



Economic Indicators

NOVEMBER 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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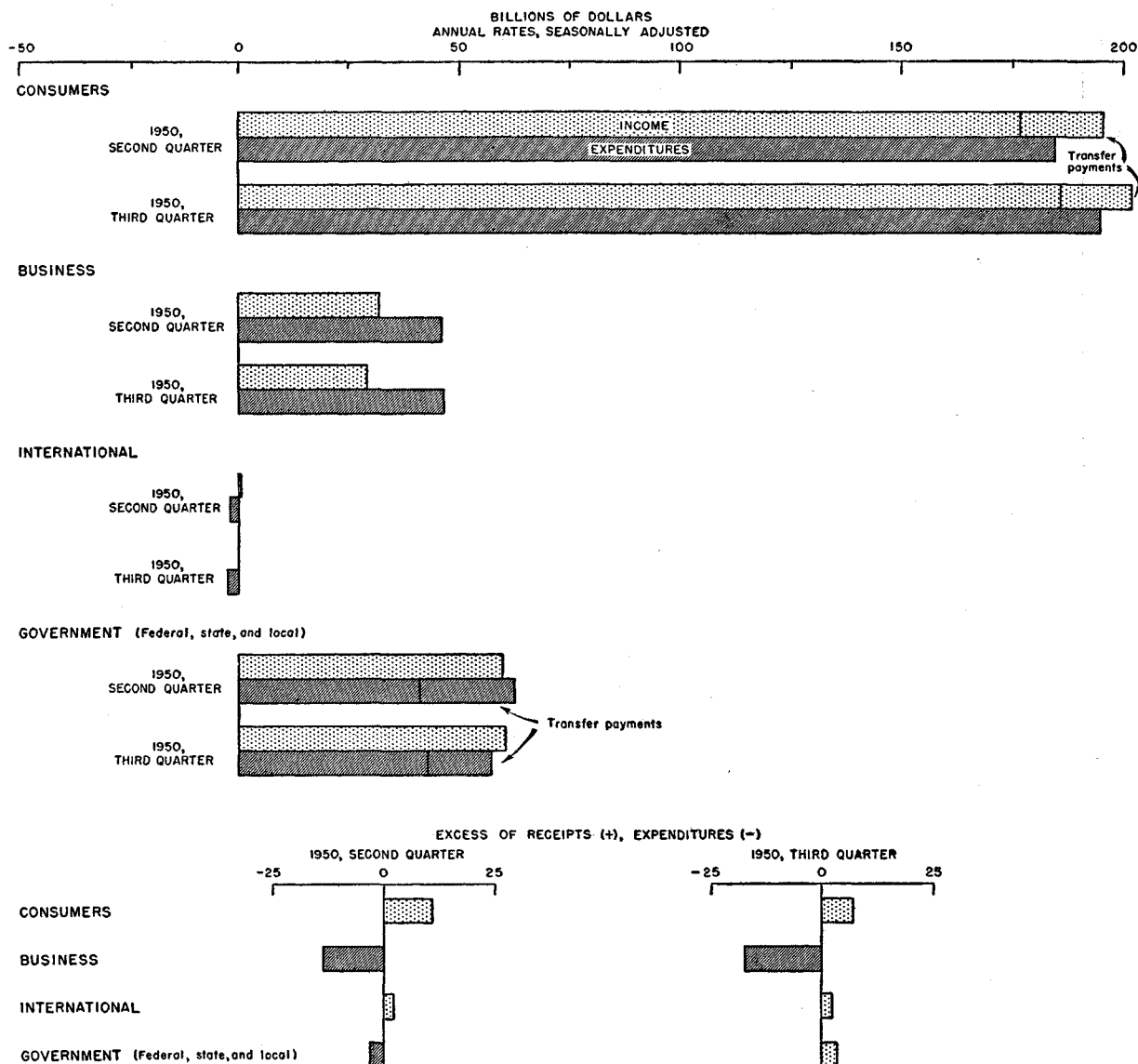
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THE TOTAL OUTPUT OF THE ECONOMY

THE NATION'S ECONOMIC BUDGET

Consumer incomes and expenditures both increased sharply in 3rd quarter. Business income declined mainly because the increase in inventory valuation adjustment more than offset the rise in corporate profits. Business expenditures increased slightly. The government account changed from a deficit to a surplus.



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

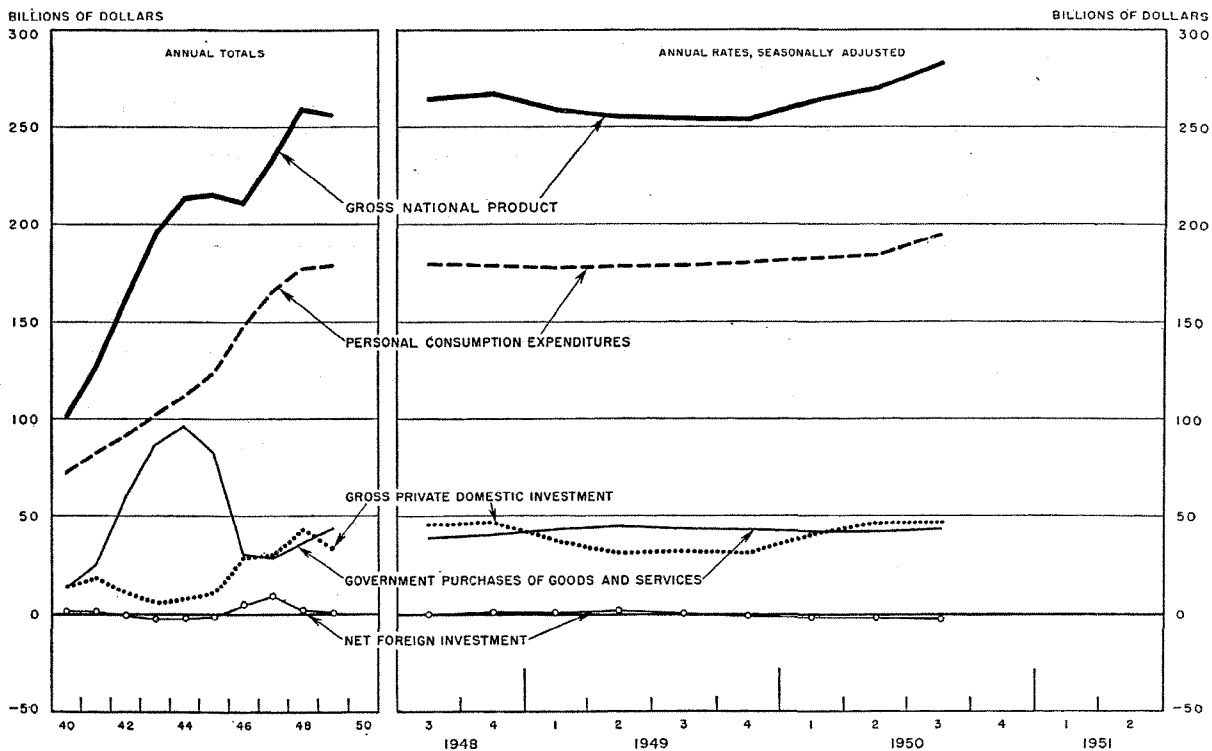
NOTE: SEE PAGE 2 FOR THE NATION'S ECONOMIC BUDGET TOTAL (GROSS NATIONAL PRODUCT)

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

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GROSS NATIONAL PRODUCT

Gross national product rose \$12 billion (annual rate), or 4.5 percent, between 2nd and 3rd quarters of 1950. Consumption expenditures rose 6 percent, government purchases of goods and services 4 percent, and business investment 1 percent. Net foreign investment continued to drop.



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
Third quarter ¹	282.0	195.0	46.5	-2.5	43.0

¹ Estimates by Council of Economic Advisers; based on incomplete data.

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

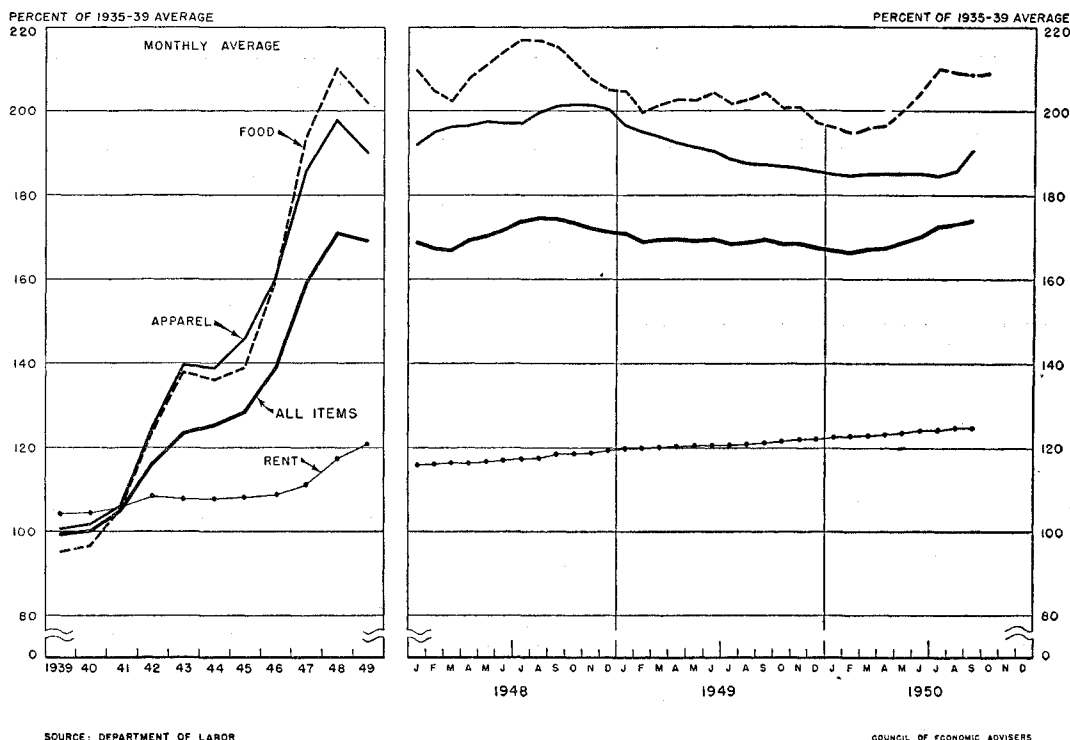
Source: Department of Commerce (except as noted).

PRICES

8-1

CONSUMERS' PRICES

Consumers' prices increased 0.5 percent in September. There were sharp increases in house-furnishings and apparel and a moderate drop in food prices. Preliminary estimates indicate a reversal of the downward trend in food prices in early October.



[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: 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
August 15	173.0	209.0	185.9	124.6	140.9	189.3	158.1
September 15	173.8	208.5	190.5	124.8	141.8	195.4	158.8

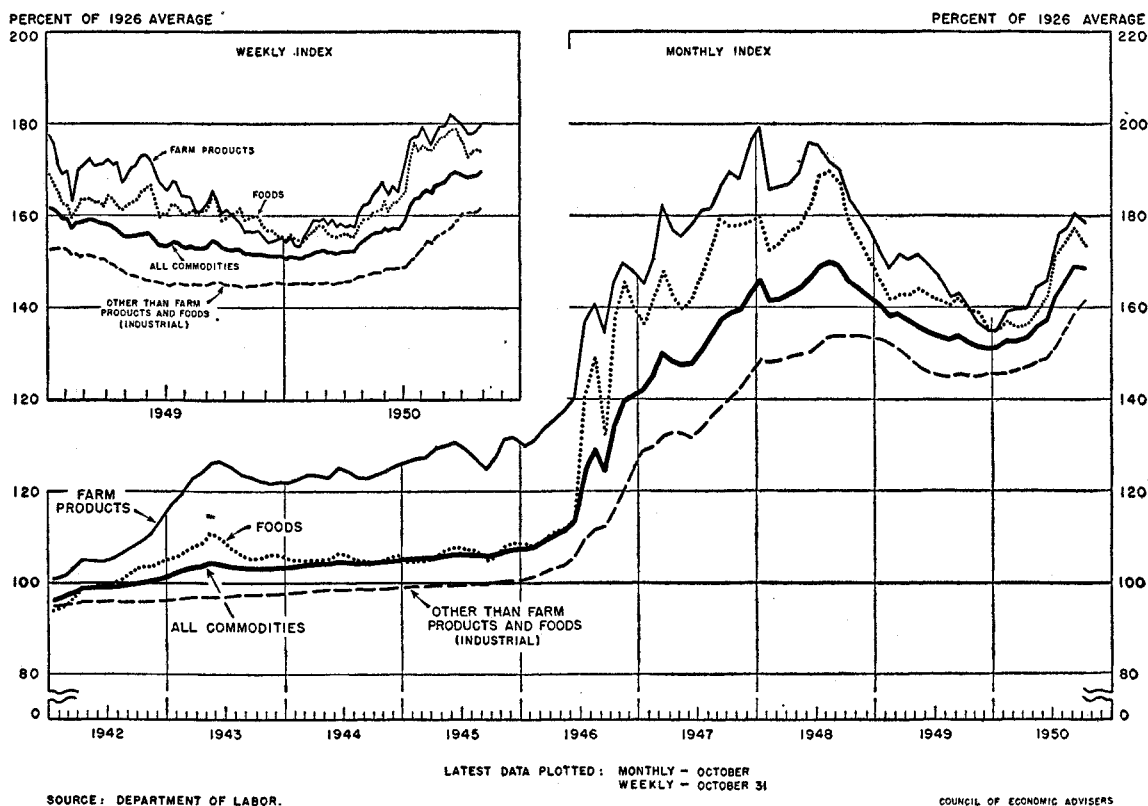
¹ A special survey indicates that food prices increased 0.2 percent between September 15 and October 15.

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

Source: Department of Labor.

WHOLESALE PRICES

Wholesale prices fluctuated within a narrow range during October. Farm and food prices were below their September levels; industrial prices continued to rise very slowly.



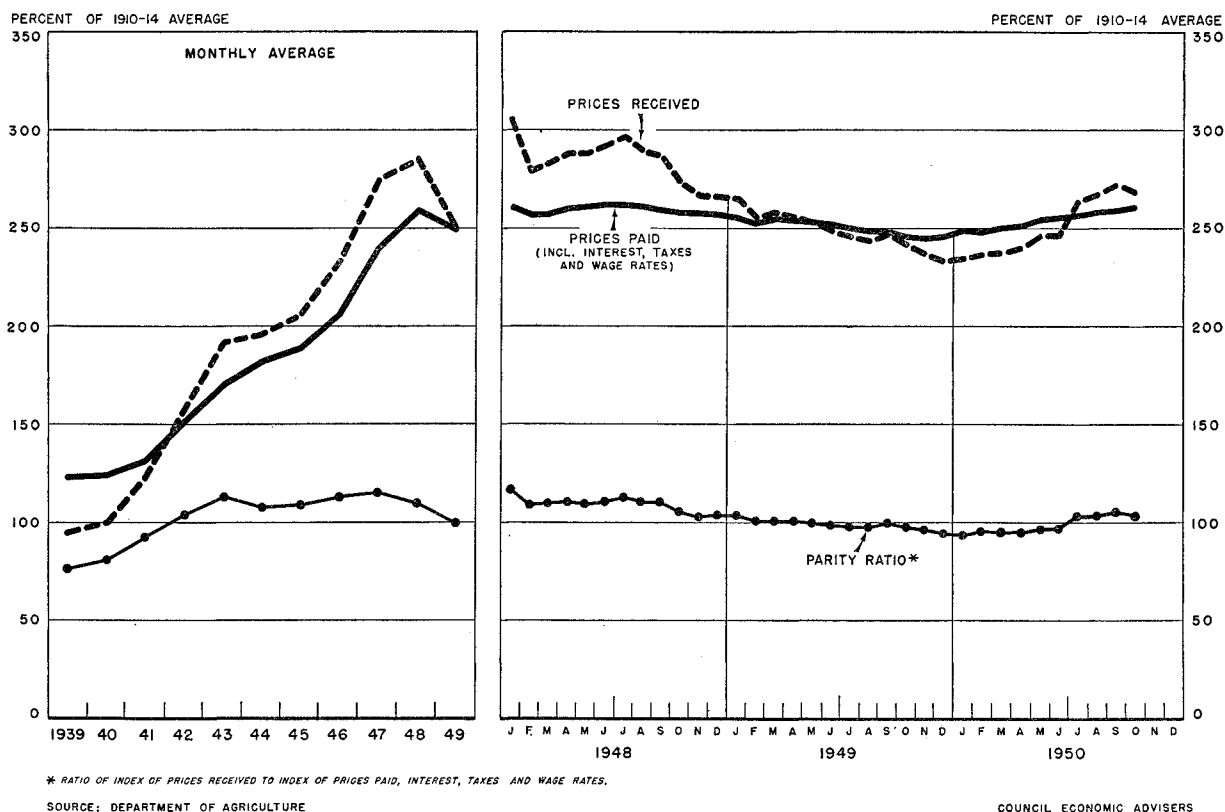
[1926=100]

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: 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.....	166.4	177.6	174.6	155.5
September.....	169.5	180.4	177.2	159.2
October ¹	169.3	178.2	173.1	161.7
Week ended:				
1950: October 3.....	168.8	179.1	175.3	160.0
10.....	168.4	177.9	172.6	160.8
17.....	168.7	177.9	173.9	160.8
24.....	168.9	178.7	174.0	160.9
31.....	169.4	179.7	174.0	161.6

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

PRICES RECEIVED AND PAID BY FARMERS

Farm prices dropped about 1½ percent from September 15 to October 15, the first drop since December 1949. Prices paid continued the upward creep that began in March 1950.



[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: 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
September 15.....	272	259	105
October 15.....	268	261	103

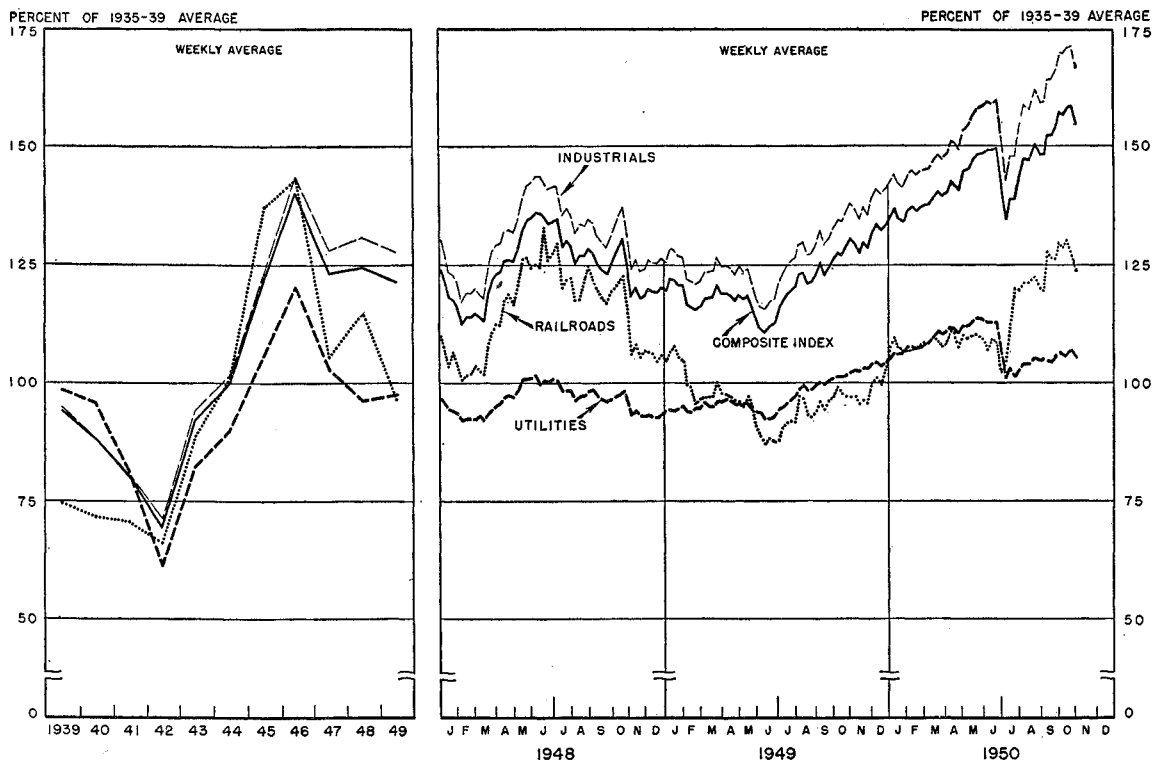
¹ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates.

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

Most stock prices, after rising during the greater part of October with industrials hitting new peaks, declined in the last week of the month.



SOURCE: STANDARD AND POOR'S CORPORATION

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[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: 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	147.3	109.7	103.0
August.....	147.2	158.0	120.6	104.2
September.....	151.7	163.3	125.1	104.9
October.....	157.8	170.6	129.2	106.2
Week ended:				
1950: October 4.....	157.5	170.3	129.7	106.2
11.....	156.9	169.7	128.7	105.5
18.....	158.3	171.2	130.6	106.4
25.....	158.4	171.4	127.9	106.5
November 1.....	154.6	167.0	123.7	105.4

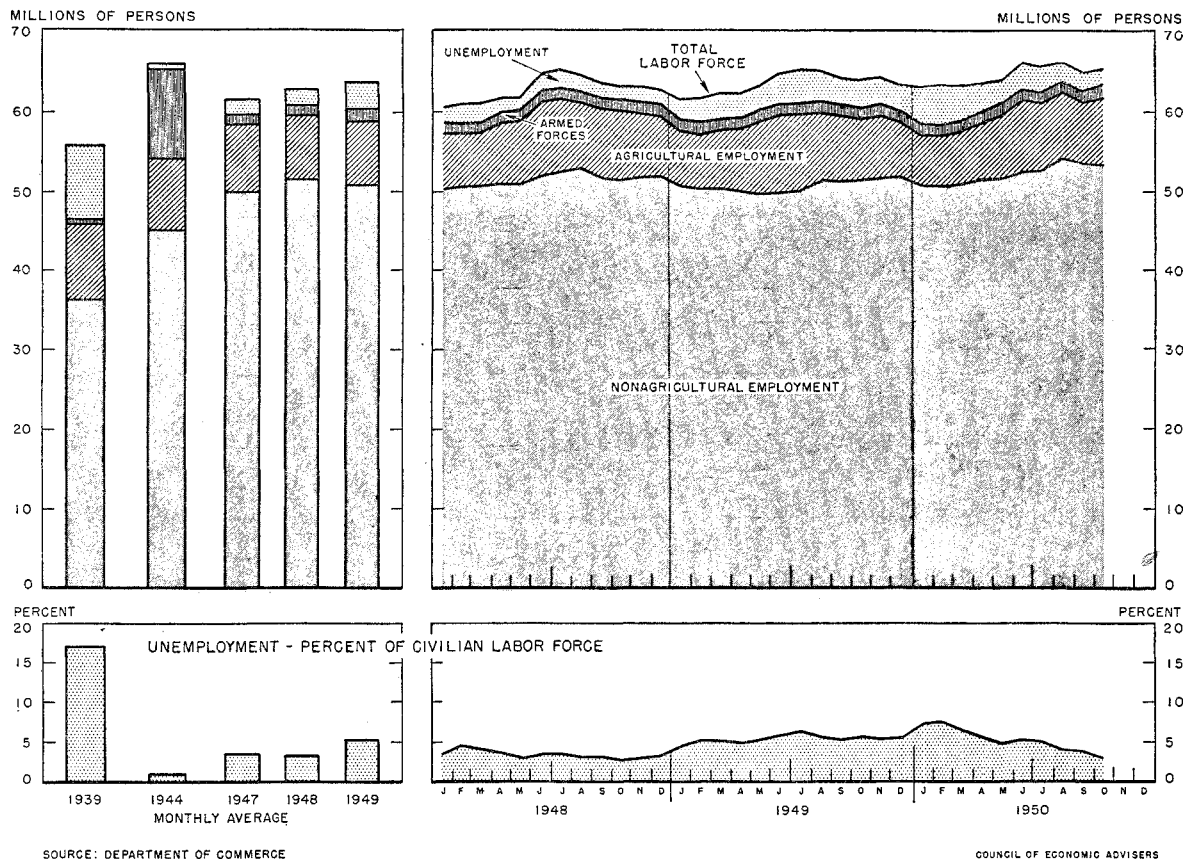
¹ Composite index prior to June 23, 1948, was based on 402 common stocks, and included 354 industrials, 20 railroads, and 28 utilities; thereafter, 416 common stocks are represented, with 365 industrials, 20 railroads, and 31 utilities.

Source: Standard & Poor's Corporation.

EMPLOYMENT AND WAGES

LABOR FORCE

Civilian employment rose in October due to a late harvest season which caused an increase of almost 700,000 in agricultural employment. Unemployment dropped sharply to 1.9 million — the lowest since November of 1948.



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- plov- 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: 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
September-----	65, 020	1, 453	63, 567	61, 226	7, 811	53, 415	2, 341	3. 7
October-----	65, 438	1, 734	63, 704	61, 764	8, 491	53, 273	1, 940	3. 0

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.

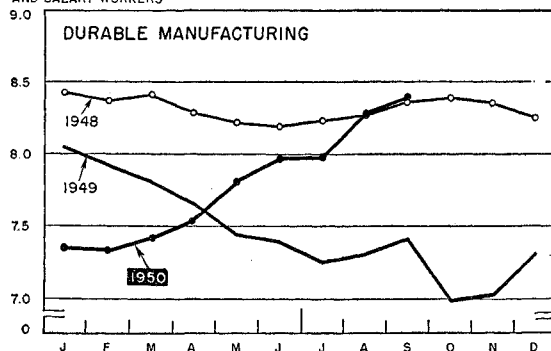
Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

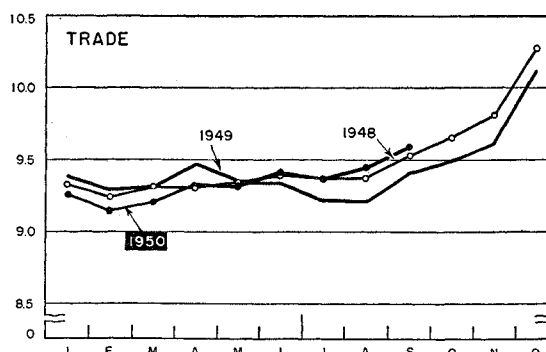
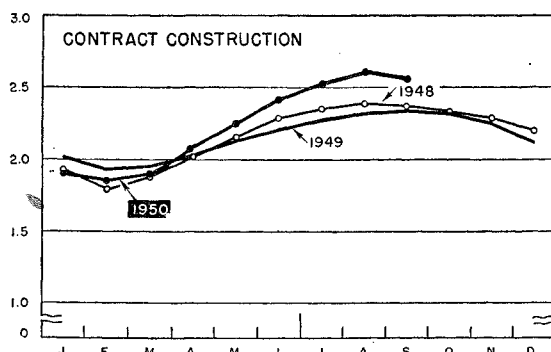
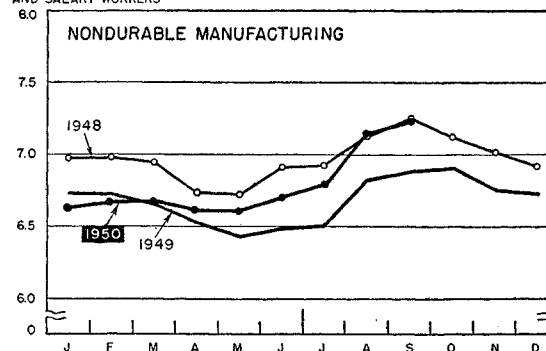
NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Employment in both durable and nondurable manufacturing rose in September to a level equal to the previous postwar record of two years ago. Trade increased seasonally. Government employment was also higher. Changes in most other industries were minor.

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: August.....	14, 114	7, 302	6, 812	2, 340	9, 215	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.....	14, 413	7, 809	6, 604	2, 245	9, 326	6, 602	5, 900	3, 885	940
June.....	14, 666	7, 964	6, 702	2, 414	9, 411	6, 653	5, 832	4, 023	946
July ²	14, 771	7, 976	6, 795	2, 521	9, 370	6, 674	5, 741	4, 060	921
August ²	15, 444	8, 292	7, 152	2, 611	9, 443	6, 666	5, 798	4, 116	953
September ²	15, 616	8, 395	7, 221	2, 572	9, 586	6, 644	6, 015	4, 116	951

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. 7) 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.

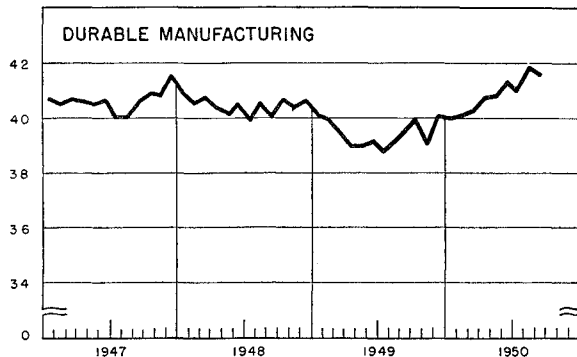
² Preliminary estimates.

Source: Department of Labor.

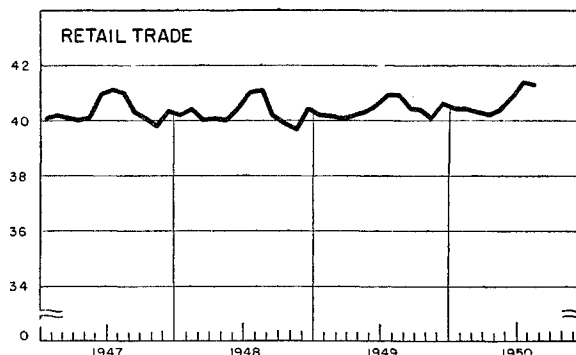
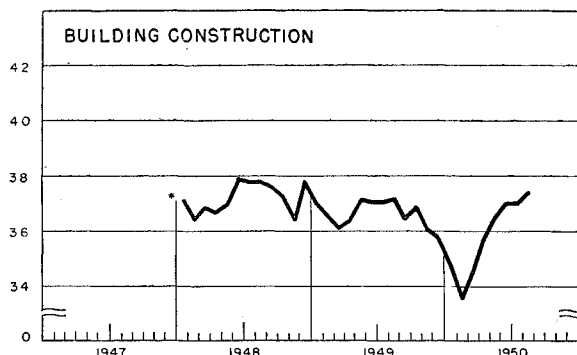
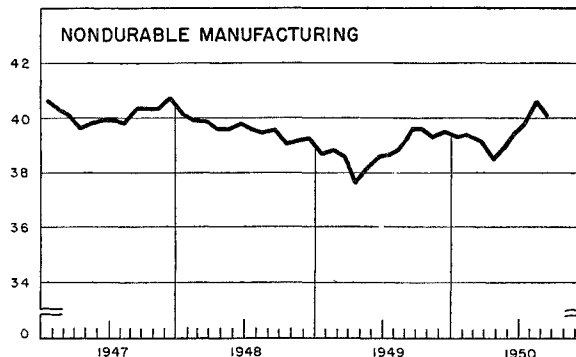
AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

In September the workweek declined in both durable and nondurable industries. Part of the decline resulted from a drop in weekly hours worked in seasonal industries, such as food processing and lumber.

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: 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.....	39.9	40.8	38.9	36.5	40.4
June.....	40.5	41.3	39.5	37.0	40.9
July ²	40.5	41.0	39.8	37.0	41.4
August ³	41.2	41.8	40.5	37.4	41.3
September ³	40.9	41.6	40.1	(2)	(2)

¹ For production and related workers.

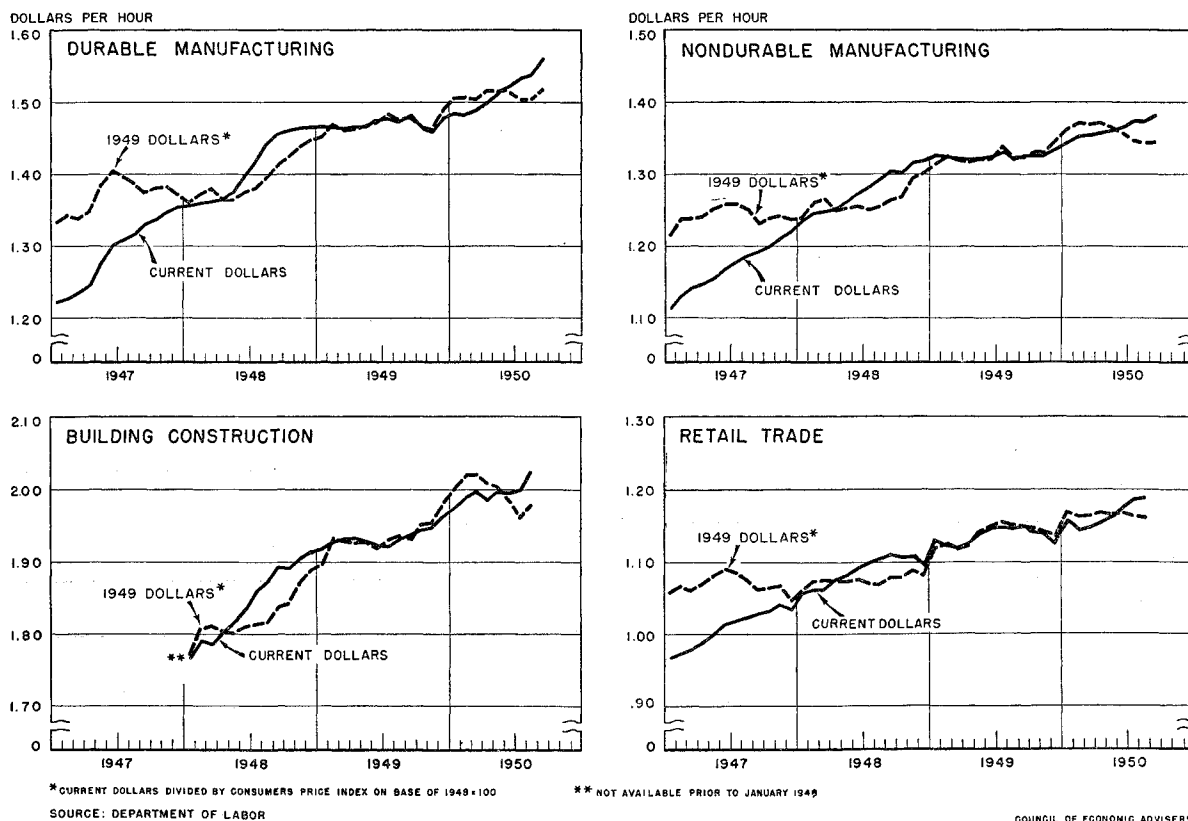
² Not available.

³ Preliminary estimates.

Source: Department of Labor.

AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Average hourly earnings in durable manufacturing rose to a new high of \$1.56 in September, reflecting the earliest of recent wage increases. Hourly earnings in nondurable manufacturing rose less sharply.



[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	(2)	(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: 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.....	1. 442	1. 446	1. 509	1. 514	1. 358	1. 362	1. 998	2. 004	1. 162	1. 165
June.....	1. 453	1. 444	1. 522	1. 513	1. 365	1. 357	1. 995	1. 983	1. 175	1. 168
July ⁴	1. 462	1. 433	1. 533	1. 503	1. 374	1. 347	2. 000	1. 961	1. 186	1. 163
August ⁴	1. 464	1. 431	1. 539	1. 504	1. 374	1. 343	2. 025	1. 979	1. 188	1. 161
September ⁴	1. 480	1. 440	1. 560	1. 518	1. 382	1. 344	(3)	(3)	(3)	(3)

¹ Production and related workers.

² Not available.

³ Current dollars divided by consumers' price index on base 1949=100. See note 3 to table on page 27.

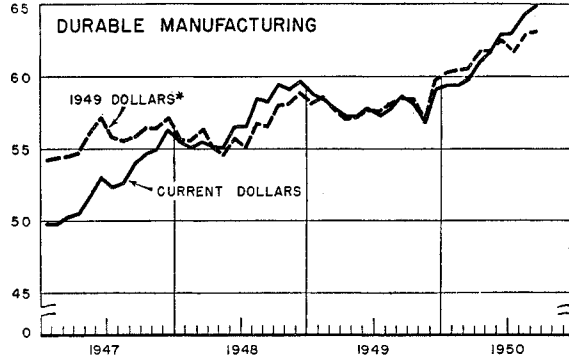
⁴ Preliminary estimates.

Source: Department of Labor.

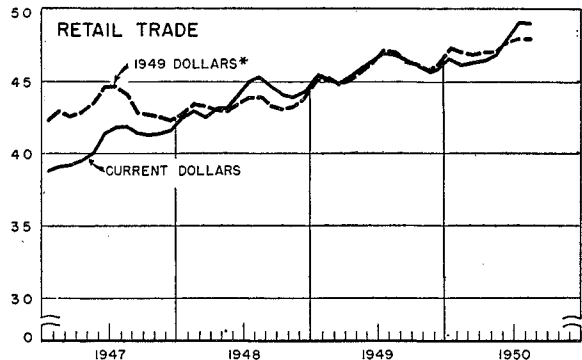
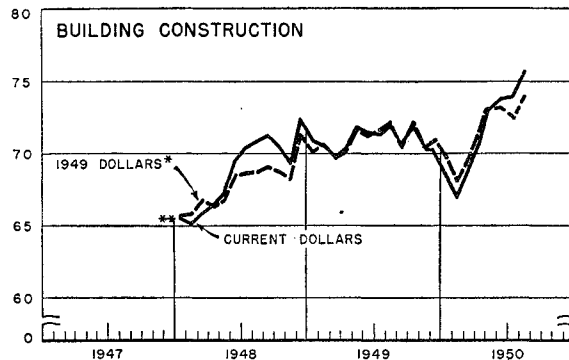
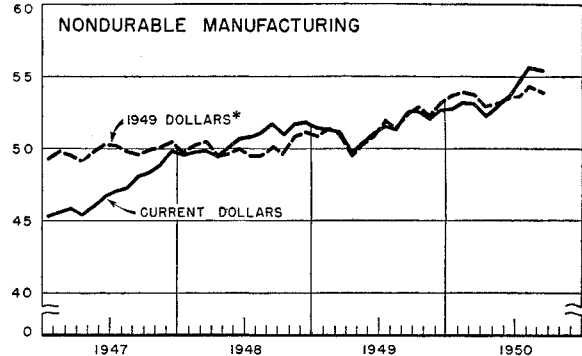
AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Weekly earnings in durable goods manufacturing increased by \$.57 to \$64.90 in September despite the drop in the workweek. Average weekly earnings in nondurable goods manufacturing dropped slightly, reflecting the decrease in the workweek which was partly offset by the small increase in hourly earnings.

DOLLARS PER WEEK



DOLLARS PER WEEK



* CURRENT DOLLARS DIVIDED BY CONSUMERS PRICE INDEX ON BASE OF 1949=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	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: August.....	54.70	54.81	57.89	58.01	51.31	51.41	71.95	72.09	46.87	46.92
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.....	57.54	57.71	61.57	61.76	52.83	52.99	72.93	73.15	46.94	47.08
June.....	58.85	58.50	62.86	62.48	53.92	53.60	73.82	73.38	48.06	47.77
July ⁴	59.21	58.05	62.85	61.62	54.69	53.62	74.00	72.55	49.10	48.14
August ⁴	60.32	58.96	64.33	62.88	55.65	54.40	75.74	74.04	49.06	47.96
September ⁴	60.53	58.88	64.90	63.13	55.42	53.91	(3)	(3)	(3)	(3)

¹ For production and related workers.

² Not available.

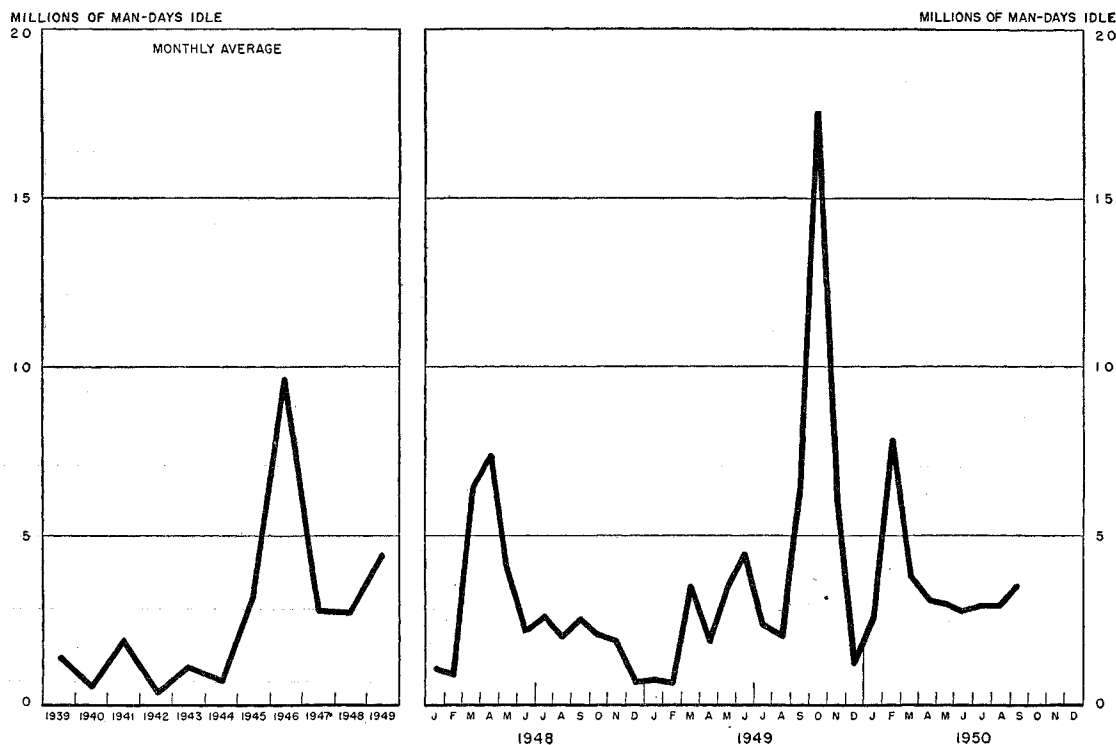
Source: Department of Labor.

³ Current dollars divided by consumers' price index on the base 1949=100. See note 3 to table on page 27.

⁴ Preliminary estimates.

WORK STOPPAGES

Man-days of idleness resulting from work stoppages increased in September due to several fairly lengthy stoppages.



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	2,126	-----	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: 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
August ¹	2,900	.35	350	465	560	800
September ¹	3,500	.48	275	460	525	800

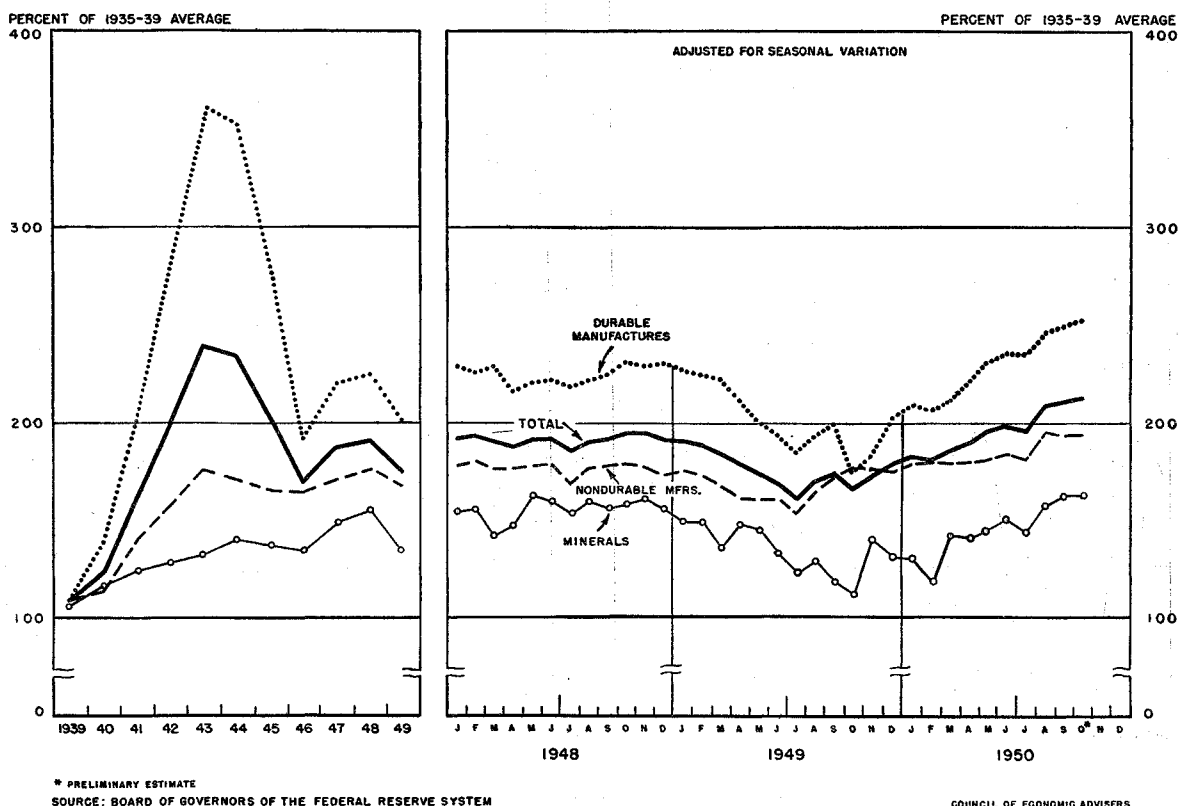
¹ Preliminary estimates.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

Industrial production rose slightly in October, chiefly as a result of higher output of steel, producers' durable goods, and military equipment.



[1935-39=100, seasonally adjusted]

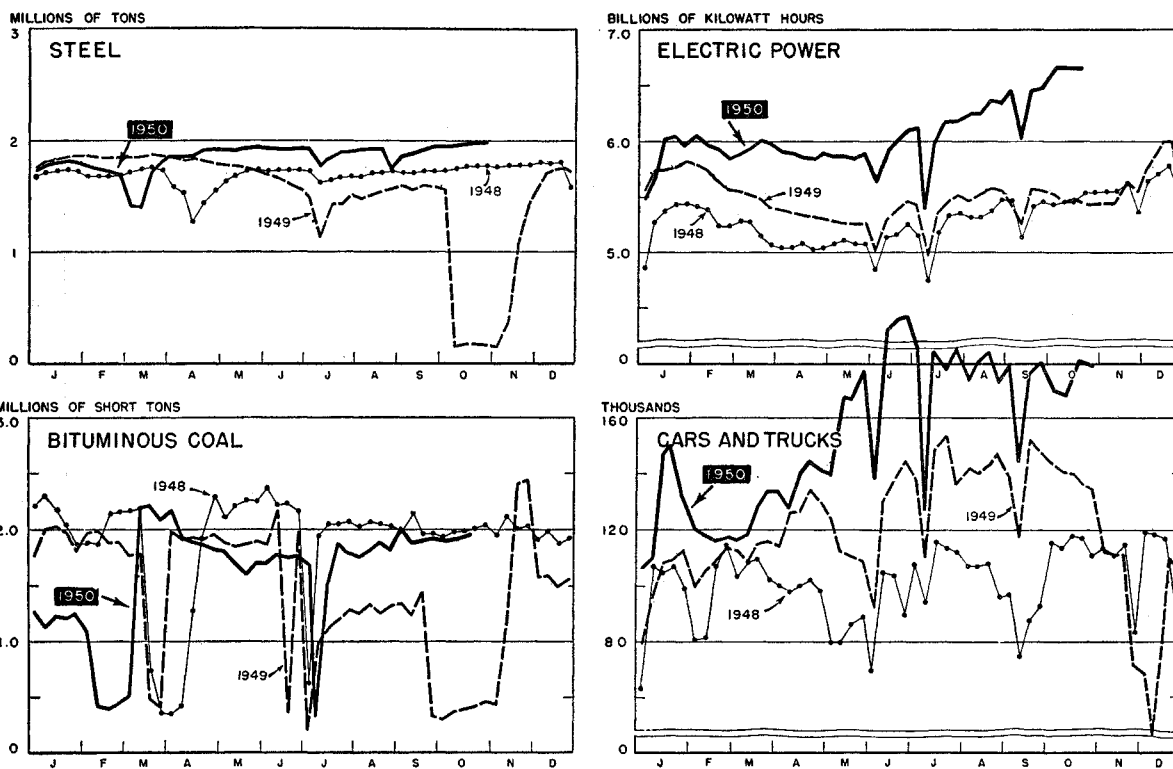
Period	Total industrial production	Manufactures			Minerals
		Total	Durable goods	Nondurable goods	
1943 monthly average.....	239	258	360	176	132
1946 monthly average.....	170	177	192	165	134
1947 monthly average.....	187	194	220	172	149
1948 monthly average.....	192	198	225	177	155
1949 monthly average.....	176	183	202	168	135
1949: 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.....	196	205	235	181	144
August.....	209	218	247	195	158
September ¹	210	219	250	193	163
October ¹	212	221	254	194	164

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

WEEKLY PRODUCTION - SELECTED INDICATORS

Steel production broke all records during October climbing to over 102 percent of rated capacity at the end of the month. Electric power output remained at peak levels; almost 2 million tons of bituminous coal were mined daily. Assembly of autos and trucks continued high.



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	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: October 8-----	151	8.2	5,450	357	141,032
15-----	172	9.3	5,481	386	139,918
22-----	172	9.3	5,430	412	135,656
29-----	166	9.0	5,433	451	131,629
November 5-----	162	8.8	5,435	447	112,838
12-----	387	21.0	5,435	1,197	111,727
1950: October 7-----	1,952	101.2	6,514	1,903	169,557
14-----	1,960	101.6	6,509	1,917	167,909
21-----	1,967	102.0	6,502	1,958	180,321
28-----	1,979	102.6	6,563	1,935	179,598
November 4-----	1,975	102.4			179,082
11-----	1,987	103.0			

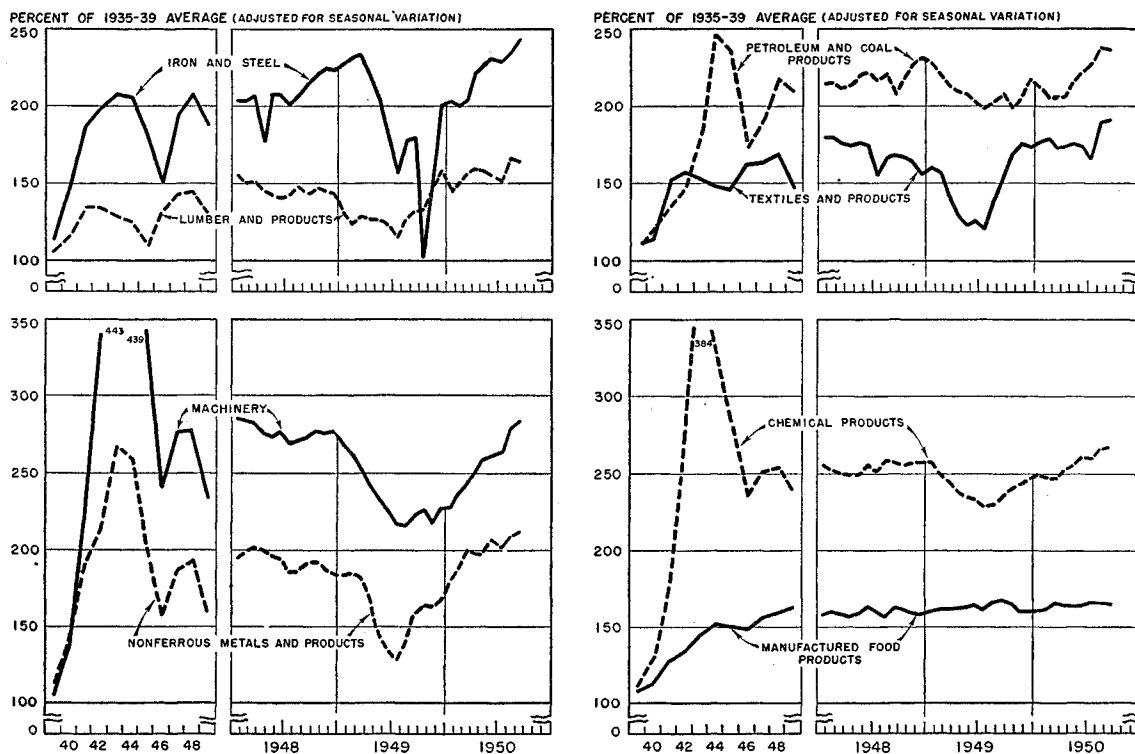
¹ Based on weekly net ton capacity of 1,749,928 for 1947, 1,802,476 for 1948, 1,843,516 for 1949, 1,906,268 for the first half of 1950, and 1,928,721 beginning July 1, 1950.

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

Further gains were registered in September in the output of most durable manufactures, except lumber. Nondurable manufacturing, particularly textiles, paper, rubber, and petroleum, continued near the high levels reached in August.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1935-39=100, seasonally adjusted]

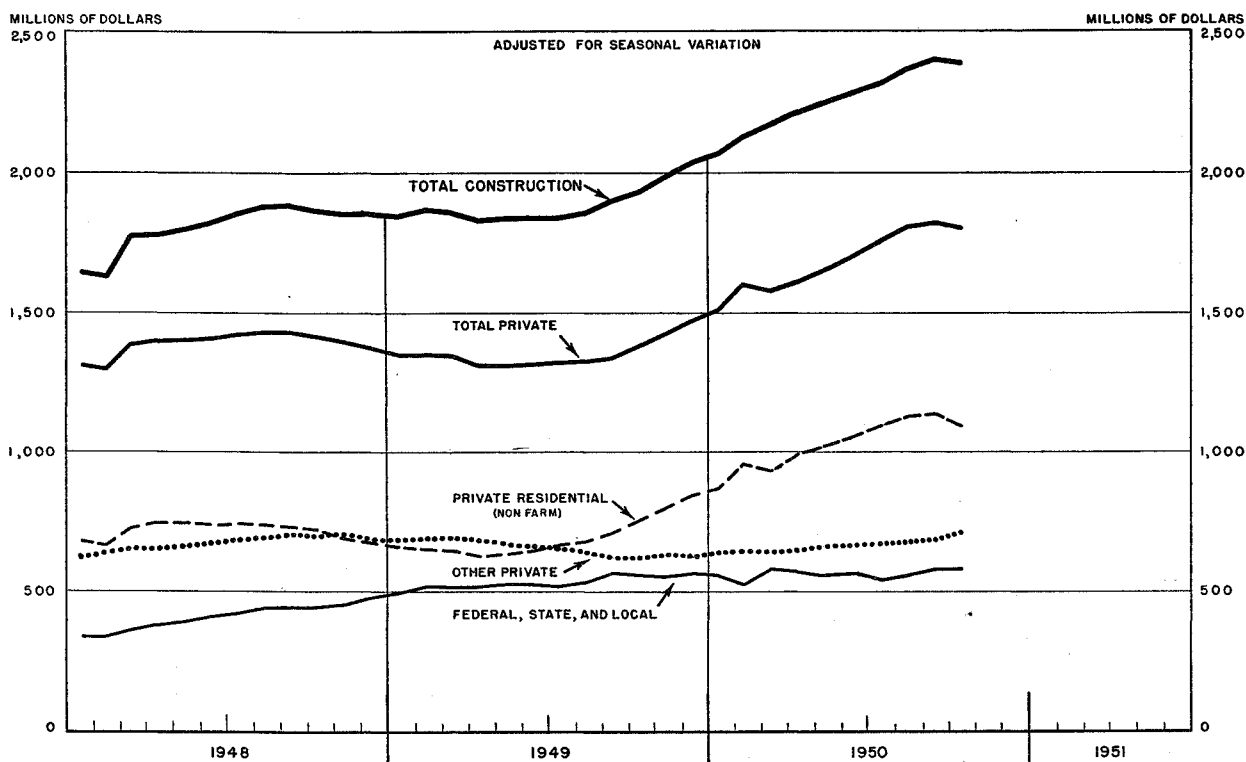
Period	Durable manufactures				Nondurable manufactures			
	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1943 monthly average.....	208	129	443	267	153	185	145	384
1946 monthly 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: 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	236	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.....	228	151	265	202	165	229	167	261
August.....	236	166	279	209	189	238	167	266
September ¹	244	164	284	212	191	237	165	267

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

Expenditures for new construction in October remained close to the September all-time high. The drop of more than 3½ percent in residential construction was about offset by an increase in other private construction while government construction remained practically unchanged.



SOURCES: DEPARTMENT OF COMMERCE AND DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[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: 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.....	2,216	1,637	991	646	579
May.....	2,240	1,674	1,015	659	566
June.....	2,284	1,719	1,055	664	565
July.....	2,319	1,772	1,099	673	547
August.....	2,369	1,808	1,128	680	561
September ²	2,408	1,824	1,136	688	584
October ²	2,392	1,806	1,094	712	586

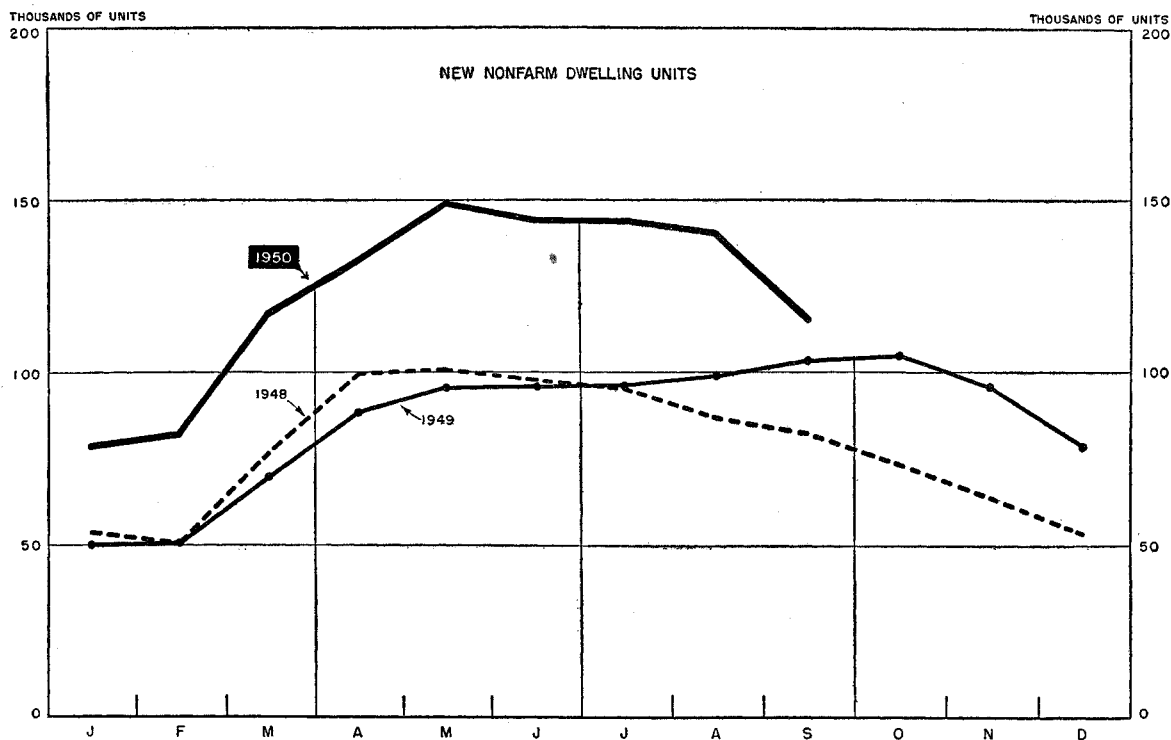
¹ Includes public residential construction.

² Preliminary estimates.

Sources: Department of Commerce and Department of Labor.

NEW HOUSING STARTS

In September housing starts, although 26,000 below the August level, were at an all-time high for the month. Total starts during the first three quarters of 1950 were 48 percent more than in the corresponding period of 1949.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

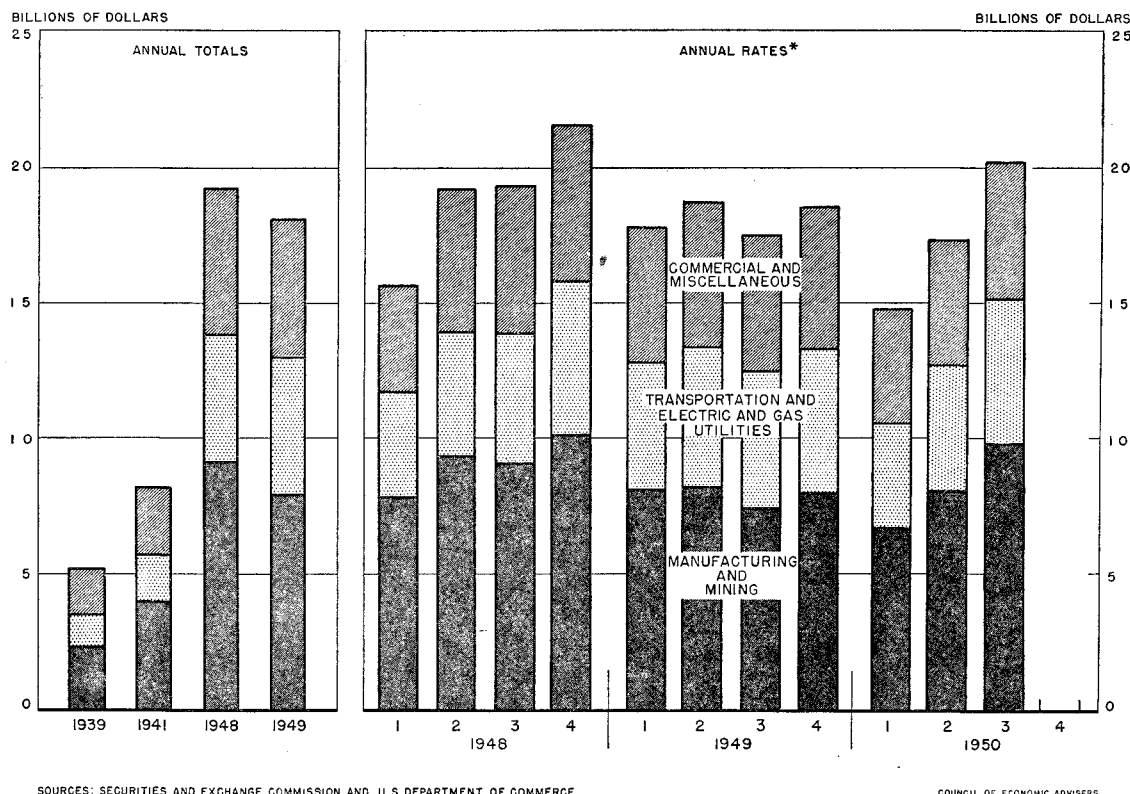
Month	New nonfarm units started			
	1947	1948	1949	1950
January.....	39,300	53,500	50,000	78,700
February.....	42,800	50,100	50,400	82,900
March.....	56,000	76,400	69,400	117,300
April.....	67,100	99,500	88,300	133,400
May.....	72,900	100,300	95,400	149,100
June.....	77,200	97,800	95,500	144,300
July.....	81,100	95,000	96,100	¹ 144,000
August.....	86,300	86,700	99,000	¹ 141,000
September.....	93,800	82,300	102,900	¹ 115,000
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.



[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.

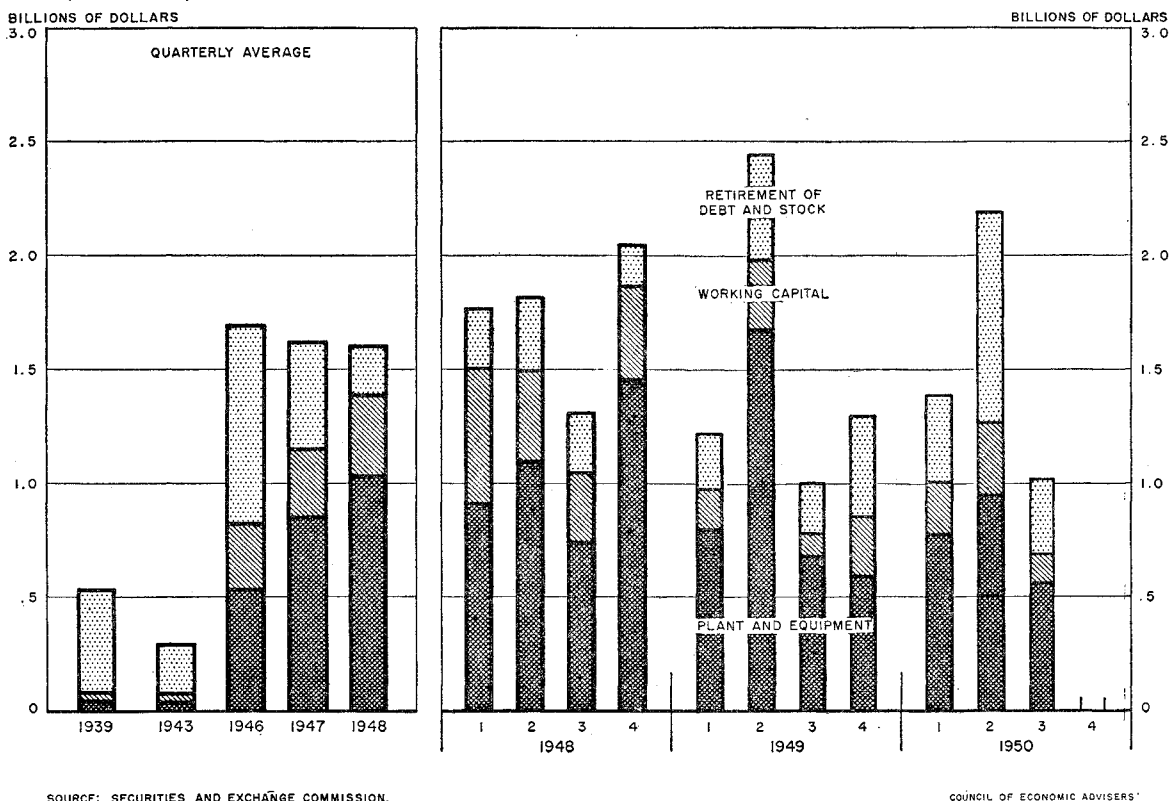
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal 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 showed a large seasonal decline in 3rd quarter of the year to about 3rd quarter level of 1949. About 70 percent of the total was for financing expansion in fixed and working capital needs; the remainder 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
Third quarter ²	1,026	690	563	127	336

¹ Includes small amount for other purposes.

² Preliminary estimates.

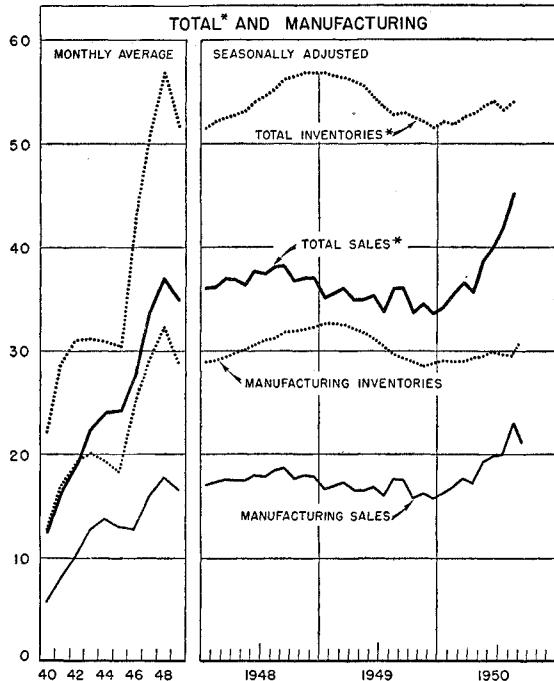
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

INVENTORIES AND SALES

Manufacturers' sales and new orders and retailers' sales declined in September, but were much above the level for the same month in any previous year. Manufacturers' inventories advanced about 3 percent.

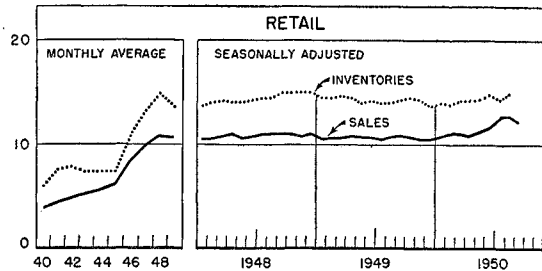
BILLIONS OF DOLLARS



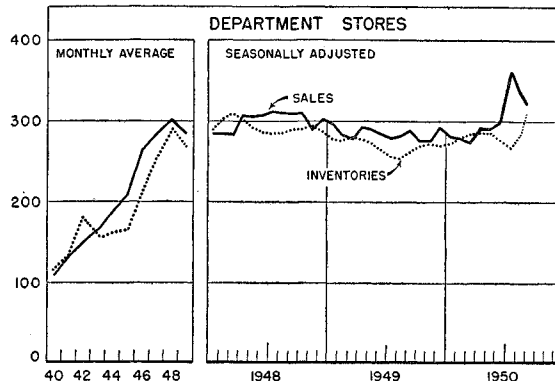
* WHOLESALE, MANUFACTURING, AND RETAIL

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 ⁶
	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, 389	27, 559	24, 498	12, 617	13, 694	11, 226	8, 358	213	264
1947	50, 794	33, 571	28, 920	15, 918	15, 622	13, 221	9, 909	255	286
1948	56, 756	37, 023	32, 276	17, 811	17, 504	14, 969	10, 837	291	302
1949	51, 594	34, 886	28, 865	16, 666	16, 102	13, 698	10, 682	270	285
1949: August	52, 736	35, 911	29, 743	17, 720	17, 532	13, 932	10, 669	253	283
September	52, 861	35, 995	29, 320	17, 621	18, 172	14, 355	10, 856	263	289
October	52, 535	33, 596	28, 923	15, 798	17, 151	14, 475	10, 678	270	276
November	52, 105	34, 404	28, 656	16, 221	16, 868	14, 336	10, 630	273	277
December	51, 594	33, 505	28, 865	15, 756	16, 009	13, 698	10, 503	271	293
1950: January	52, 003	34, 244	29, 014	16, 216	17, 032	13, 998	10, 855	272	282
February	51, 796	35, 305	28, 961	16, 877	16, 861	13, 800	11, 101	279	280
March	52, 448	36, 599	29, 037	17, 797	18, 810	14, 282	11, 125	285	274
April	52, 837	35, 645	29, 315	17, 206	17, 182	14, 138	11, 080	286	292
May	53, 456	38, 652	29, 562	19, 309	19, 097	14, 416	11, 327	285	290
June	54, 117	39, 896	29, 904	19, 838	20, 666	14, 720	11, 699	276	298
July ⁷	53, 148	41, 781	29, 706	20, 092	22, 046	14, 125	12, 700	268	362
August ⁷	54, 418	45, 148	29, 736	22, 766	27, 134	15, 072	12, 686	284	335
September ⁷	56, 105	42, 217	30, 600	21, 200	23, 700	15, 735	12, 125	309	320

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.

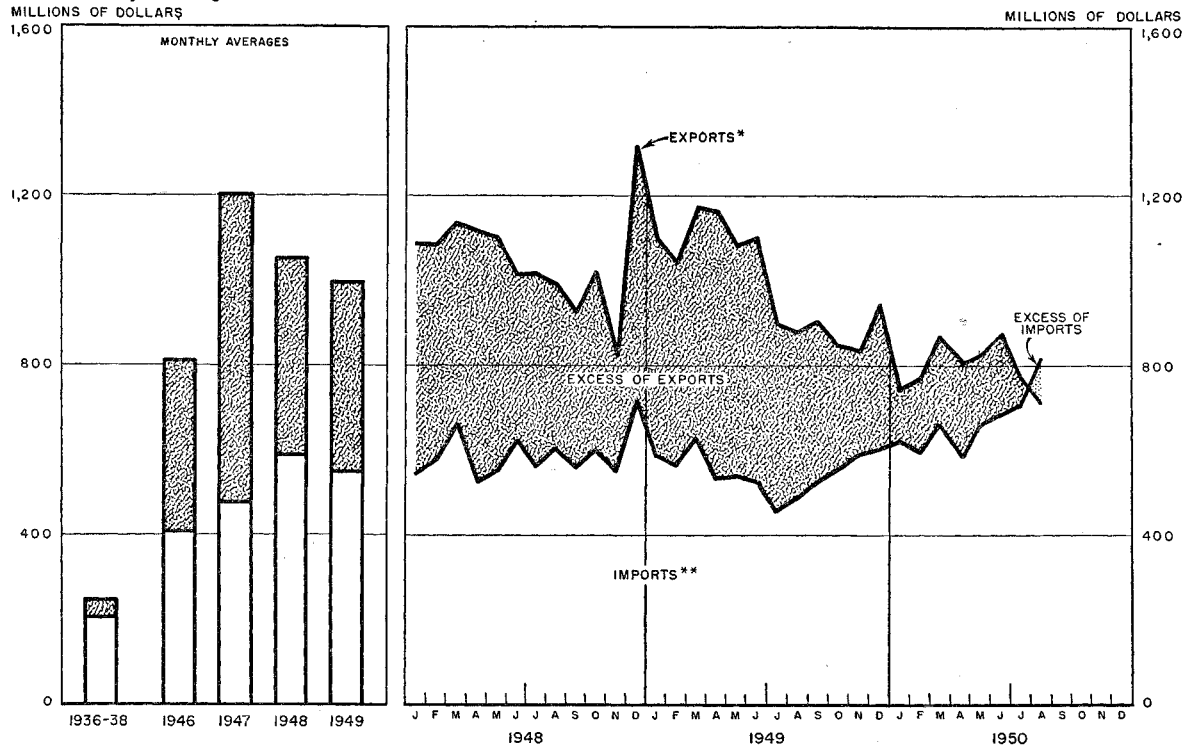
⁶ Not available.

⁷ Preliminary estimates.

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

MERCHANDISE EXPORTS AND IMPORTS

In August, merchandise imports exceeded exports for the first time since 1937. An acceleration of the rise which has been going on for most of the past year brought the value of imports to almost 50 percent above the 1949 monthly average. Exports again declined and were about 25 percent below the 1949 monthly average.



* 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: 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
August.....	761	819	-59
September ³	910	858	53

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

² Recorded general merchandise imports.

³ Data became available after chart was prepared.

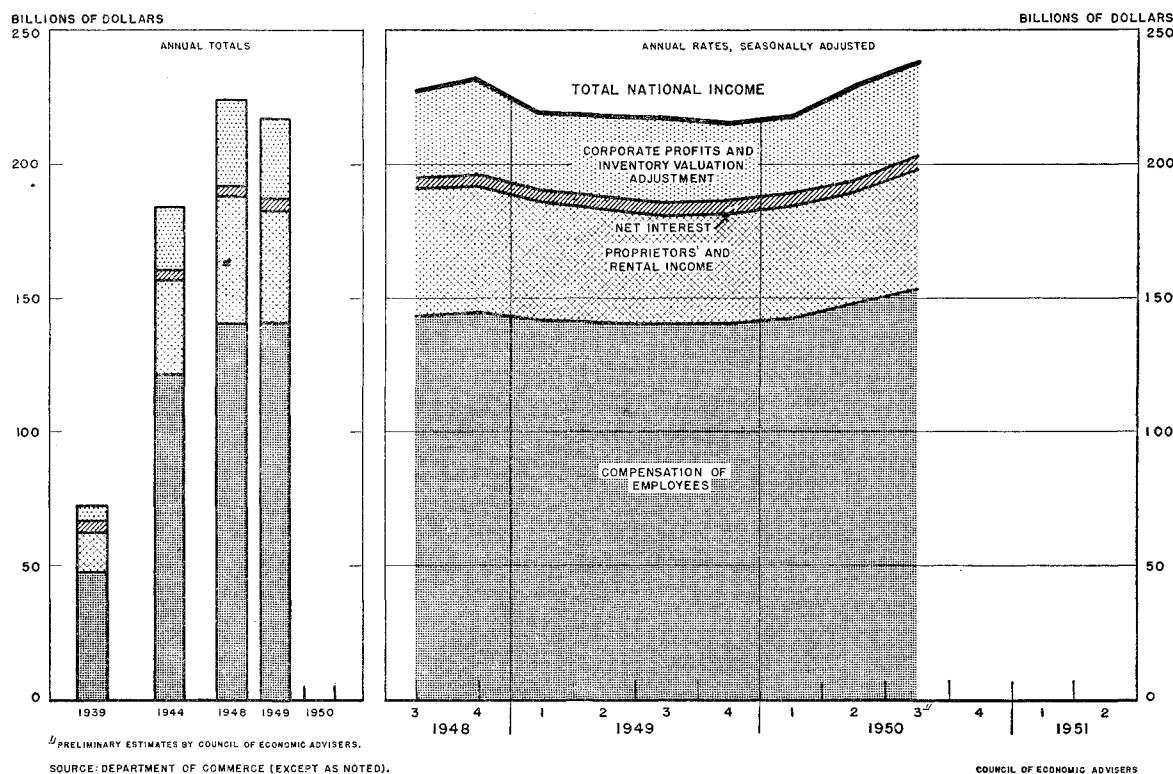
NOTE: Detail will not necessarily add to totals because of rounding.

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

PURCHASING POWER

NATIONAL INCOME

Compensation of employees increased at a seasonally adjusted annual rate of \$6 billion in 3rd quarter and proprietors' income at a rate of \$3 billion. The large increase in corporate profits before taxes was about equal to the rise in the inventory valuation adjustment.



[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	229.0	147.6	41.3	5.0	35.1	37.4	-2.3
Third quarter ¹	238.0	153.5	44.5	5.0	35.0	42.0	-7.0

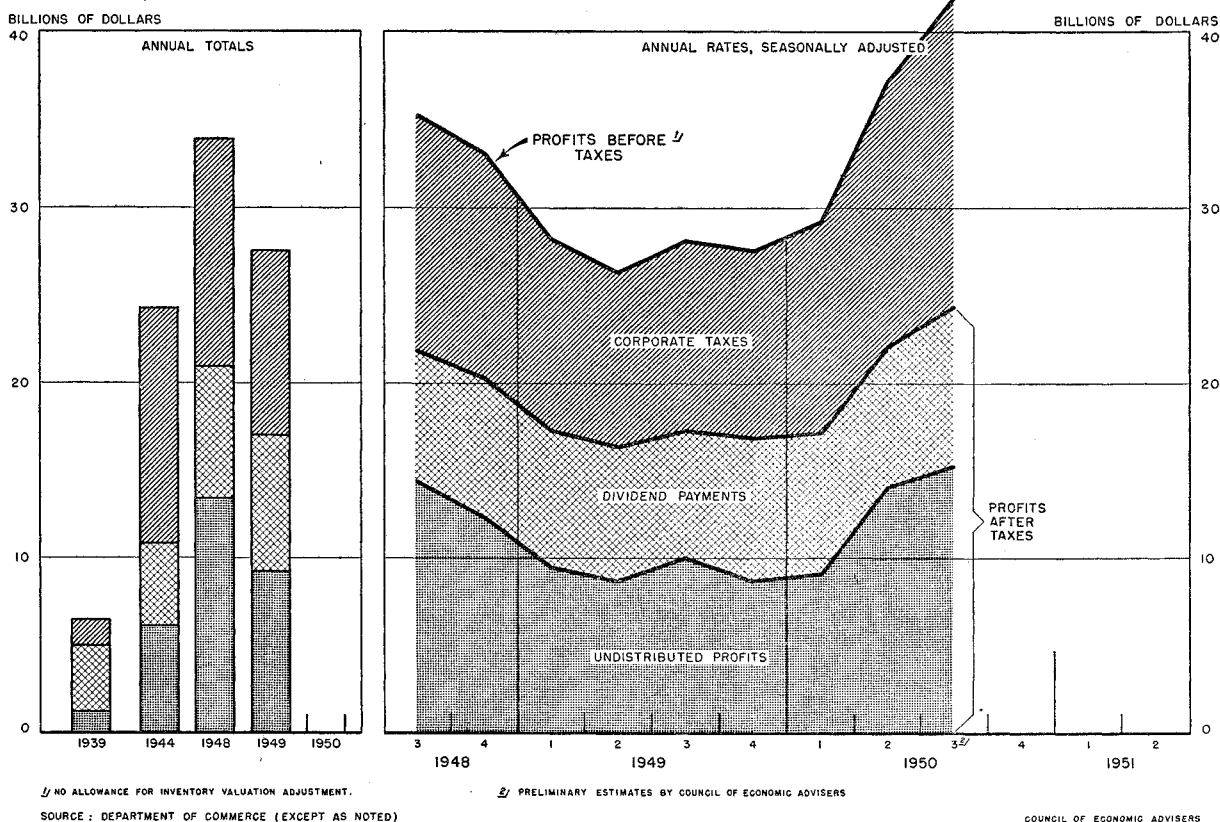
¹ Estimates by Council of Economic Advisers; based on incomplete data.

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

Source: Department of Commerce (except as noted).

CORPORATE PROFITS

Estimated corporate profits for both 2nd and 3rd quarters of 1950 have been revised upward by about \$2 billion (seasonally adjusted annual rates). Despite the high corporate tax liability, at an annual rate of \$17.6 billion in 3rd quarter, 67 percent higher than in 1949, profits after taxes were also running at an all-time high. Both dividends and undistributed profits benefited in the increase.



[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
Second quarter.....	26.4	10.0	16.4	7.7	8.7
Third quarter.....	28.2	10.8	17.3	7.4	10.0
Fourth quarter.....	27.6	10.6	16.9	8.2	8.7
1950: First quarter.....	29.2	12.0	17.2	8.1	9.1
Second quarter.....	37.4	15.2	22.2	8.1	14.1
Third quarter ¹	42.0	17.6	24.4	9.1	15.3

¹ Estimates by Council of Economic Advisers; based on incomplete data.

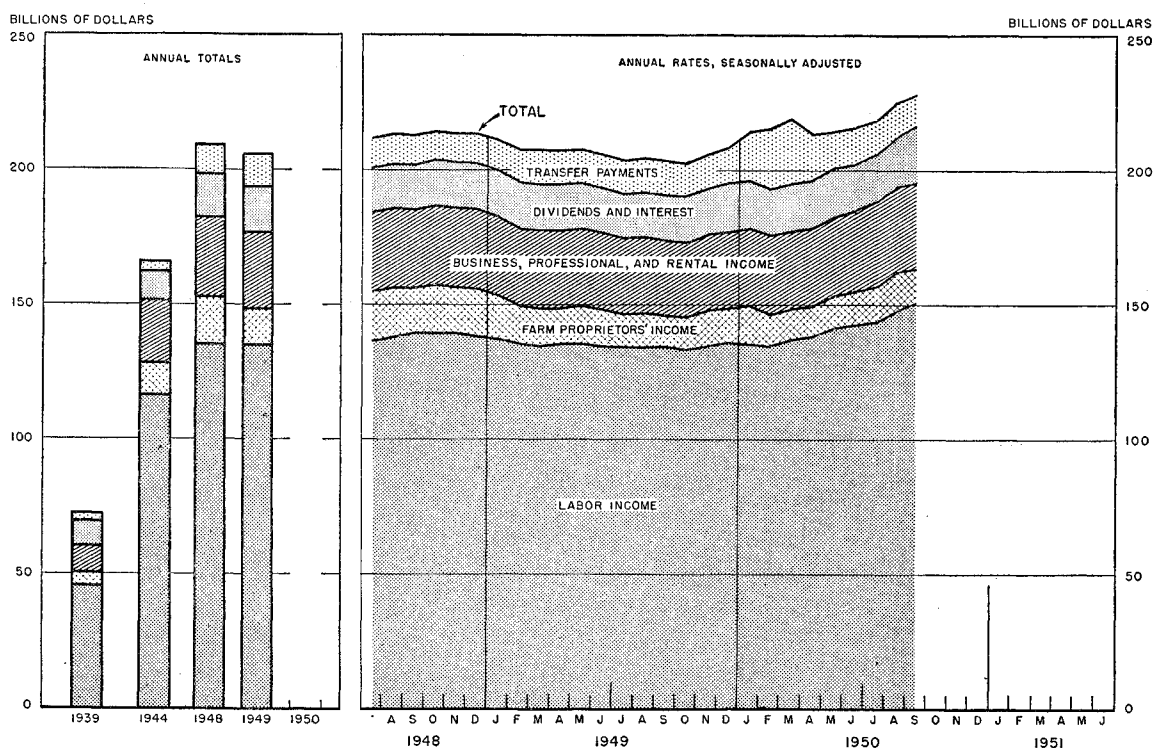
NOTE.—No allowance has been made for inventory valuation adjustment. See p.22 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

PERSONAL INCOME

The September rise of \$3 billion (annual rate) in personal income reflected a moderate rise in wages and a pronounced increase in dividend payments. Proprietors' income dropped.



SOURCE: DEPARTMENT OF COMMERCE.

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[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: August.....	204.3	134.2	12.8	27.9	16.8	12.6
September.....	203.4	134.6	11.6	27.7	17.0	12.6
October.....	202.4	133.3	12.1	27.7	17.2	12.1
November.....	205.7	134.4	13.1	28.1	17.2	12.4
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
February.....	215.4	134.5	12.3	28.7	17.7	¹ 22.2
March.....	219.3	136.9	11.4	28.8	18.0	¹ 24.2
April.....	213.8	138.6	11.0	28.8	18.2	¹ 17.2
May.....	214.5	141.1	12.1	29.4	17.8	¹ 14.1
June.....	217.1	143.1	12.1	30.2	17.8	¹ 13.4
July.....	220.7	145.1	13.6	31.9	17.8	12.3
August.....	225.4	148.9	13.7	32.4	18.4	12.0
September ¹	228.3	150.9	12.7	31.9	21.4	11.4

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).

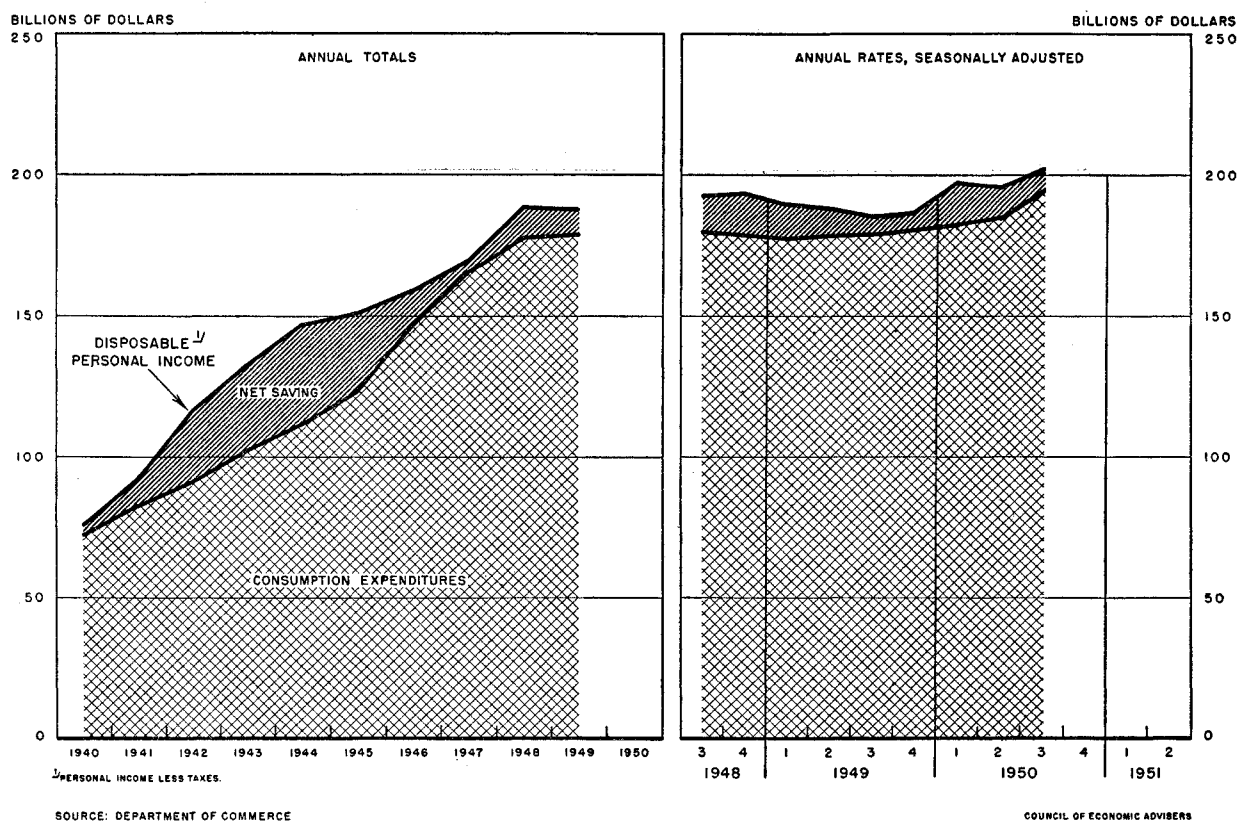
¹ Preliminary estimates.

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

Source: Department of Commerce.

CONSUMER INCOME, SPENDING, AND SAVING

Consumption expenditures rose more rapidly than incomes in 3rd quarter, resulting in a drop in saving.



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
Third quarter ²	202.0	195.0	7.0	3.5

¹ Income less taxes.

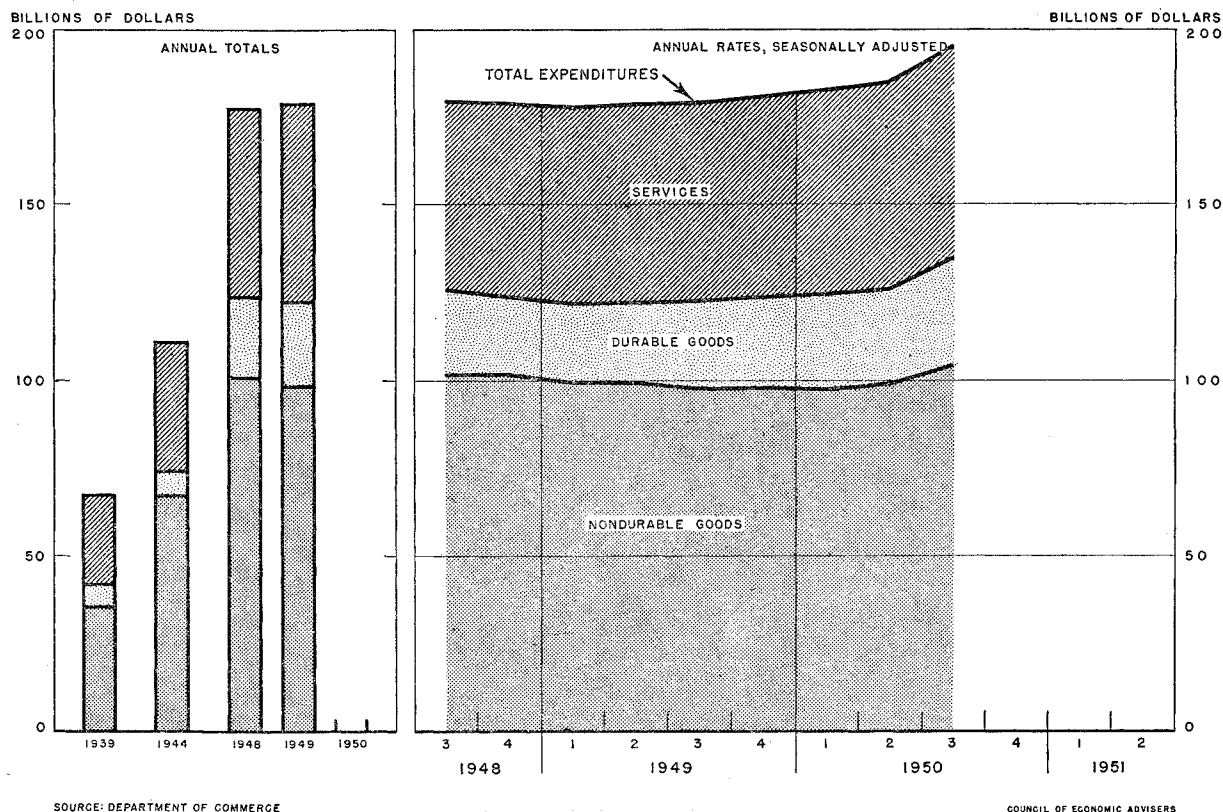
² Estimates by Council of Economic Advisers; based on incomplete data.

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

Source: Department of Commerce (except as noted).

PERSONAL CONSUMPTION EXPENDITURES

Consumption expenditures rose \$10.5 billion (annual rate) from 2nd to 3rd quarter. Expenditures for durable goods were 16 percent above the high levels of first half of this year. Expenditures for nondurable goods and services also reached new peaks.



SOURCE: DEPARTMENT OF COMMERCE

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[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
Third quarter ¹	195.0	104.0	31.0	60.0

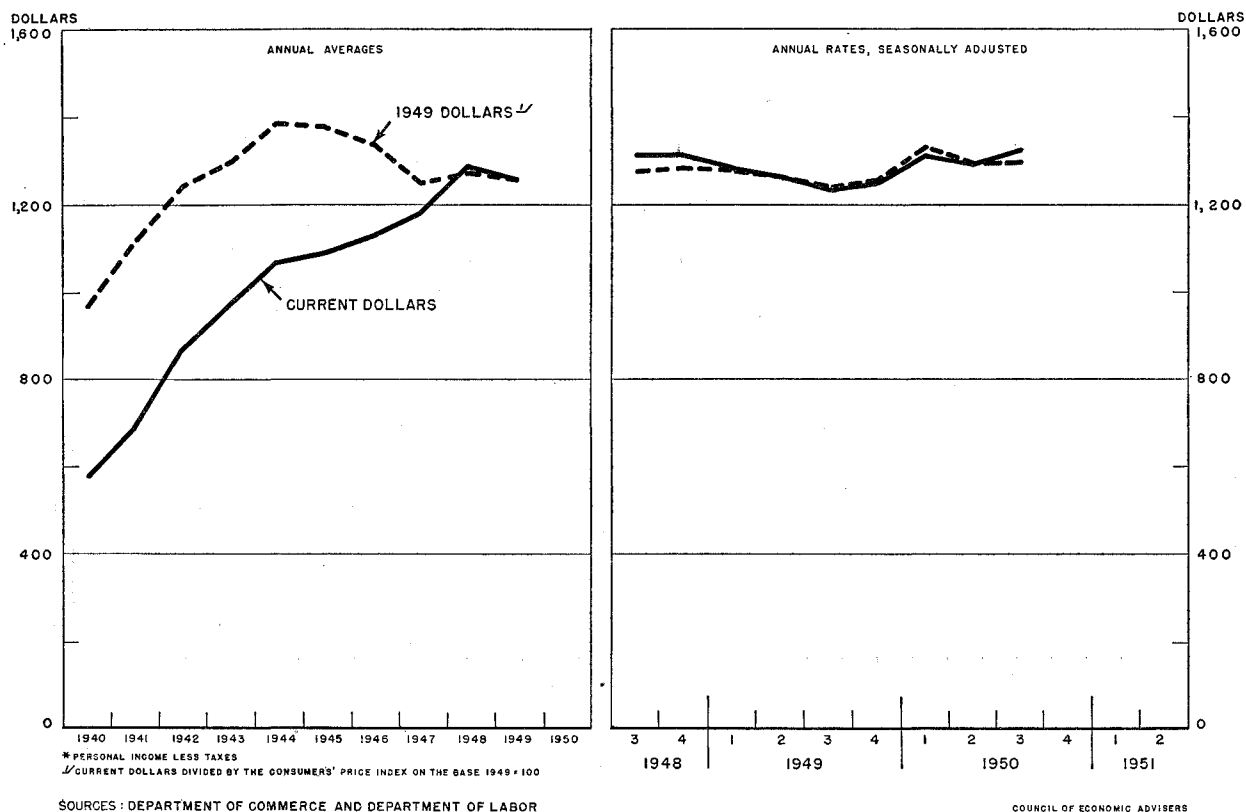
¹ Estimates by Council of Economic Advisers; based on incomplete data.

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

SOURCE: DEPARTMENT OF COMMERCE (except as noted).

PER CAPITA DISPOSABLE INCOME*

Per capita disposable income increased slightly in terms of current dollars but showed little change in terms of purchasing power.



Period	Per capita disposable personal income ¹		Consumers' price index ² 1949=100
	Current dollars	1949 dollars ²	
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
Third quarter ⁴	1,328	1,297	102.4

¹ Income less taxes.

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

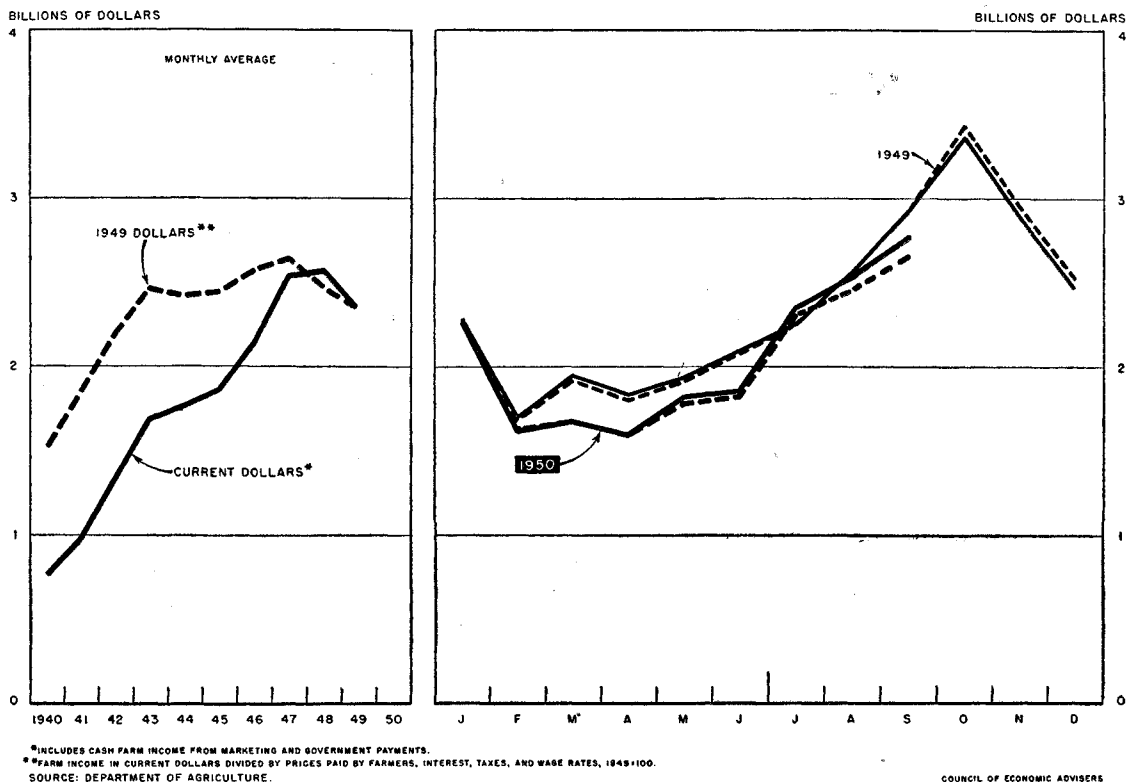
³ The consumers' price index has been roughly adjusted to take account of the understatement from December 1941-February 1947. This adjustment is in line with the report of the Mitchell Committee. The unadjusted index will be found on page 3.

⁴ Estimates by Council of Economic Advisers; based on incomplete data.

Sources: Department of Commerce and Department of Labor (except as noted).

FARM INCOME

September farm income was 5 percent lower than in September 1949. Prices paid by farmers averaged 5 percent higher. Thus real farm income was 10 percent below a year ago.



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: August.....	2,565	100	2,565
September.....	2,929	99	2,959
October.....	3,366	98	3,435
November.....	2,905	98	2,964
December.....	2,473	98	2,523
1950: January.....	2,254	100	2,254
February.....	1,614	99	1,630
March.....	1,674	100	1,674
April.....	1,594	100	1,594
May.....	1,819	102	1,783
June.....	1,859	102	1,823
July.....	2,356	102	2,310
August ⁴	2,551	103	2,477
September ⁴	2,774	104	2,667

¹ Includes cash farm income from marketings and Government payments.

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

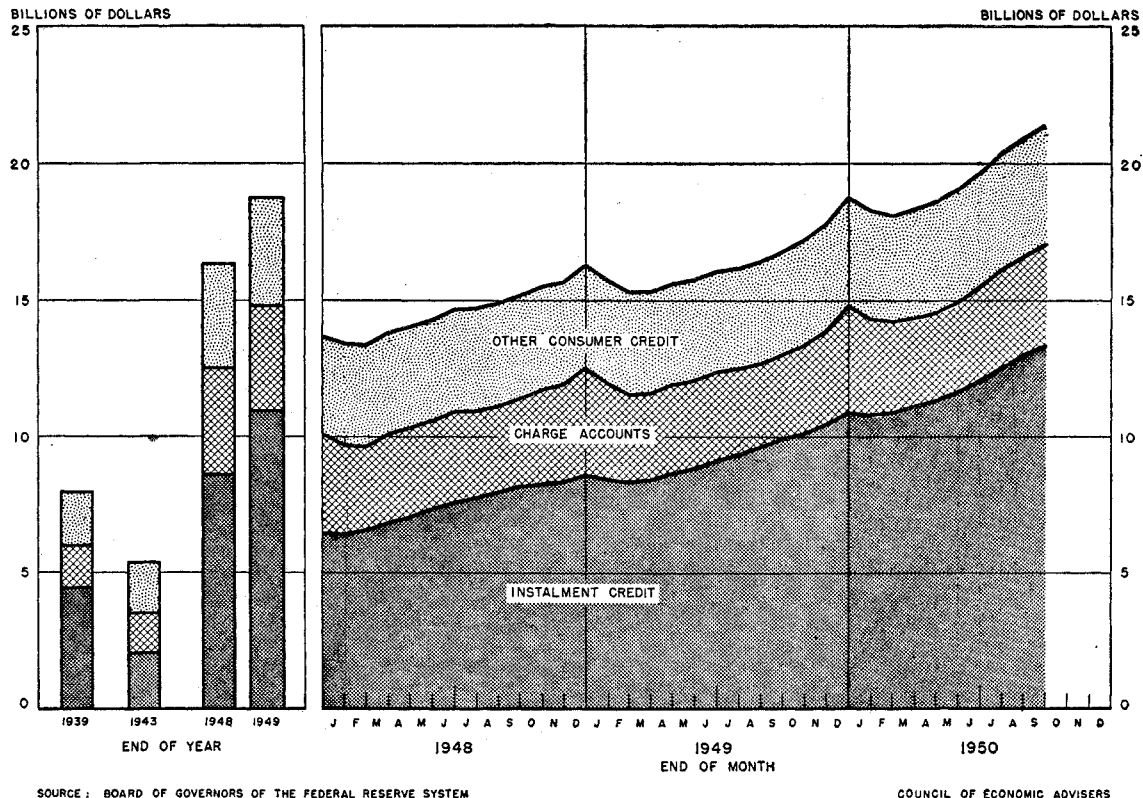
³ Farm income in current dollars divided by prices paid by farmers, interest, taxes, and wage rates, 1949=100.

⁴ Preliminary estimates.

Source: Department of Agriculture.

CONSUMER CREDIT

Consumer credit continued to expand in September, though at a somewhat lower rate than in July and August. The rise in instalment credit was 2½ percent, compared with about 4 percent in July and 3 percent in August.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit			Charge accounts	Other consumer credit ¹
		Total	Automobile sale credit	Other sale credit and loans		
1939.....	7,969	4,424	1,267	3,157	1,544	2,001
1943.....	5,378	2,001	175	1,826	1,498	1,879
1946.....	10,191	4,000	544	3,456	3,054	3,137
1947.....	13,673	6,434	1,151	5,283	3,612	3,627
1948.....	16,319	8,600	1,961	6,639	3,854	3,865
1949.....	18,779	10,890	3,144	7,746	3,909	3,980
1949: 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.....	19,682	12,105	3,790	8,315	3,392	4,185
July.....	20,358	12,598	3,994	8,604	3,527	4,233
August.....	20,949	13,007	4,107	8,900	3,636	4,306
September ²	21,453	13,329	4,210	9,119	3,737	4,387

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

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

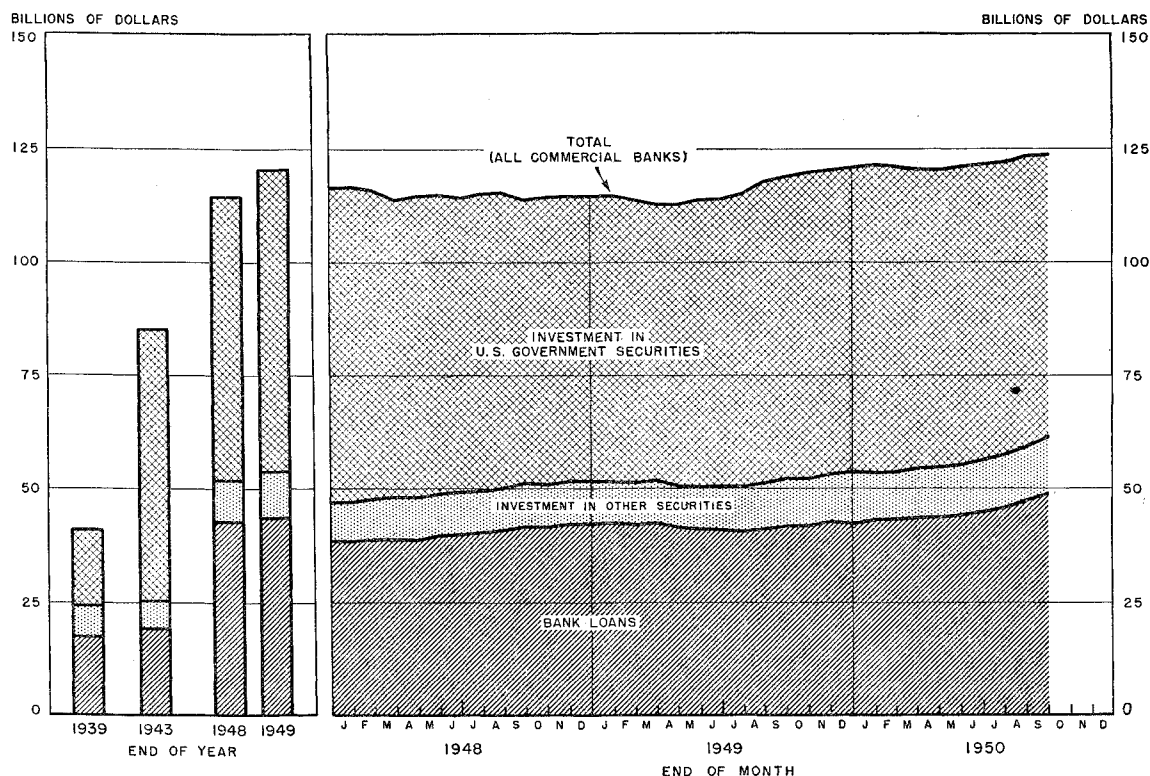
Source: Board of Governors of the Federal Reserve System.

² Preliminary estimates.

MONEY, BANKING, AND FEDERAL FINANCE

BANK LOANS AND INVESTMENTS

Commercial bank loans expanded during September at a record postwar rate. Investments in private and municipal securities increased, but holdings of U. S. Government securities fell substantially.



[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: 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.....	120.3	43.8	76.5	65.5	11.0
May.....	121.2	44.1	77.1	66.1	11.0
June.....	121.8	44.8	77.0	65.8	11.2
July.....	122.3	46.0	76.3	65.0	11.4
August.....	123.3	47.3	76.0	64.2	11.8
September ¹	123.7	49.0	74.6	62.5	12.1

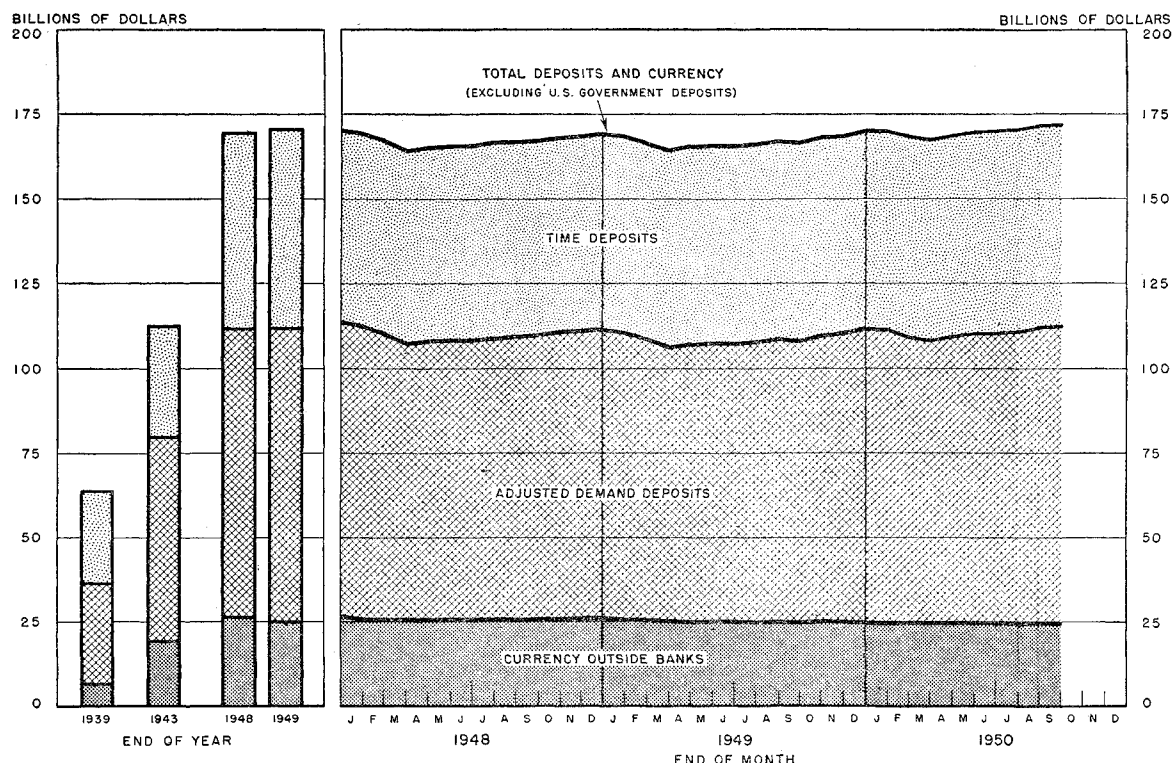
¹ Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

MONEY SUPPLY

Demand deposits continued to rise during September. Time deposits declined but at a less rapid rate than during July and August.



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: 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.....	168.4	24.6	84.3	59.5
May.....	169.2	24.7	85.0	59.5
June.....	170.0	25.2	85.0	59.7
July.....	170.2	24.4	86.5	59.4
August.....	171.0	24.5	87.4	59.1
September ³	171.7	24.5	88.1	59.0

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

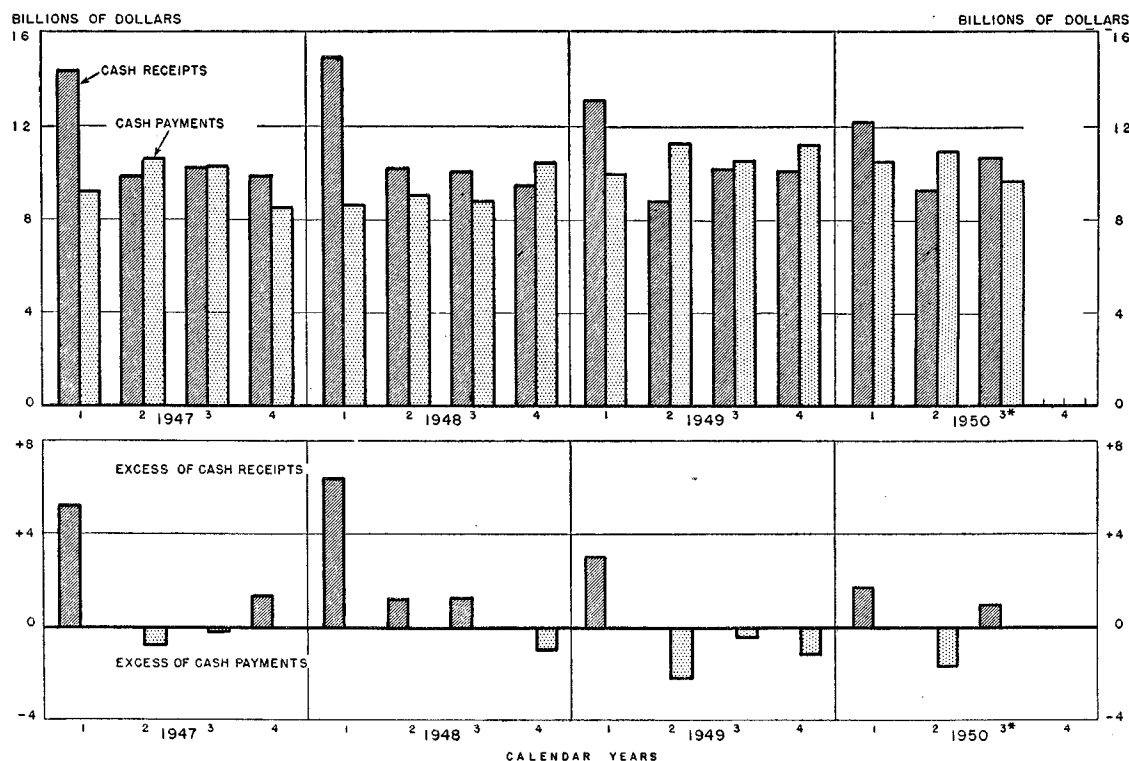
³ Preliminary estimates.

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 3rd quarter of 1950, cash payments to the public were \$1.1 billion smaller than receipts. In the corresponding quarter of 1949 payments exceeded receipts by \$386 million.



* 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.....	41,451	41,399	+52
1947.....	44,282	38,616	+5,666
1948.....	44,922	36,897	+8,027
1949.....	41,346	42,642	-1,295
Quarterly total, not adjusted for seasonal:			
1947: Third quarter.....	10,220	10,288	-67
Fourth quarter.....	9,869	8,536	+1,332
1948: First quarter.....	15,037	8,641	+6,399
Second quarter.....	10,239	9,033	+1,205
Third quarter.....	10,085	8,735	+1,349
Fourth quarter.....	9,560	10,488	-926
1949: First quarter.....	13,122	9,964	+3,159
Second quarter.....	8,814	11,389	-2,574
Third quarter.....	10,143	10,528	-386
Fourth quarter.....	9,267	10,762	-1,495
1950: First quarter.....	12,235	10,760	+1,475
Second quarter.....	9,303	11,105	-1,803
Third quarter ¹	10,494	9,351	+1,143

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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