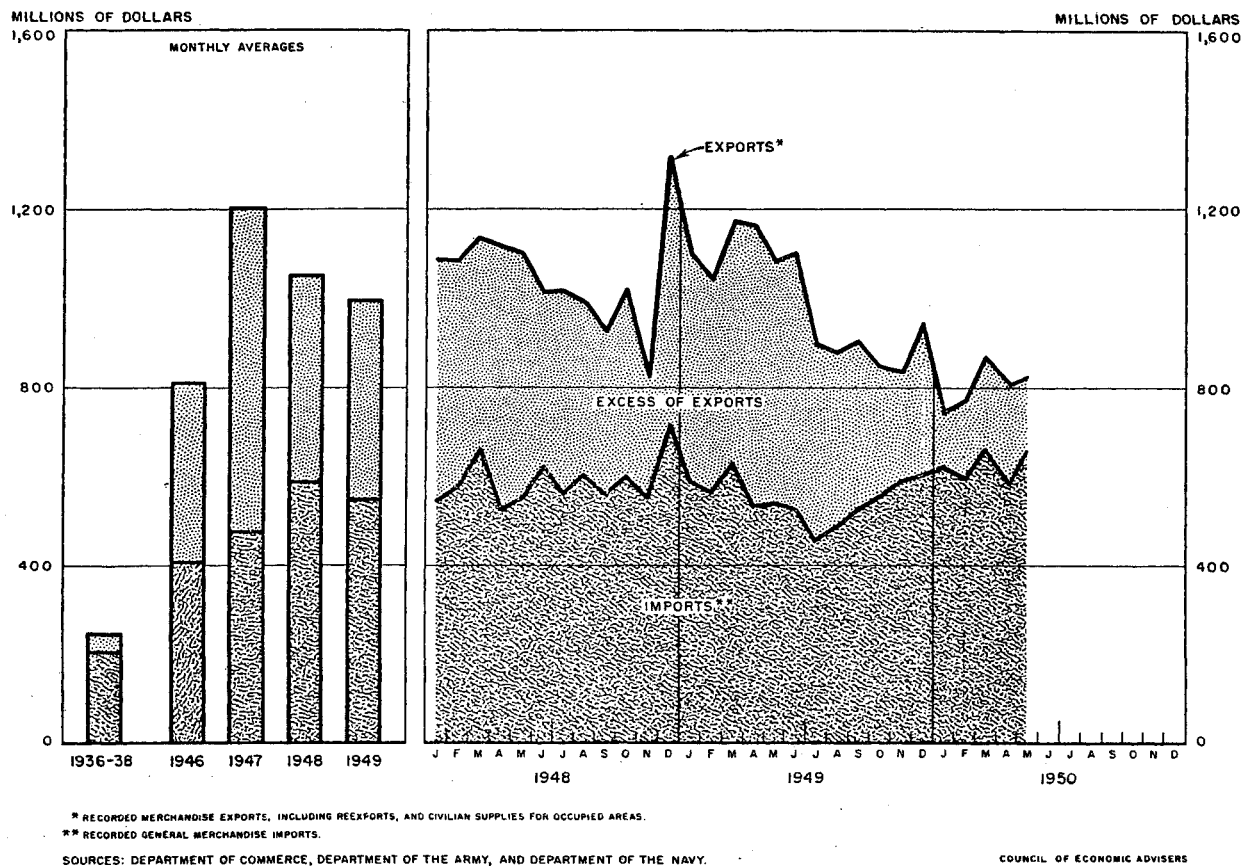
⁶ Not available.

⁷ Preliminary estimates.

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

MERCHANDISE EXPORTS AND IMPORTS

Imports rose sharply in May again approaching peacetime peaks in dollar value. Since exports rose only slightly, the merchandise export surplus was cut.



[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
1946 monthly average	849	410	439
1947 monthly average	1,278	478	801
1948 monthly average	1,054	592	462
1949 monthly average	1,000	552	448
1949: April	1,166	534	632
1949: May	1,092	541	551
1949: June	1,104	526	578
1949: July	899	456	443
1949: August	880	491	389
1949: September	906	530	376
1949: October	852	557	295
1949: November	837	593	244
1949: December	944	605	339
1950: January	746	623	123
1950: February	773	600	173
1950: March	868	664	204
1950: April	809	583	226
1950: May	825	660	165

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

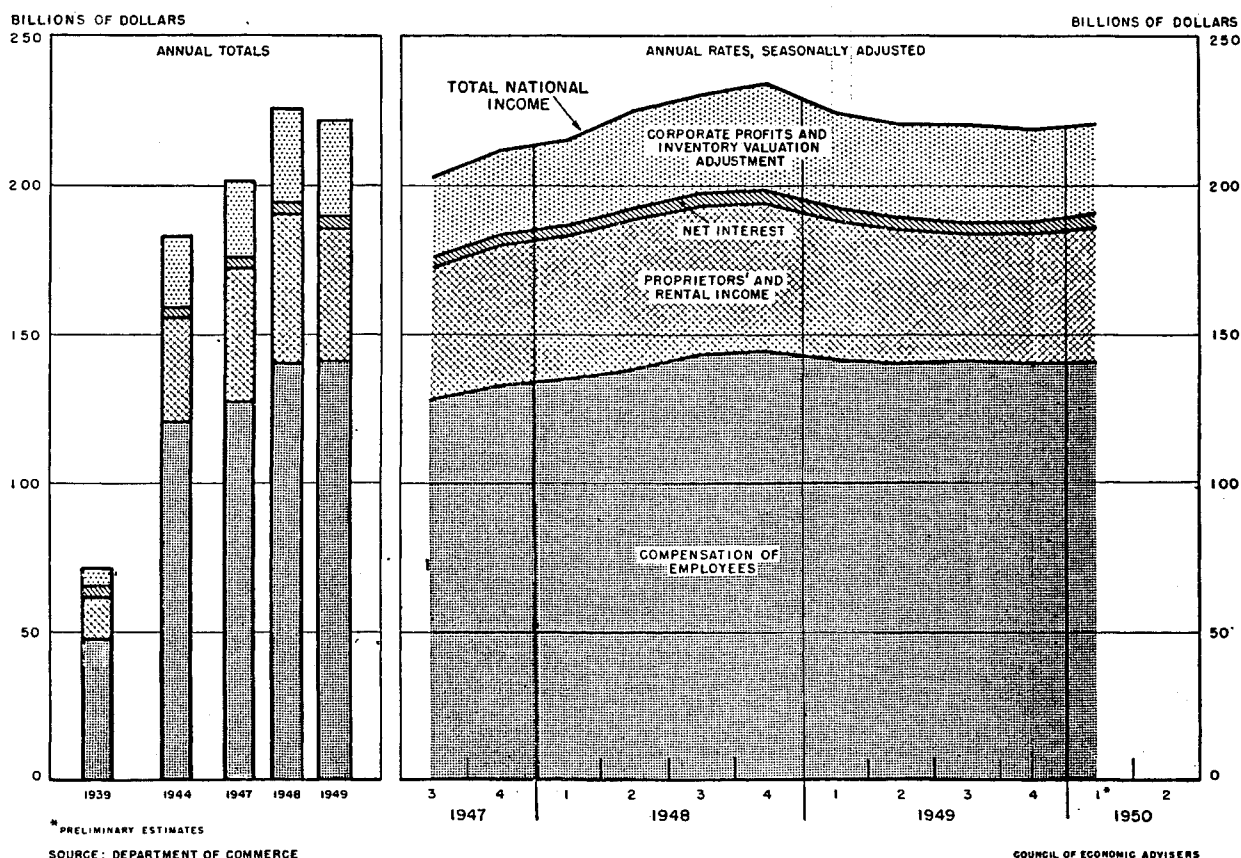
² Recorded general merchandise imports.

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

PURCHASING POWER

NATIONAL INCOME

National income, after declining during each quarter of 1949, turned up in 1st quarter of 1950, according to preliminary data. The increase represented a rise in all major components except interest.



[Billions of dollars]

Period	Total national income	Compensation of employees	Proprietors' (business, professional, farm) 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	41.2	3.0	18.3	23.6	-5.2
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.....	221.3	141.1	44.8	4.2	31.2	28.6	+2.6
Annual rates, seasonally adjusted							
1948: Third quarter.....	230.4	143.3	49.9	3.9	33.3	36.6	-3.3
1948: Fourth quarter.....	234.3	144.9	49.7	4.1	35.7	34.5	+1.2
1949: First quarter.....	224.7	141.9	47.1	4.1	31.6	29.4	+2.2
1949: Second quarter.....	220.8	140.8	45.1	4.2	30.7	26.4	+4.3
1949: Third quarter.....	220.7	141.1	43.1	4.2	32.3	28.9	+3.3
1949: Fourth quarter.....	219.1	140.9	43.7	4.3	30.2	29.5	+0.7
1950: First quarter ¹	² 222.7	142.8	44.7	4.3	² 30.9	² 31.6	-0.7

¹ Preliminary estimates.

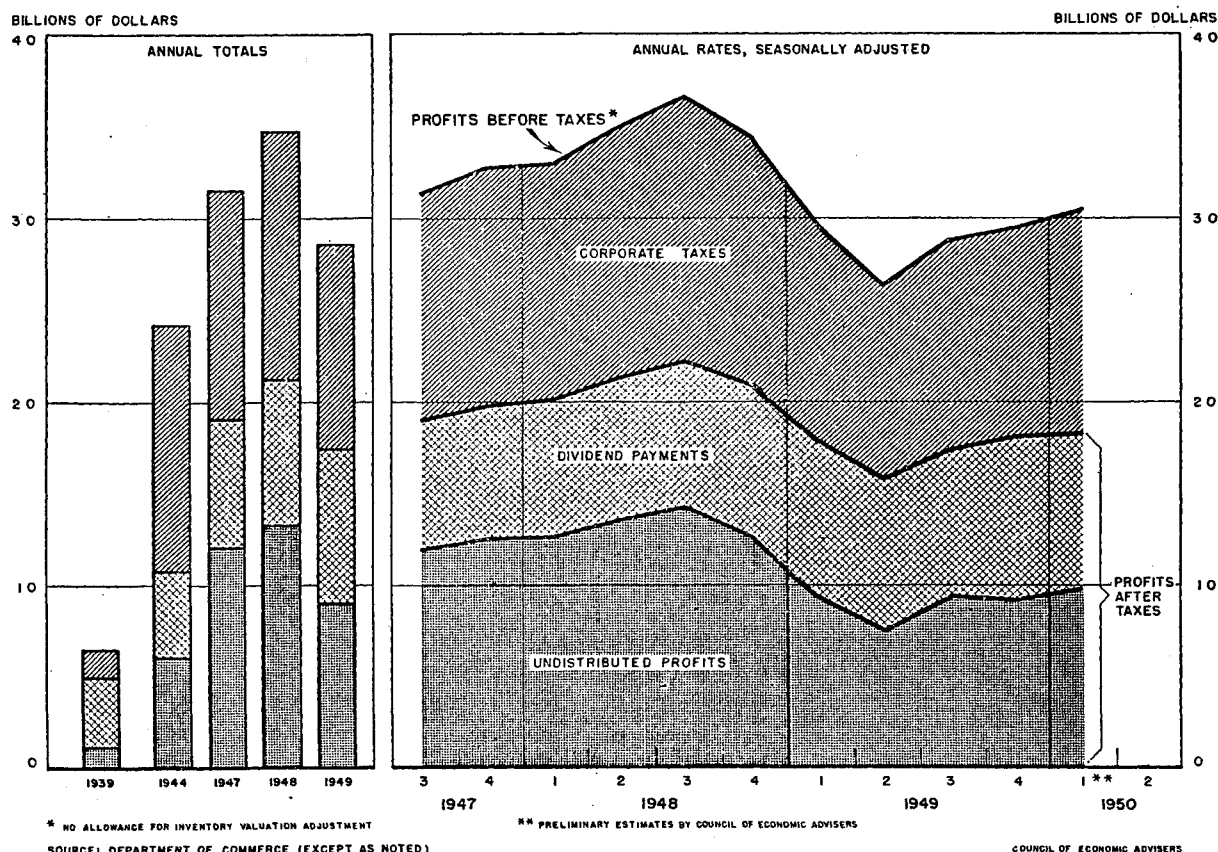
² Estimates by Council of Economic Advisers; based on incomplete data.

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

Source: Department of Commerce (except as noted).

CORPORATE PROFITS

Profits in 1st quarter of 1950 were the highest since the 4th quarter of 1948. Preliminary indications are that profits rose in 2nd quarter.



[Billions of dollars]

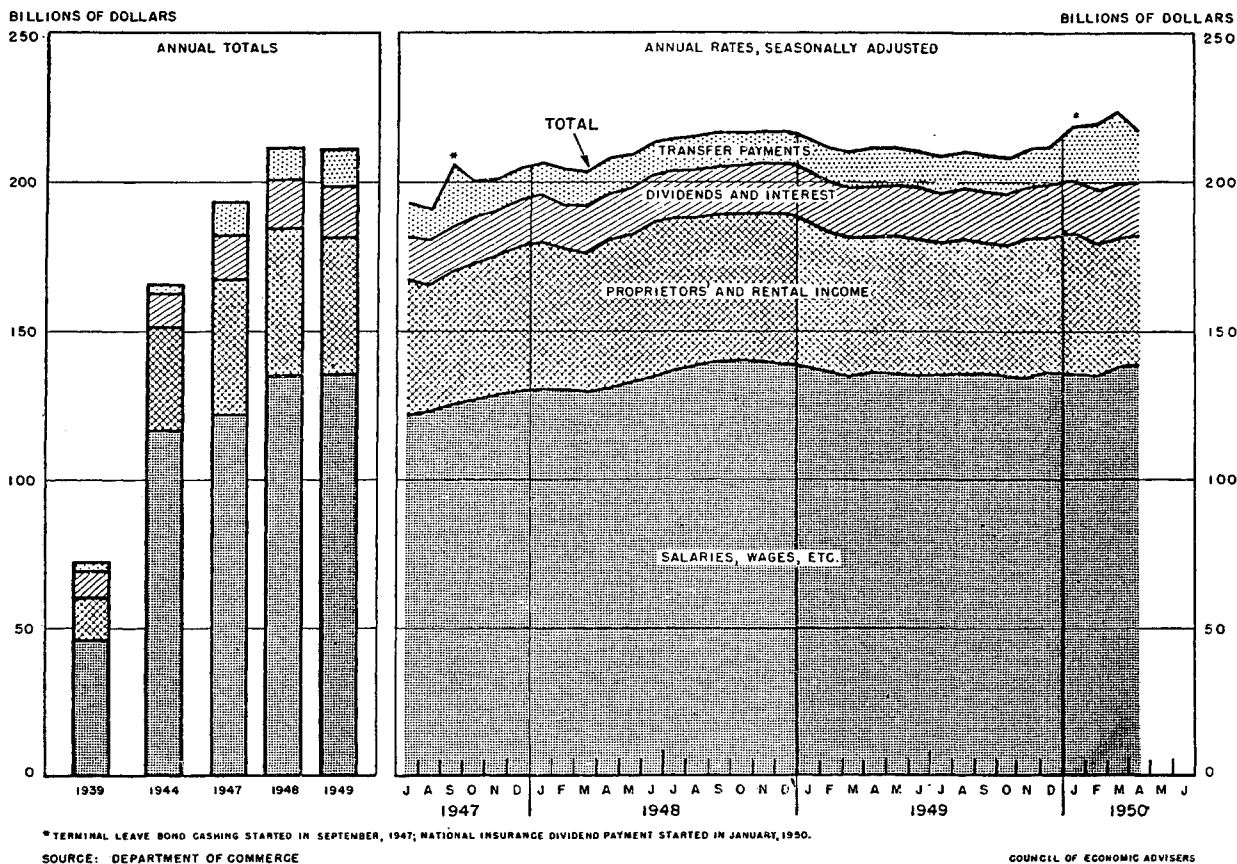
Period	Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes		
			Total	Dividend payments	Undistributed profits
1929	9.8	1.4	8.4	5.8	2.6
1939	6.5	1.5	5.0	3.8	1.2
1944	24.3	13.5	10.8	4.7	6.1
1946	23.6	9.6	13.9	5.8	8.1
1947	31.6	12.5	19.1	7.0	12.1
1948	34.8	13.6	21.2	7.9	13.2
1949	28.6	11.2	17.4	8.4	9.0
Annual rates, seasonally adjusted					
1948: 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	8.3	9.6
Second quarter	26.4	10.6	15.8	8.2	7.6
Third quarter	28.9	11.4	17.5	8.1	9.4
Fourth quarter	29.5	11.2	18.2	8.9	9.3
1950: First quarter ¹	31.6	12.3	19.3	8.6	10.7

¹ 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 \$ 6 billion (annual rate) from March to April, \$1 billion less than the drop in transfer payments. Salaries and wages advanced; proprietors' income declined.



[Billions of dollars]					
Period	Total personal income	Salaries, wages, and other labor income	Proprietors' (business, professional, farm) 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
1947	193.5	122.0	45.1	14.8	11.7
1948	211.9	135.1	49.5	16.2	11.1
1949	209.8	135.6	44.8	17.2	12.2
Annual rates, seasonally adjusted					
1949: April	210.5	136.0	45.0	17.1	12.4
May	210.2	135.8	45.2	17.0	12.2
June	209.4	135.0	45.1	17.0	12.3
July	207.2	135.1	42.8	16.9	12.4
August	209.1	135.5	43.9	17.1	12.6
September	208.3	135.8	42.7	17.2	12.6
October	207.0	134.8	42.9	17.3	12.0
November	209.4	134.7	44.9	17.4	12.4
December	211.9	136.6	43.5	18.9	12.8
1950: January	¹ 218.1	135.9	46.5	17.4	¹ 18.3
February	¹ 219.1	135.3	44.1	17.6	¹ 22.1
March	¹ 222.8	137.3	43.5	17.9	¹ 24.1
April ²	¹ 216.9	139.1	42.8	18.1	¹ 16.9

¹ Includes veterans' insurance dividend—\$5.4 billion, annual rate (or \$450 million, monthly total) in January, \$9.5 billion, annual rate (\$800 million, monthly total) in February, \$10.6 billion, annual rate (\$887 million, monthly total) in March, and \$4.1 billion, annual rate (\$345 million, monthly total) in April.

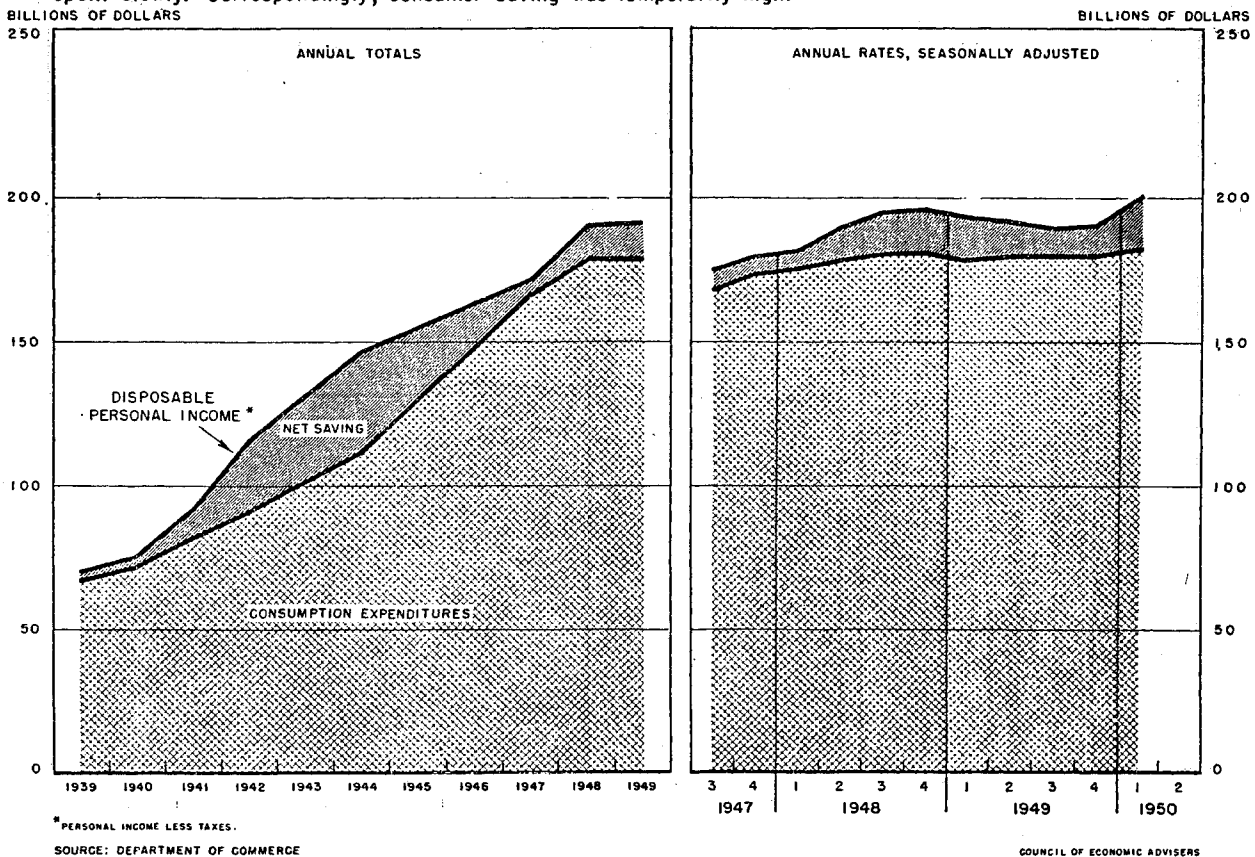
² Preliminary estimate.

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

Source: Department of Commerce.

CONSUMER INCOME, SPENDING, AND SAVING

Payment of the special insurance dividend to veterans during 1st quarter in 1950 distorted disposable personal income. It accounted for $\frac{3}{4}$ of the increase of \$11 billion (annual rate). Expenditures increased by only \$3 billion, indicating that the insurance dividend was being spent slowly. Correspondingly, consumer saving was temporarily high.



Period	Disposable personal income ¹	Less: Personal consumption expenditures	Equals: Personal net saving	Net saving as percent of disposable income
Billions of dollars				
1939.....	70.2	67.5	2.7	3.8
1940.....	75.7	72.1	3.7	4.9
1941.....	92.0	82.3	9.8	10.7
1942.....	116.7	91.2	25.6	21.9
1943.....	132.4	102.2	30.2	22.8
1944.....	147.0	111.6	35.4	24.1
1945.....	151.1	123.1	28.0	18.5
1946.....	158.1	147.8	10.3	6.5
1947.....	172.0	166.9	5.1	3.0
1948.....	190.8	178.8	12.0	6.3
1949.....	191.2	179.4	11.8	6.2
Annual rates, seasonally adjusted				
1948: Third quarter.....	195.2	180.3	15.0	7.7
Fourth quarter.....	196.2	180.9	15.3	7.8
1949: First quarter.....	193.4	178.7	14.8	7.7
Second quarter.....	191.4	179.3	12.1	6.3
Third quarter.....	189.5	179.7	9.8	5.2
Fourth quarter.....	190.7	179.8	10.8	5.7
1950: First quarter.....	201.3	182.7	18.6	9.2

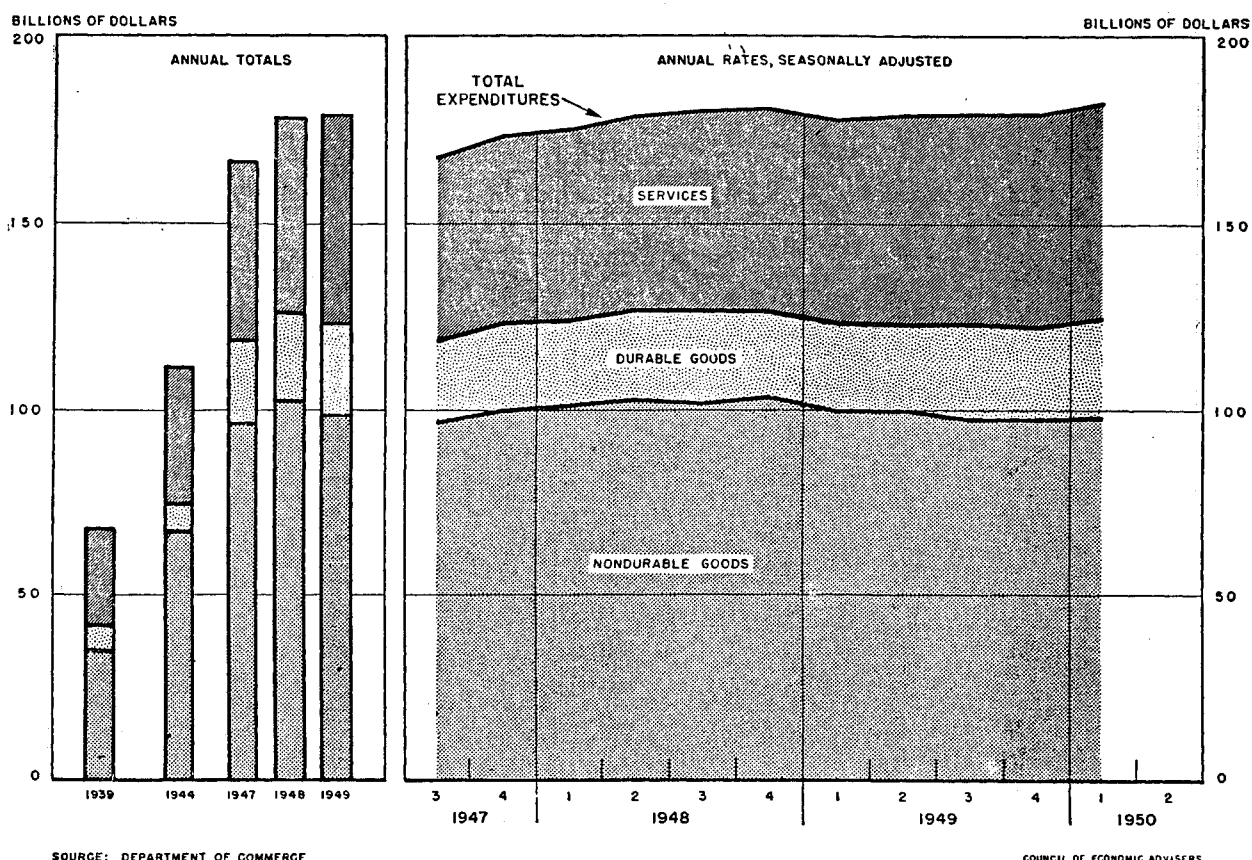
¹ Income less taxes.

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

Source: Department of Commerce.

PERSONAL CONSUMPTION EXPENDITURES

Personal consumption expenditures in first quarter of 1950 were 1 percent above the peak rate of 4th quarter of 1948, according to revised estimates.



[Billions of dollars]

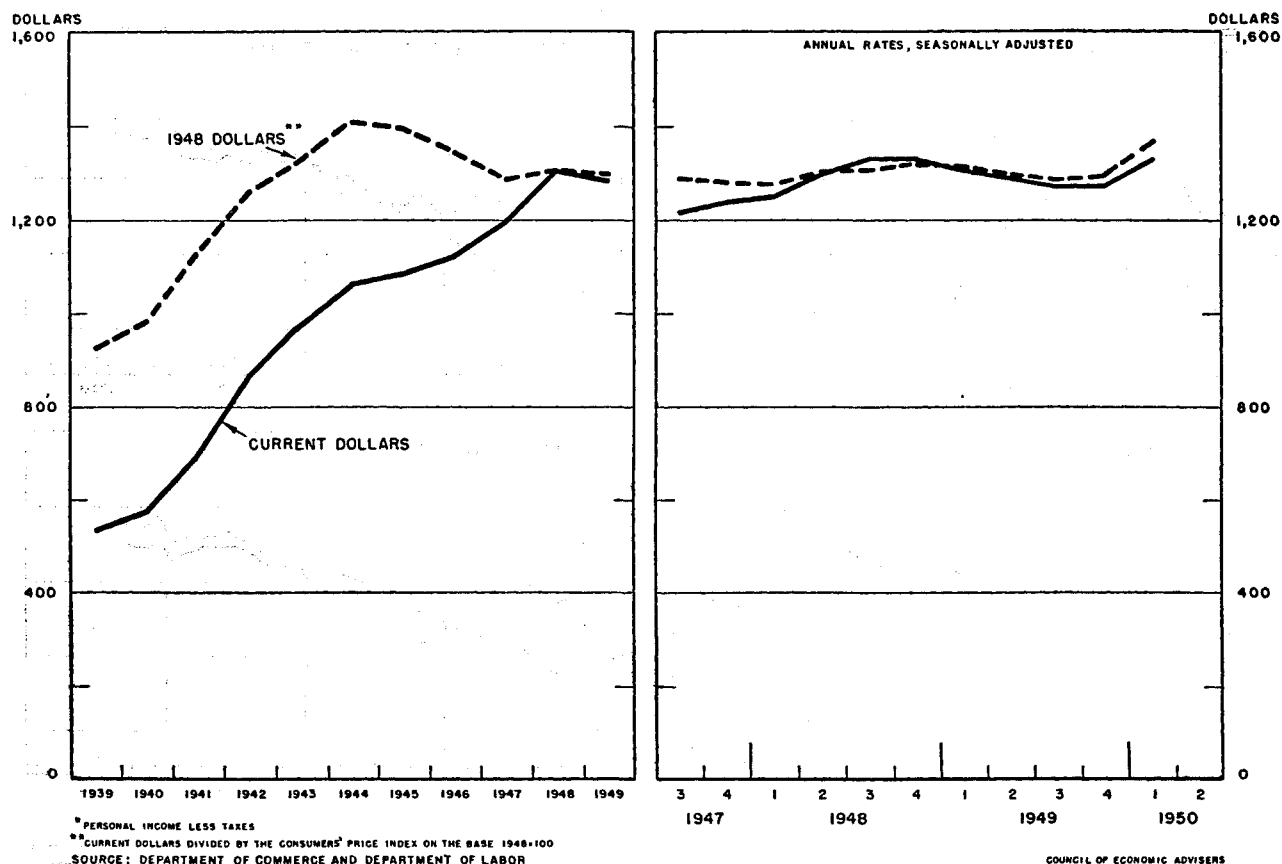
Period	Personal consumption expenditures			
	Total	Nondurable goods	Durable goods	Services
1939.....	67.5	35.3	6.7	25.5
1944.....	111.6	67.1	7.1	37.4
1946.....	147.8	86.8	16.5	44.5
1947.....	166.9	96.2	22.0	48.8
1948.....	178.8	102.2	23.5	53.1
1949.....	179.4	98.9	24.4	56.1
Annual rates, seasonally adjusted				
1948: Third quarter.....	180.3	101.8	24.8	53.7
Fourth quarter.....	180.9	103.3	22.9	54.8
1949: First quarter.....	178.7	100.4	23.0	55.3
Second quarter.....	179.3	99.8	23.6	55.9
Third quarter.....	179.7	97.6	25.7	56.5
Fourth quarter.....	179.8	97.7	25.2	56.9
1950: First quarter.....	182.7	98.1	26.9	57.7

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

Source: Department of Commerce.

PER CAPITA INCOME¹

Per capita disposable income, including veterans' insurance dividend, increased in first quarter of 1950, both in terms of current dollars and in real purchasing power. Without the dividend, there was no increase.



Period	Per capita disposable personal income ¹		Consumers' price index ³ 1948=100
	Current dollars	1948 dollars ²	
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	1,281	1,297	98.8
	Annual rates, seasonally adjusted		Not adjusted for seasonal variation
1948: Third quarter	1,328	1,305	101.8
Fourth quarter	1,328	1,319	100.7
1949: First quarter	1,304	1,315	99.2
Second quarter	1,285	1,298	99.0
Third quarter	1,267	1,284	98.7
Fourth quarter	1,269	1,292	98.2
1950: First quarter	1,334	1,370	97.4

¹ Income less taxes.

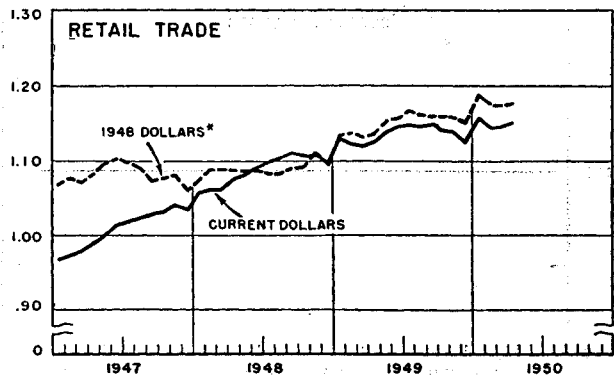
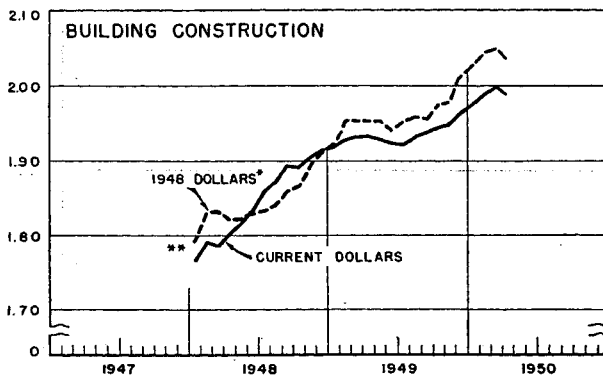
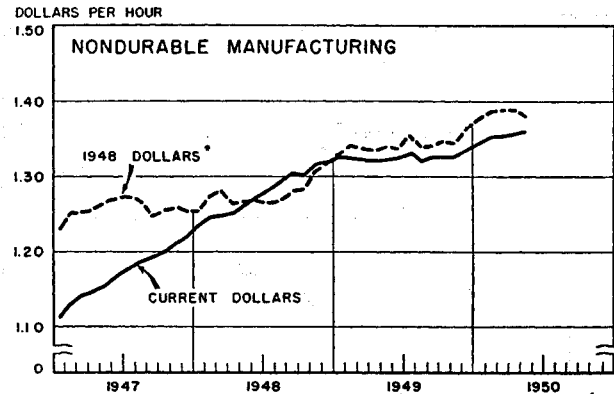
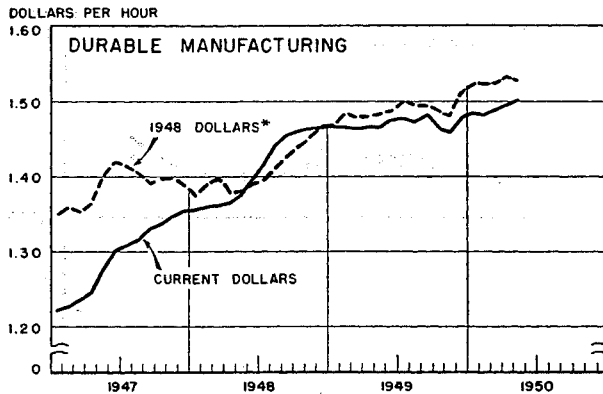
² Current dollars divided by the consumers' price index on the base 1948=100.

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 3.

Sources: Department of Commerce and Department of Labor.

AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Hourly earnings in manufacturing reached a new peak of \$1.44 in May, with increases in both durable and nondurable industries.



* 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		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	\$0. 633	\$1. 090	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
1943 monthly average	. 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)	\$1. 009	\$1. 084
1948 monthly average	1. 350	1. 350	1. 410	1. 410	1. 278	1. 278	\$1. 848	\$1. 848	1. 088	1. 088
1949 monthly average	1. 401	1. 418	1. 469	1. 487	1. 325	1. 341	1. 935	1. 958	1. 137	1. 151
1949: April	1. 401	1. 414	1. 467	1. 480	1. 321	1. 333	1. 934	1. 952	1. 127	1. 137
May	1. 401	1. 418	1. 467	1. 485	1. 323	1. 339	1. 930	1. 953	1. 141	1. 155
June	1. 405	1. 418	1. 475	1. 488	1. 324	1. 336	1. 924	1. 941	1. 147	1. 157
July	1. 408	1. 434	1. 477	1. 504	1. 332	1. 356	1. 922	1. 957	1. 148	1. 169
August	1. 399	1. 419	1. 473	1. 494	1. 319	1. 338	1. 932	1. 959	1. 146	1. 162
September	1. 407	1. 420	1. 482	1. 495	1. 328	1. 340	1. 938	1. 956	1. 150	1. 160
October	1. 392	1. 415	1. 458	1. 482	1. 325	1. 347	1. 944	1. 976	1. 140	1. 159
November	1. 392	1. 413	1. 457	1. 479	1. 325	1. 345	1. 947	1. 977	1. 138	1. 155
December	1. 408	1. 440	1. 476	1. 509	1. 334	1. 364	1. 964	2. 008	1. 126	1. 151
1950: January	1. 418	1. 454	1. 485	1. 523	1. 343	1. 377	1. 976	2. 027	1. 153	1. 183
February	1. 420	1. 459	1. 483	1. 524	1. 350	1. 387	1. 988	2. 043	1. 145	1. 177
March ⁴	1. 423	1. 459	1. 486	1. 524	1. 353	1. 388	1. 998	2. 049	1. 147	1. 176
April ⁴	1. 434	1. 468	1. 498	1. 533	1. 355	1. 387	1. 989	2. 036	1. 151	1. 178
May ⁴	1. 441	1. 463	1. 506	1. 529	1. 360	1. 381	(3)	(3)	(3)	(3)

¹ Production and related workers.
² Not available.

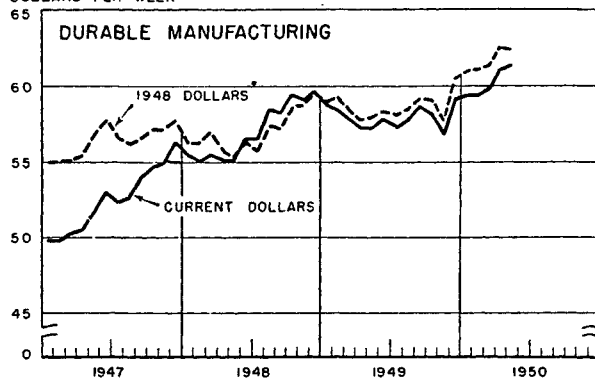
² Current dollars divided by consumers' price index on base 1948=100. See note 3 to table on page 25.
⁴ Preliminary estimates.

Source: Department of Labor.

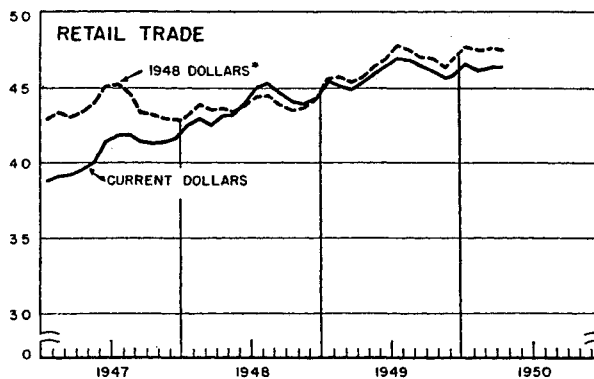
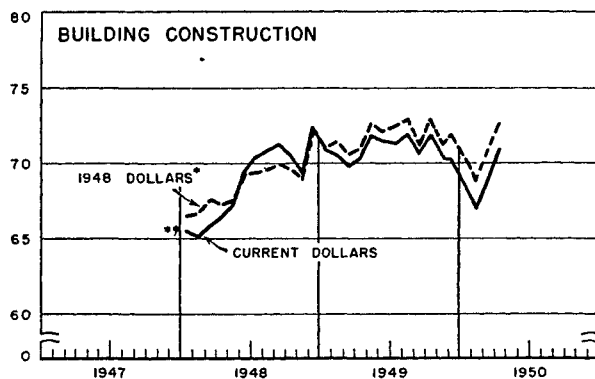
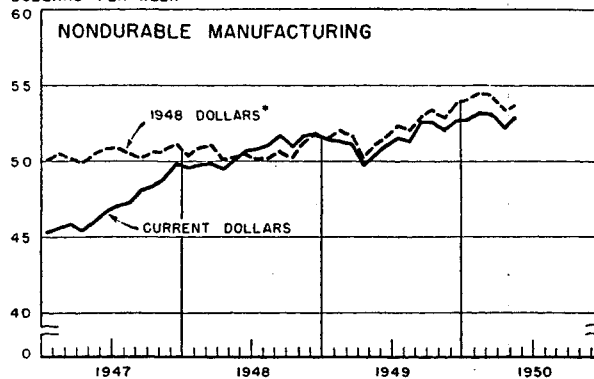
AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Weekly earnings in manufacturing industries continued to rise for the sixth consecutive month, reaching a record figure of \$57.50 in May. The major increase came in the nondurable segment where weekly earnings increased by \$.73 as the length of the workweek increased.

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 ¹]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		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)	\$40.66	\$43.67
1948 monthly average	54.14	54.14	57.11	57.11	50.61	50.61	\$68.85	\$68.85	43.85	43.85
1949 monthly average	54.92	55.59	58.03	58.73	51.41	52.03	70.95	71.81	45.93	46.49
1949: April	53.80	54.29	57.21	57.73	49.67	50.12	70.33	70.97	45.31	45.72
May	54.08	54.74	57.21	57.90	50.41	51.02	71.81	72.68	45.98	46.54
June	54.51	55.00	57.82	58.35	50.97	51.43	71.44	72.09	46.45	46.87
July	54.63	55.63	57.31	58.36	51.55	52.49	71.28	72.59	46.95	47.81
August	54.70	55.48	57.89	58.71	51.31	52.04	71.95	72.97	46.87	47.54
September	55.72	56.23	58.69	59.22	52.59	53.07	70.69	71.33	46.58	47.00
October	55.26	56.16	58.17	59.12	52.47	53.32	71.80	72.97	46.06	46.81
November	54.43	55.26	56.82	57.69	52.07	52.86	70.21	71.28	45.63	46.32
December	56.04	57.30	59.19	60.52	52.69	53.88	70.26	71.84	45.83	46.86
1950: January	56.29	57.73	59.40	60.92	52.91	54.27	68.76	70.52	46.58	47.77
February	56.37	57.93	59.47	61.12	53.06	54.53	67.00	68.86	46.26	47.54
March ⁴	56.49	57.94	59.74	61.27	53.04	54.40	69.13	70.90	46.34	47.53
April ⁴	56.93	58.27	61.12	62.56	52.17	53.40	71.01	72.68	46.39	47.48
May ⁴	57.50	58.38	61.44	62.38	52.90	53.71	(3)	(3)	(3)	(3)

¹ For production and related workers.
² Current dollars divided by consumers' price index on the base 1948=100. See note 3 to table on page 25.

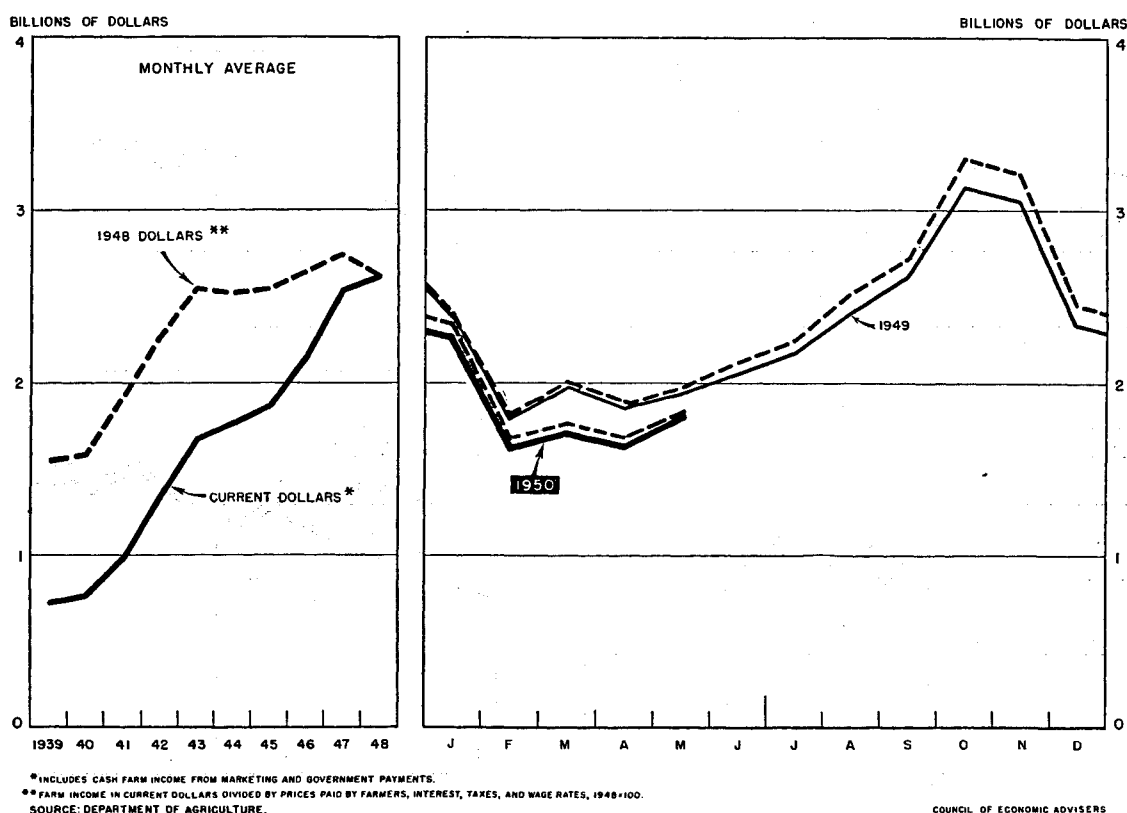
³ Not available.

⁴ Preliminary estimates.

Source: Department of Labor.

FARM INCOME

Cash receipts from farm marketings in May were 7 percent below May 1949. Prices paid by farmers averaged the same as last year.



Period	Farm income (millions of current dollars) ¹	Prices paid by farmers (incl. interest, taxes, and wage rates) 1948=100 ²	Farm income (millions of 1948 dollars) ³
1939 monthly average.....	724	47	1,540
1941 monthly average.....	981	51	1,924
1942 monthly average.....	1,340	59	2,271
1944 monthly average.....	1,765	70	2,521
1945 monthly average.....	1,857	73	2,544
1946 monthly average.....	2,110	80	2,638
1947 monthly average.....	2,542	93	2,733
1948 monthly average.....	2,609	100	2,609
1949 monthly average.....	2,309	97	2,380
1949: April.....	1,850	98	1,888
May.....	1,944	98	1,984
June.....	2,053	97	2,116
July.....	2,177	97	2,244
August.....	2,417	96	2,518
September.....	2,608	96	2,717
October.....	3,139	95	3,304
November.....	3,050	95	3,211
December.....	2,326	95	2,448
1950: January.....	2,254	96	2,348
February.....	1,614	96	1,681
March.....	1,707	97	1,760
April ⁴	1,594	97	1,643
May ⁴	1,801	98	1,838

¹ Includes cash farm income from marketings and Government payments.

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

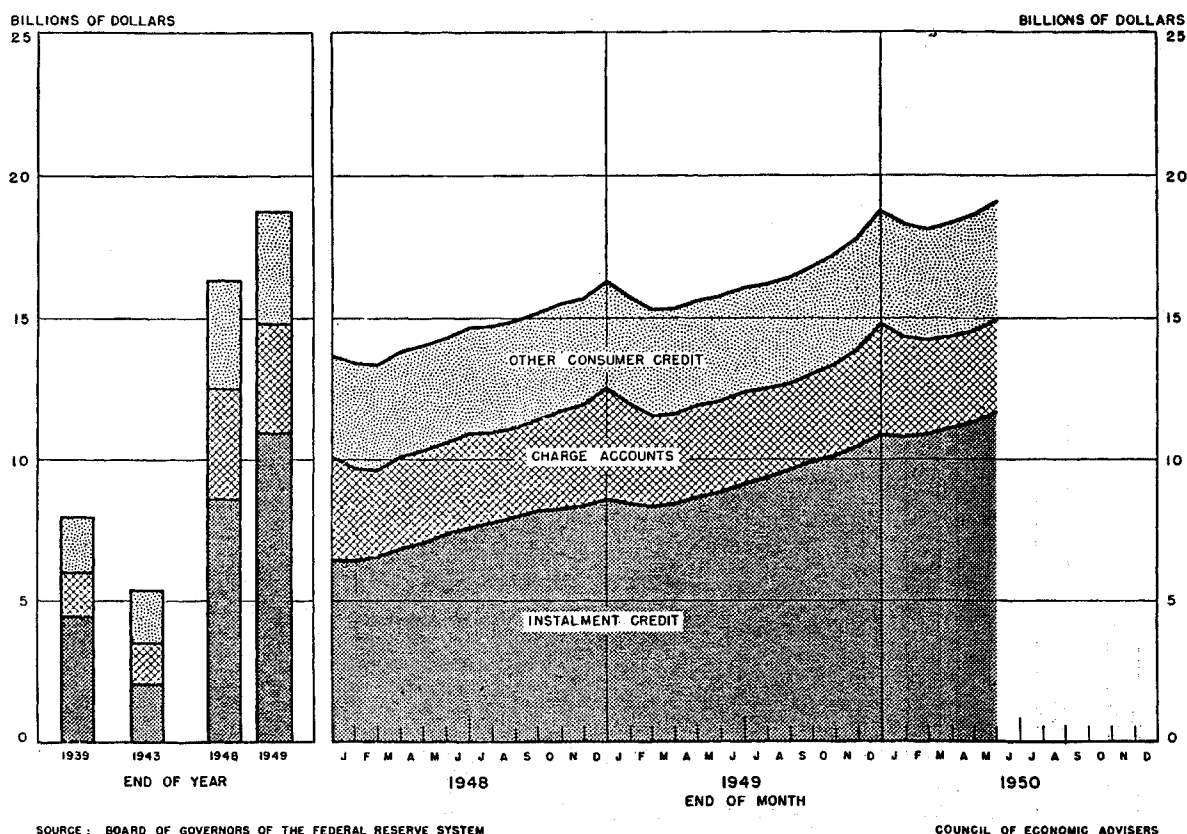
³ Farm income in current dollars divided by prices paid by farmers, interest, taxes, and wage rates, 1948=100.

⁴ Preliminary estimates.

Source: Department of Agriculture.

CONSUMER CREDIT

In May, total consumer credit rose nearly \$500 million with all major categories participating in the increase.



[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
1949.....	18,779	10,890	3,144	7,746	3,909	3,980
1949: 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.....	16,803	9,899	2,876	7,023	3,123	3,781
October.....	17,223	10,166	2,986	7,180	3,197	3,860
November.....	17,815	10,441	3,085	7,356	3,454	3,920
December.....	18,779	10,890	3,144	7,746	3,909	3,980
1950: January.....	18,344	10,836	3,179	7,657	3,506	4,002
February.....	18,126	10,884	3,256	7,628	3,233	4,009
March.....	18,302	11,077	3,355	7,722	3,211	4,014
April.....	18,610	11,315	3,470	7,845	3,241	4,054
May ²	19,091	11,667	3,615	8,052	3,296	4,128

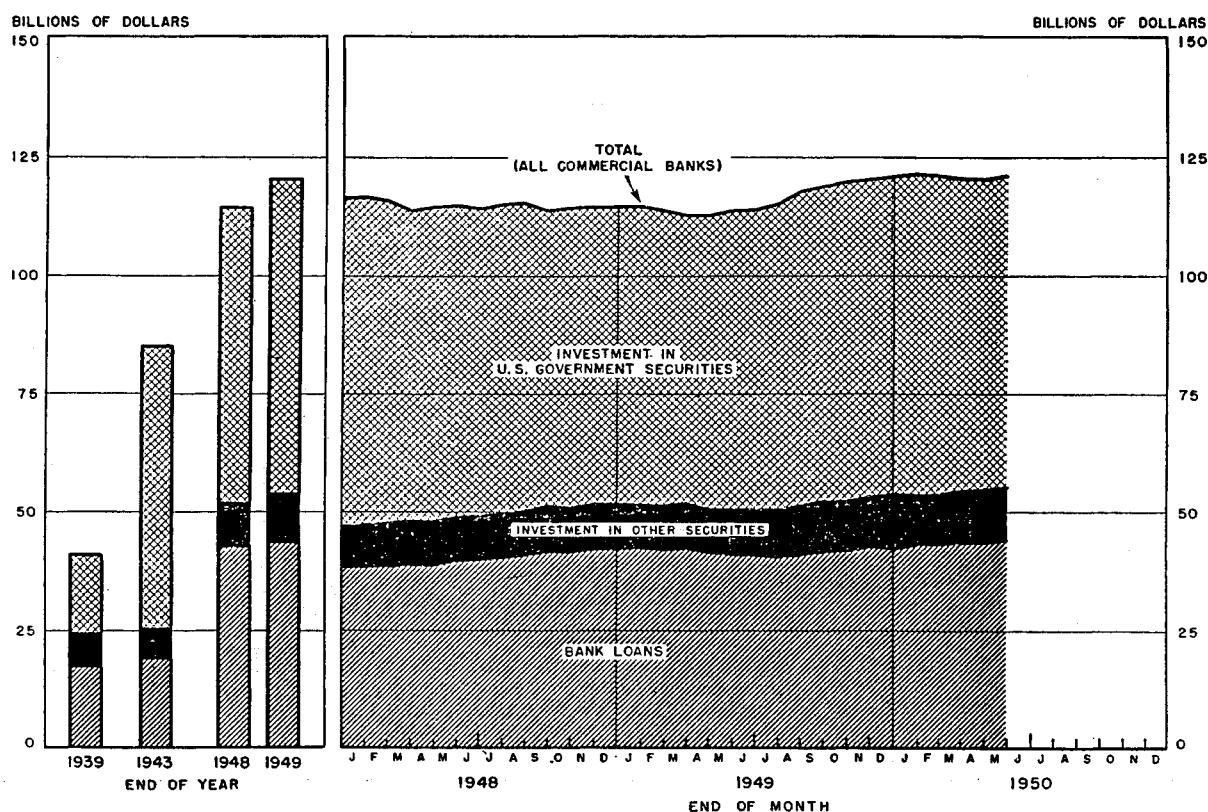
¹ Includes single-payment loans of commercial banks and pawnbrokers and service credit.
NOTE.—Detail will not necessarily add to totals because of rounding.

² Preliminary estimates.
Source: Board of Governors of the Federal Reserve System.

MONEY, BANKING, AND FEDERAL FINANCE

BANK LOANS AND INVESTMENTS

Commercial banks continued to increase their loans in May. Their holdings of Government securities, which had been contracting in previous months, rose \$500 million.



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	120.2	43.0	77.2	67.0	10.2
1949: April	112.5	41.3	71.2	62.0	9.2
1949: May	113.4	40.9	72.6	63.2	9.3
1949: June	113.8	41.0	72.7	63.2	9.5
1949: July	114.8	40.5	74.3	64.4	9.8
1949: August	117.9	41.2	76.7	66.7	10.0
1949: September	118.5	41.7	76.8	66.7	10.2
1949: October	119.5	41.8	77.7	67.6	10.1
1949: November	119.7	42.7	77.0	66.9	10.1
1949: December	120.2	43.0	77.2	67.0	10.2
1950: January	121.2	42.9	78.3	68.0	10.3
1950: February	120.6	43.1	77.5	67.1	10.4
1950: March	120.3	43.7	76.7	65.8	10.9
1950: April	120.4	43.8	76.6	65.6	11.0
1950: May ¹	121.2	44.1	77.1	66.1	11.0

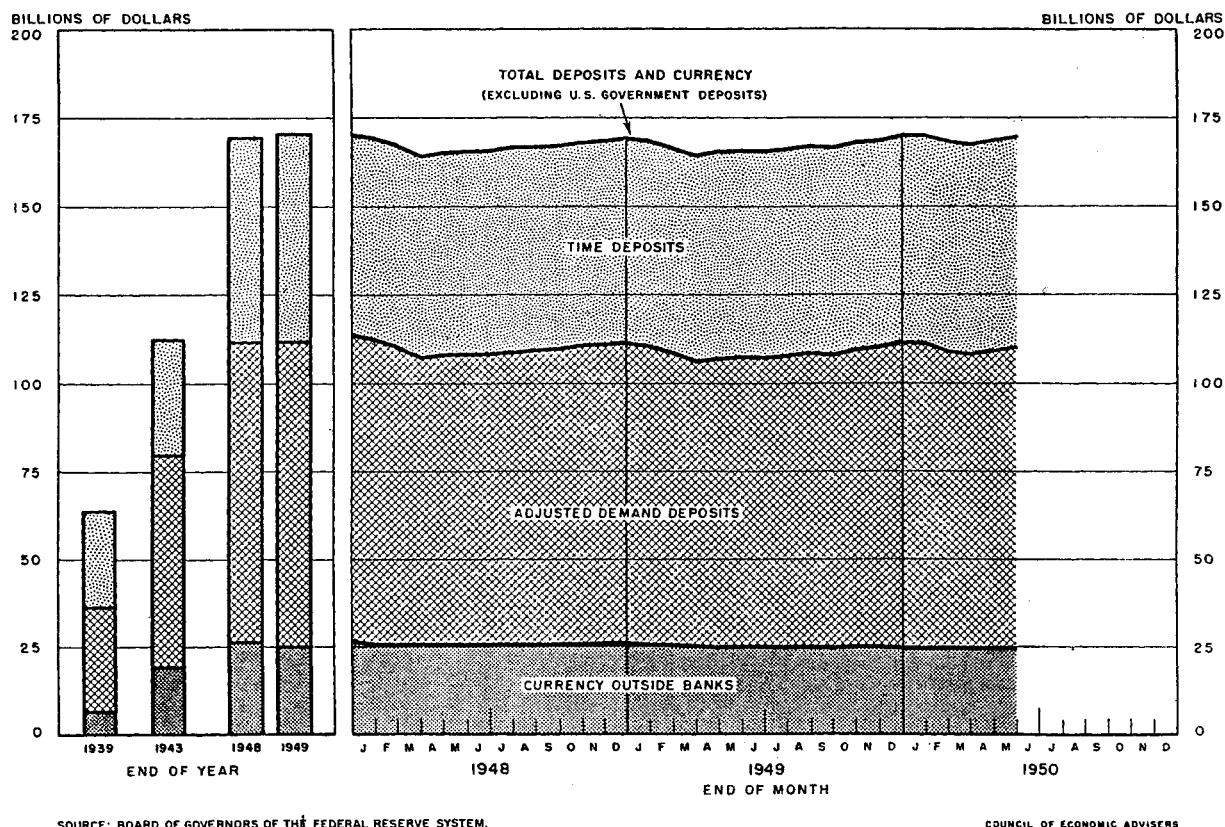
¹ Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

MONEY SUPPLY

The privately-held money supply increased \$1 billion in May.



[Billions of dollars]

End of period	Total privately-held 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
1949.....	169.8	25.4	85.8	58.6
1949: April.....	165.5	24.9	82.4	58.1
May.....	165.6	25.0	82.5	58.2
June.....	165.6	25.3	81.9	58.5
July.....	166.3	24.9	83.1	58.4
August.....	166.9	25.1	83.4	58.4
September.....	166.3	24.9	83.1	58.4
October.....	167.7	24.9	84.3	58.4
November.....	168.1	25.1	85.0	58.0
December.....	169.8	25.4	85.8	58.6
1950: January.....	169.7	24.5	86.4	58.7
February.....	168.2	24.7	84.5	59.0
March.....	167.1	24.6	83.3	59.3
April.....	168.5	24.6	84.5	59.5
May ³	169.5	24.7	85.3	59.5

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.

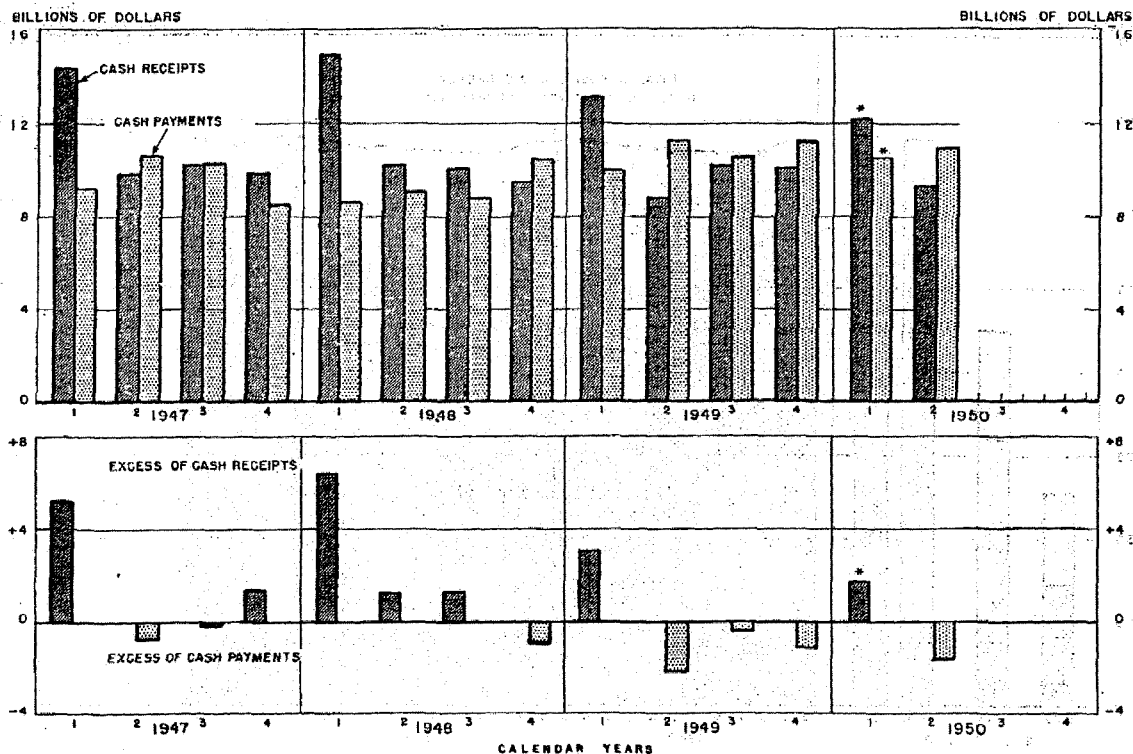
³ Preliminary estimates.

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

In 2nd quarter of 1950, cash payments to the public were \$1.7 billion larger than receipts. Receipts were larger and payments less than in the corresponding quarter of 1949.



* PRELIMINARY ESTIMATES

SOURCE: BUREAU OF THE BUDGET AND TREASURY DEPARTMENT.

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[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
1949	41,346	42,634	-1,288
Quarterly total, not adjusted for seasonal:			
1947: Third quarter	10,220	10,257	-37
Fourth quarter	9,860	8,536	+1,324
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	-926
1949: First quarter	13,122	9,964	+3,158
Second quarter	8,814	11,389	-2,575
Third quarter	10,143	10,528	-385
Fourth quarter	9,267	10,753	-1,486
1950: First quarter ²	12,235	10,759	+1,476
Second quarter ²	9,300	11,000	-1,700

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.

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