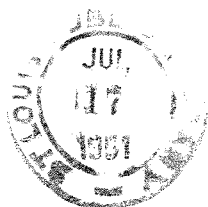


*82d Congress, 1st Session*



# Economic Indicators

## **JULY 1951**

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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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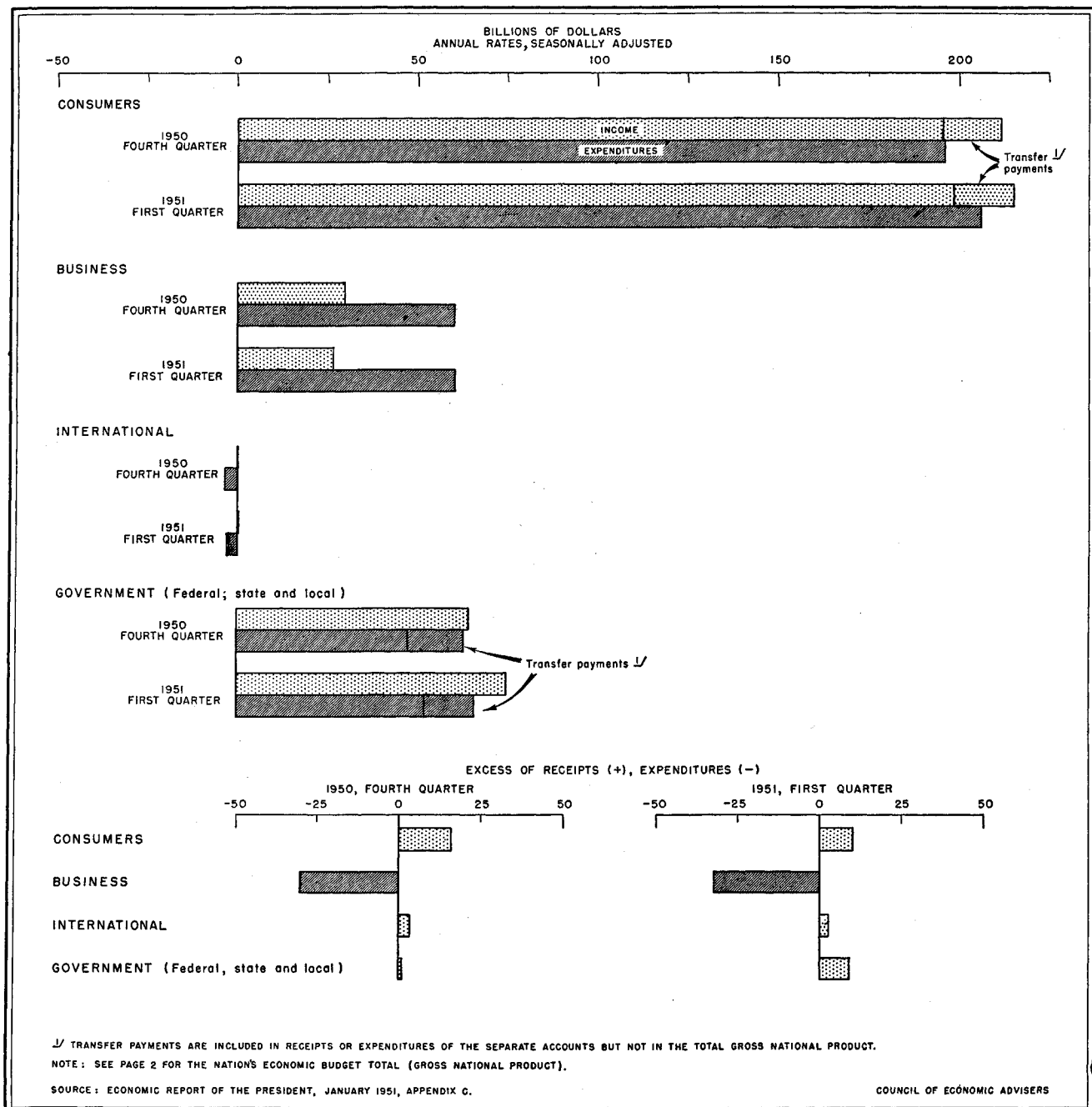
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# THE TOTAL OUTPUT OF THE ECONOMY

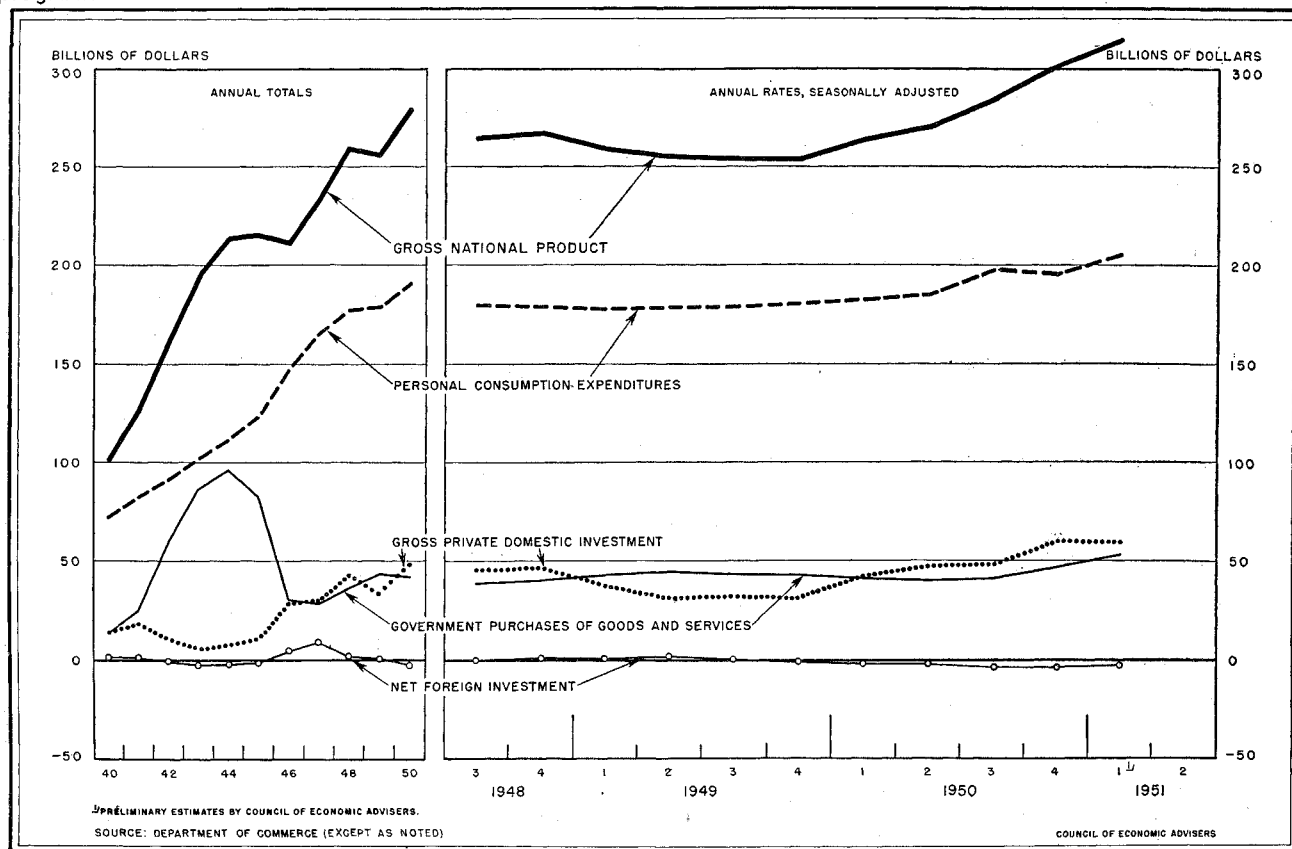
## THE NATION'S ECONOMIC BUDGET

The buying wave in the first quarter lifted consumer expenditures more than the rise in incomes, resulting in a drop in personal net saving. Business investment continued at a high level. Government receipts increased more than expenditures.



## GROSS NATIONAL PRODUCT

Gross national product rose at an annual rate of \$14 billion in the first quarter, to reach a total of \$314 billion, according to revised estimates. About two-thirds of the increase reflected higher prices. The major changes were higher consumer purchases, lower business inventory accumulation, and increased Government purchases for the defense programs.



[Billions of dollars]

Period	Total gross national product	Personal consumption expenditures	Gross private domestic investment	Net foreign investment	Government purchases of goods and services		
					Total	National defense <sup>1</sup>	Other <sup>2</sup>
1939.....	91.3	67.5	9.9	0.9	13.1	1.3	11.8
1944.....	213.7	111.6	7.7	-2.1	96.5	88.6	7.9
1946.....	211.1	146.9	28.7	4.6	30.9	21.2	9.7
1947.....	233.3	165.6	30.2	8.9	28.6	12.2	16.4
1948.....	259.1	177.4	43.1	1.9	36.6	11.6	25.0
1949.....	255.6	178.8	33.0	.4	43.3	13.5	29.8
1950.....	279.8	190.8	49.4	-2.5	42.1	14.8	27.3
Annual rates, seasonally adjusted							
1949: First quarter.....	258.8	177.4	37.5	1.0	42.9	13.5	29.4
Second quarter.....	255.2	178.4	31.3	1.3	44.3	13.9	30.4
Third quarter.....	254.4	179.0	32.1	.1	43.2	13.5	29.7
Fourth quarter.....	253.8	180.6	31.2	-.7	42.8	13.3	29.5
1950: First quarter.....	263.3	182.6	41.8	-1.7	40.5	12.5	28.0
Second quarter.....	271.6	185.8	47.7	-1.7	39.9	12.4	27.5
Third quarter.....	283.9	198.9	47.8	-3.3	40.4	14.2	26.2
Fourth quarter.....	300.3	195.8	60.2	-3.4	47.6	20.0	27.6
1951: First quarter.....	313.9	204.8	59.0	-2.6	52.6	25.3	27.3

<sup>1</sup> Based on Treasury *Bulletin* break-down of Federal budgetary expenditures adjusted to the concept of purchases of goods and services; includes "national defense and related activities," Atomic Energy, and Mutual Defense Assistance.

<sup>2</sup> Residual: expenditures by the Federal Government for other than "national defense" and total expenditures by State and local governments.

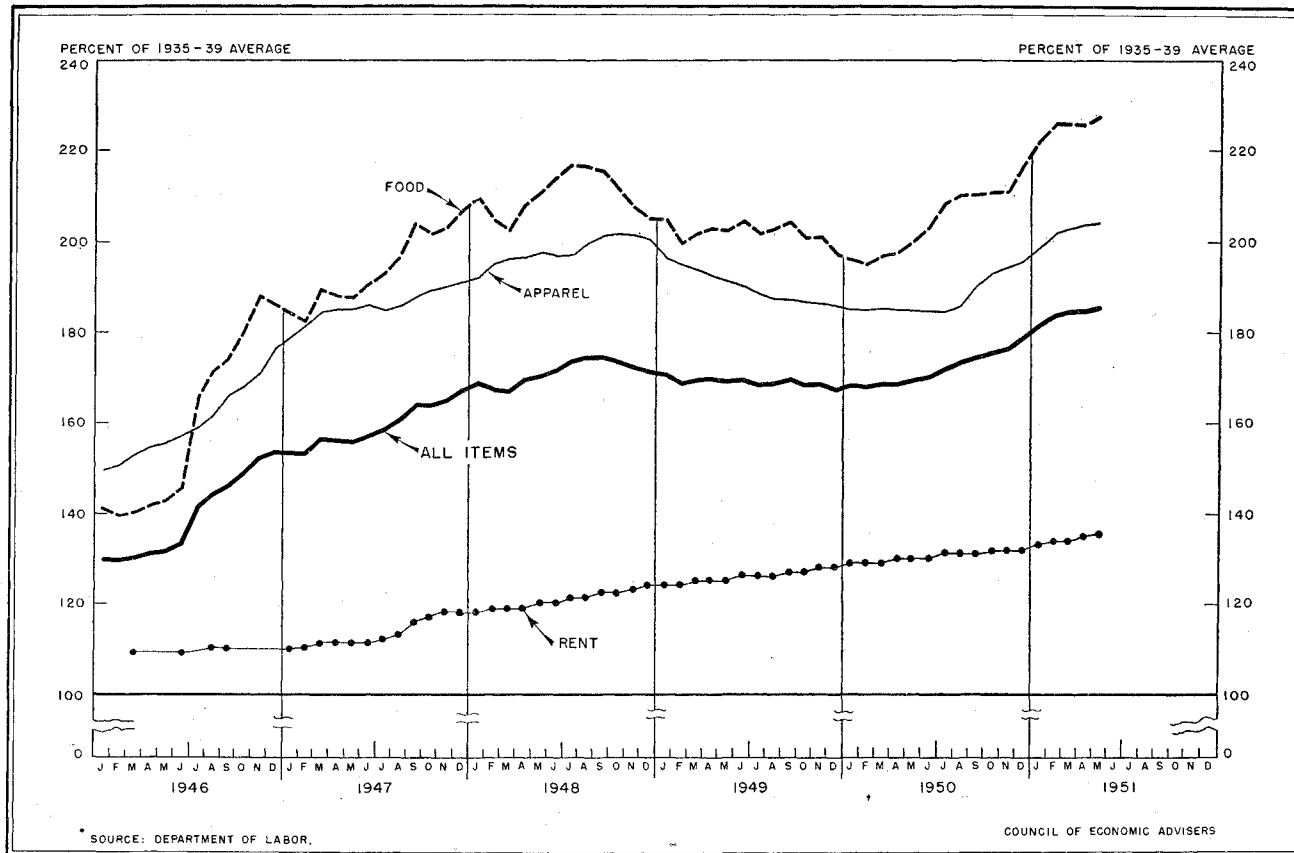
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

# PRICES

## CONSUMERS' PRICES

Consumers' prices rose 0.4 percent between mid-April and mid-May, mainly because of seasonal price increases in some foods. Rents and prices of apparel and house-furnishings also advanced.



[1935-39 = 100]

Period	All items	Food	Apparel	Rent	Fuel, electricity, and refrigeration	Housefurnishings	Miscellaneous
1939 monthly average	99.4	95.2	100.5	104.3	99.0	101.3	100.7
1943 monthly average	123.7	138.0	129.7	108.7	107.7	125.6	115.8
1944 monthly average	125.7	136.1	138.8	109.1	109.8	136.4	121.3
1945 monthly average	128.6	139.1	145.9	109.5	110.3	145.8	124.1
1946 monthly average	139.5	159.6	160.2	110.1	112.4	159.2	128.8
1947 monthly average	159.6	193.8	185.8	113.6	121.1	184.4	139.9
1948 monthly average	171.9	210.2	198.0	121.2	133.9	195.8	149.9
1949 monthly average	170.2	201.9	190.1	126.4	137.5	189.0	154.6
1950 monthly average	171.9	204.4	187.7	131.0	140.6	190.2	156.5
1950: May 15	169.3	199.8	184.7	130.6	138.8	185.0	155.1
June 15	170.2	203.1	184.6	130.9	139.1	184.8	154.6
July 15	172.0	208.2	184.5	131.3	139.4	186.1	155.2
August 15	173.4	209.9	185.7	131.6	140.2	189.1	156.8
September 15	174.6	210.0	189.8	131.8	141.2	194.2	157.8
October 15	175.6	210.6	193.0	132.0	142.0	198.7	158.3
November 15	176.4	210.8	194.3	132.5	142.5	201.1	159.2
December 15	178.8	216.3	195.5	132.9	142.8	203.2	160.6
1951: January 15	181.5	221.9	198.5	133.2	143.3	207.4	162.1
February 15	183.8	226.0	202.0	134.0	143.9	209.7	163.2
March 15	184.5	226.2	203.1	134.7	144.2	210.7	164.3
April 15	184.6	225.7	203.6	135.1	144.0	211.8	164.6
May 15 <sup>1</sup>	185.4	227.4	204.0	135.4	143.6	212.6	165.0

<sup>1</sup> A special survey of food prices indicated little change between May 15 and the end of the month.

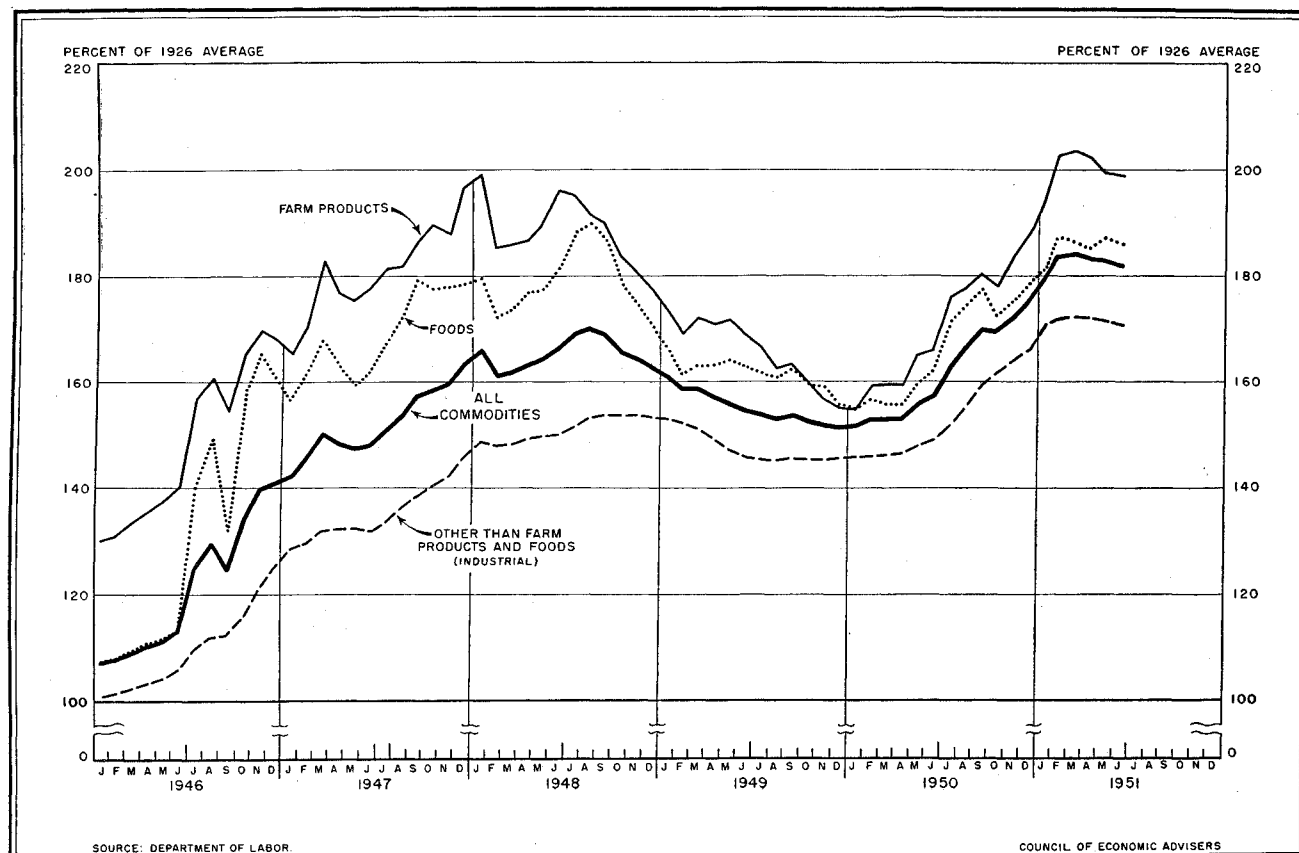
NOTE.—Prices are for moderate-income families in large cities.

Source: Department of Labor.

The index has been revised, beginning with January 1940, to correct the downward bias resulting from the failure to take account of the differentials in rent between newly built housing and comparable existing dwellings. Certain changes, starting with January 1950, in commodity coverage and weighting were linked into the index providing an improved and consistent series.

## WHOLESALE PRICES

Wholesale prices fell very slowly but steadily throughout June. Farm and food prices fluctuated while wholesale industrial prices continued a creeping decline.



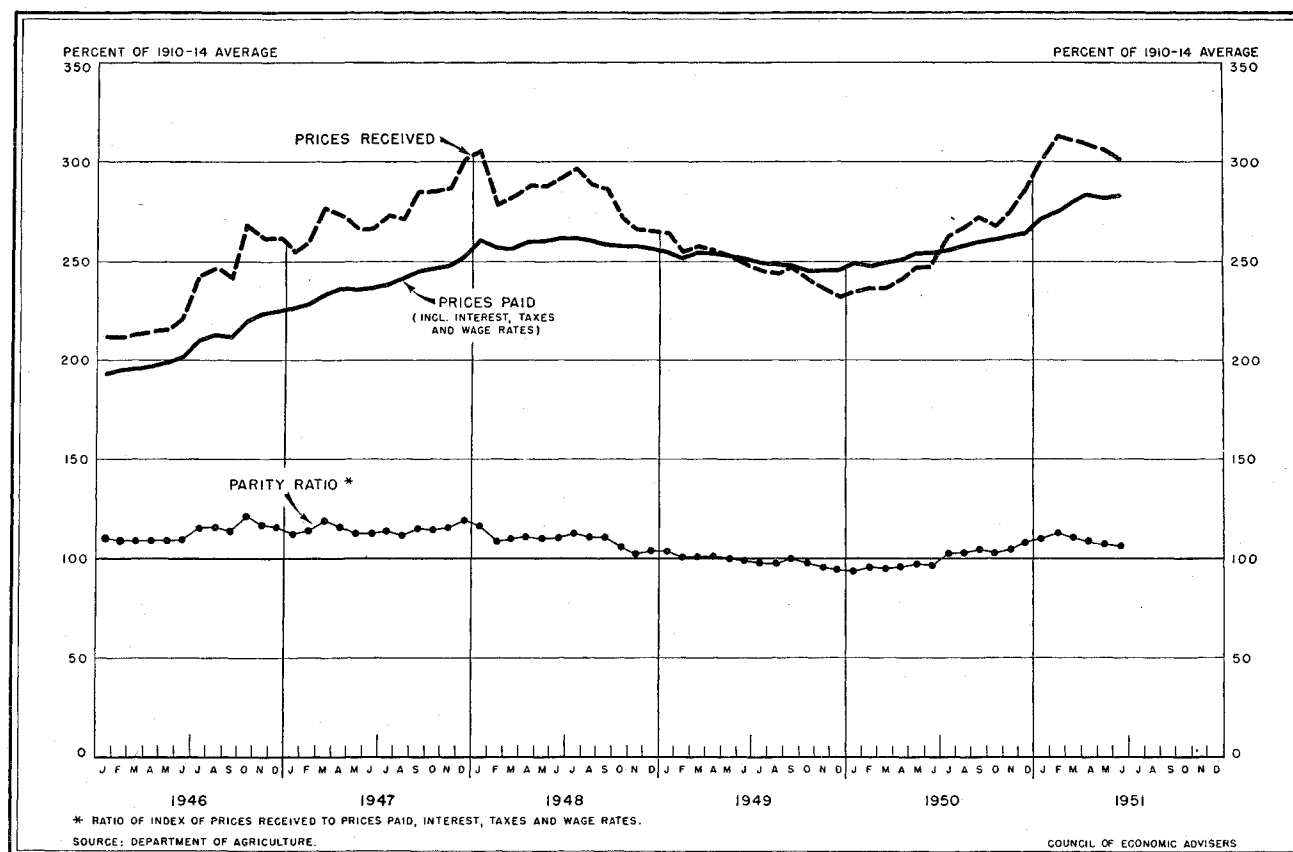
[1926=100]

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
1950 monthly average.....	161.5	170.4	166.2	153.2
1950: May.....	155.9	164.7	159.9	147.6
June.....	157.3	165.9	162.1	148.7
July.....	162.9	176.0	171.4	151.0
August.....	166.4	177.6	174.6	155.0
September.....	169.5	180.4	177.2	159.0
October.....	169.1	177.8	172.5	161.0
November.....	171.7	183.7	175.2	163.7
December.....	175.3	187.4	179.0	166.7
1951: January.....	180.1	194.2	182.2	170.3
February.....	183.6	202.6	187.6	171.8
March.....	184.0	203.8	186.6	172.4
April.....	183.5	202.5	185.7	172.2
May.....	182.8	199.6	187.2	171.5
June <sup>1</sup> .....	181.7	198.8	186.1	170.5
Week ended:				
1951: June 5.....	181.9	197.5	187.3	170.8
12.....	181.7	198.0	186.9	170.6
19.....	181.6	199.1	187.3	170.3
26.....	180.8	197.5	186.5	169.6
July 3.....	180.5	198.0	187.4	168.8

<sup>1</sup> Estimates based on change in weekly data.  
Source: Department of Labor.

## PRICES RECEIVED AND PAID BY FARMERS

Prices received by farmers dropped more than 1 percent in June, while the prices they paid went up slightly. Farm prices, and the parity ratio, have fallen for four successive months.



[1910-14=100]

Period	Prices received by farmers	Prices paid by farmers (including interest, taxes, and wage rates)	Parity ratio <sup>1</sup>
1939 monthly average.....	95	123	77
1942 monthly average.....	158	152	104
1944 monthly average.....	<sup>2</sup> 196	182	108
1946 monthly average.....	<sup>2</sup> 234	207	113
1947 monthly average.....	275	239	115
1948 monthly average.....	285	259	110
1949 monthly average.....	249	250	100
1950 monthly average.....	256	255	100
1950: May 15.....	247	253	98
June 15.....	247	254	97
July 15.....	263	256	103
August 15.....	267	257	104
September 15.....	272	260	105
October 15.....	268	261	103
November 15.....	276	263	105
December 15.....	286	265	108
1951: January 15.....	300	272	110
February 15.....	313	276	113
March 15.....	311	280	111
April 15.....	309	283	109
May 15.....	305	283	108
June 15.....	301	283	106

<sup>1</sup> Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates.

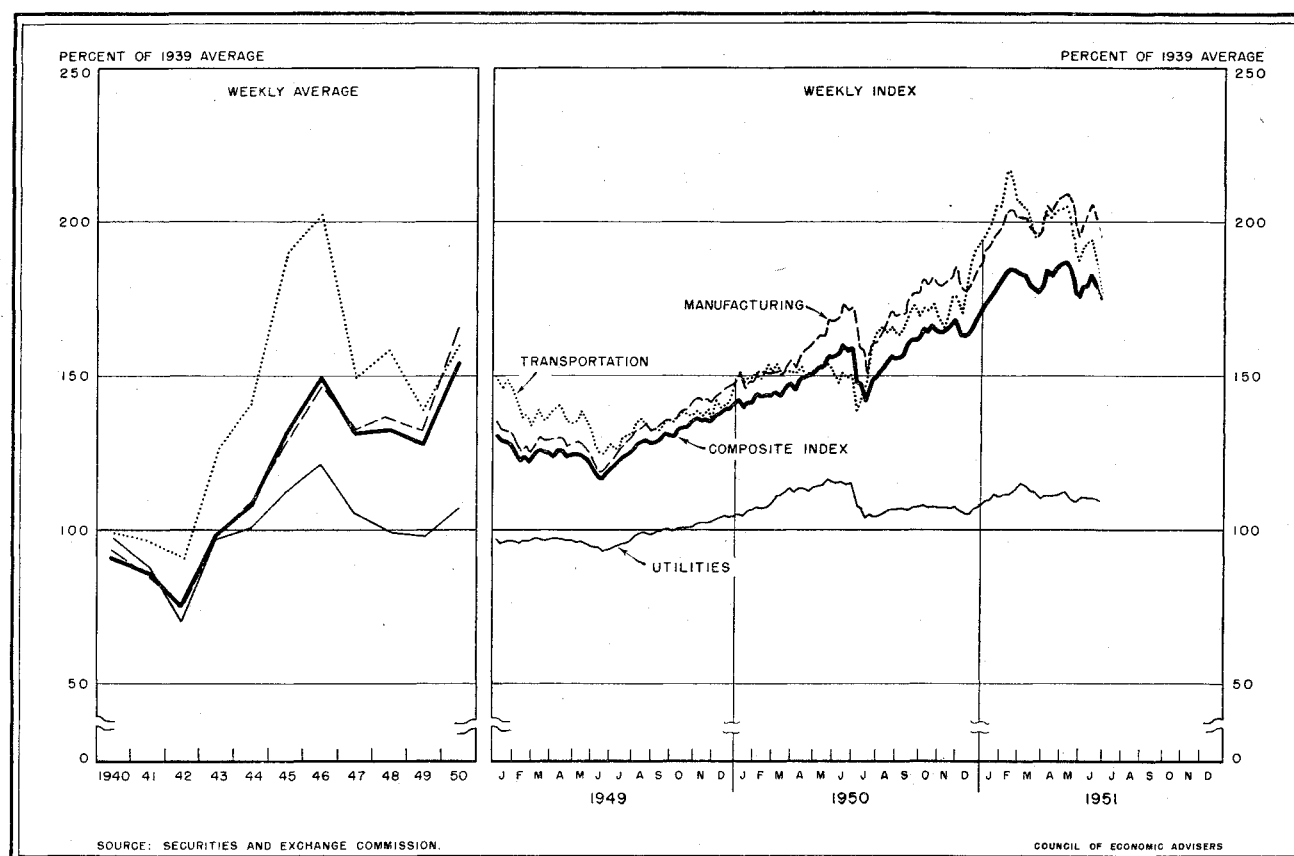
<sup>2</sup> Includes wartime subsidy payments paid on beef cattle, sheep, lambs, milk, and butterfat between October 1943 and June 1946.

Source: Department of Agriculture.



# STOCK PRICES

Stock prices generally advanced during the first three weeks of June and then sagged again.



[1939=100]								
Period	Com- posite index <sup>1</sup>	Manufacturing			Trans- portation	Utilities	Trade, finance, and service	Mining
		Total	Durable goods	Non- durable goods				
Weekly average:								
1940.....	90. 6	93. 4	92. 5	94. 2	99. 1	97. 7	86. 7	75. 9
1942.....	74. 9	75. 5	73. 7	77. 1	90. 8	69. 8	71. 3	59. 7
1944.....	108. 0	108. 9	104. 5	109. 1	140. 5	100. 8	117. 1	93. 2
1946.....	149. 6	146. 6	138. 8	154. 4	202. 6	121. 0	204. 3	125. 5
1948.....	132. 3	136. 2	124. 4	147. 0	158. 1	99. 4	156. 9	133. 2
1949.....	127. 6	132. 1	116. 0	147. 2	138. 8	98. 1	160. 5	129. 2
1950.....	154. 1	165. 7	150. 4	180. 2	159. 9	107. 2	183. 8	143. 5
1950: May.....	154. 7	165. 4	149. 4	180. 2	152. 8	115. 0	180. 6	142. 7
June.....	158. 3	171. 1	156. 0	185. 0	149. 5	114. 8	182. 4	143. 0
July.....	146. 7	157. 9	142. 6	172. 2	150. 0	105. 5	170. 3	133. 7
August.....	154. 4	167. 6	151. 8	182. 2	164. 5	105. 9	176. 6	146. 4
September.....	159. 3	173. 3	157. 5	187. 9	168. 2	107. 1	187. 8	150. 3
October.....	164. 9	180. 3	166. 0	193. 7	171. 4	107. 8	198. 3	154. 5
November.....	165. 9	181. 8	166. 0	196. 5	171. 1	107. 4	200. 8	157. 6
December.....	165. 2	180. 4	161. 7	197. 9	184. 4	106. 5	195. 7	159. 7
1951: January.....	176. 7	194. 2	174. 8	212. 3	202. 0	110. 3	205. 1	175. 9
February.....	184. 0	203. 0	181. 6	222. 8	213. 1	112. 1	213. 2	184. 2
March.....	179. 9	198. 4	178. 2	217. 0	200. 0	112. 9	209. 7	176. 7
April.....	183. 1	203. 8	181. 2	224. 8	201. 9	111. 4	207. 8	183. 4
May.....	181. 6	202. 6	175. 3	228. 1	196. 7	110. 4	206. 0	187. 7
June.....	178. 8	199. 9	168. 9	228. 7	188. 3	109. 9	200. 9	186. 0
Week ended:								
1951: June 2.....	178. 8	199. 2	171. 5	225. 1	191. 1	110. 4	202. 4	183. 6
9.....	179. 3	200. 0	170. 9	227. 1	193. 0	110. 3	202. 2	187. 7
16.....	182. 8	205. 4	172. 3	235. 4	193. 7	110. 1	202. 2	191. 3
23.....	179. 1	200. 5	167. 9	231. 0	187. 3	109. 9	200. 3	184. 4
30.....	174. 2	194. 4	161. 9	224. 7	176. 4	108. 9	197. 4	183. 2

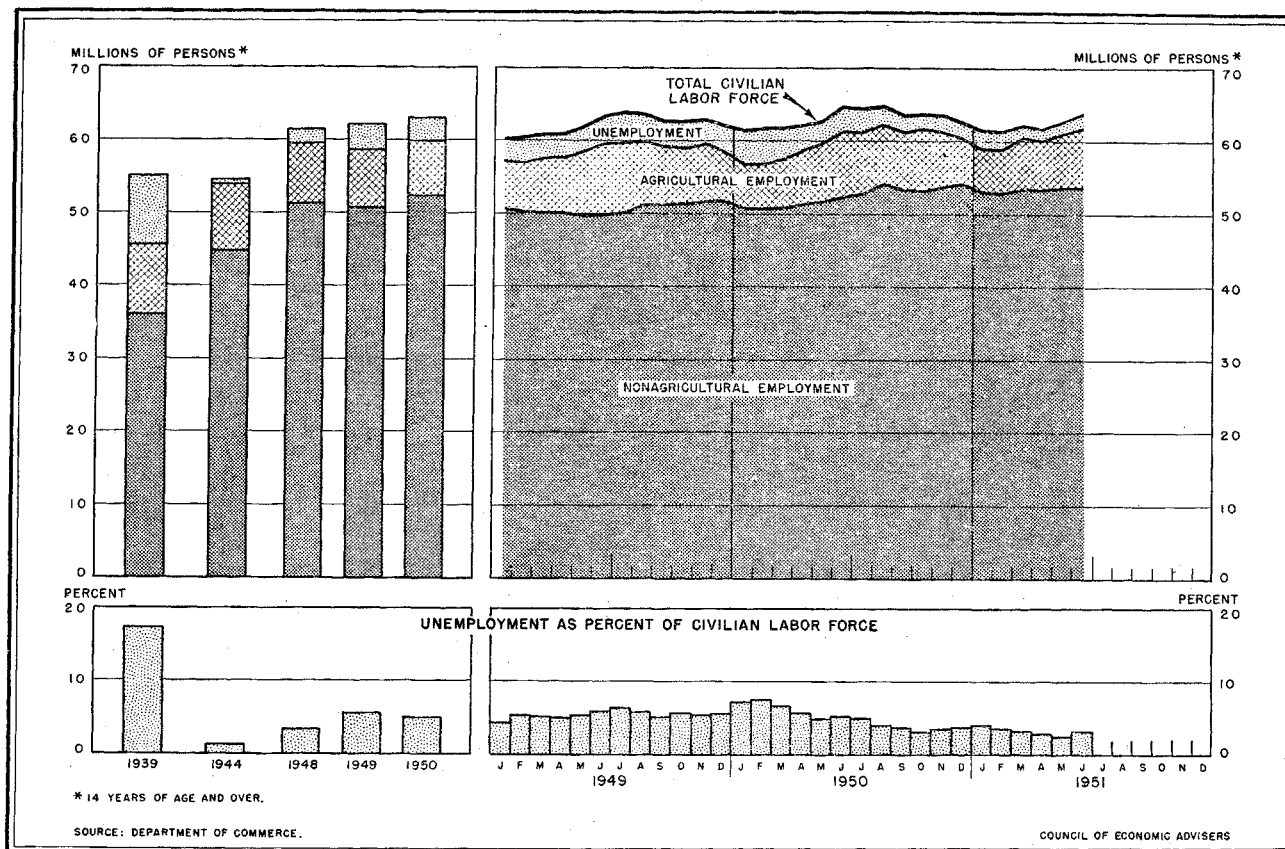
<sup>1</sup> Includes 265 common stocks, distributed as follows: 14 for mining, 98 for durable goods manufacturing, 72 for nondurable goods manufacturing, 21 for transportation, 28 for utilities, and 32 for trade, finance, and service.

Source: Securities and Exchange Commission.

# EMPLOYMENT AND WAGES

## CIVILIAN LABOR FORCE

The civilian labor force rose by almost a million between May and June, somewhat less than the expected seasonal increase. Agricultural employment increased by almost 600,000 as farm work picked up. Unemployment rose about 400,000 from the May low. Nonagricultural employment showed practically no change.



Period	Civilian labor force					Unemployment as percent of total civilian labor force
	Total	Employment <sup>1</sup>			Unemployment	
		Total	Agricultural	Nonagricultural		
	Thousands of persons, 14 years of age and over					
1939 monthly average.....	55,230	45,750	9,610	36,140	9,480	17.2
1944 monthly average.....	54,630	53,960	8,950	45,010	670	1.2
1947 monthly average.....	60,168	58,027	8,266	49,761	2,142	3.6
1948 monthly average.....	61,442	59,378	7,973	51,405	2,064	3.4
1949 monthly average.....	62,105	58,710	8,026	50,684	3,395	5.5
1950 monthly average.....	63,099	59,957	7,507	52,450	3,142	5.0
1950: May.....	62,788	59,731	8,062	51,669	3,057	4.9
June.....	64,866	61,482	9,046	52,436	3,384	5.2
July.....	64,427	61,214	8,440	52,774	3,213	5.0
August.....	64,867	62,367	8,160	54,207	2,500	3.9
September.....	63,567	61,226	7,811	53,415	2,341	3.7
October.....	63,704	61,764	8,491	53,273	1,940	3.0
November.....	63,512	61,271	7,551	53,721	2,240	3.5
December.....	62,538	60,308	6,234	54,075	2,229	3.6
1951: January.....	61,514	59,010	6,018	52,993	2,503	4.1
February.....	61,313	58,905	5,930	52,976	2,407	3.9
March.....	62,325	60,179	6,393	53,785	2,147	3.4
April.....	61,789	60,044	6,645	53,400	1,744	2.8
May.....	62,803	61,193	7,440	53,753	1,609	2.6
June.....	63,783	61,803	8,035	53,768	1,980	3.1

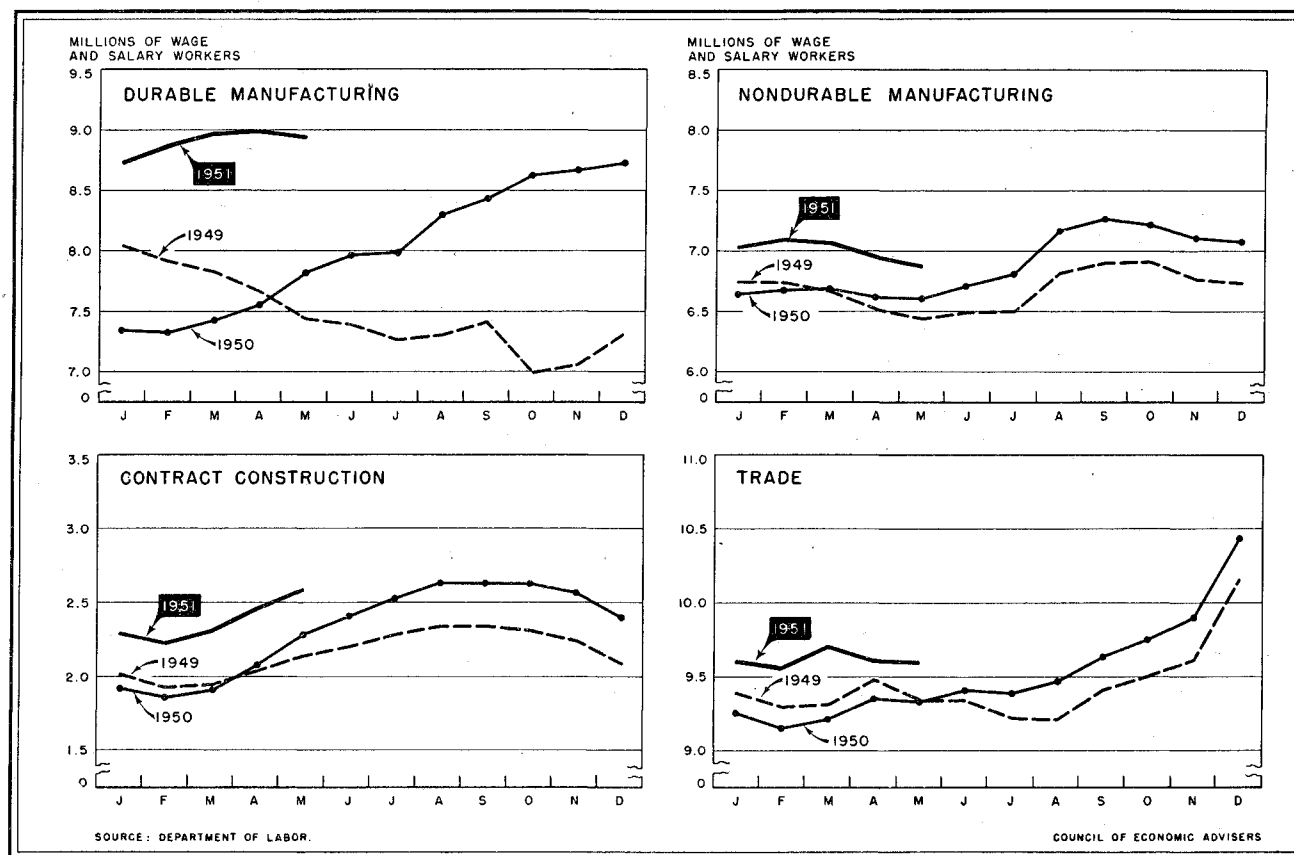
<sup>1</sup> Includes part-time workers and those who had jobs but were not at work for such reasons as vacation, illness, bad weather, temporary lay-off, and industrial disputes.

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

Source: Department of Commerce.

## NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Manufacturing employment declined slightly to 15.8 million in mid-May as the result of seasonal downturns in some nondurable goods industries and material shortages in some plants manufacturing consumer durable goods. Contract construction increased seasonally by more than 100,000. The increase in government was equally shared by the Federal and State-local governments.



[Thousands of wage and salary workers <sup>1</sup>]

Period	Manufacturing			Contract construction	Trade	Finance and service	Government (Federal, State, local)	Transportation and public utilities	Mining
	Total	Durable goods	Nondurable goods						
1939 monthly average	10,078	4,683	5,394	1,150	6,612	4,703	3,987	2,912	845
1943 monthly average	17,381	11,077	6,304	1,567	7,189	5,320	6,049	3,619	917
1946 monthly average	14,461	7,739	6,722	1,661	8,612	6,207	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	6,545	5,811	3,979	932
1950 monthly average	14,884	8,008	6,876	2,318	9,524	6,573	5,910	4,010	904
1950: 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	14,777	7,978	6,799	2,532	9,390	6,672	5,741	4,062	922
August	15,450	8,294	7,156	2,629	9,474	6,664	5,793	4,120	950
September	15,685	8,423	7,262	2,626	9,641	6,643	6,004	4,139	946
October	15,827	8,618	7,209	2,631	9,752	6,578	6,039	4,132	939
November	15,765	8,664	7,101	2,571	9,896	6,543	6,037	4,123	938
December	15,789	8,717	7,072	2,403	10,443	6,522	6,376	4,125	937
1951: January	15,784	8,742	7,042	2,281	9,592	6,497	6,088	4,072	932
February	15,978	8,877	7,101	2,228	9,554	6,496	6,122	4,082	930
March <sup>2</sup>	16,031	8,975	7,056	2,330	9,707	6,537	6,217	4,110	924
April <sup>2</sup>	15,942	8,985	6,957	2,478	9,613	6,610	6,292	4,132	908
May <sup>2</sup>	15,806	8,938	6,868	2,582	9,601	6,664	6,377	4,134	904

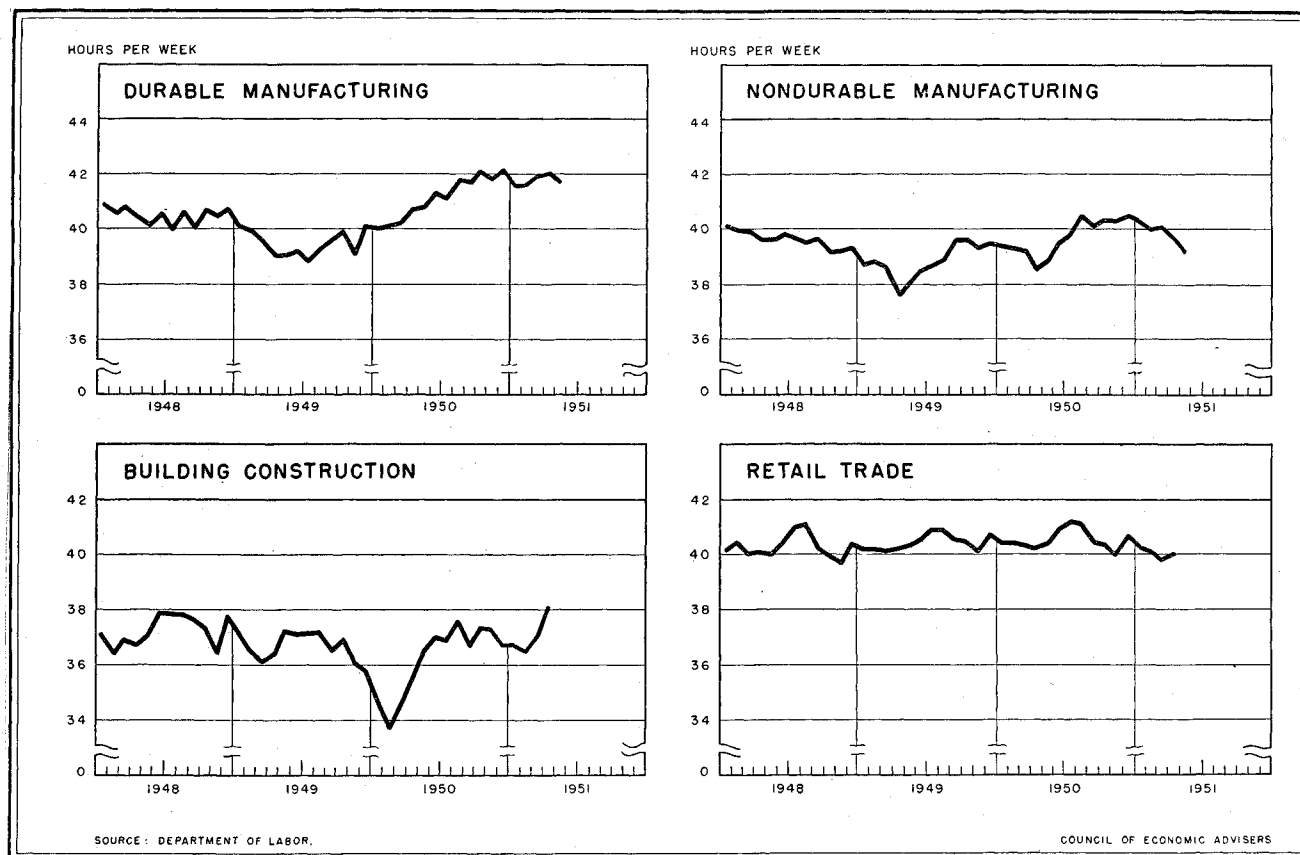
<sup>1</sup> Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked or received pay during the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total derived from this table not comparable with estimates of nonagricultural employment of the civilian labor force reported by the Department of Commerce (p. 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.

<sup>2</sup> Preliminary estimates.

Source: Department of Labor.

## AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

The workweek in nondurable goods industries dropped by half an hour between April and May largely as the result of restrictions on nondefense uses of metals and softening of consumer demand. Some consumer durable goods industries also were affected.



[Hours per week, selected industries<sup>1</sup>]

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
1950 monthly average.....	40.5	41.2	39.7	36.3	40.5
1950: 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.....	40.5	41.1	39.8	36.9	41.2
August.....	41.2	41.8	40.5	37.6	41.1
September.....	41.0	41.7	40.1	36.7	40.4
October.....	41.3	42.1	40.3	37.4	40.3
November.....	41.1	41.8	40.3	37.3	40.0
December.....	41.4	42.2	40.5	36.7	40.7
1951: January.....	41.0	41.5	40.2	36.7	40.3
February.....	40.9	41.6	40.0	36.5	40.1
March <sup>3</sup> .....	41.1	41.9	40.1	37.0	39.8
April <sup>3</sup> .....	41.0	42.0	39.7	38.1	40.0
May <sup>3</sup> .....	40.6	41.7	39.2	(2)	(2)

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

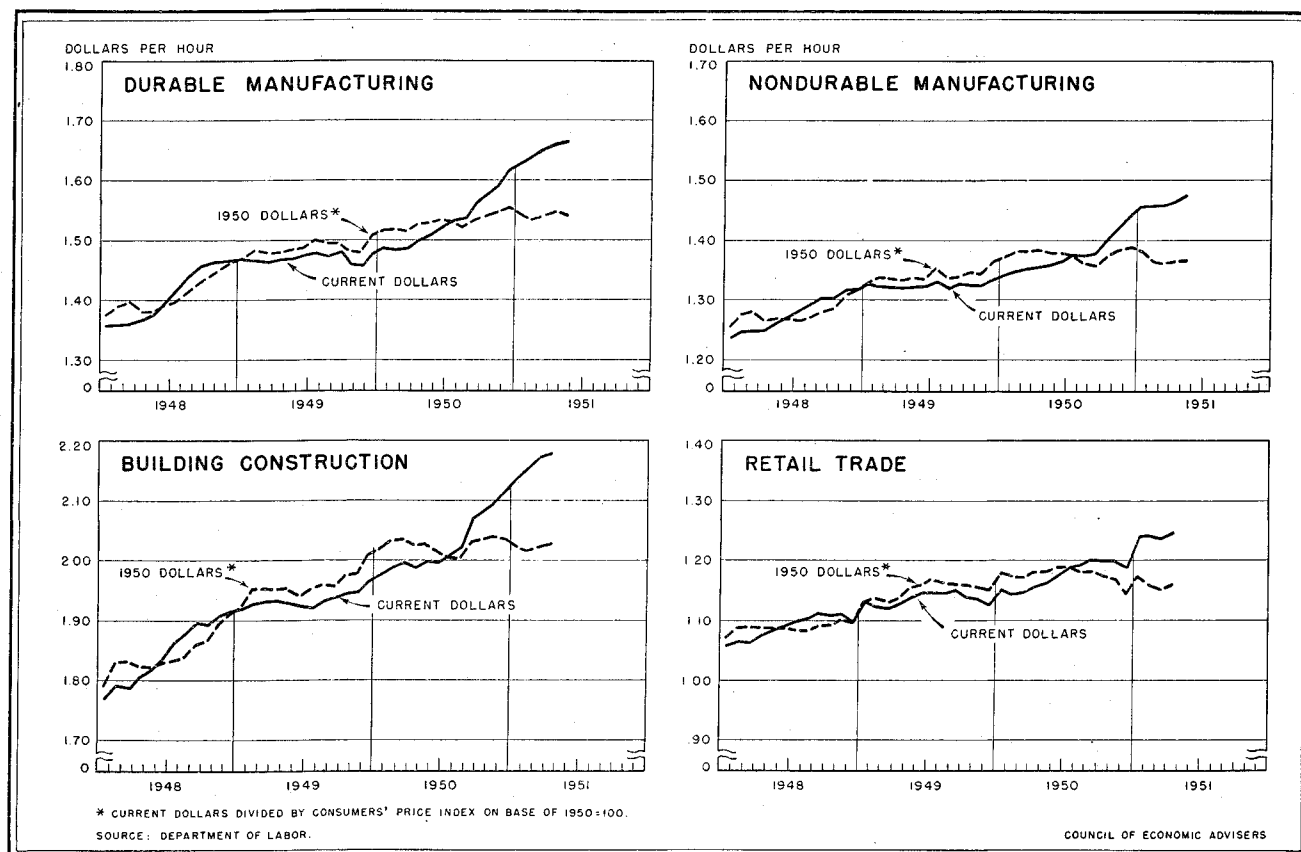
<sup>2</sup> Not available.

<sup>3</sup> Preliminary estimates.

Source: Department of Labor.

## AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Hourly earnings in nondurable goods industries again rose slightly between April and May as the result of wage increases in several important industries. The increase was less in durable goods manufacturing.



[Production and related workers in selected industries]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>
1939 monthly average	\$0. 633	\$1. 090	\$0. 698	\$1. 201	\$0. 582	\$1. 002	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1943 monthly average	. 961	1. 335	1. 059	1. 471	. 803	1. 115	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1946 monthly average	1. 086	1. 337	1. 156	1. 424	1. 015	1. 250	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
1947 monthly average	1. 237	1. 333	1. 292	1. 392	1. 171	1. 262	( <sup>2</sup> )	( <sup>2</sup> )	\$1. 009	\$1. 087
1948 monthly average	1. 350	1. 350	1. 410	1. 410	1. 278	1. 278	\$1. 848	\$1. 848	1. 088	1. 088
1949 monthly average	1. 401	1. 415	1. 469	1. 484	1. 325	1. 338	1. 935	1. 955	1. 137	1. 148
1950 monthly average	1. 465	1. 465	1. 537	1. 537	1. 378	1. 378	2. 031	2. 031	1. 176	1. 176
1950: April	1. 434	1. 463	1. 499	1. 530	1. 355	1. 383	1. 986	2. 027	1. 156	1. 180
May	1. 442	1. 464	1. 509	1. 532	1. 358	1. 379	1. 998	2. 028	1. 162	1. 180
June	1. 453	1. 468	1. 522	1. 537	1. 365	1. 379	1. 995	2. 015	1. 175	1. 187
July	1. 462	1. 461	1. 533	1. 531	1. 375	1. 374	2. 006	2. 004	1. 189	1. 188
August	1. 464	1. 451	1. 539	1. 525	1. 374	1. 362	2. 021	2. 003	1. 192	1. 181
September	1. 479	1. 456	1. 562	1. 537	1. 379	1. 357	2. 067	2. 034	1. 200	1. 181
October	1. 501	1. 468	1. 577	1. 543	1. 404	1. 374	2. 082	2. 037	1. 199	1. 173
November	1. 514	1. 476	1. 587	1. 547	1. 419	1. 383	2. 093	2. 040	1. 198	1. 168
December	1. 543	1. 484	1. 619	1. 557	1. 443	1. 338	2. 120	2. 038	1. 187	1. 141
1951: January	1. 555	1. 473	1. 630	1. 544	1. 456	1. 379	2. 135	2. 022	1. 237	1. 171
February	1. 561	1. 460	1. 639	1. 533	1. 458	1. 364	2. 132	2. 013	1. 236	1. 156
March <sup>3</sup>	1. 571	1. 464	1. 653	1. 541	1. 460	1. 361	2. 171	2. 023	1. 232	1. 148
April <sup>3</sup>	1. 579	1. 470	1. 661	1. 547	1. 466	1. 365	2. 178	2. 028	1. 247	1. 161
May <sup>3</sup>	1. 585	1. 469	1. 664	1. 542	1. 474	1. 366	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )

<sup>1</sup> Current dollars divided by consumers' price index on base 1950=100.

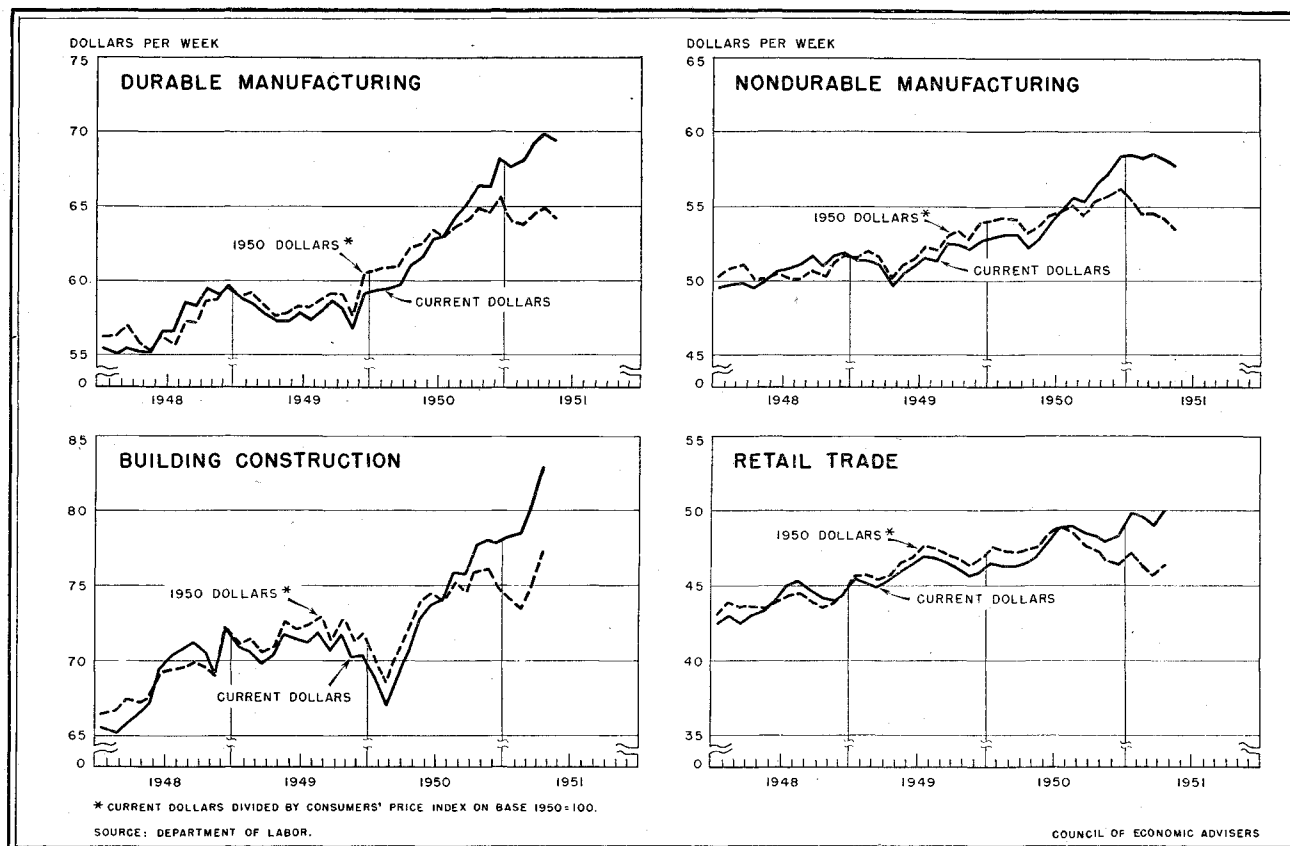
<sup>2</sup> Not available.

<sup>3</sup> Preliminary estimates.

Source: Department of Labor;

## AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Weekly earnings in both durable and nondurable goods industries declined in May because of the shortened workweek in many industries.



[Production and related workers in selected industries]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>	Current dollars	1950 dollars <sup>1</sup>
1939 monthly average.....	\$23.86	\$41.07	\$26.50	\$45.61	\$21.78	\$37.49	(2)	(2)	(2)	(2)
1943 monthly average.....	43.14	59.92	49.30	68.47	34.12	47.39	(2)	(2)	(2)	(2)
1946 monthly average.....	43.82	53.97	46.49	57.25	41.14	50.67	(2)	(2)	(2)	(2)
1947 monthly average.....	49.97	53.85	52.46	56.53	46.96	50.63	(2)	(2)	\$40.66	\$43.81
1948 monthly average.....	54.14	54.14	57.11	57.11	50.61	50.61	\$68.85	\$68.85	43.85	43.85
1949 monthly average.....	54.92	55.47	58.03	58.62	51.41	51.93	70.95	71.67	45.93	46.31
1950 monthly average.....	59.33	59.33	63.32	63.32	54.71	54.71	73.73	73.73	47.63	47.63
1950: April.....	56.93	58.09	61.01	62.26	52.17	53.23	70.70	72.14	46.47	47.42
May.....	57.54	58.42	61.57	62.51	52.83	53.63	72.93	74.04	46.94	47.65
June.....	58.85	59.44	62.86	63.49	53.92	54.46	73.82	74.57	48.06	48.55
July.....	59.21	59.15	63.01	62.95	54.73	54.68	74.02	73.95	48.99	48.94
August.....	60.32	59.78	64.33	63.76	55.65	55.15	75.99	75.31	48.99	48.55
September.....	60.64	59.68	65.14	64.11	55.30	54.43	75.86	74.67	48.48	47.72
October.....	61.99	60.66	66.39	64.96	56.58	55.36	77.87	76.19	48.32	47.28
November.....	62.23	60.65	66.34	64.66	57.19	55.74	78.07	76.09	47.92	46.71
December.....	63.88	61.42	68.32	65.69	58.44	56.19	77.80	74.81	48.31	46.45
1951: January.....	63.76	60.38	67.65	64.06	58.53	55.43	78.35	74.20	49.85	47.21
February.....	63.84	59.72	68.18	63.78	58.32	54.56	78.55	73.48	49.56	46.36
March <sup>3</sup> .....	64.57	60.18	69.26	64.55	58.55	54.57	80.33	74.86	49.03	45.69
April <sup>3</sup> .....	64.74	60.28	69.76	64.95	58.20	54.19	82.98	77.26	49.88	46.44
May <sup>3</sup> .....	64.35	59.64	69.39	64.31	57.78	53.55	(2)	(2)	(2)	(2)

<sup>1</sup> Current dollars divided by consumers' price index on base 1950=100.

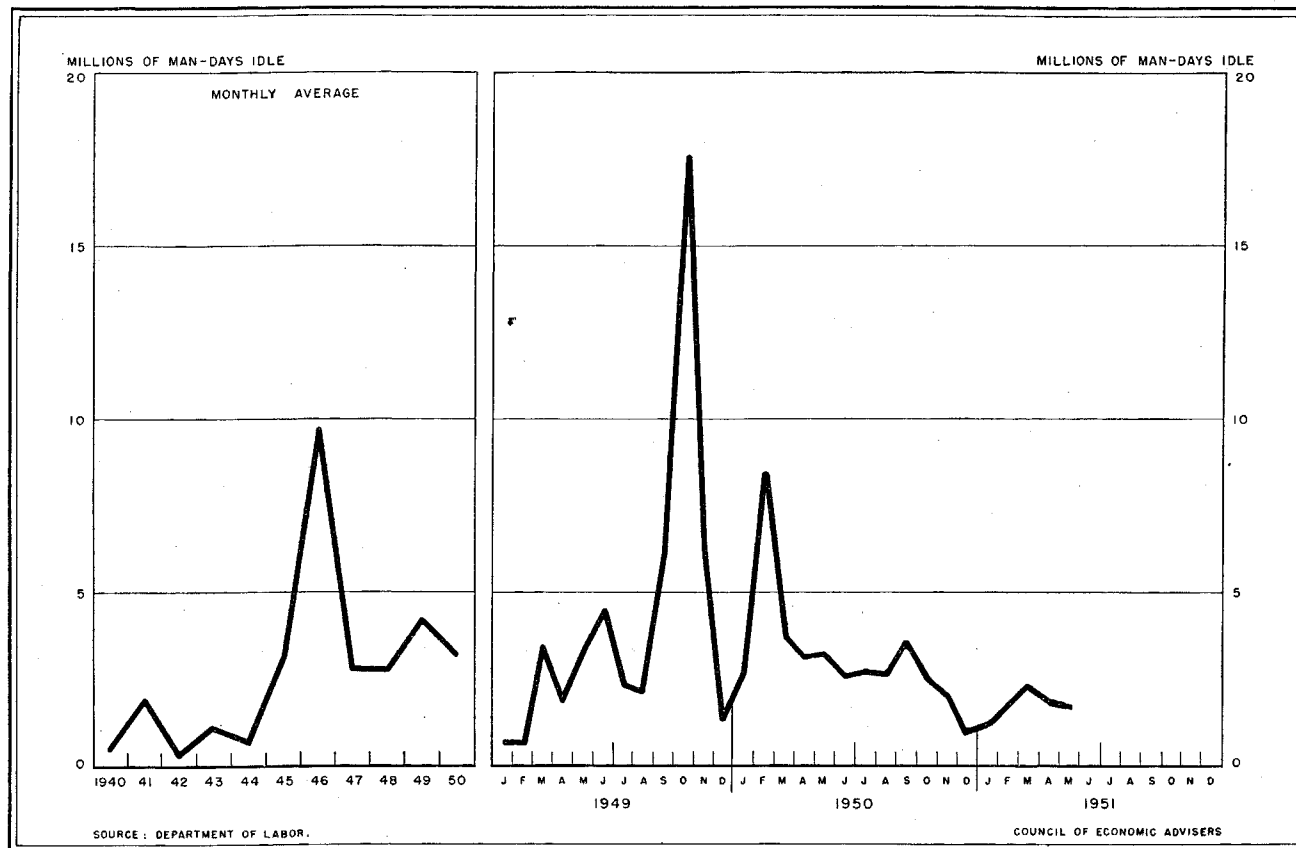
\* Not available.

<sup>3</sup> Preliminary estimates.

Source: Department of Labor.

## WORK STOPPAGES

Although the number of stoppages increased in May, the number of man-days lost declined.



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	-----
1950.....	3,233	.44	2,410	-----	4,843	-----
1950: April.....	3,280	.49	159	294	407	605
May.....	3,270	.44	354	508	485	723
June.....	2,630	.34	278	373	483	768
July.....	2,750	.39	224	389	463	732
August.....	2,660	.32	346	441	635	918
September.....	3,510	.48	270	450	521	820
October.....	2,590	.32	197	330	550	801
November.....	2,050	.27	200	308	329	605
December.....	912	.12	61	114	218	423
1951: January <sup>1</sup> .....	1,200	.15	185	215	400	550
February <sup>1</sup> .....	1,700	.25	220	300	350	550
March <sup>1</sup> .....	2,300	.29	140	280	350	550
April <sup>1</sup> .....	1,850	.25	165	235	350	550
May <sup>1</sup> .....	1,750	.22	150	250	400	580

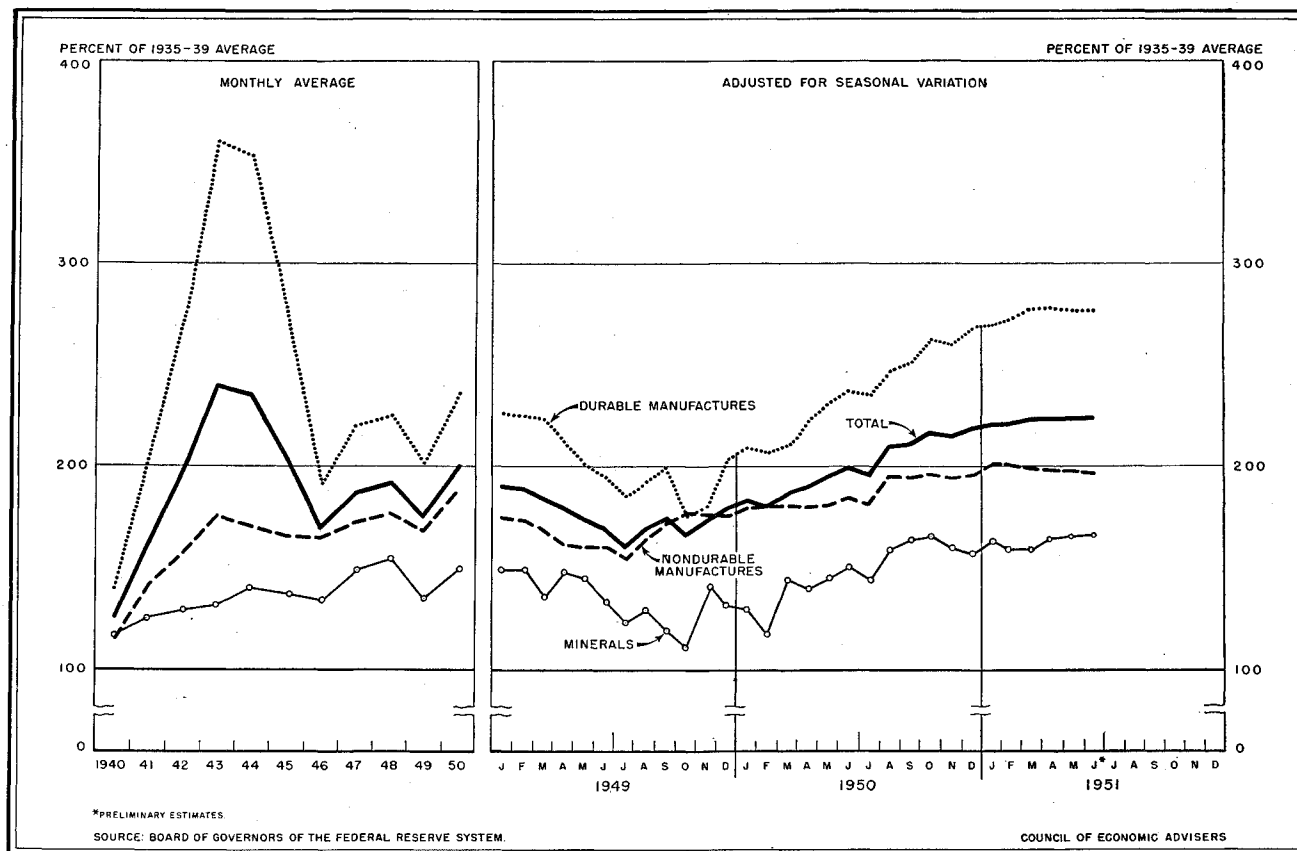
<sup>1</sup> Preliminary estimates.

Source: Department of Labor.

# PRODUCTION AND BUSINESS ACTIVITY

## INDUSTRIAL PRODUCTION

Total industrial production continued in June at the high plateau of the last three months, according to preliminary estimates. Moderate decreases in consumer durable production were offset by moderate increases in other durable manufacturing. The slight decrease in production of nondurable goods reflected slackened activity in the textile markets. Greater output of iron ore and bituminous coal raised the minerals component of the index two points.



[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
1950 monthly average.....	200	209	237	187	148
1950: May.....	195	204	231	181	145
June.....	199	208	237	184	151
July.....	196	206	235	181	144
August.....	209	218	247	195	159
September.....	211	220	251	194	163
October.....	216	225	262	196	166
November.....	215	224	260	195	160
December.....	218	229	268	197	157
1951: January.....	221	231	268	201	164
February.....	221	232	271	201	158
March.....	223	234	278	199	158
April.....	223	234	278	198	164
May <sup>1</sup> .....	223	233	277	198	165
June <sup>1</sup> .....	223	233	277	197	167

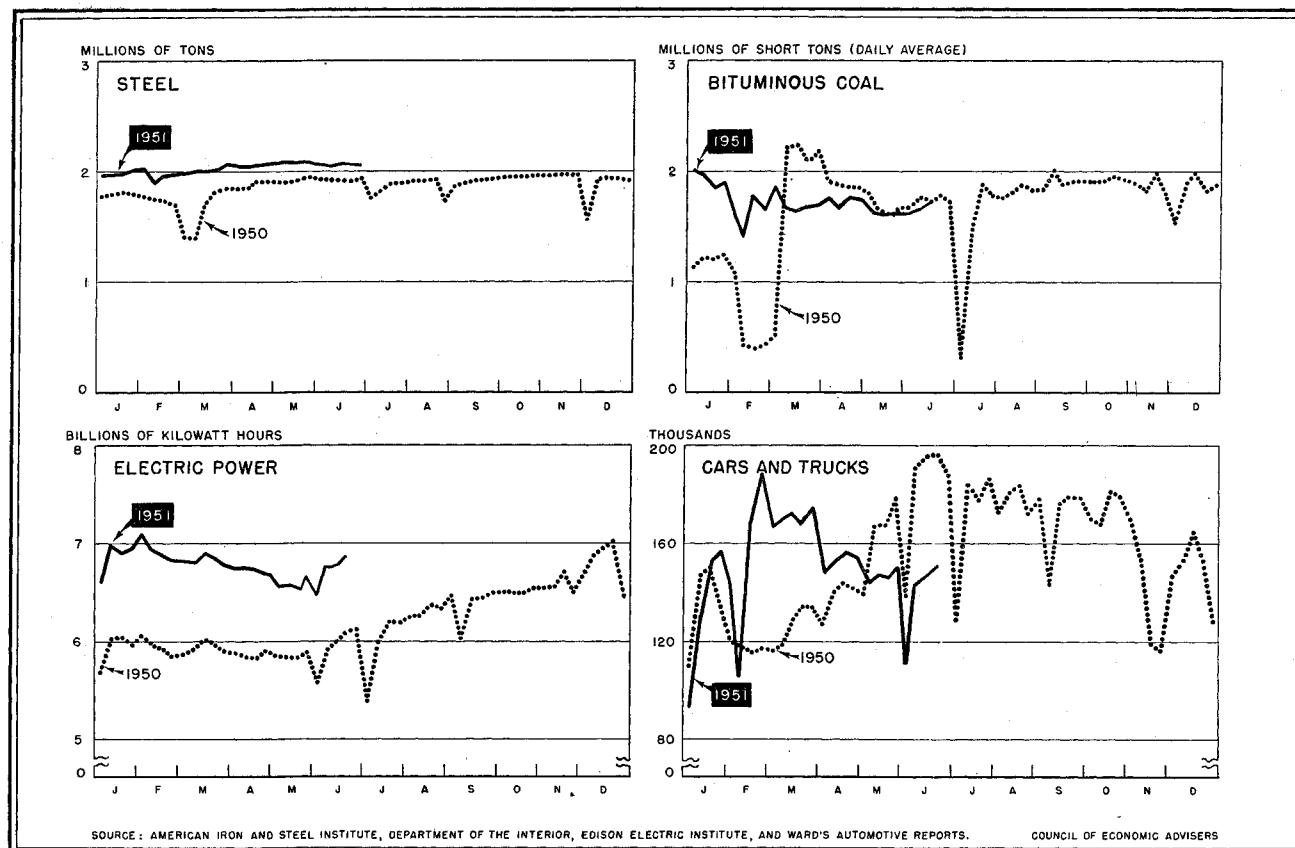
<sup>1</sup> Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.



## WEEKLY PRODUCTION - SELECTED INDICATORS

Output of steel continued high in June but below the peak May rates. Power production averaged more than 12 percent above last June. Bituminous coal mining picked up a little from the lower May levels. Since Memorial Day, assembly of motor vehicles has averaged over 145,000 units per week.



Period	Steel		Electric power, by utilities (millions of kilowatt-hours)	Bituminous coal (thousands of short tons) <sup>2</sup>	Cars and trucks (number)
	Thousands of net tons	Percent of theoretical capacity <sup>1</sup>			
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, 427	120, 350
1950-----	1, 857	96. 9	6, 183	1, 673	153, 546
1950: May-----	1, 933	101. 4	5, 821	1, 728	158, 255
June-----	1, 898	99. 6	6, 038	1, 762	192, 825
July-----	1, 829	94. 8	5, 940	1, 404	168, 967
August-----	1, 861	96. 5	6, 335	1, 855	177, 415
September-----	1, 917	99. 4	6, 360	1, 892	169, 631
October-----	1, 976	102. 4	6, 522	1, 976	174, 346
November-----	1, 870	97. 0	6, 615	1, 820	141, 002
December-----	1, 890	98. 0	6, 852	1, 900	149, 905
1951: January-----	1, 996	99. 9	6, 866	1, 960	133, 950
February-----	1, 941	97. 1	6, 948	1, 610	151, 052
March-----	2, 048	102. 4	6, 827	1, 648	170, 253
April-----	2, 061	103. 1	6, 722	1, 735	152, 948
May-----	2, 053	102. 7	6, 557	1, 614	140, 461
June <sup>3</sup> -----	2, 061	103. 1	6, 804	-----	147, 672
Week ended:					
1951: June 2-----	2, 053	102. 7	6, 445	1, 613	111, 778
9-----	2, 063	103. 2	6, 734	1, 648	143, 288
16-----	2, 063	103. 2	6, 747	1, 723	147, 355
23-----	2, 063	103. 2	6, 835	1, 839	148, 797
30-----	2, 055	102. 8	6, 898	-----	151, 247
July 7-----	-----	-----	-----	-----	-----

<sup>1</sup> Based on weekly net ton capacity of 1,749,923 for 1947, 1,802,476 for 1948, 1,843,516 for 1949, 1,906,268 for the first half of 1950, 1,928,721 beginning July 1, 1950, and 1,999,034 beginning January 1, 1951.

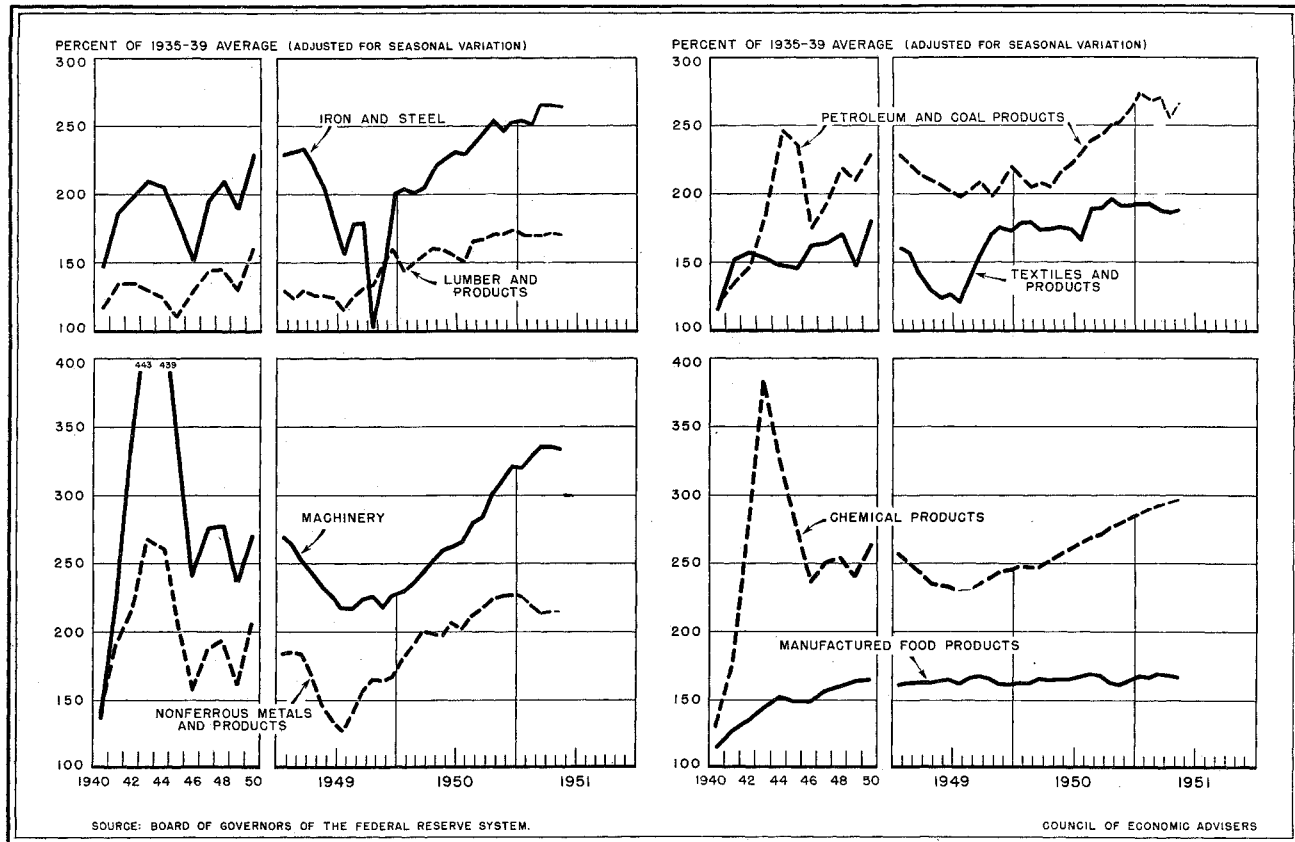
<sup>2</sup> Daily average for week.

<sup>3</sup> Preliminary estimates.

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

## PRODUCTION OF SELECTED MANUFACTURES

In May, output in several of the basic durable goods industries failed to show an increase. Among the nondurable goods industries, output of petroleum and coal products rose substantially from the April low. Output of chemicals has risen steadily for more than a year.



[1935-39=100, seasonally adjusted]

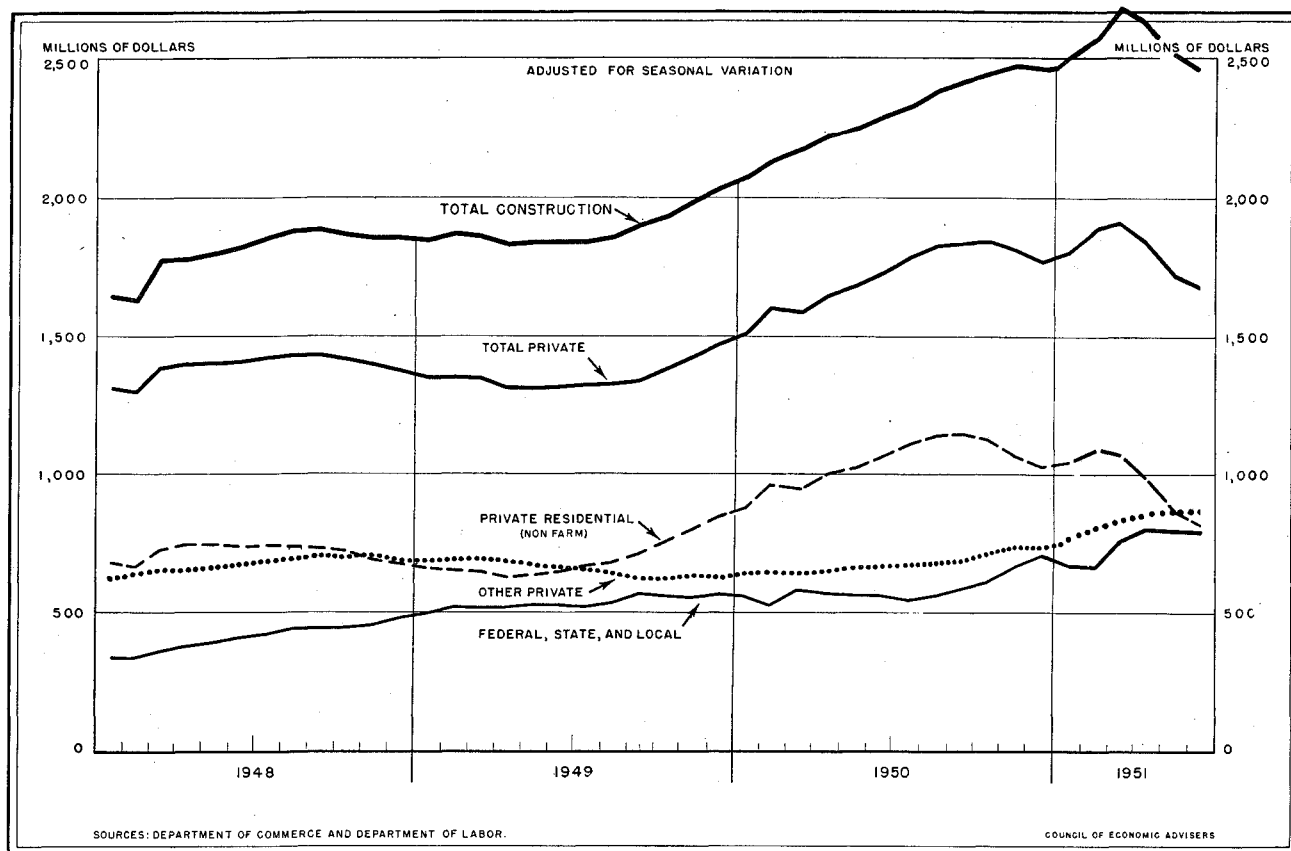
Period	Durable manufactures				Nondurable manufactures			
	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1943 monthly average.....	208	129	443	267	153	185	145	384
1946 monthly 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
1950 monthly average.....	229	159	270	207	182	229	164	263
1950: 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	263
August.....	236	165	279	212	189	238	168	269
September.....	245	166	283	216	191	243	167	271
October.....	253	166	303	223	197	251	162	277
November.....	246	169	311	227	193	253	161	280
December.....	253	173	321	227	194	263	165	283
1951: January.....	254	171	321	224	193	277	167	287
February.....	252	169	328	218	194	268	166	288
March.....	263	169	335	212	188	269	169	292
April.....	264	170	335	213	184	256	168	295
May <sup>1</sup> .....	263	168	334	213	187	265	166	297

<sup>1</sup> Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

## NEW CONSTRUCTION

Total outlays on new construction (seasonally adjusted) continued downward in May as both private residential and public construction expenditures declined moderately.



[Millions of dollars, seasonally adjusted]

Period	Total new construction	Private construction			Federal, State, and local <sup>1</sup>
		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
1948 monthly average.....	1,798	1,389	715	674	409
1949 monthly average.....	1,883	1,350	691	659	532
1950 monthly average.....	2,325	1,732	1,050	682	593
1950: May.....	2,243	1,687	1,026	661	556
June.....	2,316	1,737	1,072	665	579
July.....	2,347	1,801	1,124	677	546
August.....	2,407	1,840	1,151	689	567
September.....	2,461	1,860	1,161	699	601
October.....	2,479	1,860	1,134	726	619
November.....	2,498	1,833	1,078	755	665
December.....	2,439	1,807	1,055	752	632
1951: January.....	2,501	1,825	1,049	776	676
February.....	2,572	1,908	1,103	805	664
March.....	2,672	1,916	1,078	838	756
April.....	2,645	1,846	991	855	799
May.....	2,518	1,721	859	862	797
June <sup>2</sup> .....	2,470	1,682	819	863	788

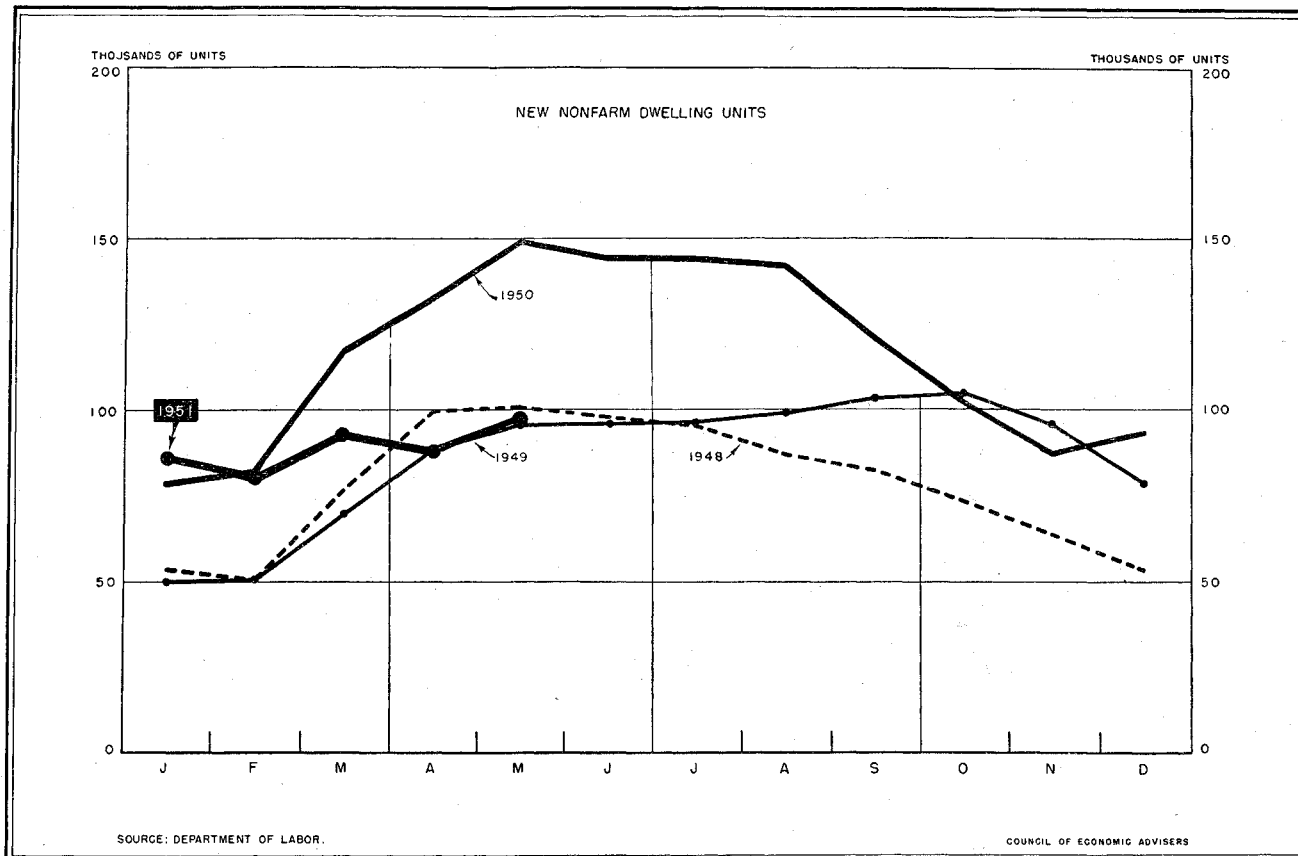
<sup>1</sup> Includes public residential construction.

<sup>2</sup> Preliminary estimates.

Sources: Department of Commerce and Department of Labor.

## NEW HOUSING STARTS

New housing starts in May picked up 10 percent over April, reaching a level slightly above the same month in 1949 but far below the all-time high in May of last year.



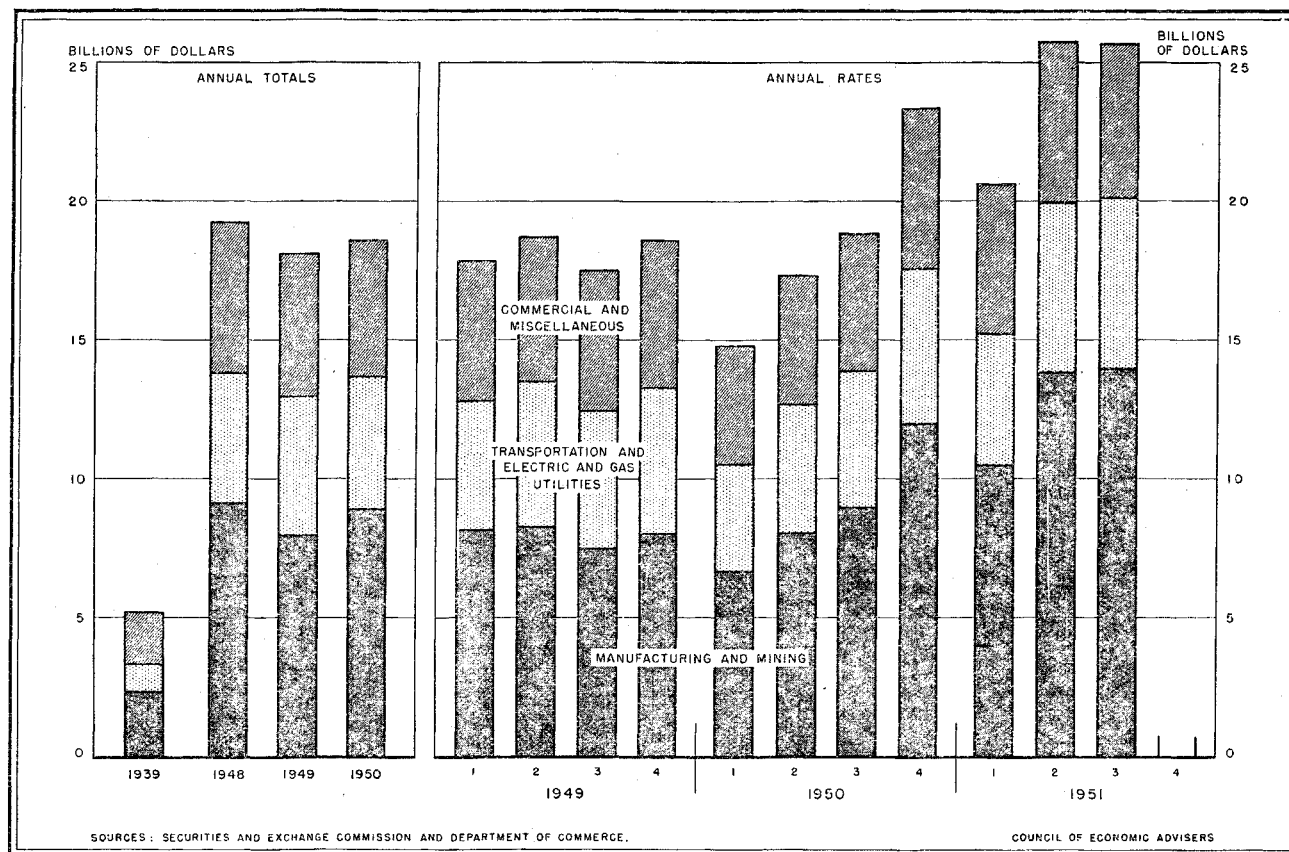
Month	New nonfarm units started				
	1947	1948	1949	1950	1951
January.....	39,300	53,500	50,000	78,700	85,900
February.....	42,800	50,100	50,400	82,900	80,600
March.....	56,000	76,400	69,400	117,300	<sup>1</sup> 93,000
April.....	67,100	99,500	88,300	133,400	<sup>1</sup> 88,000
May.....	72,900	100,300	95,400	149,100	<sup>1</sup> 97,000
June.....	77,200	97,800	95,500	144,300	-----
July.....	81,100	95,000	96,100	144,400	-----
August.....	86,300	86,700	99,000	141,900	-----
September.....	93,800	82,300	102,900	120,600	-----
October.....	94,000	73,400	104,300	102,500	-----
November.....	79,700	63,700	95,500	87,300	-----
December.....	58,800	52,900	78,300	93,600	-----
Total.....	849,000	931,600	1,025,100	1,396,000	-----
Monthly average.....	70,750	77,600	85,425	116,300	-----

<sup>1</sup> Preliminary estimates.

Source: Department of Labor.

## EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Nonfarm plant and equipment expenditures in the second quarter of 1951 are estimated at an all-time high, 48 percent above the second quarter of 1950, with manufacturing facilities outlays 74 percent above the second quarter of last year. Business plans to continue investment at about this record level through the third quarter.



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

Period	Total <sup>1</sup>	Manufacturing	Mining	Transportation		Electric and gas utilities	Commercial and miscellaneous <sup>2</sup>
				Railroad	Other		
1939.....	5,200	1,930	380	280	230	480	1,850
1941.....	8,190	3,400	680	560	340	710	2,490
1945.....	6,630	3,210	440	550	320	630	1,480
1948.....	19,230	8,340	800	1,320	700	2,680	5,390
1949.....	18,120	7,250	740	1,350	520	3,140	5,120
1950.....	18,560	8,220	680	1,140	440	3,170	4,920
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.....	18,800	8,200	720	1,160	480	3,280	4,960
Fourth quarter.....	23,320	11,160	800	1,280	560	3,760	5,760
1951: First quarter.....	20,640	9,840	720	1,200	480	3,000	5,360
Second quarter <sup>3</sup> .....	25,680	12,960	880	1,760	560	3,800	5,680
Third quarter <sup>3</sup> .....	25,660	13,080	880	1,640	520	4,000	5,480

<sup>1</sup> Excludes agriculture

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

<sup>3</sup> Estimates based on anticipated capital expenditure of business as reported in a survey made during May and June of this year.

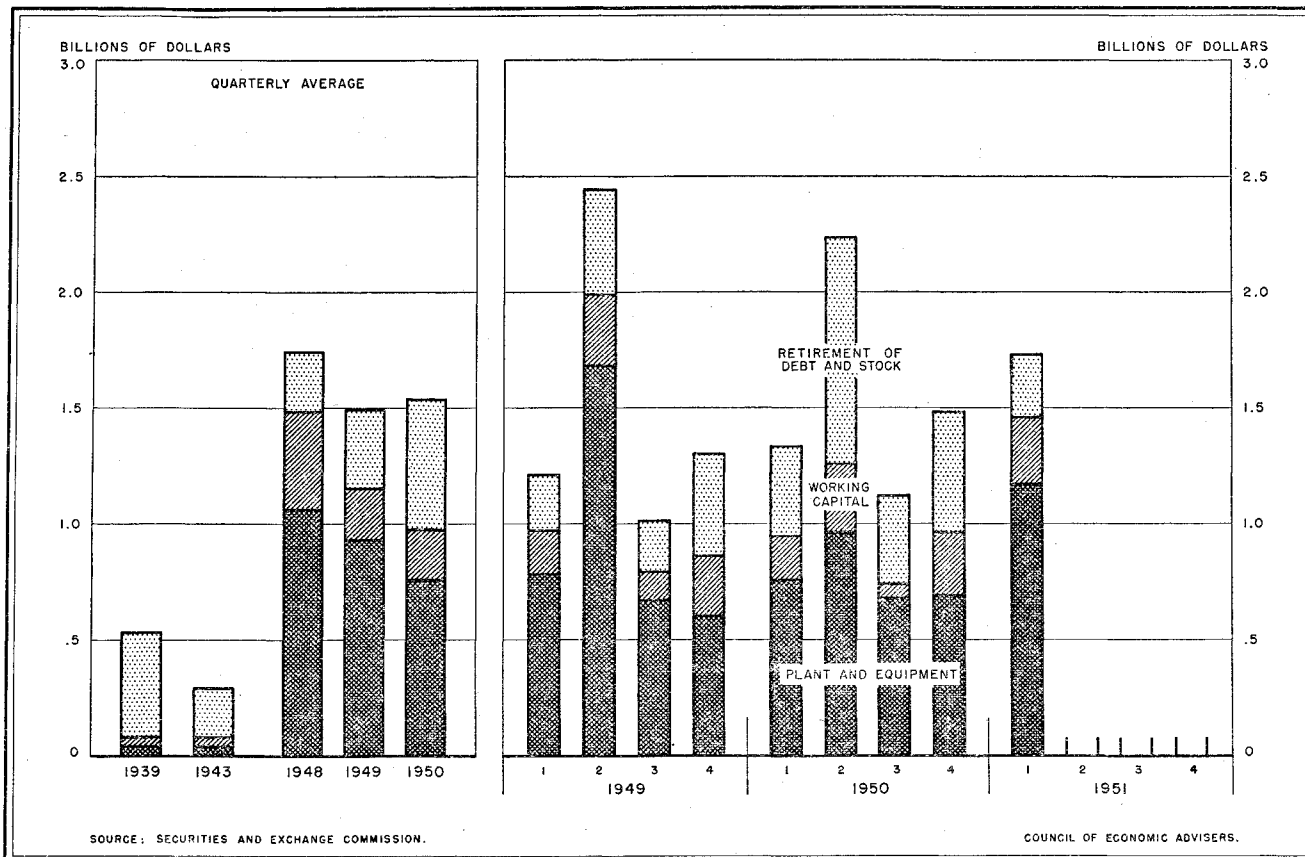
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal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

In the first quarter of 1951, net proceeds from new security issues again increased sharply. Over \$1 billion of this amount was used for plant expansion, a postwar record level for a first quarter.



[Millions of dollars]

Period	Estimated net proceeds	Proposed uses of net proceeds			
		New money			Retirement of debt and stock <sup>1</sup>
		Total	Plant and equipment	Working capital	
1939 quarterly average.....	529	81	43	39	448
1943 quarterly average.....	287	77	35	42	210
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	427	258
1949 quarterly average.....	1,490	1,152	931	220	338
1950 quarterly average.....	1,535	971	741	230	564
1948: 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	789	669	120	219
Fourth quarter.....	1,299	862	596	265	438
1950: First quarter.....	1,325	941	759	182	384
Second quarter.....	2,222	1,251	948	302	971
Third quarter.....	1,110	736	571	165	374
Fourth quarter.....	1,482	957	687	269	525
1951: First quarter <sup>2</sup> .....	1,730	1,461	1,167	293	270

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

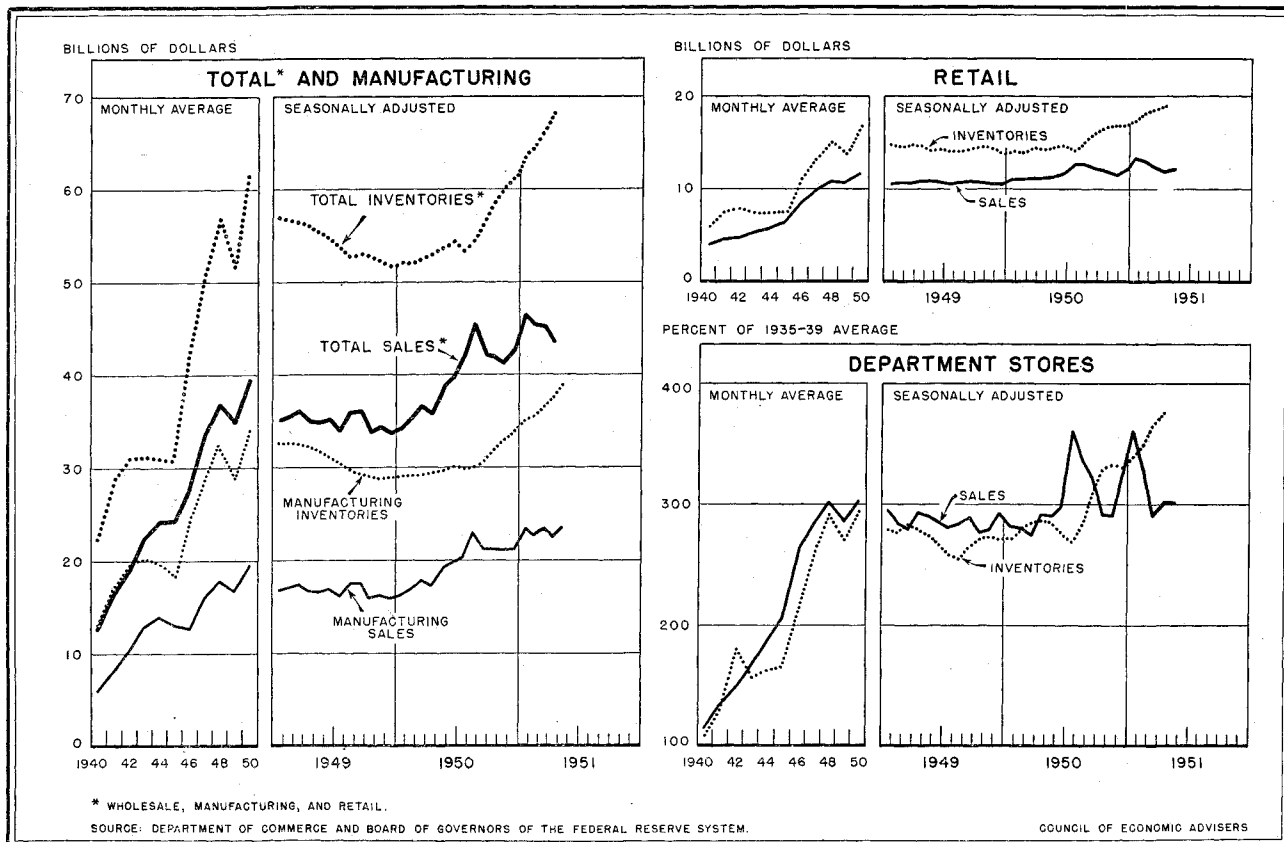
<sup>2</sup> Preliminary estimates.

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

Source: Securities and Exchange Commission.

## INVENTORIES AND SALES

In May, retail sales (seasonally adjusted) rallied slightly for the first time since January; department store sales held their own. Manufacturers' sales picked up sharply, their inventories continued to mount, and their new orders fell moderately.



Period	Total business <sup>1</sup>		Retail		Manufacturing			Department stores	
	Inven- tories <sup>2</sup>	Sales <sup>3</sup>	Inven- tories <sup>2</sup>	Sales <sup>3</sup>	Inven- tories <sup>2</sup>	Sales <sup>3</sup>	New orders	Inven- tories <sup>5</sup>	Sales <sup>5</sup>
	Millions of dollars, seasonally adjusted						(millions of dollars) <sup>4</sup>	1935-39= 100, season- ally adjusted	
1939.....	20, 172	11, 109	5, 532	3, 504	11, 465	5, 100	( <sup>6</sup> )	102	106
1943.....	31, 143	22, 372	7, 361	5, 277	20, 098	12, 822	( <sup>6</sup> )	155	168
1945.....	30, 571	24, 181	7, 543	6, 315	18, 390	12, 883	( <sup>6</sup> )	166	207
1946.....	42, 389	27, 559	11, 226	8, 358	24, 498	12, 617	13, 694	213	264
1947.....	50, 794	33, 571	13, 221	9, 909	28, 920	15, 918	15, 622	255	286
1948.....	56, 756	37, 023	14, 969	10, 837	32, 276	17, 811	17, 504	291	302
1949.....	51, 594	34, 886	13, 698	10, 682	28, 865	16, 666	16, 102	270	286
1950.....	61, 569	39, 611	16, 754	11, 670	34, 061	19, 605	21, 099	294	303
1950: April.....	52, 906	35, 645	14, 138	11, 080	29, 384	17, 206	17, 182	286	292
May.....	53, 553	38, 652	14, 416	11, 327	29, 659	19, 309	19, 097	285	290
June.....	54, 241	39, 896	14, 720	11, 699	30, 028	19, 838	20, 666	276	298
July.....	53, 243	41, 982	14, 125	12, 700	29, 830	20, 269	22, 223	269	362
August.....	54, 496	45, 275	15, 076	12, 682	29, 858	22, 956	27, 323	284	335
September.....	56, 404	42, 142	15, 793	12, 133	30, 732	21, 154	23, 760	309	320
October.....	58, 660	41, 821	16, 697	11, 759	31, 770	21, 246	24, 704	329	291
November.....	60, 269	41, 318	16, 787	11, 387	33, 007	21, 112	22, 371	332	290
December.....	61, 569	42, 472	16, 754	12, 194	34, 061	21, 284	23, 160	329	325
1951: January.....	63, 388	46, 655	17, 422	13, 307	34, 928	23, 166	28, 860	338	362
February.....	64, 424	45, 356	17, 817	13, 075	35, 474	22, 646	25, 403	349	326
March <sup>7</sup> .....	66, 454	45, 196	18, 642	12, 324	36, 415	23, 399	28, 574	366	291
April <sup>7</sup> .....	68, 486	43, 504	18, 976	11, 997	37, 859	22, 375	23, 913	377	302
May <sup>7</sup> .....	69, 902	45, 011	19, 114	12, 030	38, 800	23, 500	23, 200	365	301

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

<sup>2</sup> Book value, end of period.

<sup>3</sup> Monthly average for year and total for month.

<sup>4</sup> Data for new orders not adjusted for seasonal variation.

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

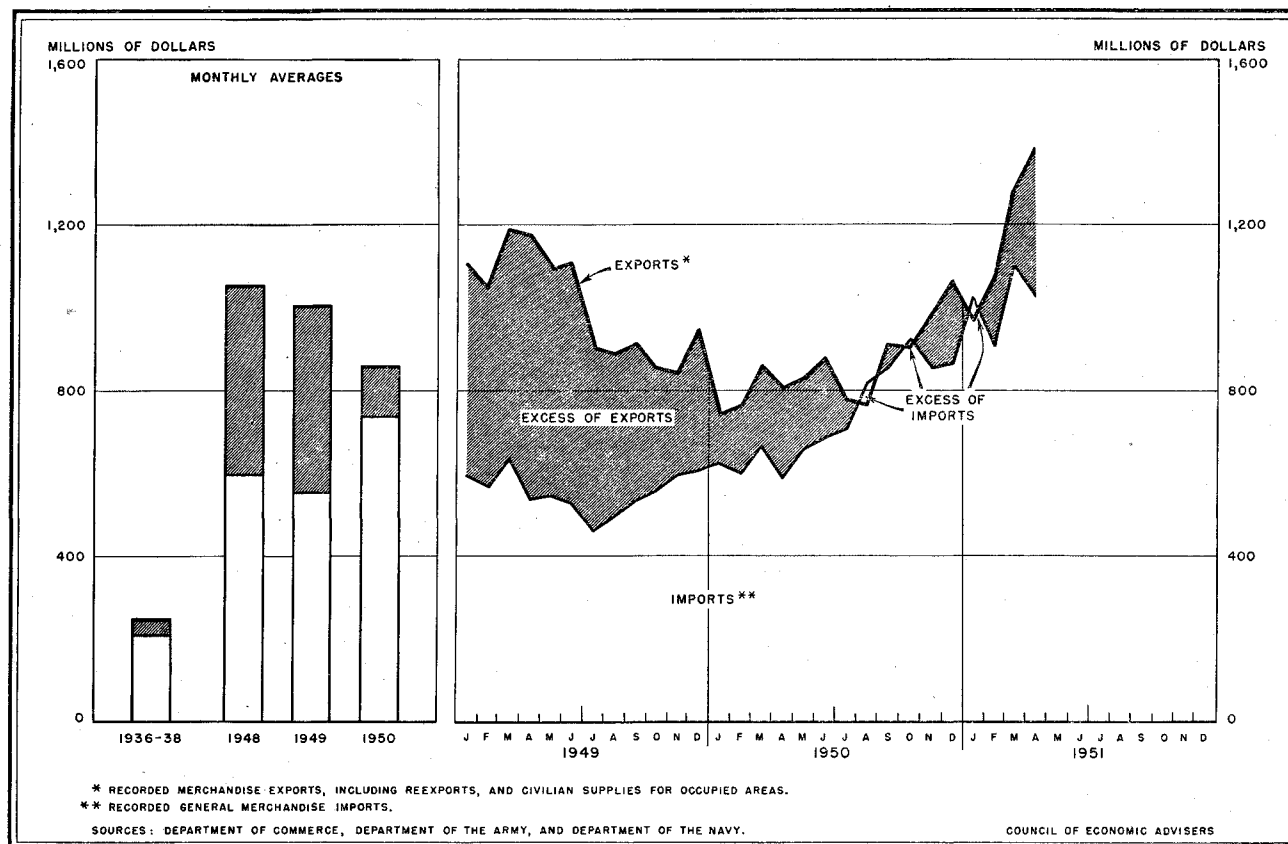
<sup>6</sup> Not available.

<sup>7</sup> Preliminary estimates.

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

## MERCHANDISE EXPORTS AND IMPORTS

Merchandise exports rose and imports declined in April, increasing the export surplus to \$348 million. Per working day, however, there was no drop in imports and a rise of about 16 percent in exports.



[Millions of dollars]

Period	Exports <sup>1</sup>	Imports <sup>2</sup>	Excess of exports (+), imports (-)
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	480	+ 799
1948 monthly average.....	1,054	594	+ 461
1949 monthly average.....	1,003	552	+ 451
1950 monthly average.....	856	737	+ 119
1950: April.....	803	585	+ 218
May.....	829	659	+ 170
June.....	878	687	+ 191
July.....	779	708	+ 70
August.....	762	820	- 58
September.....	911	861	+ 50
October.....	906	922	- 17
November.....	977	853	+ 124
December.....	1,065	866	+ 198
1951: January.....	973	1,022	- 49
February.....	1,076	908	+ 168
March.....	1,281	1,099	+ 182
April.....	1,372	1,024	+ 348

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

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

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

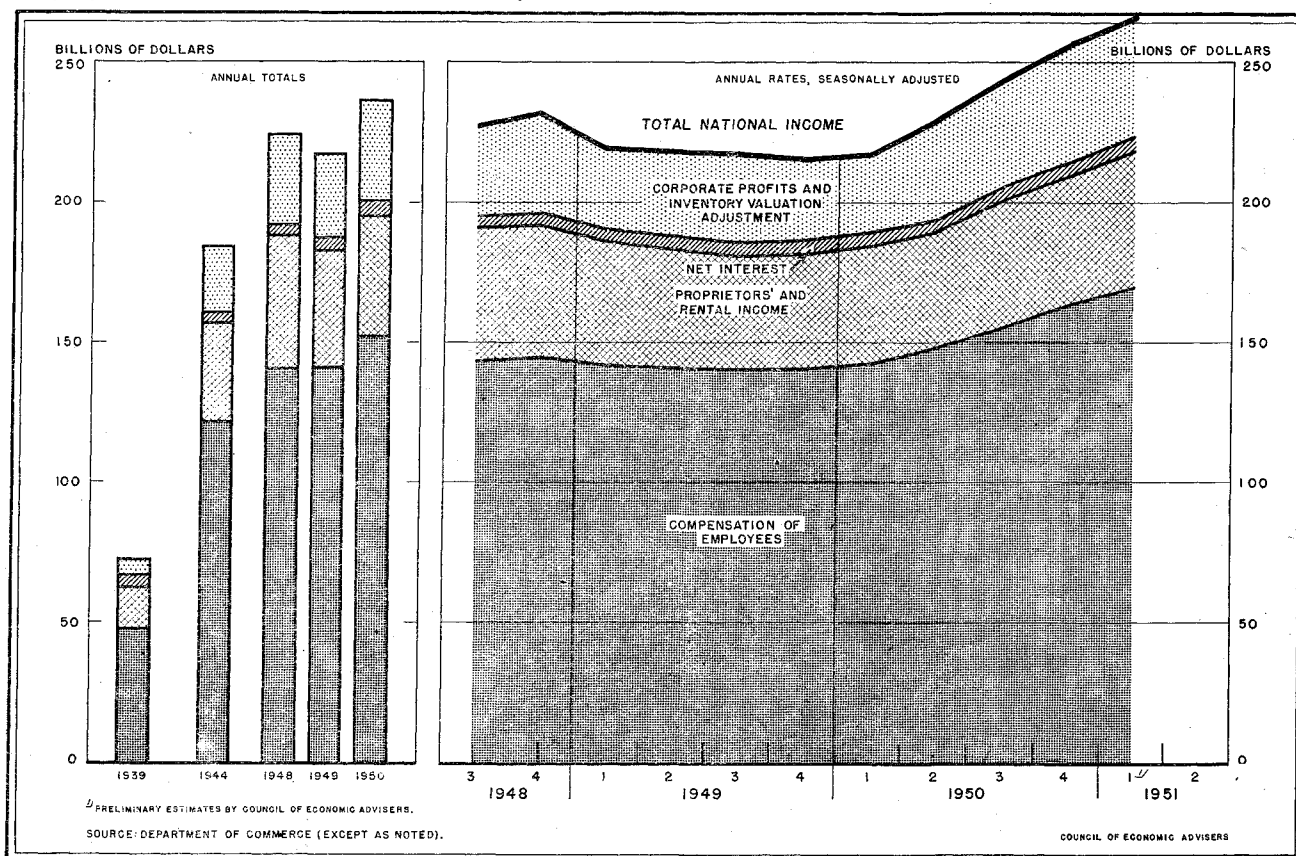
Sources: Department of Commerce, Department of the Army, and Department of the Navy.



# PURCHASING POWER

## NATIONAL INCOME

National income rose at an annual rate of almost \$7½ billion in the first quarter of 1951, bringing the total to about \$263½ billion according to revised estimates. The major part of the increase was in employees' compensation, but proprietors' income also rose substantially.



[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
1950.....	236.6	152.2	43.6	5.0	35.8	41.0	-5.1
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.....	216.9	142.3	41.5	5.0	28.1	29.2	-1.0
Second quarter.....	229.1	147.9	41.2	5.0	35.0	37.4	-2.4
Third quarter.....	244.0	155.3	45.5	5.0	38.1	46.4	-8.3
Fourth quarter.....	256.2	162.7	46.3	5.1	42.2	50.8	-8.5
1951: First quarter.....	<sup>1</sup> 263.6	170.2	48.0	5.2	<sup>1</sup> 40.2	<sup>1</sup> 49.5	-9.3

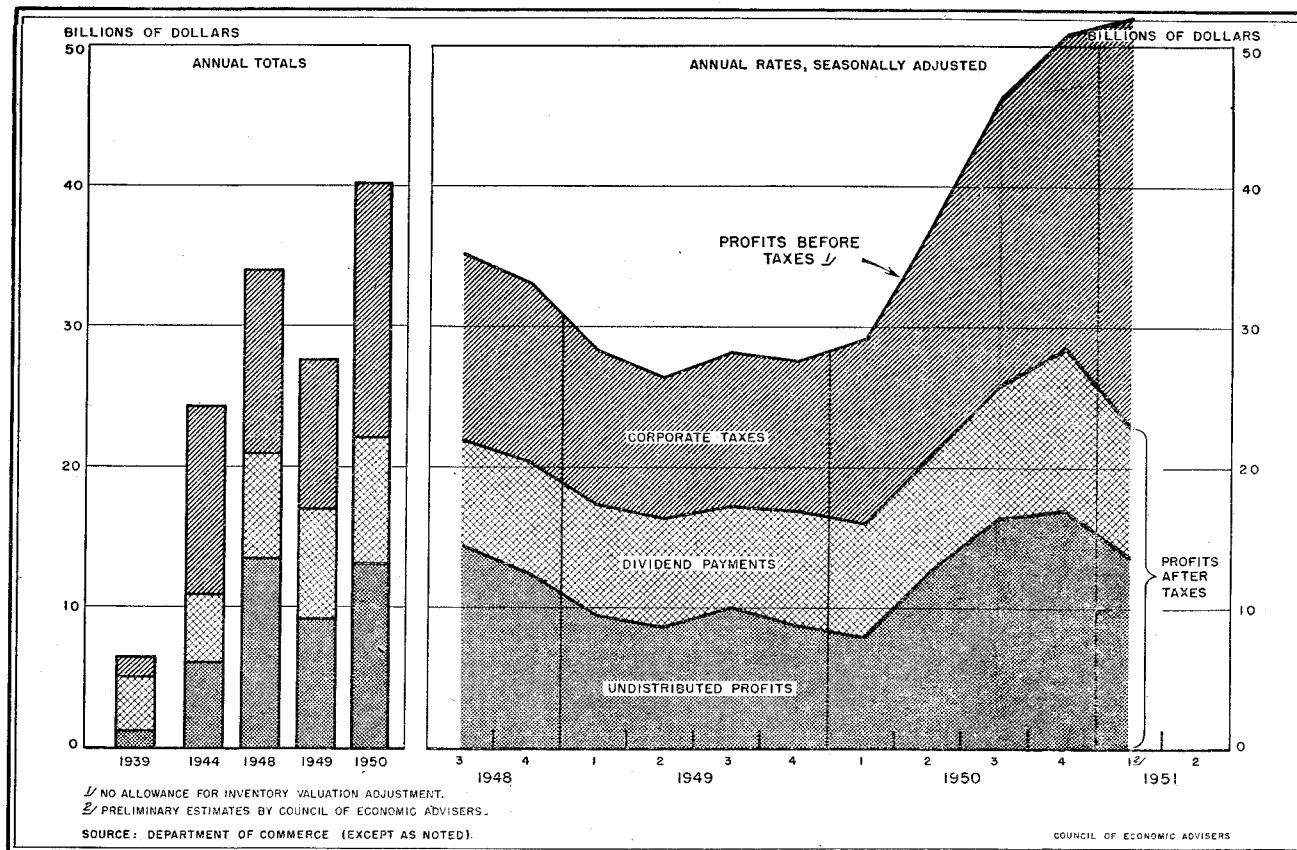
<sup>1</sup> Revised data became available after chart was prepared. Estimates based on incomplete data; by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted).

## CORPORATE PROFITS

Preliminary indications are that corporate profits before taxes in the first quarter of 1951 were close to the record level of the fourth quarter of 1950.



[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
1950	41.0	18.2	22.8	9.4	13.5
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	13.2	16.0	8.1	7.9
1950: Second quarter	37.4	16.5	20.9	8.2	12.7
1950: Third quarter	46.4	20.6	25.8	9.3	16.5
1950: Fourth quarter	50.8	22.3	28.5	11.5	17.0
1951: First quarter <sup>1</sup>	49.5	25.8	23.7	9.3	14.4

<sup>1</sup> Revised data became available after chart was prepared. Estimates based on incomplete data; by Council of Economic Advisers.

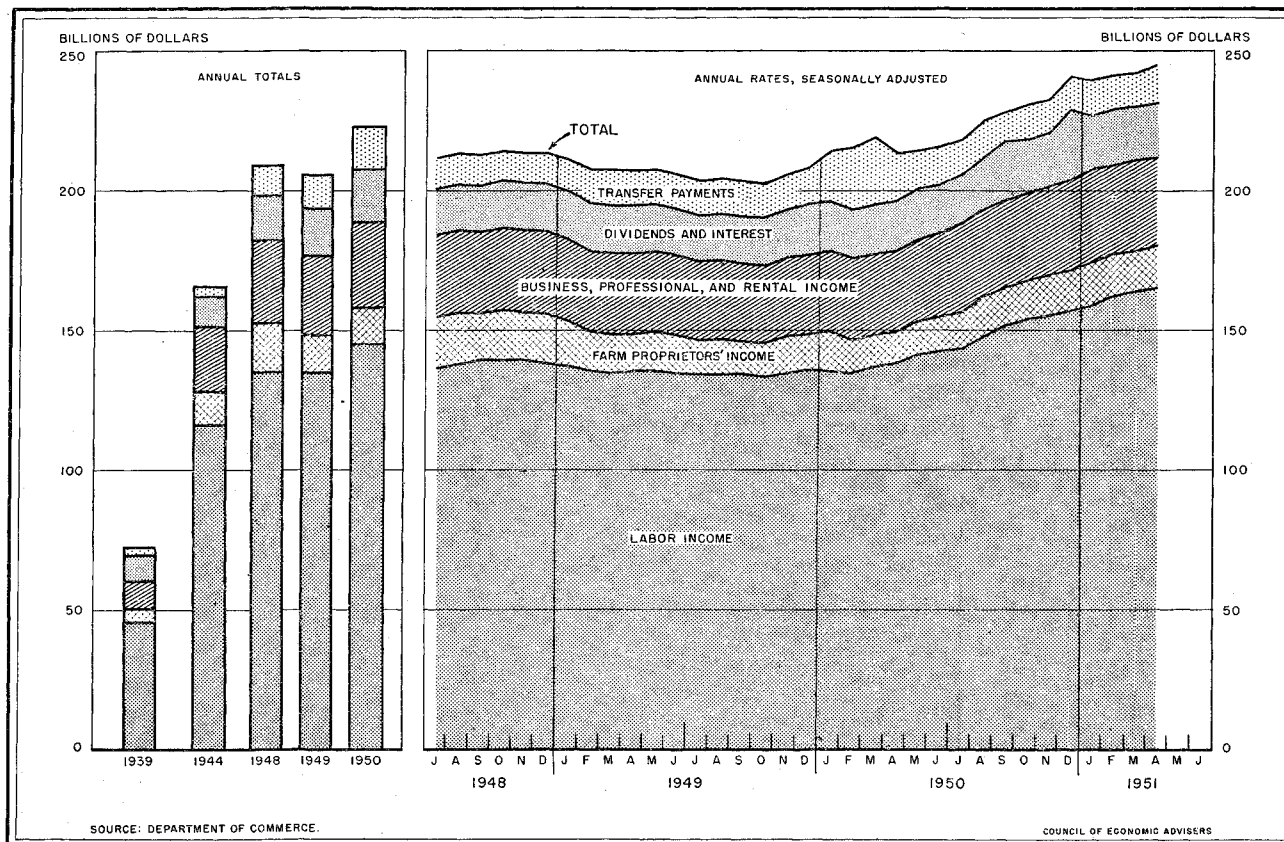
NOTE.—No allowance has been made for inventory valuation adjustment. See p. 22 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

SOURCE: Department of Commerce (except as noted).

## PERSONAL INCOME

Personal income rose at an annual rate of \$1½ billion between March and April. Farm income moved up and labor income continued to increase. On the other hand, nonfarm entrepreneurial income continued to recede from the January level.



[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	4.5	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	134.9	17.7	29.6	16.1	11.2
1949.....	206.1	134.9	13.4	28.3	17.2	12.3
1950.....	223.2	145.4	13.1	30.5	19.2	<sup>1</sup> 15.0
Annual rates, seasonally adjusted						
1950: April.....	213.8	138.6	11.0	28.8	18.2	17.2
May.....	214.5	141.1	12.1	29.4	17.8	14.1
June.....	217.1	143.6	12.1	30.2	17.8	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.....	228.7	151.2	13.3	31.7	21.1	11.4
October.....	231.1	154.1	13.9	31.8	19.2	12.1
November.....	232.9	155.5	14.6	31.6	19.4	11.8
December.....	241.0	157.7	14.7	32.3	24.7	11.6
1951: January.....	240.9	160.2	15.5	33.8	19.0	12.4
February.....	241.3	162.2	14.5	33.2	19.3	12.1
March.....	242.8	164.0	14.5	32.7	19.5	12.1
April.....	244.4	165.1	15.2	32.3	19.7	12.1

<sup>1</sup> Includes \$2.7 billion National Service Life Insurance dividend, most of which was paid in the first half of the year.

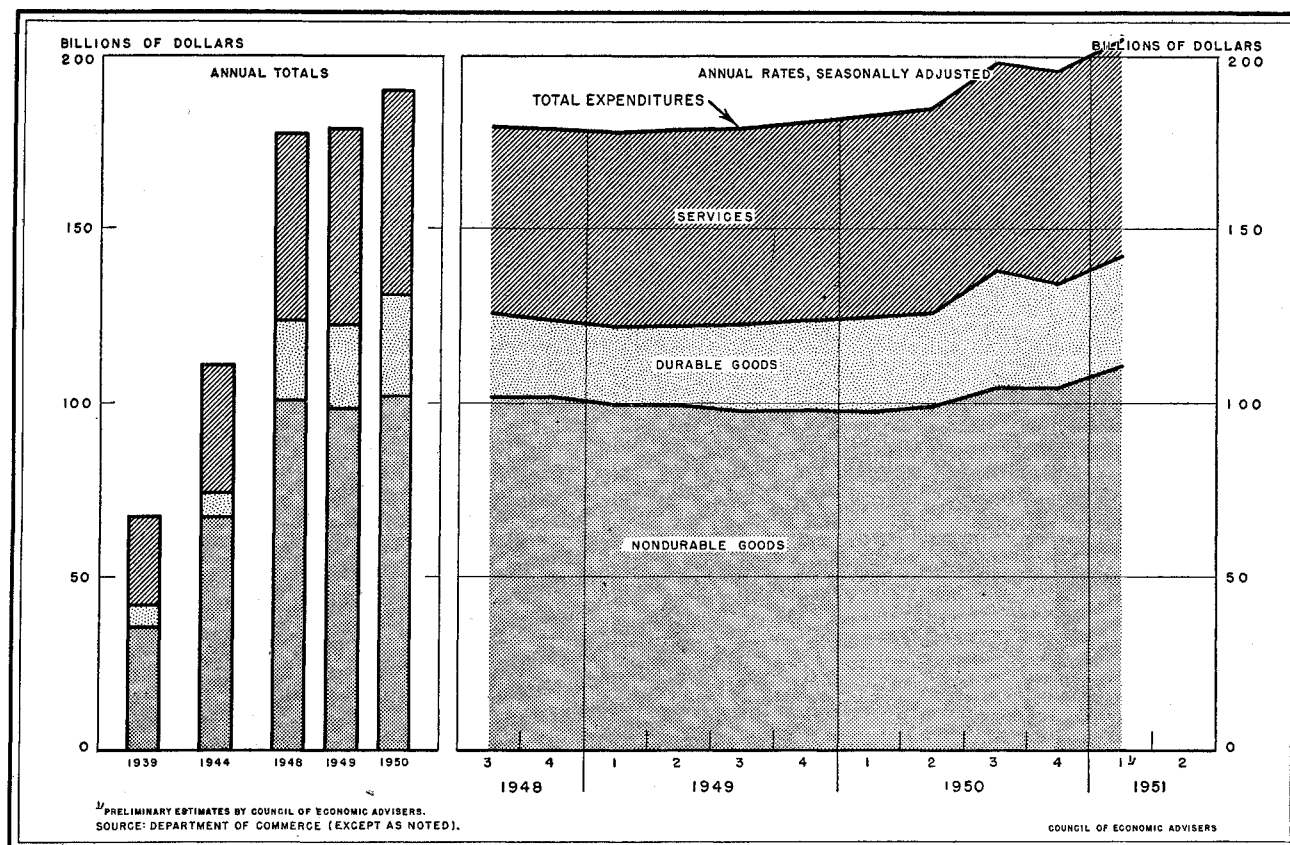
<sup>2</sup> Preliminary estimates.

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

Source: Department of Commerce.

## PERSONAL CONSUMPTION EXPENDITURES

Personal consumption expenditures, after declining in the last quarter of 1950, increased in the first quarter of this year. A rise of \$9 billion (annual rate) brought the total dollar value above the previous record reached during the buying spurt in the third quarter of last year. Purchases of durable goods, however, were substantially below their third quarter level.



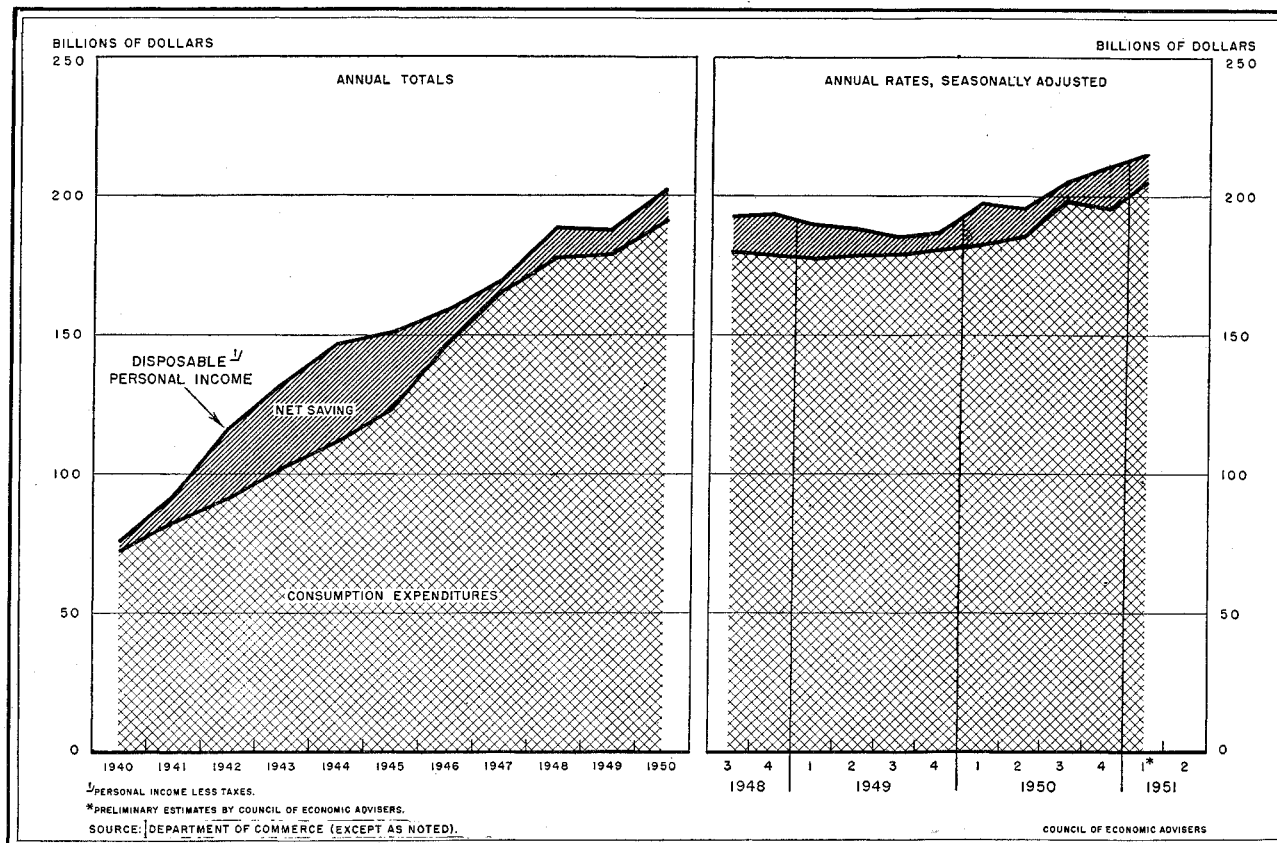
[Billions of dollars]

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
1950	190.8	101.6	29.2	59.9
Annual rates, seasonally adjusted				
1949: First quarter	177.4	99.4	22.4	55.6
1949: Second quarter	178.4	99.2	23.0	56.2
1949: Third quarter	179.0	97.6	24.7	56.6
1949: Fourth quarter	180.6	97.9	25.3	57.4
1950: First quarter	182.6	97.9	26.4	58.3
1950: Second quarter	185.8	99.9	26.5	59.5
1950: Third quarter	198.9	104.5	34.0	60.4
1950: Fourth quarter	195.8	104.3	30.0	61.5
1951: First quarter	204.8	110.7	31.6	62.6

NOTE.—Detail will not necessarily add to totals because of rounding.  
Source: Department of Commerce.

## CONSUMER INCOME, SPENDING, AND SAVING

Personal disposable income rose at a less rapid rate than expenditures in the first quarter, resulting in a drop in personal net saving.



Period	Disposable personal income <sup>1</sup>	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
1950.....	202.7	190.8	11.9	5.9
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.....	197.4	182.6	14.8	7.5
Second quarter.....	195.6	185.8	9.8	5.0
Third quarter.....	204.6	198.9	5.7	2.8
Fourth quarter.....	211.6	195.8	15.8	7.5
1951: First quarter.....	214.9	204.8	10.1	4.7

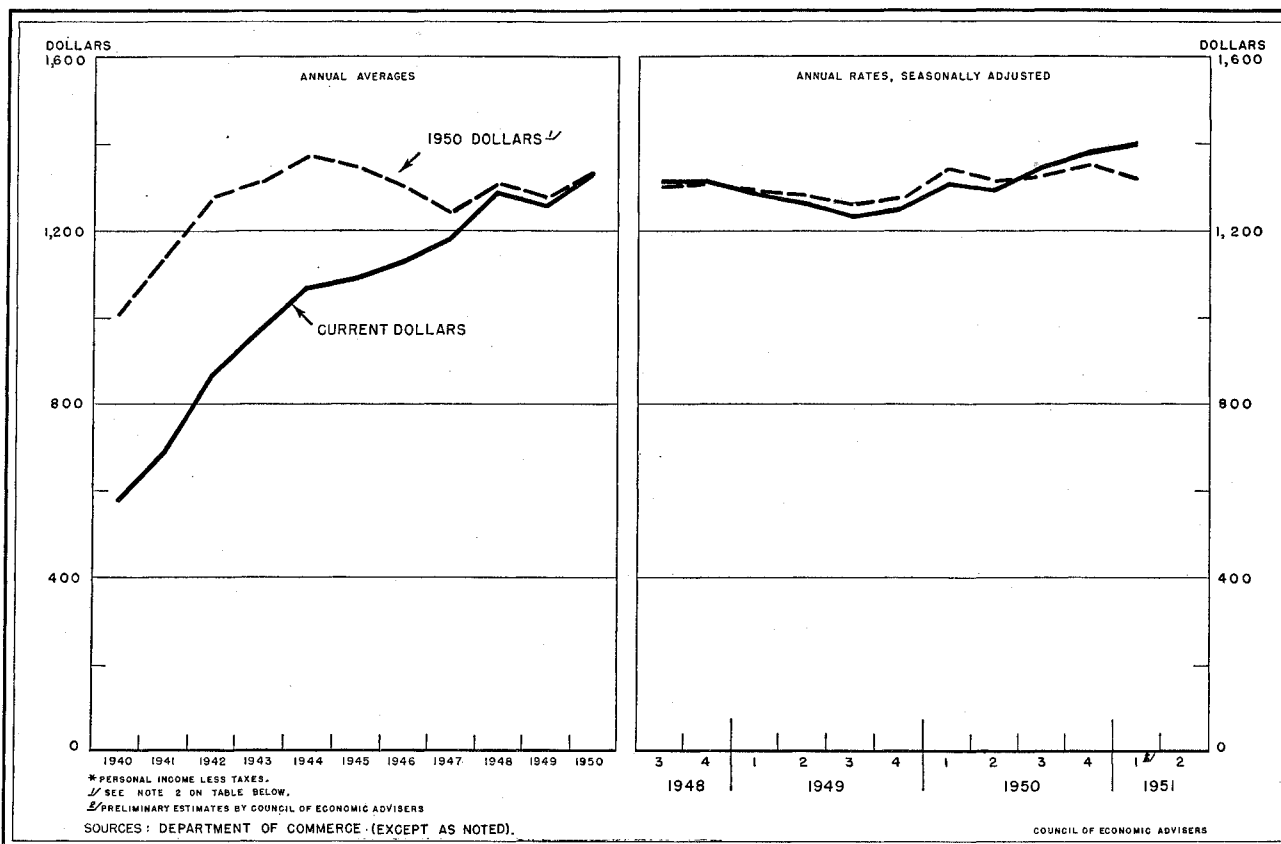
<sup>1</sup> Income less taxes.

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

Source: Department of Commerce.

## PER CAPITA DISPOSABLE INCOME

Per capita disposable income increased in the first quarter but the quarterly gain dropped below that of the previous two quarters, as higher income taxes became fully effective. In terms of the purchasing power of the 1950 dollar, there was a decline from the fourth quarter level.



Period	Total disposable personal income (billions of dollars) <sup>1</sup>		Per capita disposable personal income (dollars) <sup>1</sup>		Population (thousands) <sup>3</sup>
	Current prices	1950 prices <sup>2</sup>	Current prices	1950 prices <sup>2</sup>	
1939	70.2	125.1	536	956	130,880
1941	92.0	152.8	690	1,146	133,377
1942	116.7	173.1	866	1,284	134,831
1944	147.0	190.7	1,062	1,378	138,390
1946	158.9	184.8	1,124	1,307	141,398
1947	169.5	179.6	1,176	1,246	144,129
1948	188.4	190.7	1,285	1,301	146,621
1949	187.4	190.6	1,256	1,278	149,149
1950	202.7	202.7	1,336	1,336	151,689
Annual rates, seasonally adjusted					
1949: First quarter	189.9	192.2	1,281	1,296	148,282
Second quarter	188.2	191.3	1,264	1,285	148,862
Third quarter	185.1	189.1	1,238	1,265	149,522
Fourth quarter	186.8	190.4	1,243	1,267	150,234
1950: First quarter	197.4	202.5	1,309	1,342	150,847
Second quarter	195.6	198.8	1,292	1,313	151,390
Third quarter	204.6	201.8	1,345	1,327	152,068
Fourth quarter	211.6	206.2	1,385	1,350	152,774
1951: First quarter	214.9	202.2	1,401	1,318	153,396

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

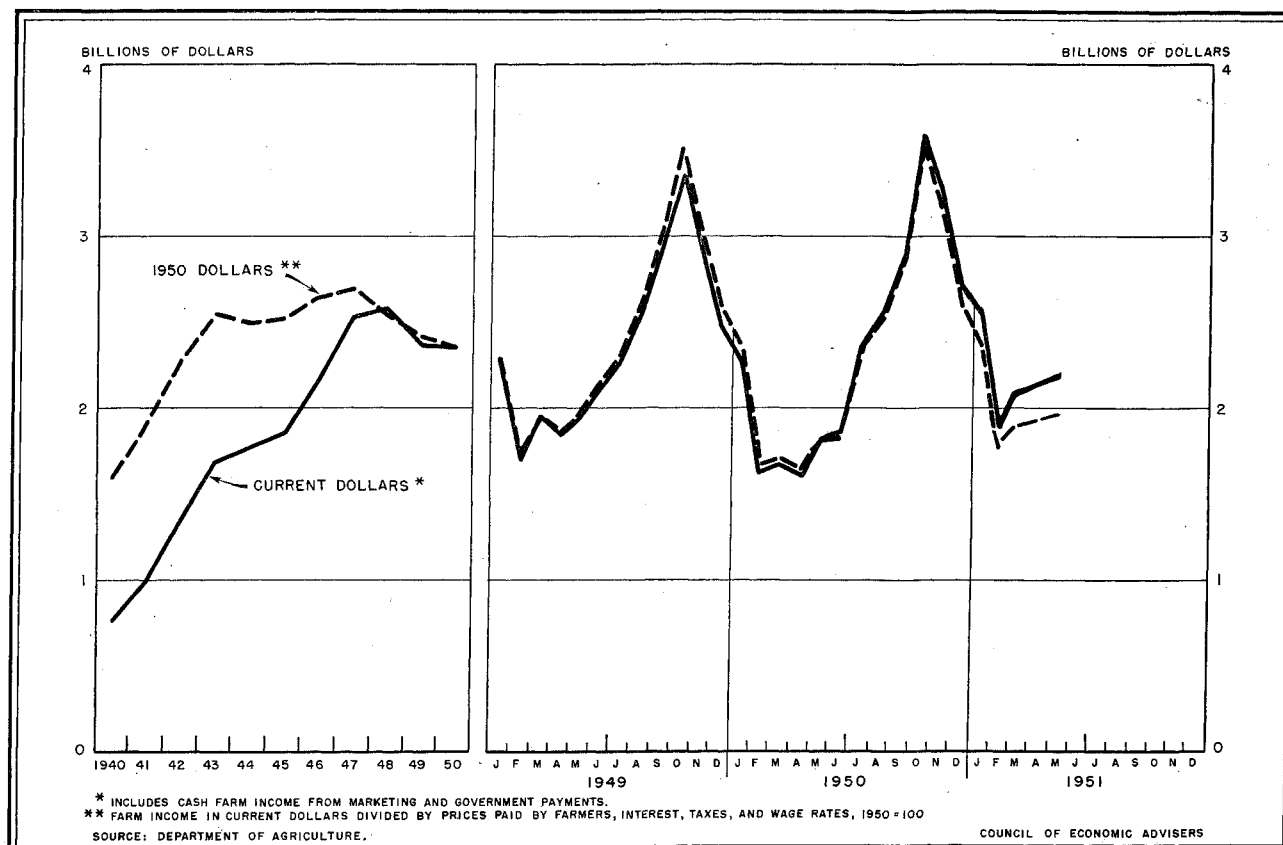
<sup>2</sup> Dollar estimates in current prices divided by the price index of personal consumption expenditures. This price index was based on the Department of Commerce data, shifted from 1939 base.

<sup>3</sup> Provisional intercensal estimates of the population of the United States including Armed Forces overseas, taking into account the final 1950 Census total population count. Annual data as of July 1; quarterly data centered in the middle of the period, interpolated from monthly figures.

Source: Department of Commerce.

## FARM INCOME

In current dollars, May farm income was 18 percent above May 1950. Allowing for higher prices paid by farmers, their real income was 6 percent above that of a year earlier.



Period	Farm income (millions of current dollars) <sup>1</sup>	Prices paid by farmers (incl. interest, taxes, and wage rates) 1950=100 <sup>2</sup>	Farm income (millions of 1950 dollars) <sup>3</sup>
1939 monthly average.....	724	48	1,508
1941 monthly average.....	981	52	1,887
1944 monthly average.....	1,764	71	2,484
1946 monthly average.....	2,136	81	2,637
1947 monthly average.....	2,527	94	2,688
1948 monthly average.....	2,567	101	2,542
1949 monthly average.....	2,359	98	2,407
1950 monthly average.....	2,349	100	2,349
1950: April.....	1,594	98	1,627
May.....	1,819	100	1,819
June.....	1,859	100	1,859
July.....	2,356	100	2,356
August.....	2,551	101	2,526
September.....	2,913	102	2,856
October.....	3,584	102	3,514
November.....	3,277	103	3,182
December.....	2,692	104	2,588
1951: January.....	2,539	107	2,373
February.....	1,899	108	1,758
March.....	2,071	110	1,883
April <sup>4</sup> .....	2,137	111	1,925
May <sup>4</sup> .....	2,144	111	1,932

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

<sup>2</sup> Converted from the reported base, 1910-14=100, to the base 1950=100.

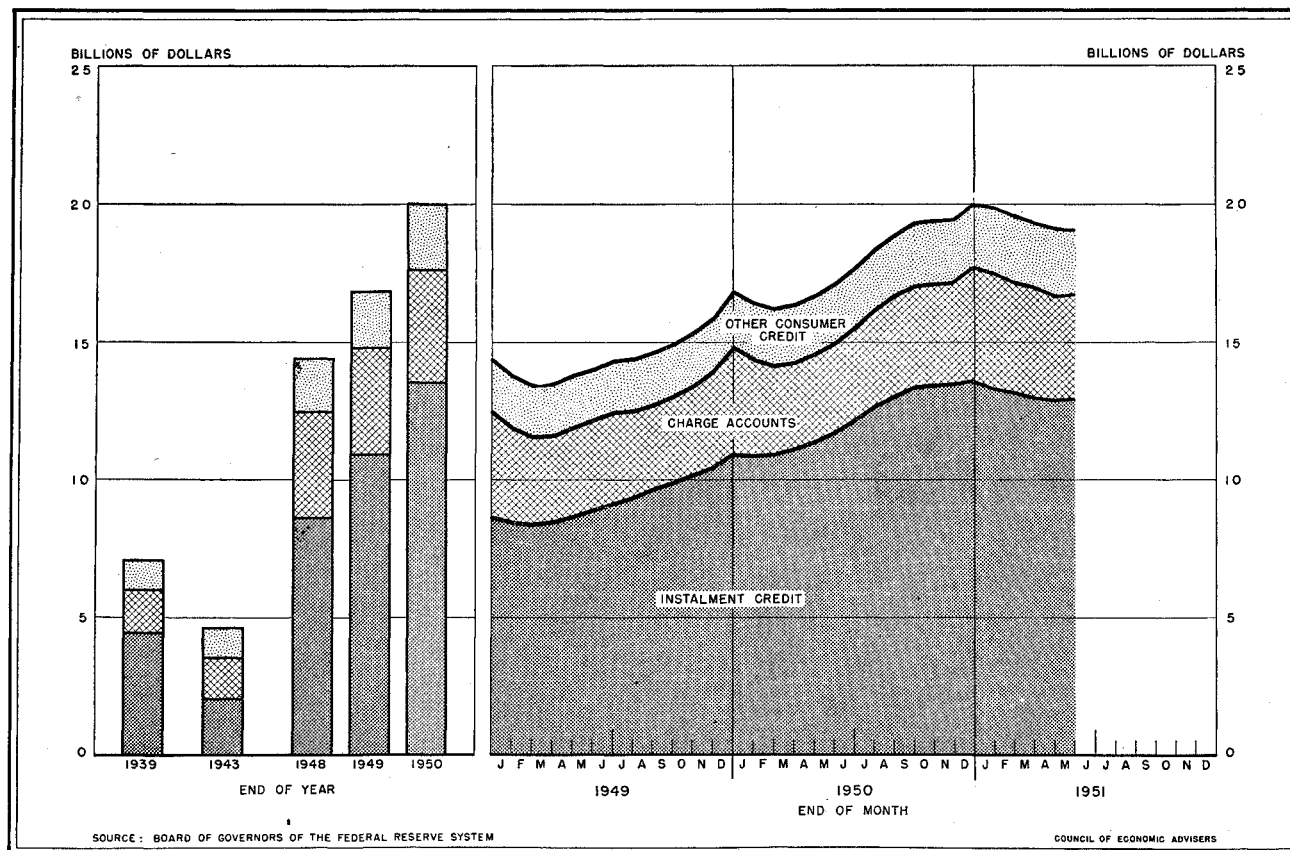
<sup>3</sup> Farm income in current dollars divided by prices paid by farmers, interest, taxes, and wage rates, 1950=100.

<sup>4</sup> Preliminary estimates.

Source: Department of Agriculture.

## CONSUMER CREDIT

Consumer credit outstanding increased slightly during May, after four months of decline. Total installment credit edged upward as a gain in automobile sale credit more than offset a drop in other forms of installment loans.



[Millions of dollars]

End of period	Total consumer credit outstanding	Installment credit			Charge accounts	Other consumer credit <sup>1</sup>
		Total	Automobile sale credit	Other sale credit and loans		
1939.....	7,031	4,424	1,267	3,157	1,544	1,063
1943.....	4,600	2,001	175	1,826	1,498	1,101
1946.....	8,677	4,000	544	3,456	3,054	1,623
1947.....	11,862	6,434	1,151	5,283	3,612	1,816
1948.....	14,366	8,600	1,961	6,639	3,854	1,912
1949.....	16,809	10,890	3,144	7,746	3,909	2,010
1950.....	20,097	13,459	4,126	9,333	4,239	2,399
1950: April.....	16,639	11,322	3,470	7,852	3,241	2,076
May.....	17,077	11,667	3,600	8,067	3,290	2,120
June.....	17,651	12,105	3,790	8,315	3,392	2,154
July.....	18,295	12,598	3,994	8,604	3,527	2,170
August.....	18,842	13,009	4,107	8,902	3,636	2,197
September.....	19,329	13,344	4,213	9,131	3,741	2,244
October.....	19,398	13,389	4,227	9,162	3,703	2,306
November.....	19,405	13,306	4,175	9,131	3,739	2,360
December.....	20,097	13,459	4,126	9,333	4,239	2,399
1951: January.....	19,937	13,252	4,056	9,196	4,248	2,437
February.....	19,533	13,073	3,990	9,083	4,010	2,450
March.....	19,379	12,976	3,946	9,030	3,938	2,465
April <sup>2</sup> .....	19,123	12,905	3,934	8,971	3,744	2,474
May <sup>2</sup> .....	19,184	12,913	3,977	8,936	3,790	2,481

<sup>1</sup> Includes loans by pawnbrokers, service credit, and single-payment loans under \$3,000 made by commercial banks. The single-payment loan item was revised in November to exclude loans over \$3,000. See Federal Reserve Bulletin for November 1950, pages 1465-6.

<sup>2</sup> Preliminary estimates.

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

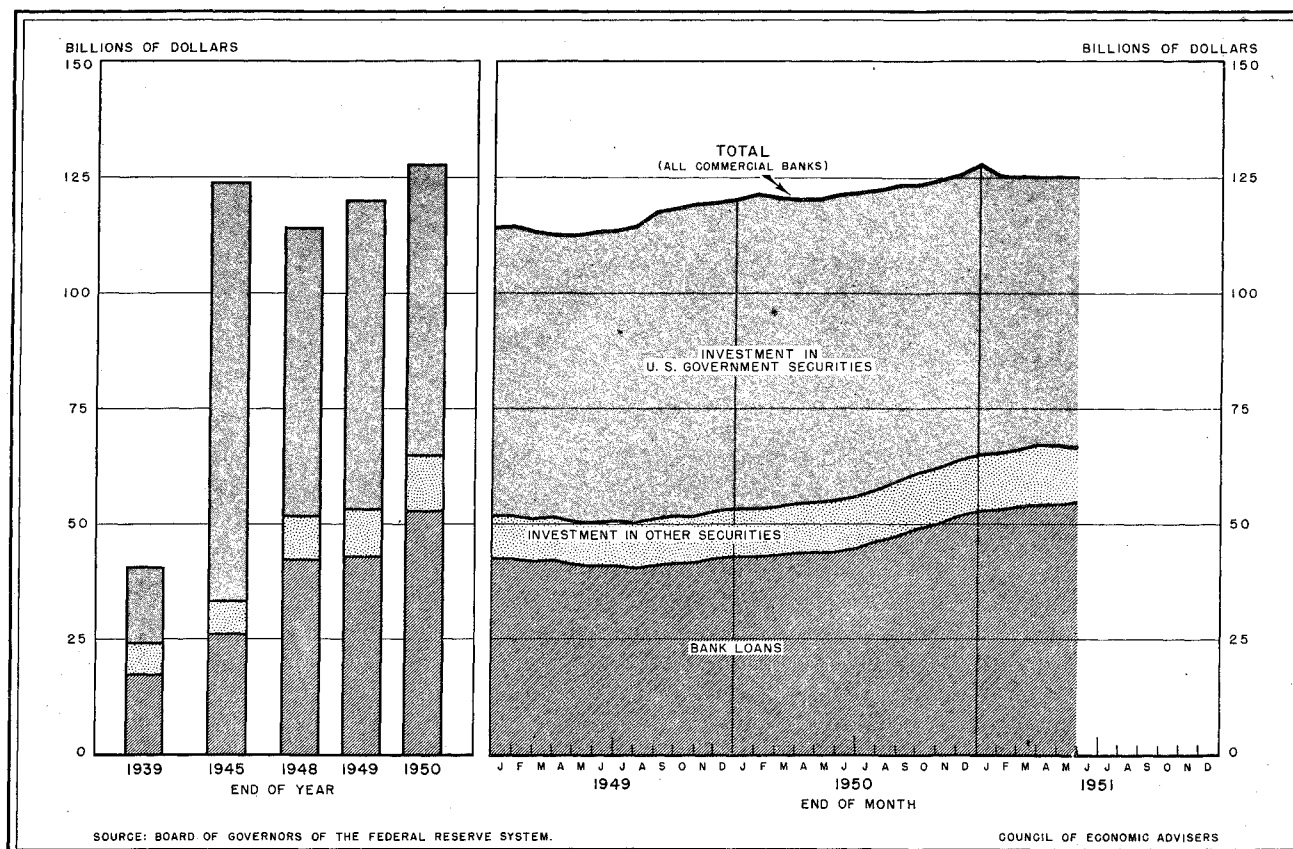
Source: Board of Governors of the Federal Reserve System.



# MONEY, BANKING, AND FEDERAL FINANCE

## BANK LOANS AND INVESTMENTS

Bank loans and investments declined \$300 million during May. Loans increased \$100 million and investments fell \$400 million, principally because of reduced holdings of U. S. Government securities.



[Billions of dollars, all commercial banks]

End of period	Total loans and investments	Bank loans	Investments		
			Total	U. S. Government securities	Other securities
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
1950.....	126.7	52.2	74.4	62.0	12.4
1950: 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.....	123.6	48.9	74.6	62.5	12.1
October.....	124.4	49.8	74.6	62.5	12.1
November.....	125.4	51.5	73.9	61.7	12.1
December.....	126.7	52.2	74.4	62.0	12.4
1951: January.....	125.0	52.7	72.3	60.0	12.4
February.....	125.0	53.5	71.5	59.1	12.4
March.....	125.7	54.4	71.3	58.8	12.6
April.....	125.4	54.4	71.0	58.5	12.6
May <sup>1</sup> .....	125.1	54.5	70.6	58.1	12.5

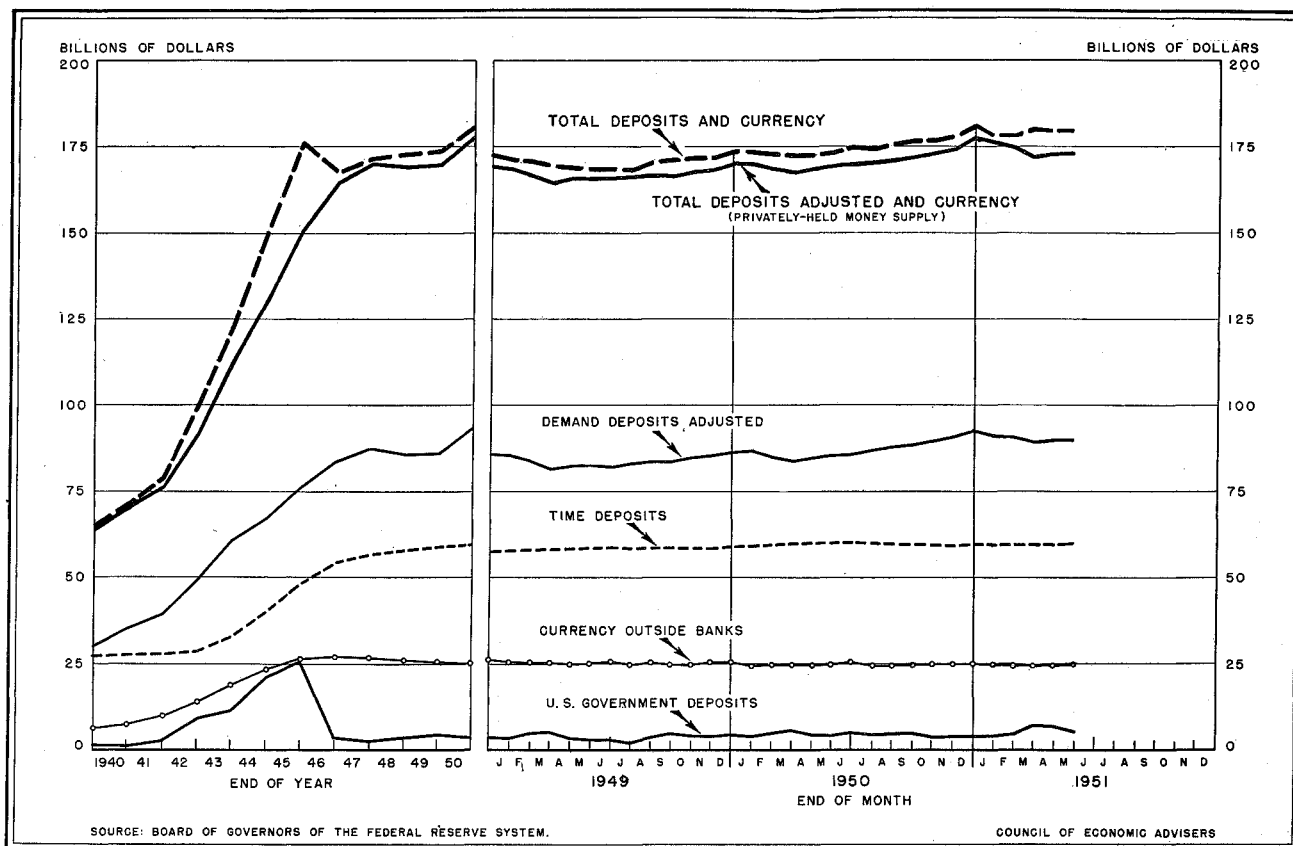
<sup>1</sup> Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

## MONEY SUPPLY

The privately held money supply increased \$400 million during May. The rise during April and May restored \$1.2 billion of the \$4.4 billion drawn from private money holdings during the first quarter, largely because of the heavy excess of Treasury cash receipts.



[Billions of dollars]

End of period	Total deposits and currency	U. S. Government deposits <sup>1</sup>	Deposits adjusted and currency (privately held money supply) <sup>2</sup>			
			Total	Currency outside banks	Adjusted demand deposits <sup>3</sup>	Time deposits <sup>4</sup>
1939.....	64.7	1.5	63.3	6.4	29.8	27.1
1945.....	176.4	25.6	150.8	26.5	75.9	48.5
1946.....	167.5	3.5	164.0	26.7	83.3	54.0
1947.....	172.3	2.3	170.0	26.5	87.1	56.4
1948.....	172.7	3.6	169.1	26.1	85.5	57.5
1949.....	173.9	4.1	169.8	25.4	85.8	58.6
1950.....	180.6	3.7	176.9	25.4	92.3	59.2
1950: April.....	172.5	4.1	168.4	24.6	84.3	59.5
May.....	173.0	3.8	169.2	24.7	85.0	59.5
June.....	174.7	4.8	170.0	25.2	85.0	59.7
July.....	174.4	4.1	170.2	24.4	86.5	59.4
August.....	175.5	4.5	171.0	24.5	87.4	59.1
September.....	176.3	4.8	171.6	24.5	88.0	59.0
October.....	176.3	3.5	172.8	24.6	89.2	59.0
November.....	177.4	3.5	173.9	24.9	90.3	58.7
December.....	180.6	3.7	176.9	25.4	92.3	59.2
1951: January.....	178.8	3.6	175.2	24.6	91.6	59.0
February.....	178.9	4.7	174.2	24.6	90.6	59.0
March.....	179.9	7.4	172.5	24.4	89.0	59.1
April.....	179.8	6.5	173.3	24.6	89.5	59.2
May <sup>5</sup> .....	179.2	5.4	173.7	24.9	89.5	59.3

<sup>1</sup> Includes U. S. Government deposits at Federal Reserve banks, commercial and savings banks, and U. S. Treasurer's time deposits, open account.

<sup>2</sup> Includes deposits and currency held by State and local governments.

<sup>3</sup> Includes demand deposits, other than interbank and U. S. Government, less cash items in process of collection.

<sup>4</sup> Includes deposits in commercial banks, mutual savings banks, and Postal Savings System, but excludes interbank deposits.

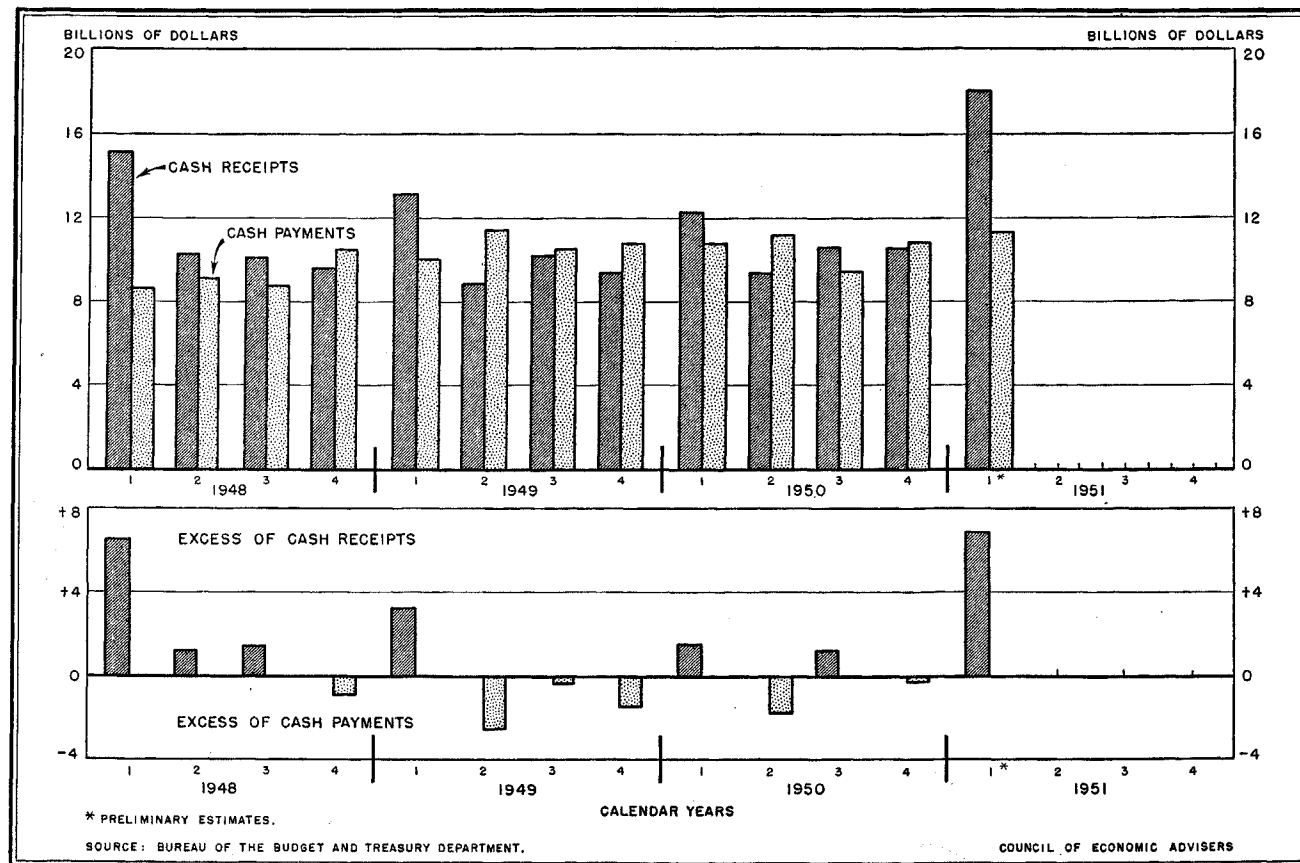
<sup>5</sup> Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

# FEDERAL CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

In the first quarter of 1951, cash receipts from the public exceeded payments by nearly \$6.9 billion. The excess of receipts was greater than that in any previous quarter.



[Millions of dollars]

Calendar year	Federal cash receipts from the public	Federal cash payments to the public	Excess of receipts (+) or payments (-)
Calendar year total:			
1946	41,441	41,399	+42
1947	44,282	38,616	+5,666
1948	44,922	36,897	+8,027
1949	41,346	42,642	-1,295
1950 <sup>1</sup>	42,419	41,969	+450
Quarterly total, not adjusted for seasonal variation:			
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	10,494	9,351	+1,143
Fourth quarter	10,387	10,754	-367
1951: First quarter <sup>1</sup>	18,051	11,179	+6,872

<sup>1</sup> 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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