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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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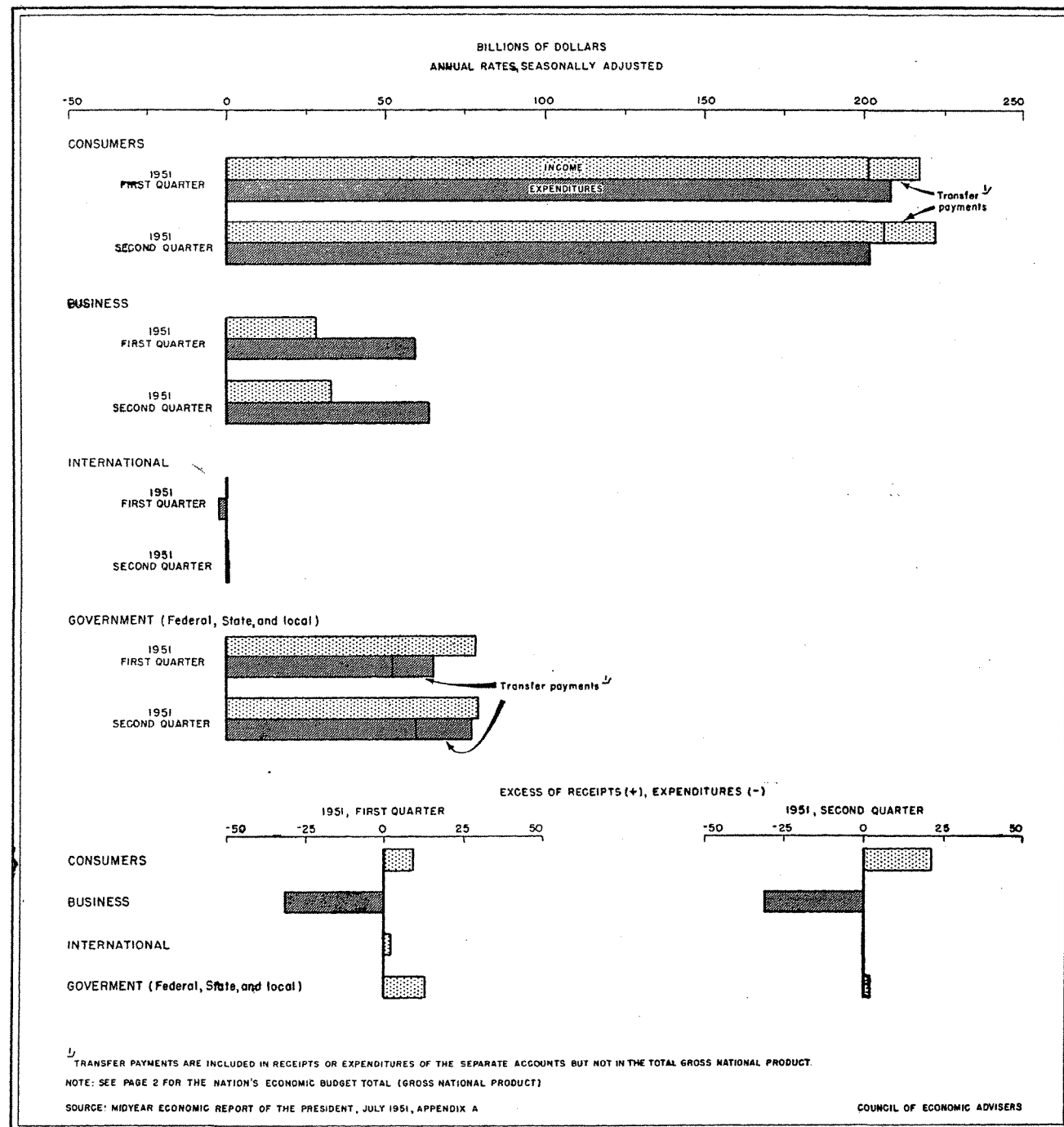
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THE TOTAL OUTPUT OF THE ECONOMY

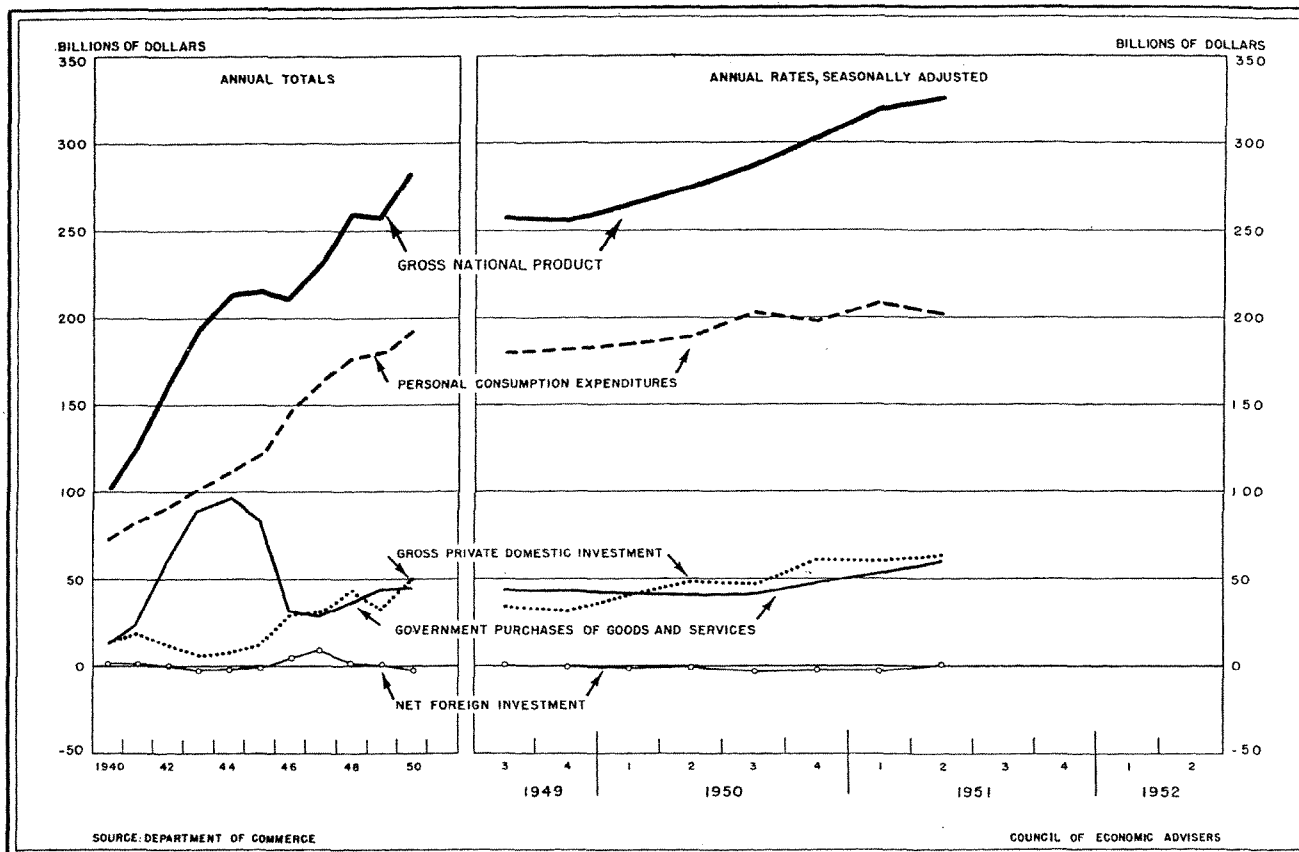
THE NATION'S ECONOMIC BUDGET

Government cash payments rose by \$11.8 billion (annual rate) from the first to the second quarter of 1951. Business investment continued to rise, but consumer expenditures declined despite rising incomes.



GROSS NATIONAL PRODUCT

The gross national product rose at an annual rate of about \$7 billion, or 2 percent, in the second quarter to almost \$326 billion, according to revised estimates. The increase in Government purchases of goods and services for national defense was about equal to this total gain. A rise in domestic and foreign investment was offset by a drop in personal consumption expenditures.



[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 ¹	Other ²
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.....	259.0	177.9	42.7	1.9	36.6	11.6	25.0
1949.....	257.3	180.2	33.0	.5	43.6	13.5	30.1
1950.....	282.6	193.6	48.9	-2.3	42.5	14.8	27.7
Annual rates, seasonally adjusted							
1949: First quarter.....	259.5	178.4	36.8	1.2	43.1	13.5	29.6
Second quarter.....	257.9	180.0	32.1	1.3	44.5	13.9	30.6
Third quarter.....	256.5	180.0	32.8	.2	43.5	13.5	30.0
Fourth quarter.....	255.5	182.3	30.5	-.5	43.3	13.3	30.0
1950: First quarter.....	264.4	184.7	40.1	-1.7	41.3	12.5	28.8
Second quarter.....	275.0	188.7	47.9	-1.6	40.1	12.4	27.7
Third quarter.....	287.4	202.5	47.3	-3.2	40.8	14.2	26.6
Fourth quarter.....	303.7	198.4	60.2	-2.7	47.8	20.0	27.8
1951: First quarter.....	318.5	208.2	59.6	-2.3	52.9	25.1	27.8
Second quarter.....	325.6	201.7	63.5	.5	60.0	33.1	26.9

¹ 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.

² Residual; expenditures by the Federal Government for other than "national defense" and total expenditures by State and local governments.

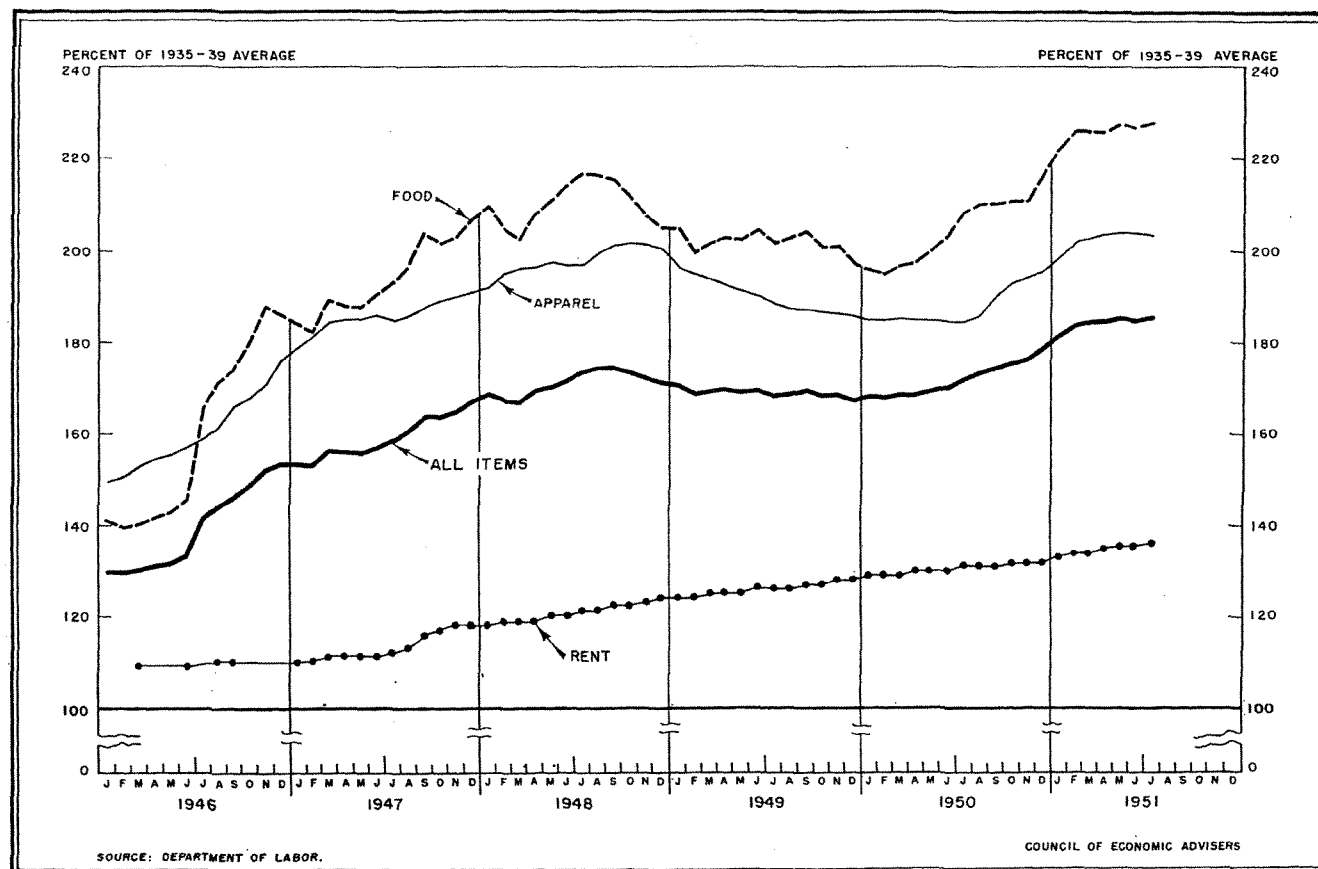
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

PRICES

CONSUMERS' PRICES

After a one-month pause, consumers' prices rose again between mid-June and mid-July. The 0.2 percent increase partly reflected an increase in retail food prices which, according to a special survey, was more than wiped out by the end of July.



[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: 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.....	185.4	227.4	204.0	135.4	143.6	212.6	165.0
June 15.....	185.2	226.9	204.0	135.7	143.6	212.5	164.8
July 15 ¹	185.5	227.7	203.3	136.2	144.0	212.4	165.0

¹ A special survey of food prices indicated a decline of 0.9 percent between July 15 and the end of the month.

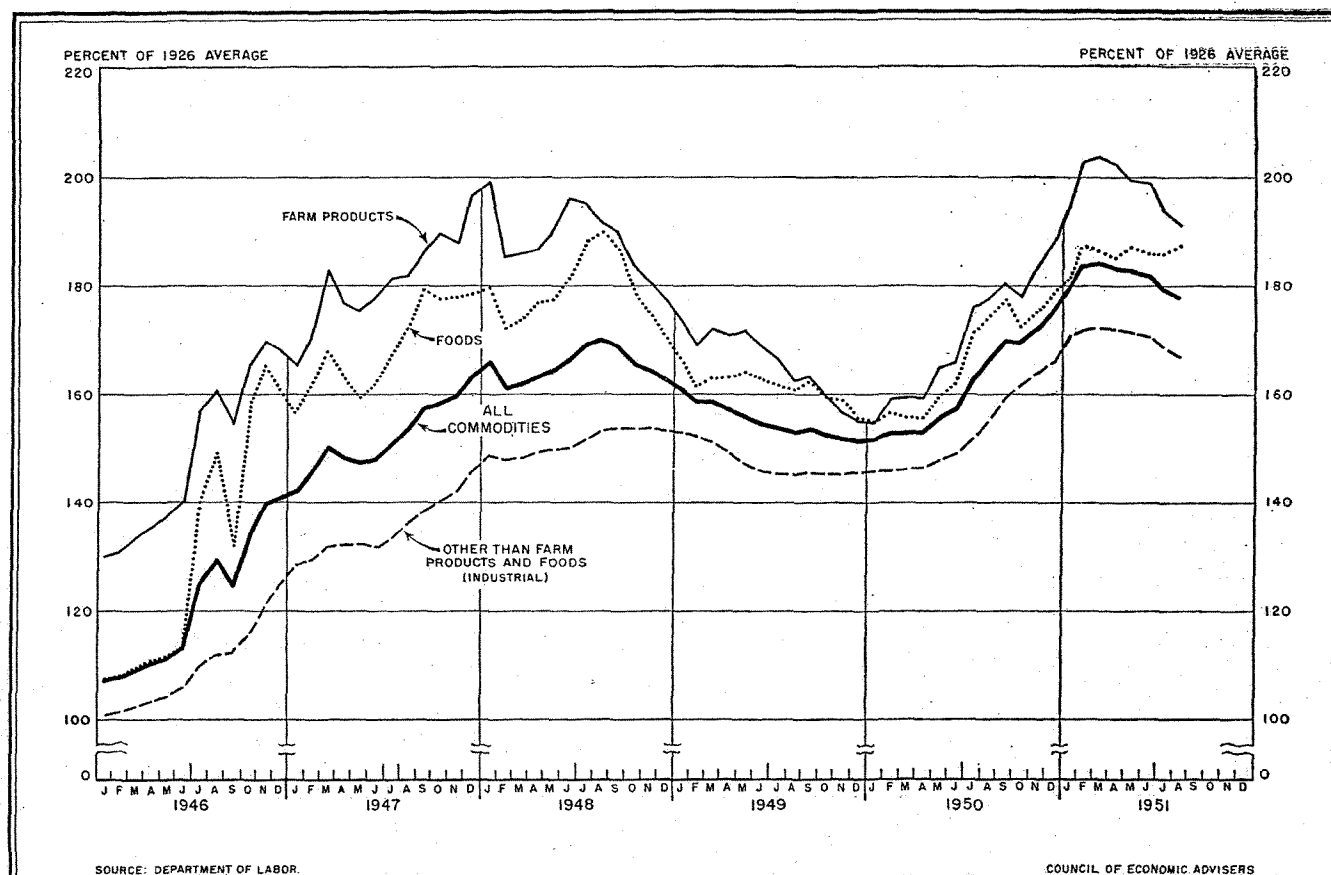
NOTE.—Prices are for moderate-income families in large cities.

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 1960, in commodity coverage and weighting were linked into the index providing an improved and consistent series.

WHOLESALE PRICES

The regularity of the slow decline in wholesale prices was broken in August, as both farm and food prices fluctuated.



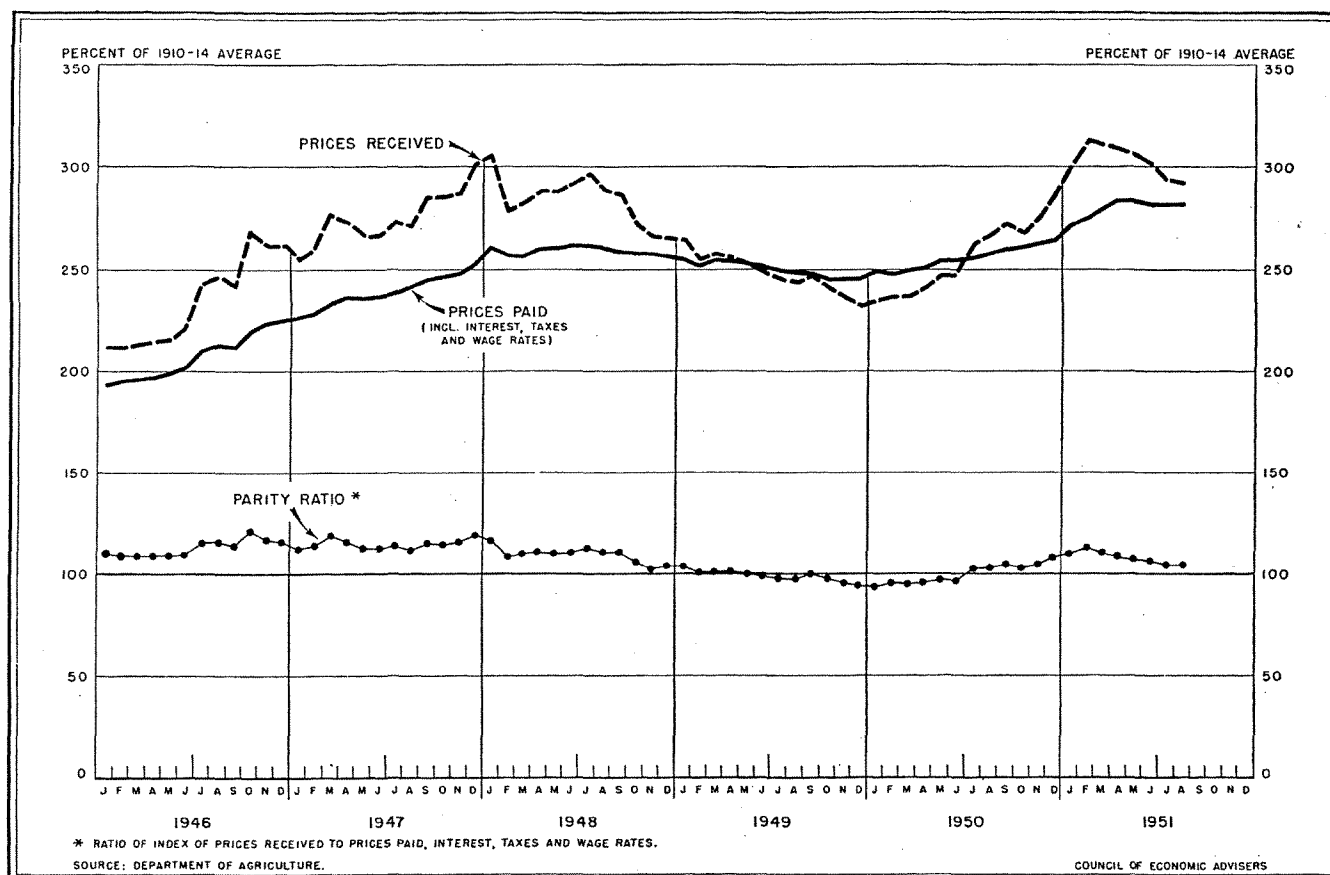
[1926=100]

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: July.....	162.9	176.0	171.4	151.6
August.....	166.4	177.6	174.6	155.2
September.....	169.5	180.4	177.2	159.5
October.....	169.1	177.8	172.5	161.5
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.....	183.6	202.5	185.8	172.3
May.....	182.9	199.6	187.3	171.7
June.....	181.7	198.6	186.3	170.5
July.....	179.5	194.0	186.0	168.7
August ¹	177.7	191.1	187.3	166.8
Week ended:				
1951: August 7.....	177.8	192.0	188.7	166.3
14.....	177.2	190.9	187.4	166.1
21.....	176.7	188.6	186.0	165.9
28.....	176.8	188.7	187.4	165.9
September 4.....	176.7	188.4	187.9	165.9

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

PRICES RECEIVED AND PAID BY FARMERS

Farm prices have dropped steadily since February. The drop in August was less than 1 percent and not enough to change the parity ratio of 104.



[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	239	115
1948 monthly average.....	285	259	110
1949 monthly average.....	249	250	100
1950 monthly average.....	256	255	100
1950: 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	282	107
July 15.....	294	282	104
August 15.....	292	282	104

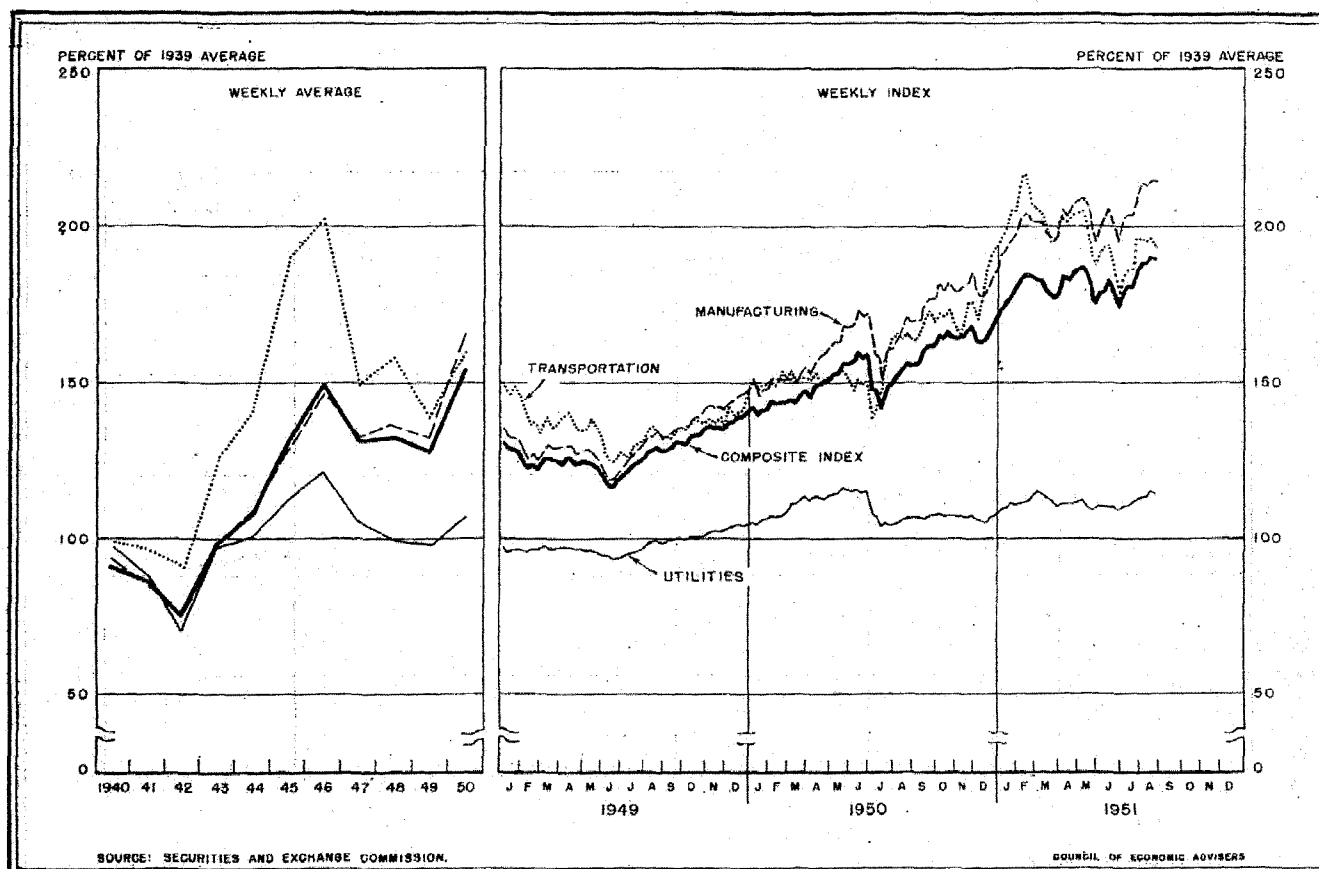
¹ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates.

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

The composite index of stock prices, advancing rapidly in August, was above its high level reached earlier this year. Most groups showed a slight decline in the last week of the month, but rose sharply in the first week of September.



[1939=100]								
Period	Com- posite index ¹	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: 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
July.....	181.8	204.4	170.3	236.2	187.9	111.2	202.2	195.2
August.....	189.1	214.0	177.7	248.0	195.1	113.9	205.5	217.4
Week ended:								
1951: August 4.....	188.7	213.7	176.0	249.0	195.9	113.2	204.6	217.3
11.....	188.2	212.9	176.6	246.8	195.3	113.3	205.6	213.8
18.....	190.1	214.9	179.6	248.0	196.1	115.1	206.4	217.9
25.....	189.4	214.6	178.5	248.3	193.2	114.0	205.5	220.6
September 1 ²	192.2	218.0	181.8	251.8	197.0	114.9	207.9	223.5

¹ 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.

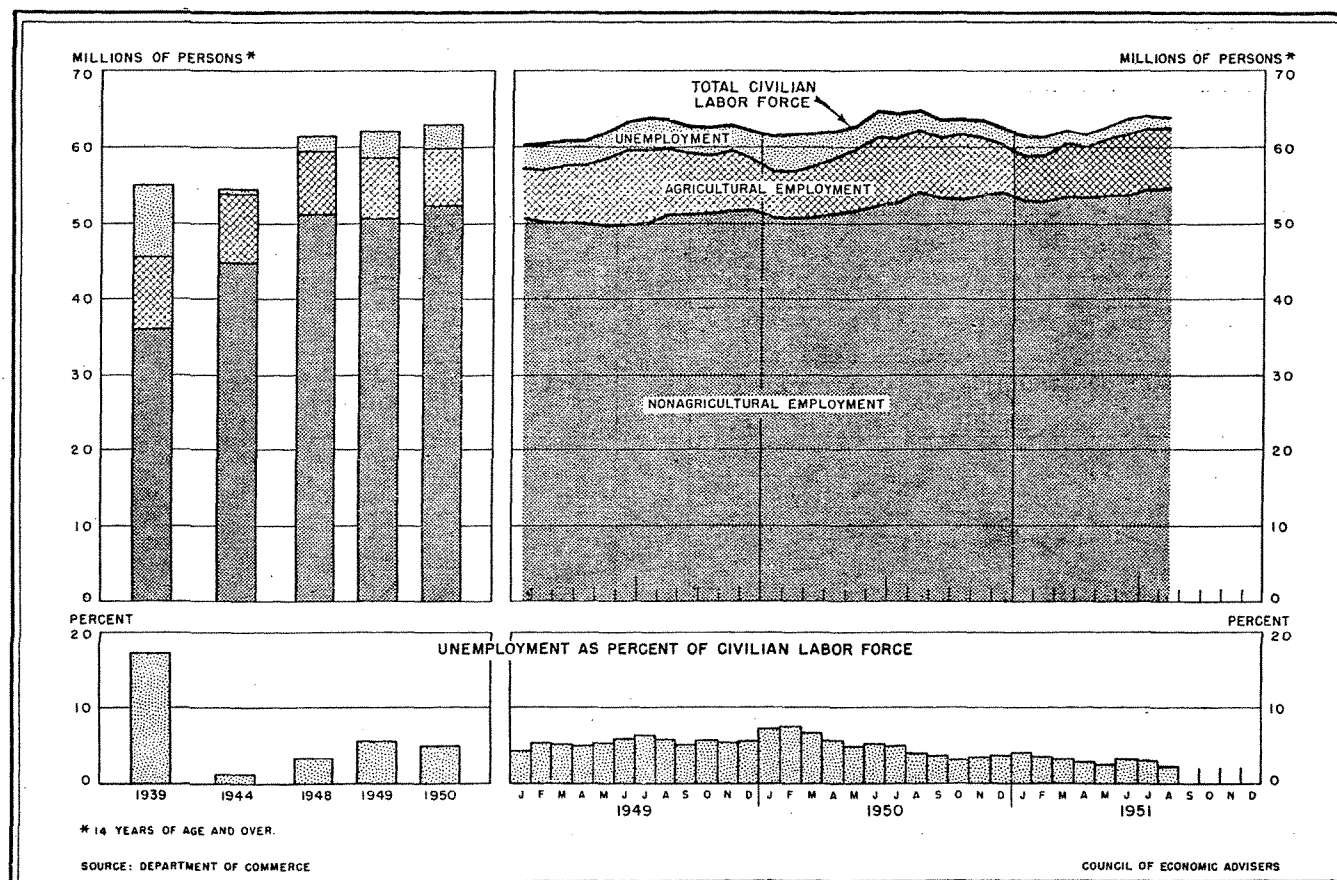
² Data became available after chart was prepared.

Source: Securities and Exchange Commission.

EMPLOYMENT AND WAGES

CIVILIAN LABOR FORCE

Nonagricultural employment increased in August to a new postwar high of 54.9 million, but the increase was less than in any August since 1945. Agricultural employment declined seasonally. Unemployment fell to slightly over 1½ million persons—the lowest level reached in any month since World War II.



Period	Civilian labor force					Unemployment as percent of total civilian labor force
	Total	Employment ¹			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: 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
July.....	64, 382	62, 526	7, 908	54, 618	1, 856	2. 9
August.....	64, 208	62, 630	7, 688	54, 942	1, 578	2. 5

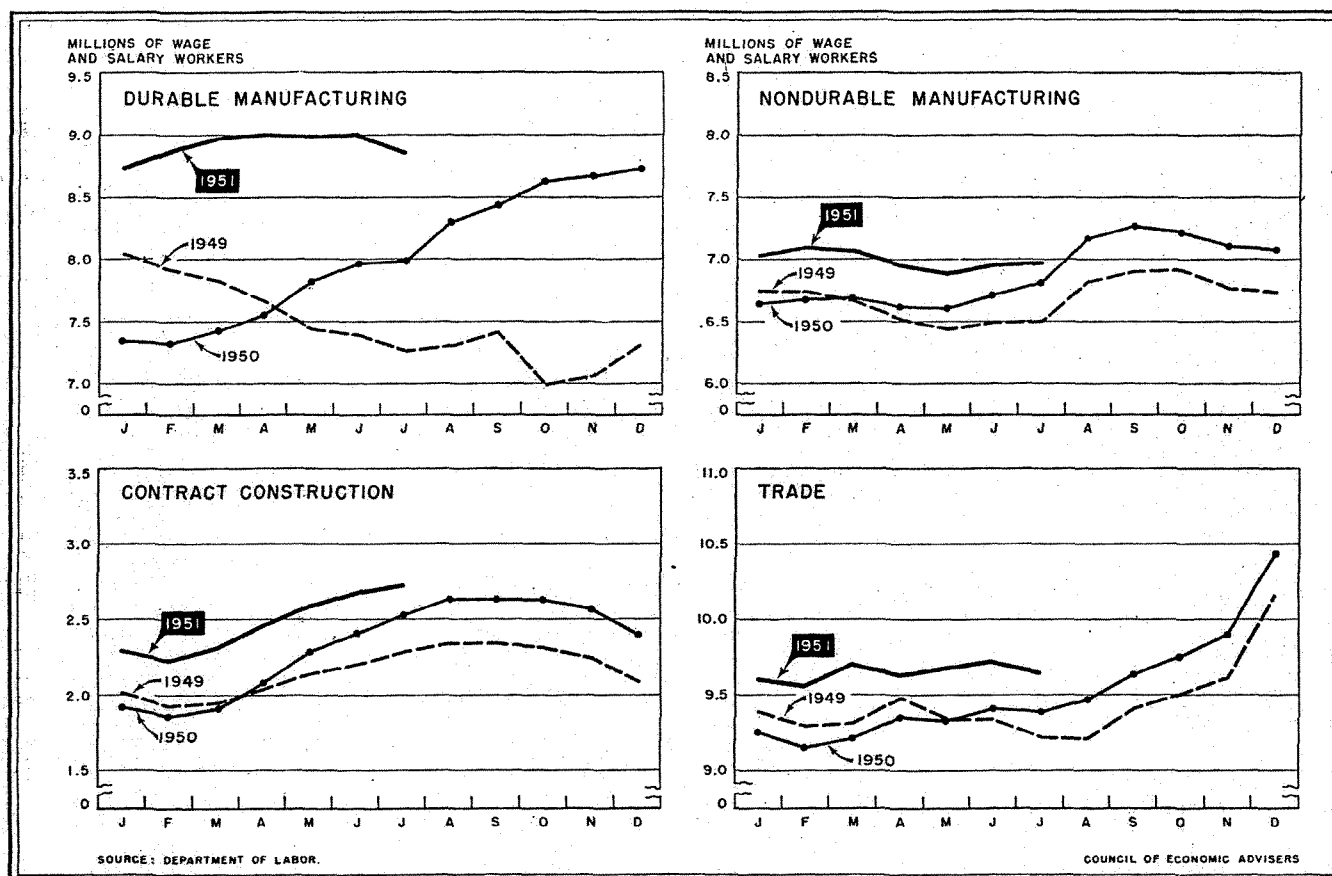
¹ Includes part-time workers and those who had jobs but were not at work for such reasons as vacation, illness, bad weather, temporary lay-off, and industrial disputes.

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

Source: Department of Commerce.

NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Manufacturing employment declined about 100,000 in July, partly reflecting short-term layoffs of workers ineligible for vacation pay during plant shutdowns. Construction employment hit a new peak.



[Thousands of wage and salary workers ¹]

Period	Manufacturing			Contract construction	Trade	Finance and service	Government (Federal, State, local)	Transportation and public utilities	Mining
	Total	Durable goods	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: 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.....	16, 022	8, 969	7, 053	2, 326	9, 713	6, 536	6, 217	4, 112	924
April.....	15, 955	9, 003	6, 952	2, 471	9, 627	6, 610	6, 292	4, 132	911
May ²	15, 873	8, 987	6, 886	2, 592	9, 676	6, 663	6, 377	4, 138	913
June ²	15, 964	9, 006	6, 958	2, 683	9, 728	6, 727	6, 377	4, 161	923
July ²	15, 830	8, 858	6, 972	2, 726	9, 656	6, 759	6, 356	4, 166	896

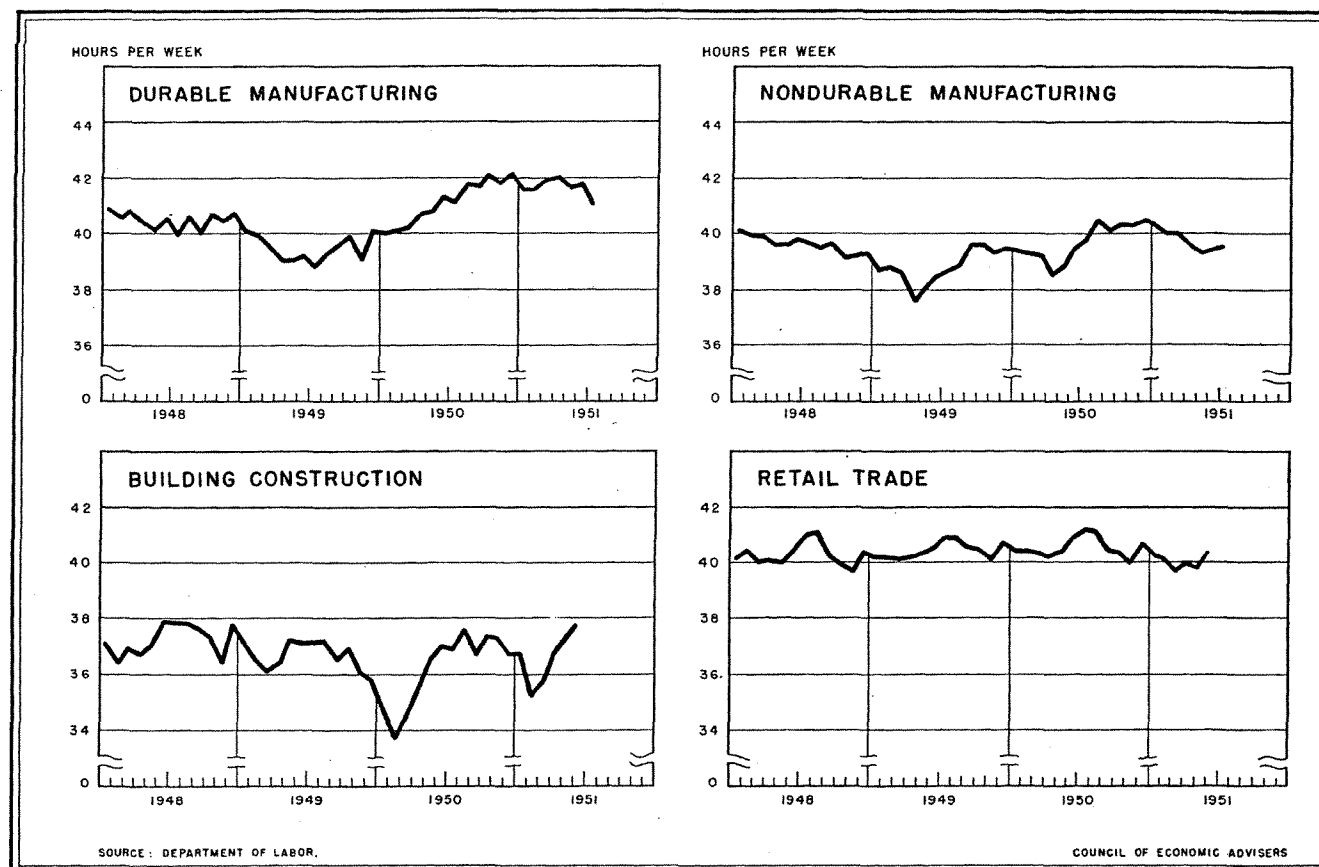
¹ Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked or received pay during the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total derived from this 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 July, the decline in the average workweek in durable goods manufacturing of over $\frac{3}{4}$ of an hour was largely the result of widespread vacation shutdowns. Hours worked in nondurable goods industries showed little change from June, but were somewhat below a year ago.



[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
1950 monthly average.....	40.5	41.2	39.7	36.3	40.5
1950: 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	35.3	40.1
March.....	41.1	41.9	40.0	35.8	39.7
April.....	41.0	42.0	39.7	36.8	39.9
May ³	40.7	41.7	39.3	37.5	39.8
June ³	40.8	41.8	39.4	37.8	40.4
July ³	40.4	41.0	39.5	(²)	(²)

¹ For production and related workers.

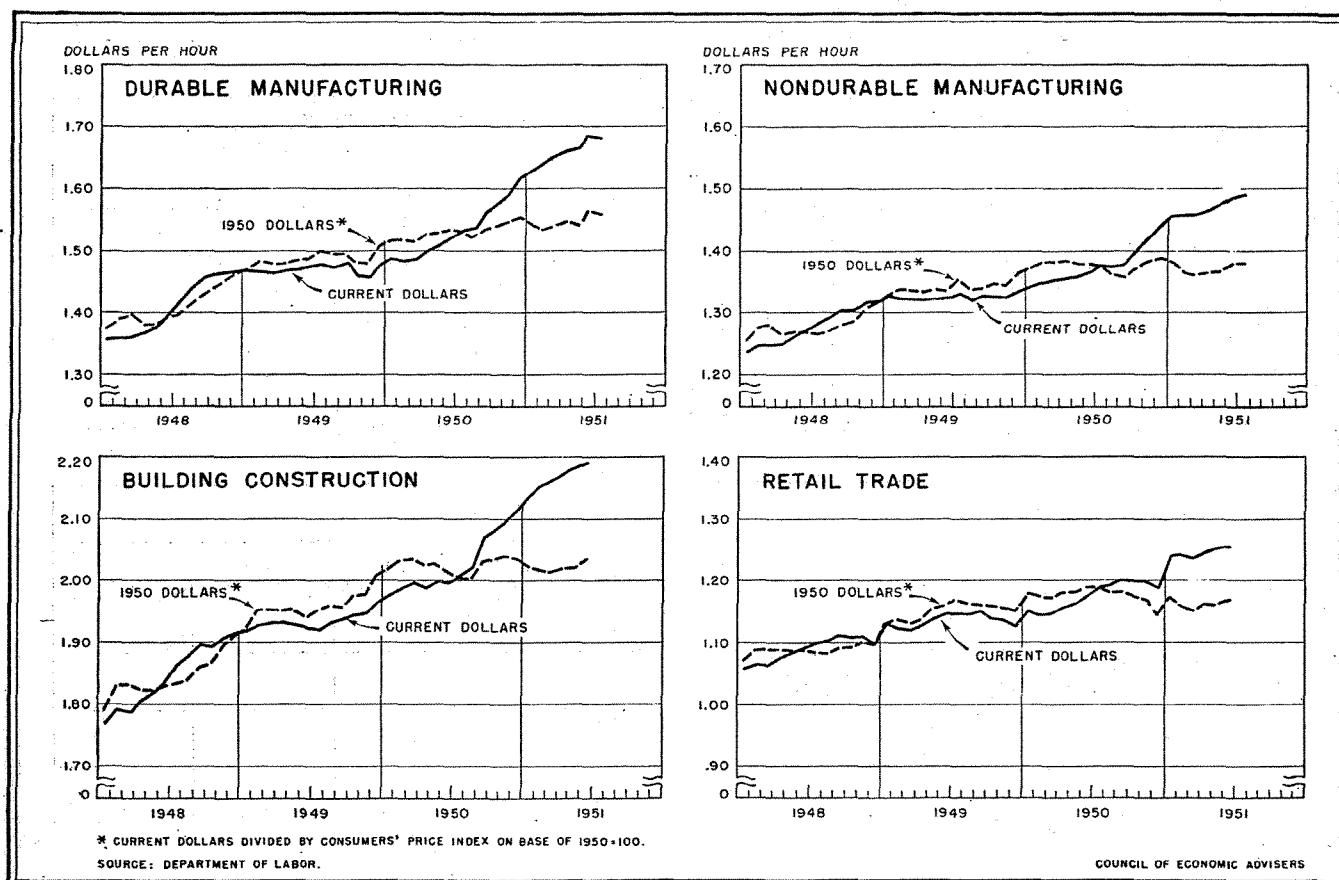
² Not available.

³ Preliminary estimates.

Source: Department of Labor.

AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Average hourly earnings in durable goods manufacturing declined slightly in July, the first decrease since February 1950. Nondurable goods earnings continued their steady advance.



[Production and related workers in selected industries]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹
1939 monthly average	\$0. 633	\$1. 090	\$0. 698	\$1. 201	\$0. 582	\$1. 002	(2)	(2)	(2)	(2)
1943 monthly average	. 961	1. 335	1. 059	1. 471	. 803	1. 115	(2)	(2)	(2)	(2)
1946 monthly average	1. 086	1. 337	1. 156	1. 424	1. 015	1. 250	(2)	(2)	(2)	(2)
1947 monthly average	1. 237	1. 333	1. 292	1. 392	1. 171	1. 262	(2)	(2)	\$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: 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. 157	2. 018	1. 236	1. 156
March	1. 571	1. 464	1. 654	1. 541	1. 460	1. 361	2. 163	2. 016	1. 233	1. 149
April	1. 578	1. 469	1. 659	1. 545	1. 465	1. 364	2. 167	2. 018	1. 249	1. 163
May ³	1. 586	1. 470	1. 664	1. 542	1. 475	1. 367	2. 179	2. 019	1. 253	1. 161
June ³	1. 601	1. 487	1. 684	1. 564	1. 484	1. 378	2. 191	2. 034	1. 257	1. 167
July ³	1. 598	1. 481	1. 681	1. 558	1. 488	1. 379	(2)	(2)	(2)	(2)

¹ Current dollars divided by consumers' price index on base 1950=100.

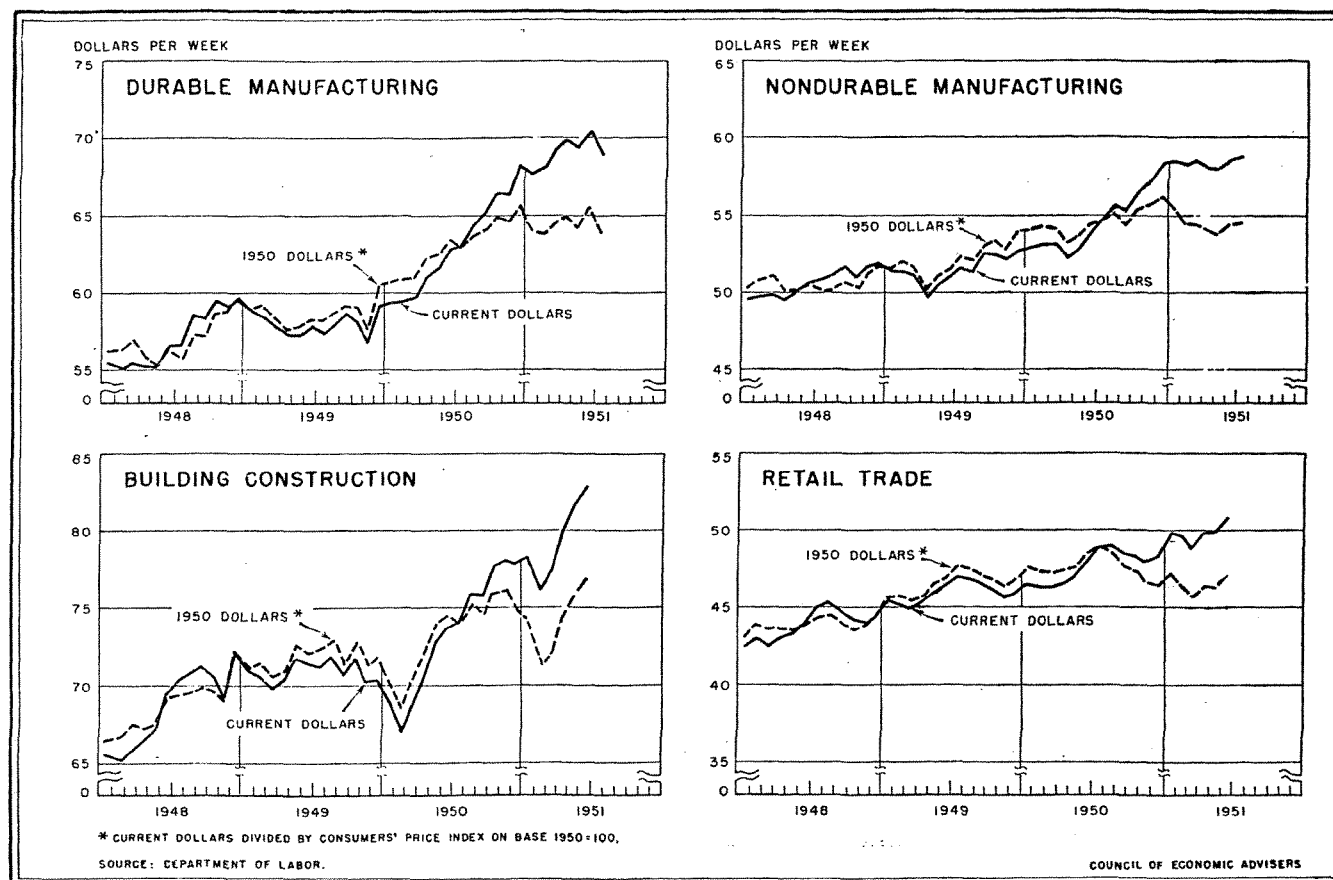
² Not available.

³ Preliminary estimates.

Source: Department of Labor.

AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Reflecting the shorter workweek and reduced hourly earnings, average weekly earnings in durable goods industries declined almost \$1.50 in July.



[Production and related workers in selected industries]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹	Current dollars	1950 dollars ¹
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: 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	76.14	71.23	49.56	46.36
March.....	64.57	60.18	69.30	64.59	58.40	54.43	77.44	72.17	48.95	45.62
April.....	64.70	60.24	69.68	64.88	58.16	54.15	79.75	74.26	49.84	46.41
May ³	64.55	59.82	69.39	64.31	57.97	53.73	81.71	75.73	49.87	46.22
June ³	65.32	60.65	70.39	65.36	58.47	54.29	82.82	76.90	50.78	47.15
July ³	64.56	59.83	68.92	63.87	58.78	54.48	(2)	(2)	(2)	(2)

¹ Current dollars divided by consumers' price index on base 1950=100.

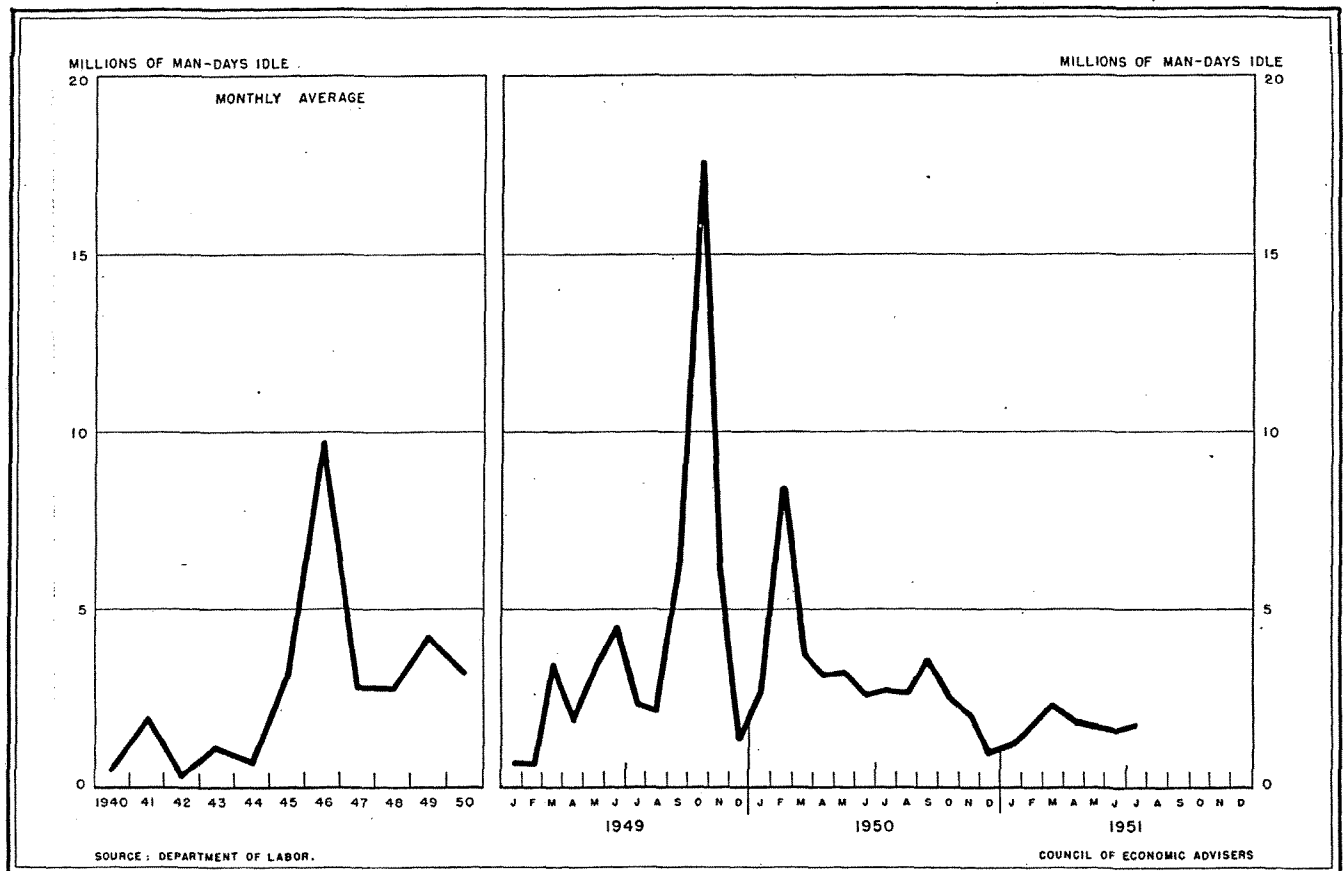
² Not available.

³ Preliminary estimates.

Source: Department of Labor.

WORK STOPPAGES

Man-days of idleness increased in July due to a larger number of work stoppages which were of brief duration.



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: 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 ¹	1,200	.15	185	215	400	550
February ¹	1,700	.25	220	300	350	550
March ¹	2,300	.29	140	280	350	550
April ¹	1,850	.25	165	235	350	550
May ¹	1,750	.22	150	250	400	580
June ¹	1,600	.21	190	260	375	560
July ¹	1,750	.23	250	320	425	600

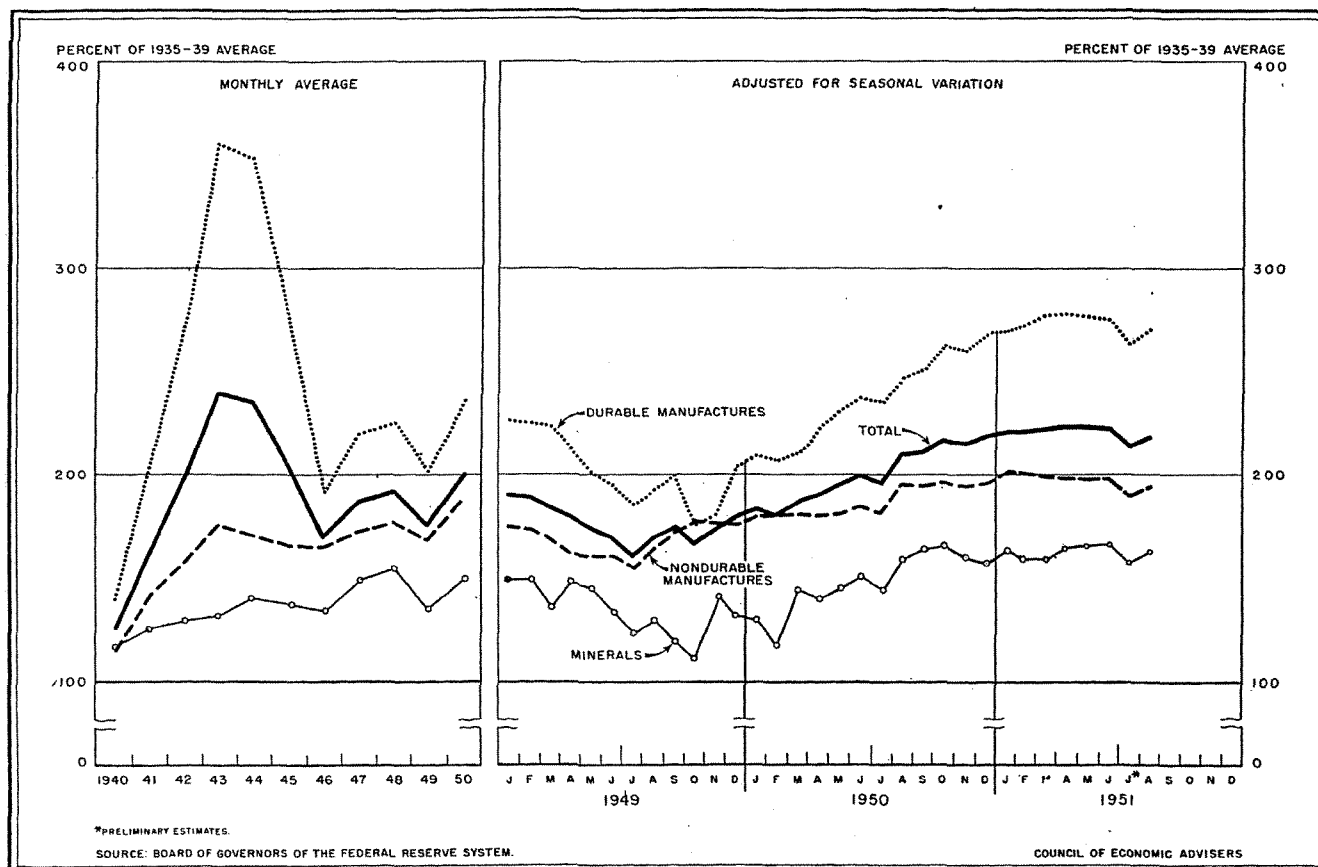
¹ Preliminary estimates.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

Although industrial production in August recovered part of the July drop, it was still below the average for the first half of this year. Lower automobile production was a prime factor in holding durable manufacturing below its previous peak rates, while in the nondurable sector, the most important influence was continued slackness in the textile industry.



[1935-39=100, seasonally adjusted]

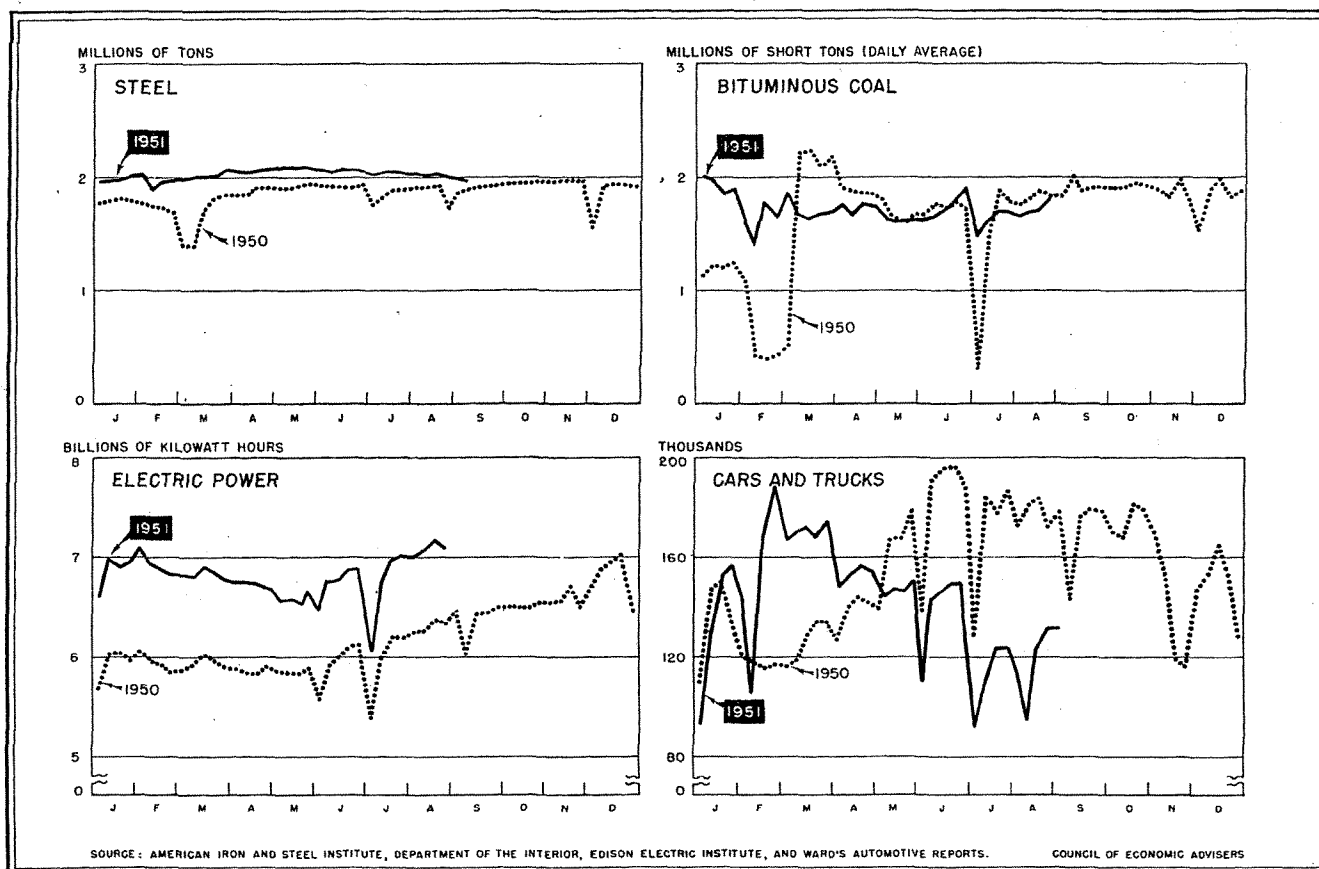
Period	Total industrial production	Manufactures			Minerals
		Total	Durable goods	Nondurable goods	
1943 monthly average.....	239	258	360	176	132
1946 monthly average.....	170	177	192	165	134
1947 monthly average.....	187	194	220	172	149
1948 monthly average.....	192	198	225	177	155
1949 monthly average.....	176	183	202	168	135
1950 monthly average.....	200	209	237	187	148
1950: 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.....	222	234	277	199	158
April.....	223	234	279	198	164
May.....	223	233	276	198	165
June.....	222	232	275	198	166
July ¹	213	222	263	190	157
August ¹	218	228	270	194	163

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

WEEKLY PRODUCTION - SELECTED INDICATORS

In August, scheduled production of steel was above the rate of output in July, when production fell below theoretical capacity for the first time since early in the year; electric power climbed above 7 billion kilowatt-hours per week. Motor-vehicle assemblies rose to 132,000 units at the end of August.



Period	Steel ¹		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			
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: 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, 980	133, 950
February-----	1, 941	97. 1	6, 948	1, 685	151, 052
March-----	2, 048	102. 4	6, 827	1, 662	170, 253
April-----	2, 061	103. 1	6, 722	1, 734	152, 948
May-----	2, 053	102. 7	6, 557	1, 638	140, 461
June-----	2, 018	103. 1	6, 804	1, 726	147, 582
July-----	1, 967	101. 4	6, 699	1, 706	112, 166
August ³ -----	2, 016	100. 9	7, 078	1, 720	119, 496
Week ended:					
1951: August 4-----	2, 029	101. 5	7, 003	1, 668	115, 267
11-----	2, 021	101. 1	7, 070	1, 696	95, 061
18-----	2, 029	101. 5	7, 164	1, 715	122, 995
25-----	2, 007	100. 4	7, 077	1, 800	131, 949
September 1-----	1, 995	99. 8	7, 146	-----	132, 209
8-----	1, 965	98. 3	-----	-----	-----

¹ Weekly data are scheduled rates of operation; monthly figures are for actual output except latest month which is an average of the weekly estimates. Percent of capacity based on weekly net ton capacity of 1,740,928 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.

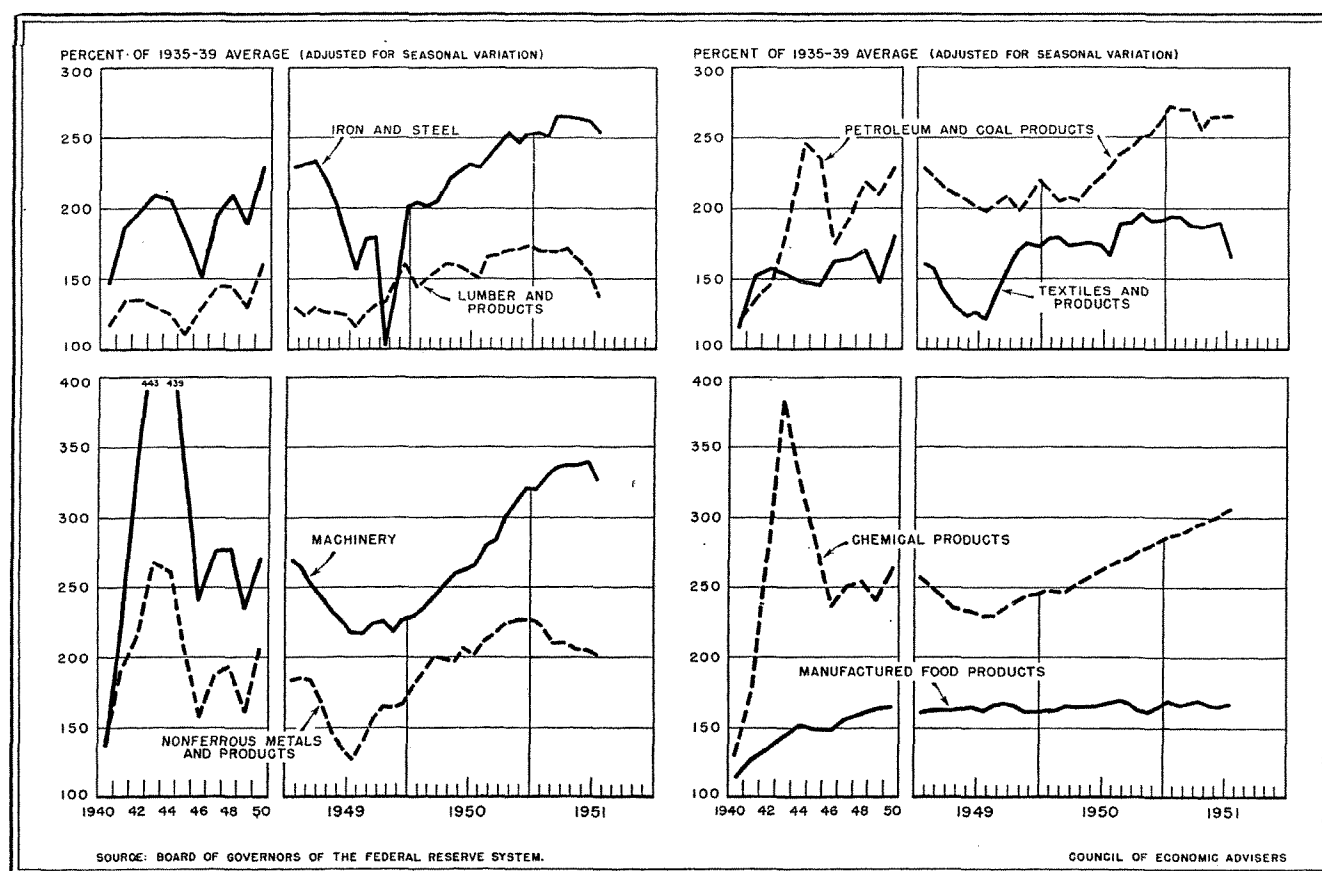
² Daily average for week.

³ 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

Production of most durable goods declined in July. Divergent trends were evidenced in the nondurable segment with textiles declining markedly and other industries showing some upward movement.



[1935-39=100, seasonally adjusted]

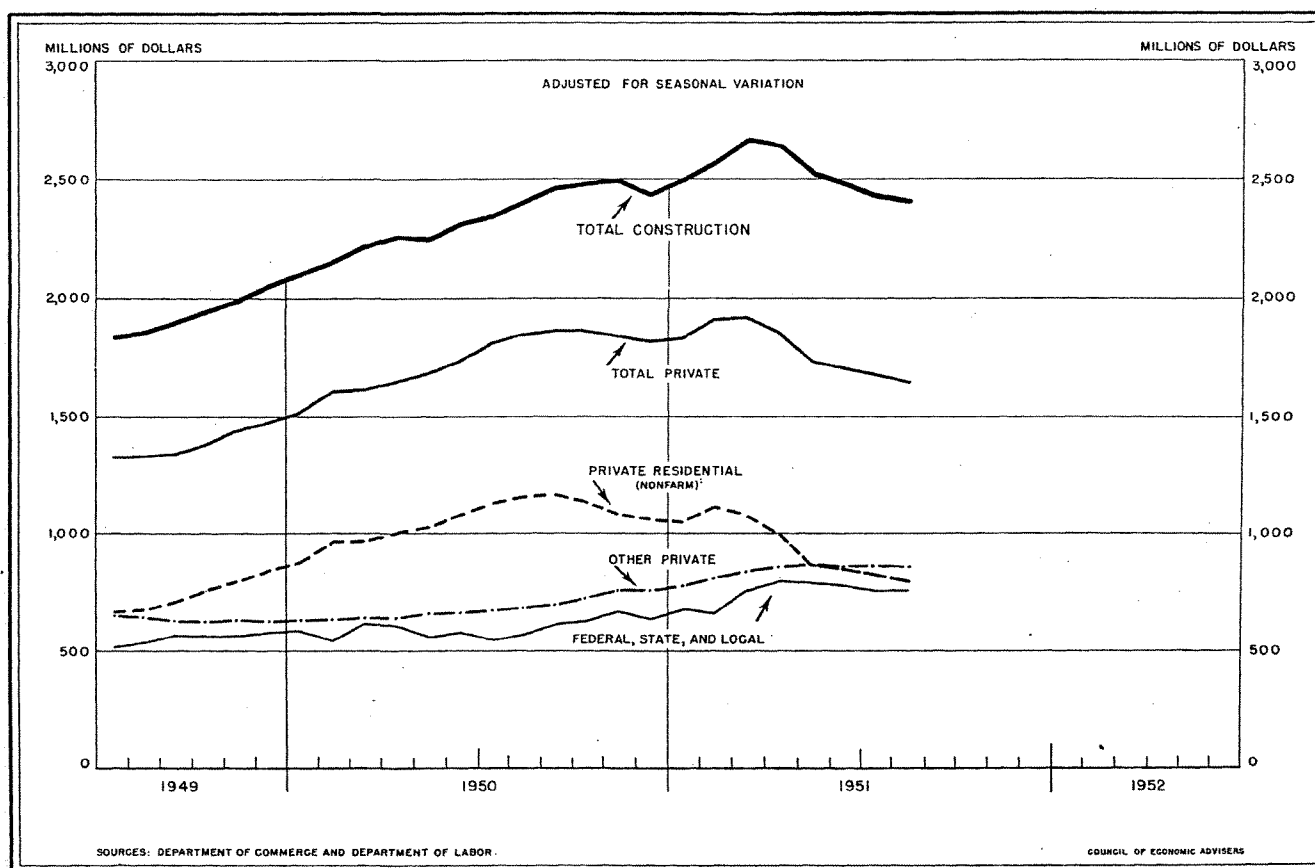
Period	Durable manufactures				Nondurable manufactures			
	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1943 monthly average.....	208	129	443	267	153	185	145	384
1946 monthly 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: 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.....	255	171	322	224	194	272	168	287
February.....	252	169	328	217	194	269	166	288
March.....	263	169	335	209	188	269	167	292
April.....	264	170	337	210	185	255	168	296
May.....	263	163	337	205	190	263	166	298
June.....	261	154	339	205	190	264	165	302
July ¹	253	137	327	202	164	264	166	306

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

In August, slight declines in both residential and nonresidential types of private construction lowered total outlays on new construction to about the level of a year ago.



[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
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: 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.....	2,523	1,733	864	869	790
June.....	2,482	1,704	846	858	778
July.....	2,432	1,682	822	860	750
August ²	2,403	1,647	793	854	756

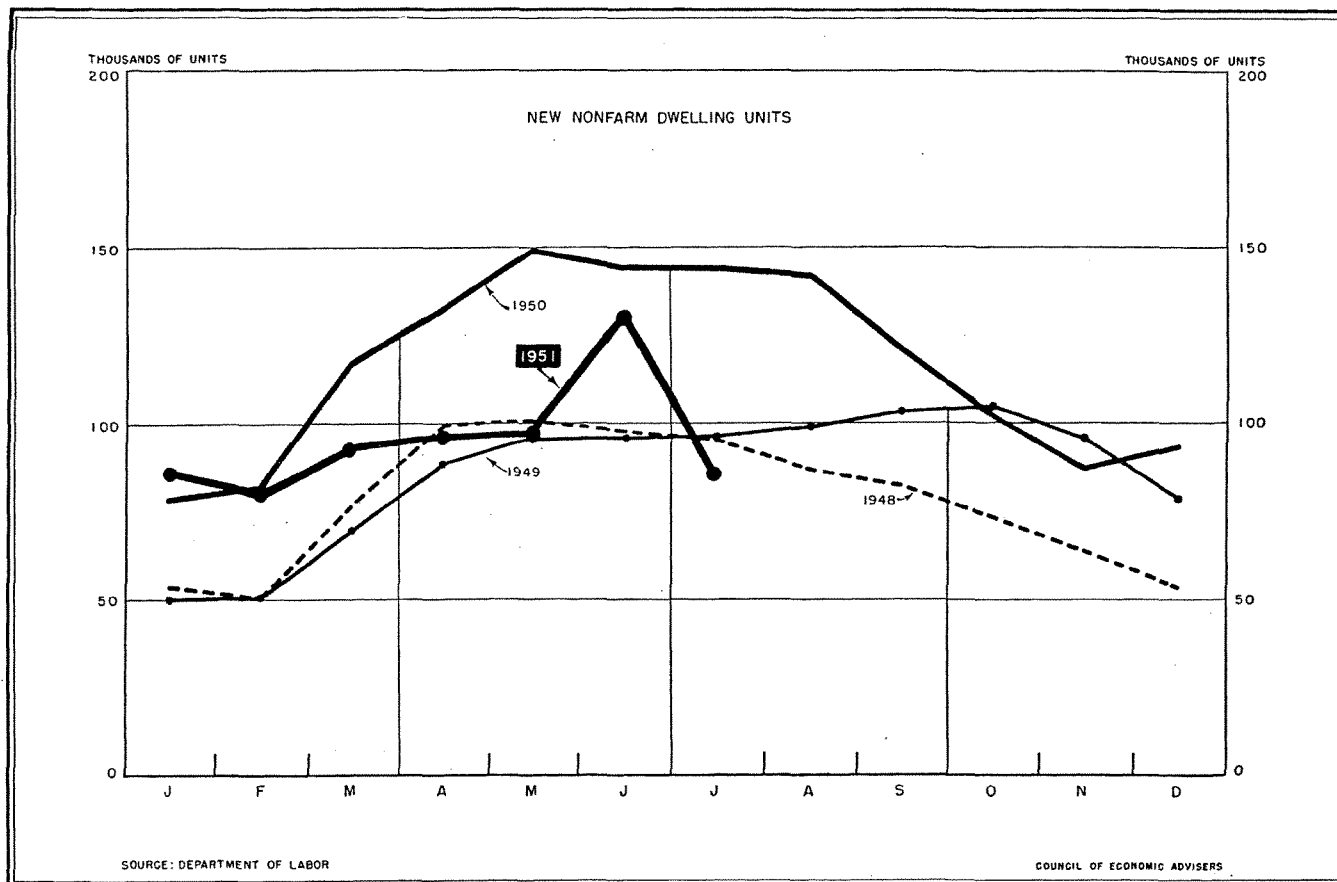
¹ Includes public residential construction.

² Preliminary estimates.

Sources: Department of Commerce and Department of Labor.

NEW HOUSING STARTS

In July new housing starts took an extremely sharp drop to the lowest July level since 1947.



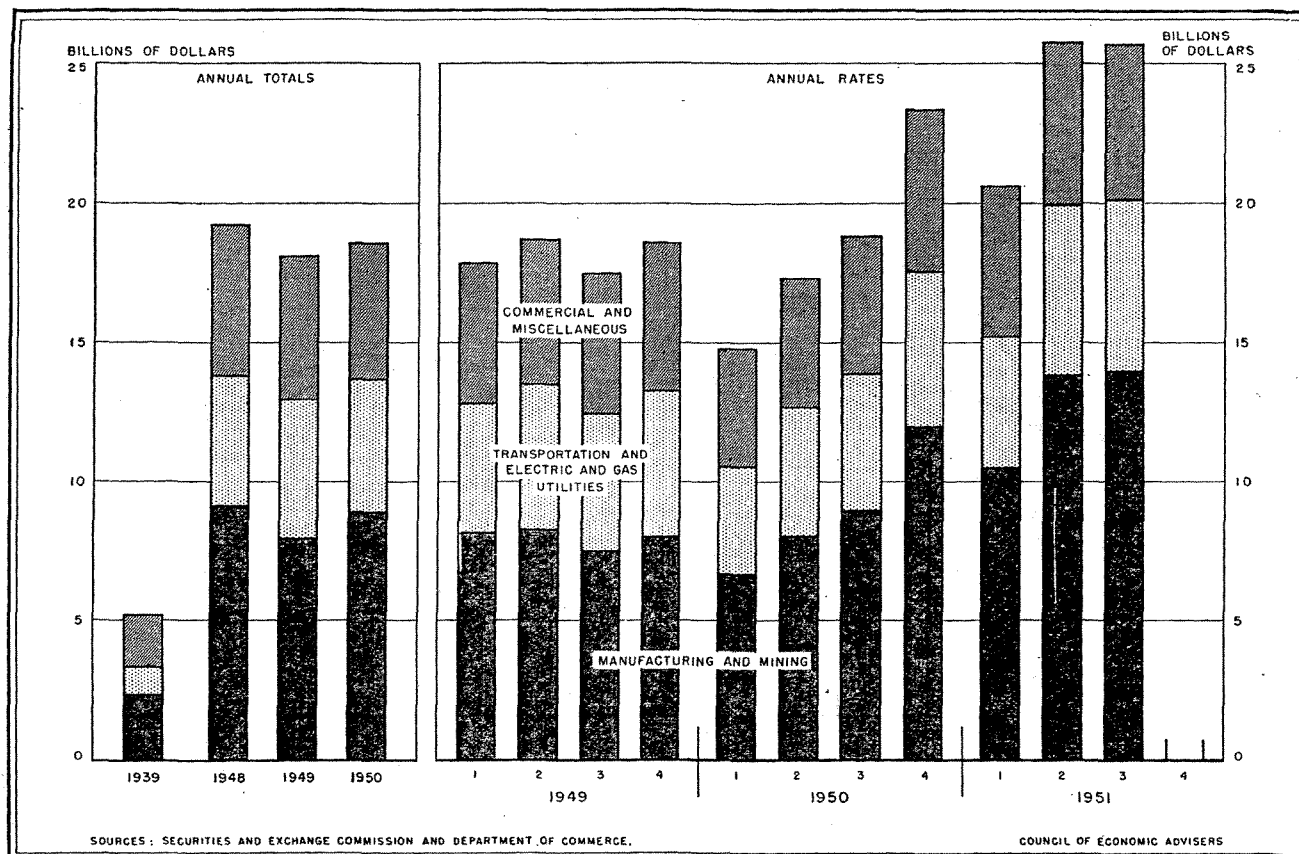
Month	New nonfarm units started				
	1947	1948	1949	1950	1951
January.....	39,300	53,500	50,000	78,700	85,900
February.....	42,800	50,100	50,400	82,900	80,600
March.....	56,000	76,400	69,400	117,300	93,800
April.....	67,100	99,500	88,300	133,400	96,200
May.....	72,900	100,300	95,400	149,100	¹ 97,000
June.....	77,200	97,800	95,500	144,300	¹ 130,000
July.....	81,100	95,000	96,100	144,400	¹ 86,000
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	-----

¹ 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 ¹	Manufacturing	Mining	Transportation		Electric and gas utilities	Commercial and miscellaneous ²
				Railroad	Other		
1939.....	5,200	1,930	380	280	280	480	1,850
1941.....	8,190	3,400	680	560	340	710	2,490
1945.....	6,630	3,210	440	550	320	630	1,480
1948.....	19,230	8,340	800	1,320	700	2,680	5,390
1949.....	18,120	7,250	740	1,350	520	3,140	5,120
1950.....	18,560	8,220	680	1,140	440	3,170	4,920
1949: First quarter.....	17,850	7,410	760	1,420	520	2,710	5,020
Second quarter.....	18,640	7,520	770	1,530	550	3,120	5,150
Third quarter.....	17,470	6,770	720	1,240	540	3,180	5,030
Fourth quarter.....	18,530	7,300	700	1,210	480	3,550	5,280
1950: First quarter.....	14,800	6,100	580	930	320	2,610	4,260
Second quarter.....	17,310	7,440	640	1,190	360	3,030	4,650
Third quarter.....	18,800	8,190	720	1,140	490	3,280	4,980
Fourth quarter.....	23,330	11,160	790	1,280	580	3,740	5,780
1951: First quarter.....	20,650	9,820	730	1,210	500	3,010	5,380
Second quarter ³	25,700	12,970	890	1,770	560	3,810	5,700
Third quarter ³	25,610	13,100	860	1,660	510	4,010	5,470

¹ Excludes agriculture.

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

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

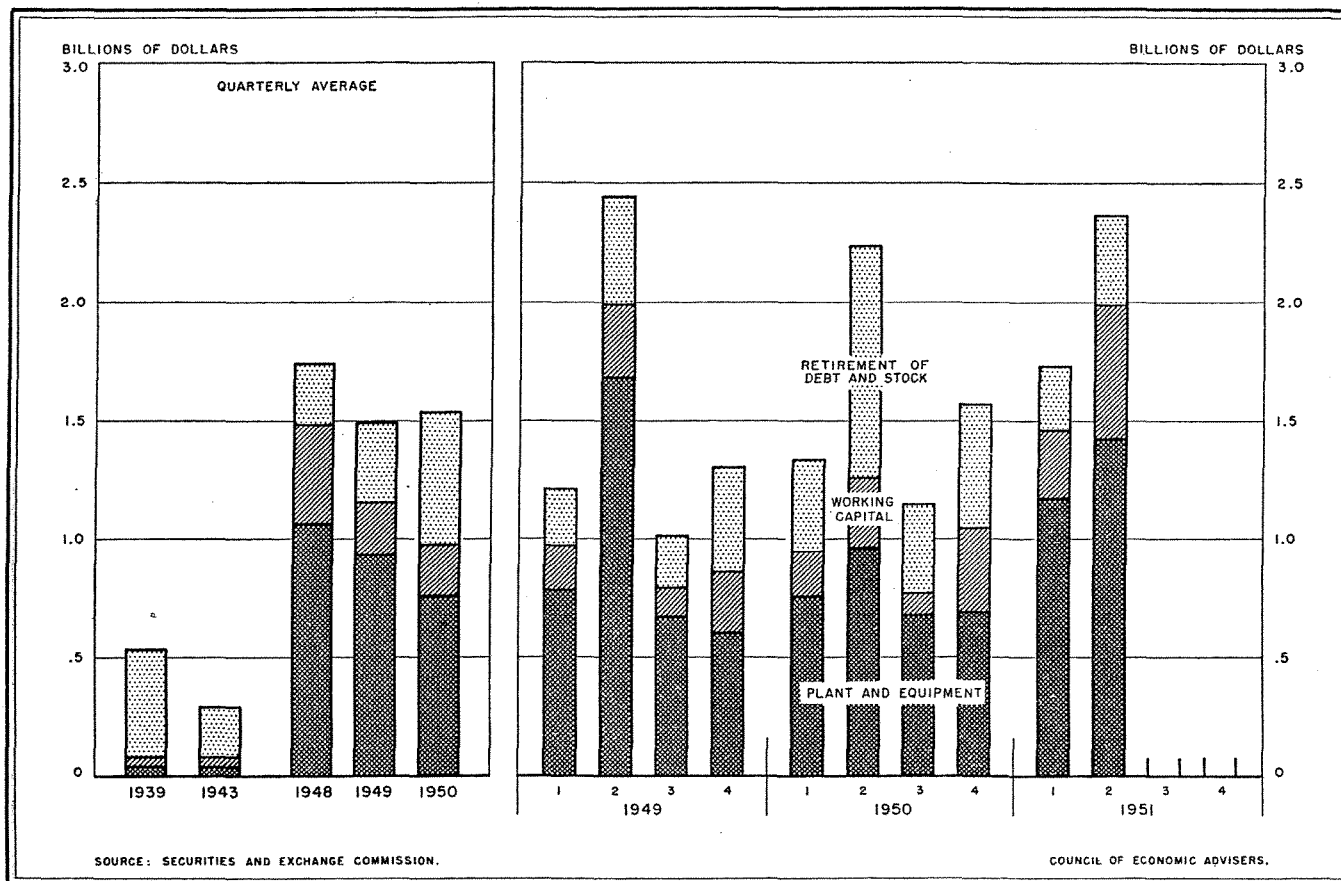
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal 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 second quarter of 1951, net proceeds from new security issues again increased sharply, to almost \$2.4 billion. Three-fifths of this amount was used for plant expansion.



[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	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.....	1,145	771	571	200	374
Fourth quarter.....	1,569	1,044	687	356	525
1951: First quarter.....	1,730	1,461	1,167	293	270
Second quarter ²	2,361	1,987	1,422	565	374

¹ Includes small amount for other purposes.

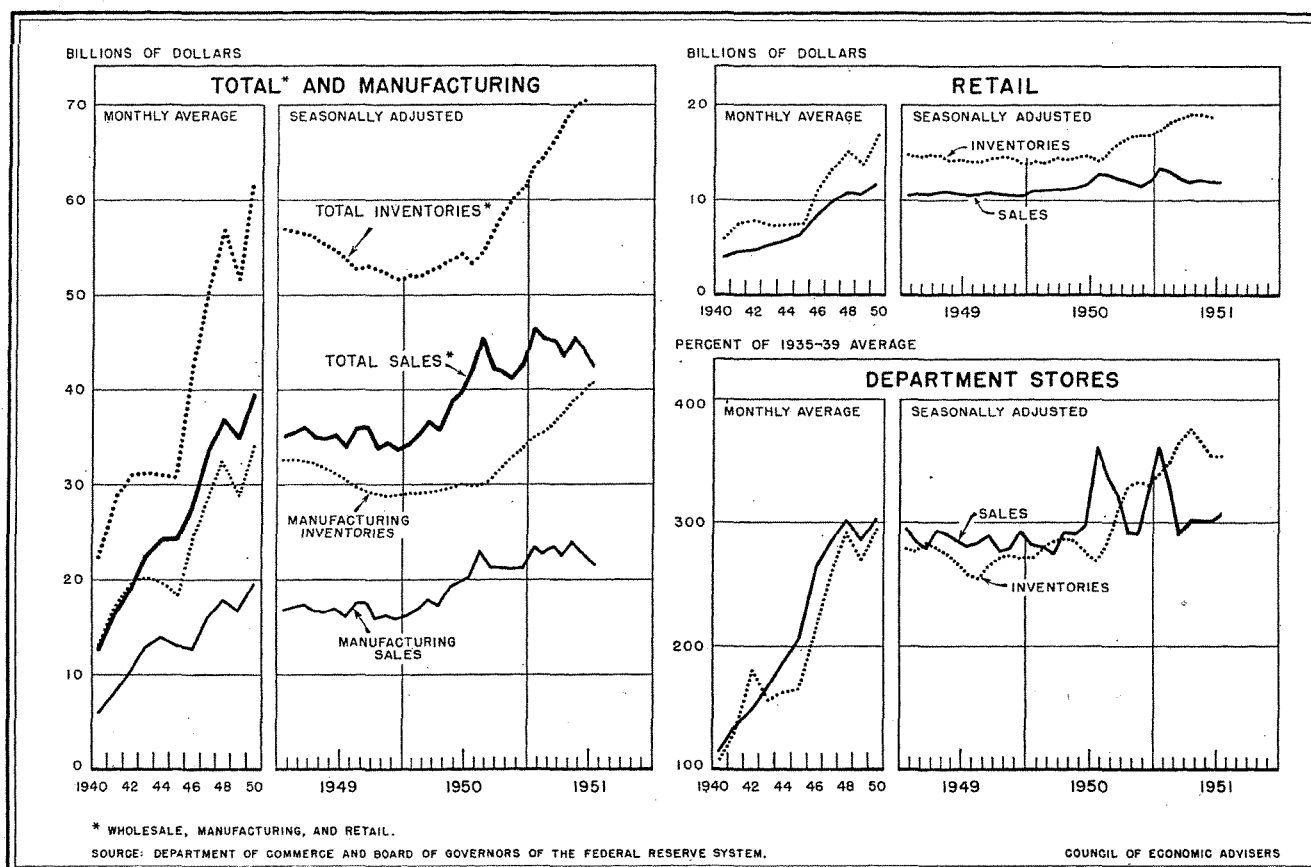
² Preliminary estimates.

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

Source: Securities and Exchange Commission.

INVENTORIES AND SALES

Total sales (seasonally adjusted) dropped about 4 percent in July as a result of declines at the manufacturing and wholesale levels. Manufacturers' inventories, also seasonally adjusted, continued to climb but at a slower pace than in recent months.



Period	Total business ¹		Retail		Manufacturing			Department stores	
	Inven- tories ²	Sales ³	Inven- tories ²	Sales ³	Inven- tories ²	Sales ³	New orders (millions of dollars) ⁴	Inven- tories ⁵	Sales ⁵
Millions of dollars, seasonally adjusted								1935-39=100, season- ally adjusted	
1939-----	20, 172	11, 109	5, 532	3, 504	11, 465	5, 100	(⁶)	102	106
1943-----	31, 143	22, 372	7, 361	5, 277	20, 098	12, 822	(⁶)	155	168
1945-----	30, 571	24, 181	7, 543	6, 315	18, 390	12, 883	(⁶)	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: June-----	54, 241	39, 896	14, 720	11, 699	30, 028	19, 838	20, 666	276	297
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-----	66, 458	45, 196	18, 642	12, 324	36, 415	23, 399	28, 574	366	291
April-----	68, 578	43, 546	18, 976	12, 025	37, 849	22, 389	23, 927	377	302
May ⁷ -----	69, 885	45, 556	18, 958	12, 075	38, 939	23, 838	23, 318	365	301
June ⁷ -----	70, 536	44, 264	18, 720	11, 910	39, 957	22, 758	23, 234	353	302
July ⁷ -----	70, 787	42, 453	18, 556	11, 870	40, 500	21, 500	20, 700	353	309

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

² Book value, end of period.

³ Monthly average for year and total for month.

⁴ Data for new orders not adjusted for seasonal variation.

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

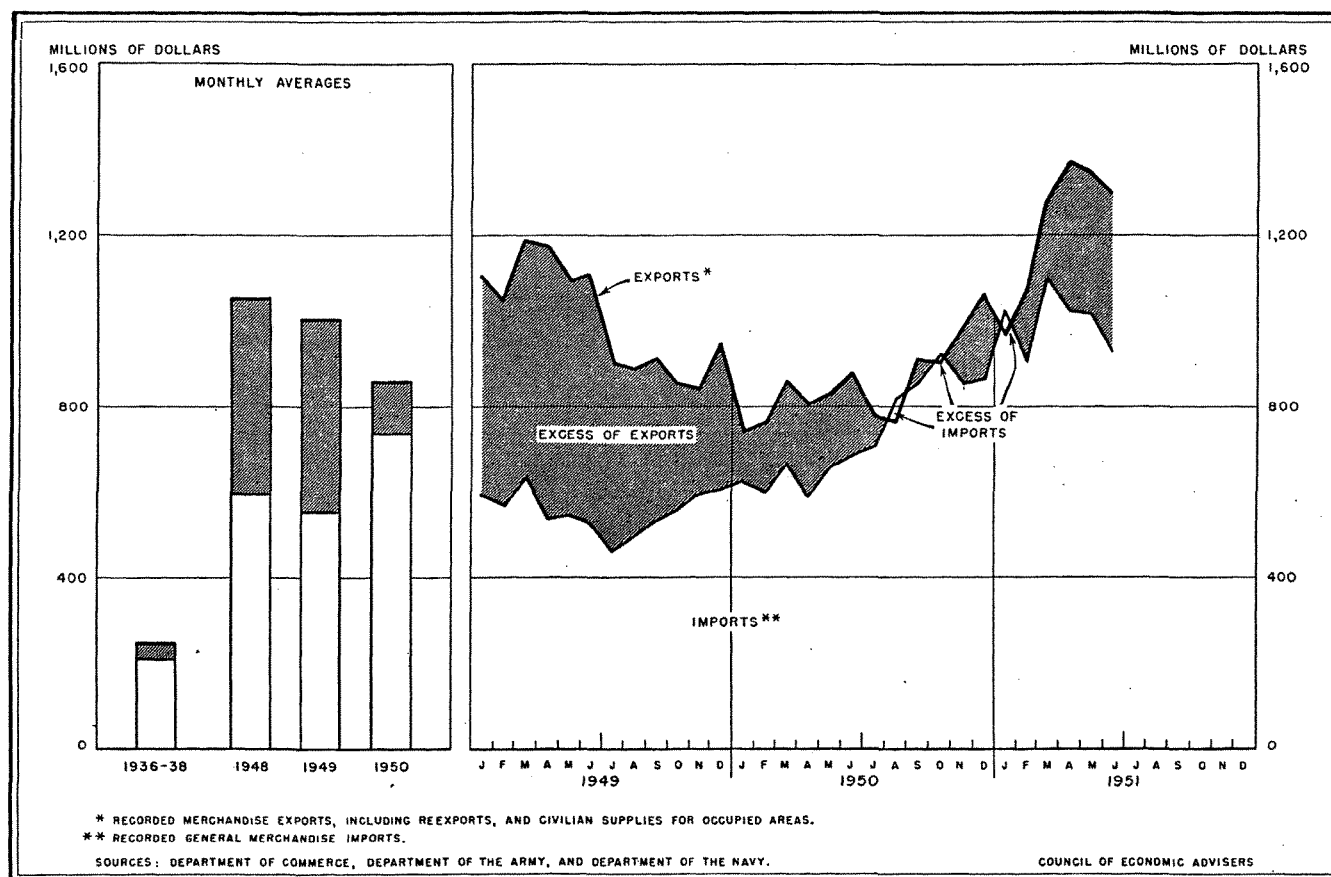
⁶ Not available.

⁷ Preliminary estimates.

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

MERCHANDISE EXPORTS AND IMPORTS

Imports declined by about 9 percent in June. This, combined with a smaller decline in exports, caused the export surplus to increase.



[Millions of dollars]

Period	Exports ¹	Imports ²	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	738	+119
1950: June.....	878	687	+191
July.....	779	709	+70
August.....	762	820	-59
September.....	911	862	+49
October.....	906	923	-17
November.....	978	854	+124
December.....	1,065	867	+199
1951: January.....	972	1,024	-51
February.....	1,076	909	+167
March.....	1,284	1,099	+185
April.....	1,370	1,025	+345
May.....	1,353	1,018	+335
June.....	1,293	930	+363

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

² Recorded general merchandise imports.

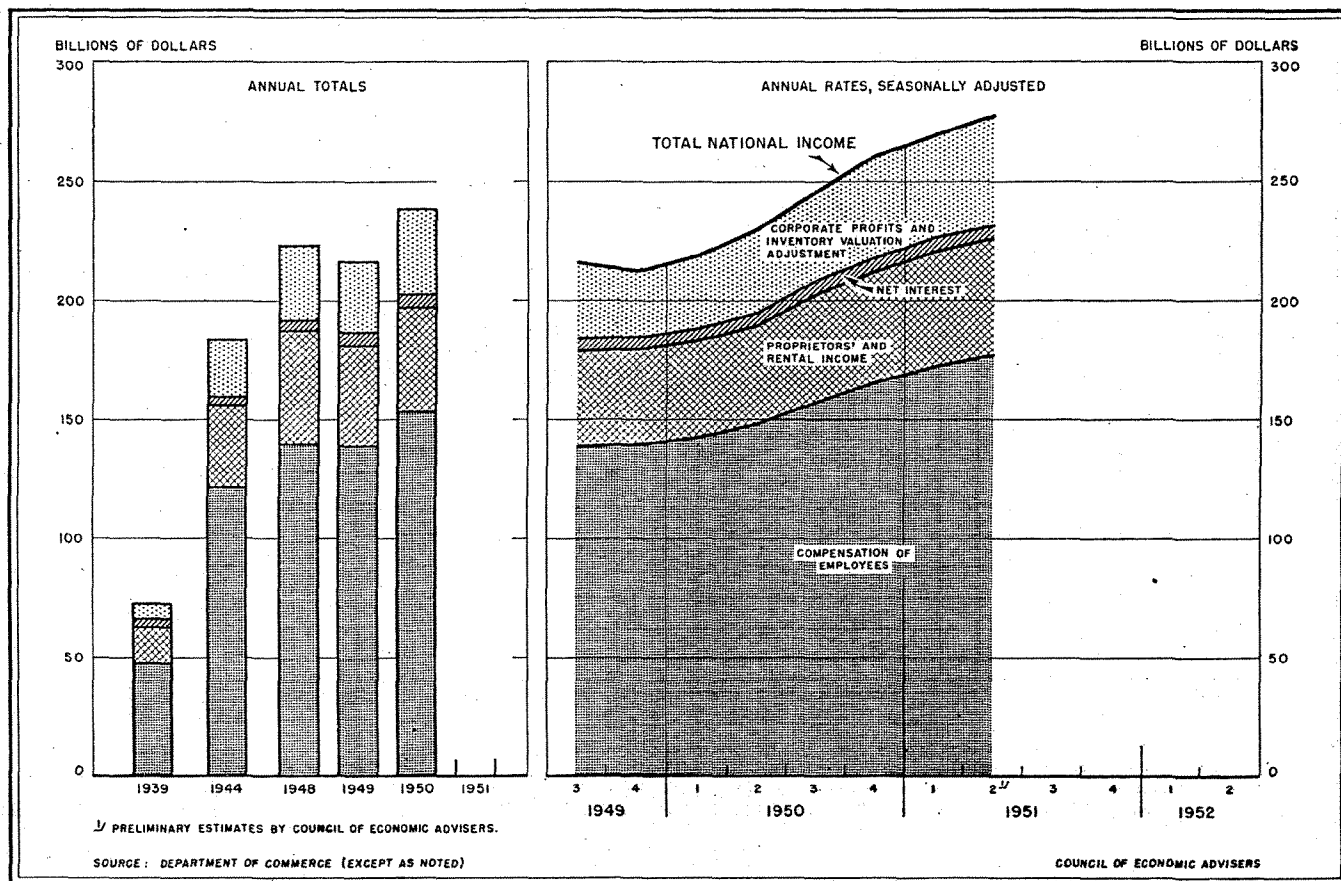
NOTE: Detail will not necessarily add to totals because of rounding.

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

PURCHASING POWER

NATIONAL INCOME

National income continued its rapid expansion from the first to the second quarter of this year, rising at an annual rate of \$8 billion. Wages and salaries gained substantially, while corporate profits before taxes dropped but when adjusted for inventory valuation changes continued to rise.



[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	4.3	31.7	33.8	-2.1
1949.....	216.7	139.9	41.4	4.9	30.5	28.3	+2.1
1950.....	239.0	153.3	44.0	5.4	36.2	41.4	-5.1
Annual rates, seasonally adjusted							
1949: First quarter.....	221.5	141.0	43.5	4.8	32.2	31.8	+0.4
1949: Second quarter.....	216.8	139.8	41.6	4.9	30.5	26.7	+3.8
1949: Third quarter.....	216.1	139.3	40.3	5.0	31.5	28.0	+3.6
1949: Fourth quarter.....	212.6	139.5	40.4	5.0	27.7	27.0	+0.7
1950: First quarter.....	219.3	142.2	41.4	5.2	30.5	31.9	-1.4
1950: Second quarter.....	230.6	148.6	41.8	5.3	34.8	37.5	-2.7
1950: Third quarter.....	245.8	157.3	45.6	5.5	37.4	45.7	-8.3
1950: Fourth quarter.....	260.1	165.2	47.2	5.6	42.2	50.3	-8.2
1951: First quarter.....	269.4	172.1	48.8	5.6	42.9	51.8	-8.9
1951: Second quarter.....	277.4	177.4	48.1	5.7	46.2	48.5	-2.3

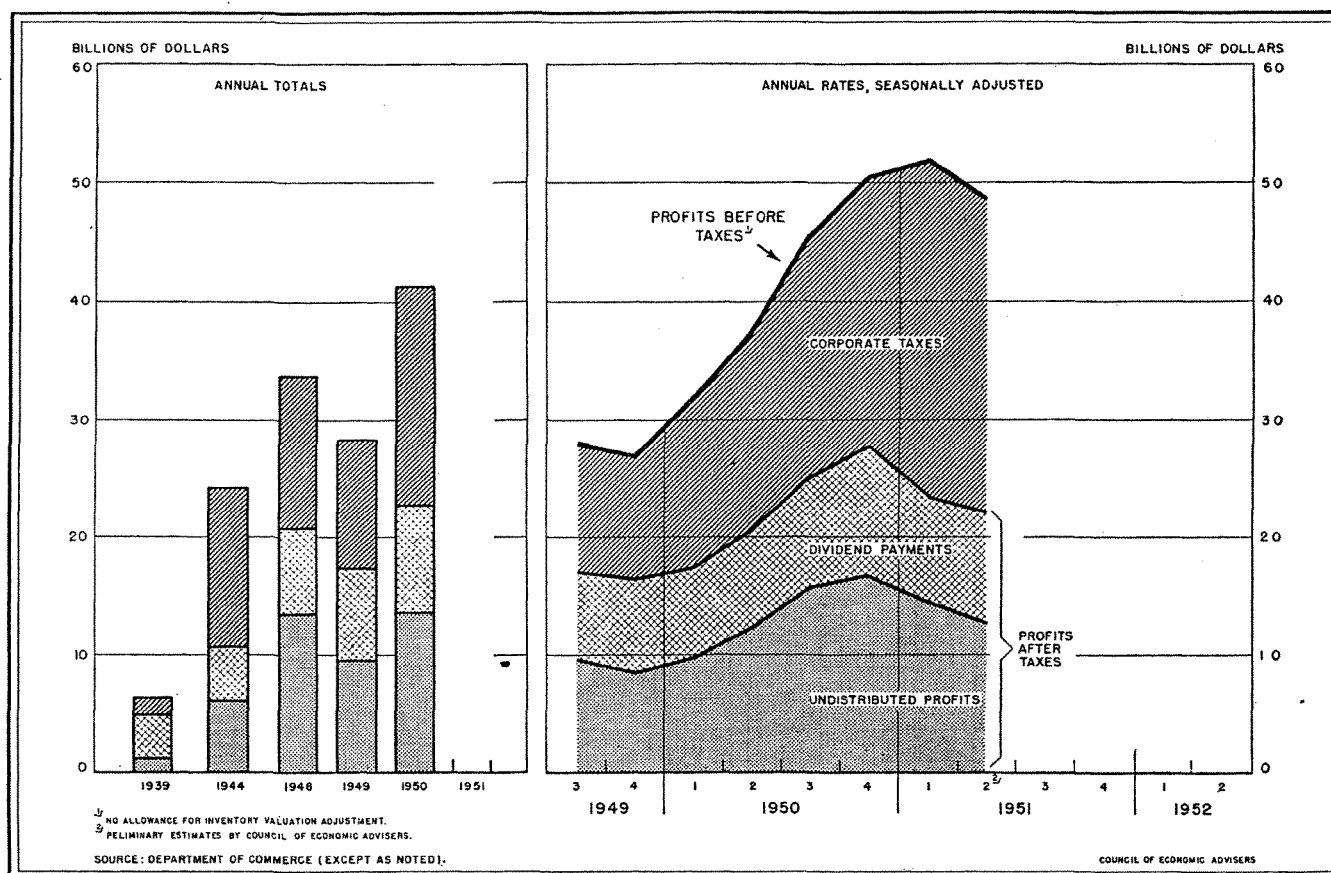
¹ Estimates based on incomplete data; by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted).

CORPORATE PROFITS

After reaching an all-time peak in the first quarter of 1951, corporate profits before taxes, according to preliminary indications, turned downward in the second quarter.



[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	33.8	13.0	20.7	7.2	13.6
1949	28.3	11.0	17.3	7.6	9.7
1950	41.4	18.6	22.8	9.2	13.6
Annual rates, seasonally adjusted					
1949: First quarter	31.8	12.3	19.4	7.4	12.0
1949: Second quarter	26.7	10.3	16.4	7.5	8.9
1949: Third quarter	28.0	10.9	17.1	7.4	9.7
1949: Fourth quarter	27.0	10.5	16.5	8.0	8.5
1950: First quarter	31.9	14.4	17.5	7.8	9.7
1950: Second quarter	37.5	16.9	20.6	8.4	12.2
1950: Third quarter	45.7	20.5	25.2	9.4	15.8
1950: Fourth quarter	50.3	22.5	27.8	11.1	16.7
1951: First quarter	51.8	28.5	23.3	8.8	14.5
1951: Second quarter ¹	48.5	26.5	22.0	9.7	12.3

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

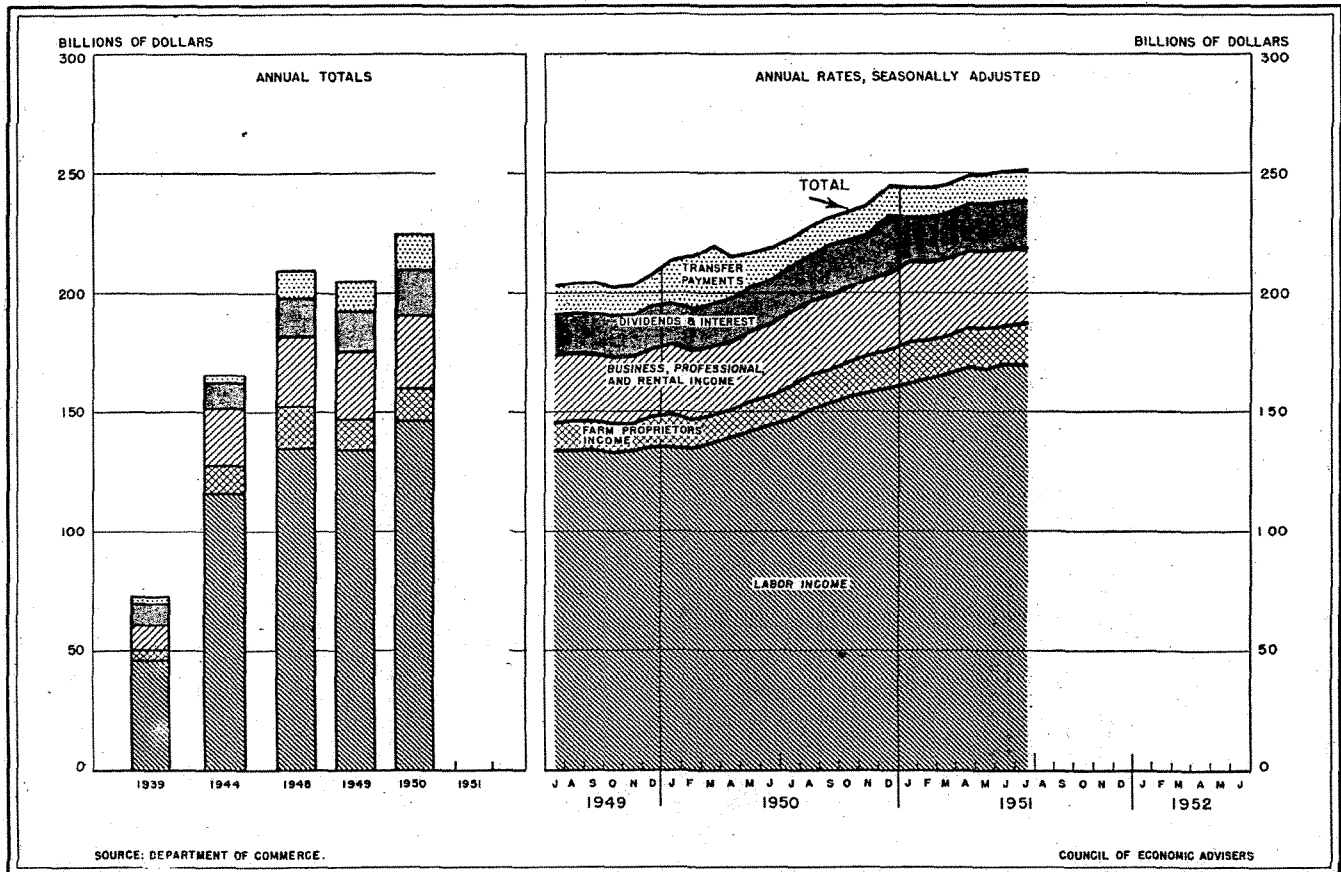
NOTE.—No allowance has been made for inventory valuation adjustment. See p. 22 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

PERSONAL INCOME

Personal income increased in July, primarily because of a gain in farm proprietors' income. Most other major groups were slightly below their June levels.



[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	16.0	11.3
1949	205.1	134.2	13.0	28.4	17.1	12.4
1950	224.7	146.4	13.7	30.3	19.3	15.1
Annual rates, seasonally adjusted						
1950: June	219.0	144.6	12.3	30.2	18.4	13.5
July	222.7	146.8	14.1	31.2	18.4	12.2
August	227.7	150.8	14.5	31.6	18.9	11.9
September	231.5	153.3	14.3	31.0	21.6	11.3
October	234.1	156.0	15.1	31.2	19.7	12.1
November	236.4	157.9	16.0	31.2	19.5	11.8
December	244.4	159.6	16.3	31.8	25.0	11.7
1951: January	243.6	161.7	17.5	33.0	18.8	12.6
February	243.3	163.8	15.9	32.3	19.2	12.1
March	245.5	166.0	15.8	31.9	19.7	12.1
April	249.0	168.6	16.4	31.7	20.2	12.1
May	249.8	168.9	16.2	31.8	20.2	12.7
June	251.0	170.2	16.2	31.8	20.0	12.8
July ²	251.6	169.9	17.6	31.7	19.8	12.6

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

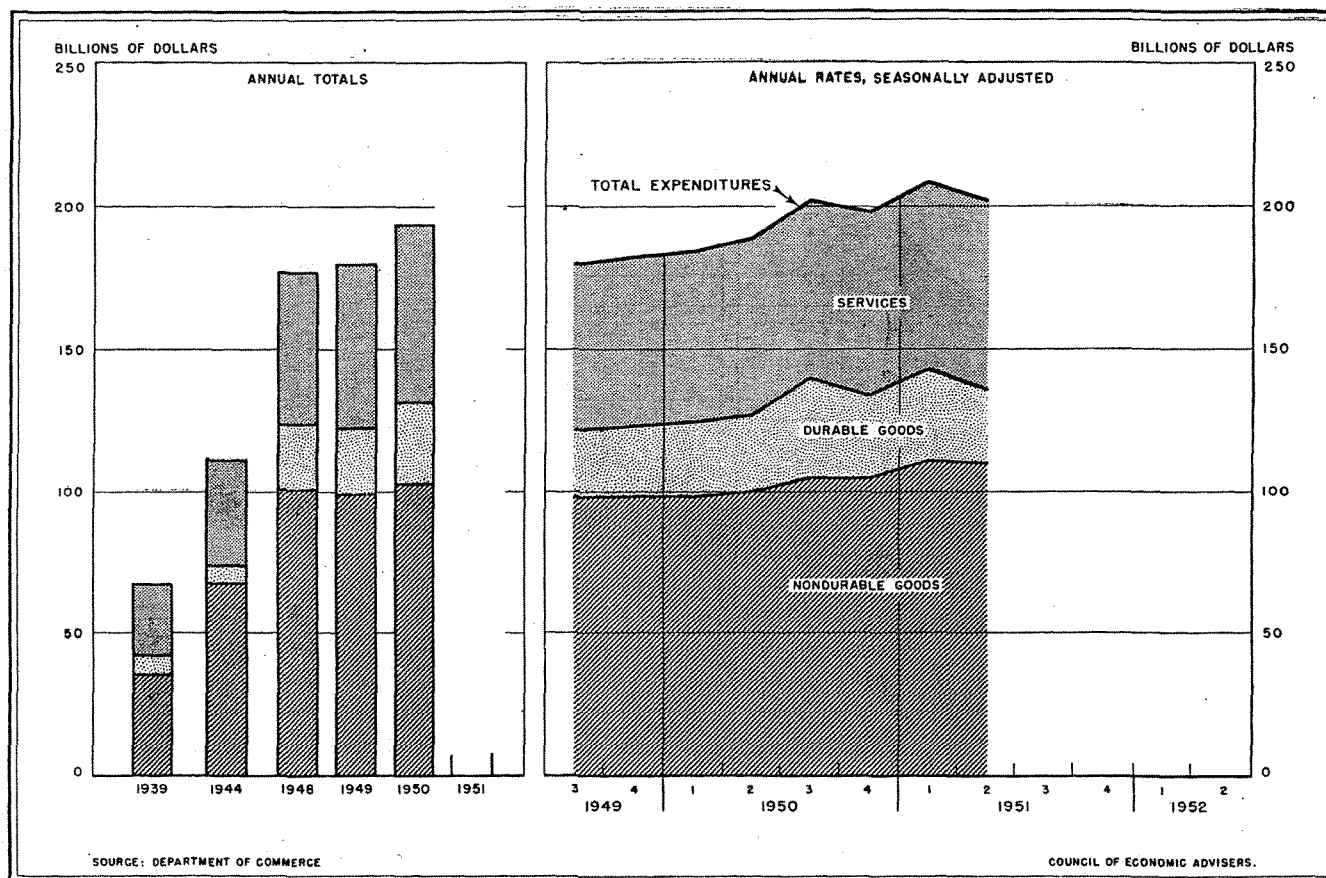
² Preliminary estimates.

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

Source: Department of Commerce.

PERSONAL CONSUMPTION EXPENDITURES

Second quarter sales of durable consumer goods, seasonally adjusted, were the lowest of any quarter since the Korean outbreak. Expenditures for nondurable goods were below those of the first quarter, while those for services continued to rise.



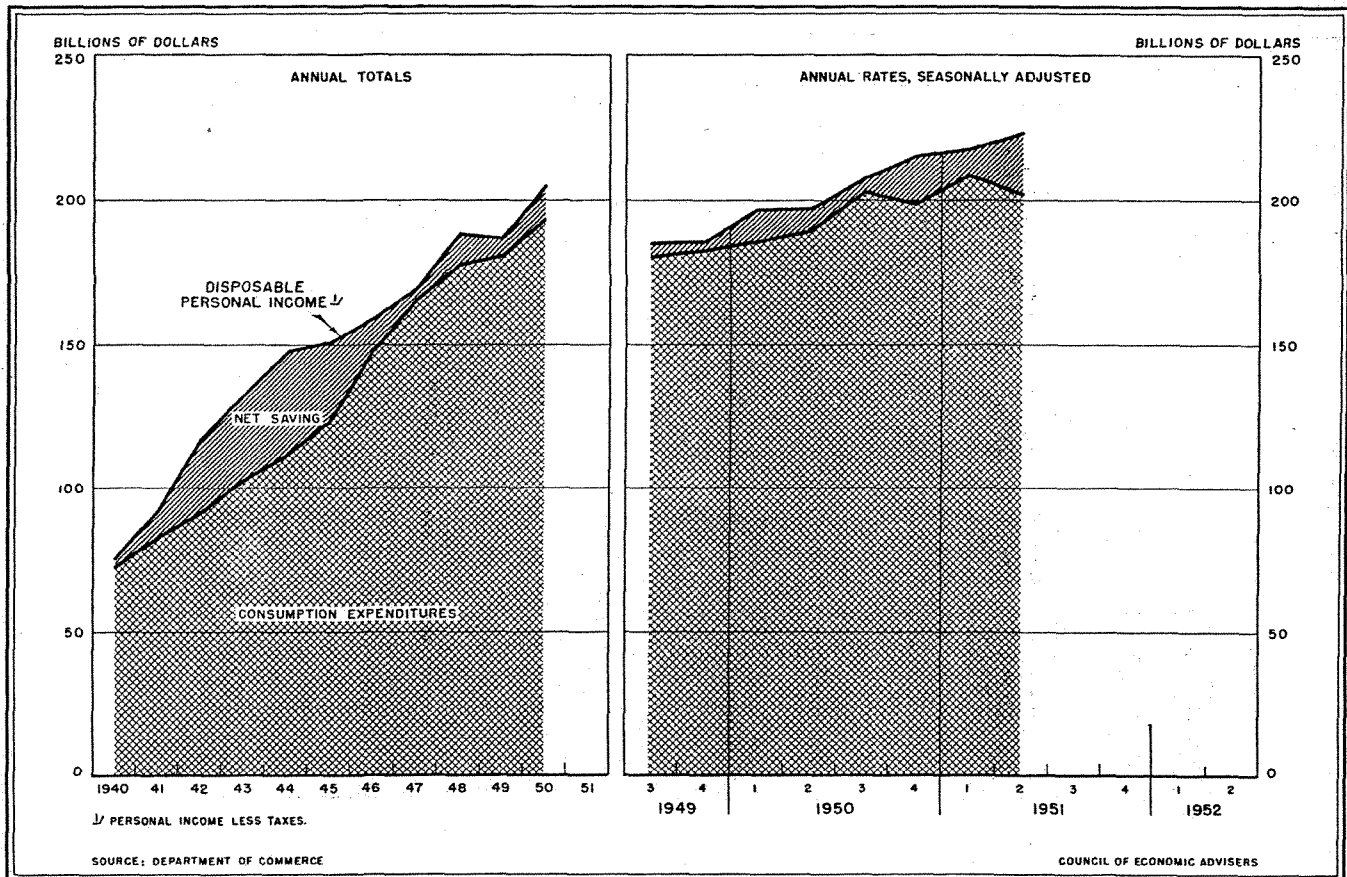
[Billions of dollars]

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.....	177.9	100.9	22.9	54.1
1949.....	180.2	98.7	23.9	57.6
1950.....	193.6	102.3	29.2	62.1
Annual rates, seasonally adjusted				
1949: First quarter.....	178.4	99.6	22.4	56.3
Second quarter.....	180.0	99.4	23.6	57.1
Third quarter.....	180.0	97.6	24.6	57.9
Fourth quarter.....	182.3	98.3	25.1	58.9
1950: First quarter.....	184.7	98.4	26.3	60.1
Second quarter.....	188.7	100.4	26.6	61.6
Third quarter.....	202.5	105.5	34.3	62.7
Fourth quarter.....	198.4	104.9	29.4	64.0
1951: First quarter.....	208.2	111.5	31.5	65.2
Second quarter.....	201.7	109.5	25.9	66.2

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

CONSUMER INCOME, SPENDING, AND SAVING

With disposable personal income rising during the second quarter and consumption expenditures dropping, personal saving increased.



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	177.9	10.5	5.6
1949.....	186.4	180.2	6.3	3.4
1950.....	204.3	193.6	10.7	5.2
Annual rates, seasonally adjusted				
1949: First quarter.....	188.6	178.4	10.3	5.5
Second quarter.....	186.7	180.0	6.7	3.6
Third quarter.....	184.8	180.0	4.8	2.6
Fourth quarter.....	185.7	182.3	3.4	1.8
1950: First quarter.....	197.3	184.7	12.5	6.3
Second quarter.....	197.5	188.7	8.9	4.5
Third quarter.....	207.1	202.5	4.6	2.2
Fourth quarter.....	215.2	198.4	16.8	7.8
1951: First quarter.....	217.5	208.2	9.3	4.3
Second quarter.....	222.8	201.7	21.1	9.5

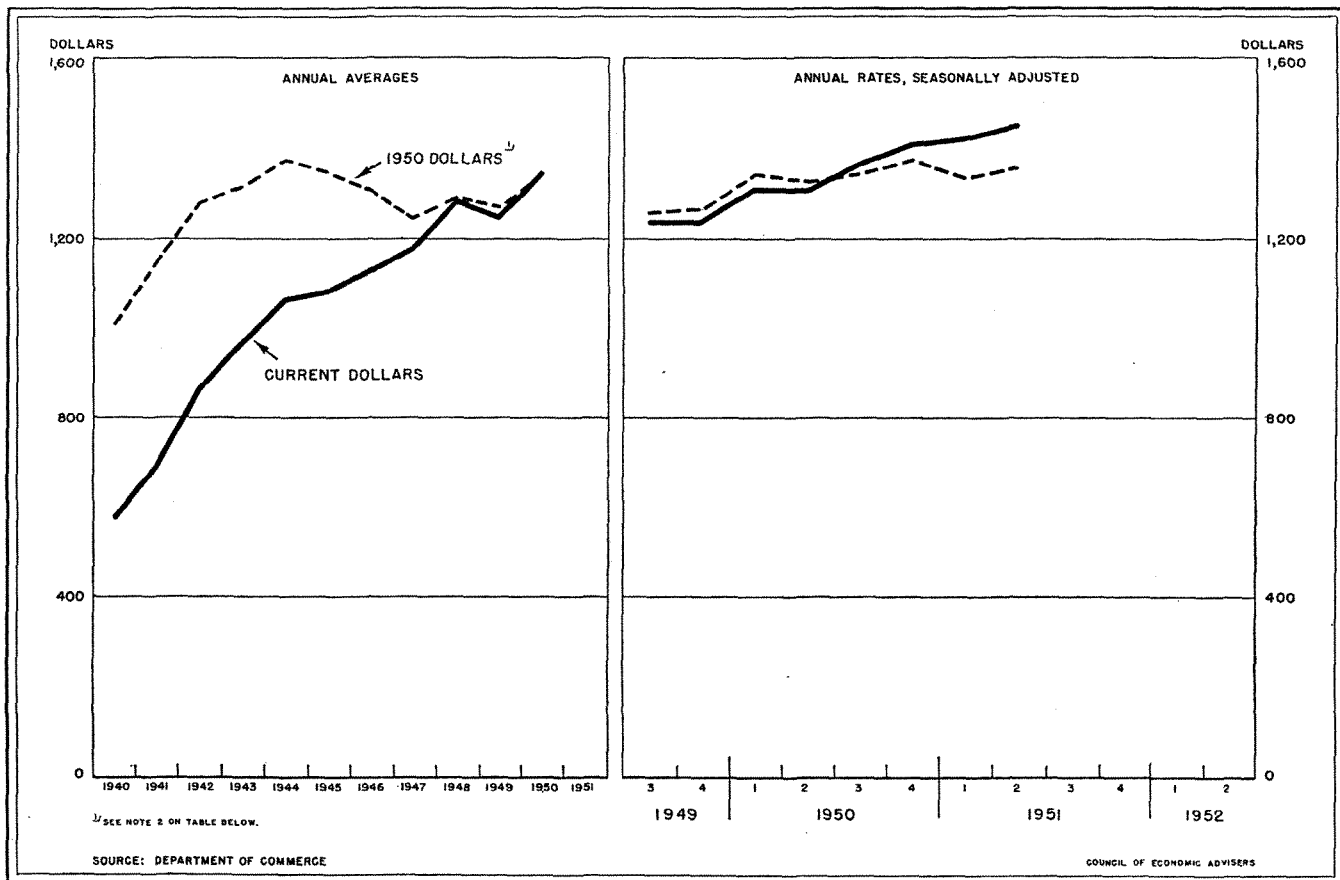
¹ Income less taxes.

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

Source: Department of Commerce.

PER CAPITA DISPOSABLE INCOME

Per capita disposable income in constant prices rose about 2 percent from the first to the second quarter, bringing the level slightly above the average for 1950.



Period	Total disposable personal income (billions of dollars) ¹		Per capita disposable personal income (dollars) ¹		Population (thousands) ²
	Current prices	1950 prices ²	Current prices	1950 prices ²	
1939.....	70.2	124.9	536	954	130,880
1941.....	92.0	152.6	690	1,144	133,377
1942.....	116.7	172.6	866	1,280	134,831
1944.....	147.0	190.4	1,062	1,376	138,390
1946.....	158.9	184.3	1,124	1,303	141,398
1947.....	169.5	179.2	1,176	1,243	144,129
1948.....	188.4	189.0	1,285	1,289	146,621
1949.....	186.4	189.4	1,250	1,270	149,149
1950.....	204.3	204.3	1,347	1,347	151,689
Annual rates, seasonally adjusted					
1949: First quarter.....	188.6	191.1	1,272	1,289	148,282
Second quarter.....	186.7	189.4	1,254	1,272	148,862
Third quarter.....	184.8	188.0	1,236	1,257	149,522
Fourth quarter.....	185.7	189.7	1,236	1,263	150,234
1950: First quarter.....	197.3	202.4	1,308	1,342	150,847
Second quarter.....	197.5	200.7	1,305	1,326	151,390
Third quarter.....	207.1	204.2	1,362	1,343	152,068
Fourth quarter.....	215.2	209.7	1,409	1,373	152,774
1951: First quarter.....	217.5	204.2	1,418	1,331	153,396
Second quarter.....	222.8	208.8	1,447	1,356	154,010

¹ Income less taxes.

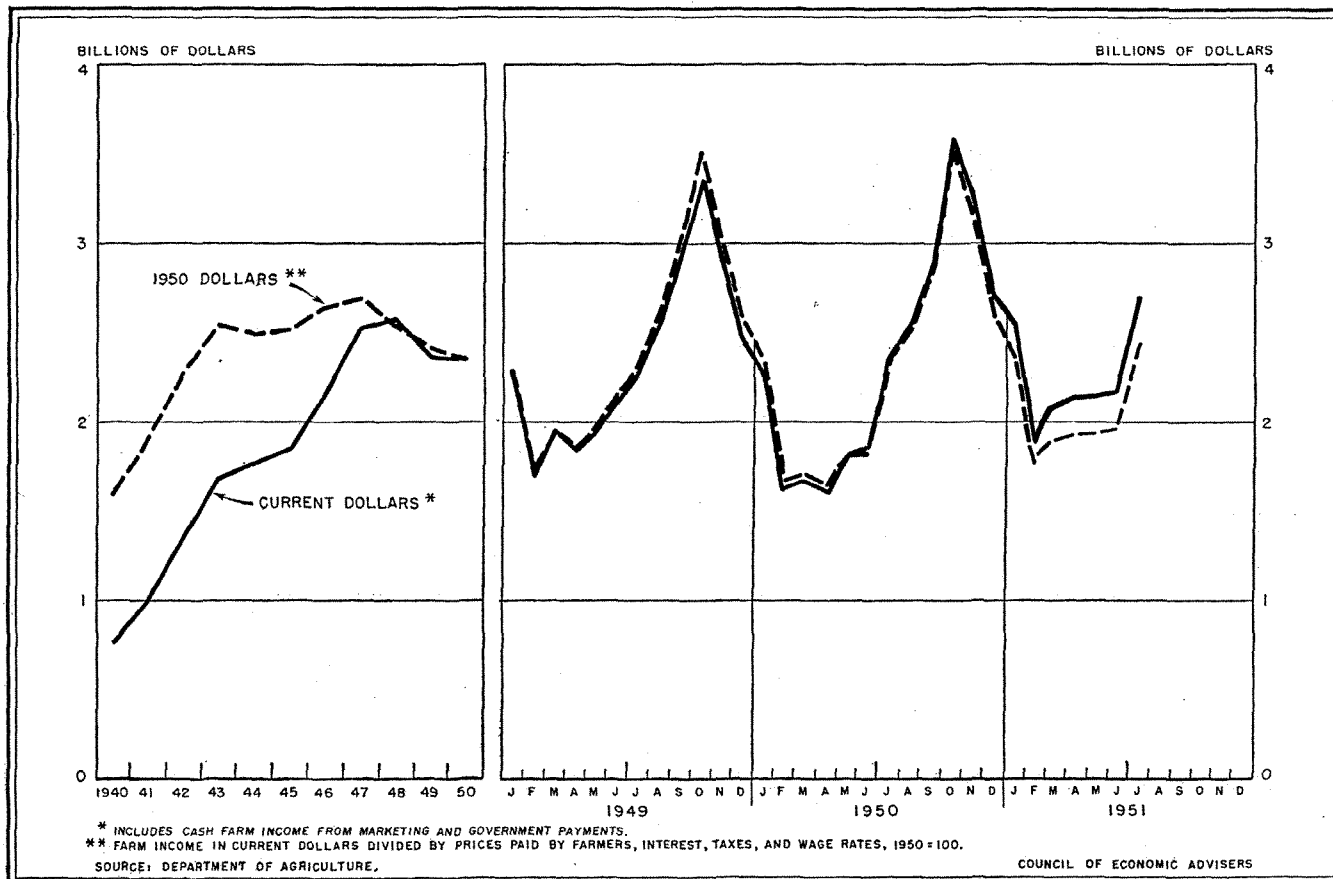
² Dollar estimates in current prices divided by the price index of personal consumption expenditures. This price index was based on the Department of Commerce data, shifted from 1939 base.

³ 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

Farmers' incomes continue to run above last year's levels. A large part of the increase has been absorbed by higher costs of things farmers buy.



Period	Farm income (millions of current dollars) ¹	Prices paid by farmers (incl. interest, taxes, and wage rates) 1950=100 ²	Farm income (millions of 1950 dollars) ³
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: 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.....	2,137	111	1,925
May.....	2,153	111	1,940
June ⁴	2,170	111	1,955
July ⁴	2,708	111	2,440

¹ Includes cash farm income from marketings and Government payments.

² Converted from the reported base, 1910-14=100, to the base 1950=100.

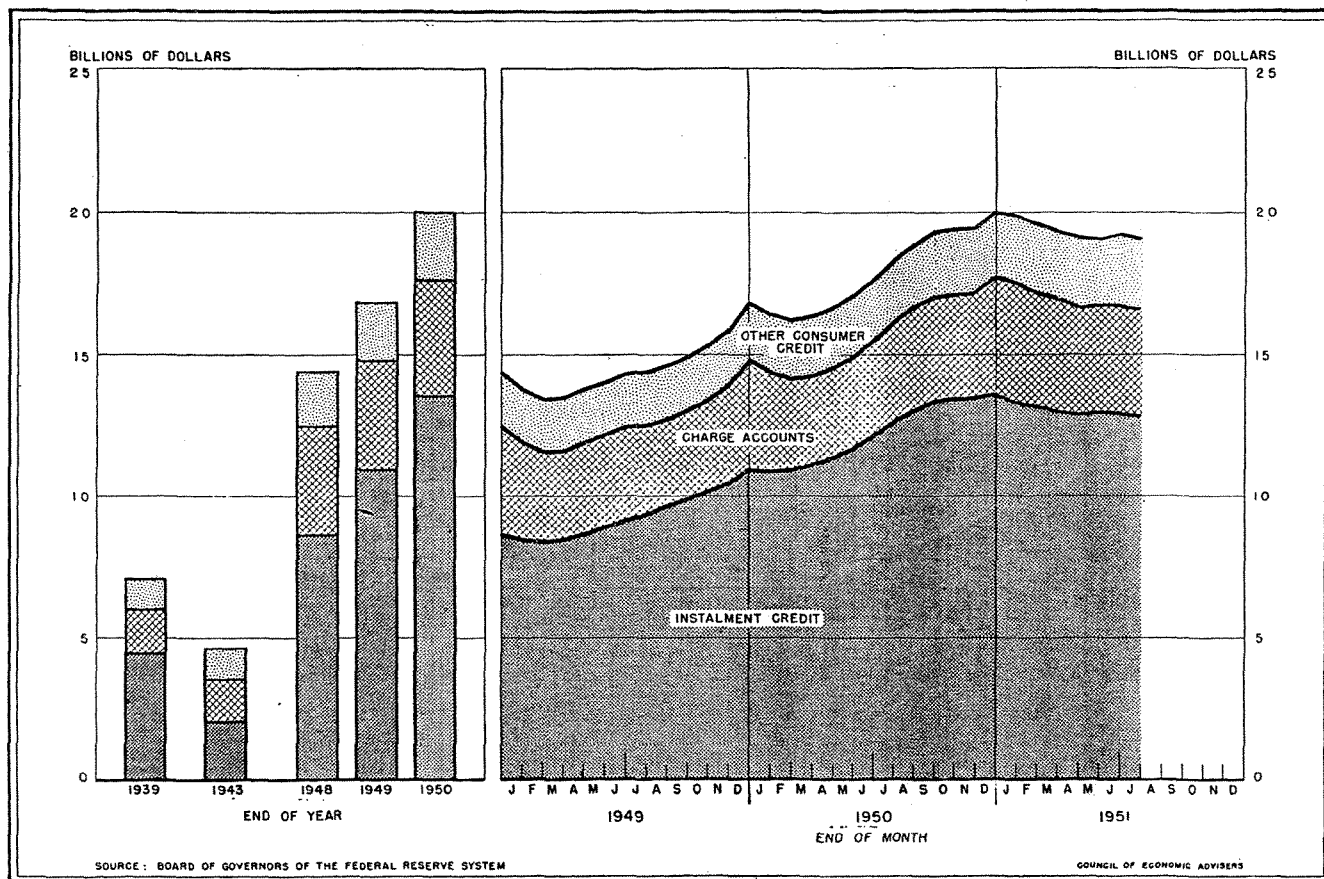
³ Farm income in current dollars divided by prices paid by farmers, interest, taxes, and wage rates, 1950=100.

⁴ Preliminary estimates.

Source: Department of Agriculture.

CONSUMER CREDIT

Consumer credit outstanding declined moderately during July. A slight rise in automobile sale credit was more than offset by a drop in other instalment credit and loans. Charge accounts and other types of consumer credit also decreased.



[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.....	7,031	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: 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.....	19,126	12,904	3,934	8,970	3,744	2,478
May.....	19,207	12,920	3,980	8,940	3,793	2,494
June ²	19,256	12,955	4,041	8,914	3,804	2,497
July ²	19,133	12,898	4,056	8,842	3,743	2,492

¹ 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.

² Preliminary estimates.

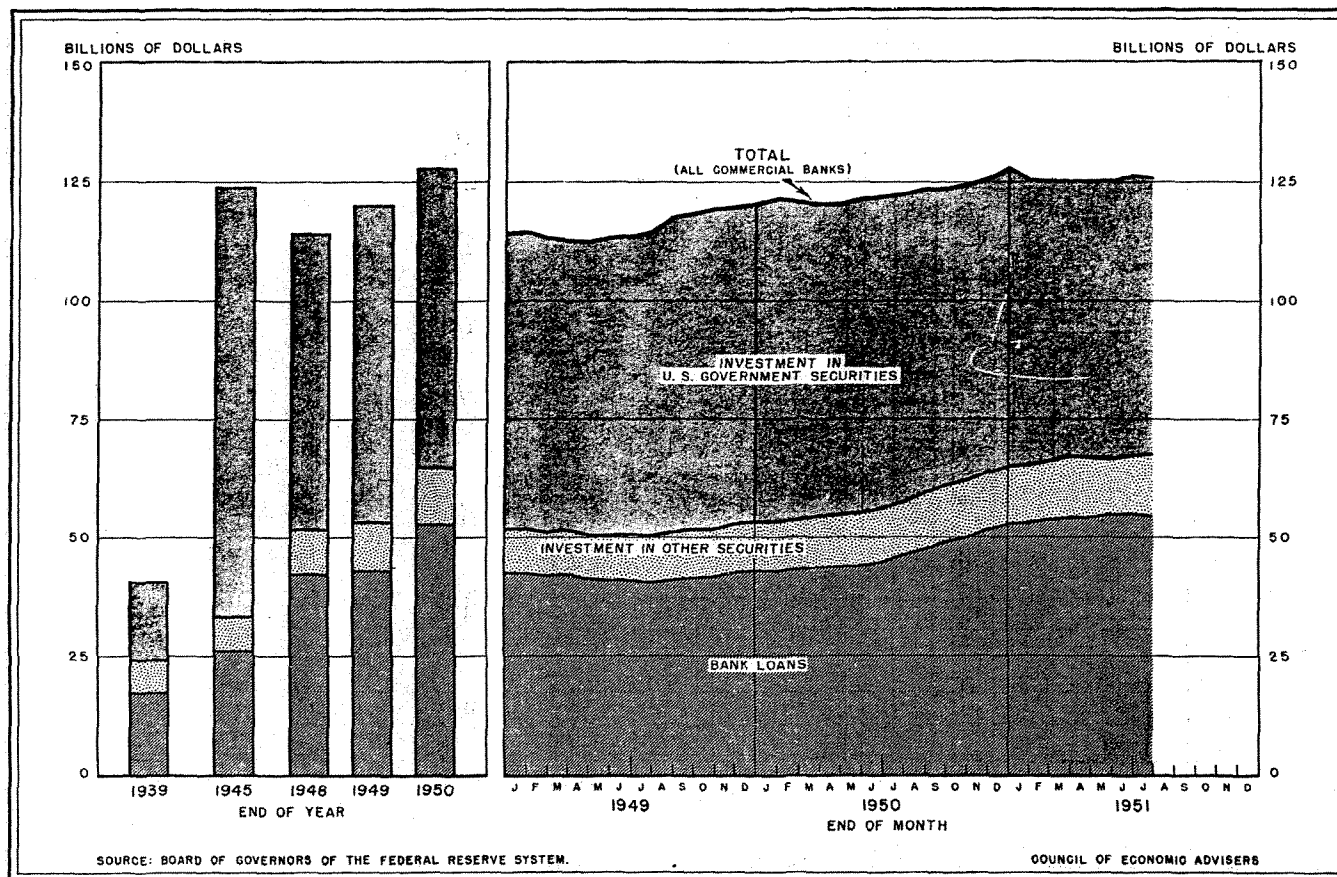
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

MONEY, BANKING, AND FEDERAL FINANCE

BANK LOANS AND INVESTMENTS

Bank loans fell \$400 million during July in the first monthly decline since January 1950. Investments in U. S. Government obligations were unchanged. Holdings of other securities rose \$200 million.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

End of period	All commercial banks					Weekly reporting member banks—Business loans ¹
	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	4.4
1945	124.0	26.1	97.9	90.6	7.3	7.3
1947	116.3	38.1	78.2	69.2	9.0	14.6
1948	114.3	42.5	71.8	62.6	9.2	15.6
1949	120.2	43.0	77.2	67.0	10.2	13.9
1950	126.7	52.2	74.4	62.0	12.4	17.8
1950: June	121.8	44.8	77.0	65.8	11.2	13.6
July	122.3	46.0	76.3	65.0	11.4	13.9
August	123.3	47.3	76.0	64.2	11.8	14.7
September	123.6	48.9	74.6	62.5	12.1	15.7
October	124.4	49.8	74.6	62.5	12.1	16.3
November	125.4	51.5	73.9	61.7	12.1	17.1
December	126.7	52.2	74.4	62.0	12.4	17.8
1951: January	125.0	52.7	72.3	60.0	12.4	18.1
February	125.0	53.5	71.5	59.1	12.4	18.7
March	125.7	54.4	71.3	58.8	12.6	19.2
April	125.4	54.4	71.0	58.5	12.6	19.1
May	125.1	54.5	70.6	58.1	12.5	19.0
June	126.2	55.0	71.2	58.6	12.6	19.2
July ²	125.9	54.6	71.4	58.6	12.8	19.0
August						19.5

¹ Commercial, industrial, and agricultural loans.

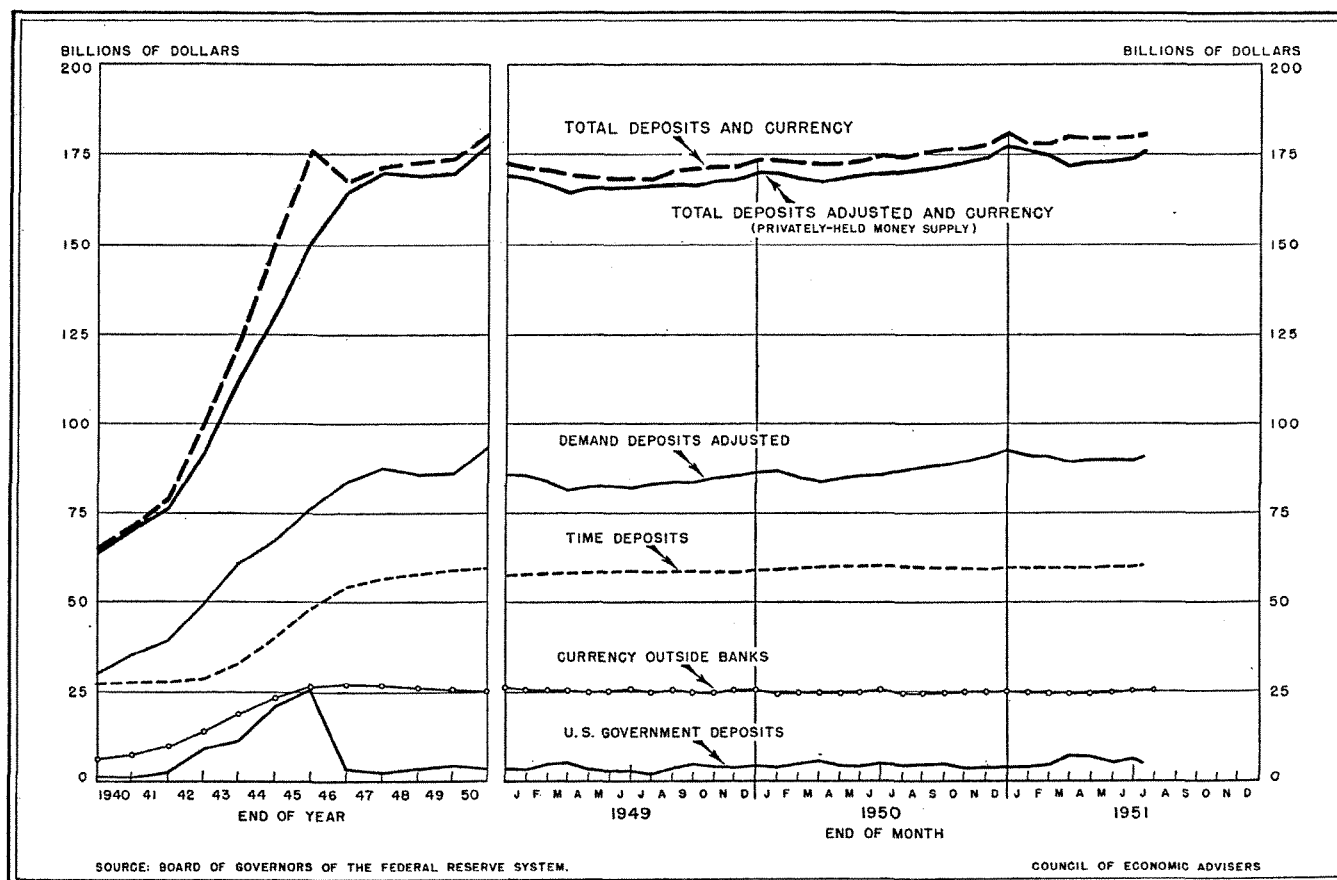
² Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

MONEY SUPPLY

Total deposits and currency climbed to a new high during July. An expansion of \$1.8 billion in the privately-held money supply, which carried it close to the record level of December 1950, more than offset a drop in U. S. Government deposits.



[Billions of dollars]

End of period	Total deposits and currency	U. S. Government deposits ¹	Deposits adjusted and currency (privately held money supply) ²			
			Total	Currency outside banks	Adjusted demand deposits ³	Time deposits ⁴
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 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: 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.....	179.2	5.4	173.7	24.9	89.5	59.3
June.....	180.8	6.6	174.2	25.0	89.5	59.8
July ⁵	180.9	5.0	176.0	25.1	90.8	60.1

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

² Includes deposits and currency held by State and local governments.

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

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

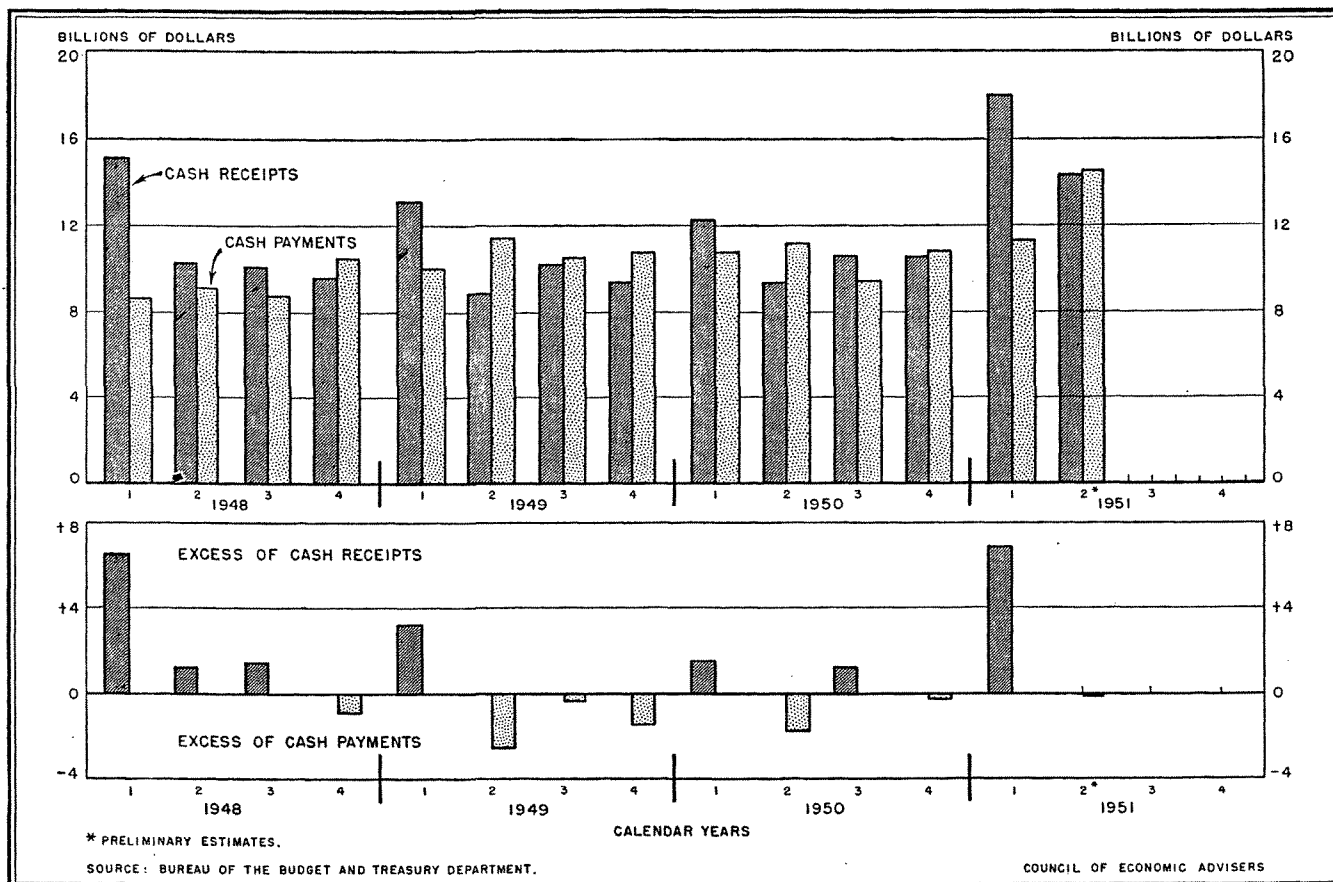
⁵ Preliminary estimates.

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

Cash receipts declined seasonally from the first to the second quarter, while payments jumped by \$3.3 billion, reflecting the progress of the defense effort. For the fiscal year 1951, the cash surplus amounted to \$7.6 billion.



[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	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	18,051	11,179	+6,874
Second quarter ¹	14,462	14,521	-59

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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