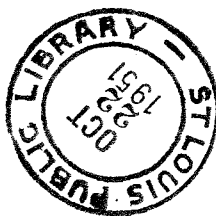


82d Congress, 1st Session

Economic Indicators

OCTOBER 1951

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



St. Louis Public Library
REFERENCE DEPT.

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1951

JOINT COMMITTEE ON THE ECONOMIC REPORT

(Created pursuant to Sec. 5 (a) of Public Law 304, 79th Cong.)

JOSEPH C. O'MAHONEY, Wyoming, *Chairman*

EDWARD J. HART, New Jersey, *Vice Chairman*

JOHN J. SPARKMAN, Alabama

PAUL H. DOUGLAS, Illinois

WILLIAM BENTON, Connecticut

ROBERT A. TAFT, Ohio

RALPH E. FLANDERS, Vermont

ARTHUR V. WATKINS, Utah

WRIGHT PATMAN, Texas

RICHARD W. BOLLING, Missouri

CLINTON D. MCKINNON, California

JESSE P. WOLCOTT, Michigan

CHRISTIAN A. HERTER, Massachusetts

J. CALEB BOGGS, Delaware

GROVER W. ENSLEY, *Staff Director*

JOHN W. LEHMAN, *Clerk*

COUNCIL OF ECONOMIC ADVISERS

(Created pursuant to Sec. 4 (a) of Public Law 304, 79th Cong.)

LEON H. KEYSERLING, *Chairman*

JOHN D. CLARK

ROY BLOUGH

[PUBLIC LAW 120—81ST CONGRESS; CHAPTER 237—1ST SESSION]

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 or sale to the public.

Approved June 23, 1949.

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

Contents

THE TOTAL OUTPUT OF THE ECONOMY

The Nation's Economic Budget.....	Page 1
Gross National Product.....	2

PRICES

Consumers' Prices.....	3
Wholesale Prices.....	4
Prices Received and Paid by Farmers.....	5
Stock Prices.....	6

EMPLOYMENT AND WAGES

Civilian Labor Force.....	7
Nonagricultural Employment—Selected Industries.....	8
Average Weekly Hours—Selected Industries.....	9
Average Hourly Earnings—Selected Industries.....	10
Average Weekly Earnings—Selected Industries.....	11

PRODUCTION AND BUSINESS ACTIVITY

Industrial Production.....	12
Weekly Production—Selected Indicators.....	13
Production of Selected Manufactures.....	14
New Construction.....	15
New Housing Starts.....	16
Expenditures for New Plant and Equipment.....	17
New Corporate Security Issues.....	18
Inventories and Sales.....	19
Merchandise Exports and Imports.....	20

PURCHASING POWER

National Income.....	21
Corporate Profits.....	22
Personal Income.....	23
Personal Consumption Expenditures.....	24
Consumer Income, Spending, and Saving.....	25
Per Capita Disposable Income.....	26
Farm Income.....	27

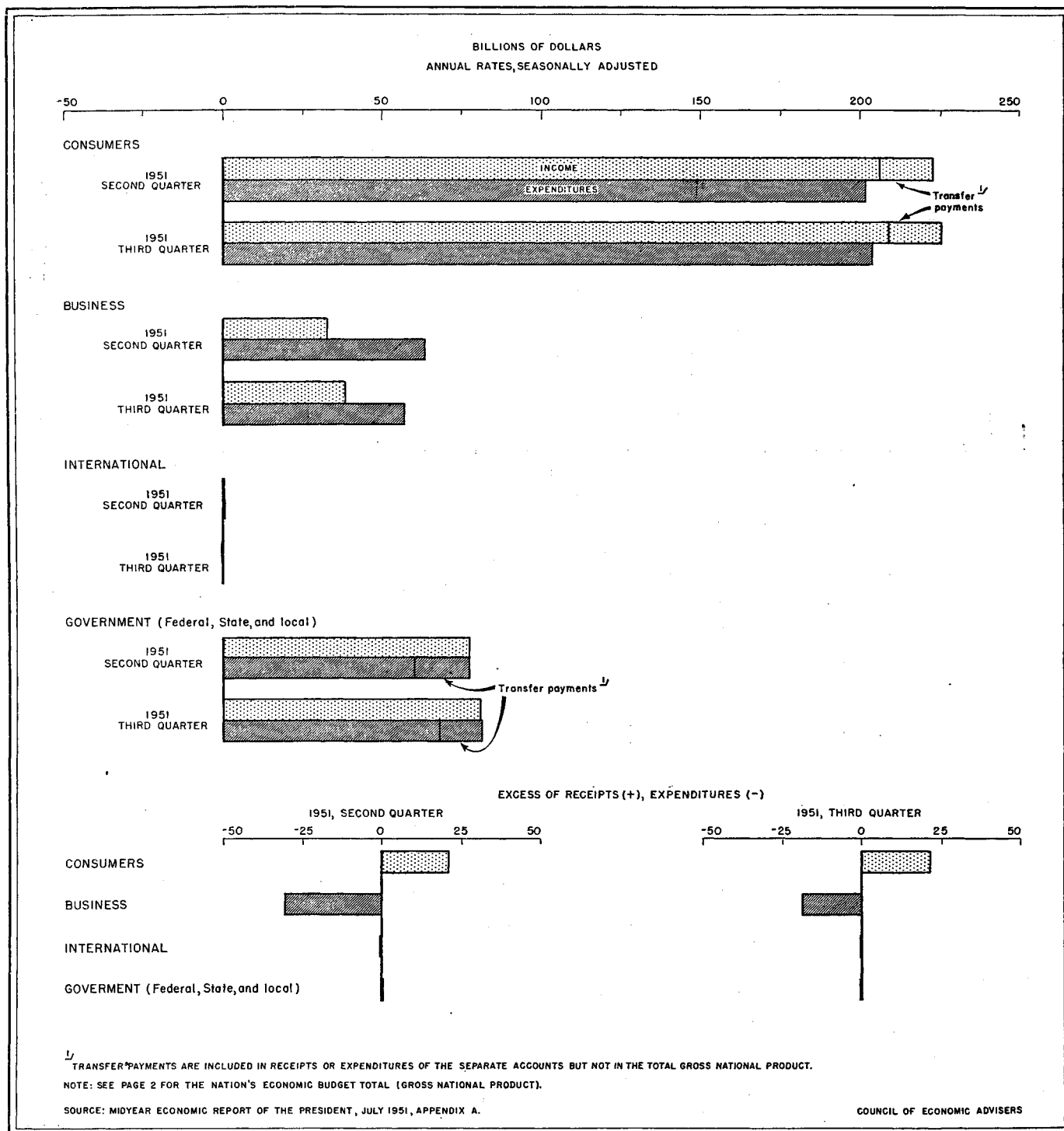
CREDIT, MONEY, AND FEDERAL FINANCE

Bank Loans and Investments.....	28
Consumer Credit.....	29
Bond Yields and Interest Rates.....	30
Money Supply.....	31
Federal Cash Receipts From and Payments to the Public.....	32

THE TOTAL OUTPUT OF THE ECONOMY

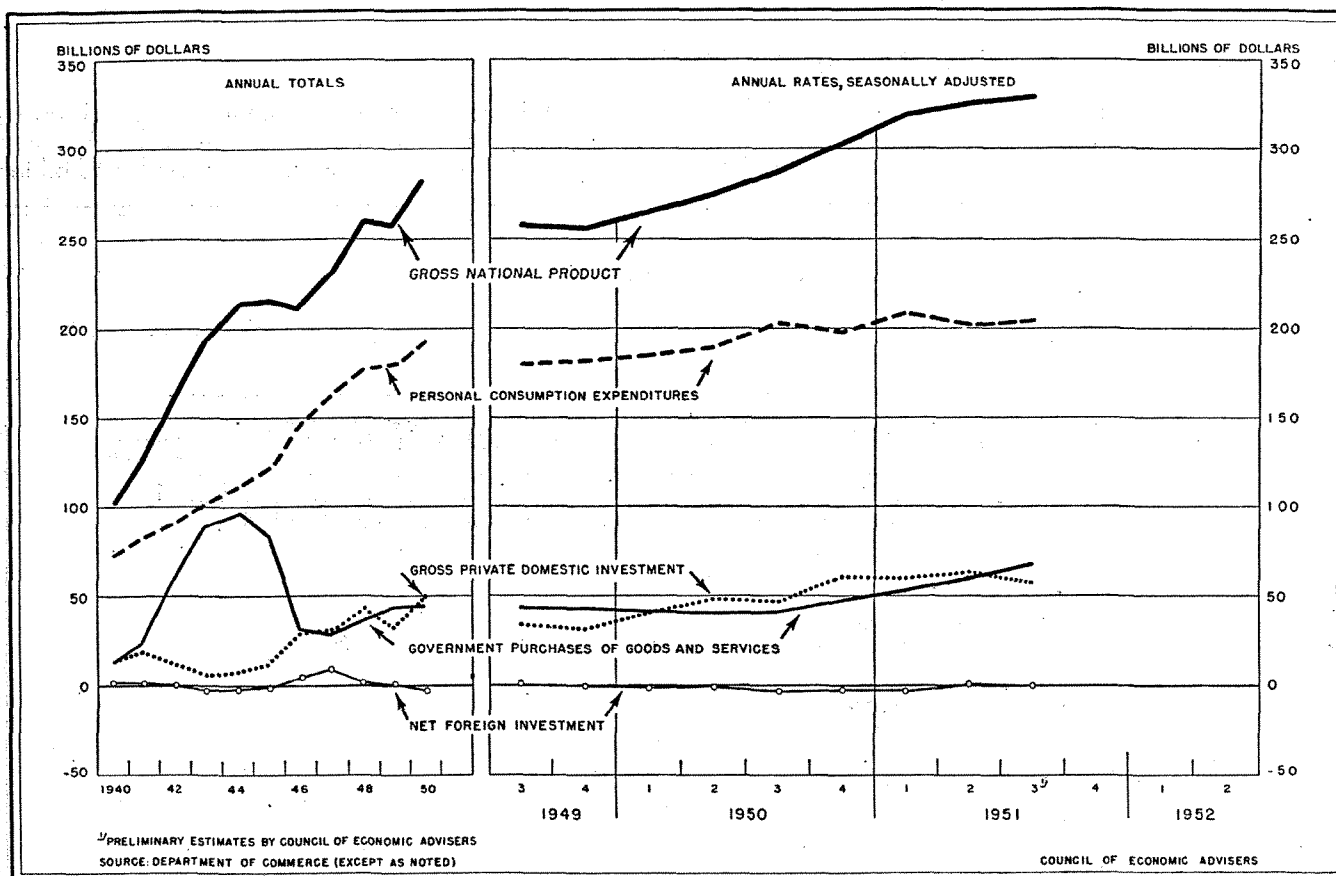
THE NATION'S ECONOMIC BUDGET

In the third quarter, consumer income and expenditures rose at about the same rate, thus maintaining the high savings ratio of the second quarter. With much smaller inventory accumulation, business investment dropped \$6½ billion at a seasonally adjusted annual rate. Government cash receipts rose by \$4 billion, while payments rose by \$5 billion.



GROSS NATIONAL PRODUCT

The gross national product rose by less than 1 percent between the second and third quarters of this year. Government security expenditures increased by more than 15 percent, and consumer expenditures rose moderately. Business investment dropped 10 percent as the rate of inventory accumulation declined.



[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 security 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	87.5	9.0
1946.....	211.1	146.9	28.7	4.6	30.9	18.5	12.4
1947.....	233.3	165.6	30.2	8.9	28.6	12.9	15.7
1948.....	259.0	177.9	42.7	1.9	36.6	15.2	21.4
1949.....	257.3	180.2	33.0	.5	43.6	18.5	25.1
1950.....	282.6	193.6	48.9	-2.3	42.5	18.8	23.7
Annual rates, seasonally adjusted							
1950: First quarter.....	264.4	184.7	40.1	-1.7	41.3	16.4	24.9
Second quarter.....	275.0	188.7	47.9	-1.6	40.1	16.2	23.9
Third quarter.....	287.4	202.5	47.3	-3.2	40.8	17.1	23.7
Fourth quarter.....	303.7	198.4	60.2	-2.7	47.8	23.2	24.6
1951: First quarter.....	318.5	208.2	59.6	-2.3	52.9	28.3	24.6
Second quarter.....	325.6	201.7	63.5	.5	60.0	34.8	25.2
Third quarter ³	328.0	204.0	57.0	1.0	66.0	40.7	25.3

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, Mutual Defense Assistance, and other unilateral transfers since 1947; excludes Federal Government sales.

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

³ Estimates based on incomplete data; by Council of Economic Advisers.

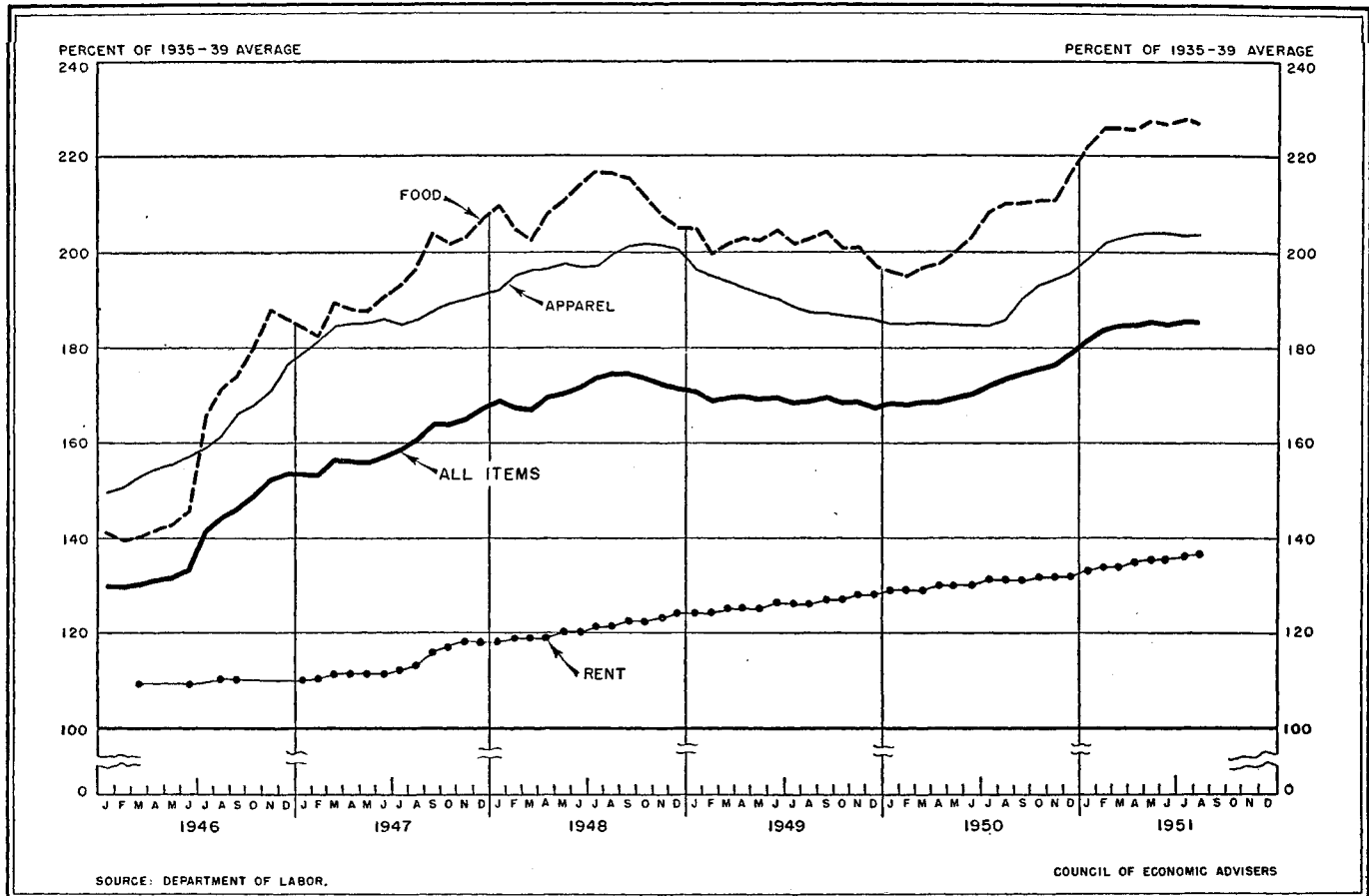
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

PRICES

CONSUMERS' PRICES

Consumers' prices maintained the same level between mid-July and mid-August, as declines in housefurnishings and food prices offset increases in rents and utility prices and the first rise in apparel prices since May.



[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: 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	185.5	227.7	203.3	136.2	144.0	212.4	165.0
August 15 ¹	185.5	227.0	203.6	136.8	144.2	210.8	165.4

¹ A special survey of food prices showed no change between August 15 and September 15, and indicated a rise of 0.2 percent from mid-September to the end of the month.

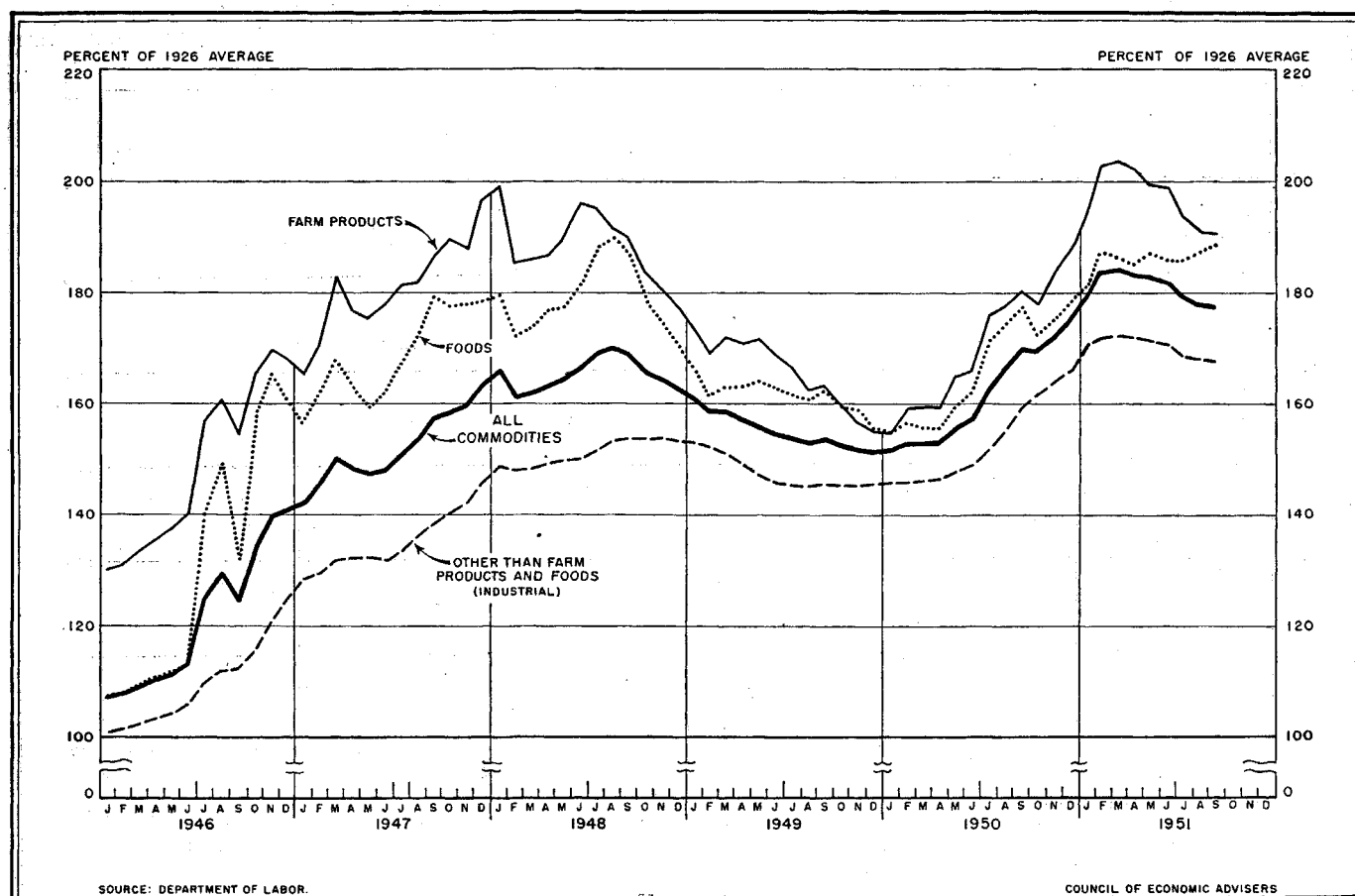
NOTE.—Prices are for moderate-income families in large cities.

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 continued in September to display signs of increased stability, with food prices changing little, farm prices moving unevenly but tending upward, and industrial prices declining very little in spite of a substantial drop in textile prices.



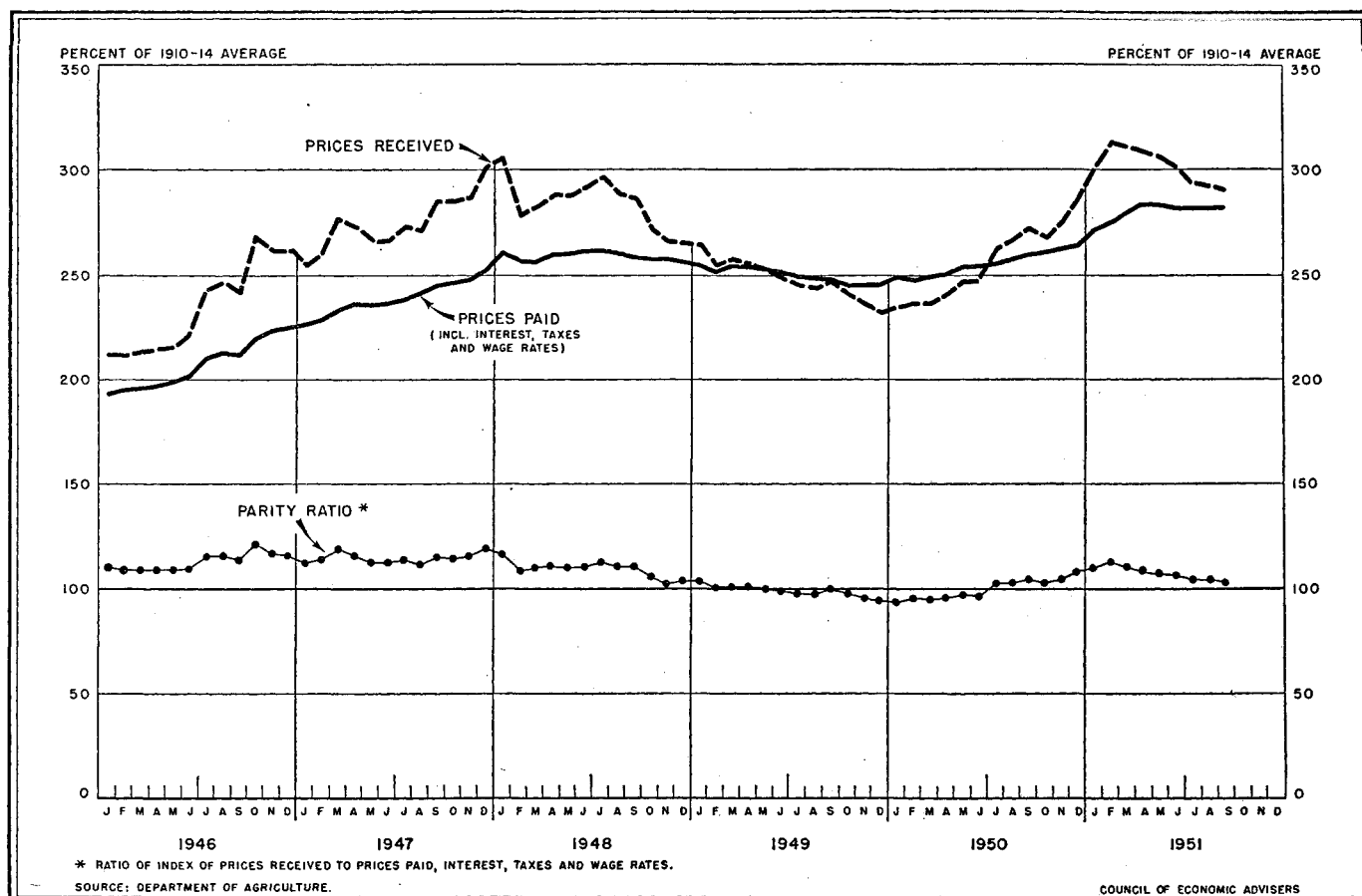
[1926=100]

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: 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.....	178.0	190.6	187.3	167.3
September ¹	177.6	190.2	188.4	166.8
Week ended:				
1951: September 4.....	176.8	189.4	188.5	165.7
11.....	176.9	189.7	189.0	165.7
18.....	176.4	188.6	187.9	165.4
25.....	176.7	190.5	188.6	165.1
October 2.....	177.2	191.1	189.5	165.3

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

PRICES RECEIVED AND PAID BY FARMERS

The gradual decline in farm prices continued to mid-September, mainly a reflection of lower prices received for cotton and truck crops. For the first time in 1951 the parity ratio fell behind that of the same month in 1950.



[1910-14=100]

Period	Prices received by farmers	Prices paid by farmers (including interest, taxes, and wage rates)	Parity ratio ¹
1939 monthly average.....	95	123	77
1942 monthly average.....	158	152	104
1944 monthly average.....	² 196	182	108
1946 monthly average.....	² 234	207	113
1947 monthly average.....	275	239	115
1948 monthly average.....	285	259	110
1949 monthly average.....	249	250	100
1950 monthly average.....	256	255	100
1950: 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
September 15.....	291	282	103

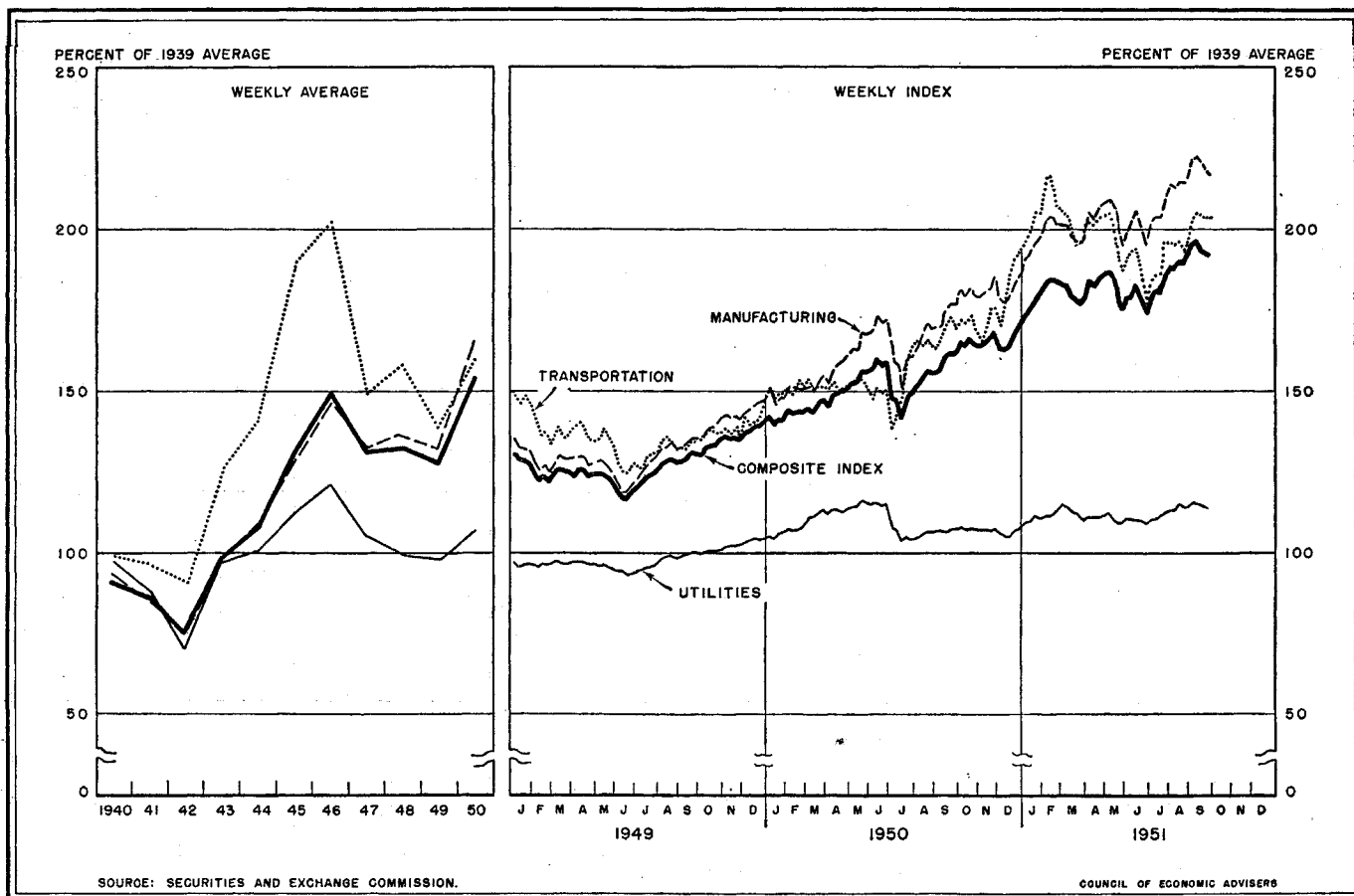
¹ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates.

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

Source: Department of Agriculture.

STOCK PRICES

All categories of stock prices at the end of September were below highs reached around the middle of the month. The composite index was almost back to the level of September 1.



[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: 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.....	189.7	214.8	178.5	248.8	195.5	114.1	206.0	218.6
September.....	194.4	220.4	185.2	253.0	203.6	115.0	214.4	230.9
Week ended:								
1951: September 1.....	192.2	218.0	181.8	251.8	197.0	114.9	207.9	223.5
8.....	195.3	221.7	184.3	256.5	202.0	115.9	212.2	229.2
15.....	196.5	223.2	186.6	257.3	204.8	115.0	215.5	237.6
22.....	193.5	219.0	185.1	250.2	203.9	114.9	215.8	228.3
29.....	192.5	217.5	184.7	248.1	203.6	114.3	214.3	228.4

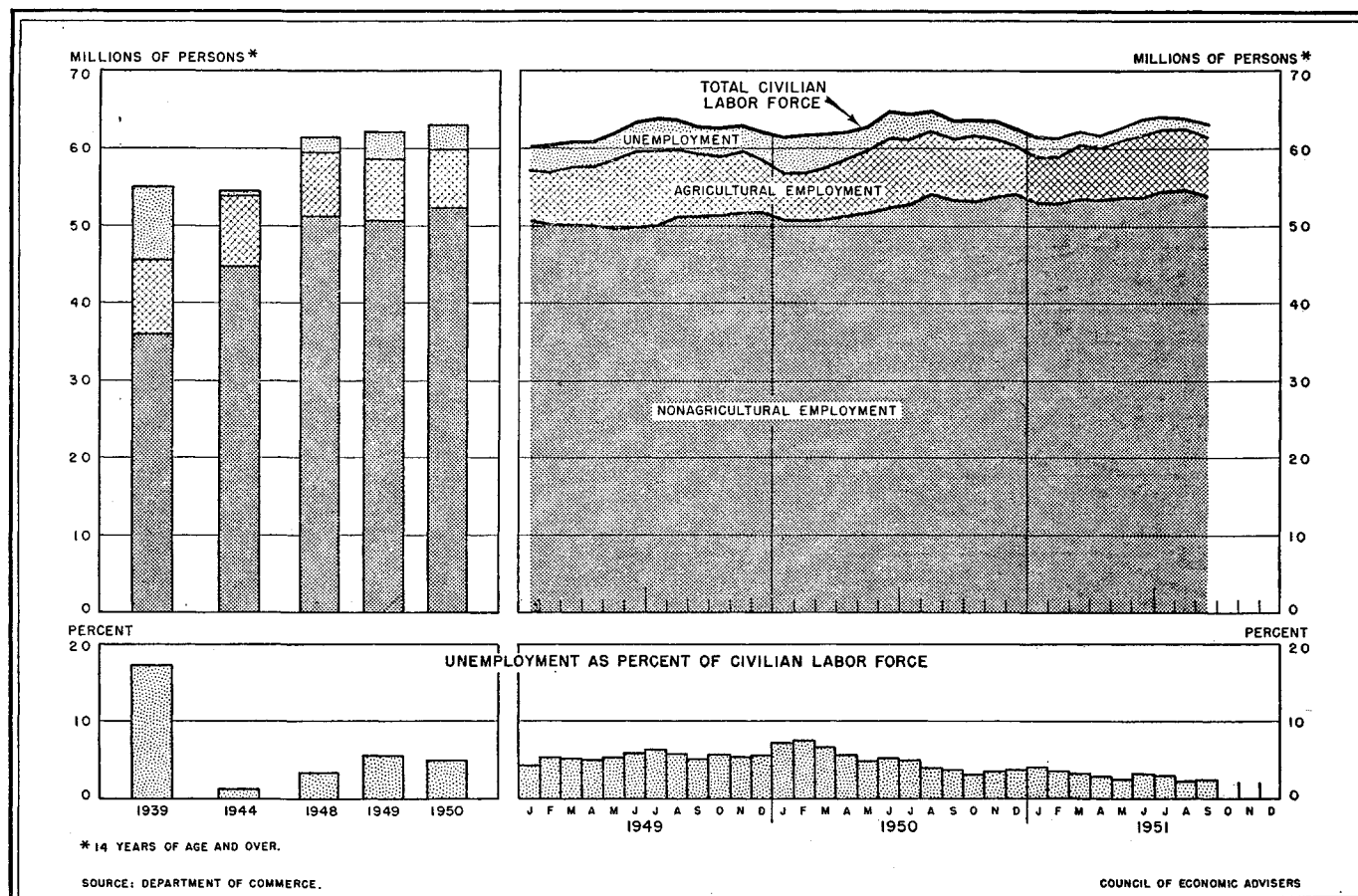
¹ Includes 265 common stocks, distributed as follows: 14 for mining, 98 for durable goods manufacturing, 72 for nondurable goods manufacturing, 21 for transportation, 28 for utilities, and 32 for trade, finance, and service.

Source: Securities and Exchange Commission.

EMPLOYMENT AND WAGES

CIVILIAN LABOR FORCE

Nonagricultural employment declined almost 900,000 in September but was still more than 600,000 higher than September a year ago. Unemployment showed practically no change.



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: 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
September.....	63, 186	61, 580	7, 526	54, 054	1, 606	2. 5

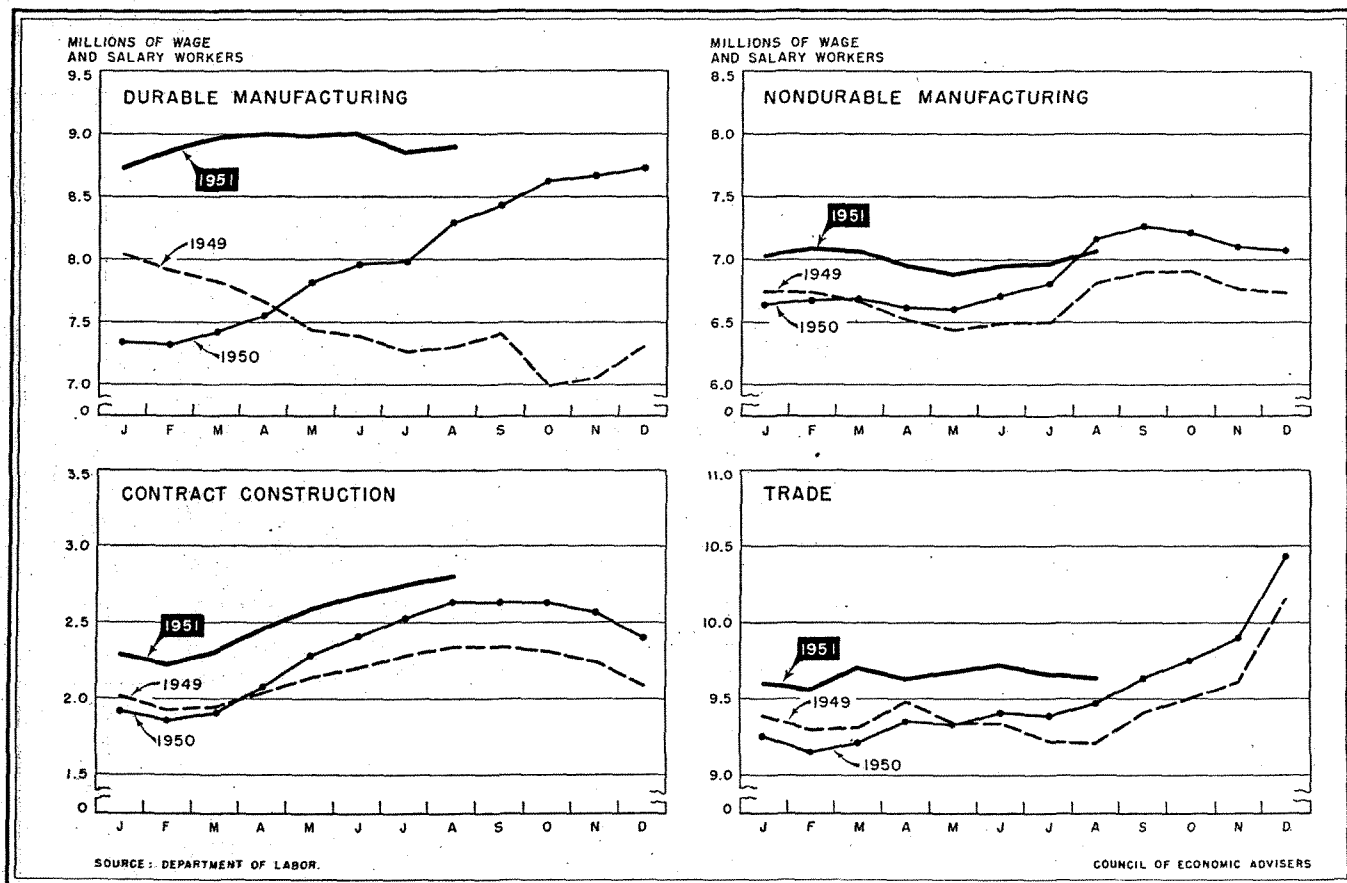
¹ Includes part-time workers and those who had jobs but were not at work for such reasons as vacation, illness, bad weather, temporary lay-off, and industrial disputes.

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

Source: Department of Commerce.

NONAGRICULTURAL EMPLOYMENT - SELECTED INDUSTRIES

Manufacturing employment increased 140,000 in August with the largest gains occurring in nondurable goods industries. Construction employment continued to rise to a new high, while a slight decline was registered in trade.



[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: 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.....	15, 853	8, 975	6, 878	2, 598	9, 683	6, 673	6, 377	4, 137	915
June ²	15, 950	8, 996	6, 954	2, 687	9, 733	6, 728	6, 377	4, 159	925
July ²	15, 829	8, 855	6, 974	2, 749	9, 657	6, 758	6, 356	4, 180	907
August ²	15, 970	8, 900	7, 000	2, 796	9, 627	6, 756	6, 400	4, 195	926

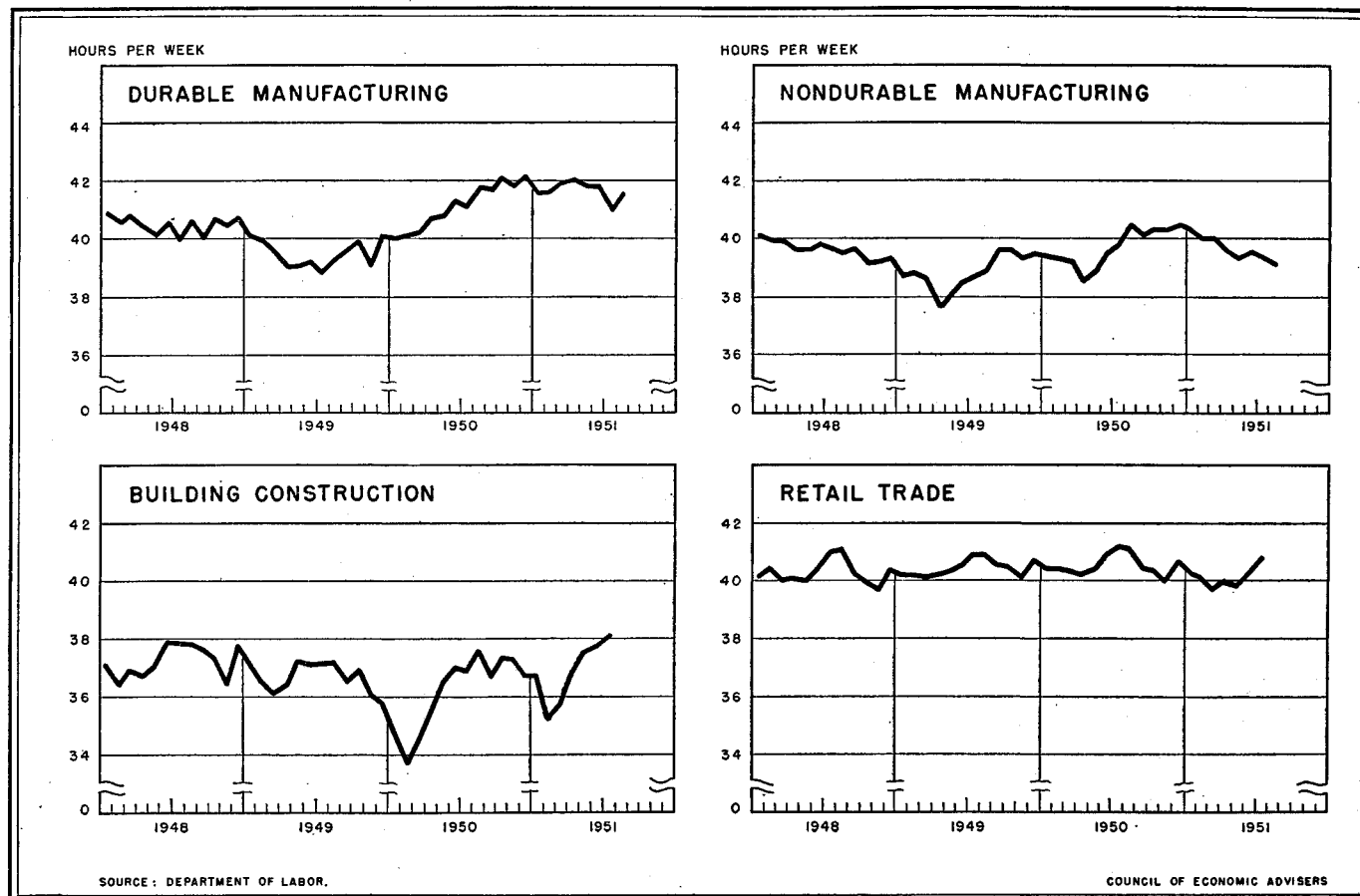
¹ Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked or received pay during the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total derived from this 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

The workweek in durable goods manufacturing increased $\frac{1}{2}$ hour in August but was still below that of a year ago. In nondurable goods manufacturing, it declined slightly.



[Hours per week, selected industries¹]

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: 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.....	40.7	41.8	39.3	37.5	39.8
June ³	40.8	41.8	39.5	37.7	40.3
July ³	40.3	41.0	39.3	38.1	40.8
August ³	40.4	41.5	39.1	(2)	(2)

¹ For production and related workers.

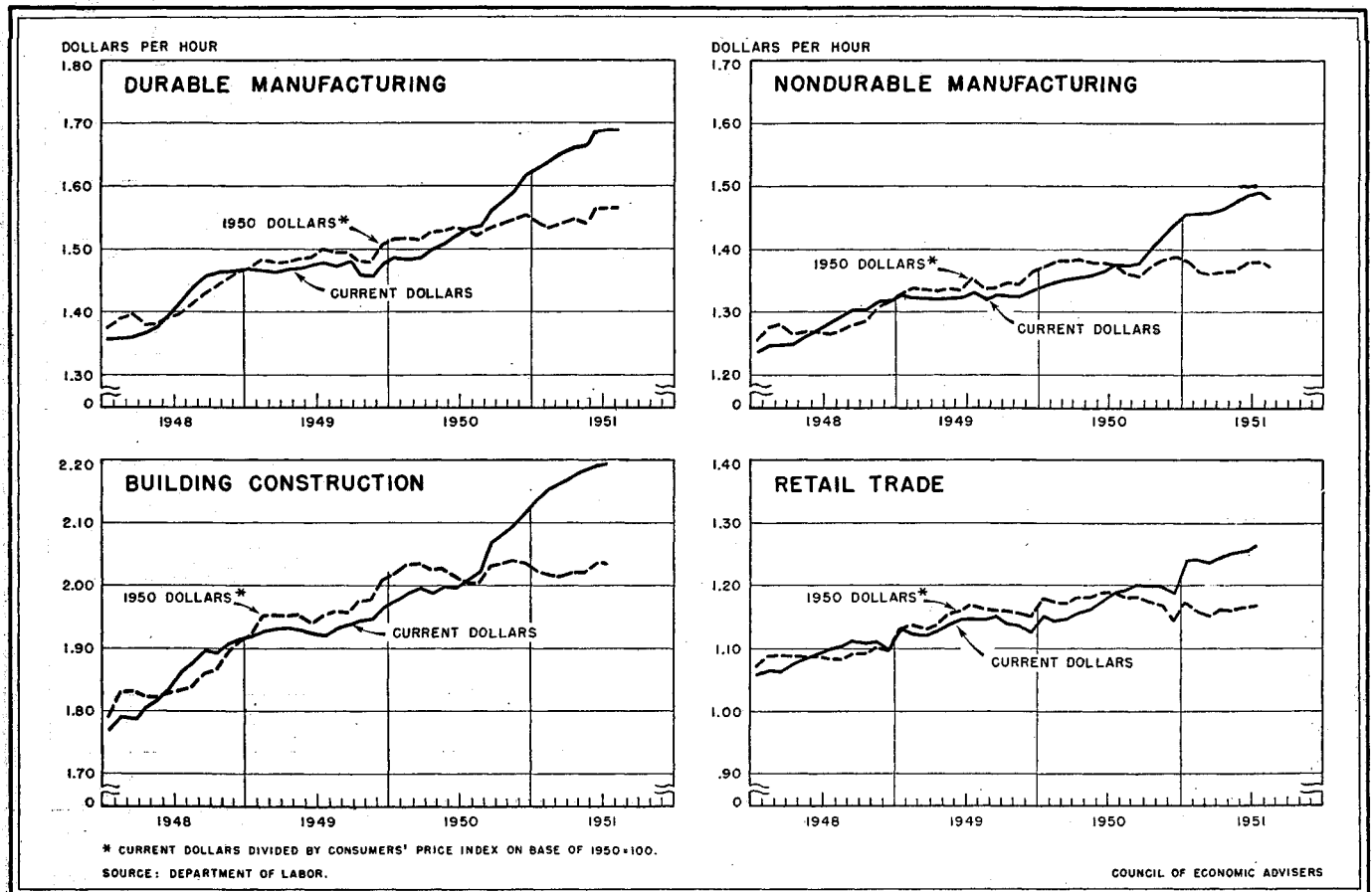
² Not available.

³ Preliminary estimates.

Source: Department of Labor.

AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Average hourly earnings in manufacturing were unchanged between July and August. A slight increase in the durable goods segment was offset by a decline in the nondurables.



[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. 095	\$0. 698	\$1. 208	\$0. 582	\$1. 007	(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: 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. 469	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	1. 586	1. 470	1. 665	1. 543	1. 474	1. 366	2. 182	2. 022	1. 252	1. 160
June ³	1. 601	1. 487	1. 686	1. 565	1. 483	1. 377	2. 194	2. 037	1. 256	1. 166
July ²	1. 602	1. 485	1. 688	1. 564	1. 487	1. 378	2. 196	2. 035	1. 261	1. 169
August ²	1. 602	1. 485	1. 693	1. 569	1. 480	1. 372	(2)	(2)	(2)	(2)

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

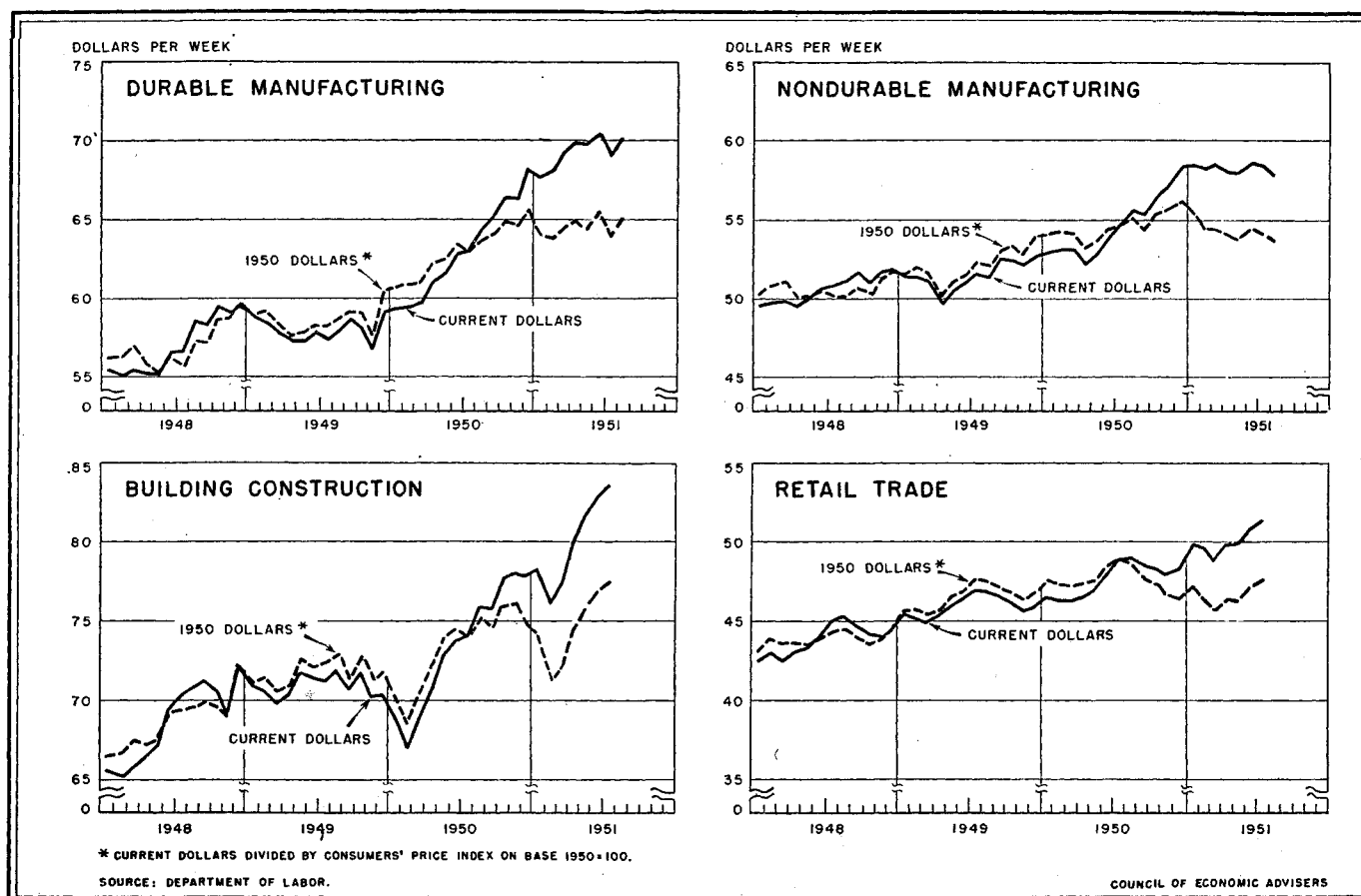
² Not available.

³ Preliminary estimates.

Source: Department of Labor,

AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings in manufacturing rose to \$64.72 in August. The increase in durable goods manufacturing amounted to slightly more than \$1.00. There was some decline in nondurable earnings reflecting both the lower hourly rates and the shorter workweek.



[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	\$41.28	\$26.50	\$45.85	\$21.78	\$37.68	(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	50.60	(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	46.39
1950 monthly average.....	59.33	59.33	63.32	63.32	54.71	54.71	73.73	73.73	47.63	47.63
1950: July.....	59.21	59.15	63.01	62.95	54.68	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	59.69	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.....	64.55	59.82	69.60	64.50	57.93	53.69	81.83	75.84	49.83	46.18
June ³	65.32	60.65	70.47	65.43	58.58	54.39	82.71	76.80	50.62	47.00
July ³	64.56	59.83	69.21	64.14	58.44	54.16	83.67	77.54	51.45	47.68
August ³	64.72	59.98	70.26	65.12	57.87	53.63	(2)	(2)	(2)	(2)

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

² Not available.

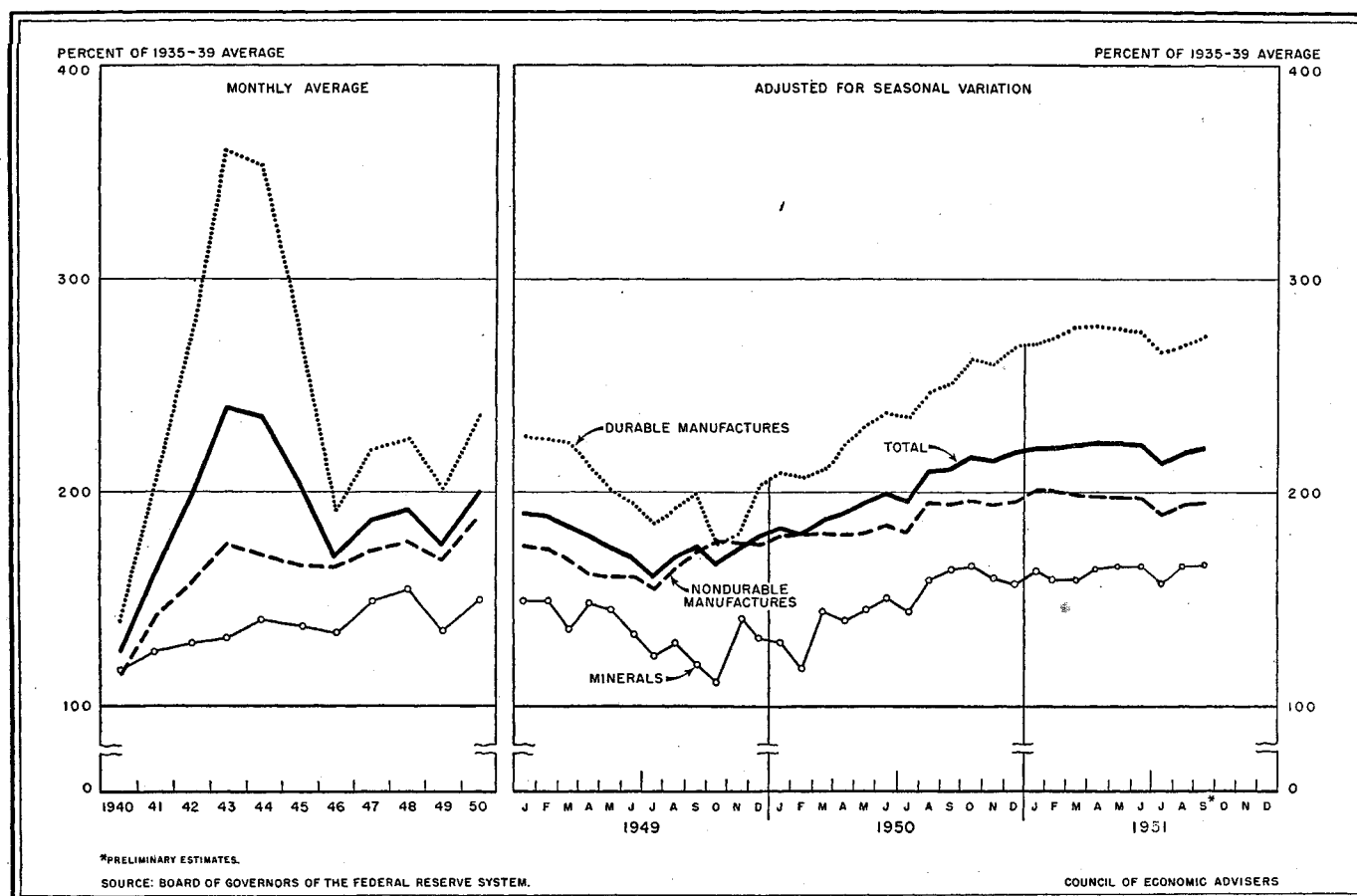
³ Preliminary estimates.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

Industrial production rose slightly in September, but did not regain second quarter levels. In durable goods manufacturing, defense industries increased production over August; in nondurables, textile output continued below June. In the minerals group, coal output was above August.



[1935-39=100, seasonally adjusted]

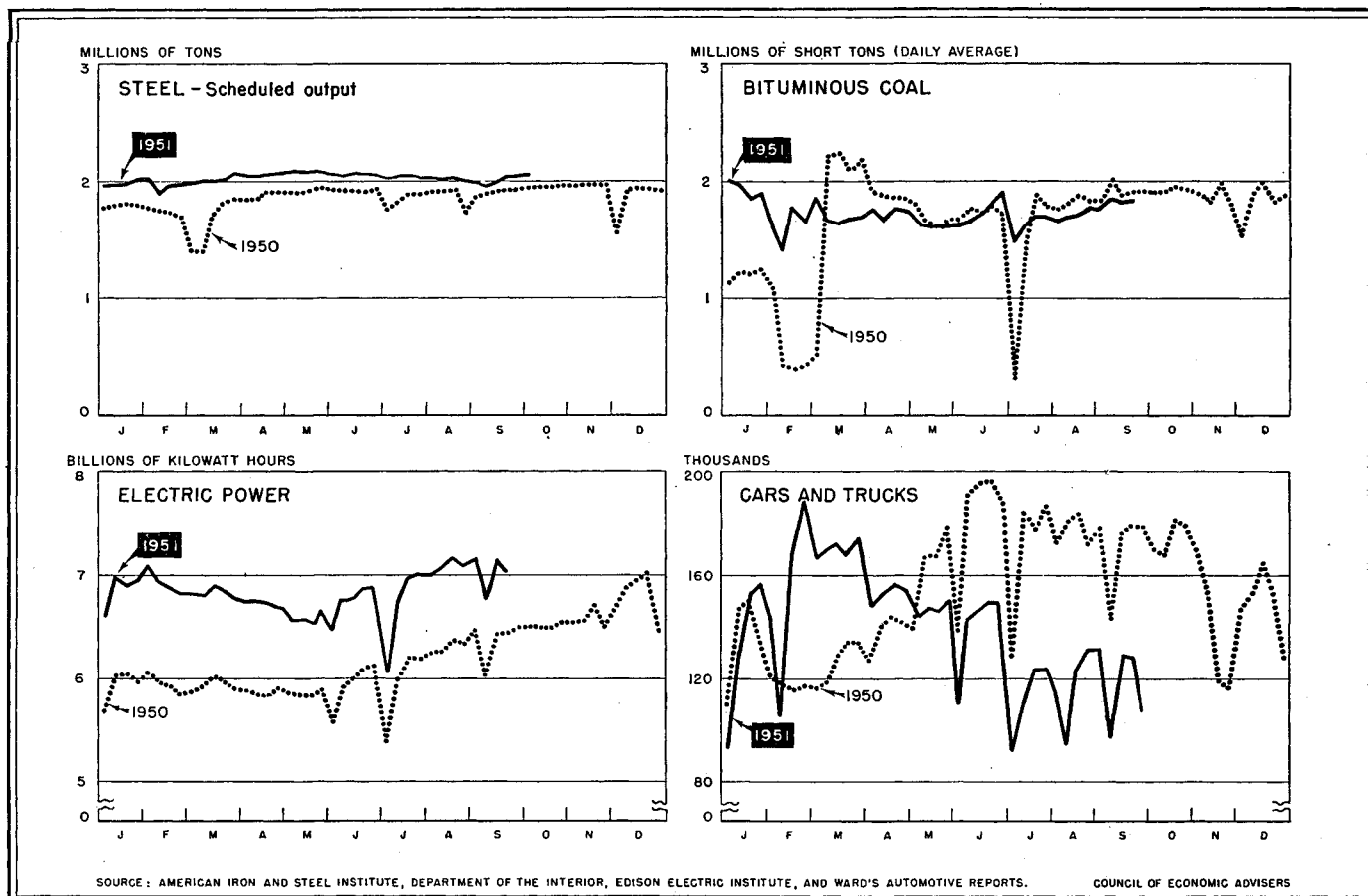
Period	Total industrial production	Manufactures			Minerals
		Total	Durable goods	Nondurable goods	
1943 monthly average.....	239	258	360	176	132
1946 monthly average.....	170	177	192	165	134
1947 monthly average.....	187	194	220	172	149
1948 monthly average.....	192	198	225	177	155
1949 monthly average.....	176	183	202	168	135
1950 monthly average.....	200	209	237	187	148
1950: 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.....	222	233	276	198	165
June.....	221	231	274	197	165
July.....	213	223	266	189	156
August ¹	218	228	269	194	165
September ¹	220	230	273	195	166

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

WEEKLY PRODUCTION - SELECTED INDICATORS

Steel production picked up from the summer lows by the first week in October. Bituminous coal output rose in September from the previous month, although remaining below production last year. Motor vehicle assemblies were somewhat below the average weekly rate in August.



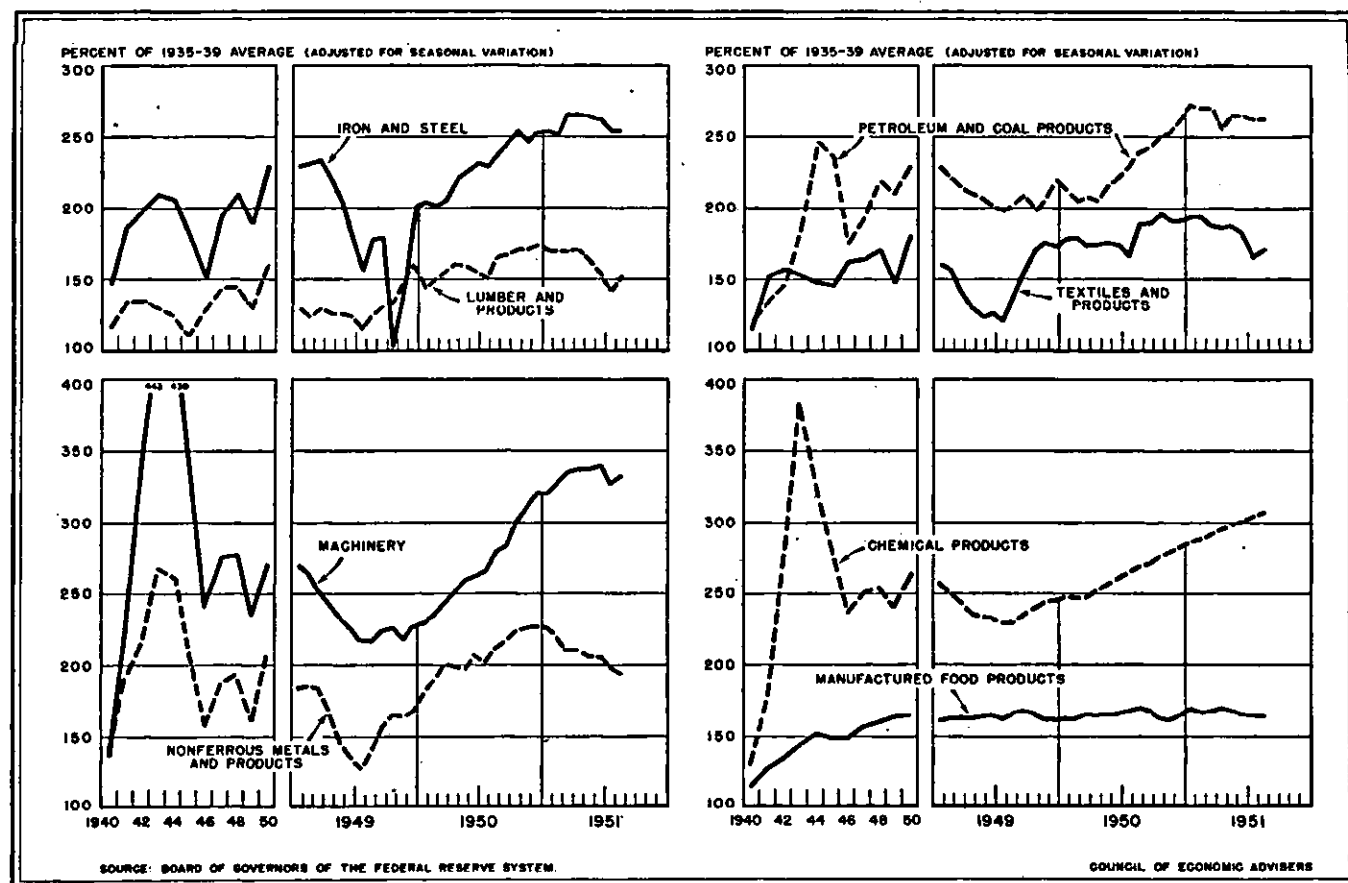
Period	Steel ¹		Electric power, by utilities (millions of kilowatt-hours)	Bituminous coal (thousands of short tons) ²	Cars and trucks (number)
	Thousands of net tons	Percent of theoretical capacity			
Weekly average:					
1947-----	1, 628	93. 0	4, 821	2, 058	92, 163
1948-----	1, 695	94. 1	5, 300	1, 948	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: 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	100. 9	6, 804	1, 726	147, 582
July-----	1, 964	98. 2	6, 699	1, 706	112, 166
August-----	1, 969	98. 5	7, 078	1, 747	119, 302
September ³ -----	2, 007	100. 4	7, 014	-----	116, 064
Week ended:					
1951: September 1-----	1, 995	99. 8	7, 146	1, 766	131, 240
8-----	1, 965	98. 3	6, 795	1, 847	97, 547
15-----	1, 999	100. 0	7, 138	1, 810	129, 489
22-----	2, 023	101. 2	7, 014	1, 817	128, 541
29-----	2, 041	102. 1	7, 108	-----	108, 679
October 6-----	2, 051	102. 6	-----	-----	-----

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 1,749,923 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. ² Daily average for week. ³ Preliminary estimates.

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

PRODUCTION OF SELECTED MANUFACTURES

In August, machinery and lumber output recovered part of the July dip. Nonferrous metals production dropped for the third month due chiefly to lower output of copper and zinc. Among the nondurable goods industries, textiles rose and chemical products continued a rise which has been uninterrupted since the spring of 1950.



[1935-39=100, seasonally adjusted]

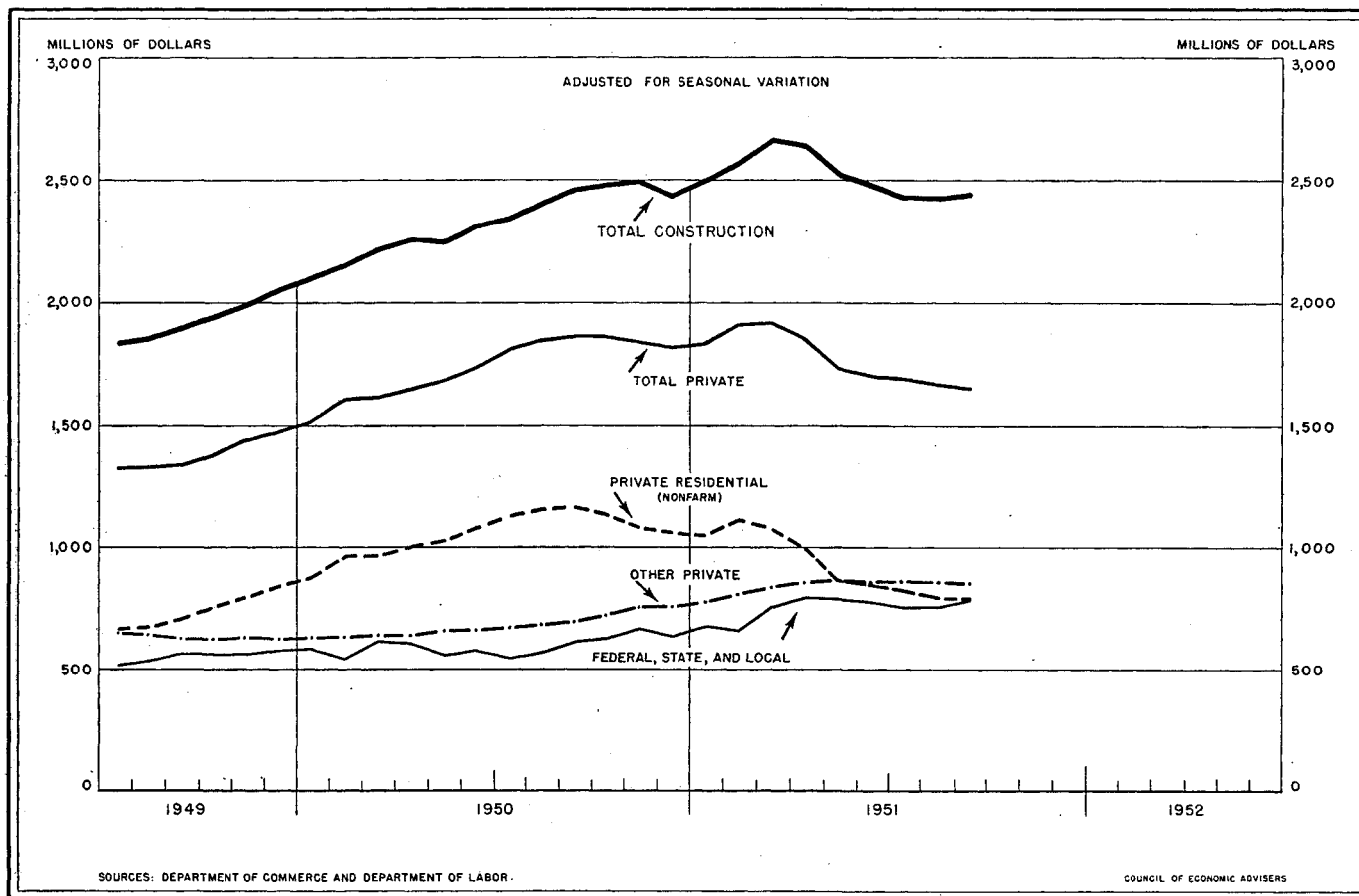
Period	Durable manufactures				Nondurable manufactures			
	Iron and steel	Lumber and products	Machinery	Nonferrous metals and products	Textiles and products	Petroleum and coal products	Manufactured food products	Chemical products
1943 monthly average.....	208	129	443	267	153	185	145	384
1946 monthly 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: 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	336	205	190	203	167	298
June.....	261	153	338	204	185	263	165	302
July.....	253	142	327	198	165	261	164	304
August ¹	253	152	332	193	172	261	163	307

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

NEW CONSTRUCTION

There was little change in total new construction outlays in September, as increases in government construction somewhat exceeded declines in private. The level of total construction was slightly below that 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: 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, 495	1, 717	846	871	778
July.....	2, 455	1, 705	831	874	750
August.....	2, 437	1, 673	804	869	764
September ²	2, 446	1, 654	796	858	792

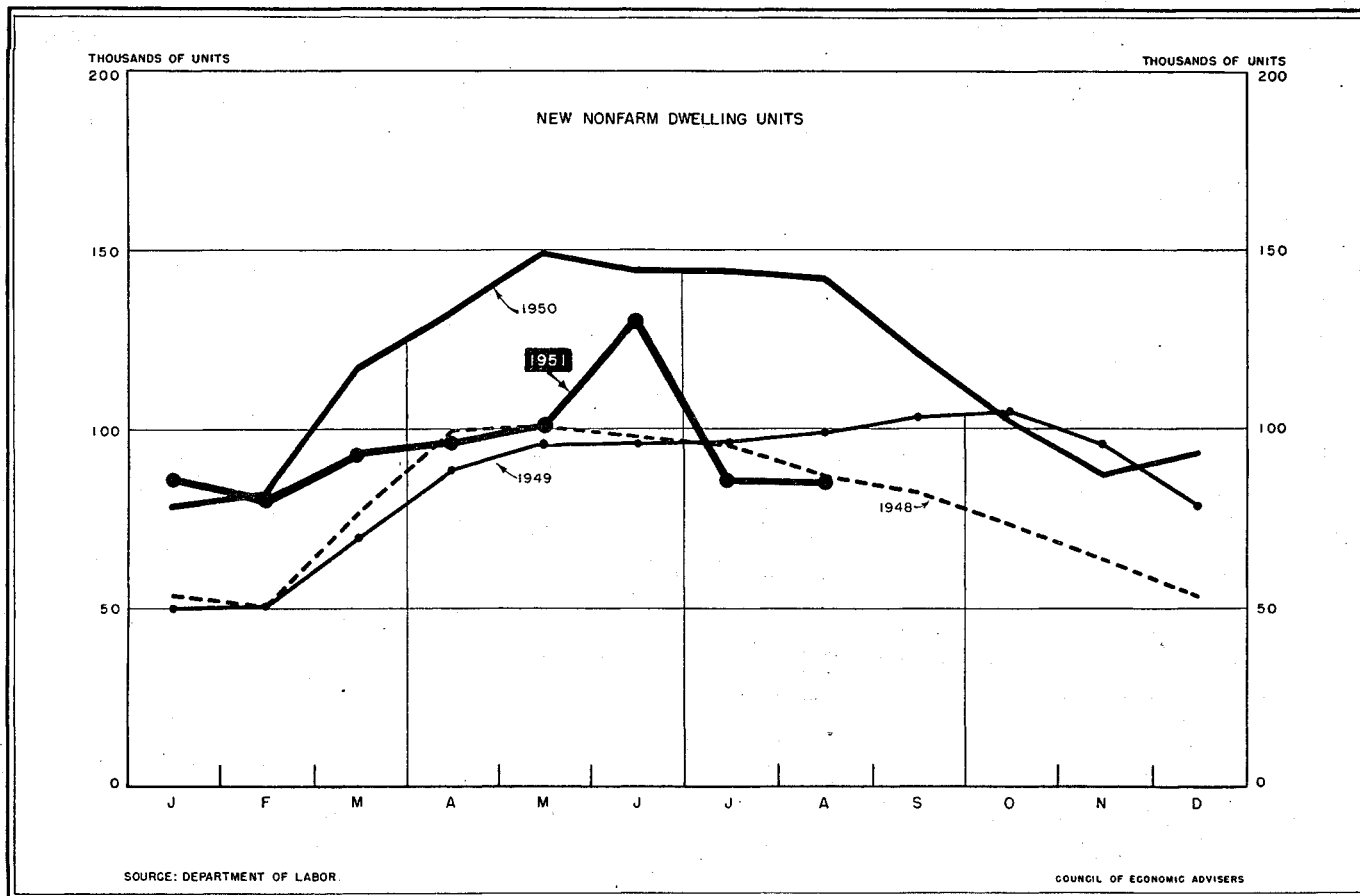
¹ Includes public residential construction.

² Preliminary estimates.

Sources: Department of Commerce and Department of Labor.

NEW HOUSING STARTS

New housing starts declined by 1,000 in August to 85,000, just under the August levels of 1947 and 1948.



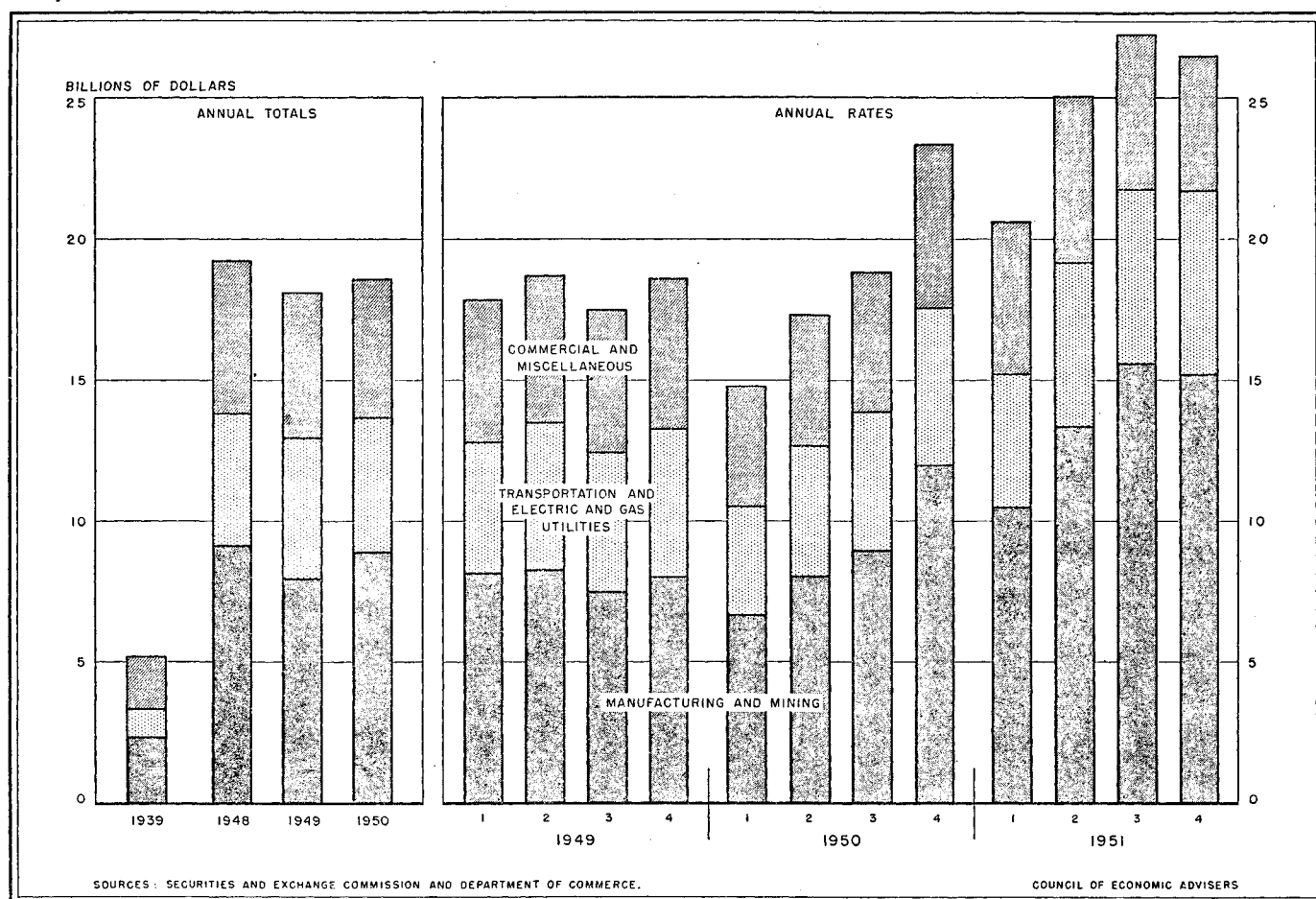
Month	New nonfarm units started				
	1947	1948	1949	1950	1951
January	39,300	53,500	50,000	78,700	85,900
February	42,800	50,100	50,400	82,900	80,600
March	56,000	76,400	69,400	117,300	93,800
April	67,100	99,500	88,300	133,400	96,200
May	72,900	100,300	95,400	149,100	101,000
June	77,200	97,800	95,500	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	¹ 85,000
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 third quarter of 1951 are estimated at an all-time high, 45 percent above the third quarter of 1950, with manufacturing facilities outlays 78 percent above those of the third quarter last year.



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

Period	Total ¹	Manufacturing	Mining	Transportation		Electric and gas utilities	Commercial and miscellaneous ²
				Railroad	Other		
1939.....	5,200	1,930	380	280	280	480	1,850
1941.....	8,190	3,400	680	560	340	710	2,490
1945.....	6,630	3,210	440	550	320	630	1,480
1948.....	19,230	8,340	800	1,320	700	2,680	5,390
1949.....	18,120	7,250	740	1,350	520	3,140	5,120
1950.....	18,560	8,220	680	1,140	440	3,170	4,920
1951 ³	24,830	12,830	870	1,580	520	3,680	5,360
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.....	20,660	9,820	730	1,210	500	3,010	5,380
Second quarter.....	25,010	12,560	810	1,650	540	3,570	5,870
Third quarter ³	27,200	14,610	980	1,600	470	4,100	5,430
Fourth quarter ³	26,440	14,320	940	1,860	540	4,030	4,740

¹ Excludes agriculture.

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

³ Estimates for third and fourth quarters based on anticipated capital expenditures of business as reported in a survey made in late July and during August.

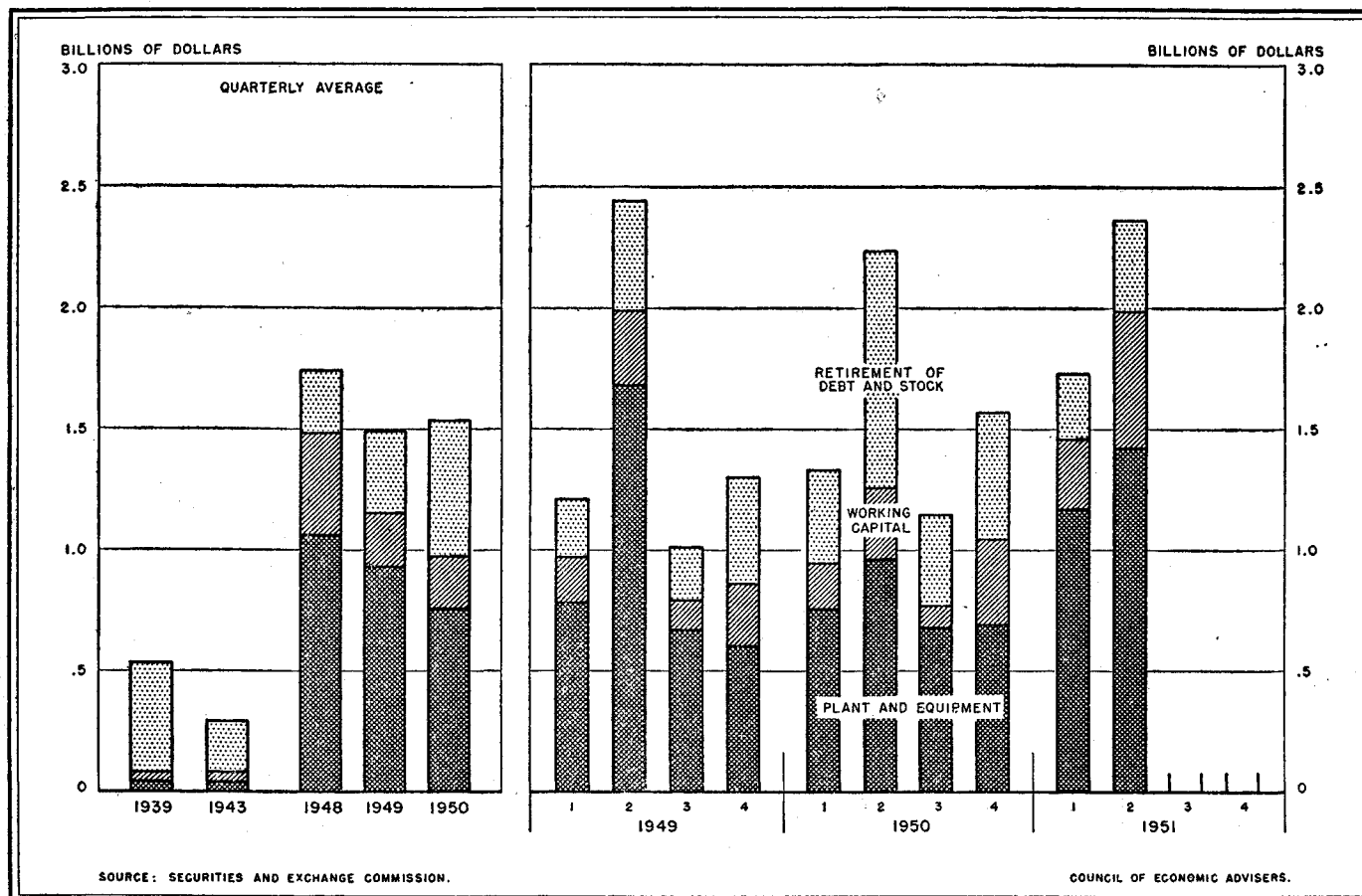
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense. Figures for 1939-44 are Federal 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.....	1,565	1,002	741	260	564
1949: 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.

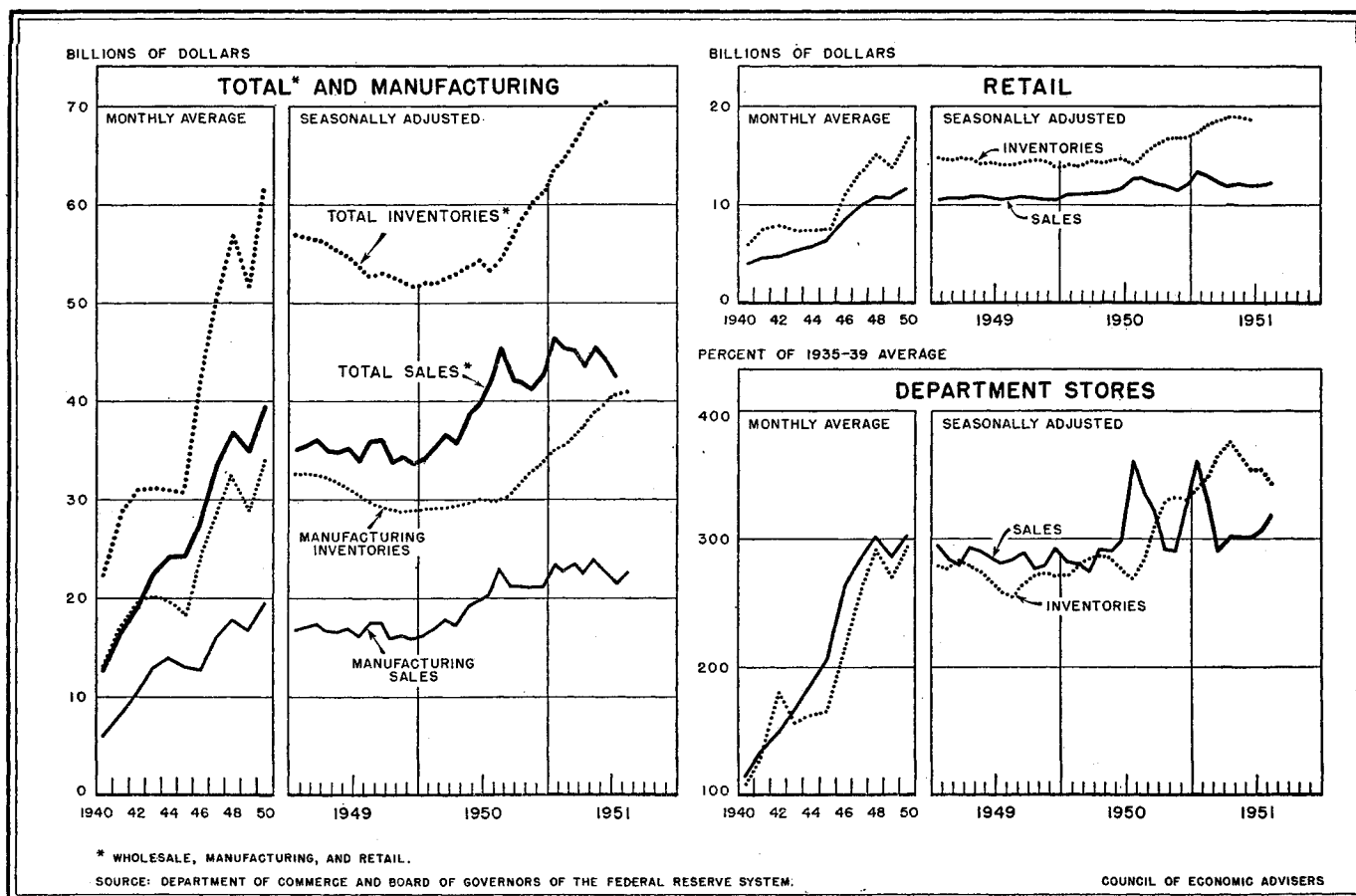
² Preliminary estimates.

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

Source: Securities and Exchange Commission.

INVENTORIES AND SALES

Sales by both manufacturers and retailers rose in August, after adjustment for seasonal variation. Manufacturers' inventories have risen each month since July 1950, and at the end of August were almost 38 percent higher than a year ago. Department store inventories dropped in August.



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	Inven- tories ⁵	Sales ⁵
	Millions of dollars, seasonally adjusted						(millions of dollars) ⁴	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: 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.....	69, 885	45, 556	18, 958	12, 075	38, 939	23, 838	23, 318	365	301
June ⁷	70, 536	44, 279	18, 720	11, 925	39, 957	22, 758	23, 234	353	302
July ⁷	70, 539	42, 514	18, 359	11, 816	40, 406	21, 615	20, 976	353	309
August ⁷	70, 371	-----	17, 785	12, 075	41, 100	22, 700	22, 600	342	319

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.

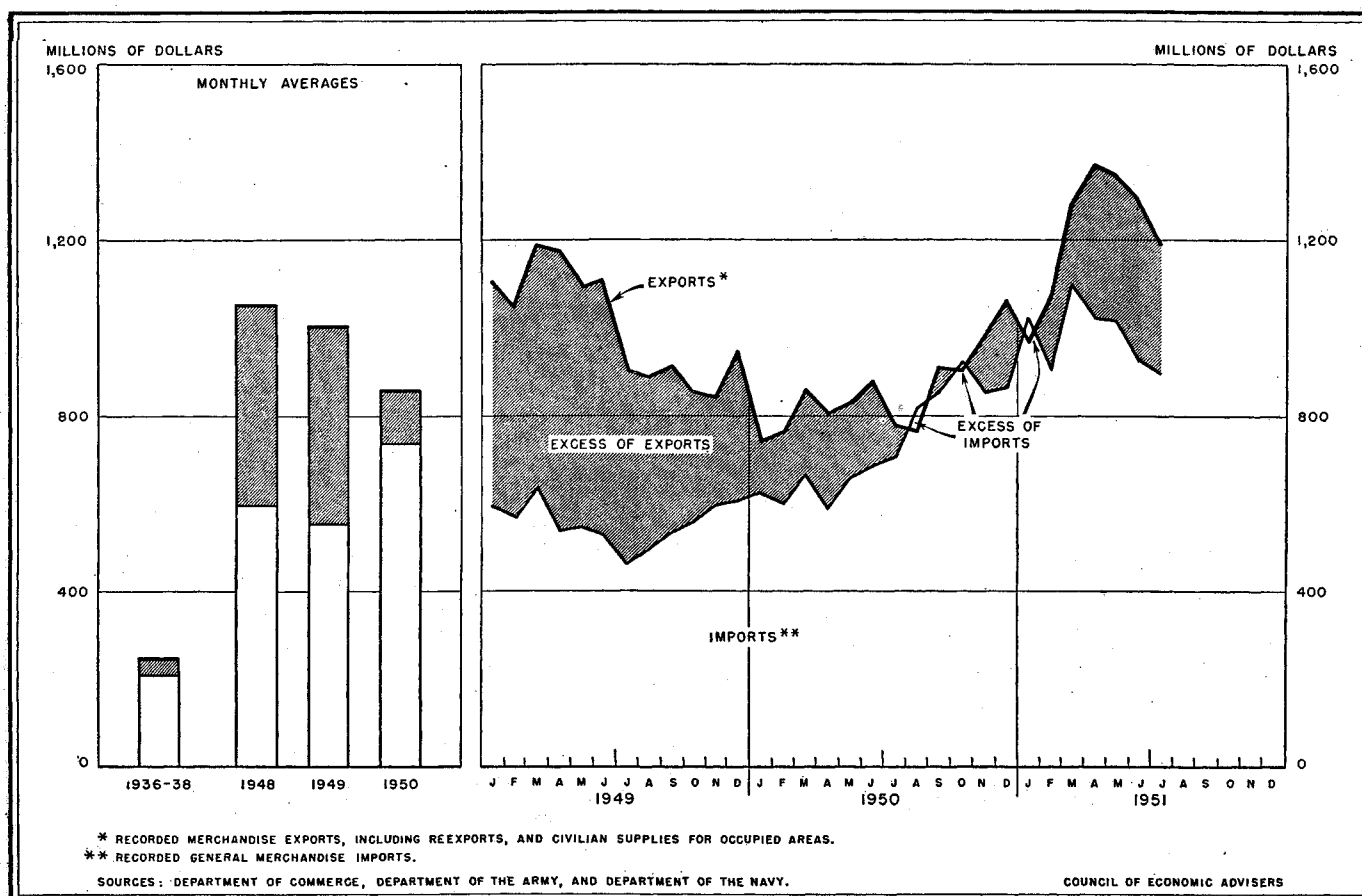
⁶ Not available.

⁷ Preliminary estimates.

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

MERCHANDISE EXPORTS AND IMPORTS

Exports continuing to decline in July were below the April peak, mainly because of seasonally lower shipments of wheat and cotton. With a smaller decline in imports, the export surplus dropped below the post-Korean highs of the second quarter.



[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.....	812	411	+400
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: 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.....	974	1,024	-50
February.....	1,076	909	+166
March.....	1,284	1,099	+185
April.....	1,372	1,033	+339
May.....	1,353	1,018	+335
June.....	1,294	929	+364
July.....	1,186	893	+292

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

² Recorded general merchandise imports.

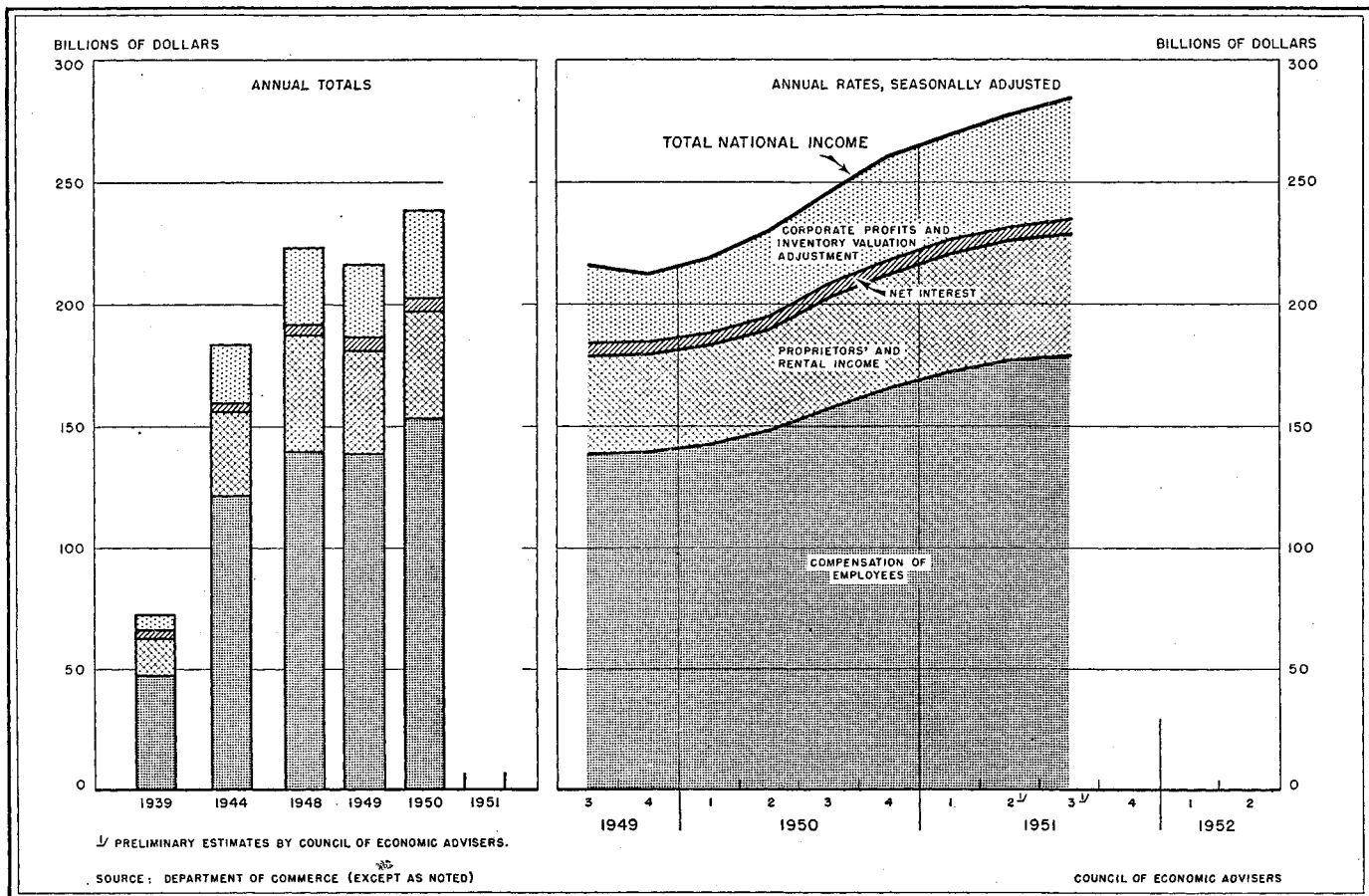
NOTE: Detail will not necessarily add to totals because of rounding.

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

PURCHASING POWER

NATIONAL INCOME

National income advanced about 2½ percent to almost \$285 billion (seasonally adjusted annual rate) between the second and third quarters under the impetus of increased wages and salaries and entrepreneurial income. Corporate profits before taxes declined somewhat but when adjusted for inventory valuation changes increased by \$3½ billion.



[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	-.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							
1950: First quarter.....	219.3	142.2	41.4	5.2	30.5	31.9	-1.4
Second quarter.....	230.6	148.6	41.8	5.3	34.8	37.5	-2.7
Third quarter.....	245.8	157.3	45.6	5.5	37.4	45.7	-8.3
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
Second quarter.....	277.4	177.4	48.1	5.7	46.2	48.5	-2.3
Third quarter ¹	284.6	179.5	49.5	5.8	49.8	46.5	+3.3

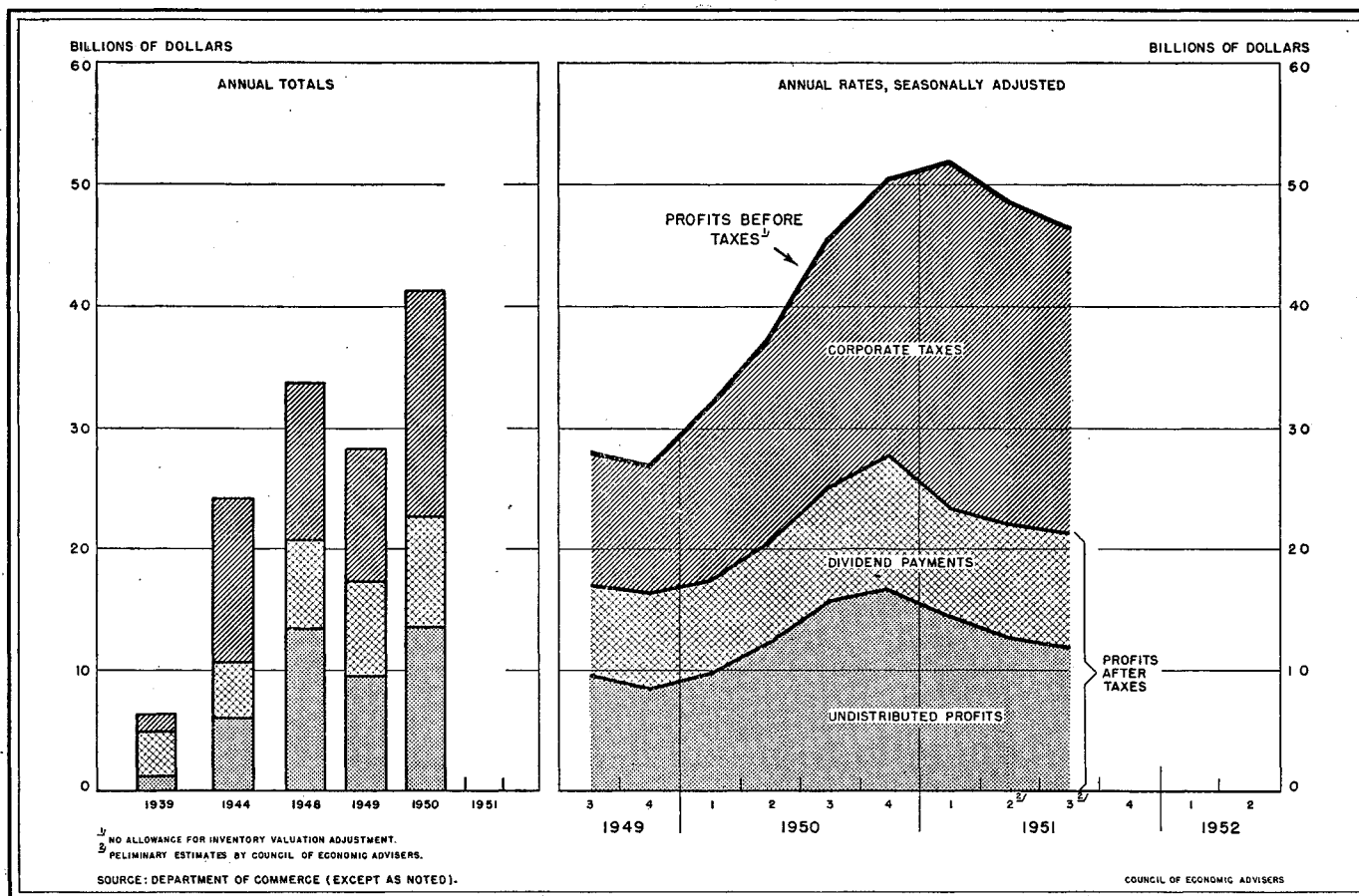
¹ Estimates based on incomplete data; by Council of Economic Advisers.

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 (and before adjustment for inventory valuation changes), according to preliminary indications, turned downward in the second and third quarters.



[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	13.5
1949	28.3	11.0	17.3	7.6	9.8
1950	41.4	18.6	22.8	9.2	13.6
Annual rates, seasonally adjusted					
1950: First quarter	31.9	14.4	17.5	7.8	9.7
Second quarter	37.5	16.9	20.6	8.4	12.2
Third quarter	45.7	20.5	25.2	9.4	15.8
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
Second quarter ¹	48.5	26.5	22.0	9.7	12.3
Third quarter ¹	46.5	25.2	21.3	9.5	11.8

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

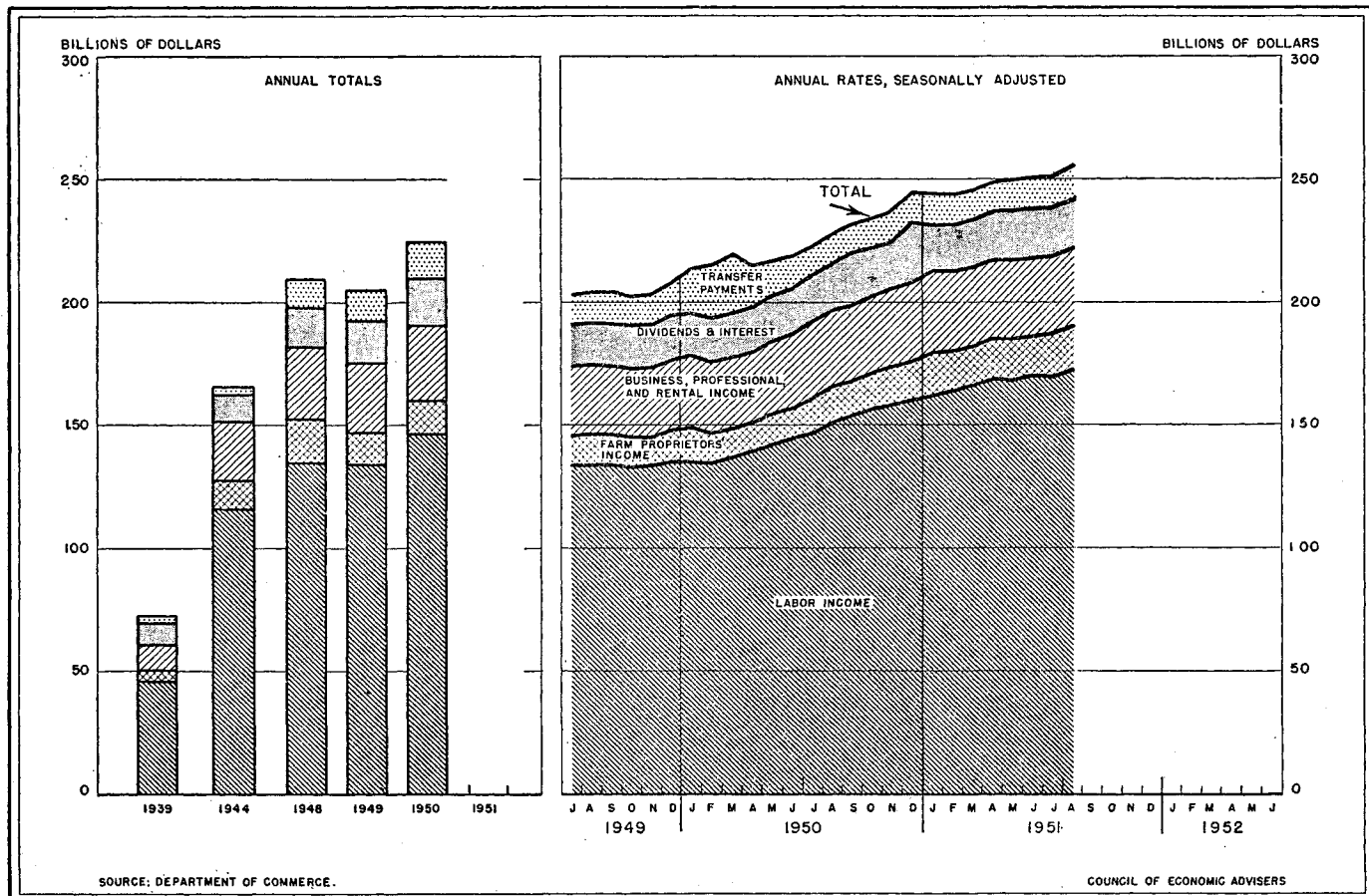
NOTE.—No allowance has been made for inventory valuation adjustment. See p. 21 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

PERSONAL INCOME

In August, personal income increased at an annual rate of \$2 billion, the largest rise since April. The August gain was primarily a result of increases in farm and labor income. However, all other major groups rose slightly.



[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: 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.....	252.4	170.9	17.3	31.9	19.7	12.6
August ²	254.4	171.6	18.0	32.3	19.8	12.7

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

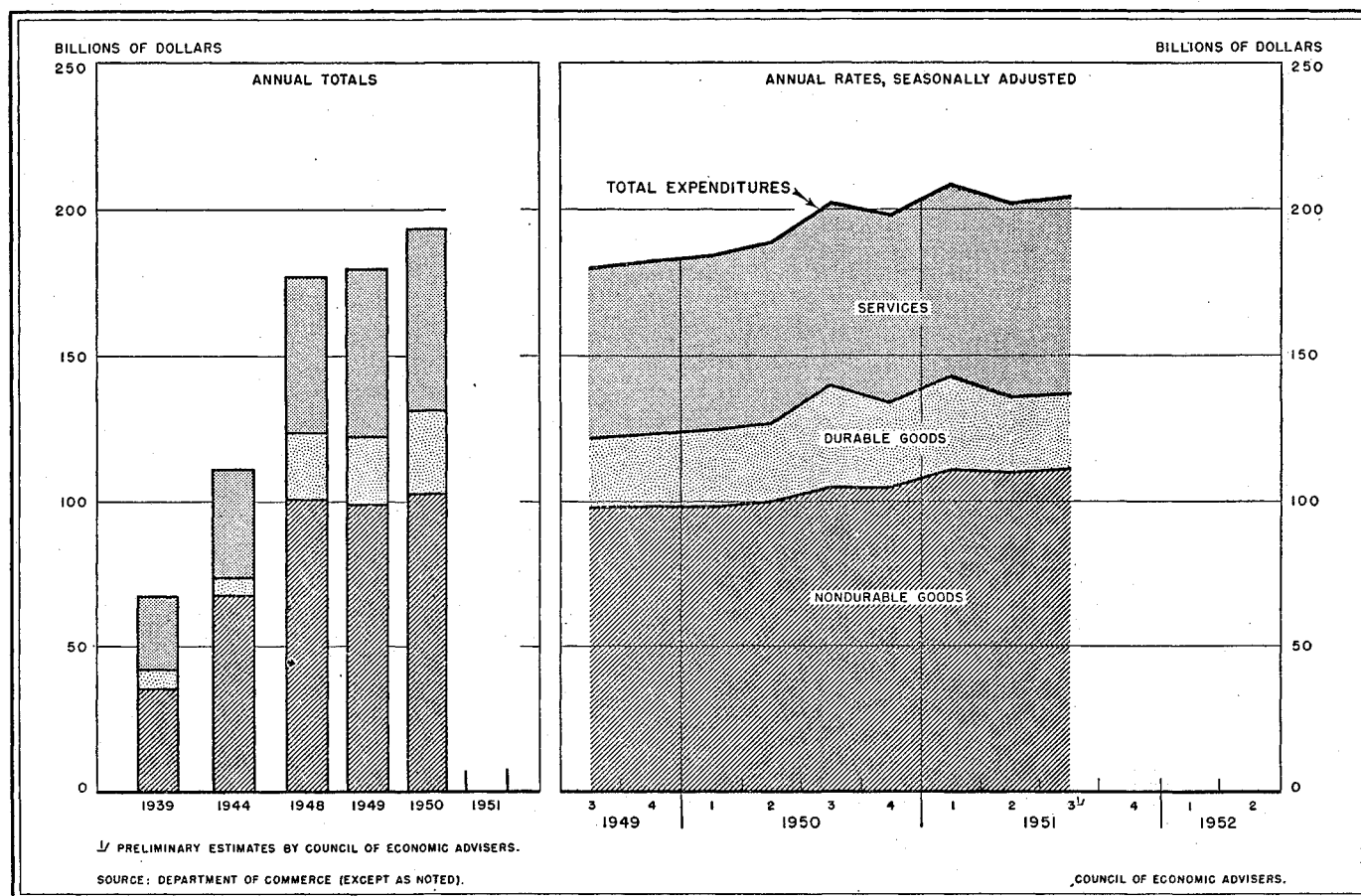
² Preliminary estimates.

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

Source: Department of Commerce.

PERSONAL CONSUMPTION EXPENDITURES

Consumption expenditures gained \$2.3 billion (seasonally adjusted annual rate) between the second and the third quarters, as a result of some recovery in nondurable goods sales and a rise in service expenditures, particularly rents.



[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				
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
Third quarter ¹	204.0	111.2	25.5	67.3

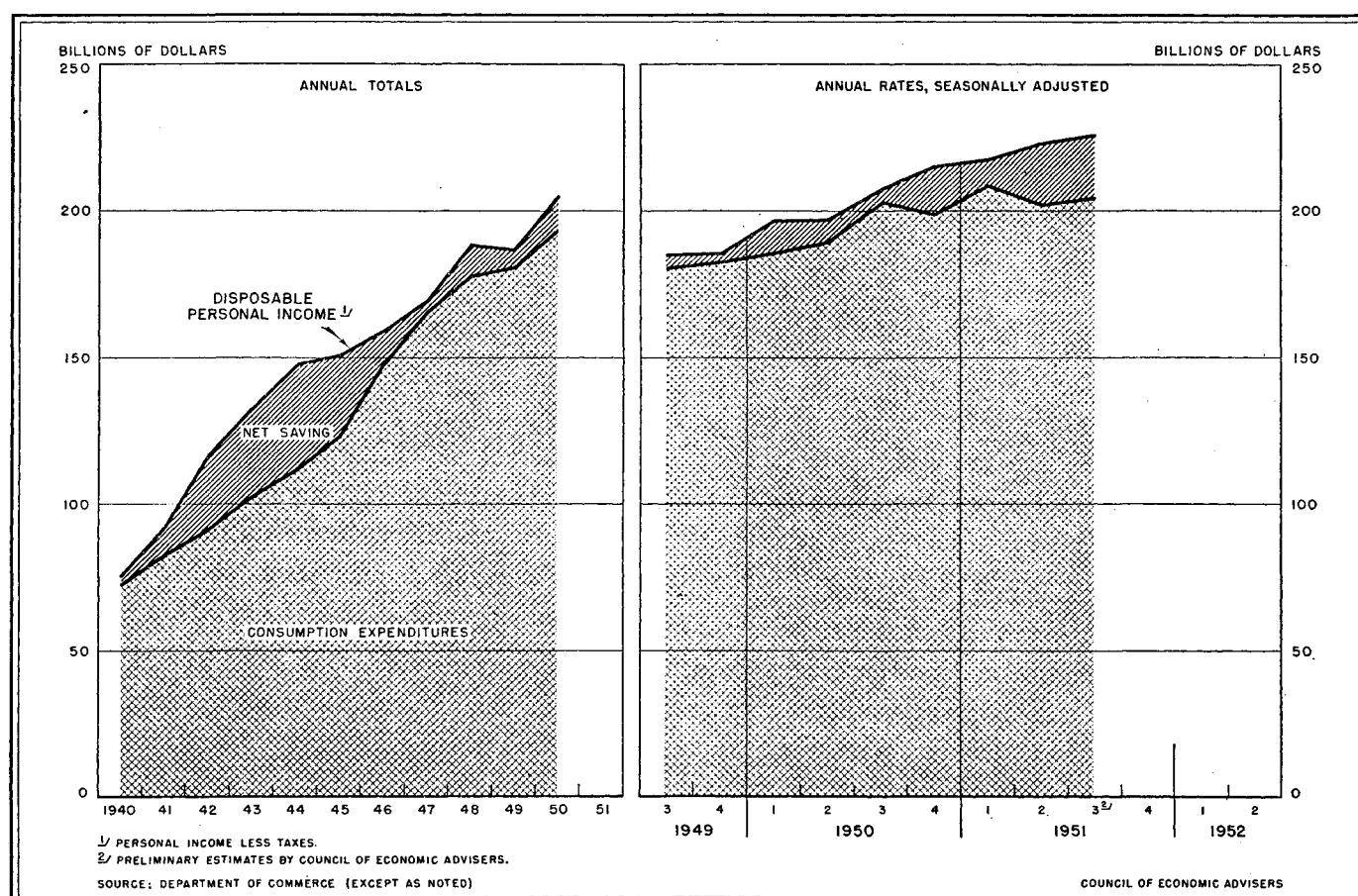
¹ Estimates based on incomplete data; by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted).

CONSUMER INCOME, SPENDING, AND SAVING

According to preliminary estimates, disposable personal income and spending rose about 1 percent between the second and third quarters, resulting in little change in the high saving ratio of about 9½ percent.



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				
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
Third quarter ²	225.7	204.0	21.7	9.6

¹ Income less taxes.

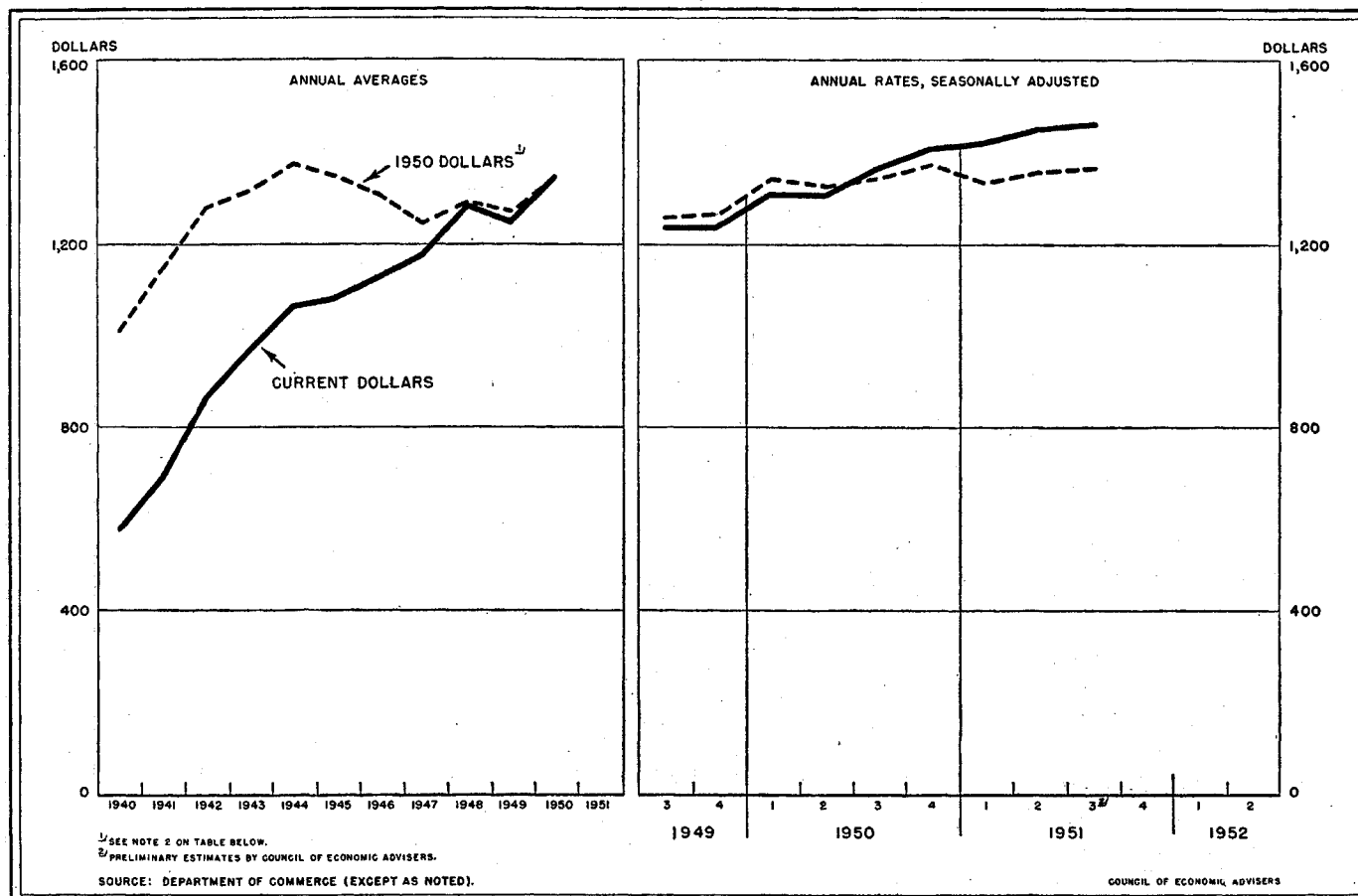
² Estimates based on incomplete data; by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted.)

PER CAPITA DISPOSABLE INCOME

The advance in per capita disposable income was less than 1 percent in both current and constant prices in the third quarter.



Period	Total disposable personal income (billions of dollars) ¹		Per capita disposable personal income (dollars) ¹		Population (thousands) ²
	Current prices	1950 prices ³	Current prices	1950 prices ³	
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					
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
Third quarter ⁴	225.7	210.9	1,459	1,363	154,724

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.

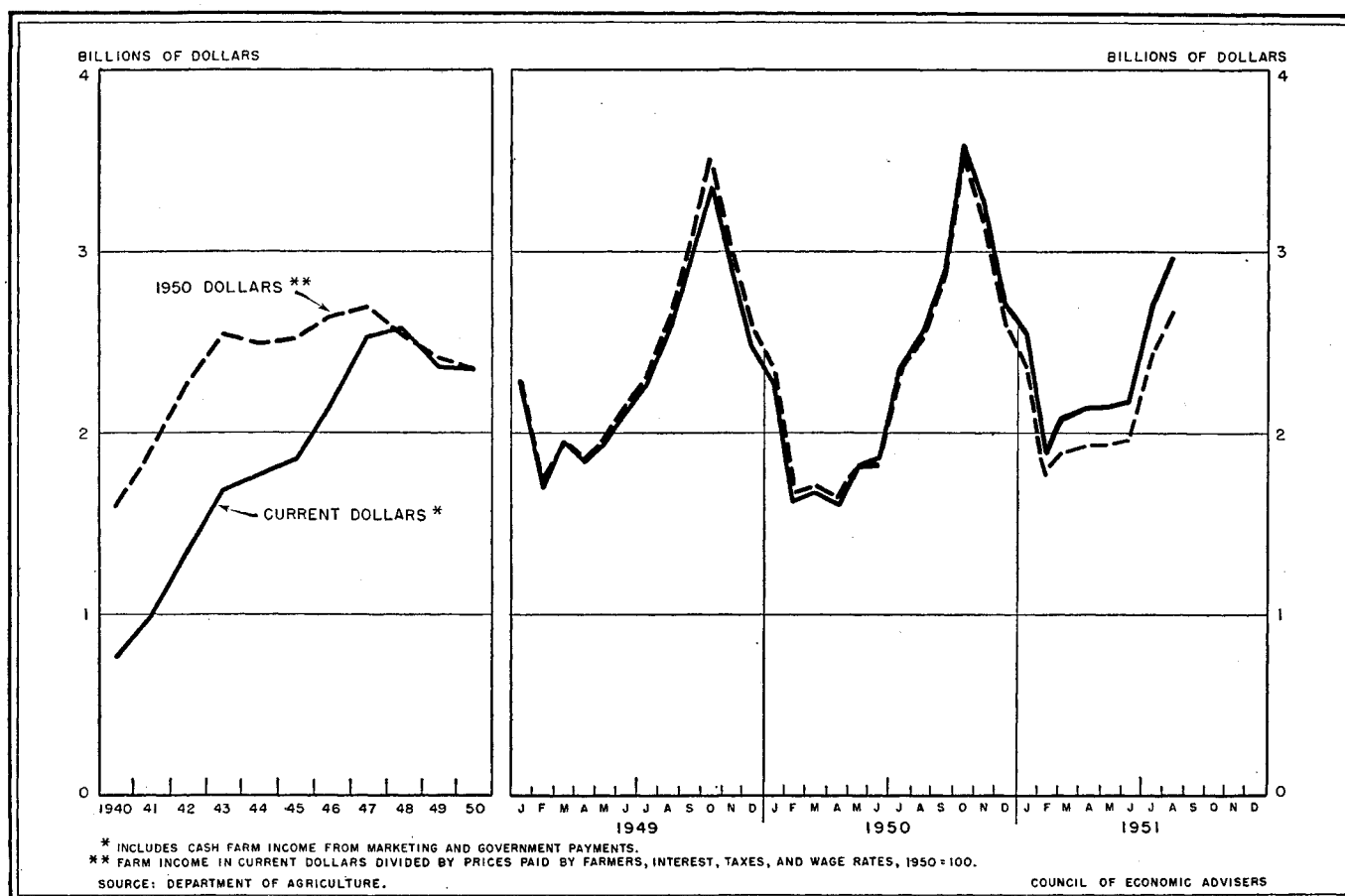
³ Provisional intercensal estimates of the population of the United States including Armed Forces overseas, taking into account the final 1950 Census total population count. Annual data as of July 1; quarterly data centered in the middle of the period, interpolated from monthly figures.

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

Source: Department of Commerce (except as noted).

FARM INCOME

Larger cash receipts for meat animals and tobacco were the principal factors in raising farm income in August. A continued gradual decline in farm prices in recent months has been more than offset by greater marketings, which in August were almost 8 percent greater than in August 1950.



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: 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.....	2,169	111	1,954
July ⁴	2,652	111	2,389
August ⁴	2,969	111	2,675

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.

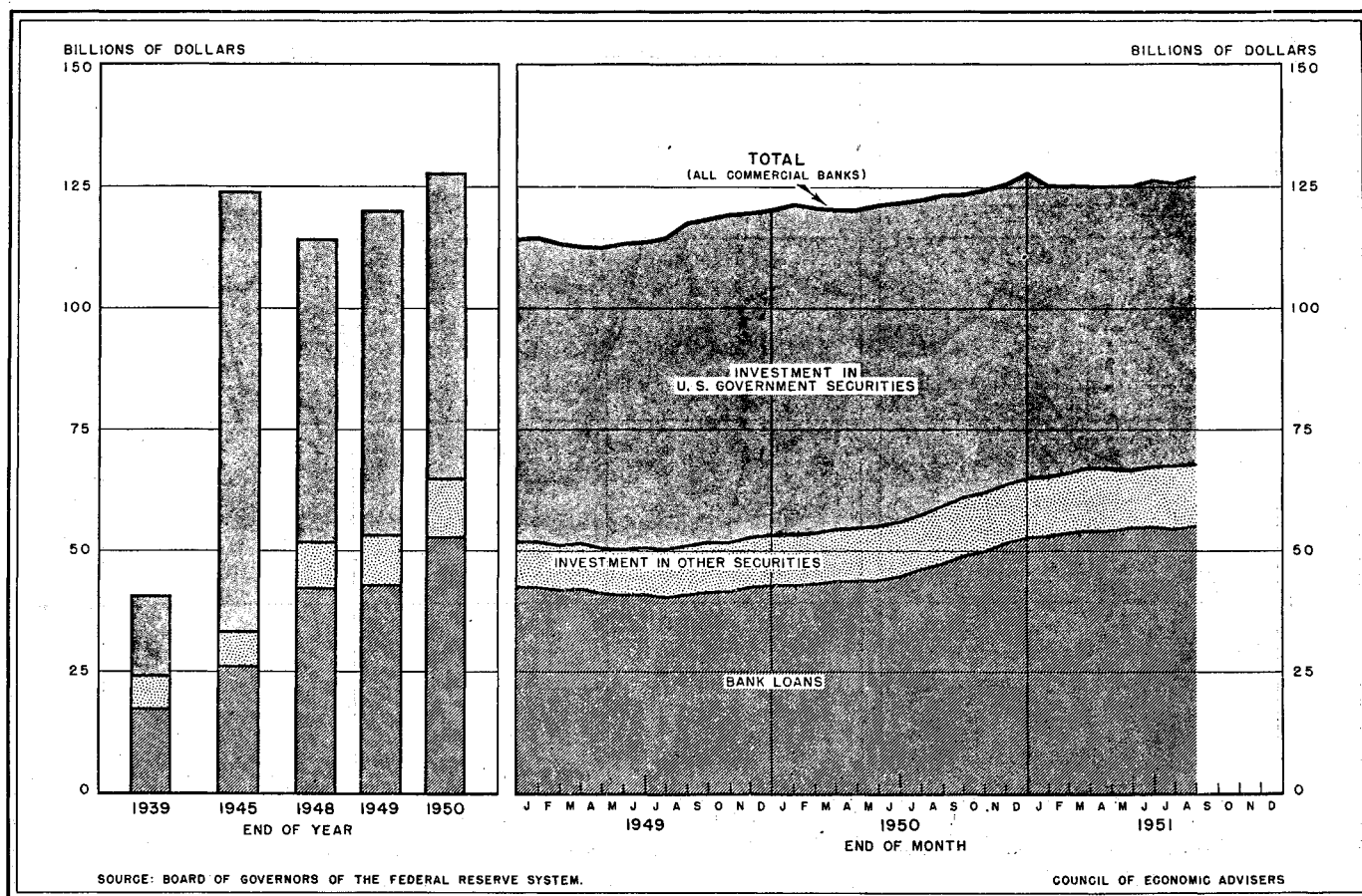
⁴ Preliminary estimates.

Source: Department of Agriculture.

CREDIT, MONEY, AND FEDERAL FINANCE

BANK LOANS AND INVESTMENTS

Bank loans rose \$600 million during August to exceed the previous record level reached in June. Investments in U. S. Government securities increased \$400 million. Holdings of other securities declined slightly.



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: 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.....	126.0	54.8	71.2	58.5	12.7	19.2
July.....	126.1	54.6	71.5	58.7	12.8	19.0
August ²	127.0	55.2	71.9	59.1	12.7	19.5
September.....						20.1

¹ Commercial, industrial, and agricultural loans.

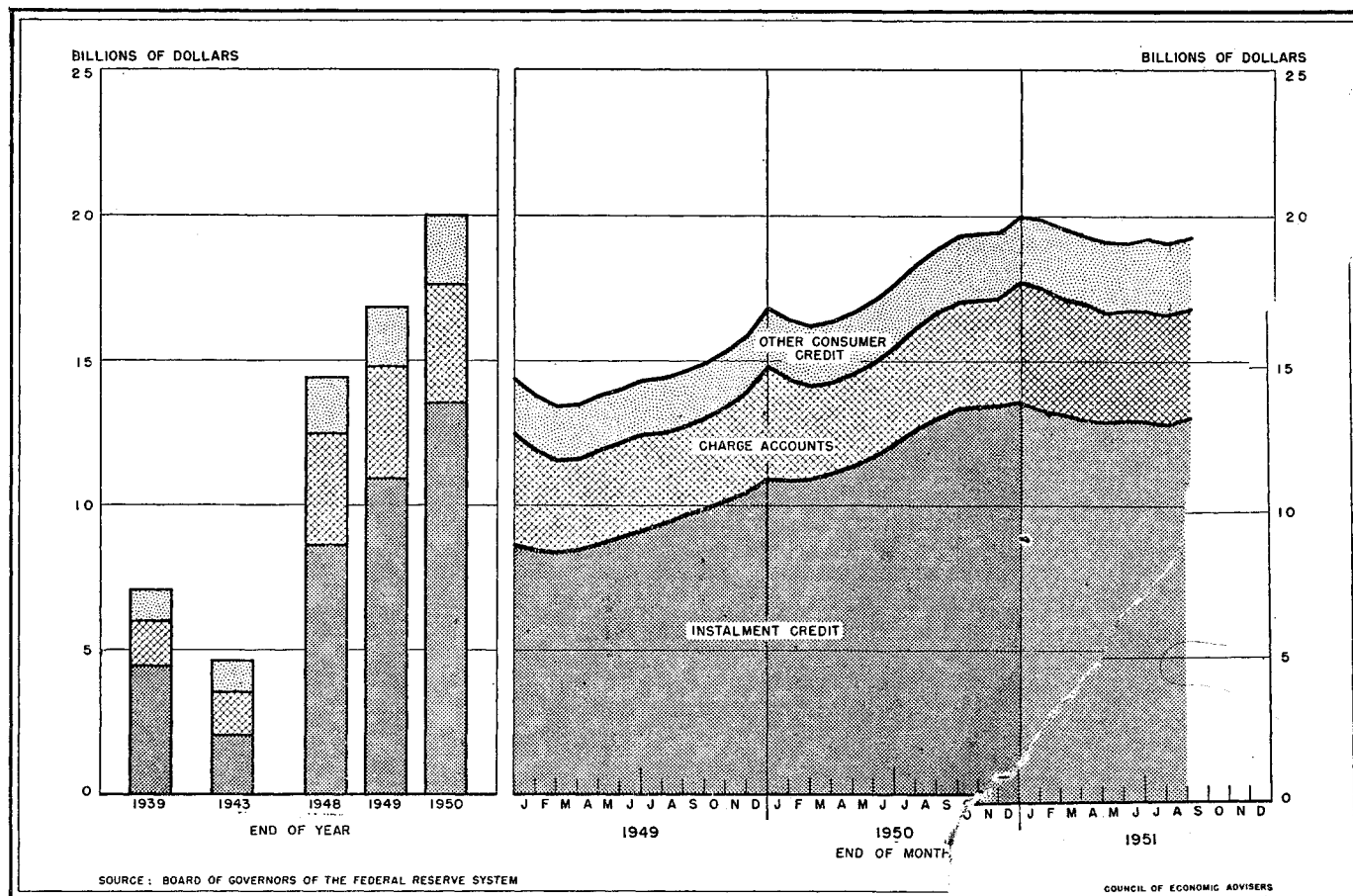
² Preliminary estimates.

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

SOURCE: Board of Governors of the Federal Reserve System.

CONSUMER CREDIT

Consumer credit outstanding expanded \$170 million during August in the third and largest monthly increase in 1951. Nearly all of the growth was accounted for by instalment credit.



[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit			Charge accounts	Other consumer credit ¹
		Total	Automobile sale credit	Other sale credit and loans		
1939.....	7,031	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: 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	3,705	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	2,465
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.....	19,256	12,955	4,041	8,914	3,804	2,497
July ²	19,135	12,905	4,061	8,844	3,743	2,487
August ²	19,306	13,060	4,134	8,926	3,750	2,496

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.

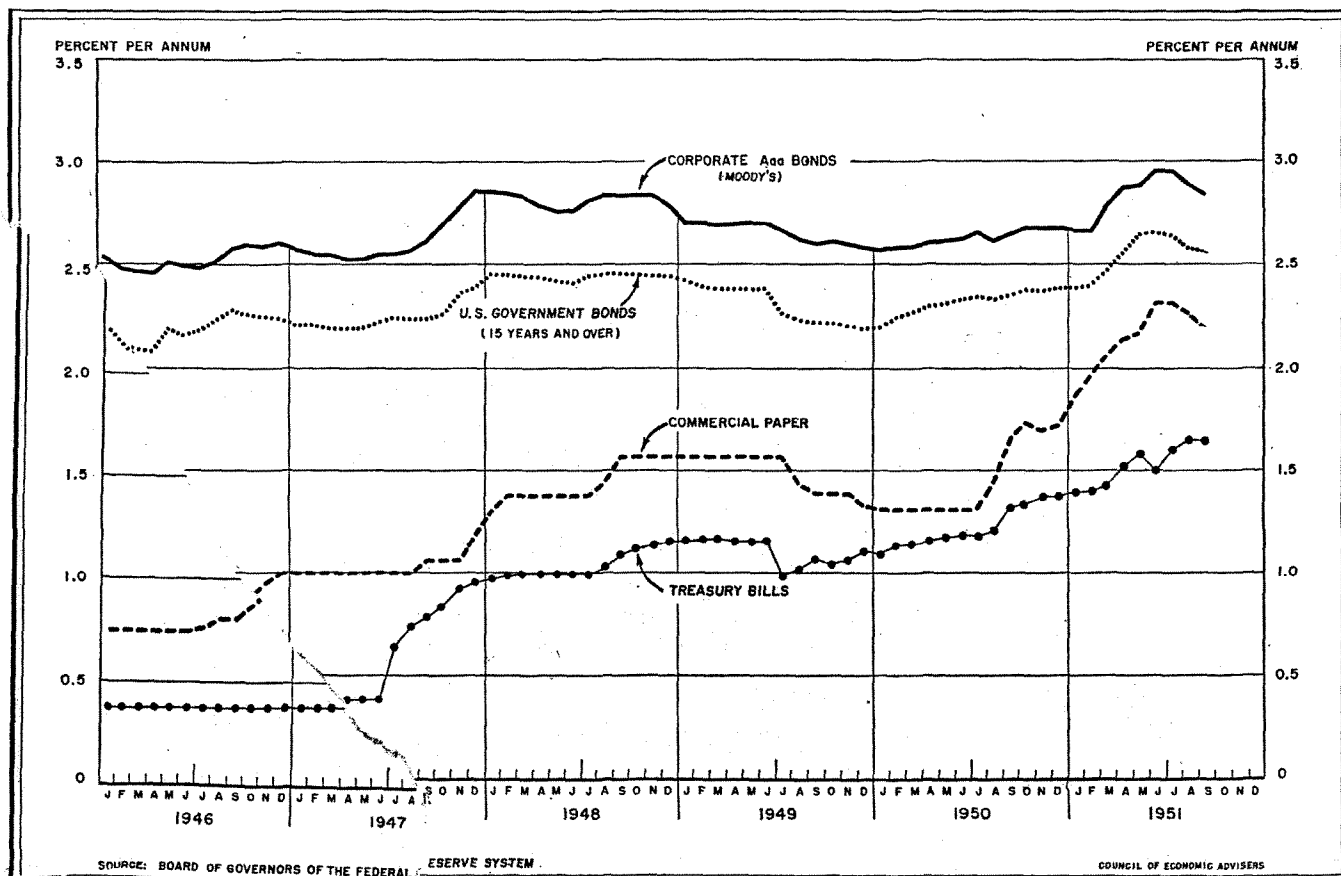
² Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

BOND YIELDS AND INTEREST RATES

Yields on Treasury bills increased slightly during September. Yields on long-term Government bonds, which had dropped in the two previous months, rose moderately. Interest rates on commercial paper and yields on high-grade corporate bonds declined.



[Percent per annum]

Period	U. S. Government security yields		Corporate Aaa bonds (Moody's)	Prime commercial paper, 4-6 months
	3-month Treasury bills ¹	Taxable bonds, 15 years and over		
Average:				
1939	0.023	(²)	3.01	0.59
1945	.375	2.37	2.62	.75
1946	.375	2.19	2.53	.81
1947	.595	2.25	2.61	1.03
1948	1.040	2.44	2.82	1.44
1949	1.102	2.31	2.66	1.48
1950	1.218	2.32	2.62	1.45
1950: July	1.172	2.34	2.65	1.31
August	1.211	2.33	2.61	1.44
September	1.315	2.36	2.64	1.66
October	1.329	2.38	2.67	1.73
November	1.364	2.38	2.67	1.69
December	1.367	2.39	2.67	1.72
1951: January	1.387	2.39	2.66	1.86
February	1.391	2.40	2.66	1.96
March	1.422	2.47	2.78	2.06
April	1.520	2.56	2.87	2.13
May	1.578	2.63	2.88	2.17
June	1.499	2.65	2.94	2.31
July	1.593	2.63	2.94	2.31
August	1.644	2.57	2.88	2.26
September	1.646	2.65	2.84	2.19

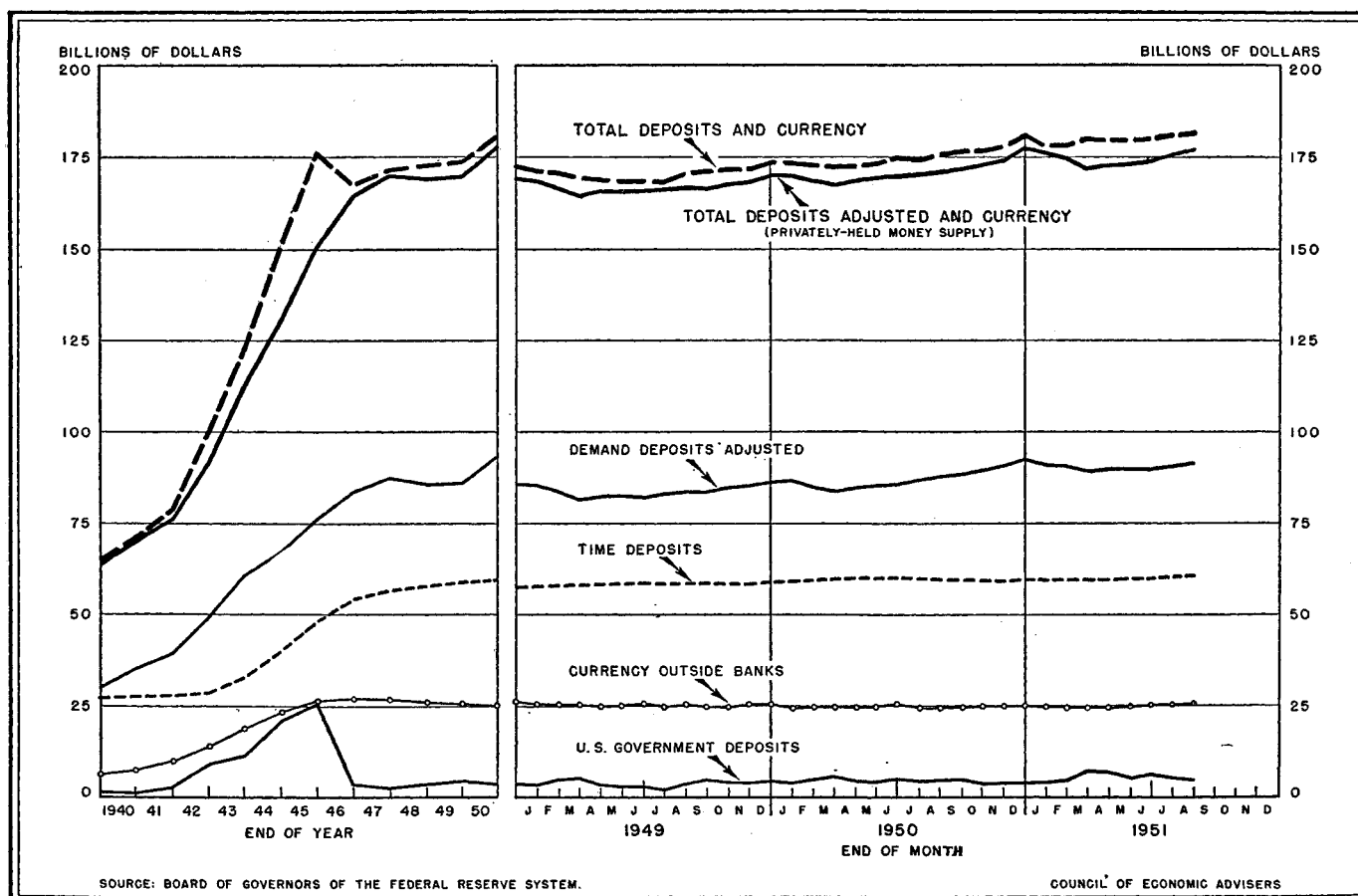
¹ Rate on new issues within period.

² Bonds in this classification were first issued in March 1941.

Source: Board of Governors of the Federal Reserve System.

MONEY SUPPLY

Privately-held deposits and currency increased \$1.2 billion during August. The expansion has continued without interruption since March and totals \$4.5 billion for the five-month period.



[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	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: 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.....	181.3	6.6	174.7	25.8	89.0	59.9
July.....	180.8	5.0	175.8	25.1	90.7	60.0
August ⁵	181.6	4.6	177.0	25.3	91.4	60.3

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.

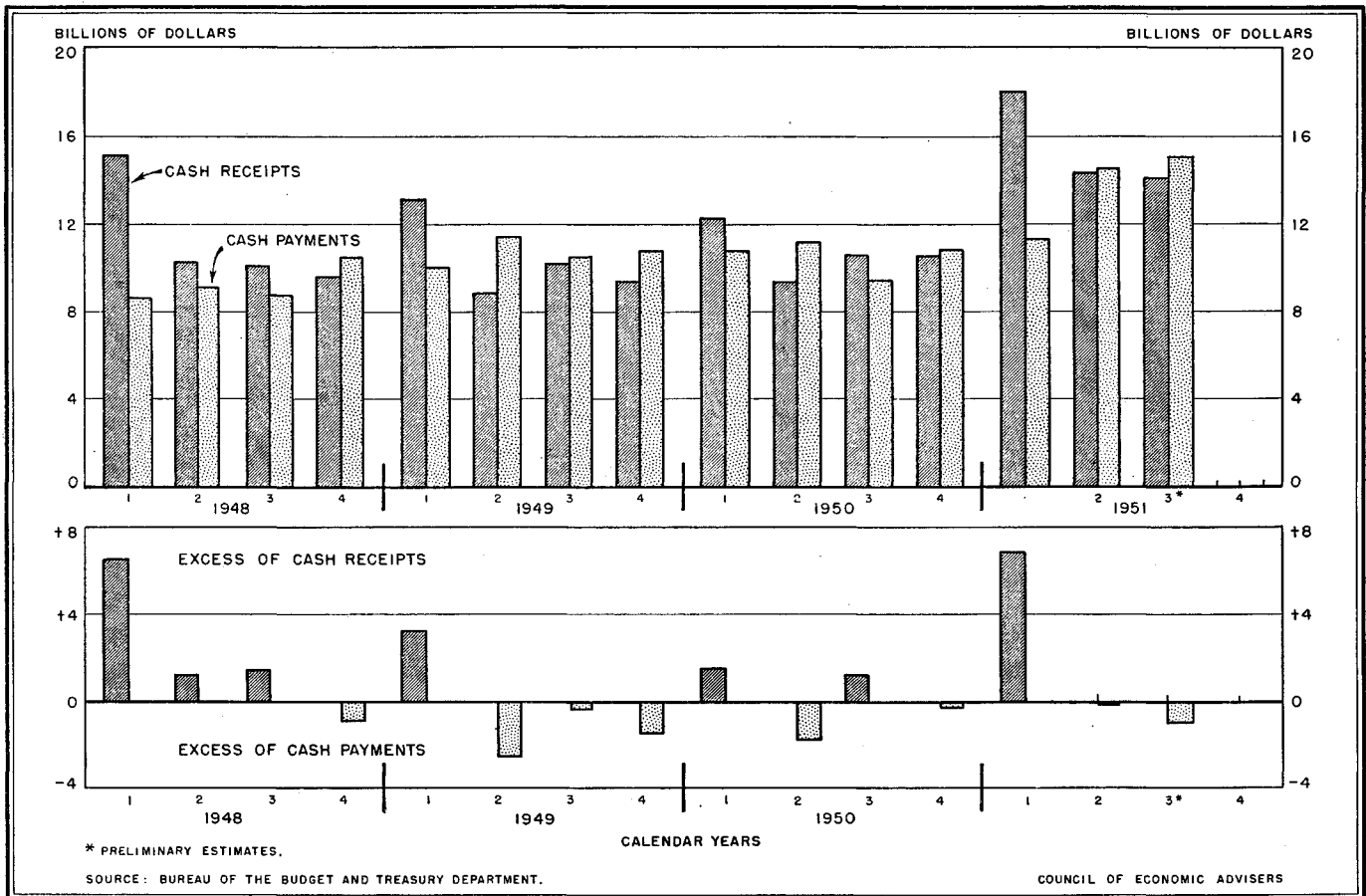
⁵ Preliminary estimates.

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

The cash deficit in the third quarter resulted from a seasonal decline in cash receipts and a counter-seasonal rise in payments. The dominant influence on the payments side was the expansion in the national security programs.



[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:			
1949: First quarter	13,122	9,964	+3,159
1949: Second quarter	8,814	11,389	-2,574
1949: Third quarter	10,143	10,528	-386
1949: Fourth quarter	9,267	10,762	-1,495
1950: First quarter	12,235	10,760	+1,475
1950: Second quarter	9,303	11,105	-1,803
1950: Third quarter	10,494	9,351	+1,143
1950: Fourth quarter	10,387	10,754	-367
1951: First quarter	18,051	11,179	+6,874
1951: Second quarter	14,462	14,521	-59
1951: Third quarter ¹	14,100	15,300	-1,200

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.

For sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.
Price 15 cents per copy; \$1.75 per year; \$2.25 foreign