

81st Congress, 2d Session



Economic Indicators

SEPTEMBER 1950

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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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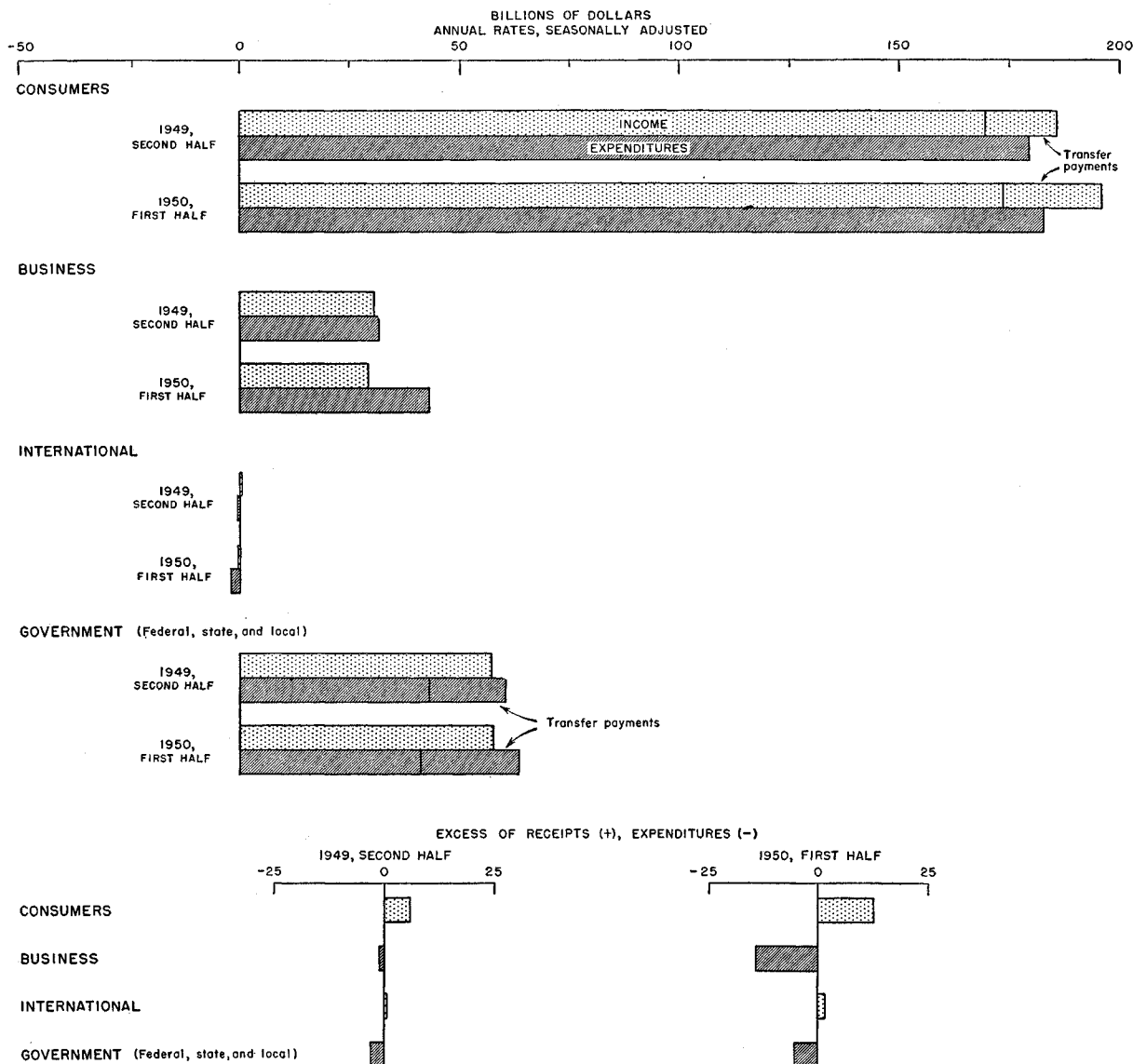
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THE TOTAL OUTPUT OF THE ECONOMY

THE NATION'S ECONOMIC BUDGET

Consumer income and saving in the 1st half of 1950 were substantially higher than in 2nd half of 1949, due in part to payment of the National Service Life Insurance dividend. This payment (\$5.2 billion at an annual rate) more than accounted for the Government cash deficit in the 1st half of 1950.



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

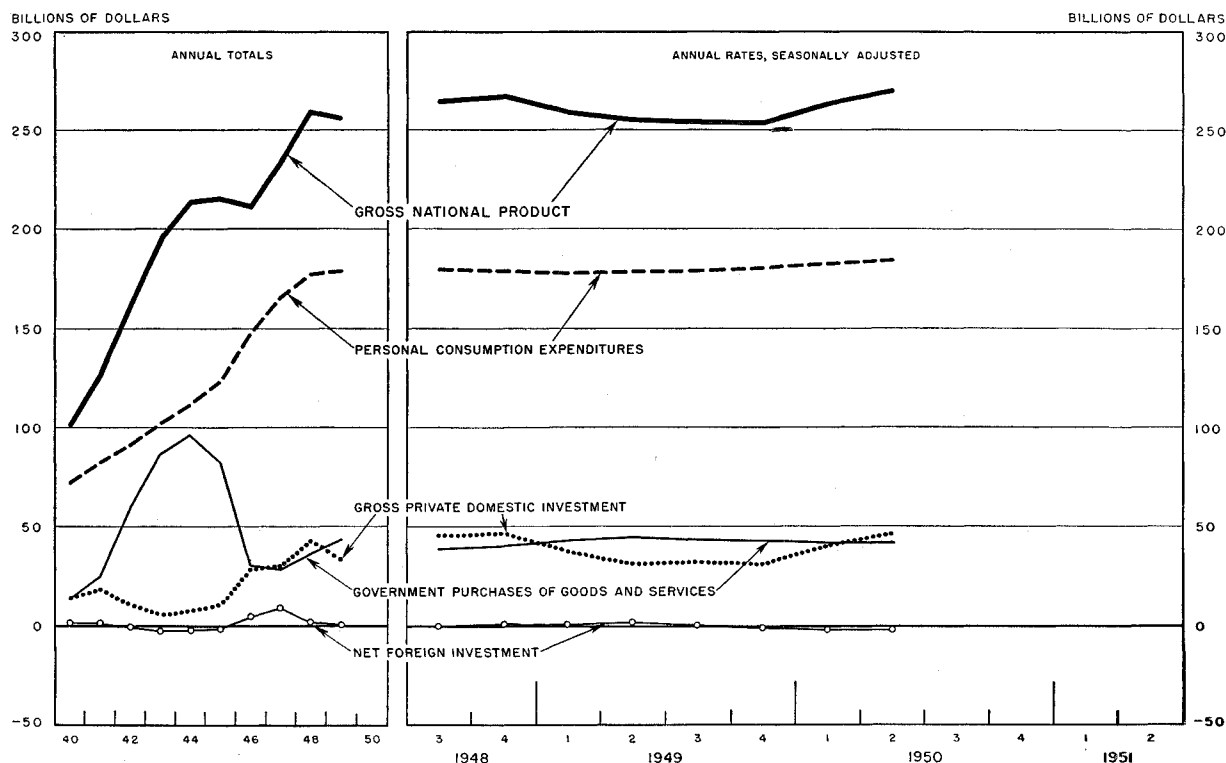
NOTE: SEE PAGE 2 FOR THE NATION'S ECONOMIC BUDGET TOTAL (GROSS NATIONAL PRODUCT)

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

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GROSS NATIONAL PRODUCT

Gross national product rose about \$7 billion (annual rate) from 1st to 2nd quarter 1950 to a peacetime high of nearly \$270 billion. The chief factor in the rise was an increase of more than \$5 billion, or about 13 percent, in the rate of gross private domestic investment.



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	211.1	146.9	28.7	4.6	30.9
1947	233.3	165.6	30.2	8.9	28.6
1948	259.1	177.4	43.1	1.9	36.6
1949	255.6	178.8	33.0	.4	43.3
Annual rates, seasonally adjusted					
1949: First quarter	258.8	177.4	37.5	1.0	42.9
Second quarter	255.2	178.4	31.3	1.3	44.3
Third quarter	254.4	179.0	32.1	.1	43.2
Fourth quarter	253.8	180.6	31.2	-.7	42.8
1950: First quarter	262.5	182.4	40.5	-1.9	41.4
Second quarter	269.9	184.5	45.9	-2.0	41.4

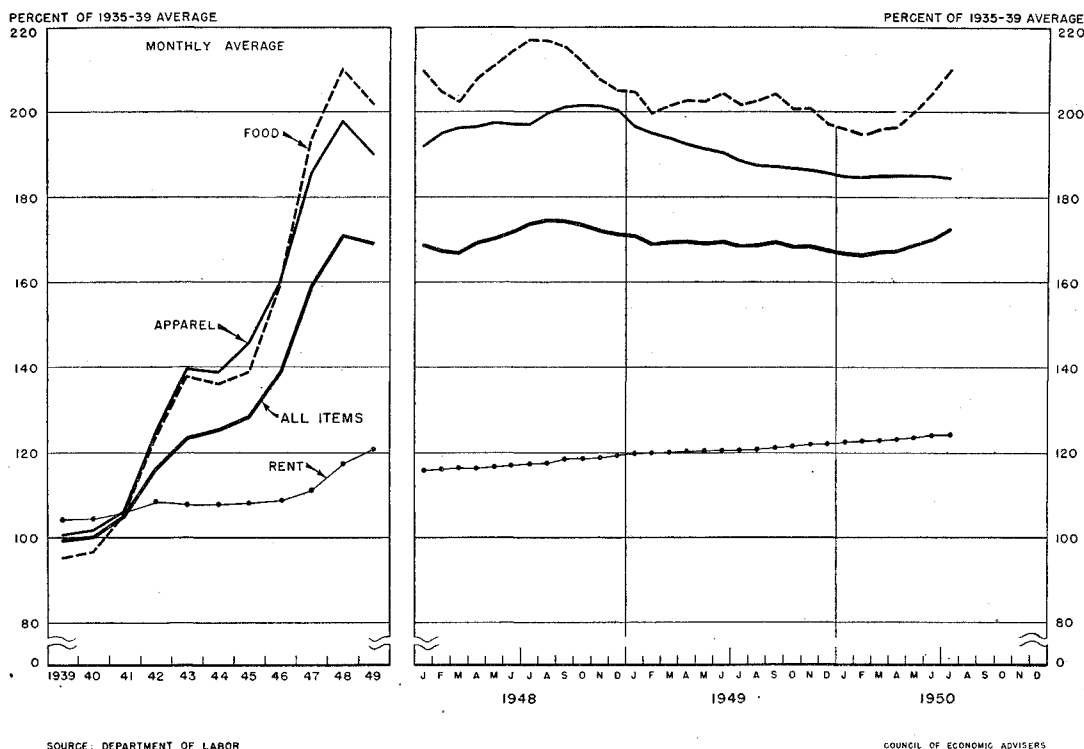
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

PRICES

CONSUMERS' PRICES

A 1.4 percent rise in consumers' prices in July, the largest monthly gain since April 1948, was mainly due to sharp increases in food prices. All other categories except apparel advanced moderately. A partial survey indicates that, because of seasonal factors, food prices leveled off by mid-August.



[1935-39=100]

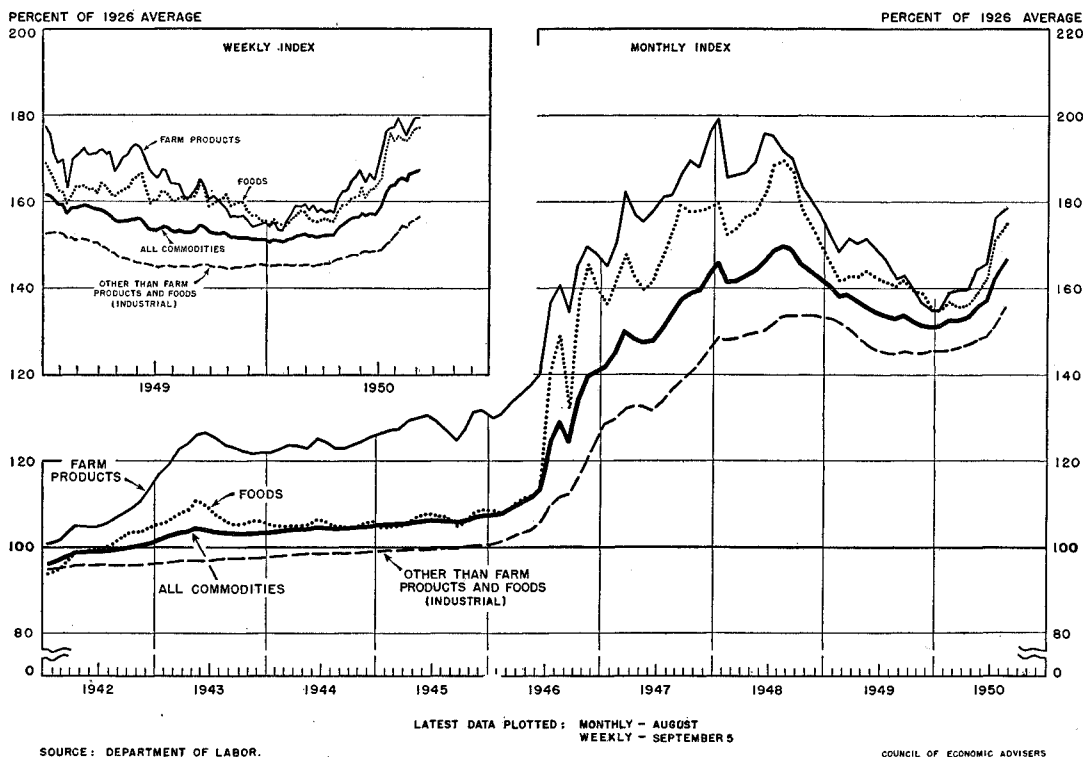
Period	All items	Food	Apparel	Rent	Fuel, electricity, and refrigeration	House furnishings	Miscellaneous
1940 monthly average.....	100.2	96.6	101.7	104.6	99.7	100.5	101.1
1942 monthly average.....	116.5	123.9	124.2	108.5	105.4	122.2	110.9
1943 monthly average.....	123.6	138.0	129.7	108.0	107.7	125.6	115.8
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: 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
June 15.....	170.2	204.6	185.0	123.9	138.9	185.2	155.3
July 15.....	172.5	210.0	184.7	124.4	139.5	186.4	156.2

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

Source: Department of Labor.

WHOLESALE PRICES

Wholesale prices continued their upward trend during August. Farm and food prices moved irregularly, but industrial prices rose more consistently and reached new peaks.



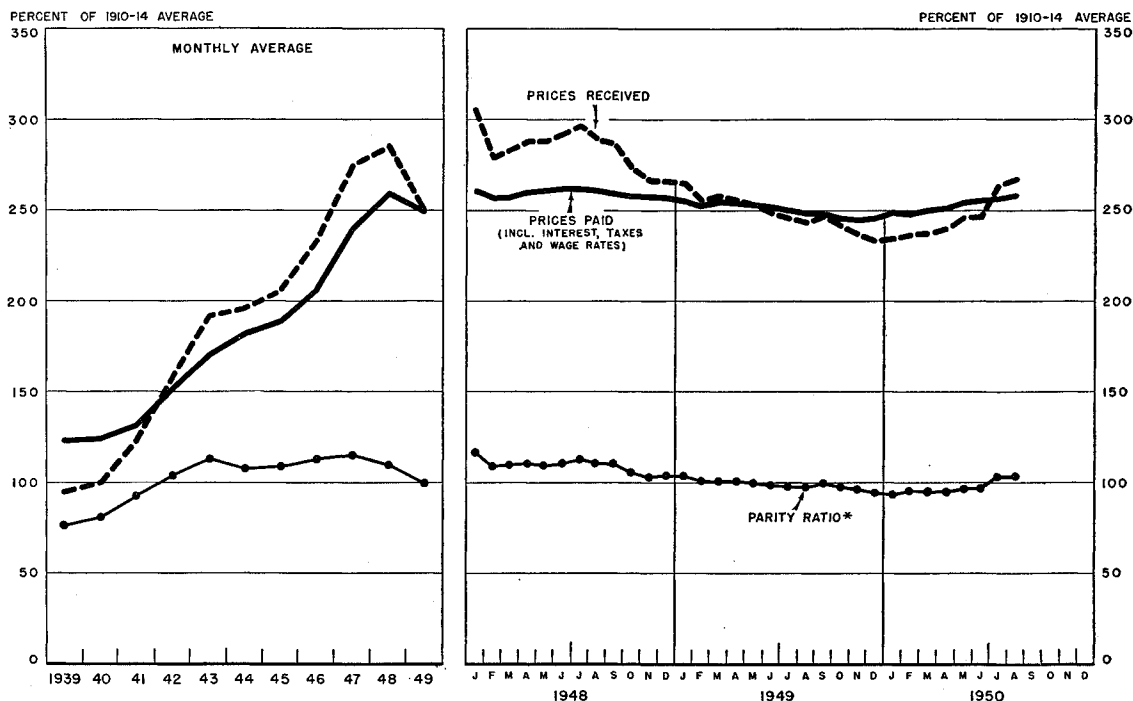
[1926=100]

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
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: 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.....	157.3	165.9	162.1	148.8
July.....	162.9	176.0	171.4	151.5
August ¹	166.6	178.3	174.8	155.9
Week ended:				
1950: August 1.....	165.3	179.2	175.2	153.4
8.....	165.6	177.5	174.7	154.5
15.....	164.9	175.4	174.2	154.1
22.....	166.0	176.4	174.4	155.1
29.....	167.2	179.5	176.8	155.4
September 5.....	167.5	179.4	177.1	156.3

¹ Estimates based on change in weekly data.
Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

Prices received by farmers increased about 1½ percent from July 15 to August 15, reflecting sharply higher prices for cotton and for dairy and poultry products. Prices paid increased almost 1 percent.



* RATIO OF INDEX OF PRICES RECEIVED TO INDEX OF PRICES PAID, INTEREST, TAXES AND WAGE RATES.

SOURCE: DEPARTMENT OF AGRICULTURE

COUNCIL ECONOMIC ADVISERS

[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
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: 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.....	247	255	97
July 15.....	263	256	103
August 15.....	267	258	103

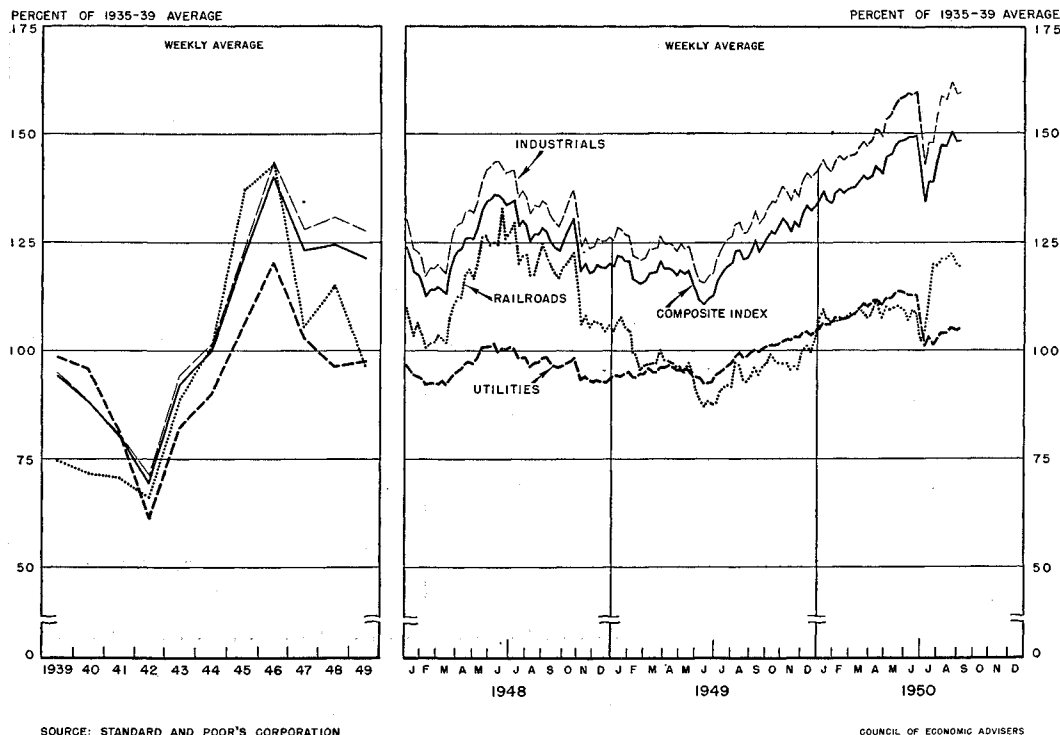
¹ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates.

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

During August the weekly index of industrial stock prices reached a postwar peak; railroad stocks maintained the 1950 high levels reached at the end of July. Utilities recovered part of the drop which occurred after the Korean outbreak.



[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: 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.....	141.8	150.0	109.5	111.0
May.....	146.9	156.1	109.7	112.8
June.....	147.7	157.6	107.1	111.5
July.....	138.2	147.2	109.7	103.0
August.....	147.2	158.0	120.6	104.2
Week ended:				
1950: August 2.....	143.5	153.6	119.0	102.8
9.....	147.4	158.2	121.0	104.0
16.....	146.9	157.6	121.0	104.0
23.....	150.2	161.5	122.3	105.4
30.....	148.1	159.0	119.9	104.8
September 6.....	148.4	159.3	119.6	105.0

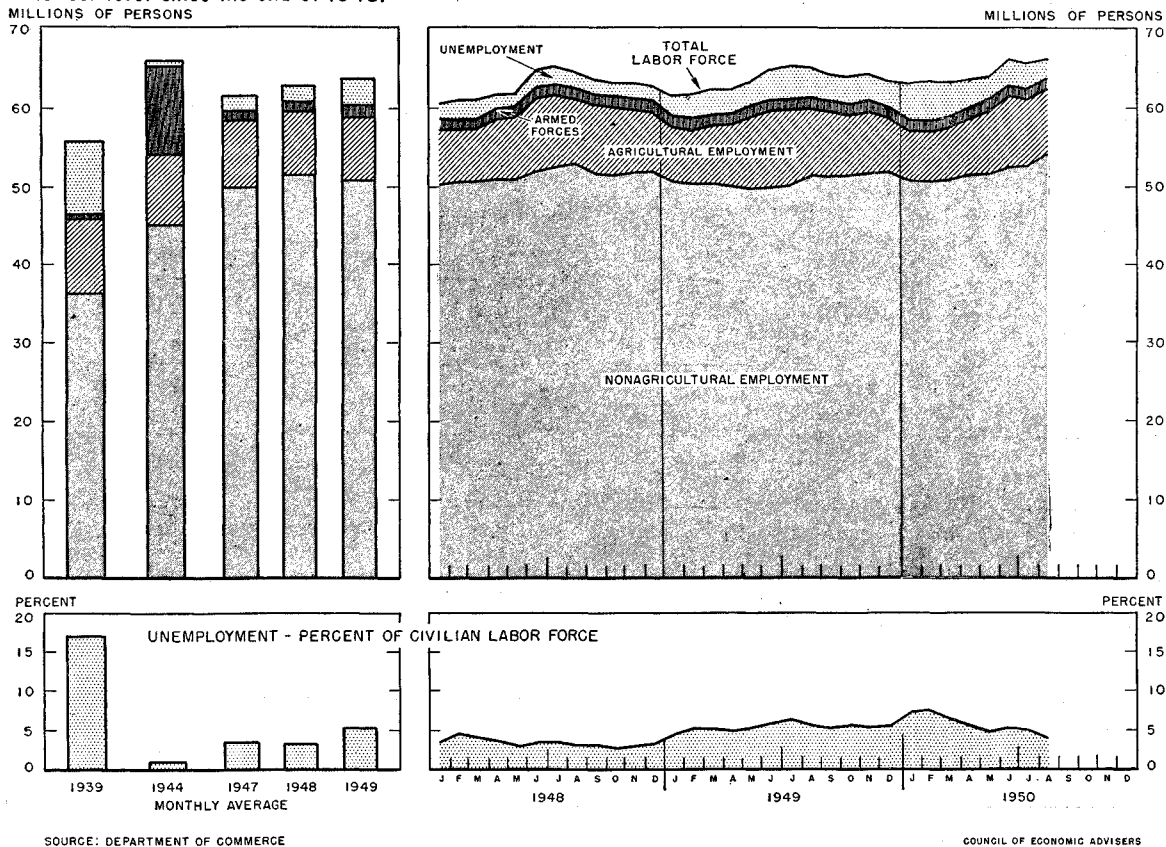
¹ Composite index prior to June 23, 1948, was based on 402 common stocks, and included 354 industrials, 20 railroads, and 28 utilities; thereafter, 416 common stocks are represented, with 365 industrials, 20 railroads, and 31 utilities.

Source: Standard & Poor's Corporation.

EMPLOYMENT

LABOR FORCE

Civilian employment, increasing by about 1 million in August, was at an all-time peak of 62.4 million. Nonagricultural employment advanced by nearly 1.5 million while agricultural employment dropped further below its summer peak reached in June. Unemployment of 2.5 million was 700,000 below July and at the lowest level since the end of 1948.



SOURCE: DEPARTMENT OF COMMERCE

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Period	Total labor force (in- cluding armed forces)	Armed forces	Civilian labor force					Unemploy- ment as per- cent of total civilian labor force
			Total civilian labor force	Employment ¹			Unem- ploy- ment	
				Total	Agricul- tural	Nonagri- cultural		
	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: 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
July-----	65, 742	1, 315	64, 427	61, 214	8, 440	52, 774	3, 213	5. 0
August-----	66, 204	1, 337	64, 867	62, 367	8, 160	54, 207	2, 500	3. 9

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.

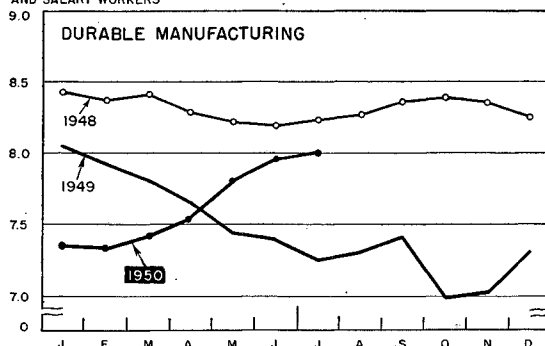
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Source: Department of Commerce.

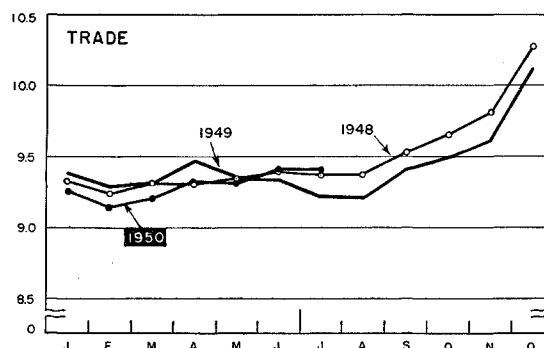
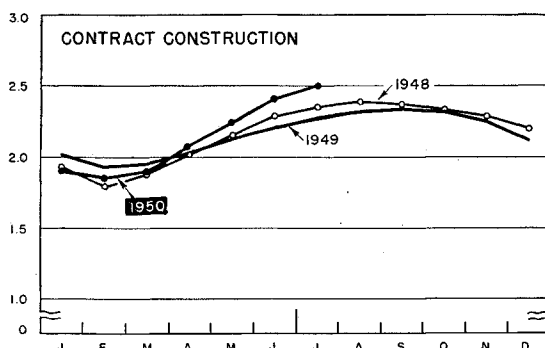
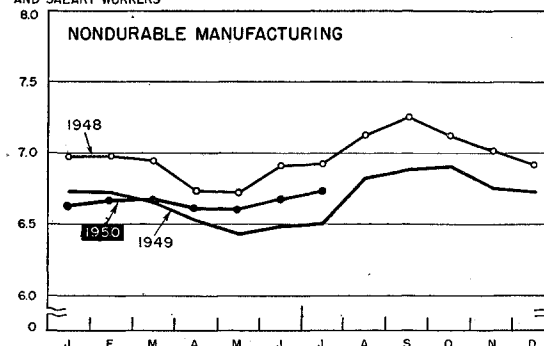
NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Manufacturing employment continued to increase in July to a level about 1 million higher than a year ago.
Construction employment reached a new postwar high.

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 construc- tion	Trade	Finance and service	Govern- ment (Federal, State, local)	Transpor- tation and public utilities	Mining
	Total	Durable goods	Nondur- able goods						
1939 monthly average.....	10, 078	4, 683	5, 394	1, 150	6, 705	4, 610	3, 987	2, 912	845
1943 monthly average.....	17, 381	11, 077	6, 304	1, 567	7, 322	5, 187	6, 049	3, 619	917
1946 monthly average.....	14, 461	7, 739	6, 722	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, 813	3, 977	932
1949: 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.....	14, 103	7, 418	6, 685	1, 907	9, 206	6, 499	5, 769	3, 873	938
April.....	14, 162	7, 548	6, 614	2, 076	9, 346	6, 560	5, 915	3, 928	939
May ²	14, 421	7, 813	6, 608	2, 242	9, 338	6, 602	5, 900	3, 888	939
June ²	14, 681	7, 971	6, 710	2, 413	9, 424	6, 652	5, 832	4, 023	944
July ²	14, 739	8, 007	6, 732	2, 502	9, 417	6, 670	5, 741	4, 039	909

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

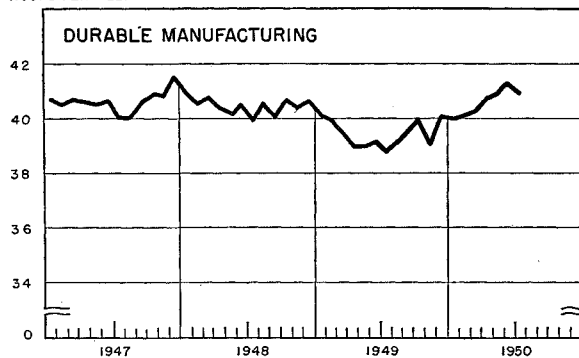
² Preliminary estimates.

Source: Department of Labor.

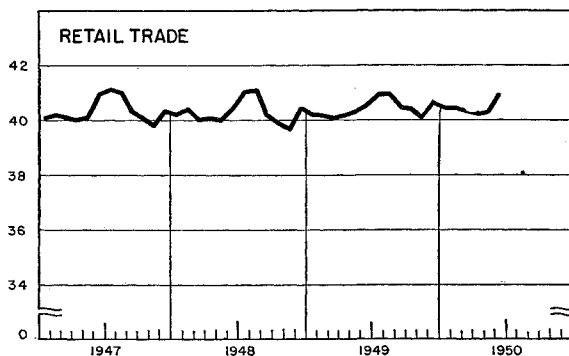
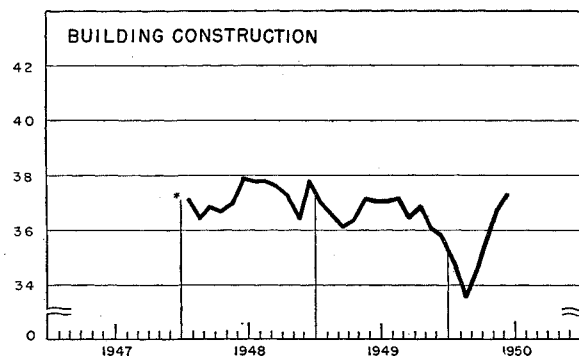
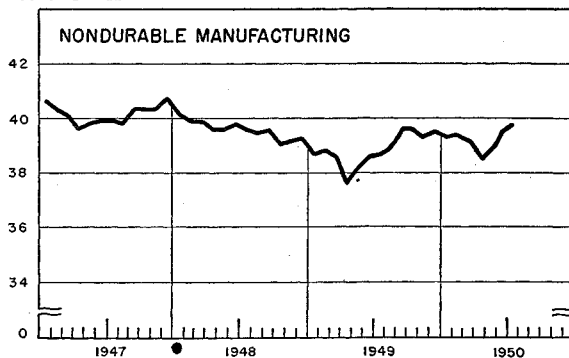
AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

Most durable industries reported small seasonal declines in the average workweek in July. Seasonal expansion in food processing and textile industries was responsible for a longer workweek in the nondurable group.

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	38.0	37.4	(2)	(2)
1943 monthly average.....	44.9	46.6	42.5	(2)	(2)
1946 monthly average.....	40.4	40.2	40.5	(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	36.7	40.4
1949: 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.....	39.7	40.2	39.2	34.5	40.3
April.....	39.7	40.7	38.5	35.6	40.2
May ³	40.0	40.9	38.9	36.8	40.3
June ³	40.4	41.3	39.5	37.3	40.9
July ³	40.4	40.9	39.8	(2)	(2)

¹ For production and related workers.

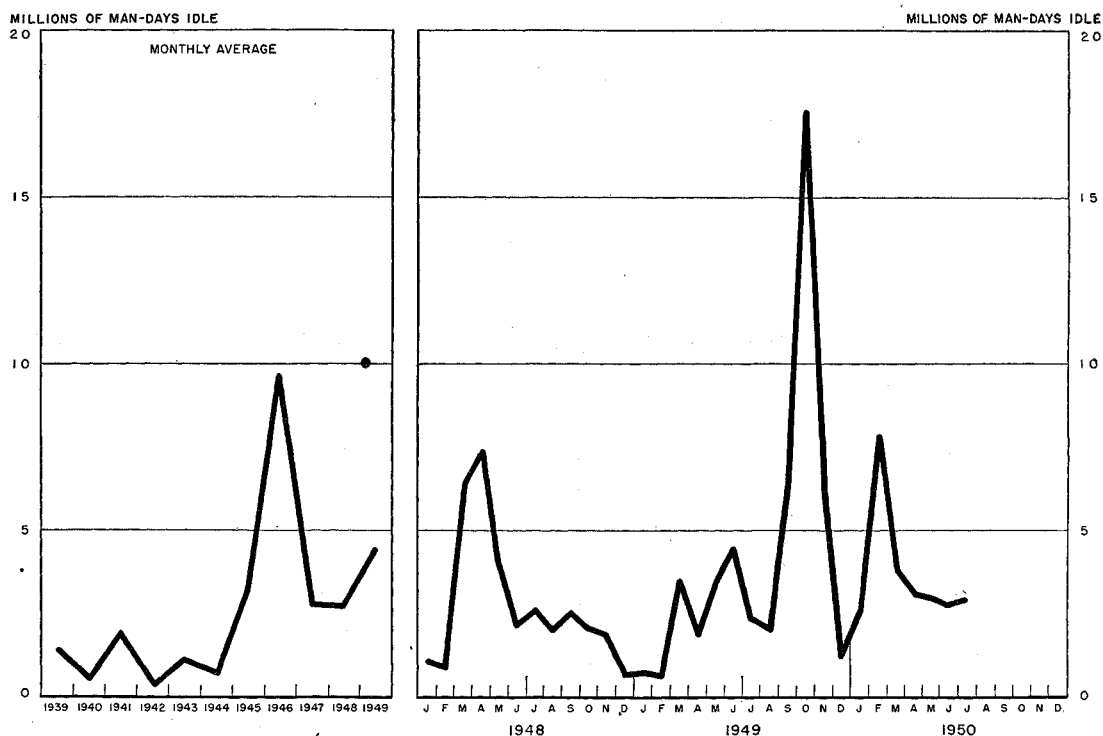
² Not available.

³ Preliminary estimates.

Source: Department of Labor.

WORK STOPPAGES

Man-days of idleness resulting from work stoppages increased slightly in July, but the scattered stoppages involved fewer workers than in June.



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	-----
1944.....	727	.09	2,120	-----	4,956	-----
1945.....	3,167	.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: 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 ¹	2,600	.38	185	300	225	340
February ¹	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
June ¹	2,750	.36	260	400	425	650
July ¹	2,900	.41	225	400	425	650

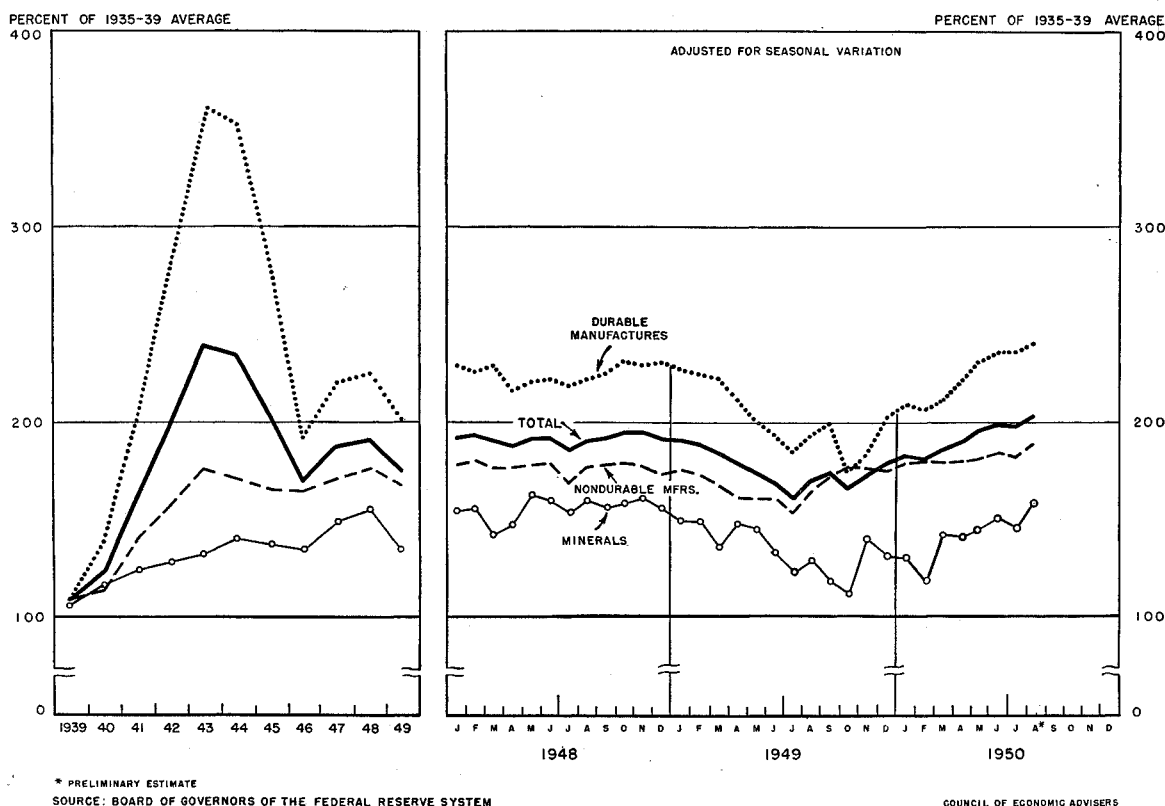
¹ Preliminary estimates.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

Industrial production reached a new postwar peak in August, about 4 percent above the July level, according to preliminary estimates. Higher output occurred in most major groups of industries.



[1935-39=100, seasonally adjusted]

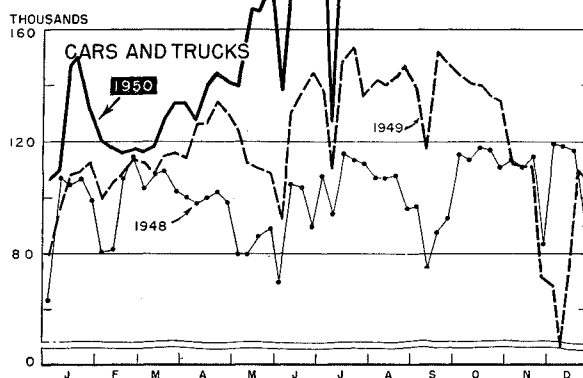
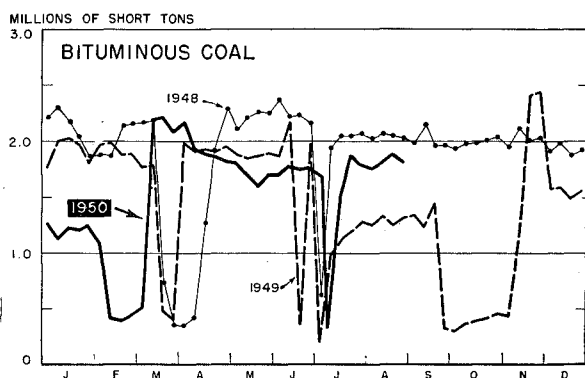
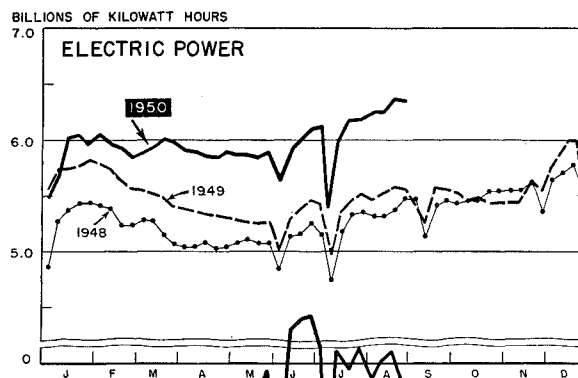
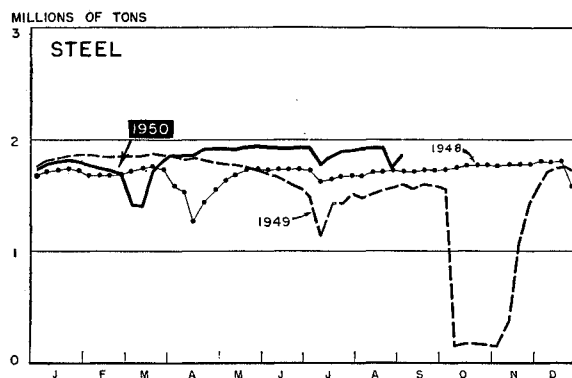
Period	Total industrial production	Manufactures			Minerals
		Total	Durable goods	Nondurable goods	
1943 monthly average.....	239	258	360	176	132
1946 monthly average.....	170	177	192	165	134
1947 monthly average.....	187	194	220	172	149
1948 monthly average.....	192	198	225	177	155
1949 monthly average.....	176	183	202	168	135
1949: 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.....	195	203	231	181	145
June.....	199	207	236	183	151
July ¹	197	206	235	181	146
August ¹	205	213	241	189	161

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

WEEKLY PRODUCTION - SELECTED INDICATORS

Steel production was near capacity levels during most of August. Electric power plants continued to produce at peak rates. The output of the automobile industry was second only to June — the all-time peak month.



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

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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	92, 163
1948-----	1, 695	94. 1	5, 300	1, 948	82, 340
1949-----	1, 496	81. 0	5, 500	1, 418	120, 350
Week ended:					
1949: August 6-----	1, 499	81. 3	5, 466	1, 254	142, 346
13-----	1, 517	82. 3	5, 530	1, 328	139, 863
20-----	1, 539	83. 5	5, 579	1, 254	142, 663
27-----	1, 563	84. 8	5, 523	1, 314	148, 469
September 3-----	1, 590	86. 3	5, 444	1, 346	138, 796
10-----	1, 552	84. 2	5, 258	1, 231	117, 703
1950: August 5-----	1, 920	99. 5	6, 247	1, 760	173, 169
12-----	1, 927	99. 9	6, 253	1, 813	180, 284
19-----	1, 931	100. 1	6, 370	1, 880	183, 368
26-----	1, 747	90. 6	6, 346	1, 830	171, 867
September 2-----	1, 873	97. 1	6, 459	1, 837	178, 445
9-----	1, 890	98. 0	-----	-----	-----

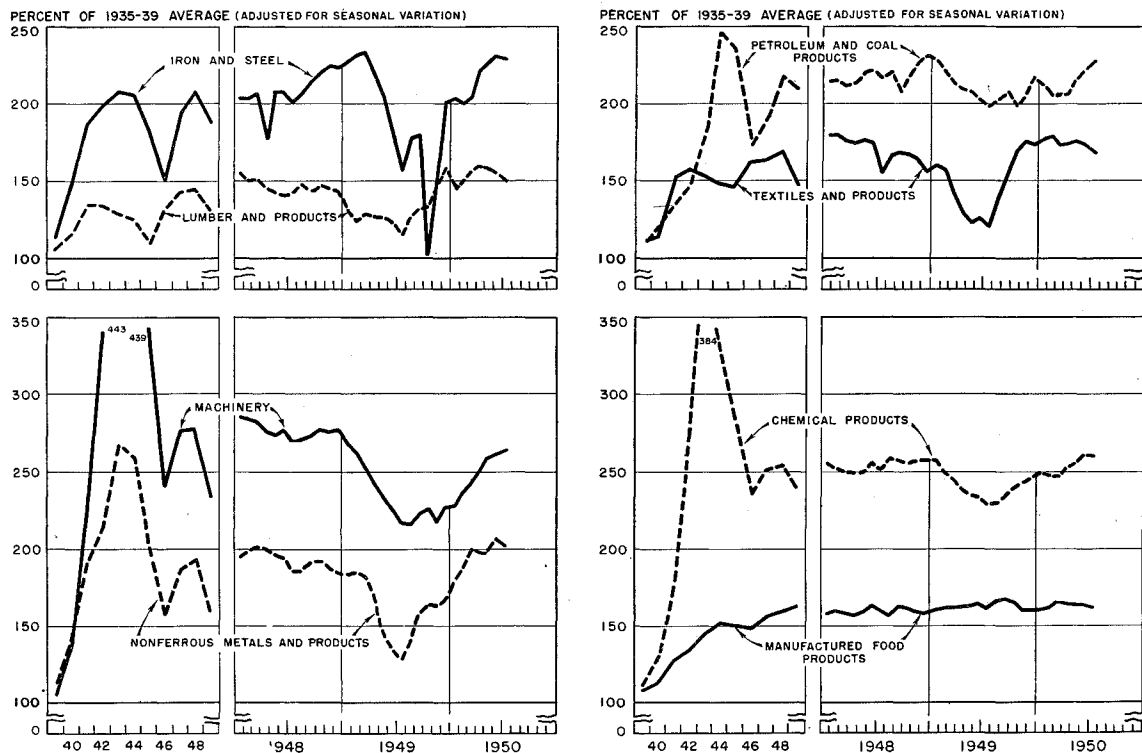
¹ Based on weekly net ton capacity of 1,749,928 for 1947, 1,802,476 for 1948, 1,843,515 for 1949, 1,906,268 for the first half of 1950, and 1,928,721 beginning July 1, 1950.

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

In July, most durable and nondurable manufactures declined slightly, reflecting vacations not completely accounted for by the seasonal adjustment factor.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

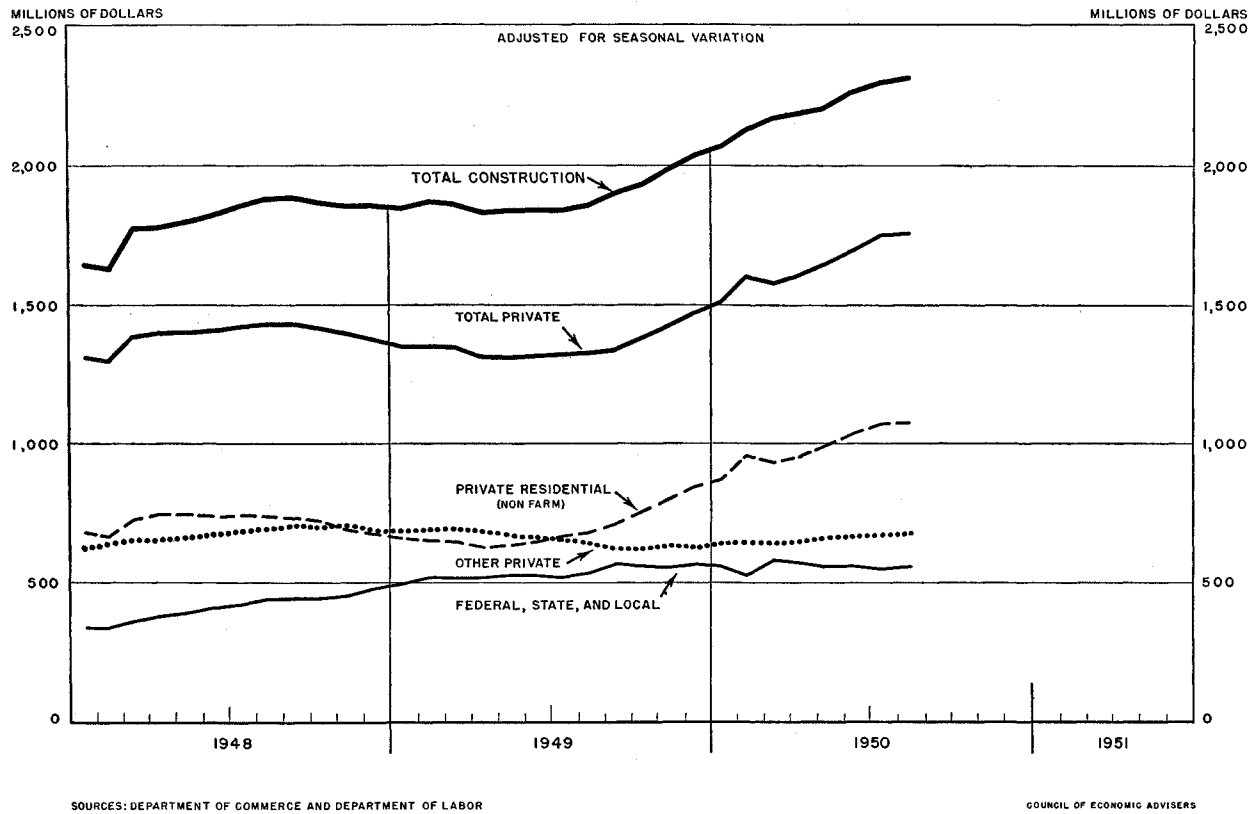
Period	Durable manufactures				Nondurable manufactures			
	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1943 monthly average.....	208	129	443	267	153	185	145	384
1946 monthly average.....	150	131	240	157	162	173	149	236
1947 monthly average.....	195	143	276	187	163	193	157	251
1948 monthly average.....	208	145	277	193	170	218	159	254
1949 monthly average.....	188	130	234	160	147	209	163	241
1949: 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	158	227	166	173	219	160	246
1950: January.....	203	144	229	180	178	211	161	248
February.....	201	150	237	190	179	205	161	247
March.....	205	156	243	200	173	207	166	247
April.....	222	159	251	198	174	206	164	252
May.....	226	158	258	197	175	216	164	256
June.....	231	155	262	207	173	222	164	261
July ¹	228	150	264	202	168	228	162	260

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

New construction in August advanced about 1 percent above its July level and was about 25 percent above a year ago. All categories recorded some increase with that in private residential construction being the smallest.



[Millions of dollars, seasonally adjusted]

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: July.....	1, 834	1, 319	666	653	515
August.....	1, 853	1, 322	676	646	531
September.....	1, 897	1, 333	706	627	564
October.....	1, 934	1, 375	752	623	559
November.....	1, 985	1, 428	792	636	557
December.....	2, 039	1, 471	842	629	568
1950: January.....	2, 068	1, 506	863	643	562
February.....	2, 127	1, 600	956	644	527
March.....	2, 167	1, 579	938	641	588
April.....	2, 183	1, 604	957	647	579
May.....	2, 209	1, 649	990	659	560
June.....	2, 267	1, 699	1, 035	664	568
July ²	2, 298	1, 748	1, 075	673	550
August ²	2, 318	1, 758	1, 078	680	560

¹ Includes public residential construction.

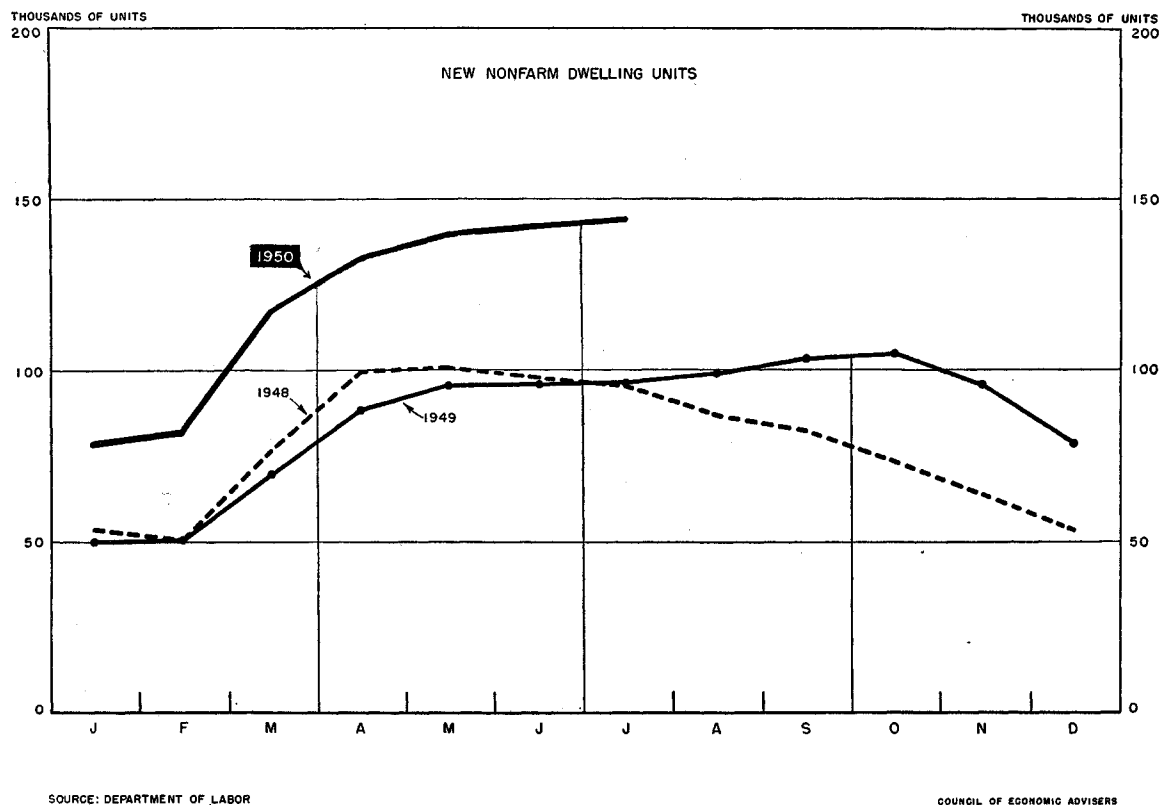
² Preliminary estimates.

Sources: Department of Commerce and Department of Labor.

NOTE.—Construction data have been revised. See May 1950 Supplement to Construction and Construction Materials.

NEW HOUSING STARTS

Housing starts, experiencing the same moderate increase recorded in June, again rose to an all-time record in July. Starts during the first seven months of the year totalled 838,300, over 50 percent more than in the corresponding period of 1949.



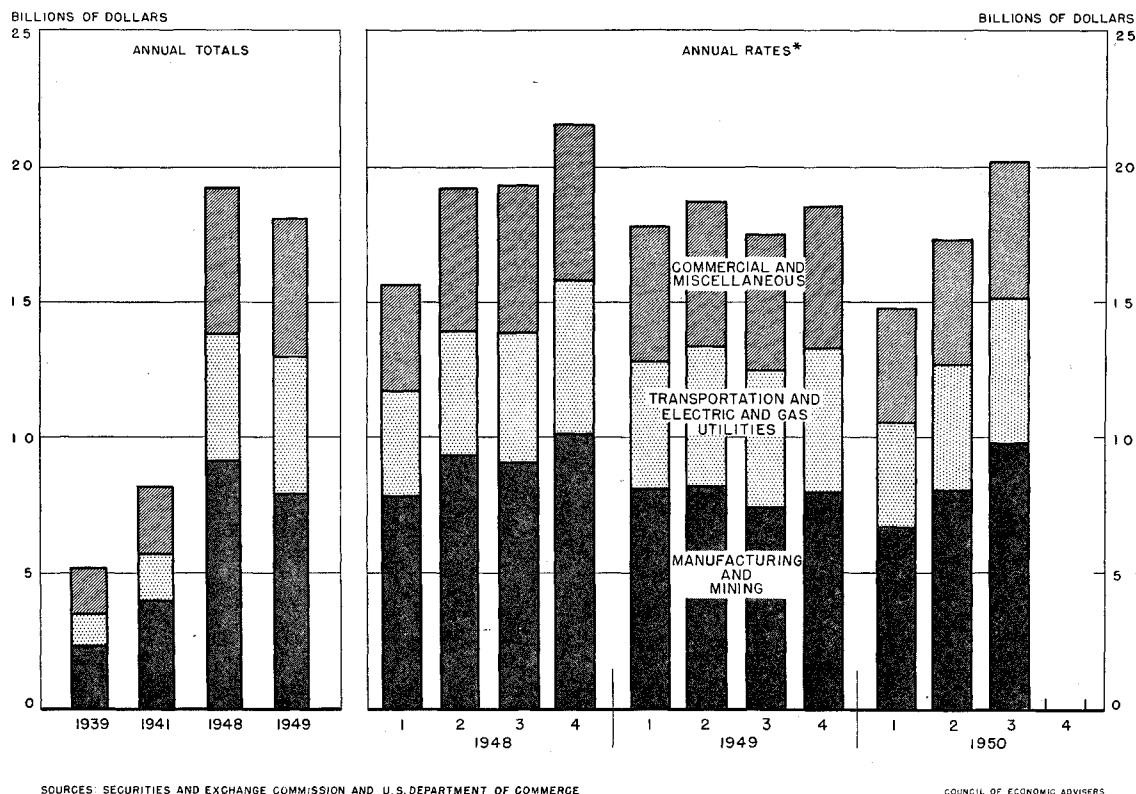
Month	New nonfarm units started			
	1947	1948	1949	1950
January.....	39,300	53,500	50,000	78,700
February.....	42,800	50,100	50,400	82,900
March.....	56,000	76,400	69,400	117,300
April.....	67,100	99,500	88,300	133,400
May.....	72,900	100,300	95,400	¹ 140,000
June.....	77,200	97,800	95,500	¹ 142,000
July.....	81,100	95,000	96,100	¹ 144,000
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 estimates.

Source: Department of Labor.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

The survey made between mid-July and mid-August of business investment plans indicates a substantial expansion of programs for new plant and equipment and an acceleration of expenditures in 3rd quarter by 13 percent above the amount planned when the May survey was made.



SOURCES: SECURITIES AND EXCHANGE COMMISSION AND U.S. DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[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
1948: 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-----	17,480	6,760	720	1,240	560	3,160	5,040
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
Second quarter-----	17,320	7,440	640	1,200	360	3,040	4,640
Third quarter ³ -----	20,240	9,080	720	1,280	440	3,640	5,040

¹ Excludes agriculture.

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

³ Figures for third quarter are based on anticipated capital expenditures reported in the July-August survey.

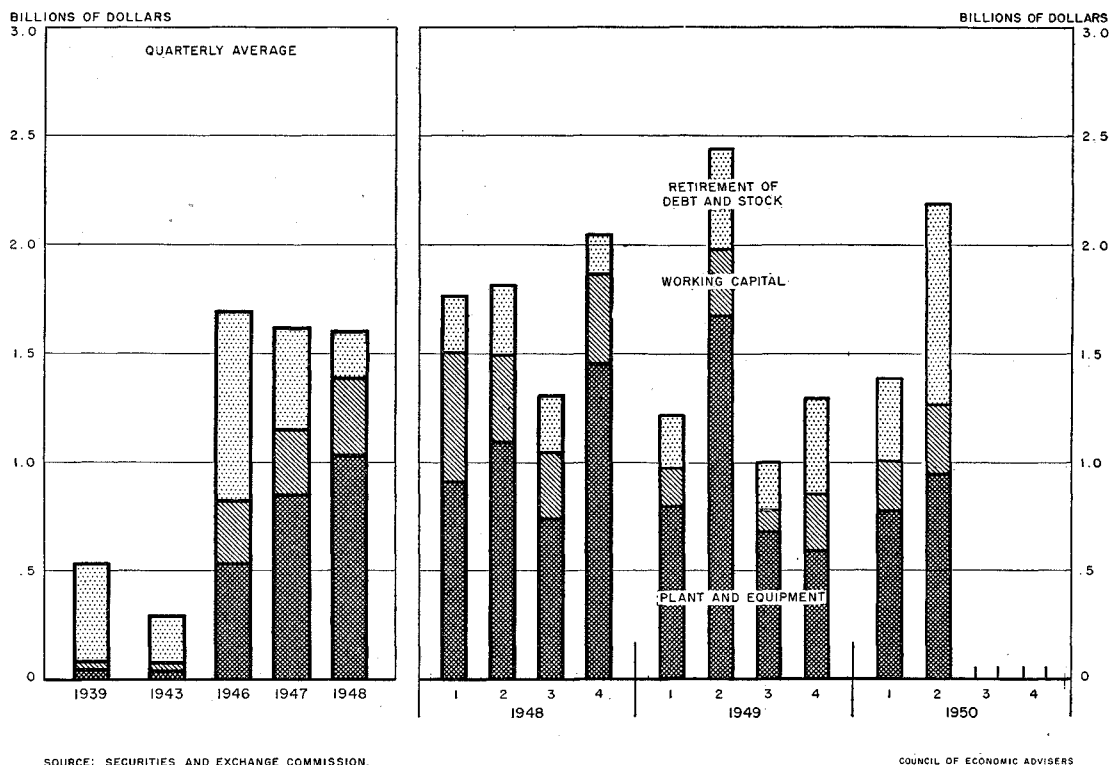
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal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

Net proceeds from new security issues increased about \$800 million in 2nd quarter. Over half of the increased proceeds was used for retirement of debt and stock.



[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.....	1,740	1,482	1,055	428	258
1949 quarterly average.....	1,490	1,151	931	221	338
1948: Third quarter.....	1,321	1,056	743	314	264
Fourth quarter.....	2,051	1,870	1,469	401	182
1949: First quarter.....	1,210	970	784	186	240
Second quarter.....	2,441	1,986	1,675	312	456
Third quarter.....	1,009	788	669	120	219
Fourth quarter.....	1,299	861	596	265	438
1950: First quarter.....	1,398	1,014	777	237	384
Second quarter.....	2,193	1,275	958	317	918

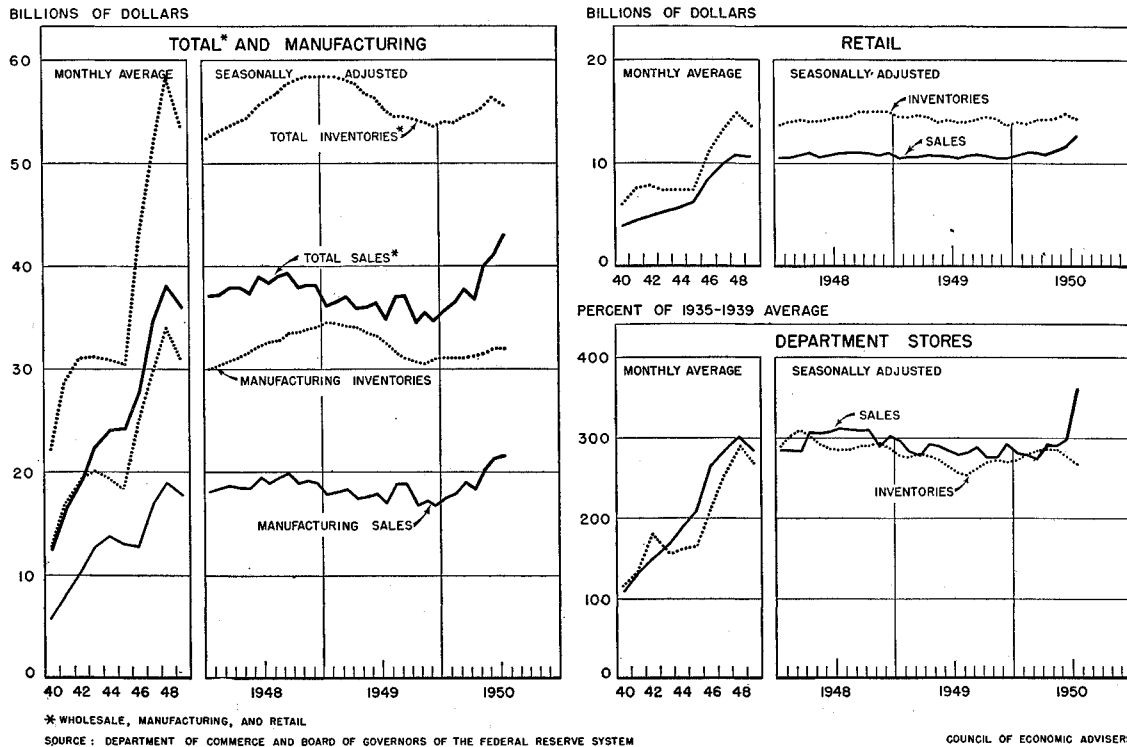
¹ Includes small amount for other purposes.

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

Source: Securities and Exchange Commission.

INVENTORIES AND SALES

Manufacturers' and retailers' sales on a seasonally adjusted basis, again achieved new records in July reflecting the buying wave that followed the Korean outbreak. Manufacturers' inventories showed little change.



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: 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, 137	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-----	54, 513	37, 946	31, 103	19, 144	20, 228	14, 282	11, 125	285	274
April-----	54, 741	36, 895	31, 219	18, 456	18, 594	14, 138	11, 080	286	292
May ⁷ -----	55, 403	40, 038	31, 509	20, 695	20, 345	14, 416	11, 327	285	290
June ⁷ -----	56, 254	41, 388	32, 014	21, 329	22, 626	14, 747	11, 700	276	298
July ⁷ -----	55, 424	43, 306	31, 800	21, 800	22, 800	14, 302	12, 555	268	362

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.

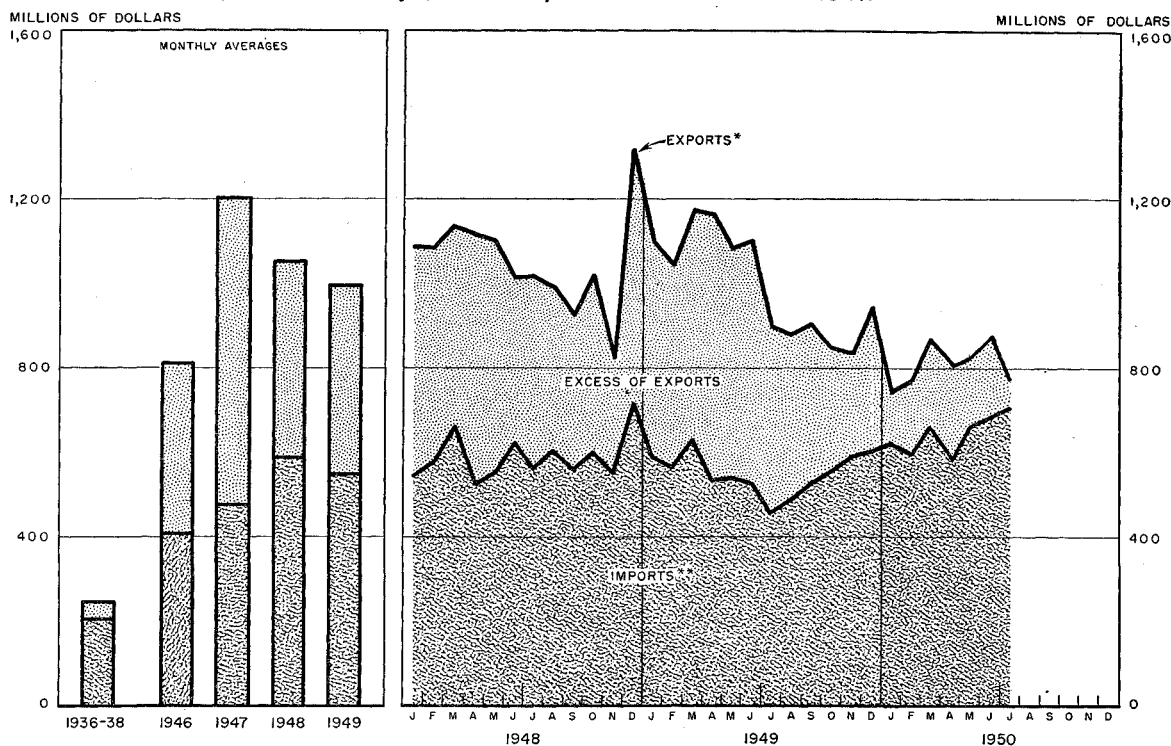
⁶ Not available.

⁷ Preliminary estimates.

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

MERCHANDISE EXPORTS AND IMPORTS

In July exports fell sharply. Imports continued to increase as they have in 10 of the past 12 months, reaching a level exceeded only once (following a maritime strike). These changes brought the merchandise export surplus down to only \$63 million, the lowest since June 1941.



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

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

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Exports ¹	Imports ²	Excess of exports
1936-38 monthly average.....	247	207	40
1943 monthly average.....	1,080	282	798
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: June.....	1,107	526	581
July.....	900	456	443
August.....	883	491	393
September.....	909	530	379
October.....	852	557	296
November.....	841	593	248
December.....	944	605	339
1950: January.....	744	623	121
February.....	772	600	172
March.....	866	664	202
April.....	808	583	225
May.....	828	659	169
June.....	876	686	190
July.....	774	711	63

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

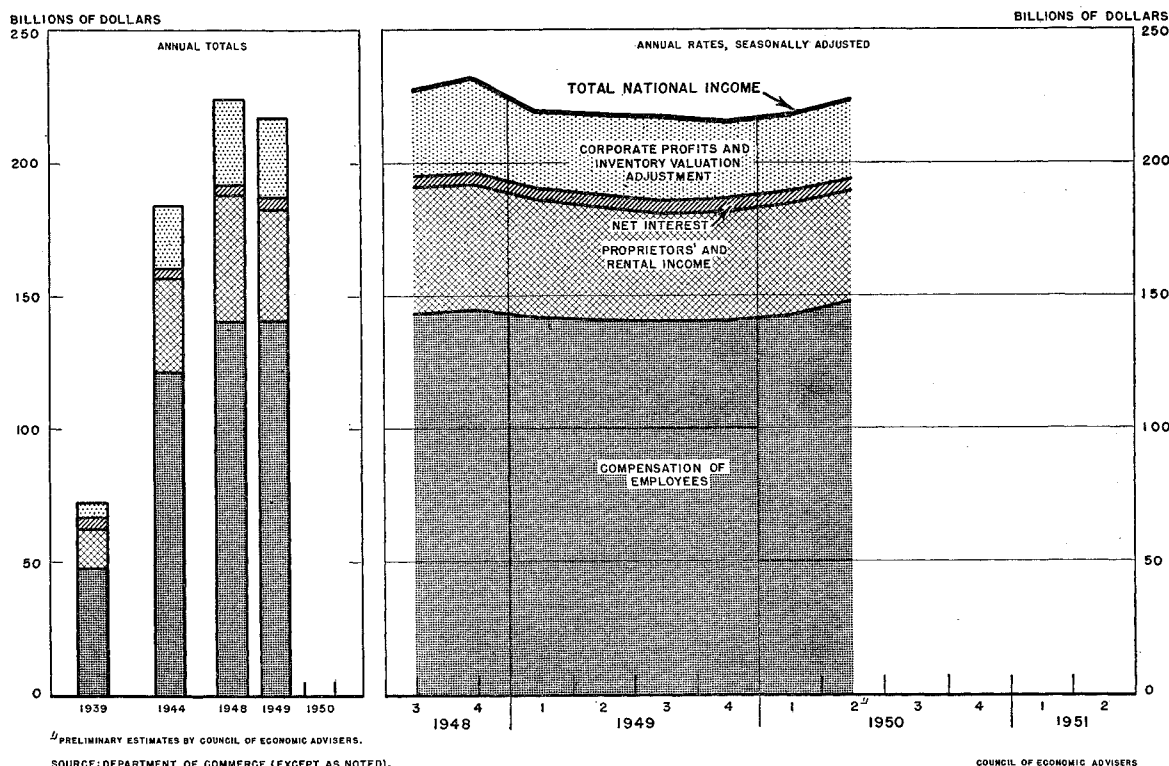
² Recorded general merchandise imports.

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

PURCHASING POWER

NATIONAL INCOME

Total national income was more than \$9 billion (annual rate) higher in 2nd quarter than in 1st quarter of 1950, according to preliminary data. Compensation of employees and corporate profits accounted for the increase.



[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.....	180.3	117.1	42.0	2.9	18.3	23.5	-5.2
1947.....	198.7	128.0	42.4	3.5	24.7	30.5	-5.8
1948.....	223.5	140.2	47.3	4.1	31.8	33.9	-2.0
1949.....	216.8	140.6	41.7	4.7	29.9	27.6	+2.2
Annual rates, seasonally adjusted							
1949: First quarter.....	218.8	141.5	43.8	4.6	28.8	28.3	+0.5
Second quarter.....	217.8	140.5	42.2	4.7	30.4	26.4	+3.9
Third quarter.....	216.7	140.0	40.1	4.8	31.8	28.2	+3.7
Fourth quarter.....	214.2	140.2	40.7	4.8	28.4	27.6	+0.8
1950: First quarter.....	217.2	142.3	41.5	5.0	28.4	29.2	-0.7
Second quarter.....	¹ 226.6	147.6	41.3	5.0	¹ 32.7	¹ 35.0	-2.3

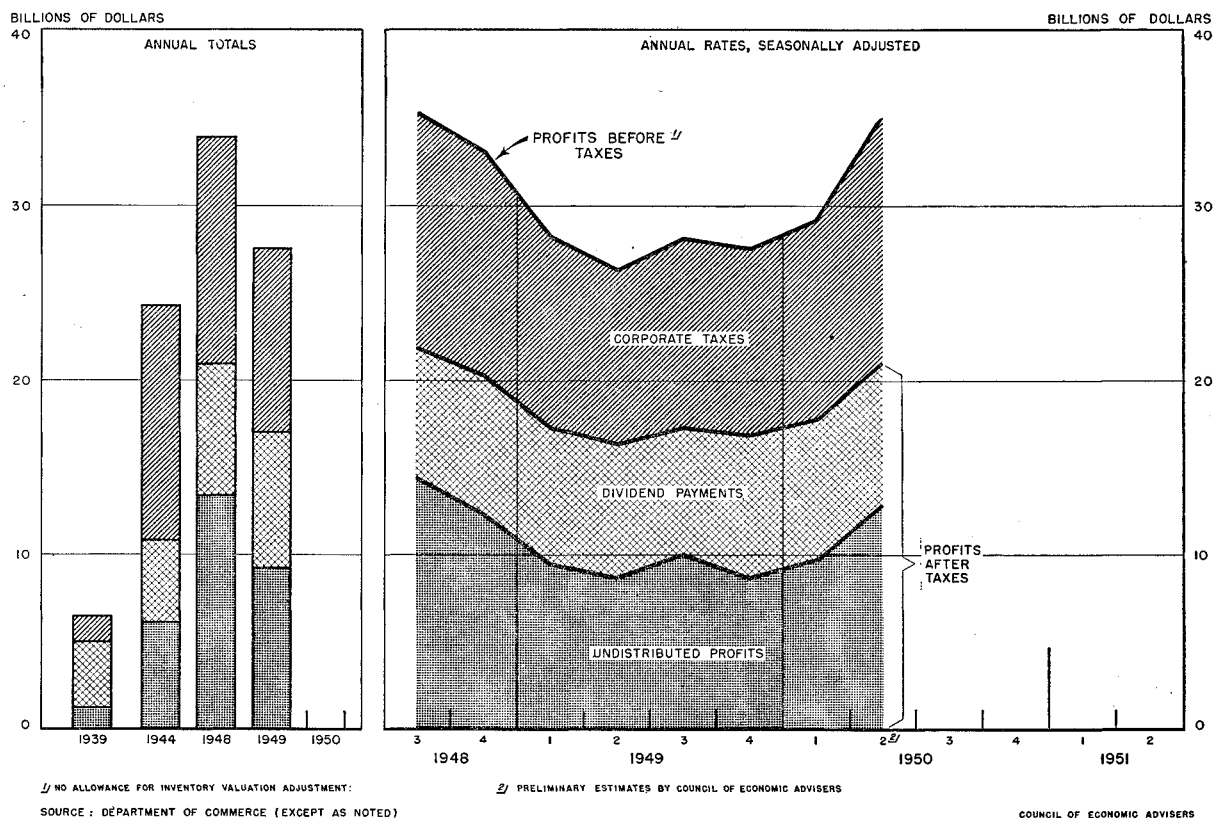
¹ Estimates by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted).

CORPORATE PROFITS

Preliminary data indicate that corporate profits before taxes rose sharply in 2nd quarter of 1950, reaching an annual rate of \$35.0 billion. Dividend payments were unchanged from 1st quarter and undistributed profits more than \$3 billion higher.



[Billions of dollars]

Period	Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes		
			Total	Dividend payments	Undistributed profits
1939	6.5	1.5	5.0	3.8	1.2
1944	24.3	13.5	10.8	4.7	6.1
1946	23.5	9.6	13.9	5.8	8.1
1947	30.5	11.9	18.5	6.6	12.0
1948	33.9	13.0	20.9	7.5	13.4
1949	27.6	10.6	17.0	7.8	9.2
Annual rates, seasonally adjusted					
1949: First quarter	28.3	10.9	17.4	7.9	9.5
1949: Second quarter	26.4	10.0	16.4	7.7	8.7
1949: Third quarter	28.2	10.8	17.3	7.4	10.0
1949: Fourth quarter	27.6	10.6	16.9	8.2	8.7
1950: First quarter	29.2	11.4	17.8	8.1	9.7
1950: Second quarter ¹	35.0	14.0	21.0	8.1	12.9

¹ Estimates by Council of Economic Advisers.

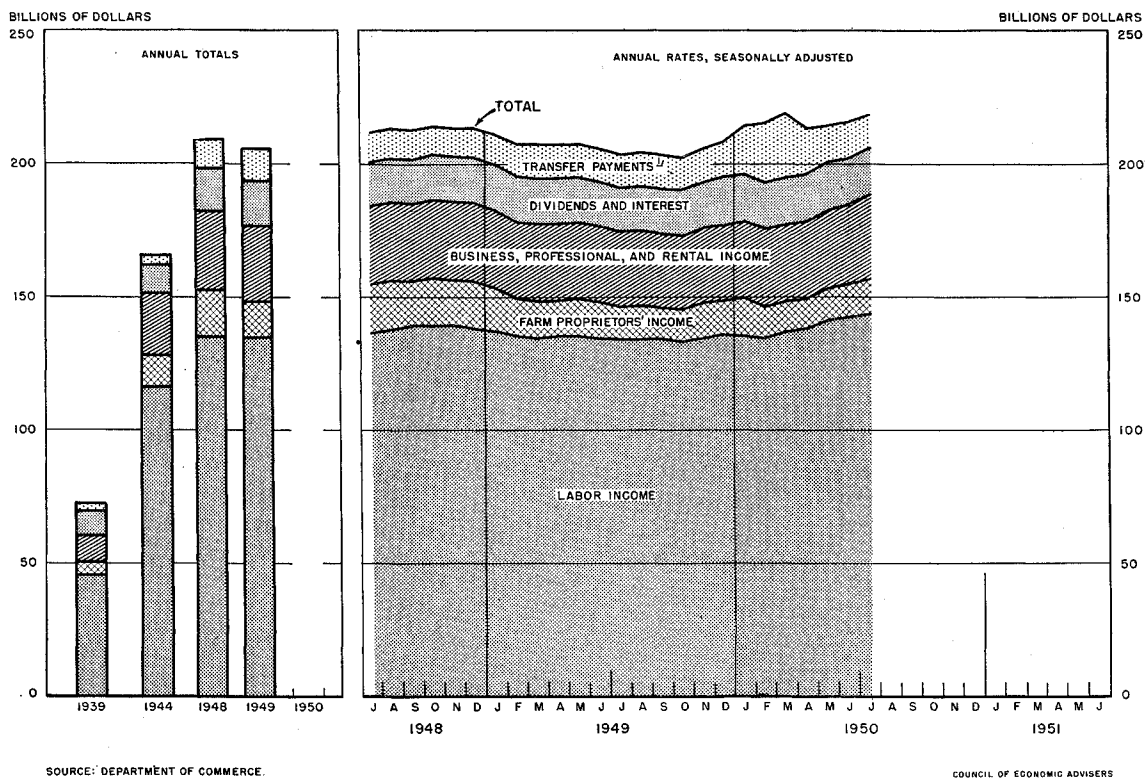
NOTE.—No allowance has been made for inventory valuation adjustment. See p. 20 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

PERSONAL INCOME

Personal income advanced by almost \$2 billion (annual rate) from June to July, reaching a total of \$219 billion. Most of the increase was in farm and nonfarm proprietors' income. Salaries and wages increased only slightly, while transfer payments dropped with the virtual completion of the NSLI dividend distribution.



[Billions of dollars]

Period	Total personal income	Labor income (salaries, wages, and other labor income)	Proprietors' income		Dividends and personal interest	Transfer payments
			Farm	Business, professional, and rental income		
1939	72.6	45.7	14.3	10.2	9.2	3.0
1944	165.9	116.2	11.8	23.7	10.6	3.6
1947	191.0	122.3	15.6	26.8	14.5	11.8
1948	209.5	135.0	17.7	29.6	16.1	11.2
1949	206.1	134.9	13.4	28.3	17.2	12.3
Annual rates, seasonally adjusted						
1949: June	205.9	134.5	13.8	28.4	16.8	12.4
1949: July	203.5	134.3	12.3	27.9	16.6	12.4
1949: August	204.3	134.2	12.8	27.9	16.8	12.6
1949: September	203.4	134.6	11.6	27.7	17.0	12.6
1949: October	202.4	133.3	12.1	27.7	17.2	12.1
1949: November	205.7	134.4	13.1	28.1	17.2	12.4
1949: December	208.4	136.0	12.7	27.9	18.9	12.9
1950: January	214.6	135.2	14.6	28.9	17.5	¹ 18.4
1950: February	215.4	134.5	12.3	28.7	17.7	¹ 22.2
1950: March	219.3	136.9	11.4	28.8	18.0	¹ 24.2
1950: April	213.8	138.6	11.0	28.8	18.2	¹ 17.2
1950: May	214.5	141.1	12.1	29.4	17.8	¹ 14.1
1950: June	217.1	143.1	12.1	30.2	17.8	¹ 13.4
1950: July ²	219.0	143.9	13.2	31.8	17.8	12.3

¹ Includes veterans' insurance dividend. During first quarter, the payment was at annual rate of \$8.5 billion (or \$2.1 billion, quarterly total) and during second quarter at \$2.0 billion (or \$502 million, quarterly total).

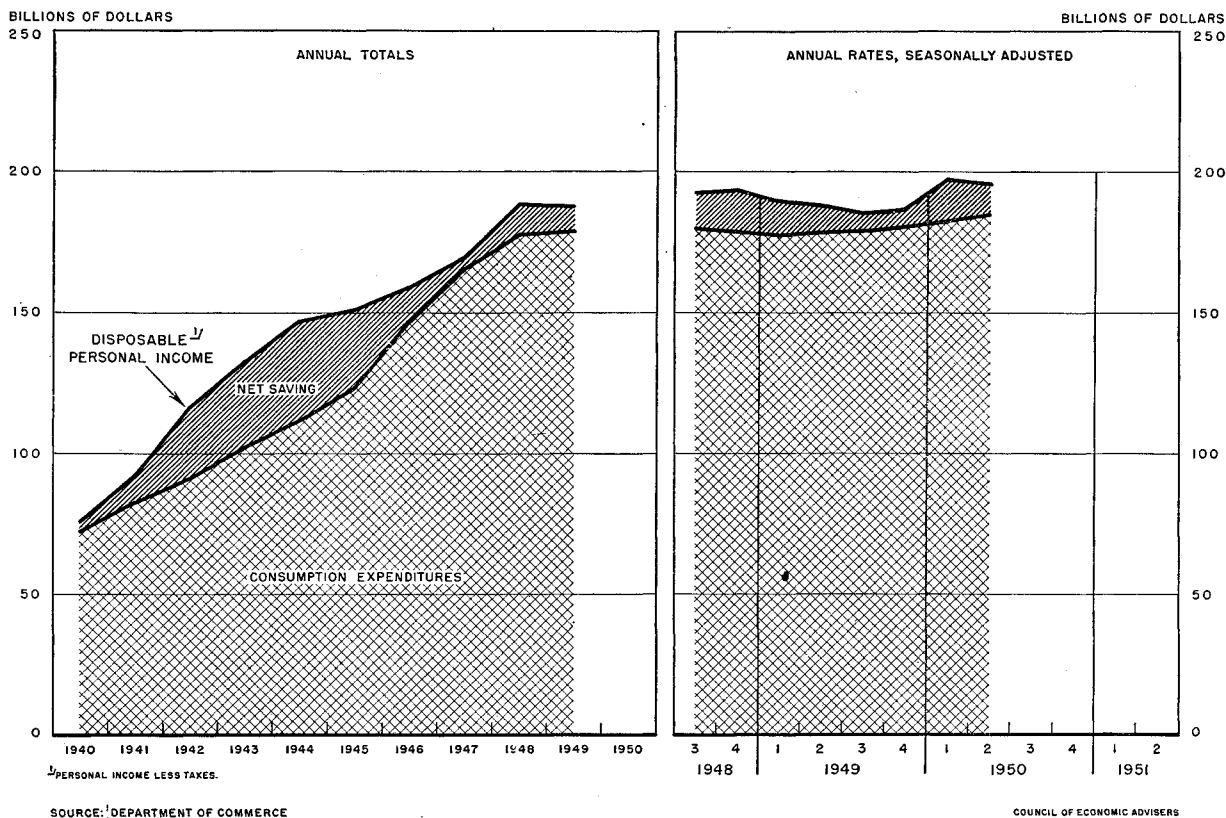
² Preliminary estimates.

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

Source: Department of Commerce.

CONSUMER INCOME, SPENDING, AND SAVING

Disposable personal income in 2nd quarter declined about \$2 billion (annual rate) from the 1st quarter postwar peak rate of nearly \$198 billion when the bulk of the NSLI dividend was distributed. Consumer expenditures continued to rise.



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
1941.....	92.0	82.3	9.8	10.7
1942.....	116.7	91.2	25.6	21.9
1944.....	147.0	111.6	35.4	24.1
1946.....	158.9	146.9	12.0	7.6
1947.....	169.5	165.6	3.9	2.3
1948.....	188.4	177.4	10.9	5.8
1949.....	187.4	178.8	8.6	4.6
Annual rates, seasonally adjusted				
1949: First quarter.....	189.9	177.4	12.5	6.6
Second quarter.....	188.2	178.4	9.8	5.2
Third quarter.....	185.1	179.0	6.2	3.3
Fourth quarter.....	186.8	180.6	6.2	3.3
1950: First quarter.....	197.7	182.4	15.3	7.7
Second quarter.....	195.5	184.5	11.0	5.6

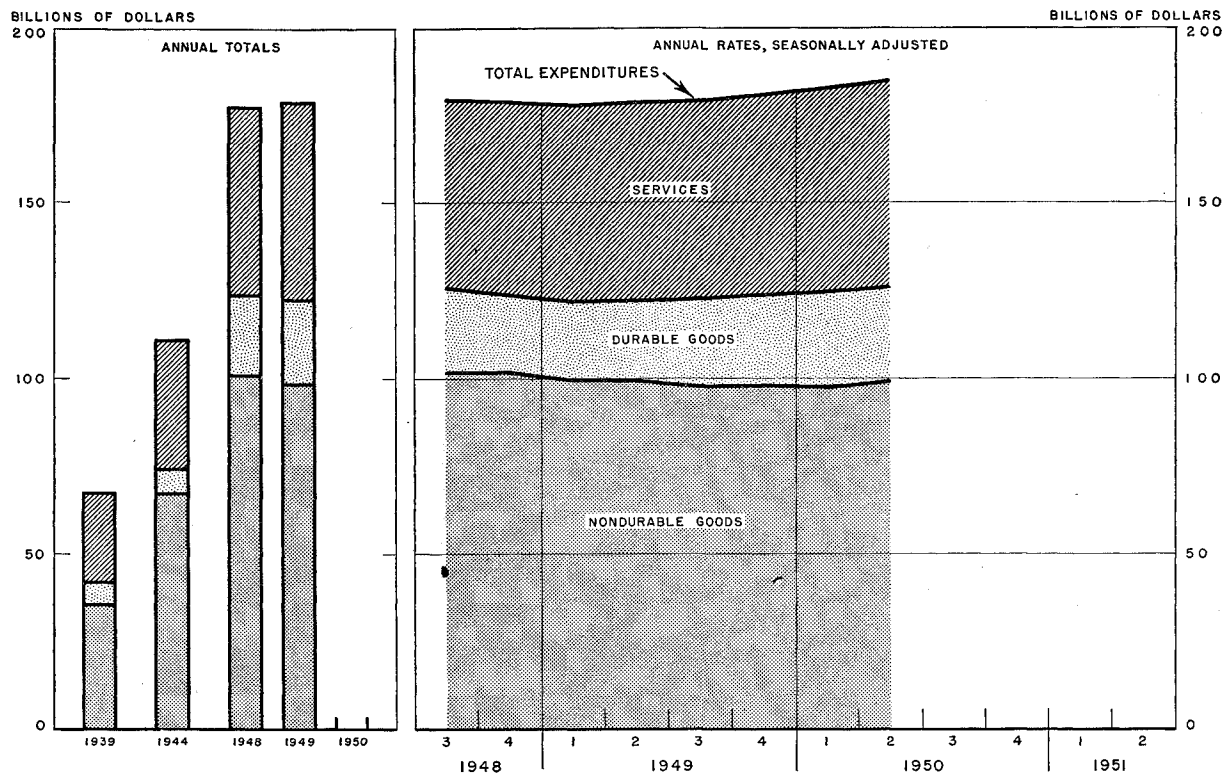
¹ Income less taxes.

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

Source: Department of Commerce.

PERSONAL CONSUMPTION EXPENDITURES

Consumption expenditures increased again in 2nd quarter, with nondurables, especially food and clothing, registering the major gains. Expenditures for durable goods continued at a high level. Most of the rise was due to price increases and reflected little change in physical volume.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

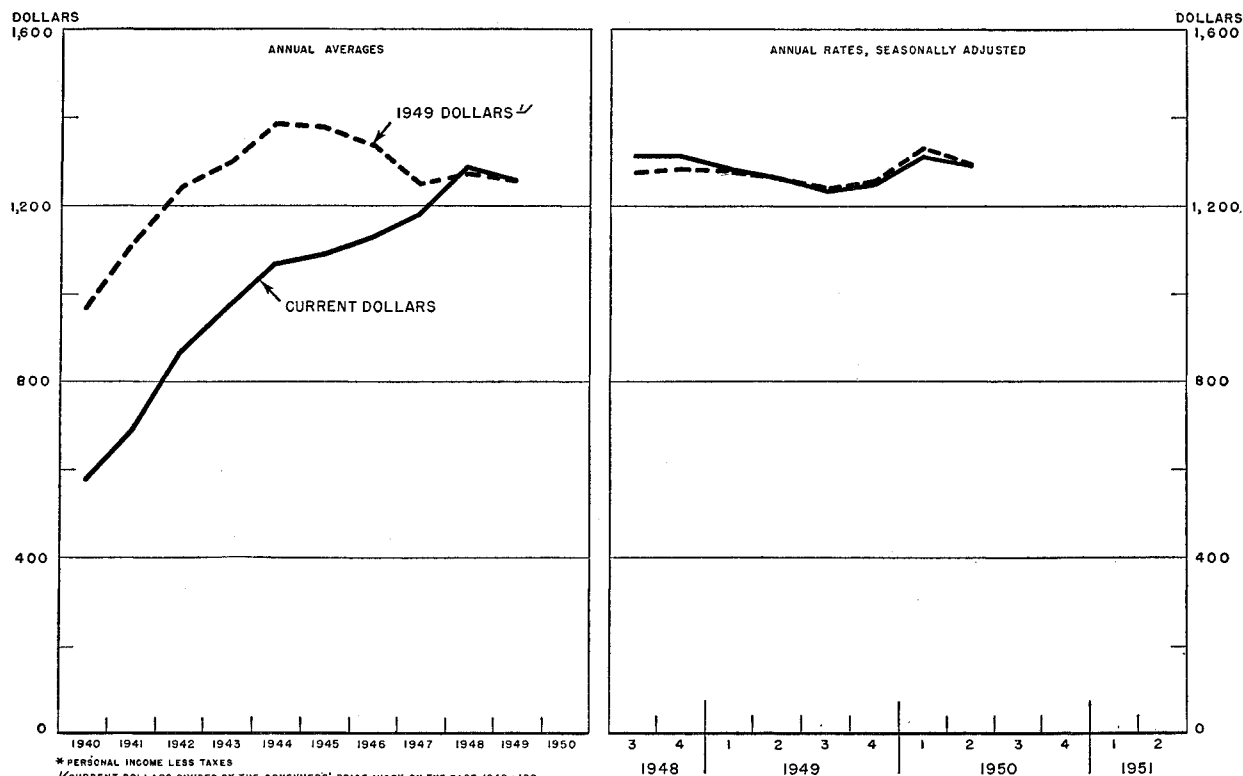
Period	Personal consumption expenditures			
	Total	Nondurable goods	Durable goods	Services
1939.....	67.5	35.3	6.7	25.5
1944.....	111.6	67.1	7.1	37.4
1946.....	146.9	85.8	16.6	44.5
1947.....	165.6	95.1	21.4	49.1
1948.....	177.4	100.9	22.9	53.7
1949.....	178.8	98.5	23.8	56.4
Annual rates, seasonally adjusted				
1949: First quarter.....	177.4	99.4	22.4	55.6
Second quarter.....	178.4	99.2	23.0	56.2
Third quarter.....	179.0	97.6	24.7	56.6
Fourth quarter.....	180.6	97.9	25.3	57.4
1950: First quarter.....	182.4	97.5	26.9	58.0
Second quarter.....	184.5	99.0	26.7	58.8

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

Source: Department of Commerce.

PER CAPITA DISPOSABLE INCOME*

Per capita disposable income declined in 2nd quarter of 1950, both in terms of current dollars and in real purchasing power, as a result of the tapering off of the NSLI dividend.



SOURCES: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

Period	Per capita disposable personal income ¹		Consumers' price index ² 1949=100
	Current dollars	1949 dollars ³	
1939.....	\$536	\$912	58.8
1941.....	691	1,110	62.2
1942.....	867	1,247	69.5
1944.....	1,065	1,388	76.7
1946.....	1,125	1,333	84.4
1947.....	1,177	1,248	94.3
1948.....	1,285	1,270	101.2
1949.....	1,256	1,256	100.0
	Annual rates, seasonally adjusted		Not adjusted for seasonal variation
1949: First quarter.....	\$1,280	\$1,275	100.4
Second quarter.....	1,264	1,261	100.2
Third quarter.....	1,237	1,239	99.9
Fourth quarter.....	1,243	1,249	99.5
1950: First quarter.....	1,310	1,329	98.6
Second quarter.....	1,291	1,294	99.8

¹ Income less taxes.

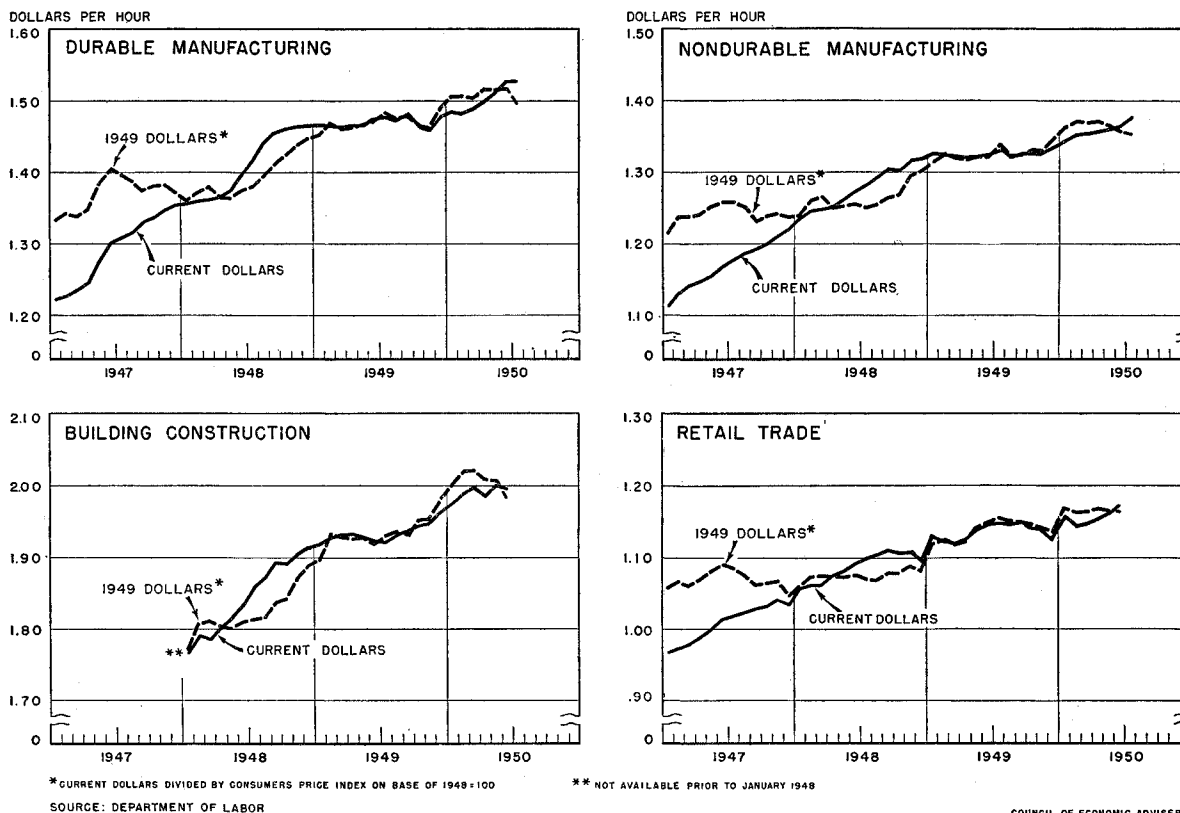
² Current dollars divided by the consumers' price index on the base 1949=100.

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

The hourly earnings in manufacturing industries reached a new high of \$1.46 in July. The most important rise was in nondurables with some increase also in durables.



[Selected industries ¹]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²
1939 monthly average-----	\$0. 633	\$1. 077	\$0. 698	\$1. 187	(3)	(3)	(3)	(3)	(3)	(3)
1943 monthly average-----	. 961	1. 286	1. 059	1. 418	(3)	(3)	(3)	(3)	(3)	(3)
1946 monthly average-----	1. 086	1. 287	1. 156	1. 370	(3)	(3)	(3)	(3)	(3)	(3)
1947 monthly average-----	1. 237	1. 312	1. 292	1. 370	\$1. 171	\$1. 242	(3)	(3)	\$1. 009	\$1. 070
1948 monthly average-----	1. 350	1. 334	1. 410	1. 393	1. 278	1. 263	\$1. 848	\$1. 826	1. 088	1. 075
1949 monthly average-----	1. 401	1. 401	1. 469	1. 469	1. 325	1. 325	1. 935	1. 935	1. 137	1. 137
1949: June-----	1. 405	1. 401	1. 475	1. 471	1. 324	1. 320	1. 924	1. 918	1. 147	1. 144
July-----	1. 408	1. 414	1. 477	1. 483	1. 332	1. 337	1. 922	1. 930	1. 148	1. 153
August-----	1. 399	1. 402	1. 473	1. 476	1. 319	1. 322	1. 932	1. 936	1. 146	1. 148
September-----	1. 407	1. 403	1. 482	1. 478	1. 328	1. 324	1. 938	1. 932	1. 150	1. 147
October-----	1. 392	1. 398	1. 458	1. 464	1. 325	1. 330	1. 944	1. 952	1. 140	1. 145
November-----	1. 392	1. 396	1. 457	1. 461	1. 325	1. 329	1. 947	1. 953	1. 138	1. 141
December-----	1. 408	1. 421	1. 476	1. 489	1. 334	1. 346	1. 964	1. 982	1. 126	1. 136
1950: January-----	1. 418	1. 437	1. 485	1. 505	1. 343	1. 361	1. 976	2. 002	1. 153	1. 168
February-----	1. 420	1. 442	1. 483	1. 506	1. 350	1. 371	1. 988	2. 018	1. 145	1. 162
March-----	1. 424	1. 441	1. 486	1. 504	1. 353	1. 369	1. 995	2. 019	1. 148	1. 162
April-----	1. 434	1. 450	1. 499	1. 516	1. 355	1. 370	1. 986	2. 008	1. 156	1. 169
May ⁴ -----	1. 442	1. 446	1. 509	1. 514	1. 358	1. 362	2. 000	2. 006	1. 162	1. 165
June ⁴ -----	1. 454	1. 445	1. 524	1. 515	1. 365	1. 357	1. 995	1. 983	1. 172	1. 165
July ⁴ -----	1. 461	1. 432	1. 528	1. 498	1. 378	1. 351	(3)	(3)	(3)	(3)

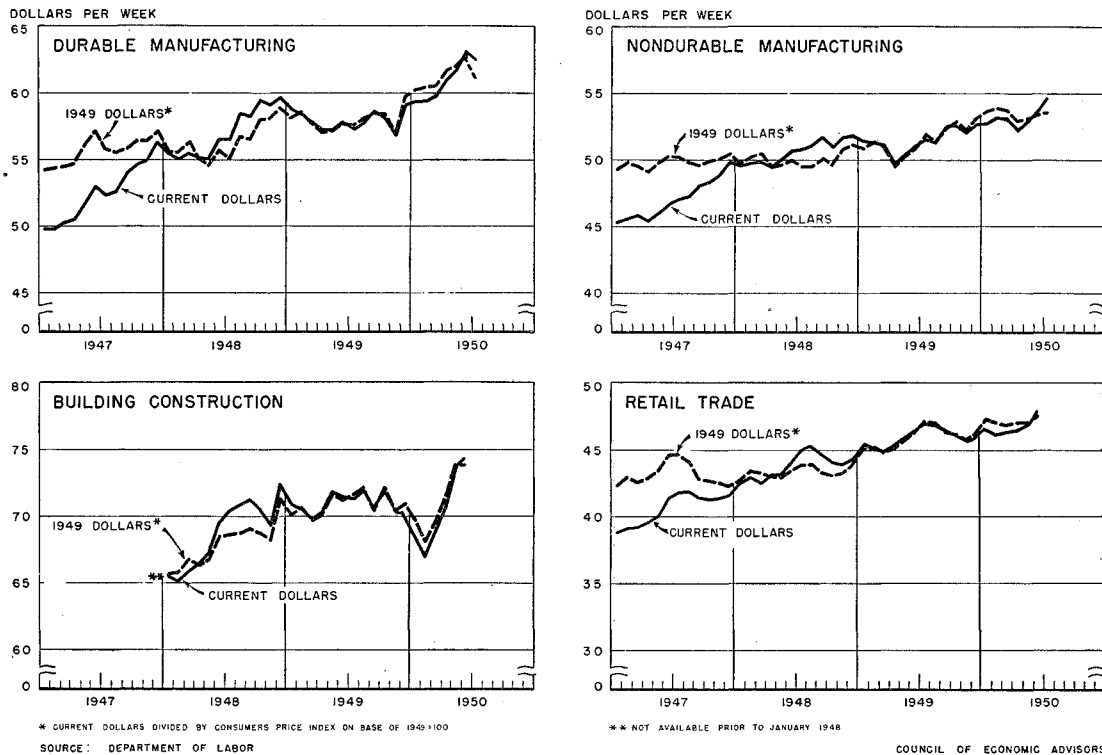
¹ Production and related workers.
² Not available.

Source: Department of Labor.

³ Current dollars divided by consumers' price index on base 1949=100. See note 3 to table on page 25.
⁴ Preliminary estimates.

AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Weekly earnings in manufacturing industries continued to rise in July for the eighth consecutive month. As a result of a shorter workweek, earnings in durable goods manufacturing dropped for the first time in 1950; nondurables showed a substantial rise of almost a dollar.



[Selected industries ¹]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²	Current dollars	1949 dollars ²
1939 monthly average.....	\$23. 86	\$40. 58	\$26. 50	\$45. 07	(3)	(3)	(3)	(3)	(3)	(3)
1943 monthly average.....	43. 14	57. 75	49. 30	66. 00	(3)	(3)	(3)	(3)	(3)	(3)
1946 monthly average.....	43. 82	51. 92	46. 49	55. 08	(3)	(3)	(3)	(3)	(3)	(3)
1947 monthly average.....	49. 97	52. 99	52. 46	55. 63	\$46. 96	\$49. 80	(3)	(3)	\$40. 66	\$43. 12
1948 monthly average.....	54. 14	53. 50	57. 11	56. 43	50. 61	50. 01	\$68. 85	\$68. 03	43. 85	43. 33
1949 monthly average.....	54. 92	54. 92	58. 03	58. 03	51. 41	51. 41	70. 95	70. 95	45. 93	45. 93
1949: June.....	54. 51	54. 35	57. 82	57. 65	50. 97	50. 82	71. 44	71. 23	46. 45	46. 31
July.....	54. 63	54. 85	57. 31	57. 54	51. 55	51. 76	71. 28	71. 57	46. 95	47. 14
August.....	54. 70	54. 81	57. 89	58. 01	51. 31	51. 41	71. 95	72. 09	46. 87	46. 96
September.....	55. 72	55. 55	58. 69	58. 51	52. 59	52. 43	70. 69	70. 48	46. 58	46. 44
October.....	55. 26	55. 48	58. 17	58. 40	52. 47	52. 68	71. 80	72. 09	46. 06	46. 24
November.....	54. 43	54. 59	56. 82	56. 99	52. 07	52. 23	70. 21	70. 42	45. 63	45. 77
December.....	56. 04	56. 55	59. 19	59. 73	52. 69	53. 17	70. 26	70. 90	45. 83	46. 25
1950: January.....	56. 29	57. 03	59. 40	60. 18	52. 91	53. 61	68. 76	69. 67	46. 58	47. 19
February.....	56. 37	57. 23	59. 47	60. 38	53. 06	53. 87	67. 00	68. 02	46. 26	46. 96
March.....	56. 53	57. 22	59. 74	60. 47	53. 04	53. 68	68. 83	69. 67	46. 26	46. 82
April.....	56. 93	57. 56	61. 01	61. 69	52. 17	52. 75	70. 70	71. 49	46. 47	46. 99
May ⁴	57. 68	57. 85	61. 72	61. 91	52. 83	52. 99	73. 60	73. 82	46. 83	46. 97
June ⁴	58. 74	58. 39	62. 94	62. 56	53. 92	53. 60	74. 41	73. 97	47. 93	47. 64
July ⁴	59. 02	57. 86	62. 50	61. 27	54. 84	53. 76	(3)	(3)	(3)	(3)

¹ For production and related workers.

² Not available.

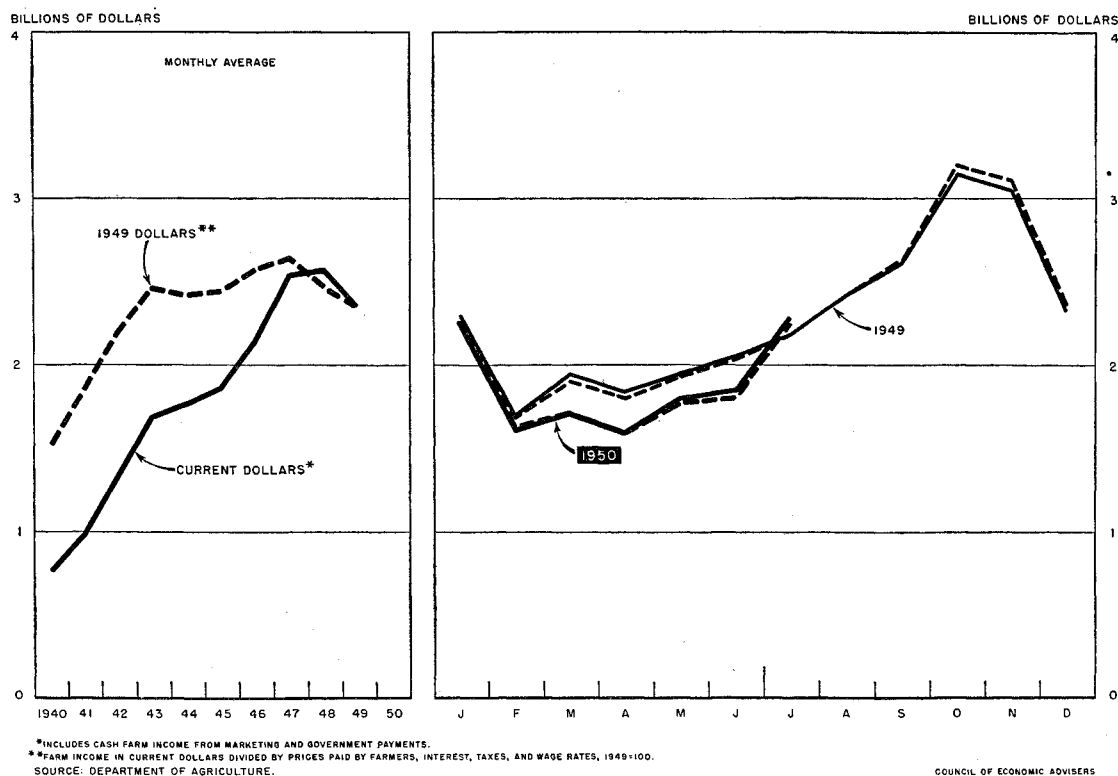
³ Current dollars divided by consumers' price index on the base 1949=100. See note 3 to table on page 25.

⁴ Preliminary estimates.

Source: Department of Labor.

FARM INCOME

Higher prices for most farm products and seasonally larger crop marketings in July increased farm income about 25 percent above the June level and about 6 percent above the level of July 1949.



Period	Farm income (millions of current dollars) ¹	Prices paid by farmers (incl. interest, taxes, and wage rates) 1949=100 ²	Farm income (millions of 1949 dollars) ³
1939 monthly average.....	724	49	1,478
1941 monthly average.....	981	53	1,851
1942 monthly average.....	1,339	61	2,195
1944 monthly average.....	1,764	73	2,416
1946 monthly average.....	2,136	83	2,573
1947 monthly average.....	2,527	96	2,632
1948 monthly average.....	2,567	104	2,468
1949 monthly average.....	2,359	100	2,359
1949: June.....	2,053	101	2,033
July.....	2,177	100	2,177
August.....	2,417	100	2,417
September.....	2,608	99	2,634
October.....	3,139	98	3,203
November.....	3,050	98	3,112
December.....	2,326	98	2,373
1950: January.....	2,254	100	2,254
February.....	1,614	99	1,630
March.....	1,707	100	1,707
April.....	1,594	100	1,594
May.....	1,809	102	1,774
June ⁴	1,852	102	1,816
July ⁴	2,290	102	2,245

¹ Includes cash farm income from marketings and Government payments.

² Converted from the reported base, 1910-14=100, to the base 1949=100.

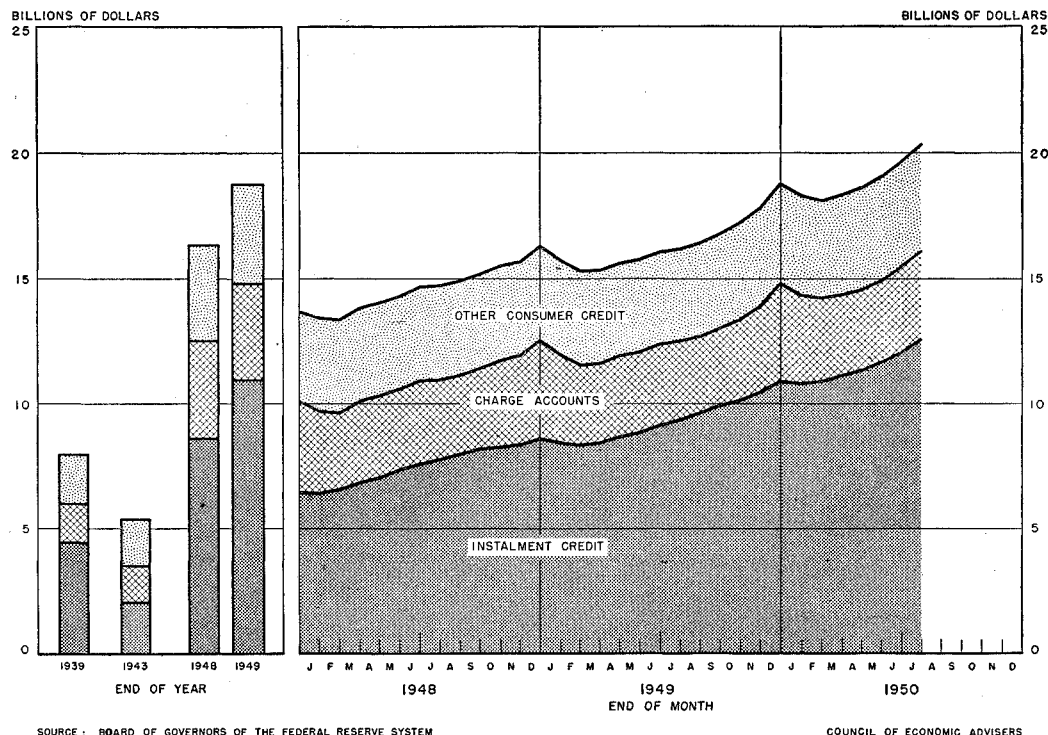
³ Farm income in current dollars divided by prices paid by farmers, interest, taxes, and wage rates, 1949=100.

⁴ Preliminary estimates.

Source: Department of Agriculture.

CONSUMER CREDIT

Consumer credit increased \$660 million during July to reach a total of \$20.3 billion. Most of the increase resulted from continued strong demand for all types of instalment credit.



[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: 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.....	18,620	11,322	3,470	7,852	3,241	4,054
May.....	19,085	11,667	3,600	8,067	3,290	4,128
June.....	19,680	12,108	3,790	8,318	3,392	4,180
July ²	20,340	12,608	3,994	8,614	3,520	4,212

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

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

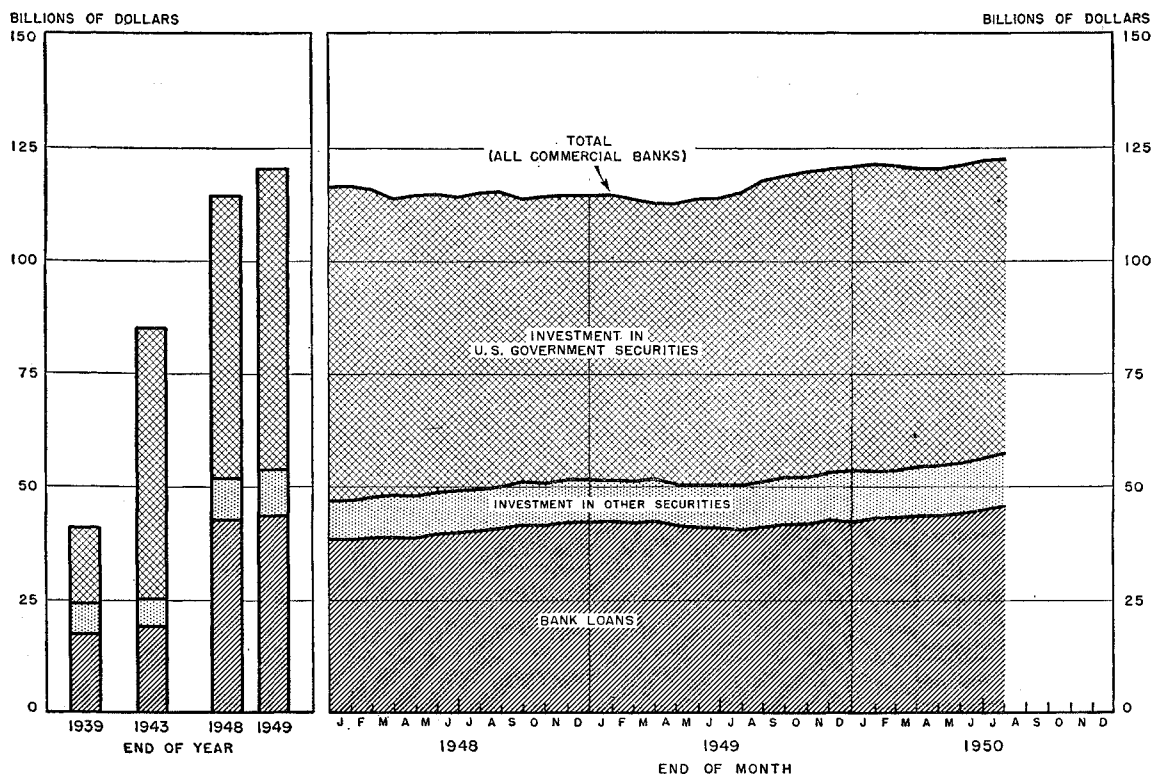
Source: Board of Governors of the Federal Reserve System.

² Preliminary estimates.

MONEY, BANKING, AND FEDERAL FINANCE

BANK LOANS AND INVESTMENTS

Commercial banks in July again expanded their loans by about \$ 1 billion; they lowered their investments in U. S. Government securities by the same amount.



[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: June.....	113.8	41.0	72.7	63.2	9.5
July.....	114.7	40.5	74.3	64.4	9.8
August.....	117.9	41.2	76.7	66.7	10.0
September.....	118.5	41.7	76.8	66.7	10.2
October.....	119.5	41.8	77.7	67.6	10.1
November.....	119.7	42.7	77.0	66.9	10.1
December.....	120.2	43.0	77.2	67.0	10.2
1950: January.....	121.2	42.9	78.3	68.0	10.3
February.....	120.6	43.1	77.5	67.1	10.4
March.....	120.3	43.7	76.7	65.8	10.9
April.....	120.4	43.8	76.6	65.6	11.0
May.....	121.2	44.1	77.1	66.1	11.0
June.....	122.1	45.0	77.2	66.0	11.2
July ¹	122.4	46.0	76.4	65.0	11.4

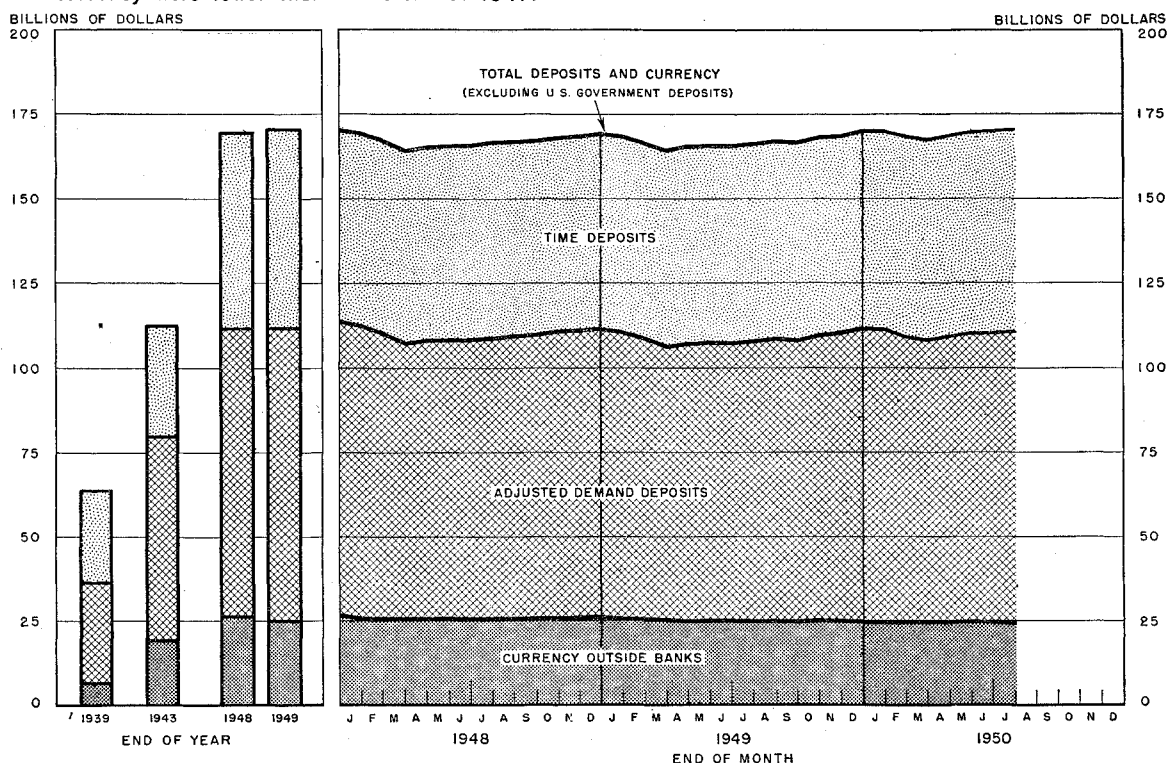
¹ Preliminary estimates.

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 of \$170.4 billion in July exceeded the peak held at the end of 1947 by about \$400 million. Time deposits were higher but demand deposits and outstanding currency were lower than at the end of 1947.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[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: 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.....	169.5	24.7	85.3	59.5
June.....	169.7	24.6	85.4	59.7
July ³	170.4	24.4	86.6	59.4

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

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

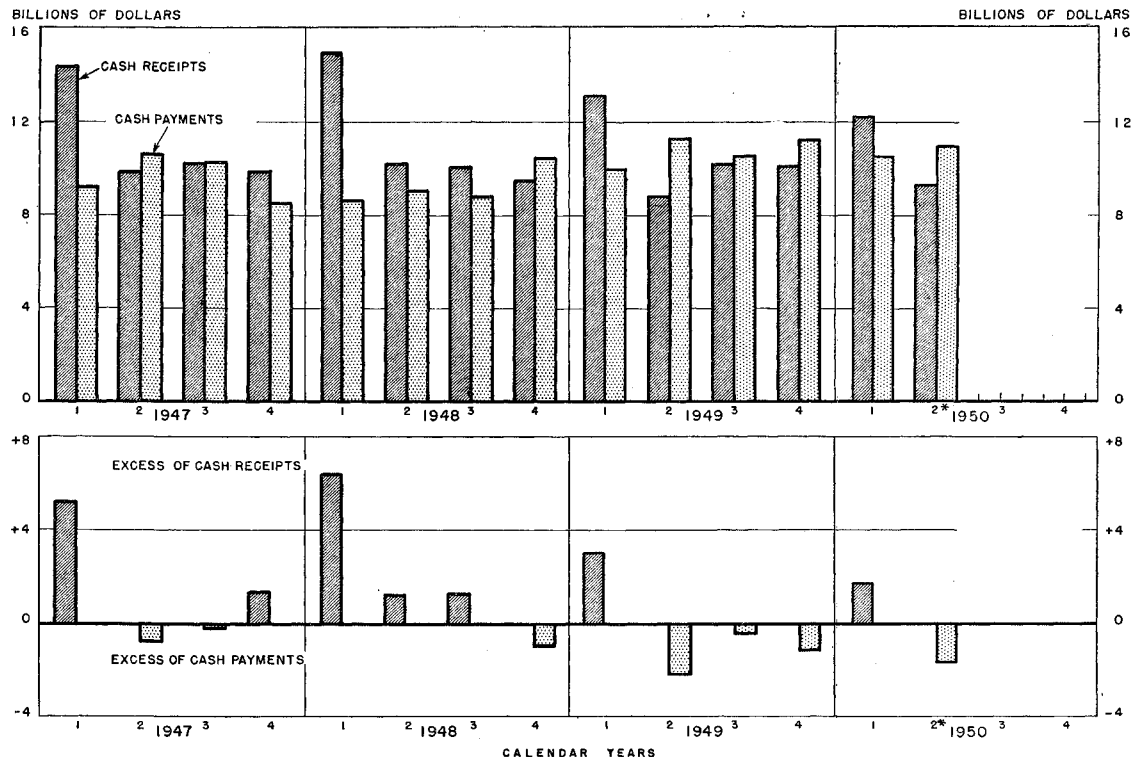
³ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

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

FEDERAL CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

In 2nd quarter of 1950, cash payments to the public were \$1.8 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.

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Calendar years	Federal cash receipts from the public	Federal cash payments to the public	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	9,869	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	11,389	-2,575
Third quarter	10,143	10,528	-385
Fourth quarter	9,267	10,753	-1,486
1950: First quarter	12,235	10,760	+1,475
Second quarter ¹	9,303	11,105	-1,802

¹ Preliminary estimates based on incomplete data.

Sources: Treasury Department and Bureau of the Budget.

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

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