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# Economic Indicators

**JUNE 1956**

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

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

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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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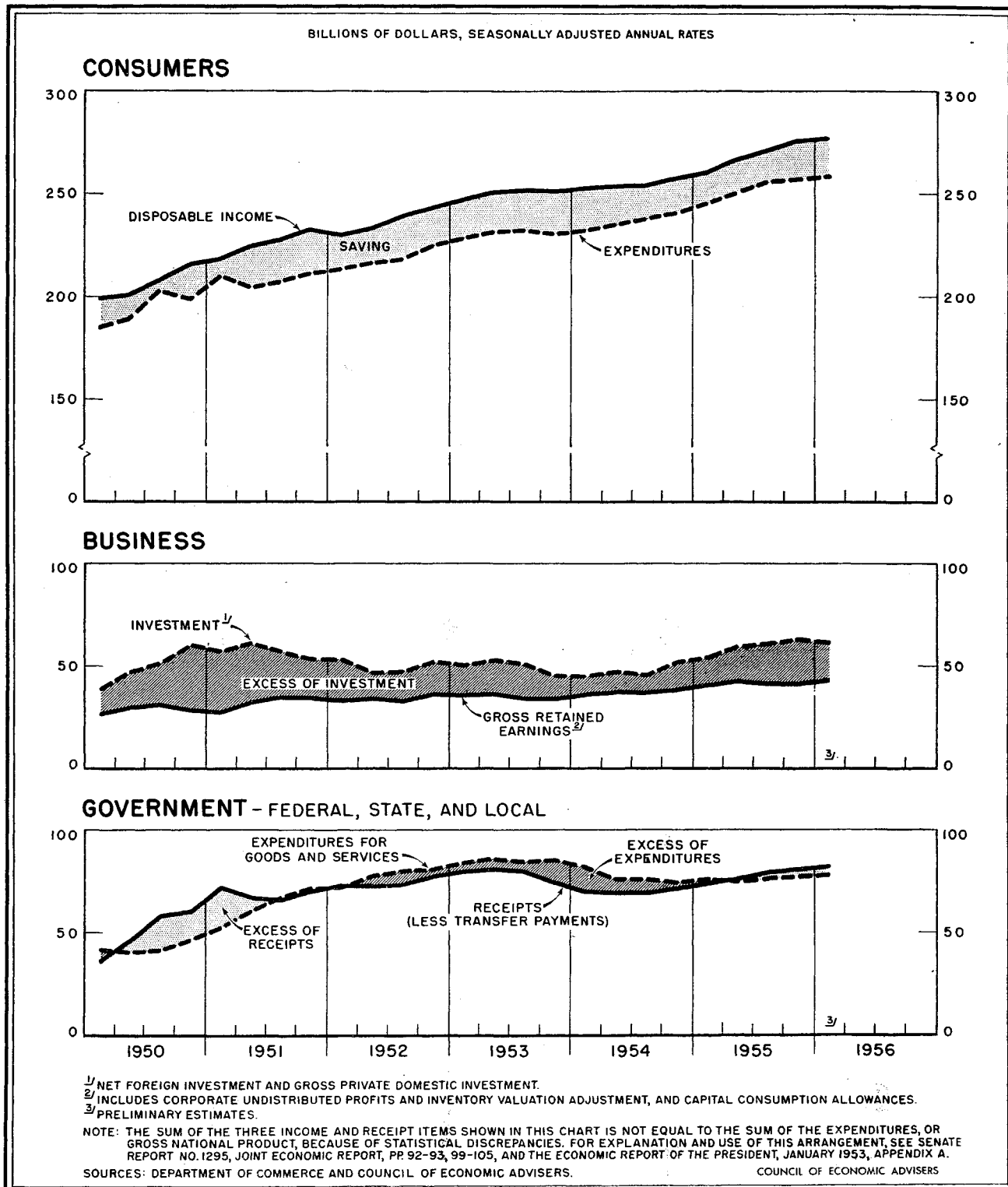
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# TOTAL OUTPUT, INCOME, AND SPENDING

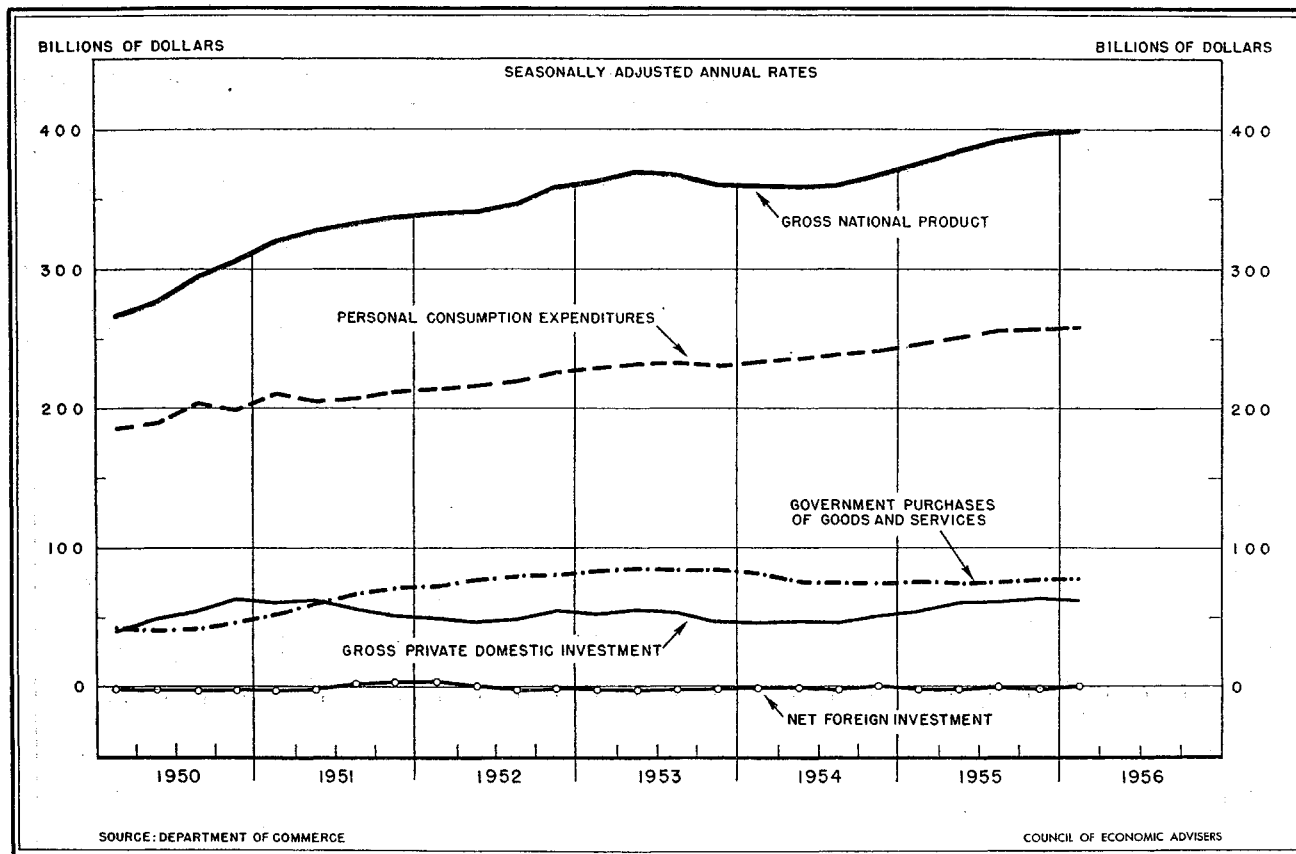
## THE NATION'S INCOME, EXPENDITURE, AND SAVING

Current estimates of total income and expenditures show some rise in over-all economic activity between the last quarter of 1955 and the first quarter of 1956.



# GROSS NATIONAL PRODUCT OR EXPENDITURE

According to current estimates, gross national product rose \$1.3 billion (seasonally adjusted annual rate) between the fourth quarter of 1955 and the first quarter of 1956. Consumption expenditures increased \$1.6 billion and government purchases rose \$0.2 billion, while gross private domestic investment declined \$0.8 billion.



(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 <sup>1</sup>	Federal			State and local
						Total <sup>1</sup>	National security <sup>2</sup>	Other	
1939.....	91.1	67.6	9.3	0.9	13.3	5.2	1.3	3.9	8.2
1947.....	232.2	165.0	29.7	8.9	28.6	15.8	13.3	3.8	12.8
1948.....	257.3	177.6	41.2	2.0	36.6	21.0	16.0	5.6	15.6
1949.....	257.3	180.6	32.5	.5	43.6	25.4	19.3	6.6	18.2
1950.....	285.1	194.0	51.2	-2.2	42.0	22.1	18.5	3.9	19.9
1951.....	328.2	208.3	56.9	.2	62.8	41.0	37.3	4.2	21.8
1952.....	345.2	218.3	49.6	-.2	77.5	54.3	48.8	5.8	23.2
1953.....	364.5	230.6	51.4	-2.0	84.5	59.5	51.4	8.5	25.0
1954.....	360.5	236.5	47.2	-.3	77.0	49.2	43.2	6.3	27.8
1955.....	387.2	252.3	59.3	-.4	75.9	45.8	40.8	5.4	30.1
Seasonally adjusted annual rates									
1954: Third quarter.....	358.8	237.9	45.9	-.7	75.8	47.7	42.1	6.1	28.1
Fourth quarter.....	367.1	241.0	50.7	.9	74.5	45.7	40.5	5.5	28.7
1955: First quarter.....	375.3	245.8	54.1	-.4	75.8	46.4	41.2	5.5	29.4
Second quarter.....	384.8	250.5	60.1	-.7	74.9	45.2	40.4	5.2	29.7
Third quarter.....	392.0	255.7	60.5	.0	75.8	45.5	40.6	5.2	30.2
Fourth quarter.....	397.3	257.2	63.2	-.3	77.2	46.3	41.0	5.5	31.0
1956: First quarter.....	398.6	258.8	62.4	.0	77.4	45.7	40.8	5.2	31.7

<sup>1</sup> Less Government sales.

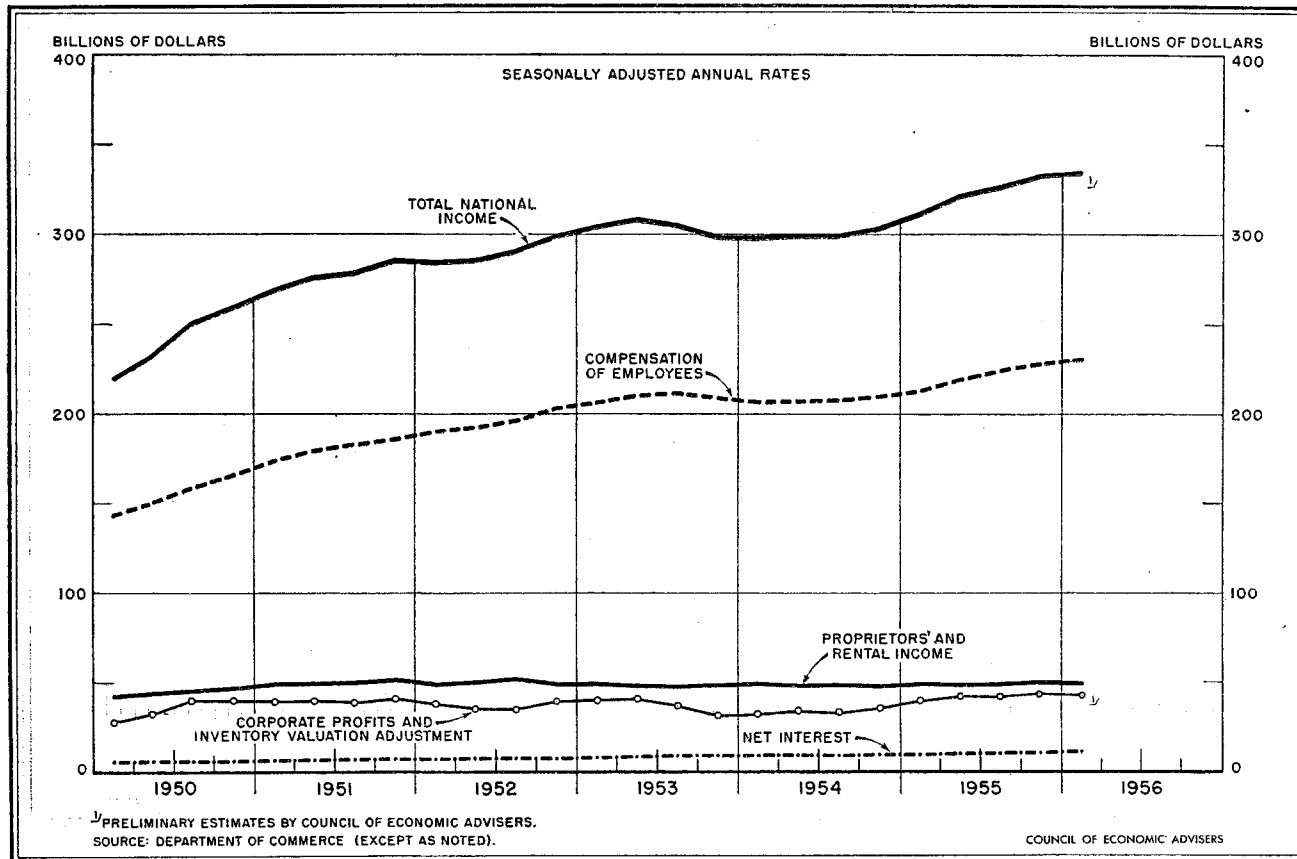
<sup>2</sup> Includes expenditures for military services, international security and foreign relations (except foreign loans), development and control of atomic energy, promotion of the merchant marine, promotion of defense production and economic stabilization, and civil defense. For further details, see *Economic Report of the President, January 1955* (p. 137), and *National Income, 1954 Edition* (p. 148). These expenditures are not comparable with the "major national security" category in *The Budget of the U. S. Government for the Fiscal Year Ending June 30, 1957*, and shown on p. 31 of *Economic Indicators*.

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

Source: Department of Commerce.

# NATIONAL INCOME

According to preliminary estimates, national income rose about \$1½ billion (seasonally adjusted annual rate) between the fourth quarter of 1955 and the first quarter of 1956. Increases in compensation of employees and in other incomes were offset in part by decreases in farm and corporate income.



[Billions of dollars]

Period	Total national income	Compensation of employees <sup>1</sup>	Proprietors' income		Rental income of persons	Net interest	Corporate profits and inventory valuation adjustment		
			Farm	Business and professional			Total	Profits before taxes	Inventory valuation adjustment
1939	72.8	48.1	4.3	7.3	2.7	4.6	5.7	6.4	-0.7
1947	197.2	128.8	14.5	19.9	6.5	3.8	23.6	29.5	-5.9
1948	221.6	140.9	16.7	21.6	7.2	4.5	30.6	32.8	-2.2
1949	216.2	140.9	12.7	21.4	7.9	5.2	28.1	26.2	1.9
1950	240.0	154.3	13.3	22.9	8.5	5.9	35.1	40.0	-4.9
1951	277.0	180.4	16.0	24.8	9.1	6.8	39.9	41.2	-1.3
1952	289.5	195.3	14.3	25.7	9.9	7.4	36.9	35.9	1.0
1953	303.6	209.2	12.3	25.9	10.3	8.8	37.2	38.3	-1.1
1954	299.7	207.9	12.0	25.9	10.5	9.5	33.8	34.0	-.2
1955	322.6	221.3	11.0	27.3	10.7	10.5	41.8	43.8	-2.0
Seasonally adjusted annual rates									
1954: Third quarter	298.7	207.8	11.7	26.0	10.6	9.5	33.1	33.5	-.5
Fourth quarter	303.2	209.8	11.2	26.3	10.7	9.7	35.5	36.0	-.5
1955: First quarter	311.4	213.1	11.5	26.6	10.7	9.9	39.6	40.9	-1.3
Second quarter	320.7	219.5	11.0	27.1	10.7	10.3	42.2	43.0	-.8
Third quarter	325.7	224.3	10.6	27.6	10.7	10.7	41.9	44.5	-2.6
Fourth quarter	332.2	228.0	10.8	28.0	10.7	11.2	43.6	46.8	-3.1
1956: First quarter	<sup>2</sup> 333.8	230.1	10.3	28.1	10.8	11.6	<sup>2</sup> 42.8	<sup>2</sup> 45.5	-2.7

<sup>1</sup> Includes employer contributions for social insurance. (See also p. 4.)

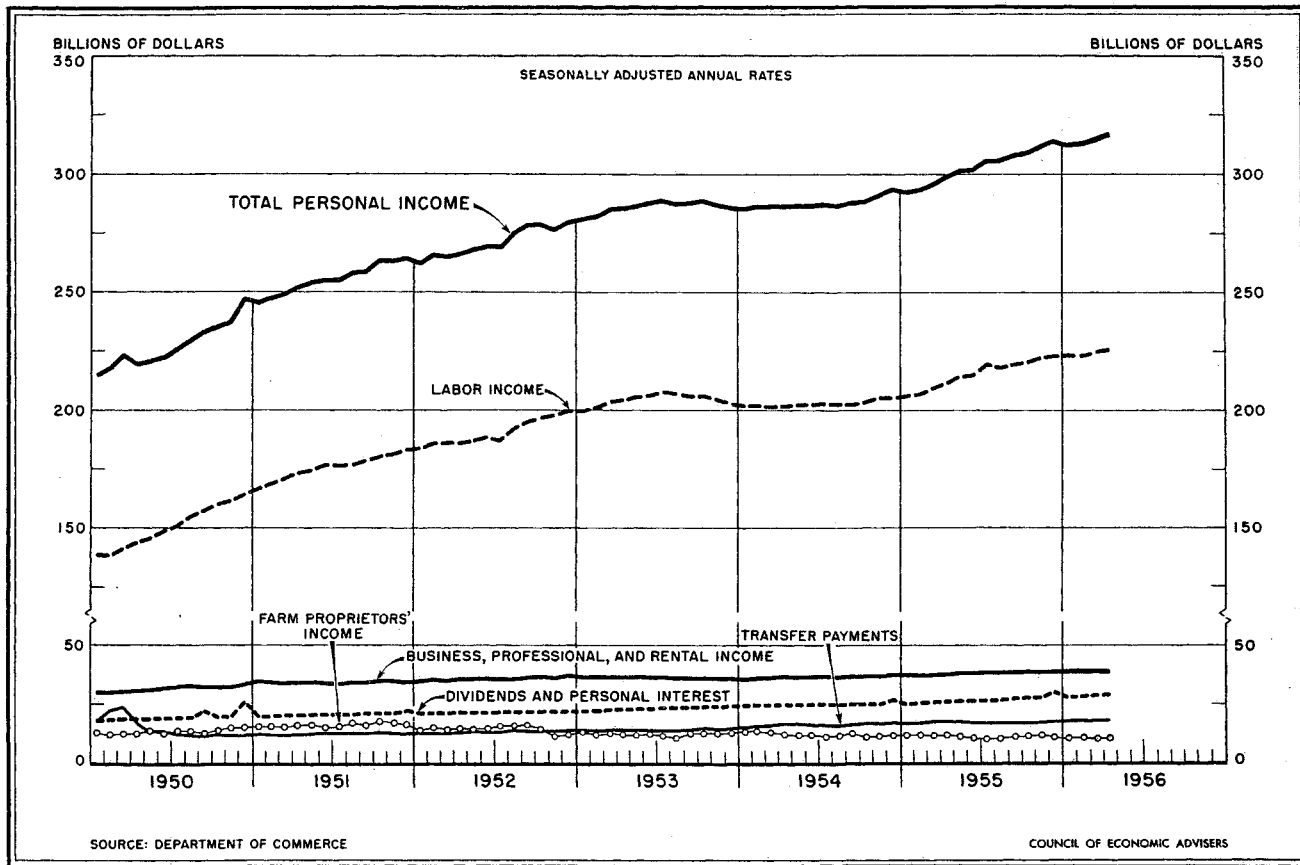
NOTE.—Detail will not necessarily add to totals because of rounding.

<sup>2</sup> Preliminary estimates by Council of Economic Advisers.

Source: Department of Commerce (except as noted).

# SOURCES OF PERSONAL INCOME

Personal income rose almost \$2 billion (seasonally adjusted annual rate) between March and April. Labor income increased \$1.2 billion, and farm income increased \$0.4 billion, according to preliminary estimates.



[Billions of dollars]

Period	Total personal income	Labor income (wage and salary disbursements and other labor income) <sup>1</sup>	Proprietors' income		Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Nonagricultural personal income <sup>2</sup>
			Farm	Business and professional						
1939.....	72.9	46.6	4.3	7.3	2.7	3.8	5.8	3.0	0.6	67.1
1948.....	208.7	137.9	16.7	21.6	7.2	7.2	9.0	11.3	2.2	188.5
1949.....	206.8	137.4	12.7	21.4	7.9	7.5	9.8	12.4	2.2	190.8
1950.....	227.1	150.3	13.3	22.9	8.5	9.2	10.6	15.1	2.9	210.5
1951.....	255.3	175.6	16.0	24.8	9.1	9.1	11.6	12.6	3.4	235.7
1952.....	271.1	190.5	14.3	25.7	9.9	9.0	12.3	13.2	3.8	253.1
1953.....	286.2	204.6	12.3	25.9	10.3	9.3	13.8	14.0	3.9	270.2
1954.....	287.6	202.8	12.0	25.9	10.5	10.0	14.7	16.2	4.5	271.9
1955.....	303.2	215.5	11.0	27.3	10.7	11.2	15.6	17.2	5.2	288.4
Seasonally adjusted annual rates										
1955: April.....	298.9	211.5	11.4	26.9	10.6	10.6	15.3	17.6	5.1	283.7
May.....	301.4	214.2	10.9	27.2	10.7	10.7	15.4	17.5	5.2	286.6
June.....	301.6	214.9	10.5	27.3	10.7	10.8	15.5	17.1	5.2	287.2
July.....	305.3	219.4	9.8	27.5	10.7	10.8	15.6	16.9	5.3	291.7
August.....	305.3	218.2	10.6	27.5	10.7	11.0	15.7	16.9	5.3	290.8
September.....	307.9	219.5	11.2	27.8	10.6	11.3	15.8	16.9	5.3	293.0
October.....	308.7	220.4	10.7	28.0	10.7	11.5	16.0	16.9	5.3	294.4
November.....	311.5	222.4	11.1	27.9	10.7	11.5	16.1	17.1	5.3	296.6
December.....	314.3	223.0	10.6	28.1	10.6	13.7	16.2	17.4	5.4	299.9
1956: January.....	312.7	223.4	10.3	28.1	10.8	11.6	16.5	17.7	5.7	298.6
February.....	313.3	223.5	10.5	28.0	10.8	11.7	16.7	17.8	5.7	299.0
March.....	315.2	224.8	10.3	28.3	10.8	11.8	16.9	18.0	5.7	301.1
April <sup>4</sup> .....	317.1	226.0	10.7	28.2	10.8	12.0	17.1	18.2	5.7	302.5

<sup>1</sup> Compensation of employees (see p. 3) excluding employer contributions for social insurance.

<sup>2</sup> Personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

<sup>3</sup> Includes \$2.7 billion National Service Life Insurance dividend, most of which was paid in the first half of the year

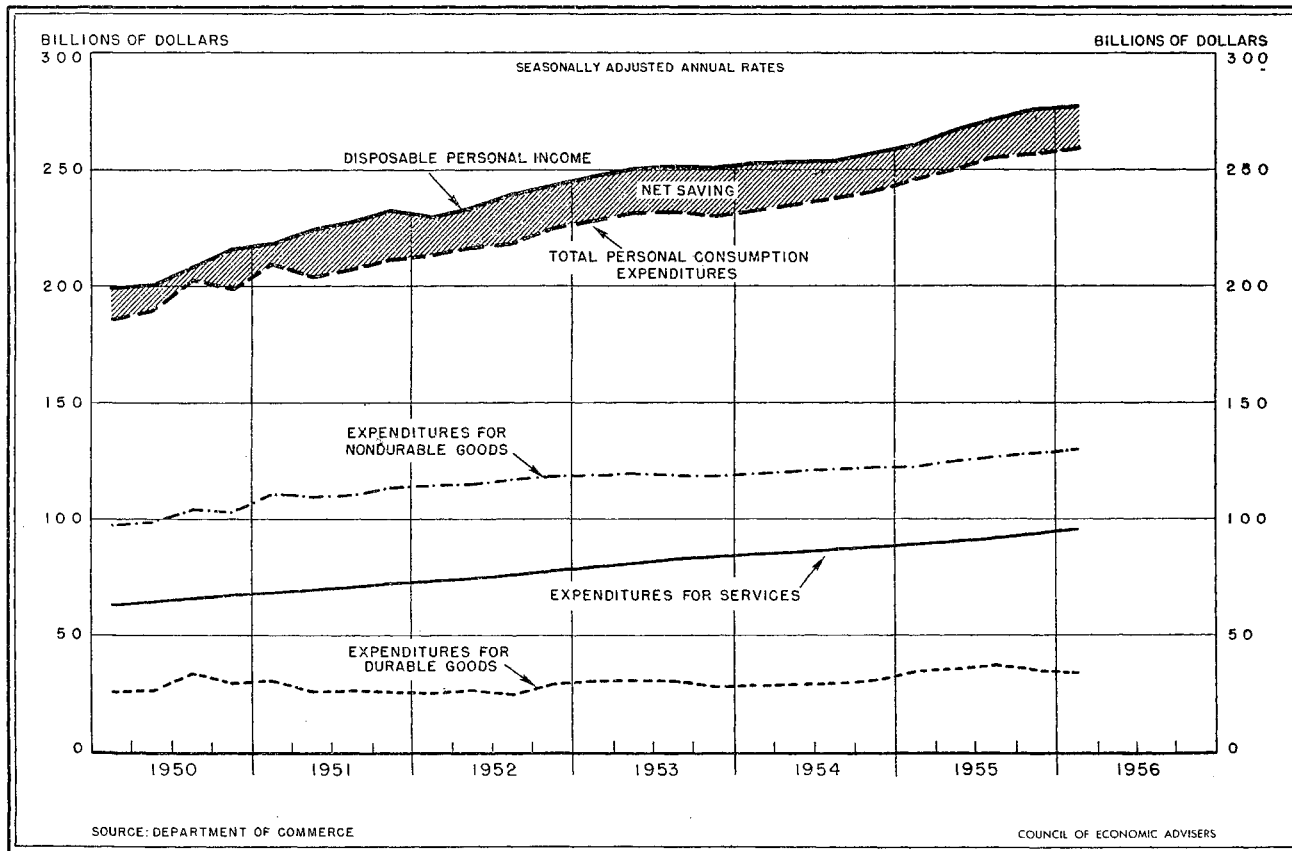
<sup>4</sup> Preliminary estimates.

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

Source: Department of Commerce.

## DISPOSITION OF PERSONAL INCOME

Although personal income rose by about \$2 billion (seasonally adjusted annual rate) between the fourth quarter of 1955 and the first quarter of 1956, disposable income increased only \$1 billion, according to current estimates. The large difference was due mainly to year-end personal tax payments on 1955 income. Consumption expenditures increased about \$1½ billion. The personal saving rate declined slightly from the fourth quarter of 1955, but was still above the first 3 quarters of 1955.



Period	Personal income	Less: Personal taxes <sup>1</sup>	Equals: Disposable personal income	Less: Personal consumption expenditures				Equals: Personal saving	Saving as percent of disposable income
				Total	Durable goods	Non-durable goods	Services		
Billions of dollars									
1939.....	72.9	2.4	70.4	67.6	6.7	35.1	25.8	2.9	4.1
1947.....	190.5	21.5	169.0	165.0	20.6	93.1	51.3	4.0	2.4
1948.....	208.7	21.1	187.6	177.6	22.2	98.7	56.7	10.0	5.3
1949.....	206.8	18.7	188.2	180.6	23.6	96.9	60.1	7.6	4.0
1950.....	227.1	20.9	206.1	194.0	28.6	100.4	65.0	12.1	5.9
1951.....	255.3	29.3	226.1	208.3	27.1	111.1	70.1	17.7	7.8
1952.....	271.1	34.4	236.7	218.3	26.6	116.0	75.7	18.4	7.8
1953.....	286.2	35.8	250.4	230.6	29.8	118.9	81.8	19.8	7.9
1954.....	287.6	32.8	254.8	236.5	29.3	120.9	86.4	18.3	7.2
1955.....	303.2	33.9	269.3	252.3	35.3	125.9	91.2	17.0	6.3
Billions of dollars, seasonally adjusted annual rates									
1954: Third quarter.....	287.3	32.8	254.5	237.9	29.4	121.5	87.0	16.6	6.5
Fourth quarter.....	290.8	33.1	257.8	241.0	30.4	122.5	88.1	16.8	6.5
1955: First quarter.....	293.6	32.6	261.0	245.8	34.4	122.4	89.0	15.3	5.9
Second quarter.....	300.5	33.4	267.1	250.5	35.1	125.3	90.2	16.6	6.2
Third quarter.....	306.1	34.4	271.7	255.7	36.9	127.0	91.8	16.0	5.9
Fourth quarter.....	311.5	35.4	276.0	257.2	34.8	128.8	93.6	18.8	6.8
1956: First quarter.....	313.6	36.6	277.0	258.8	33.9	129.9	95.1	18.2	6.6

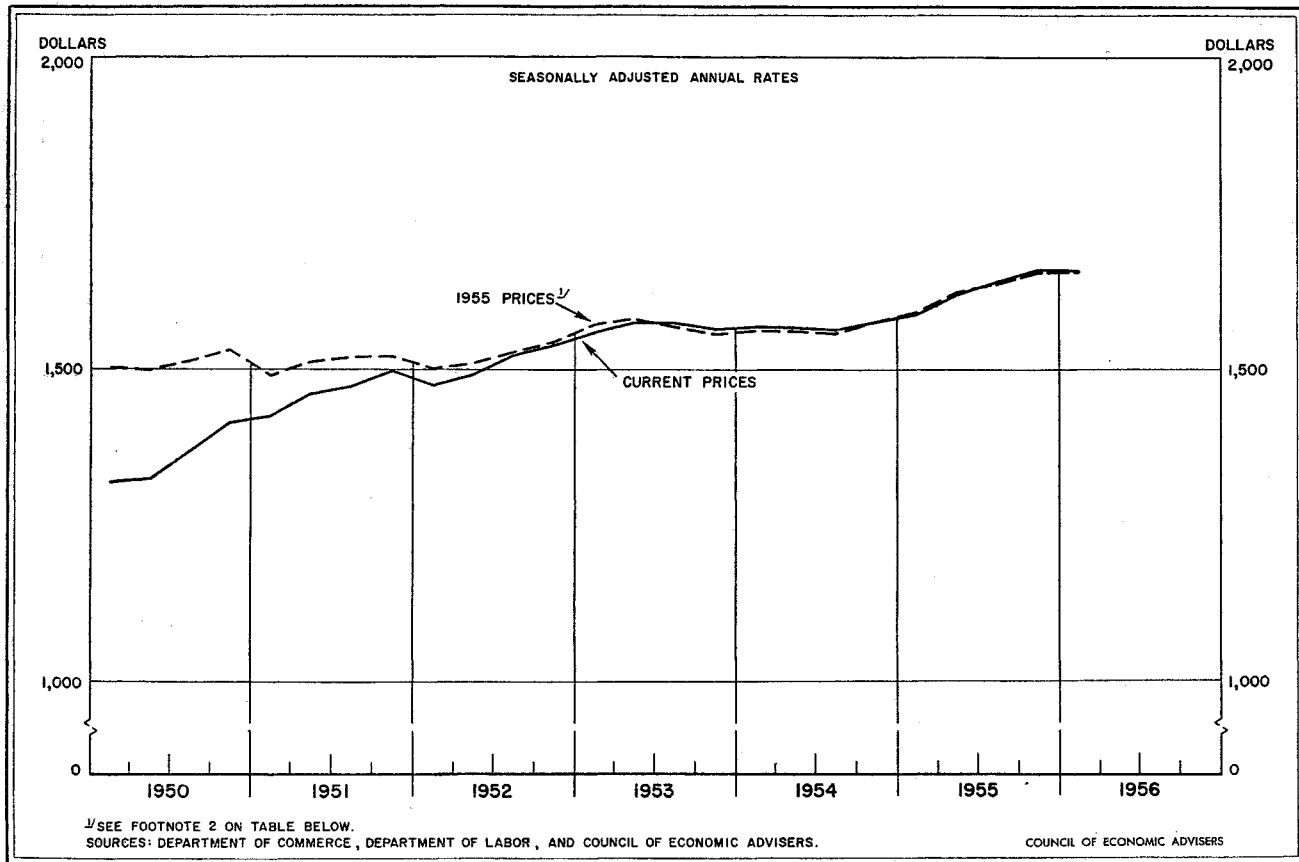
<sup>1</sup> Includes such items as fines, penalties, and donations.  
NOTE.—Detail will not necessarily add to total because of rounding.

Source: Department of Commerce.



## PER CAPITA DISPOSABLE INCOME

Per capita disposable income (seasonally adjusted) was practically unchanged between the fourth quarter of 1955 and the first quarter of 1956, according to current estimates.



Period	Total disposable personal income (billions of dollars) <sup>1</sup>		Per capita disposable personal income (dollars) <sup>1</sup>		Population (thousands) <sup>2</sup>
	Current prices	1955 prices <sup>3</sup>	Current prices	1955 prices <sup>3</sup>	
1939.....	70.4	135.6	538	1,037	131,028
1947.....	169.0	202.6	1,173	1,406	144,126
1948.....	187.6	208.9	1,279	1,424	146,631
1949.....	188.2	211.7	1,261	1,418	149,188
1950.....	206.1	229.5	1,359	1,513	151,683
1951.....	226.1	233.3	1,465	1,512	154,360
1952.....	236.7	238.8	1,508	1,522	157,028
1953.....	250.4	250.7	1,568	1,570	159,643
1954.....	254.8	254.0	1,569	1,564	162,409
1955.....	269.3	269.3	1,630	1,630	165,248
Seasonally adjusted annual rates					
1954: Third quarter.....	254.5	253.5	1,563	1,557	162,806
Fourth quarter.....	257.8	257.8	1,576	1,576	163,582
1955: First quarter.....	261.0	261.5	1,589	1,592	164,262
Second quarter.....	267.1	267.6	1,620	1,623	164,911
Third quarter.....	271.7	271.2	1,640	1,637	165,628
Fourth quarter.....	276.0	275.2	1,659	1,654	166,396
1956: First quarter.....	277.0	276.7	1,658	1,656	167,074

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

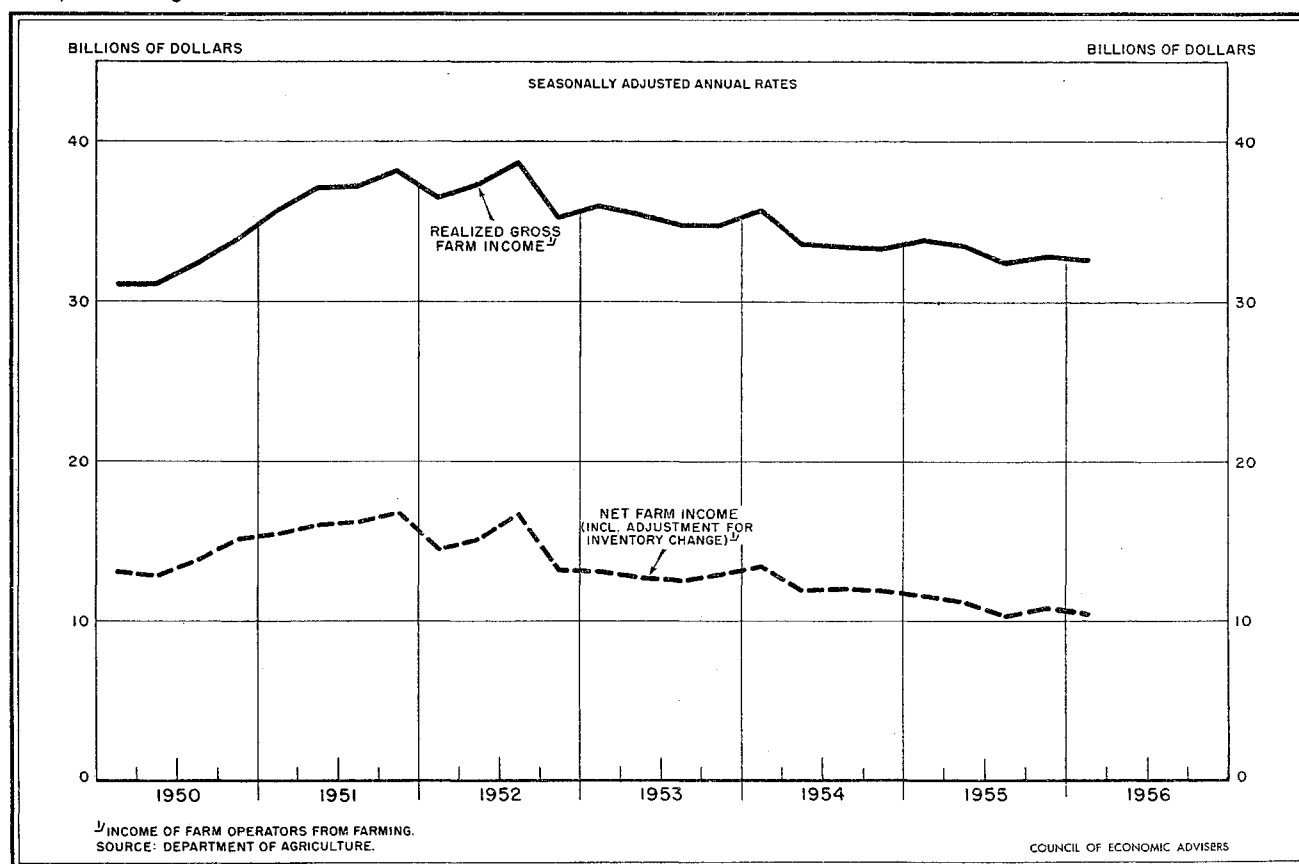
<sup>2</sup> Dollar estimates in current prices divided by consumer price index on a 1955 base.

<sup>3</sup> Includes armed forces overseas. Annual data as of July 1; quarterly data centered in the middle of the period, interpolated from monthly figures.

Sources: Department of Commerce, Department of Labor, and Council of Economic Advisers.

# FARM INCOME

Gross and net farm income, seasonally adjusted, declined between the fourth quarter of 1955 and the first quarter of 1956, according to current estimates.



Period	Farm operators' income					Net income per farm (including adjustment for inventory change)		Number of farms (millions) <sup>6</sup>
	Realized gross farm income <sup>1</sup>	Farm production expenses	Net income <sup>2</sup>		Current prices	1955 prices <sup>5</sup>		
			Excluding adjustment for inventory change <sup>3</sup>	Including adjustment for inventory change <sup>4</sup>				
	Billions of dollars				Dollars			
1939	10.6	6.2	4.4	4.5	697	1,584	6.4	
1947	34.0	16.8	17.2	15.5	2,632	3,032	5.9	
1948	34.6	18.6	15.9	17.7	3,049	3,318	5.8	
1949	31.6	17.9	13.7	12.9	2,248	2,526	5.7	
1950	32.1	19.2	12.9	13.7	2,428	2,695	5.6	
1951	37.1	22.3	14.8	16.1	2,919	2,973	5.5	
1952	36.9	22.9	14.1	14.9	2,778	2,798	5.4	
1953	35.2	21.8	13.4	12.8	2,445	2,472	5.2	
1954	34.0	22.2	11.8	12.3	2,413	2,403	5.1	
1955	33.2	22.4	10.8	11.0	2,192	2,192	5.0	
	Seasonally adjusted annual rates							
1954: Third quarter	33.4	22.0	11.4	12.0	2,353	2,327	5.1	
Fourth quarter	33.3	22.0	11.3	11.9	2,333	2,342	5.1	
1955: First quarter	33.9	22.7	11.2	11.6	2,320	2,330	5.0	
Second quarter	33.5	22.5	11.0	11.2	2,240	2,230	5.0	
Third quarter	32.4	22.2	10.2	10.3	2,060	2,060	5.0	
Fourth quarter	32.8	22.1	10.7	10.8	2,160	2,160	5.0	
1956: First quarter	32.5	22.2	10.3	10.3	2,100	2,100	4.9	

<sup>1</sup> Includes cash receipts from farm marketings, value of farm products consumed directly in farm households, gross rental value of farm dwellings, and Government payments to farmers.

<sup>2</sup> Excludes (a) farm wages paid to workers living on farms and (b) any income to farm people from nonfarm sources. These items in 1954 were as follows: (a) 2.0 billion dollars and (b) 5.7 billion dollars.

<sup>3</sup> Differs from farm proprietors' income on pages 3 and 4 because of revisions by the Department of Agriculture not yet incorporated into the national income accounts of the Department of Commerce.

<sup>4</sup> Dollar estimates in current prices divided by index of prices paid by farmers for items used in family living, on a 1955 base.

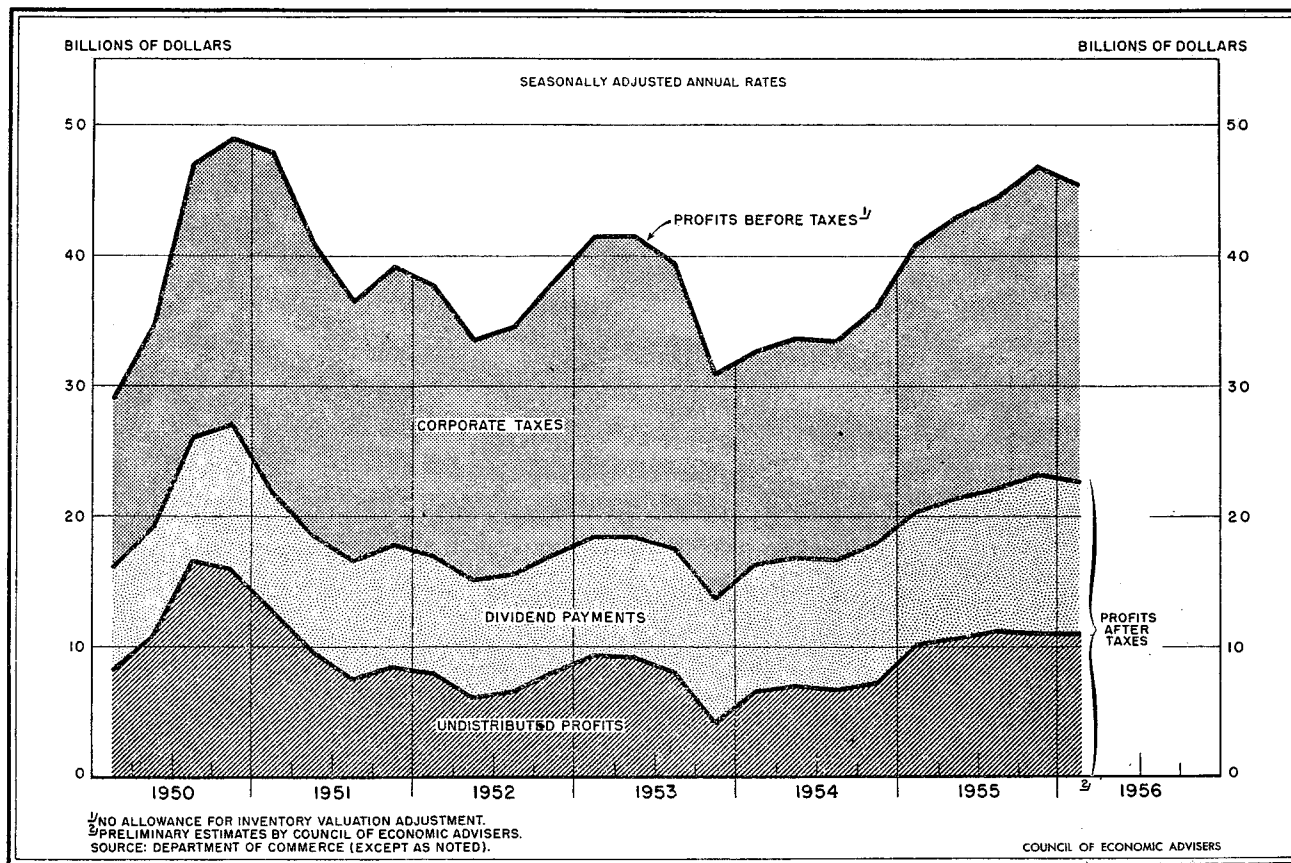
<sup>5</sup> For the quarterly data, the number of farms is held constant within a given year.

<sup>6</sup> Estimates by Council of Economic Advisers.

Source: Department of Agriculture (except as noted).

# CORPORATE PROFITS

According to preliminary estimates, corporate profits (seasonally adjusted) decreased somewhat from the fourth quarter of 1955 to the first quarter of 1956 but were well above the corresponding quarter in 1955.



[Billions of dollars]

Period	Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes		
			Total	Dividend payments	Undistributed profits
1939.....	6.4	1.4	5.0	3.8	1.2
1947.....	29.5	11.3	18.2	6.5	11.7
1948.....	32.8	12.5	20.3	7.2	13.0
1949.....	26.2	10.4	15.8	7.5	8.3
1950.....	40.0	17.8	22.1	9.2	12.9
1951.....	41.2	22.5	18.7	9.1	9.6
1952.....	35.9	19.8	16.1	9.0	7.1
1953.....	38.3	21.3	17.0	9.3	7.7
1954.....	34.0	17.1	17.0	10.0	7.0
1955.....	43.8	22.0	21.8	11.2	10.6
Seasonally adjusted annual rates					
1954: Third quarter.....	33.5	16.8	16.7	10.0	6.7
Fourth quarter.....	36.0	18.1	17.9	10.6	7.3
1955: First quarter.....	40.9	20.5	20.4	10.2	10.2
Second quarter.....	43.0	21.6	21.4	10.7	10.7
Third quarter.....	44.5	22.3	22.2	11.0	11.2
Fourth quarter.....	46.8	23.5	23.3	12.2	11.1
1956: First quarter.....	<sup>1</sup> 45.5	<sup>1</sup> 22.8	<sup>1</sup> 22.7	11.7	<sup>1</sup> 11.0

<sup>1</sup> Preliminary estimates by Council of Economic Advisers.

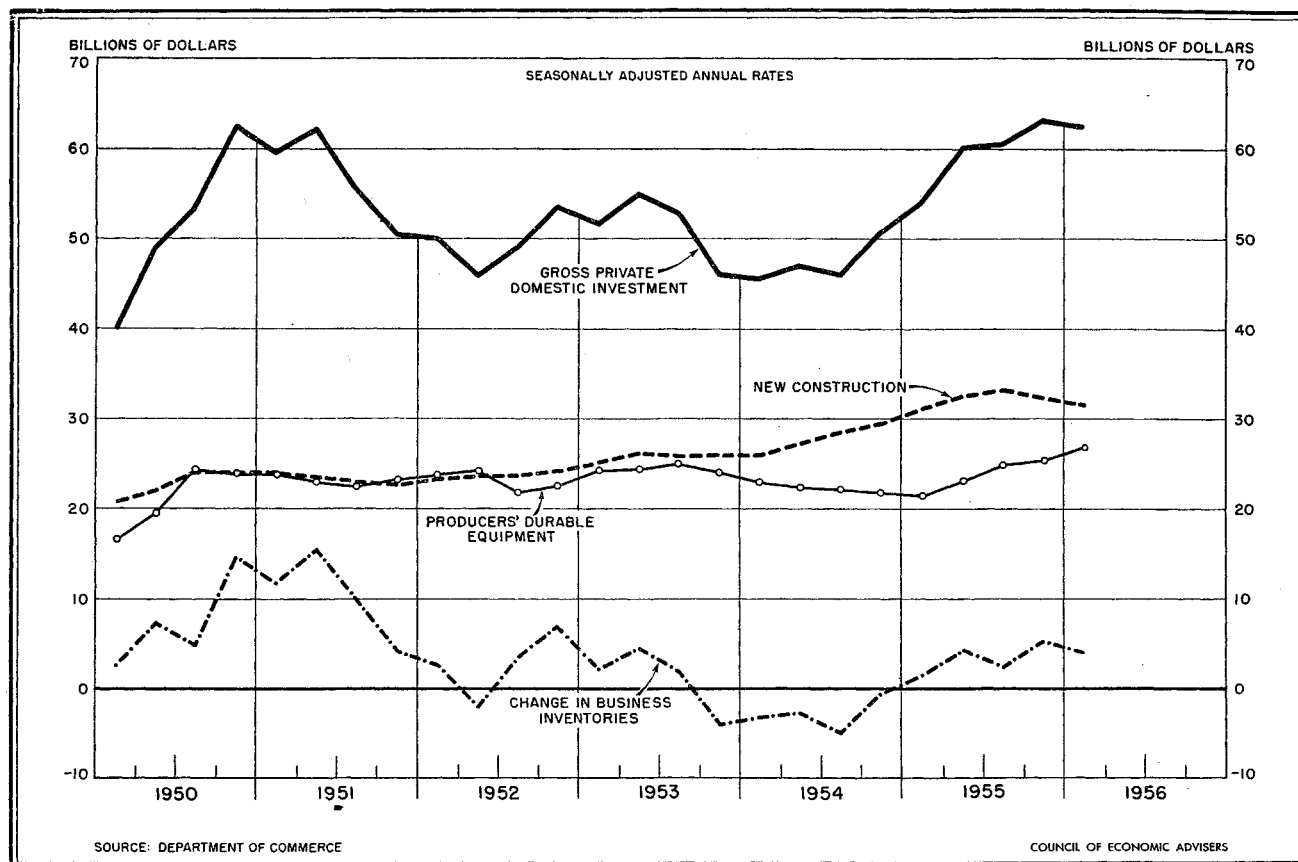
NOTE.—See p. 3 for profits before taxes and after inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

# GROSS PRIVATE DOMESTIC INVESTMENT

Gross private domestic investment declined \$0.8 billion (seasonally adjusted annual rate) in the first quarter of this year, according to current estimates. A rise of \$1.5 billion in business fixed investment was more than offset by reductions in residential construction and in inventory accumulation.



[Billions of dollars]

Period	Total gross private domestic investment	Fixed investment					Change in business inventories		
		Total	New construction			Producers' durable equipment	Total	Non-farm	
			Total	Residential nonfarm	Commercial and industrial <sup>1</sup>				All other <sup>2</sup>
1939-----	9.3	8.9	4.8	2.7	1.2	0.8	4.2	0.4	0.3
1947-----	29.7	30.7	14.0	6.3	4.9	2.8	16.7	-1.0	1.3
1948-----	41.2	37.0	17.9	8.6	5.7	3.6	19.1	4.2	3.0
1949-----	32.5	35.3	17.5	8.3	5.3	3.9	17.8	-2.7	-1.9
1950-----	51.2	43.9	22.7	12.6	5.7	4.5	21.1	7.4	6.4
1951-----	56.9	46.5	23.3	11.0	7.2	5.1	23.2	10.4	9.0
1952-----	49.6	46.8	23.7	11.1	7.5	5.2	23.1	2.8	2.1
1953-----	51.4	50.2	25.8	11.9	8.4	5.4	24.4	1.2	1.9
1954-----	47.2	50.1	27.8	13.5	8.6	5.7	22.3	-2.9	-3.2
1955-----	59.3	56.2	32.4	16.6	9.9	5.9	23.8	3.2	3.0
Seasonally adjusted annual rates									
1954: Third quarter----	45.9	50.7	28.5	14.2	8.6	5.7	22.2	-4.9	-5.4
Fourth quarter-----	50.7	51.3	29.4	15.0	8.7	5.7	21.9	-.6	-1.0
1955: First quarter-----	54.1	52.7	31.2	16.1	9.3	5.8	21.5	1.5	1.5
Second quarter-----	60.1	55.8	32.6	16.9	9.8	5.9	23.2	4.3	4.2
Third quarter-----	60.5	58.1	33.2	17.2	10.2	5.8	24.9	2.4	2.0
Fourth quarter-----	63.2	57.8	32.3	16.2	10.3	5.8	25.5	5.3	5.1
1956: First quarter-----	62.4	58.4	31.6	15.3	10.4	5.9	26.8	4.0	4.0

<sup>1</sup> Includes public utility.

<sup>2</sup> Includes petroleum and natural gas well drilling.

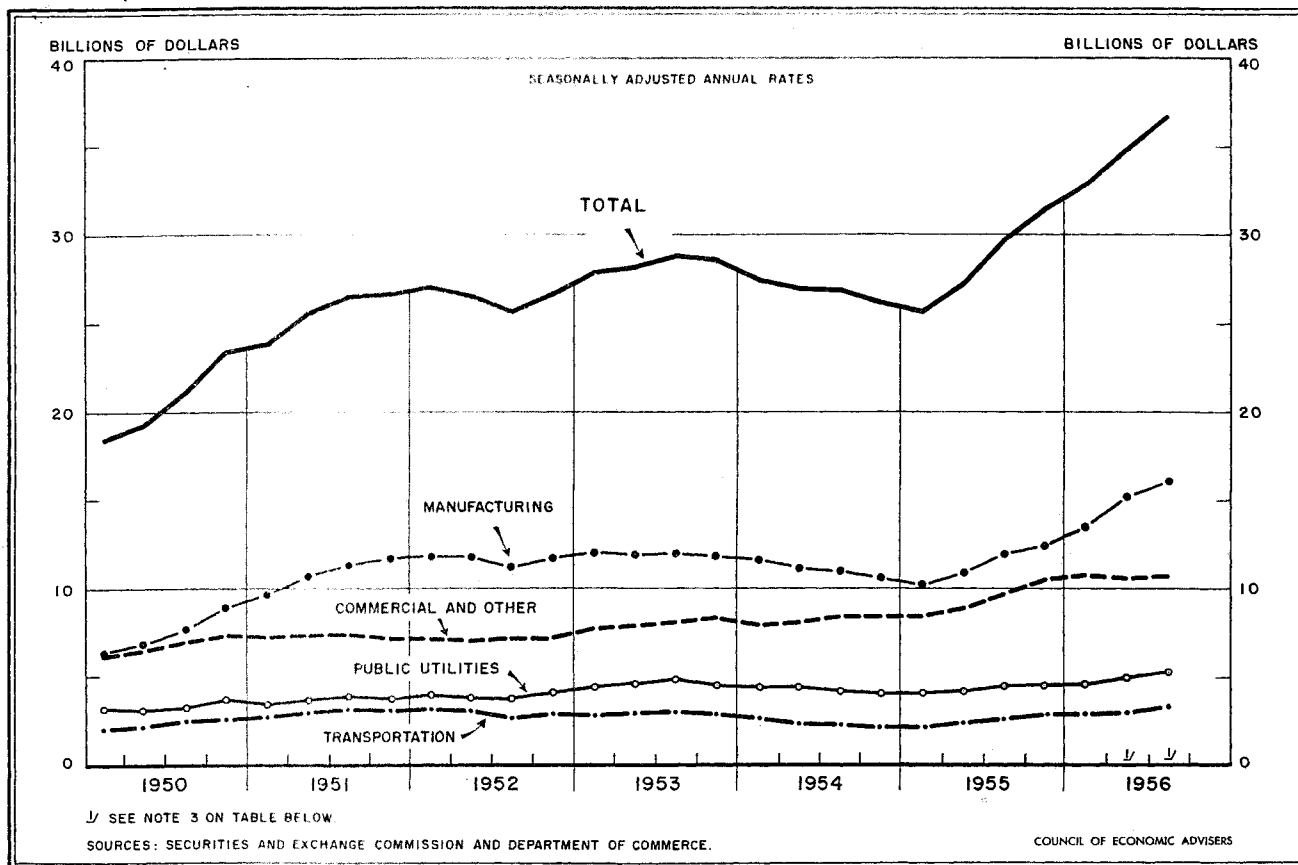
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

9

# EXPENDITURES FOR NEW PLANT AND EQUIPMENT

The April-May survey of business expenditures on plant and equipment indicates a steady increase in outlays through the third quarter of 1956. Most of the dollar rise in investment over last year reflects an increase in the physical volume of productive facilities.



[Billions of dollars]

Period	Total <sup>1</sup>	Manufacturing			Mining	Transportation		Public utilities	Commercial and other <sup>2</sup>
		Total	Durable goods	Nondurable goods		Railroads	Other		
1939	5.51	1.94	0.76	1.19	0.33	0.28	0.36	0.52	2.08
1947	20.61	8.70	3.41	5.30	.69	.89	1.30	1.54	7.49
1948	22.06	9.13	3.48	5.65	.88	1.32	1.28	2.54	6.90
1949	19.28	7.15	2.59	4.56	.79	1.35	.89	3.12	5.98
1950	20.60	7.49	3.14	4.36	.71	1.11	1.21	3.31	6.78
1951	25.64	10.85	5.17	5.68	.93	1.47	1.49	3.66	7.24
1952	26.49	11.63	5.61	6.02	.98	1.40	1.50	3.89	7.09
1953	28.32	11.91	5.65	6.26	.99	1.31	1.56	4.55	8.00
1954	26.83	11.04	5.09	5.95	.98	.85	1.51	4.22	8.23
1955	28.70	11.44	5.44	6.00	.96	.92	1.60	4.31	9.47
Seasonally adjusted annual rates									
1955: Third quarter	29.65	11.97	5.77	6.20	0.99	0.96	1.60	4.43	9.70
Fourth quarter	31.45	12.48	6.00	6.48	1.08	1.17	1.70	4.48	10.54
1956: First quarter	32.82	13.45	6.57	6.88	1.13	1.25	1.65	4.56	10.78
Second quarter <sup>3</sup>	34.77	15.15	7.90	7.25	1.14	1.28	1.68	4.95	10.57
Third quarter <sup>3</sup>	36.74	16.07	8.55	7.52	1.28	1.46	1.89	5.28	10.76

<sup>1</sup> Excludes agriculture.

<sup>2</sup> Commercial and other includes trade, service, finance, communications, and construction.

<sup>3</sup> Estimates based on anticipated capital expenditures as reported by business from late April and May 1956.

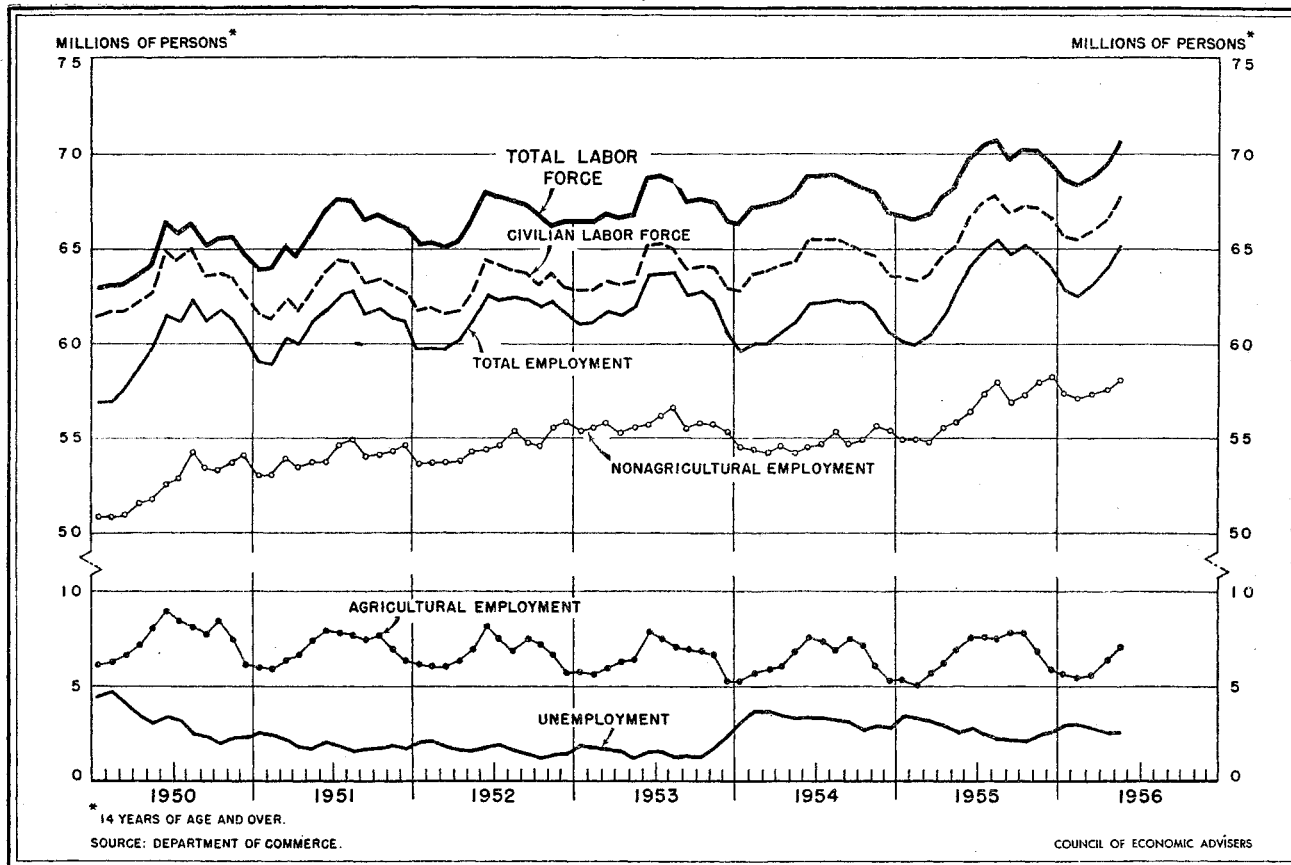
NOTE.—These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense.

Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission and Department of Commerce.

# EMPLOYMENT, UNEMPLOYMENT, AND WAGES STATUS OF THE LABOR FORCE

Total employment (inclusive of agriculture) rose by about 1¼ million between April and May while unemployment remained at about the same level. The rise in employment was somewhat larger than usual for this time of year. Unemployment usually declines between April and May.



Period	Total labor force (including armed forces)	Civilian labor force	Employment <sup>1</sup>			Temporary layoffs <sup>2</sup>	Unemployment <sup>2</sup>		Insured unemployment <sup>4</sup>	
			Total	Agricultural	Nonagricultural		Number	% of civilian labor force	Thousands of persons (all programs)	% of covered employment (State programs)
Thousands of persons 14 years of age and over <sup>5</sup>										
1939	55,600	55,230	45,750	9,610	36,140	---	9,480	17.2	---	5.1
1949	63,721	62,105	58,710	8,026	50,684	185	3,395	5.5	2,470	6.2
1950	64,749	63,099	59,957	7,507	52,450	92	3,142	5.0	1,599	4.6
1952	66,560	62,966	61,293	6,805	54,488	142	1,673	2.7	1,064	2.9
1953	67,362	63,815	62,213	6,562	55,651	167	1,602	2.5	1,058	2.8
1954	67,818	64,468	61,238	6,504	54,734	221	3,230	5.0	2,039	5.2
1955	68,896	65,847	63,193	6,730	56,464	133	2,654	4.0	1,388	3.5
1955: May	68,256	65,192	62,703	6,963	55,740	133	2,489	3.8	1,392	3.6
June	69,692	66,696	64,016	7,681	56,335	107	2,679	4.0	1,226	3.2
July	70,429	67,465	64,994	7,704	57,291	157	2,471	3.7	1,202	3.1
August	70,695	67,726	65,488	7,536	57,952	173	2,237	3.3	1,068	2.7
September	69,853	66,882	64,733	7,875	56,858	116	2,149	3.2	951	2.4
October	70,250	67,292	65,161	7,905	57,256	117	2,131	3.2	864	2.2
November	70,164	67,206	64,807	6,920	57,887	86	2,398	3.6	956	2.4
December	69,538	66,592	64,165	5,884	58,281	124	2,427	3.6	1,238	3.2
1956: January	68,691	65,775	62,891	5,635	57,256	145	2,885	4.4	1,606	4.1
February	68,396	65,490	62,576	5,469	57,107	134	2,914	4.4	1,651	4.2
March	68,806	65,913	63,078	5,678	57,400	153	2,834	4.3	1,578	4.1
April	69,434	66,555	63,990	6,387	57,603	97	2,564	3.9	1,439	3.7
May <sup>5</sup>	70,711	67,846	65,238	7,146	58,092	110	2,608	3.8	<sup>6</sup> 1,314	<sup>6</sup> 3.4

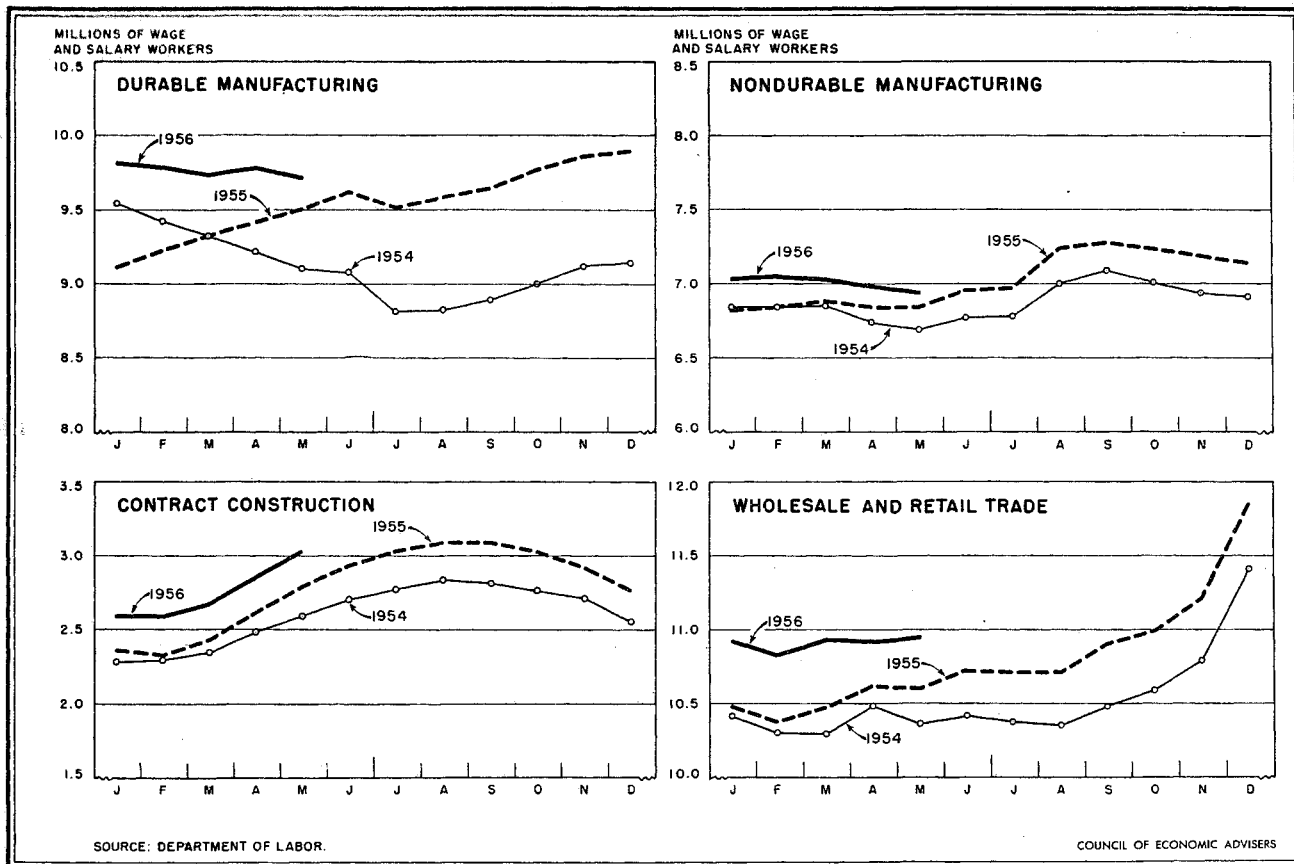
<sup>1</sup> Includes part-time workers and those with jobs but not at work for such reasons as vacations, illness, bad weather, temporary layoff, and industrial disputes; excludes armed forces.  
<sup>2</sup> See footnote 3.  
<sup>3</sup> Temporary layoffs are shown separately so as to

afford a basis for further analysis of employment and unemployment.  
<sup>4</sup> Weekly average.  
<sup>5</sup> Data for 1949-53 (1953 revised series) based on 68-area sample; beginning 1954, on 230-area sample; beginning May 1956, on 330-area sample. Starting

July 1955, data are for week containing 12th of month; previously, for week containing 8th of month.  
<sup>6</sup> Preliminary estimate.  
 Sources: Department of Commerce (labor force) and Department of Labor (insured unemployment).

# NONAGRICULTURAL EMPLOYMENT

Employment in nonagricultural establishments increased seasonally between April and May. Employment in durable goods manufacturing declined more than seasonally; in nondurable goods, the decline was about as much as usual at this time of year.



SOURCE: DEPARTMENT OF LABOR.

COUNCIL OF ECONOMIC ADVISERS

[Thousands of wage and salary workers]

Period	Total adjusted for seasonal variation	Total	Manufacturing			Mining	Contract construction	Wholesale and retail trade	Government (Federal, State, local)	Other
			Total	Durable goods	Nondurable goods					
Not adjusted for seasonal variation										
1939		30,311	10,078	4,683	5,394	845	1,150	6,612	3,995	7,632
1949		43,315	14,178	7,473	6,705	918	2,165	9,513	5,856	10,686
1950		44,738	14,967	8,085	6,882	889	2,333	9,645	6,026	10,878
1952		48,303	16,334	9,340	6,994	885	2,634	10,281	6,609	11,563
1953		49,681	17,238	10,105	7,133	852	2,622	10,527	6,645	11,797
1954		48,431	15,995	9,122	6,873	777	2,593	10,520	6,751	11,795
1955		49,950	16,557	9,536	7,021	770	2,780	10,803	6,915	12,125
1955: April	49,403	49,073	16,257	9,414	6,843	759	2,614	10,619	6,881	11,943
May	49,748	49,494	16,337	9,496	6,841	764	2,790	10,604	6,918	12,081
June	50,073	50,165	16,577	9,619	6,958	783	2,928	10,715	6,911	12,251
July	50,193	50,074	16,477	9,507	6,970	772	3,032	10,707	6,722	12,364
August	50,315	50,484	16,820	9,582	7,238	779	3,088	10,713	6,687	12,397
September	50,448	50,992	16,919	9,640	7,279	784	3,094	10,902	6,926	12,367
October	50,594	51,125	17,006	9,761	7,245	778	3,031	10,990	7,043	12,277
November	50,745	51,262	17,052	9,864	7,188	783	2,921	11,213	7,033	12,260
December	50,948	51,996	17,027	9,886	7,141	783	2,756	11,849	7,324	12,257
1956: January	51,080	50,284	16,842	9,811	7,031	777	2,588	10,920	7,033	12,124
February	51,127	50,246	16,824	9,776	7,048	780	2,588	10,819	7,084	12,151
March	51,057	50,499	16,764	9,730	7,034	783	2,669	10,931	7,122	12,230
April <sup>1</sup>	51,281	50,803	16,759	9,783	6,976	789	2,847	10,922	7,109	12,377
May <sup>2</sup>	51,256	50,999	16,641	9,706	6,935	794	3,030	10,951	7,111	12,472

<sup>1</sup> Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked during or received pay for any part of 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. 11) which include proprietors, self-employed persons, and domestic servants; which count persons as employed when they are not at work because of industrial disputes; and which are based on an enumeration of population, whereas the estimates in this table are based on reports from employing establishments.

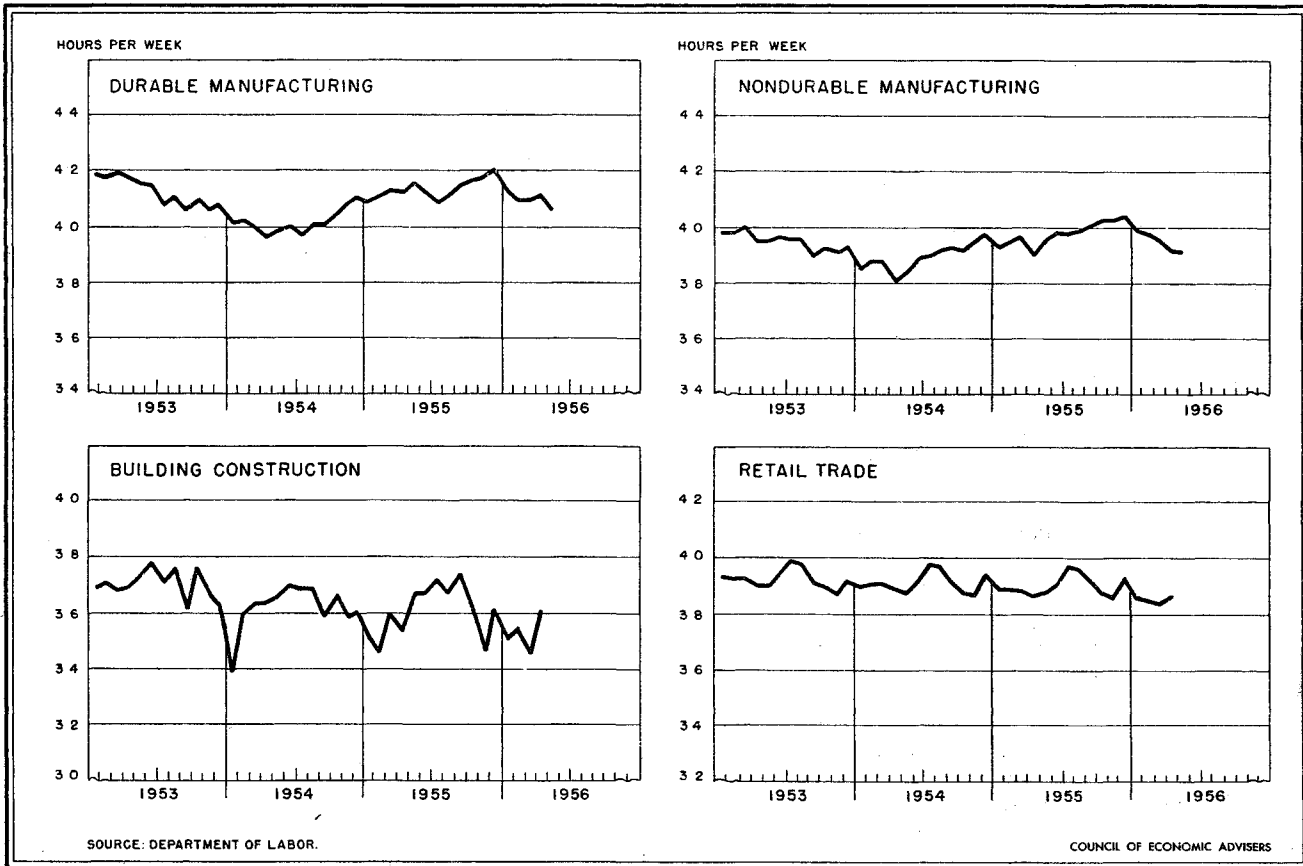
<sup>2</sup> Preliminary estimates.

<sup>3</sup> NOTE.—Beginning with 1954, data are based on first quarter 1955 benchmark levels.

Source: Department of Labor.

## AVERAGE WEEKLY HOURS - SELECTED INDUSTRIES

The average workweek of factory production workers declined from 40.3 hours in April to 40.0 hours in May. The decline was greatest among durable goods industry groups and was larger than is usual at this time of year.



[Hours per week, for production workers or nonsupervisory employees]

Period	Manufacturing			Building construction	Retail trade
	Total	Durable goods	Nondurable goods		
1939.....	37.7	38.0	37.4	32.6	42.7
1947.....	40.4	40.6	40.1	37.6	40.3
1948.....	40.1	40.5	39.6	37.3	40.3
1949.....	39.2	39.5	38.8	36.7	40.4
1950.....	40.5	41.2	39.7	36.3	40.5
1951.....	40.7	41.6	39.5	37.2	40.2
1952.....	40.7	41.5	39.6	38.1	39.9
1953.....	40.5	41.3	39.5	37.0	39.2
1954.....	39.7	40.2	39.0	36.2	39.1
1955.....	40.7	41.4	39.8	36.1	39.0
1955: April.....	40.3	41.2	39.0	35.4	38.6
May.....	40.8	41.6	39.6	36.7	38.8
June.....	40.7	41.2	39.9	36.7	39.1
July.....	40.4	40.9	39.8	37.2	39.7
August.....	40.6	41.1	39.9	36.7	39.6
September.....	40.9	41.5	40.1	37.4	39.1
October.....	41.1	41.7	40.3	36.3	38.8
November.....	41.2	41.8	40.3	34.7	38.6
December.....	41.3	42.0	40.4	36.1	39.4
1956: January.....	40.7	41.2	39.9	35.1	38.6
February.....	40.5	41.0	39.8	35.5	38.5
March.....	40.4	41.0	39.6	34.6	38.4
April <sup>2</sup> .....	40.3	41.1	39.2	36.1	38.6
May <sup>2</sup> .....	40.0	40.6	39.1	( <sup>3</sup> )	( <sup>3</sup> )

<sup>1</sup> Data beginning with January 1948 are not strictly comparable with those for earlier periods.

<sup>2</sup> Preliminary estimates.

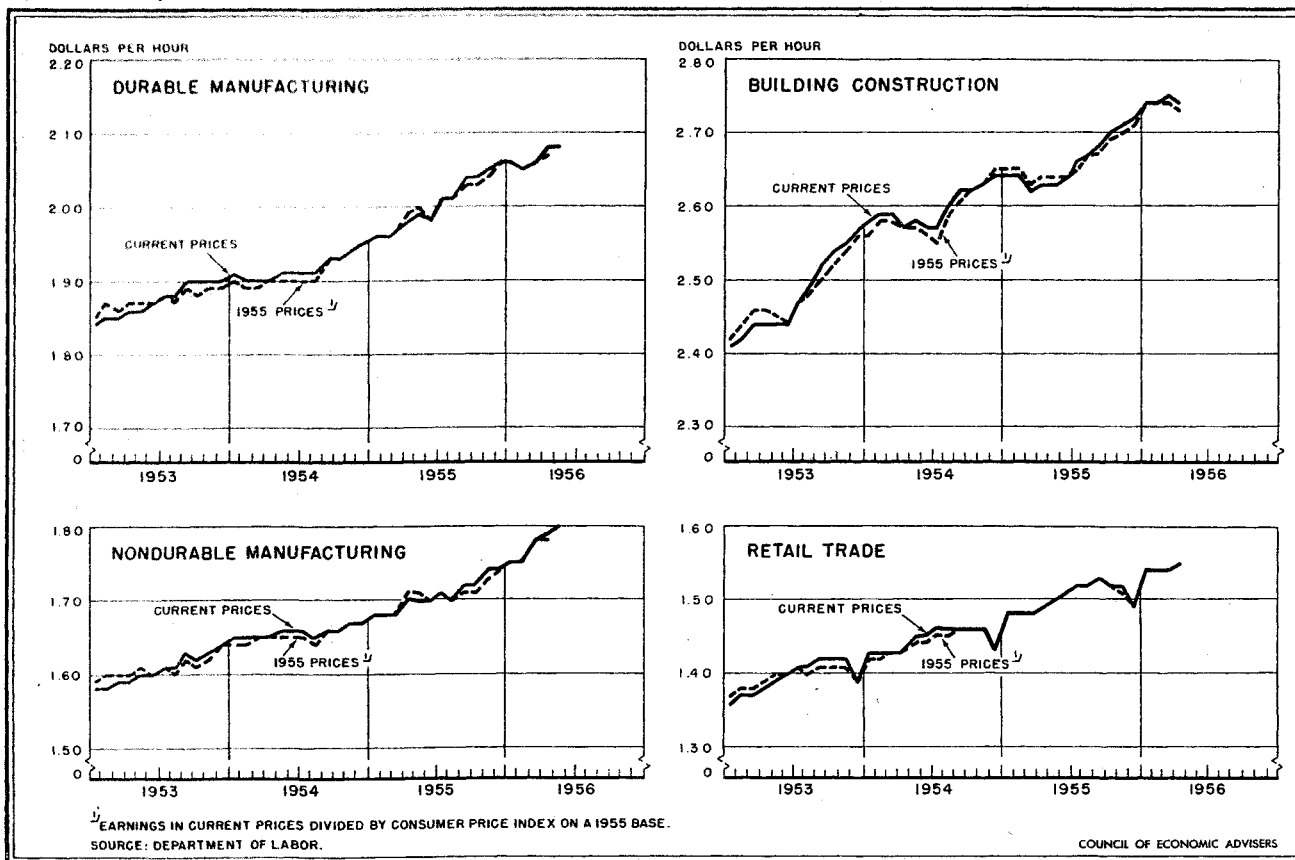
<sup>3</sup> Not available.

NOTE.—Beginning with 1954, data are based on first quarter 1955 benchmark levels of employment.  
Source: Department of Labor.



# AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

Average hourly earnings of production workers in manufacturing were \$1.96 in May, the same as in April and 9 cents higher than a year earlier.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>
1939.....	\$0.633	\$1.220	\$0.698	\$1.345	\$0.582	\$1.121	\$0.932	\$1.796	\$0.542	\$1.044
1947.....	1.237	1.483	1.292	1.549	1.171	1.404	1.681	2.016	1.009	1.210
1948.....	1.350	1.503	1.410	1.570	1.278	1.423	<sup>2</sup> 1.848	<sup>2</sup> 2.058	1.088	1.212
1949.....	1.401	1.576	1.469	1.652	1.325	1.490	1.935	2.177	1.137	1.279
1950.....	1.465	1.631	1.537	1.712	1.378	1.535	2.031	2.262	1.176	1.310
1951.....	1.59	1.64	1.67	1.72	1.48	1.53	2.19	2.26	1.26	1.30
1952.....	1.67	1.69	1.77	1.79	1.54	1.55	2.31	2.33	1.32	1.33
1953.....	1.77	1.77	1.87	1.87	1.61	1.61	2.48	2.48	1.40	1.40
1954.....	1.81	1.80	1.92	1.91	1.66	1.66	2.60	2.59	1.45	1.45
1955.....	1.88	1.88	2.01	2.01	1.71	1.71	2.66	2.66	1.50	1.50
1955: April.....	1.86	1.87	1.98	1.99	1.70	1.71	2.63	2.64	1.49	1.49
May.....	1.87	1.88	1.99	2.00	1.70	1.71	2.63	2.64	1.50	1.50
June.....	1.87	1.87	1.98	1.98	1.70	1.70	2.64	2.64	1.51	1.51
July.....	1.89	1.89	2.01	2.01	1.71	1.71	2.66	2.65	1.52	1.52
August.....	1.88	1.88	2.01	2.01	1.70	1.70	2.67	2.67	1.52	1.52
September.....	1.90	1.89	2.04	2.03	1.72	1.71	2.68	2.67	1.53	1.53
October.....	1.91	1.90	2.04	2.03	1.72	1.71	2.70	2.69	1.52	1.52
November.....	1.93	1.92	2.05	2.04	1.74	1.73	2.71	2.70	1.52	1.51
December.....	1.93	1.93	2.06	2.06	1.74	1.74	2.72	2.71	1.49	1.49
1956: January.....	1.93	1.93	2.06	2.06	1.75	1.75	2.74	2.74	1.54	1.54
February.....	1.93	1.93	2.05	2.05	1.75	1.75	2.74	2.74	1.54	1.54
March <sup>3</sup> .....	1.95	1.95	2.06	2.06	1.78	1.78	2.75	2.74	1.54	1.54
April <sup>3</sup> .....	1.96	1.95	2.08	2.07	1.79	1.78	2.74	2.73	1.55	1.55
May <sup>3</sup> .....	1.96	( <sup>4</sup> )	2.08	( <sup>4</sup> )	1.80	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> Earnings in current prices divided by consumer price index on a 1955 base.

<sup>2</sup> Data beginning with January 1948 are not strictly comparable with those for earlier periods.

<sup>3</sup> Preliminary estimates.

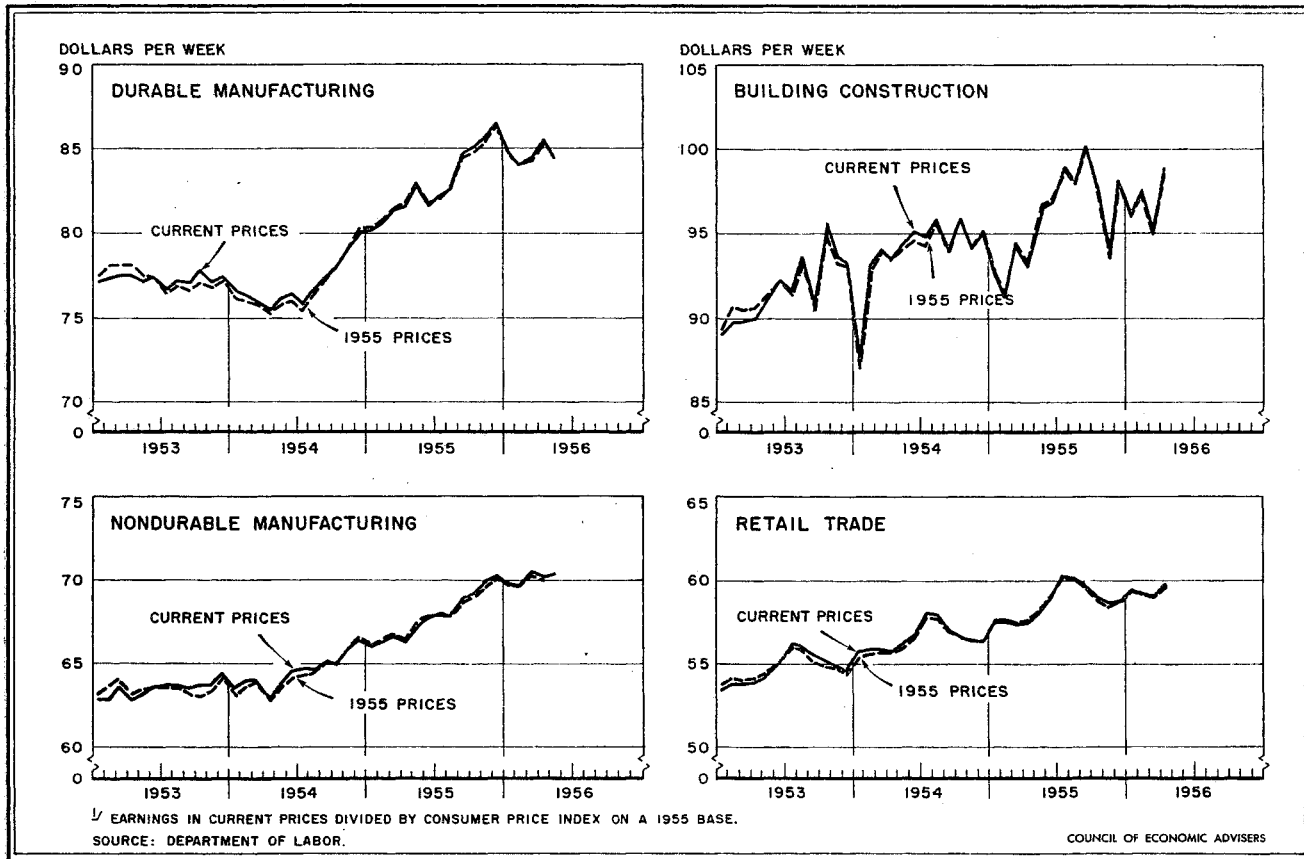
<sup>4</sup> Not available.

NOTE.—Beginning with 1954 data are based on first quarter 1955 benchmark levels of employment.

Source: Department of Labor.

## AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings of production workers in manufacturing declined from \$78.99 in April to \$78.40 in May, reflecting the decline in the length of the workweek.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>	Current prices	1955 prices <sup>1</sup>
1939.....	\$23.86	\$45.97	\$26.50	\$51.06	\$21.78	\$41.97	\$30.39	\$58.55	\$23.14	\$44.59
1947.....	49.97	59.92	52.46	62.90	46.96	56.31	63.30	75.90	40.66	48.75
1948.....	54.14	60.29	57.11	63.60	50.61	56.36	<sup>2</sup> 68.85	<sup>2</sup> 76.67	43.85	48.83
1949.....	54.92	61.78	58.03	65.28	51.41	57.83	70.95	79.81	45.93	51.66
1950.....	59.33	66.07	63.32	70.51	54.71	60.92	73.73	82.10	47.63	53.04
1951.....	64.71	66.78	69.47	71.69	58.46	60.33	81.47	84.08	50.65	52.27
1952.....	67.97	68.59	73.46	74.13	60.98	61.53	88.01	88.81	52.67	53.15
1953.....	71.69	71.76	77.23	77.31	63.60	63.66	91.76	91.85	54.88	54.93
1954.....	71.86	71.65	77.18	76.95	64.74	64.55	94.12	93.84	56.70	56.53
1955.....	76.52	76.52	83.21	83.21	68.06	68.06	96.03	96.03	58.50	58.50
1955: April.....	74.96	75.19	81.58	81.83	66.30	66.50	93.10	93.38	57.51	57.68
May.....	76.30	76.53	82.78	83.03	67.32	67.52	96.52	96.81	58.20	58.38
June.....	76.11	76.19	81.58	81.66	67.83	67.90	96.89	96.99	59.04	59.10
July.....	76.36	76.21	82.21	82.05	68.06	67.92	98.95	98.75	60.34	60.22
August.....	76.33	76.33	82.61	82.61	67.83	67.83	97.99	97.99	60.19	60.19
September.....	77.71	77.48	84.66	84.41	68.97	68.76	100.23	99.93	59.82	59.64
October.....	78.50	78.27	85.07	84.82	69.32	69.11	98.01	97.72	58.98	58.80
November.....	79.52	79.20	85.69	85.35	70.12	69.84	94.04	93.67	58.67	58.44
December.....	79.71	79.55	86.52	86.35	70.30	70.16	98.19	97.99	58.71	58.59
1956: January.....	78.55	78.47	84.87	84.79	69.83	69.76	96.17	96.07	59.44	59.38
February.....	78.17	78.09	84.05	83.97	69.65	69.58	97.27	97.17	59.29	59.23
March.....	78.78	78.62	84.46	84.29	70.49	70.35	95.15	94.96	59.14	59.02
April <sup>3</sup> .....	78.99	78.75	85.49	85.23	70.17	69.96	98.91	98.61	59.83	59.65
May <sup>3</sup> .....	78.40	( <sup>4</sup> )	84.45	( <sup>4</sup> )	70.38	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )

<sup>1</sup> Earnings in current prices divided by consumer price index on a 1955 base.

<sup>2</sup> Data beginning with January 1948 are not strictly comparable with those for earlier periods.

<sup>3</sup> Preliminary estimates.

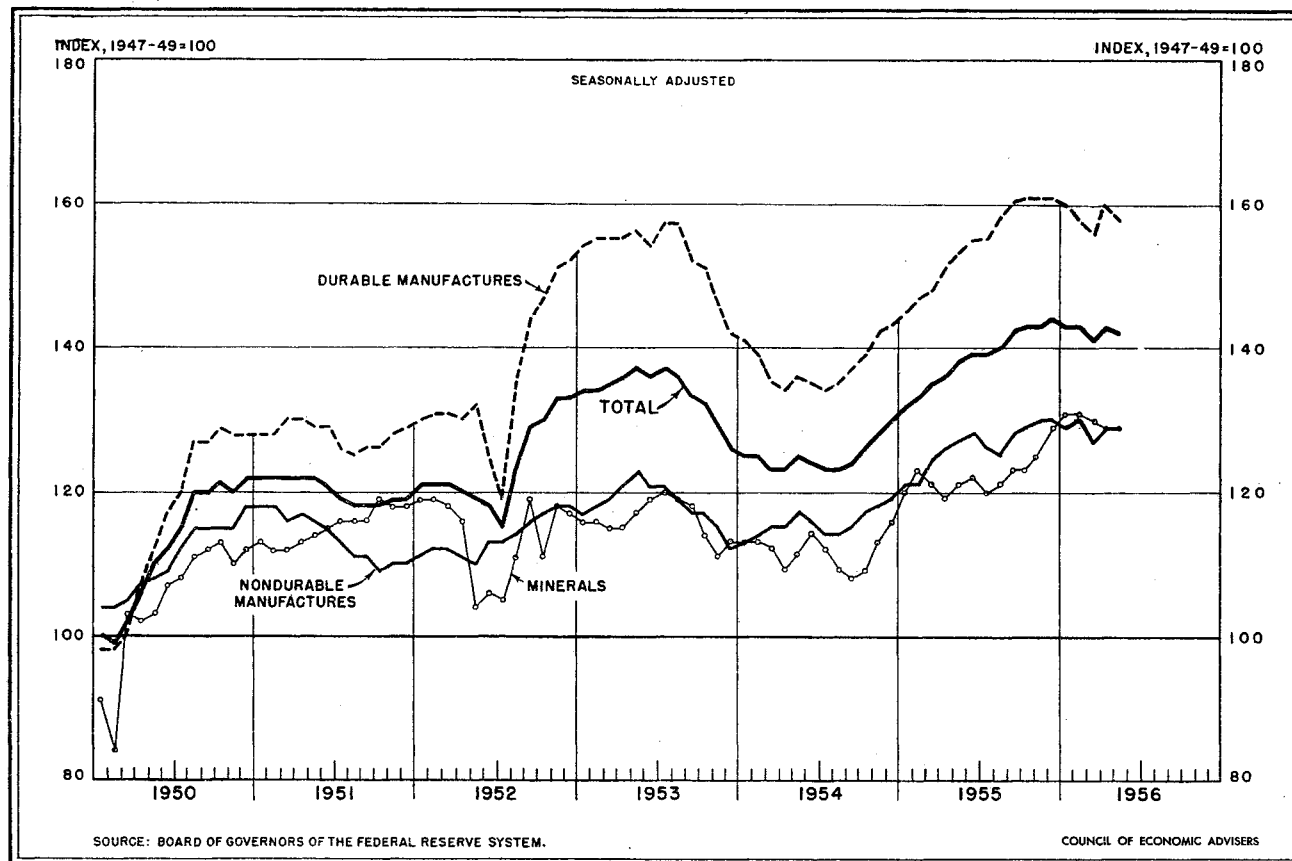
<sup>4</sup> Not available.

NOTE.—Beginning with 1954, data are based on first quarter 1955 benchmark levels of employment.  
Source: Department of Labor.

# PRODUCTION AND BUSINESS ACTIVITY

## INDUSTRIAL PRODUCTION

The index of industrial production (seasonally adjusted) is estimated at 142 (1947-49=100) in May, 1 point below the revised April index.



[1947-49=100, seasonally adjusted]

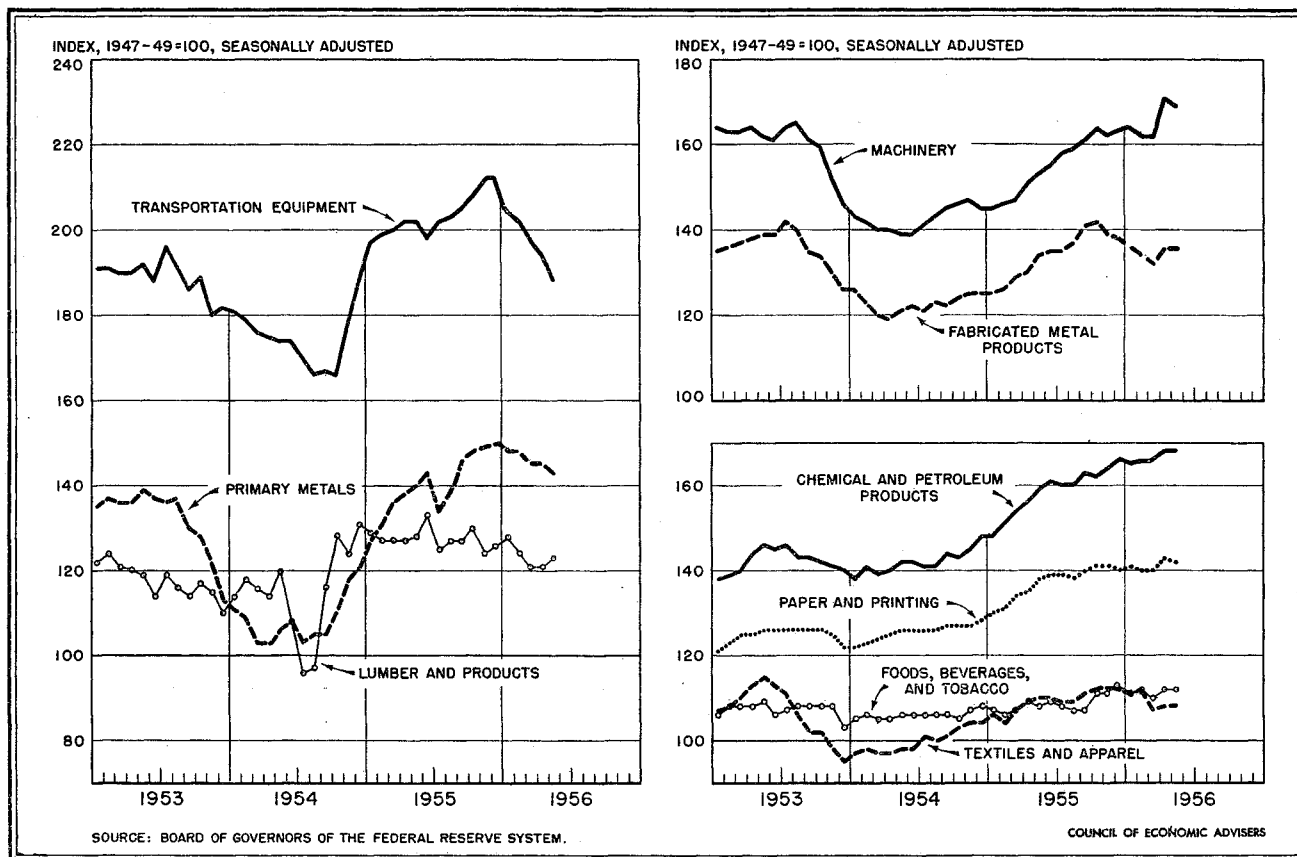
Period	Total industrial production	Manufactures			Minerals
		Total	Durable	Nondurable	
1939.....	58	57	49	66	68
1947.....	100	100	101	99	100
1948.....	104	103	104	102	106
1949.....	97	97	95	99	94
1950.....	112	113	116	111	105
1951.....	120	121	128	114	115
1952.....	124	125	136	114	114
1953.....	134	136	153	118	116
1954.....	125	127	137	116	111
1955 <sup>1</sup> .....	139	141	155	126	122
1955: April.....	136	138	151	126	119
May.....	138	140	153	127	121
June.....	139	141	155	128	122
July.....	139	141	155	126	120
August.....	140	142	158	125	121
September.....	142	144	160	128	123
October.....	143	145	161	129	123
November.....	143	145	161	130	125
December.....	144	146	161	130	129
1956: January <sup>1</sup> .....	143	145	160	129	131
February <sup>1</sup> .....	143	144	158	130	131
March <sup>1</sup> .....	141	142	156	127	130
April <sup>1</sup> .....	143	144	160	129	129
May <sup>1</sup> .....	142	143	158	129	129

<sup>1</sup> Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

# PRODUCTION OF SELECTED MANUFACTURES

In May, production (seasonally adjusted) of several durable manufactures decreased. Production of nondurable manufactures was about the same as in April.



[1947-49=100, seasonally adjusted]

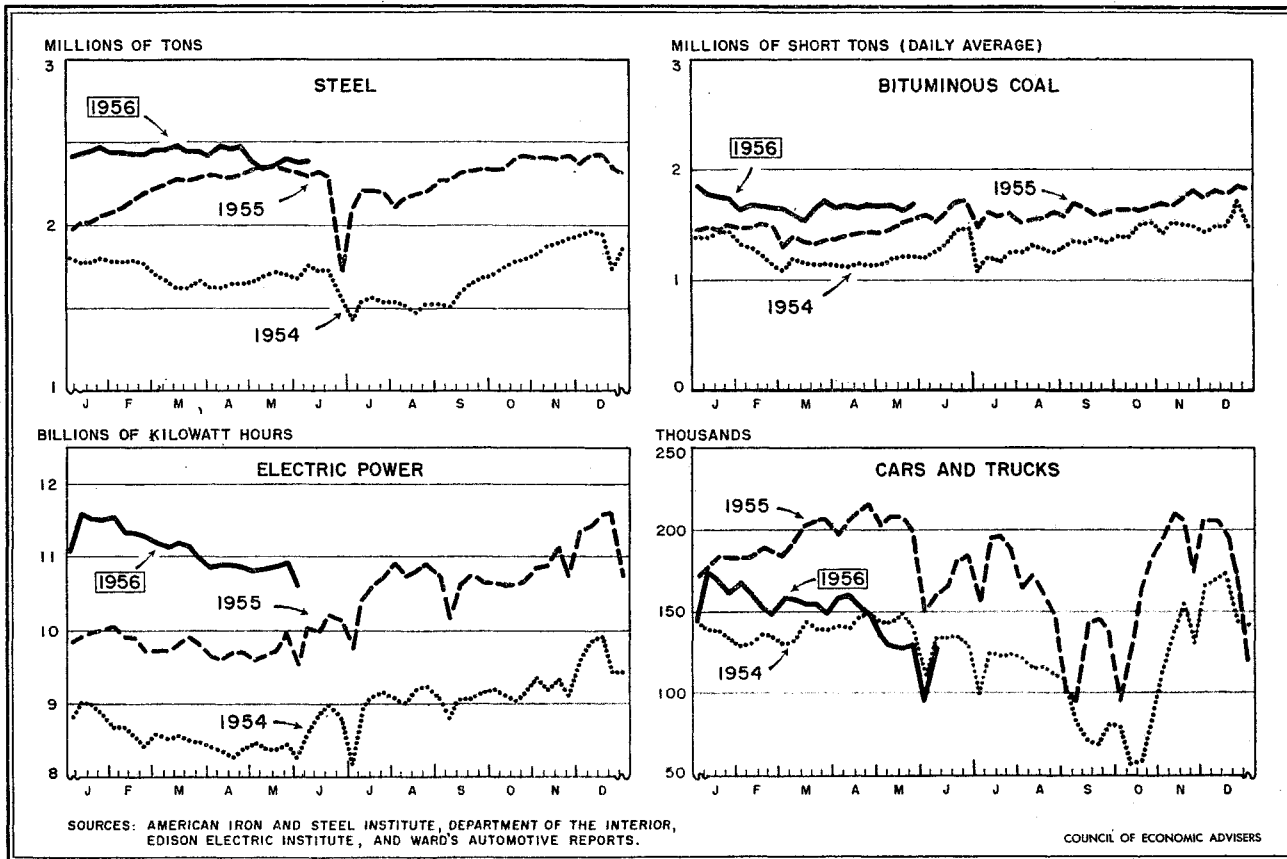
Period	Durable manufactures					Nondurable manufactures				Consumer durable goods
	Primary metals	Fabricated metal products	Machinery	Transportation equipment	Lumber and products	Textiles and apparel	Paper and printing	Chemical and petroleum products	Foods, beverages, and tobacco	
1939	54	52	38	47	80	80	66	49	65	98
1947	103	103	103	96	101	99	96	97	101	101
1948	107	104	104	102	106	103	103	103	100	101
1949	90	93	93	102	93	97	101	100	100	101
1950	115	115	114	120	113	110	114	118	103	133
1951	126	122	130	135	113	106	118	132	105	114
1952	116	121	147	154	111	105	118	133	106	105
1953	132	136	160	189	118	107	125	142	107	127
1954	108	123	142	175	115	100	125	142	106	116
1955 <sup>1</sup>	140	134	155	203	127	109	137	159	109	147
1955: April	138	130	151	202	127	109	135	156	109	144
May	140	134	153	202	128	110	138	159	108	145
June	143	135	155	198	133	110	139	161	109	144
July	134	135	158	202	125	109	139	160	108	150
August	139	137	159	203	127	109	138	160	107	151
September	146	141	161	205	127	111	140	163	107	154
October	148	142	164	208	130	112	141	162	111	152
November	149	139	162	212	124	113	141	164	111	151
December	150	138	163	212	126	112	140	166	113	149
1956: January <sup>1</sup>	148	136	164	205	128	111	141	165	111	143
February <sup>1</sup>	148	134	162	202	124	112	140	166	112	137
March <sup>1</sup>	145	132	162	197	121	107	140	166	110	132
April <sup>1</sup>	145	135	171	194	121	108	143	168	112	132
May <sup>1</sup>	143	135	169	188	123	108	142	168	112	126

<sup>1</sup> Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

# WEEKLY INDICATORS OF PRODUCTION

Several weekly indicators of production declined during May.



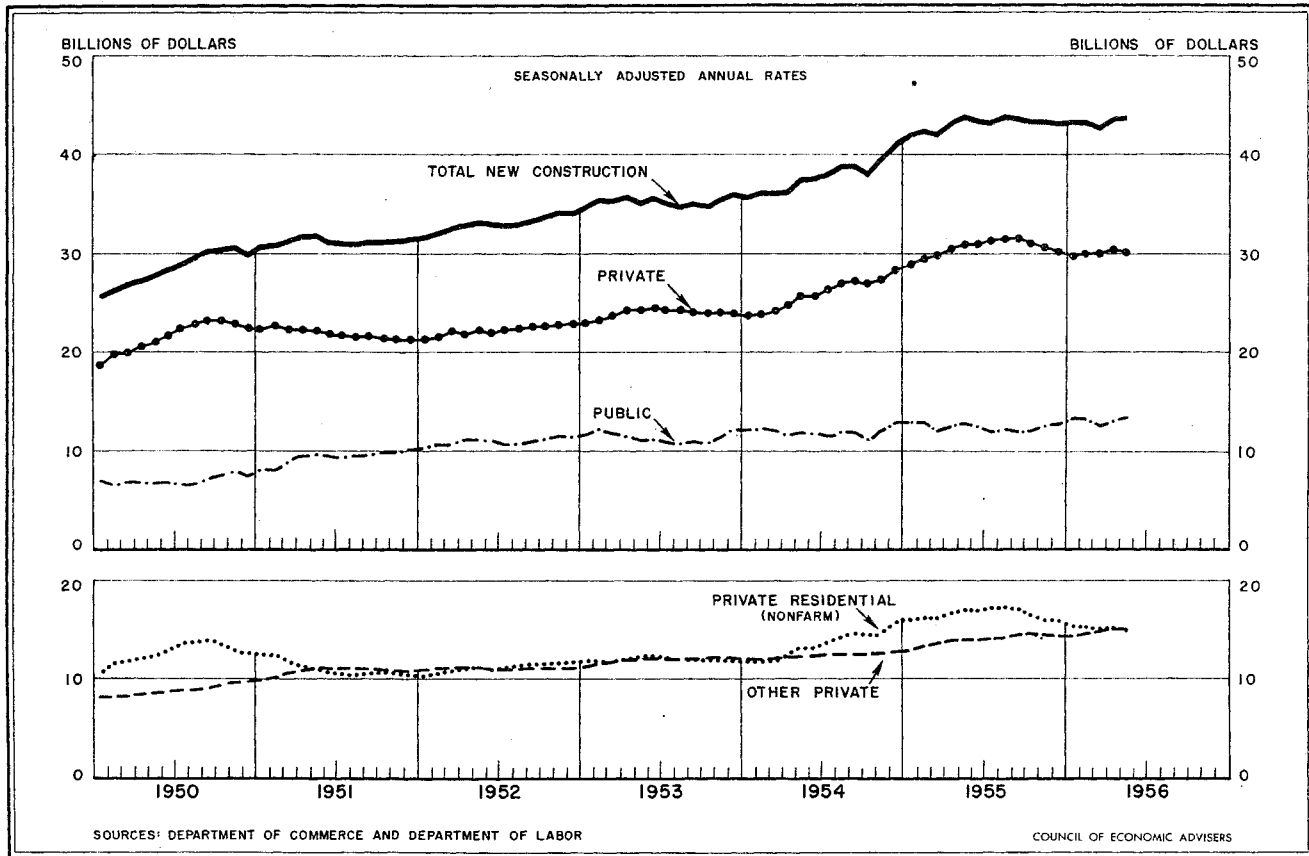
Period	Steel produced		Electric power distributed (millions of kilowatt-hours)	Bituminous coal mined (thousands of short tons) <sup>2</sup>	Freight loaded (thousands of cars)	Paperboard produced (thousands of tons)	Cars and trucks assembled (thousands)		
	Thousands of net tons	Percent of theoretical capacity <sup>1</sup>					Total	Cars	Trucks
<b>Weekly average:</b>									
1950.....	1,857	96.9	6,183	1,687	748	214	154.2	128.4	25.9
1951.....	2,018	100.9	6,958	1,772	779	229	129.8	102.7	27.2
1952.....	1,782	85.8	7,451	1,548	730	213	106.8	83.4	23.4
1953.....	2,141	94.9	8,244	1,521	735	241	141.1	118.0	23.2
1954.....	1,694	71.0	8,883	1,304	652	236	125.6	106.0	19.7
1955.....	2,245	93.0	10,318	1,560	729	269	176.7	152.7	24.0
1955: May.....	2,331	96.6	9,741	1,503	761	275	204.2	173.3	30.9
June.....	2,272	94.1	9,986	1,593	756	278	168.1	141.8	26.2
July.....	2,059	85.3	10,386	1,567	758	232	183.8	158.0	25.8
August.....	2,166	89.7	10,816	1,595	781	282	149.2	128.7	20.4
September.....	2,309	95.7	10,540	1,632	792	274	131.1	110.3	20.9
October.....	2,370	98.2	10,635	1,609	826	290	142.1	119.4	22.7
November.....	2,389	99.0	10,993	1,752	757	291	197.9	171.4	26.5
December.....	2,376	98.5	11,348	1,787	672	270	172.9	151.1	21.8
1956: January.....	2,444	99.3	11,421	1,820	678	267	162.6	138.9	23.7
February.....	2,444	99.3	11,336	1,703	692	291	157.1	132.7	24.4
March.....	2,466	100.2	11,115	1,598	701	286	154.2	130.3	23.9
April.....	2,456	99.9	10,881	1,677	742	284	155.1	131.6	23.5
May <sup>3</sup> .....	2,369	96.3	10,810	1,689	767	286	123.0	102.0	21.0
<b>Week ended:</b>									
1956: May 5.....	2,373	96.4	10,815	1,665	771	289	135.4	112.7	22.7
12.....	2,343	95.2	10,837	1,670	778	295	127.8	105.7	22.1
19.....	2,345	95.3	10,875	1,633	779	286	126.8	105.9	20.9
26.....	2,396	97.3	10,927	1,687	788	286	129.9	108.2	21.7
June 2 <sup>3</sup> .....	2,370	96.3	10,598	1,609	719	273	94.9	77.5	17.5
9 <sup>3</sup> .....	2,380	96.7				290	127.4	105.3	22.1

<sup>1</sup> Percent of capacity based on weekly net ton capacity of 1,906,268 for the first half of 1950; 1,928,721 beginning July 1, 1950; 1,999,034 beginning January 1, 1951, 2,077,040 beginning January 1, 1952; 2,254,459 beginning January 1, 1953; 2,384,549 beginning January 1, 1954; 2,413,278 beginning January 1, 1955; and 2,461,893 beginning January 1, 1956. <sup>2</sup> Daily average for week. <sup>3</sup> Preliminary estimates.

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

# NEW CONSTRUCTION

According to revised estimates, the seasonally adjusted annual rate of total construction increased \$800 million between March and April, and \$200 million between April and May. Contract awards in May were 14 percent above May 1955.



[Billions of dollars]

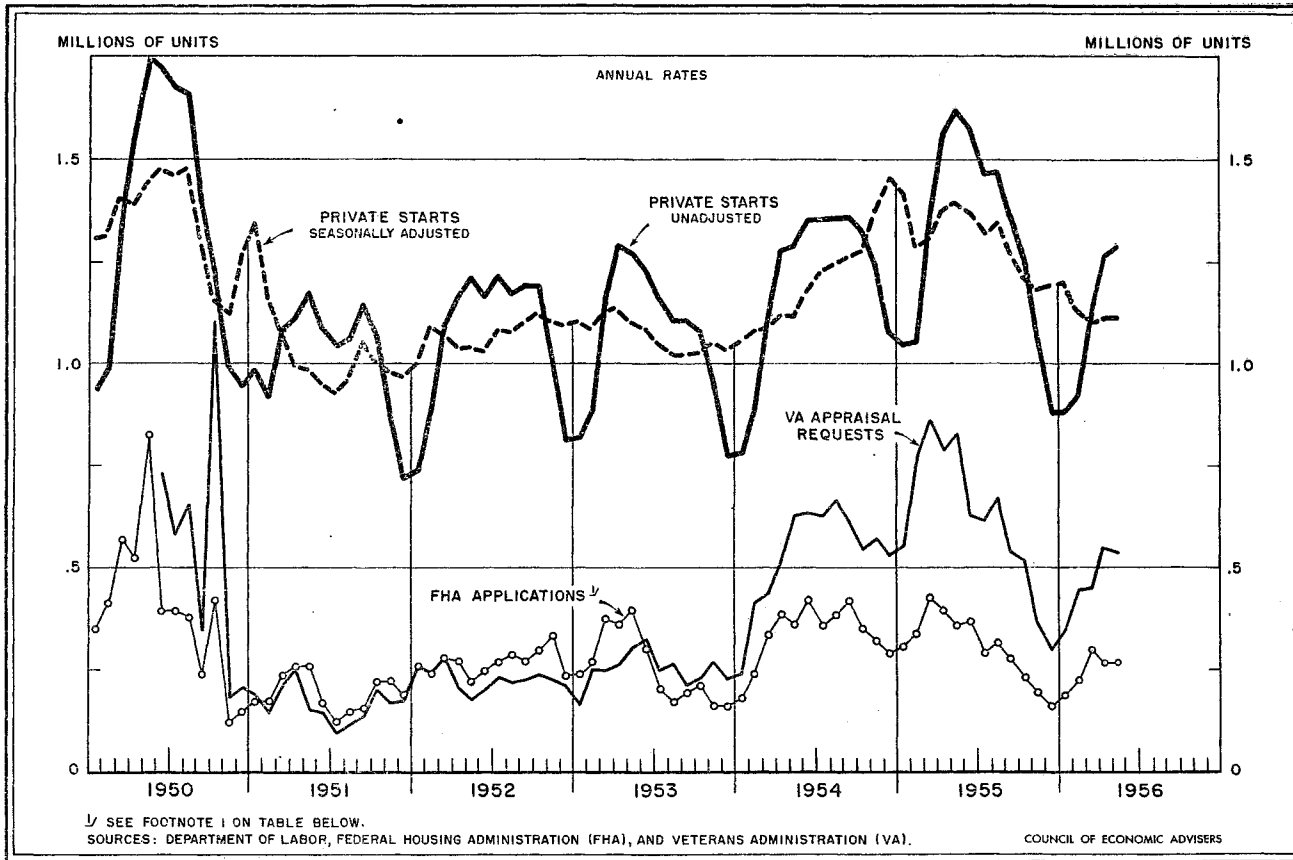
Period	Total new construction	Private			Federal, State, and local	Construction contracts awarded in 37 Eastern States <sup>1</sup>	
		Total private	Residential (nonfarm)	Other		Un-adjusted	Seasonally adjusted
1939	8.2	4.4	2.7	1.7	3.8	3.6	-----
1947	16.7	13.3	6.3	6.9	3.4	7.8	-----
1948	21.7	16.9	8.6	8.3	4.8	9.4	-----
1949	22.8	16.4	8.3	8.1	6.4	10.4	-----
1950	28.5	21.5	12.6	8.9	7.0	14.5	-----
1951	31.2	21.8	11.0	10.8	9.4	15.8	-----
1952	33.0	22.1	11.1	11.0	10.9	16.8	-----
1953	35.3	23.9	11.9	11.9	11.4	17.4	-----
1954 <sup>2</sup>	37.8	25.9	13.5	12.4	11.9	19.8	-----
1955 <sup>2</sup>	43.0	30.6	16.6	14.0	12.4	23.7	-----
Seasonally adjusted annual rates						Annual rates	
						Un-adjusted	Seasonally adjusted
1955: April <sup>2</sup>	43.1	30.5	16.7	13.8	12.6	27.9	24.4
May <sup>2</sup>	43.7	30.9	17.0	13.9	12.8	28.2	22.8
June <sup>2</sup>	43.3	30.9	17.0	13.9	12.4	27.1	25.1
July <sup>2</sup>	43.2	31.3	17.2	14.1	11.9	27.3	23.9
August <sup>2</sup>	43.7	31.4	17.2	14.2	12.2	22.7	22.1
September <sup>2</sup>	43.5	31.5	17.1	14.5	11.9	24.4	21.2
October <sup>2</sup>	43.2	31.1	16.5	14.6	12.0	22.4	22.1
November <sup>2</sup>	43.2	30.6	16.1	14.5	12.6	21.6	25.1
December <sup>2</sup>	43.0	30.2	15.9	14.4	12.7	23.1	24.0
1956: January <sup>2</sup>	43.1	29.8	15.4	14.3	13.3	22.3	30.1
February <sup>2</sup>	43.2	30.0	15.3	14.6	13.2	22.3	30.2
March <sup>2</sup>	42.6	30.0	15.2	14.8	12.6	28.6	29.2
April <sup>2</sup>	43.4	30.3	15.2	15.1	13.1	29.1	25.5
May <sup>3</sup>	43.6	30.1	15.0	15.1	13.4	29.8	25.9

<sup>1</sup> Compiled by F. W. Dodge Corporation; seasonally adjusted by the National Bureau of Economic Research. Omits small contracts, and covers rural areas less fully than urban.  
Sources: Department of Commerce, Department of Labor, and F. W. Dodge Corporation (except as noted).

<sup>2</sup> Revised estimates.  
<sup>3</sup> Preliminary estimates.

# HOUSING STARTS AND APPLICATIONS FOR FINANCING

Private nonfarm housing starts in May, after seasonal adjustment, continued at the level of March and April. Financing applications were slightly lower than in April.



[Thousands of units]

Period	New nonfarm housing starts						Proposed home construction		
	Total	Publicly financed	Privately financed				Private, seasonally adjusted annual rates	Applications for FHA commitments <sup>1</sup>	Requests for VA appraisals
			Total	Government programs					
				Total	FHA	VA			
Annual total: 1948	931.6	18.1	913.5	(2)	294.1	(2)	293.2	(2)	
1949	1,025.1	36.3	988.8	(2)	363.8	(2)	327.0	(2)	
1950	1,396.0	43.8	1,352.2	686.7	486.7	<sup>3</sup> 200.0	397.7	(2)	
1951	1,091.3	71.2	1,020.1	412.2	263.5	148.7	192.8	164.4	
1952	1,127.0	58.5	1,068.5	421.2	279.9	141.3	267.9	226.3	
1953	1,103.8	35.5	1,068.3	408.6	252.0	156.6	253.7	251.4	
1954	1,220.4	18.7	1,201.7	583.3	276.3	307.0	338.6	535.4	
1955	1,328.9	19.4	1,309.5	669.6	276.7	392.9	306.2	620.8	
Monthly average: 1950	116.3	3.6	112.7	57.2	40.6	16.7	33.1	(2)	
1953	92.0	3.0	89.0	34.0	21.0	13.1	21.1	21.0	
1954	101.7	1.6	100.1	48.6	23.0	25.6	28.2	44.6	
1955	110.7	1.6	109.1	55.8	23.1	32.7	25.5	51.7	
1955: April	132.0	1.5	130.5	60.3	25.8	34.5	1,374	33.1	65.9
May	137.6	2.5	135.1	65.9	28.0	37.8	1,398	30.1	69.3
June	134.5	3.1	131.4	71.6	32.1	39.5	1,371	30.8	52.4
July	122.7	.8	121.9	63.3	26.0	37.4	1,318	24.3	51.4
August	124.7	2.4	122.3	67.6	26.9	40.8	1,346	26.4	56.0
September	114.9	1.3	113.6	59.1	24.7	34.4	1,262	23.1	45.1
October	105.8	1.0	104.8	53.4	18.6	34.8	1,209	19.2	43.1
November	89.2	.8	88.4	45.6	17.5	28.1	1,179	16.3	30.4
December	76.2	2.7	73.5	37.9	16.2	21.6	1,192	13.4	24.9
1956: January	75.0	1.3	73.7	36.0	13.0	23.0	1,195	15.6	29.3
February	78.3	1.3	77.0	30.5	13.1	17.4	1,127	18.5	37.1
March	<sup>4</sup> 96.0	<sup>4</sup> 1.6	<sup>4</sup> 94.4	37.6	17.0	20.6	<sup>4</sup> 1,100	24.9	37.5
April	<sup>4</sup> 106.0	<sup>4</sup> 1.0	<sup>4</sup> 105.0	46.3	19.9	26.4	<sup>4</sup> 1,110	22.3	45.8
May	108.0	1.0	107.0	46.4	19.9	26.6	1,110	22.1	44.4

<sup>1</sup> Units represented by mortgage applications for new home construction.

<sup>2</sup> Not available.

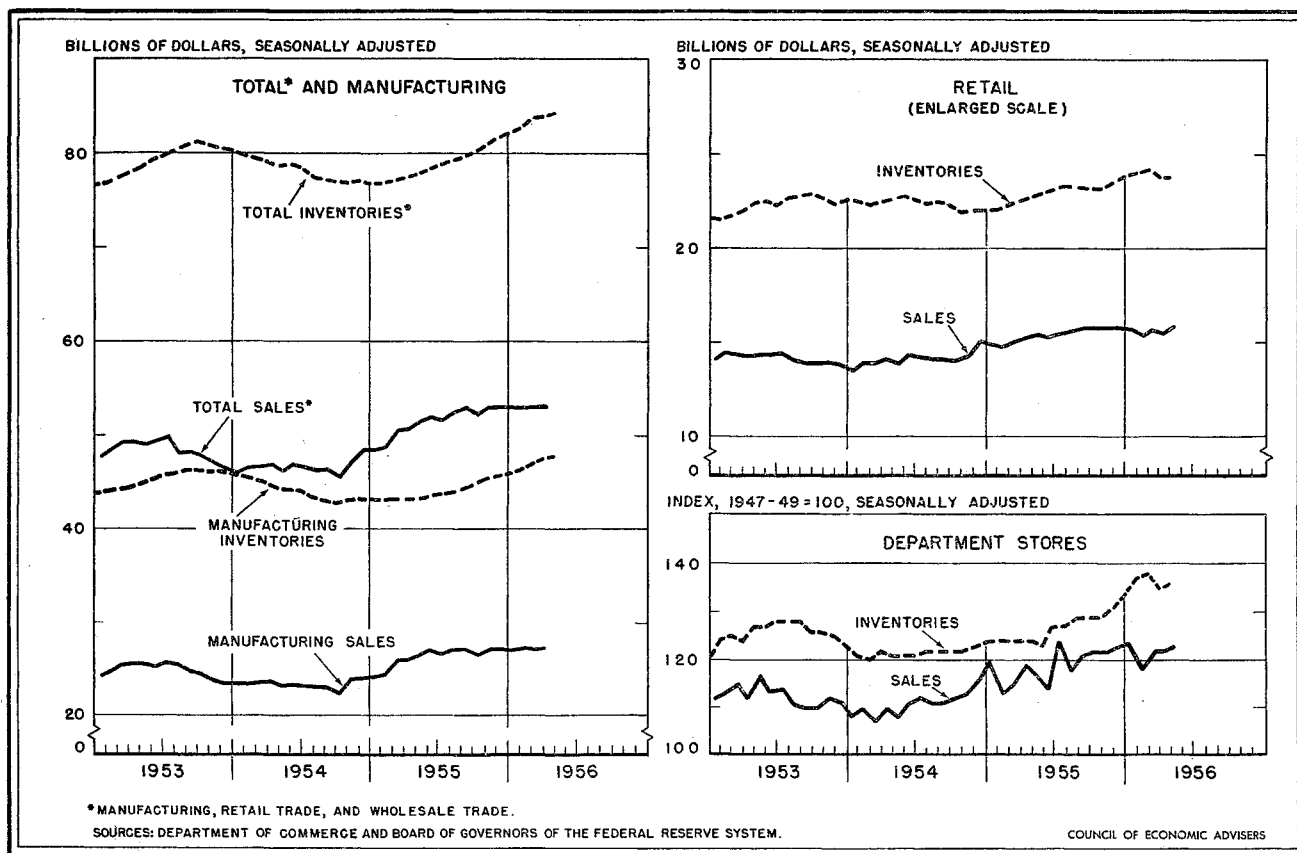
<sup>3</sup> Partly estimated.

<sup>4</sup> Preliminary estimates.

Sources: Department of Labor, Federal Housing Administration (FHA), and Veterans Administration (VA).

# SALES AND INVENTORIES - MANUFACTURING AND TRADE

Retail sales (seasonally adjusted) increased in May, according to preliminary estimates. Manufacturers' and wholesalers' sales rose slightly in April. Manufacturers' new orders rose \$500 million in April, the first rise since December. Manufacturers' inventories continued to increase, while trade inventories remained unchanged.



Period	Manufacturing and trade		Manufacturing			Wholesale		Retail		Department stores	
	Sales <sup>1</sup>	Inventories <sup>2</sup>	Sales <sup>1</sup>	Inventories <sup>2</sup>	New orders <sup>1</sup>	Sales <sup>1</sup>	Inventories <sup>2</sup>	Sales <sup>1</sup>	Inventories <sup>2</sup>	Sales <sup>1</sup>	Inventories <sup>3</sup>
Billions of dollars, seasonally adjusted											
1948.....	36.4	55.6	17.6	31.7	17.4	7.9	8.1	10.9	15.8	104	107
1949.....	34.7	52.1	16.4	28.9	15.9	7.4	7.9	10.9	15.3	98	99
1950.....	39.9	64.1	19.3	34.3	21.0	8.7	10.5	12.0	19.3	105	109
1951.....	<sup>4</sup> 44.9	<sup>4</sup> 75.2	22.3	42.8	24.5	9.4	11.1	<sup>4</sup> 13.2	<sup>4</sup> 21.2	109	128
1952.....	45.9	76.7	22.8	43.8	23.6	9.4	11.3	13.7	21.6	110	118
1953.....	48.4	80.3	24.9	45.9	23.4	9.3	11.7	14.2	22.7	112	126
1954.....	46.7	76.9	23.4	43.3	22.4	9.1	11.5	14.2	22.1	111	122
1955.....	51.7	82.2	26.4	45.9	27.2	9.8	12.3	15.5	23.9	119	127
1955: March.....	50.7	77.5	26.0	43.3	26.5	9.7	11.6	15.1	22.6	115	124
April.....	50.9	77.7	26.0	43.3	26.1	9.6	11.7	15.3	22.8	119	124
May.....	51.7	78.3	26.7	43.5	27.7	9.7	11.8	15.4	23.0	117	123
June.....	52.2	78.8	27.1	43.8	27.8	9.7	11.8	15.3	23.2	114	127
July.....	51.9	79.2	26.7	43.9	27.0	9.6	11.9	15.5	23.4	124	127
August.....	52.8	79.6	27.2	44.3	28.7	9.9	12.0	15.7	23.3	118	129
September.....	53.1	80.0	27.2	44.7	28.3	10.0	12.0	15.8	23.2	121	129
October.....	52.5	80.9	26.6	45.4	27.5	10.1	12.2	15.8	23.3	122	129
November.....	53.2	81.6	27.3	45.7	28.3	10.1	12.3	15.8	23.6	122	131
December.....	53.2	82.2	27.3	45.9	29.3	10.1	12.3	15.8	23.9	123	134
1956: January.....	52.9	82.8	27.0	46.3	28.1	10.3	12.4	15.7	24.1	124	137
February.....	52.9	83.6	27.2	46.9	27.6	10.4	12.5	15.3	24.2	118	138
March.....	53.1	83.8	27.1	47.4	26.9	10.3	12.6	15.7	23.8	122	135
April <sup>5</sup> .....	53.2	84.4	27.3	47.9	27.4	10.4	12.6	15.5	23.8	122	136
May <sup>5</sup> .....								15.8		123	

<sup>1</sup> Monthly average for year and total for month.

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

<sup>3</sup> Book value, end of period, except annual data, which are monthly averages.

<sup>4</sup> Revised series on retail trade beginning with 1951; not comparable with previous data.

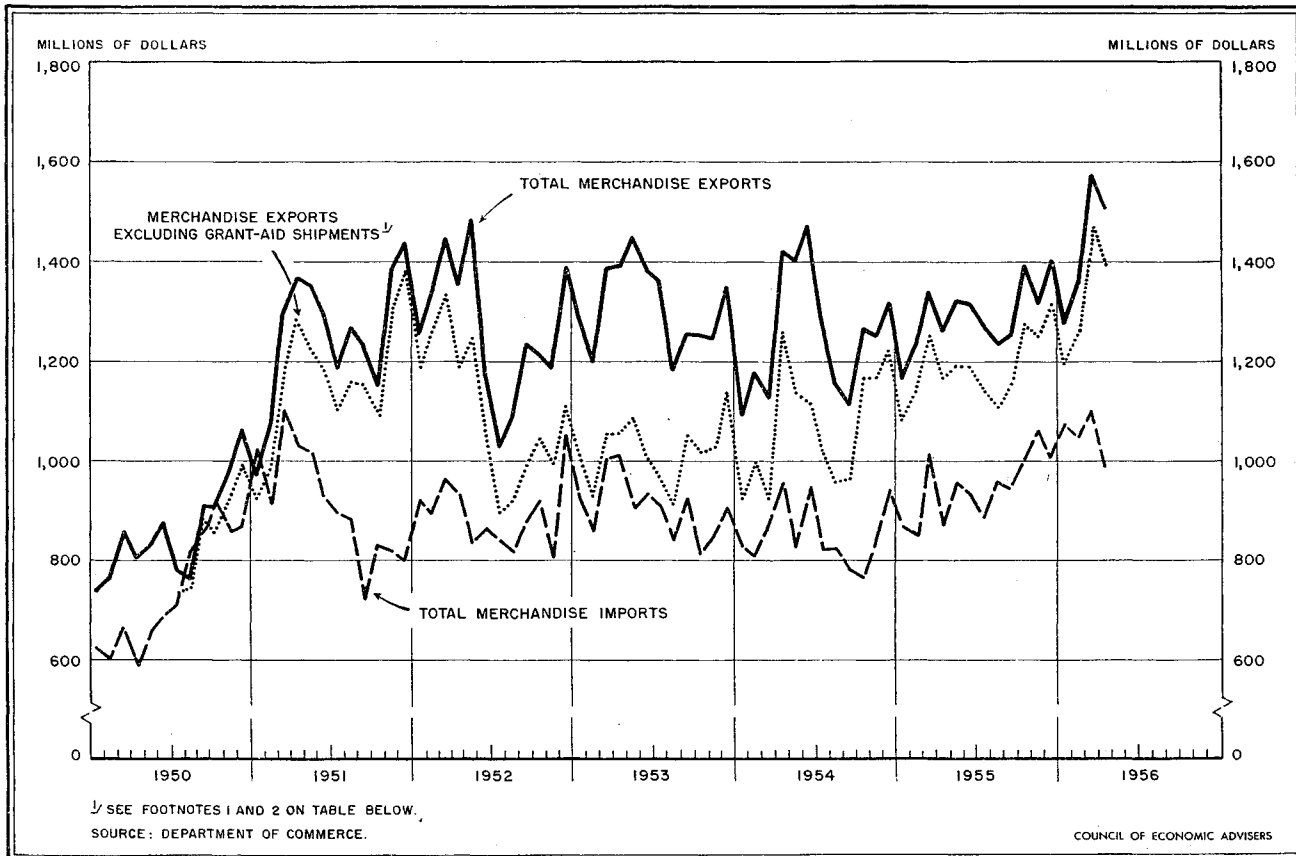
<sup>5</sup> Preliminary estimates.

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



# MERCHANDISE EXPORTS AND IMPORTS

In the first 4 months of 1956, commercial exports were 15 percent higher and imports 17 percent higher than during the corresponding period of 1955.



[Millions of dollars]

Period	Merchandise exports			Merchandise imports	Excess of exports over imports	
	Total	Grant-aid shipments <sup>1</sup>	Excluding grant-aid shipments		Total	Excluding grant-aid shipments
1936-38 monthly average.....	247	( <sup>2</sup> )	( <sup>2</sup> )	207	40	( <sup>2</sup> )
1947 monthly average.....	1,278	96	1,182	480	798	702
1948 monthly average.....	1,054	( <sup>2</sup> )	( <sup>2</sup> )	594	460	( <sup>2</sup> )
1949 monthly average.....	1,004	( <sup>2</sup> )	( <sup>2</sup> )	552	452	( <sup>2</sup> )
1950 monthly average.....	856	24	833	738	118	95
1951 monthly average.....	1,253	89	1,164	914	339	250
1952 monthly average.....	1,267	166	1,101	893	374	208
1953 monthly average.....	1,314	293	1,022	906	408	116
1954 monthly average.....	1,259	188	1,071	851	408	220
1955 monthly average.....	1,294	105	1,190	948	346	242
1955: March.....	1,344	92	1,251	1,019	324	232
April.....	1,264	94	1,170	871	393	299
May.....	1,325	131	1,194	958	367	236
June.....	1,319	128	1,191	936	382	254
July.....	1,268	128	1,141	885	383	256
August.....	1,235	128	1,107	960	276	148
September.....	1,255	99	1,156	945	310	211
October.....	1,396	119	1,276	1,009	387	267
November.....	1,320	73	1,247	1,064	256	183
December.....	1,403	84	1,319	1,007	396	312
1956: January.....	1,280	82	1,198	1,073	206	124
February.....	1,358	90	1,268	1,043	315	226
March.....	1,576	104	1,471	1,101	474	370
April.....	1,506	112	1,394	990	516	404

<sup>1</sup> Beginning with 1950, figures include only Department of Defense shipments of grant-aid military supplies and equipment under the Mutual Security Program. Shipments for the first 6 months of the program (July-December 1950) amounted to 282 million dollars.

<sup>2</sup> Not available.

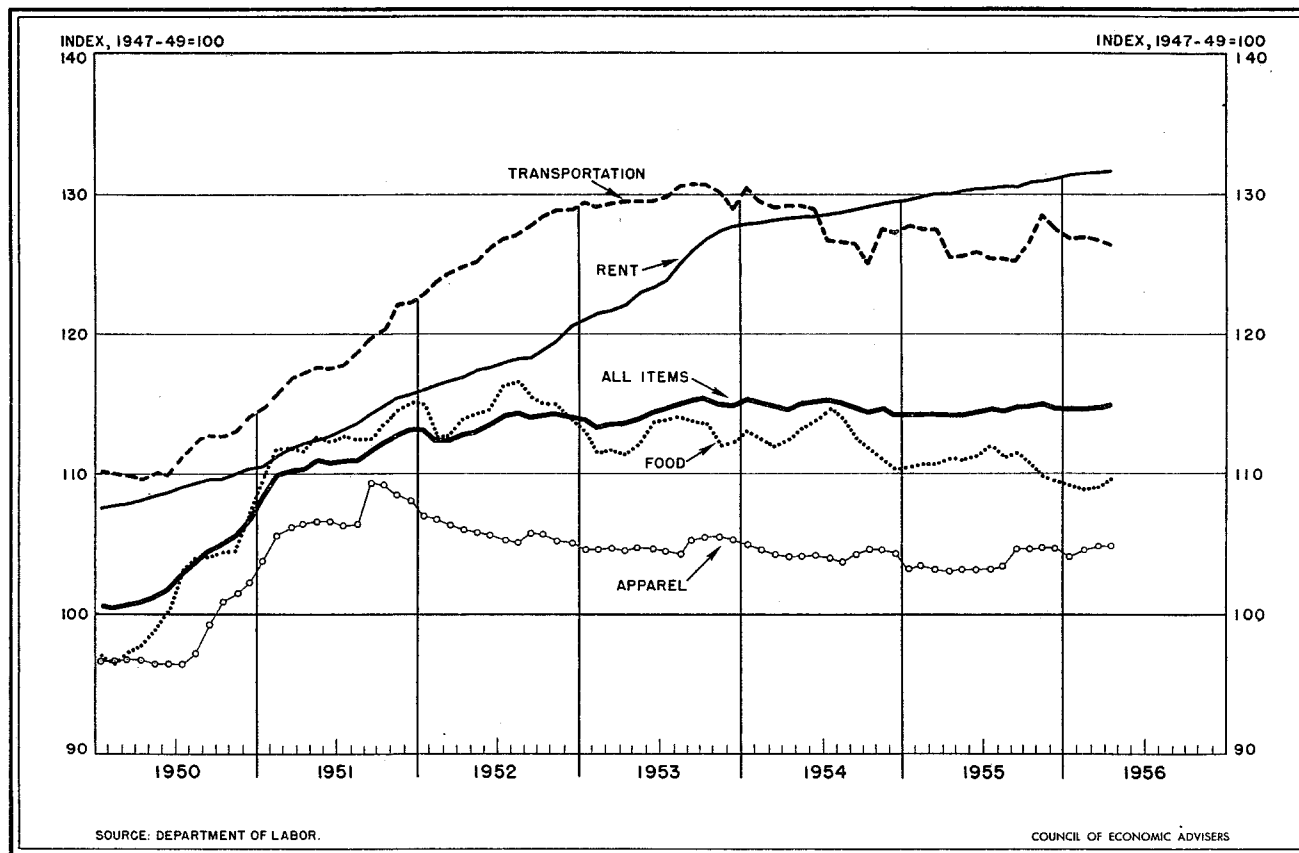
Note.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Department of Defense.

# PRICES

## CONSUMER PRICES

The average of consumer prices rose slightly in April. Higher prices for food and services were only partly offset by lower prices for transportation.



[1947-49=100]

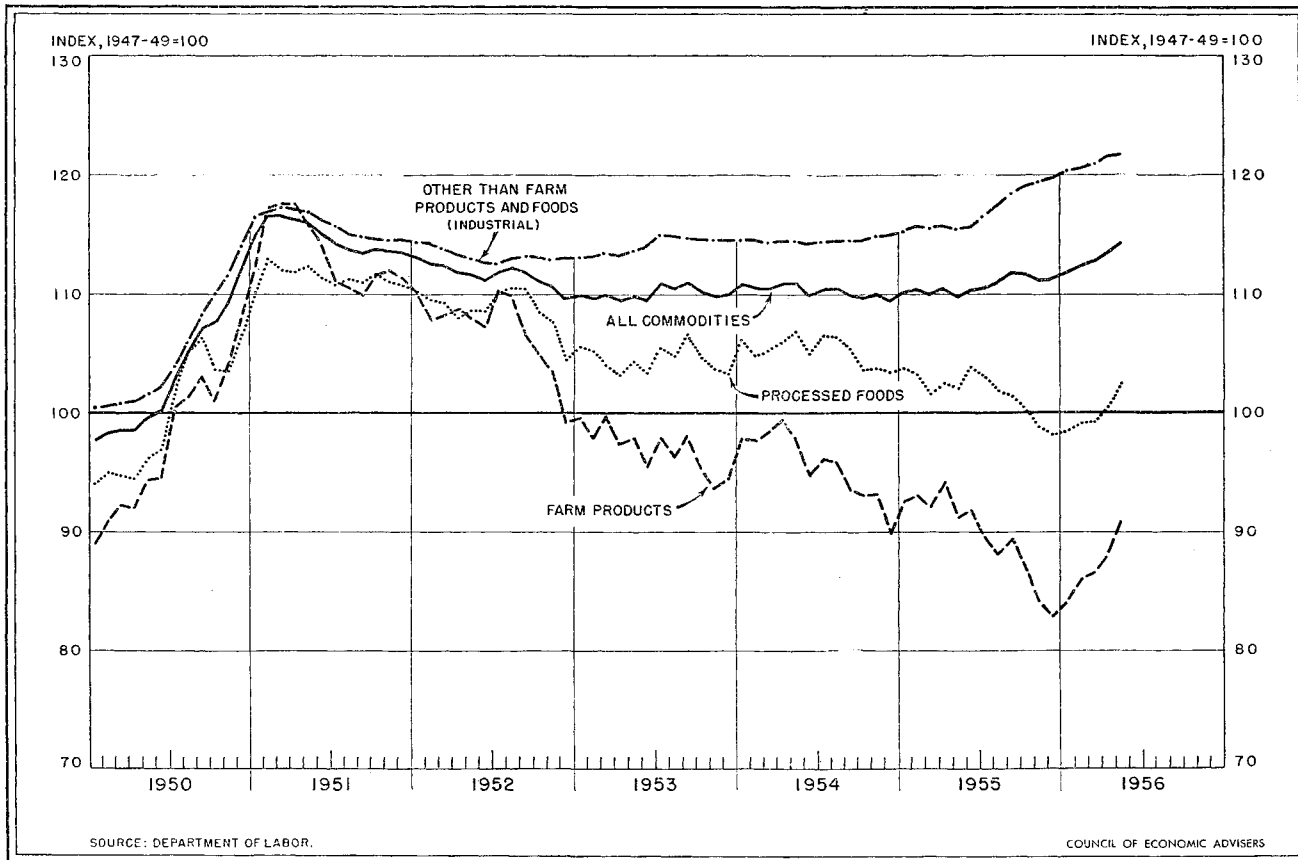
Period	All items	Food	Housing		Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total <sup>1</sup>	Rent						
1939	59.4	47.1	76.1	86.6	52.5	68.9	72.6	59.6	63.0	70.6
1947	95.5	95.9	95.0	94.4	97.1	90.6	94.9	97.6	95.5	96.1
1948	102.8	104.1	101.7	100.7	103.5	100.9	100.9	101.3	100.4	100.5
1949	101.8	100.0	103.3	105.0	99.4	108.5	104.1	101.1	104.1	103.4
1950	102.8	101.2	106.1	108.8	98.1	111.3	106.0	101.1	103.4	105.2
1951	111.0	112.6	112.4	113.1	106.9	118.4	111.1	110.5	106.5	109.7
1952	113.5	114.6	114.6	117.9	105.8	126.2	117.2	111.8	107.0	115.4
1953	114.4	112.8	117.7	124.1	104.8	129.7	121.3	112.8	108.0	118.2
1954	114.8	112.6	119.1	128.5	104.3	128.0	125.2	113.4	107.0	120.1
1955	114.5	110.9	120.0	130.3	103.7	126.4	128.0	115.3	106.6	120.2
1955: March	114.3	110.8	119.6	130.0	103.2	127.3	127.0	113.5	106.6	119.8
April	114.2	111.2	119.5	129.9	103.1	125.3	127.3	113.7	106.6	119.8
May	114.2	111.1	119.4	130.3	103.3	125.5	127.5	113.9	106.5	119.9
June	114.4	111.3	119.7	130.4	103.2	125.8	127.6	114.7	106.2	119.9
July	114.7	112.1	119.9	130.4	103.2	125.4	127.9	115.5	106.3	120.3
August	114.5	111.2	120.0	130.5	103.4	125.4	128.0	115.8	106.3	120.4
September	114.9	111.6	120.4	130.5	104.6	125.3	128.2	116.6	106.7	120.6
October	114.9	110.8	120.8	130.8	104.6	126.6	128.7	117.0	106.7	120.6
November	115.0	109.8	120.9	130.9	104.7	128.5	129.8	117.5	106.8	120.6
December	114.7	109.5	120.8	131.1	104.7	127.3	130.2	117.9	106.8	120.6
1956: January	114.6	109.2	120.6	131.4	104.1	126.8	130.7	118.5	107.3	120.8
February	114.6	108.8	120.7	131.5	104.6	126.9	130.9	118.9	107.5	120.9
March	114.7	109.0	120.7	131.6	104.8	126.7	131.4	119.2	107.7	121.2
April	114.9	109.6	120.8	131.7	104.8	126.4	131.6	119.5	108.2	121.4

<sup>1</sup> Includes, in addition to rent, homeowner costs, utilities, housefurnishings, etc.

Source: Department of Labor.

# WHOLESALE PRICES

The average of wholesale prices again advanced in May, largely because of higher average prices for farm products and processed foods.



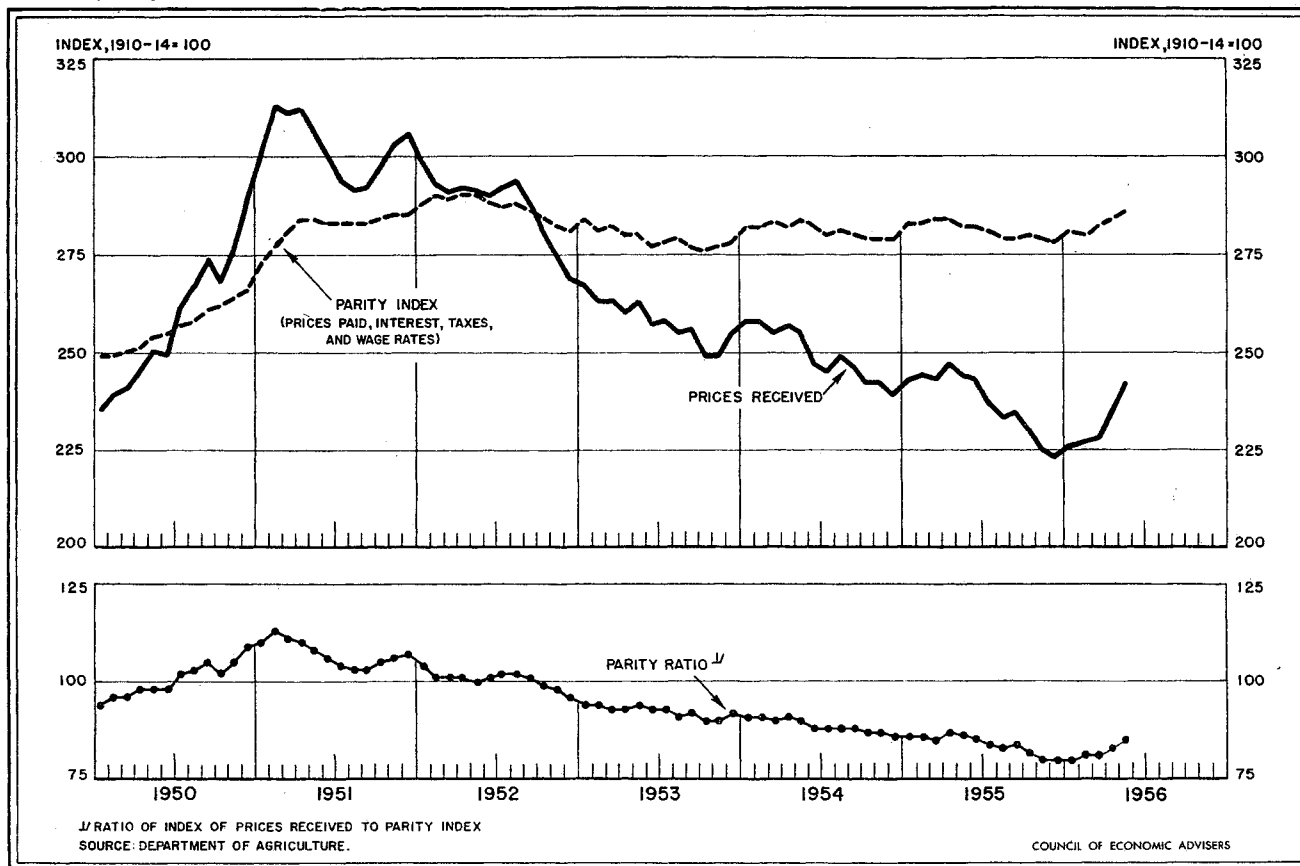
[1947-49=100]

Period	All commodities	Farm products	Processed foods	Other than farm products and foods (industrial)
1939.....	50.1	36.5	43.3	58.1
1947.....	96.4	100.0	98.2	95.3
1948.....	104.4	107.3	106.1	103.4
1949.....	99.2	92.8	95.7	101.3
1950.....	103.1	97.5	99.8	105.0
1951.....	114.8	113.4	111.4	115.9
1952.....	111.6	107.0	108.8	113.2
1953.....	110.1	97.0	104.6	114.0
1954.....	110.3	95.6	105.3	114.5
1955.....	110.7	89.6	101.7	117.0
1955: April.....	110.5	94.2	102.5	115.7
May.....	109.9	91.2	102.1	115.5
June.....	110.3	91.8	103.9	115.6
July.....	110.5	89.5	103.1	116.5
August.....	110.9	83.1	101.9	117.5
September.....	111.7	89.3	101.5	118.5
October.....	111.6	86.8	100.2	119.0
November.....	111.2	84.1	98.8	119.4
December.....	111.3	82.9	98.2	119.8
1956: January.....	111.9	84.1	98.3	120.4
February.....	112.4	86.0	99.0	120.6
March.....	112.8	86.6	99.2	121.0
April.....	113.6	88.0	100.4	121.6
May.....	114.3	90.9	102.4	121.7

Source: Department of Labor.

# PRICES RECEIVED AND PAID BY FARMERS

The index of prices received by farmers rose 3 percent in the month ended May 15. Prices paid by farmers also rose, and the parity ratio increased 2 points.



Period	Prices paid by farmers for items used in		Parity index (prices paid, interest, taxes, and wage rates)	Prices received by farmers	Parity ratio <sup>1</sup>
	Family living	Production			
	Index, 1910-14=100				
1939.....	120	121	123	95	77
1947.....	237	224	240	276	115
1948.....	251	250	260	287	110
1949.....	243	238	251	250	100
1950.....	246	246	256	258	101
1951.....	268	273	282	302	107
1952.....	271	274	287	288	100
1953.....	270	253	279	258	92
1954.....	274	252	281	249	89
1955.....	273	250	281	236	84
1955: April 15.....	274	254	284	246	87
May 15.....	274	251	282	242	86
June 15.....	274	250	282	241	85
July 15.....	274	248	281	236	84
August 15.....	273	247	279	232	83
September 15.....	272	246	279	235	84
October 15.....	274	246	280	229	82
November 15.....	273	244	279	224	80
December 15.....	273	243	278	222	80
1956: January 15.....	272	246	281	226	80
February 15.....	272	245	280	227	81
March 15.....	274	246	282	228	81
April 15.....	274	248	284	235	83
May 15.....	278	250	286	242	85

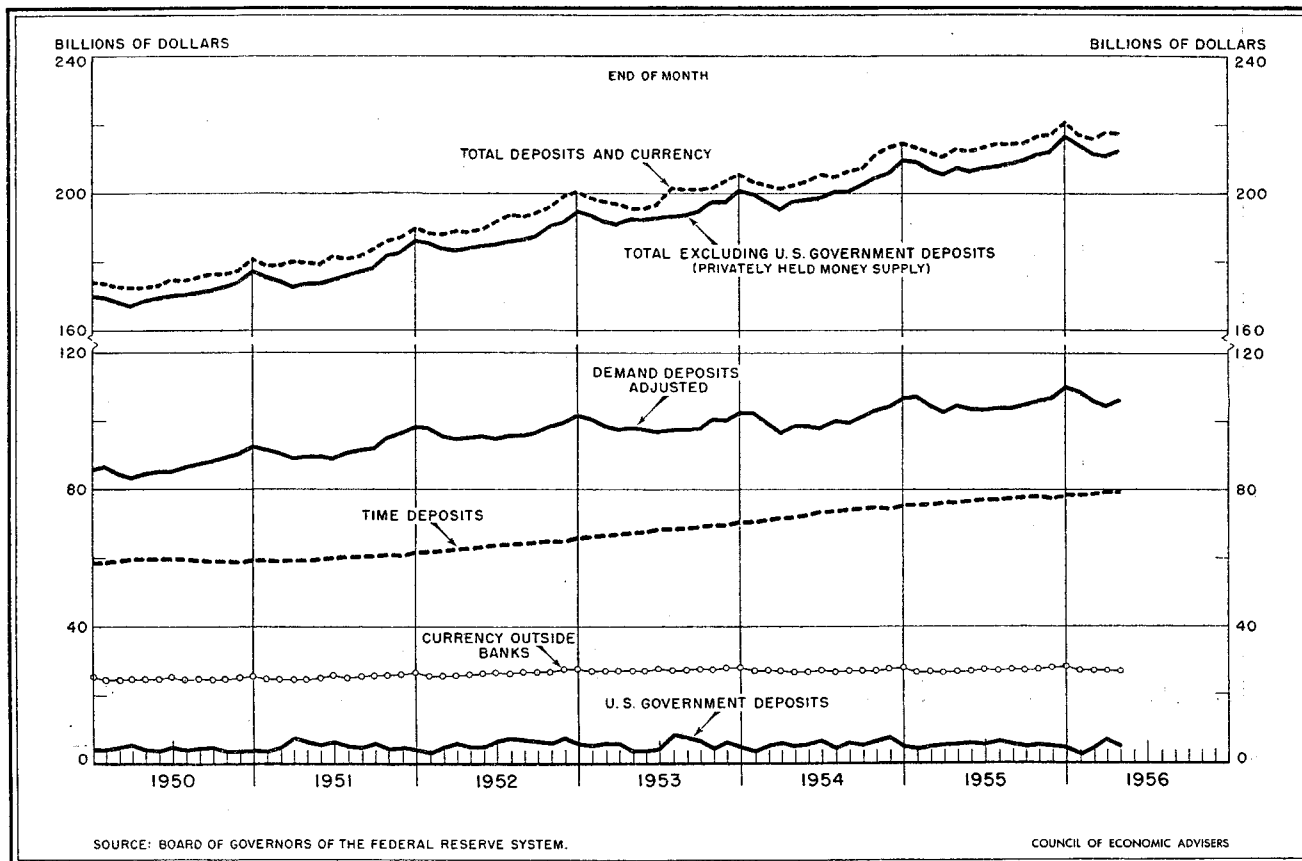
<sup>1</sup> Percentage ratio of index of prices received by farmers to parity index.

Source: Department of Agriculture.

# CURRENCY, CREDIT, AND SECURITY MARKETS

## CURRENCY AND DEPOSITS

During April, demand deposits increased somewhat more than the usual seasonal amount. At the end of the month, total deposits (excluding Government) and currency were 2.4 percent higher than a year earlier.



[Billions of dollars]

End of period	Total deposits and currency	U. S. Government deposits <sup>1</sup>	Total excluding U. S. Government deposits (privately held money supply) <sup>2</sup>			
			Total	Currency outside banks	Demand deposits adjusted <sup>3</sup>	Time deposits <sup>4</sup>
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
1951	189.9	3.9	186.0	26.3	98.2	61.4
1952	200.4	5.6	194.8	27.5	101.5	65.8
1953	205.7	4.8	200.9	28.1	102.5	70.4
1954	214.8	5.1	209.7	27.9	106.6	75.3
1955	221.0	4.4	216.6	28.3	109.9	78.4
1955: March	210.6	5.3	205.3	26.7	102.4	76.2
April	213.0	5.6	207.4	26.7	104.5	76.2
May	212.6	5.9	206.7	26.8	103.3	76.5
June	213.5	5.8	207.7	27.4	103.2	77.1
July	214.6	6.5	208.1	27.1	103.9	77.1
August	214.2	5.6	208.6	27.3	103.9	77.4
September	214.8	5.1	209.7	27.2	104.9	77.7
October	216.7	5.3	211.3	27.3	106.1	77.9
November	217.2	5.0	212.2	27.9	106.9	77.4
December	221.0	4.4	216.6	28.3	109.9	78.4
1956: January <sup>5</sup>	217.2	2.8	214.4	27.1	108.9	78.4
February <sup>5</sup>	216.1	4.5	211.6	27.2	105.6	78.8
March <sup>5</sup>	217.8	7.0	210.8	27.2	104.4	79.3
April <sup>5</sup>	217.4	5.0	212.4	27.0	106.1	79.3

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

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

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

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

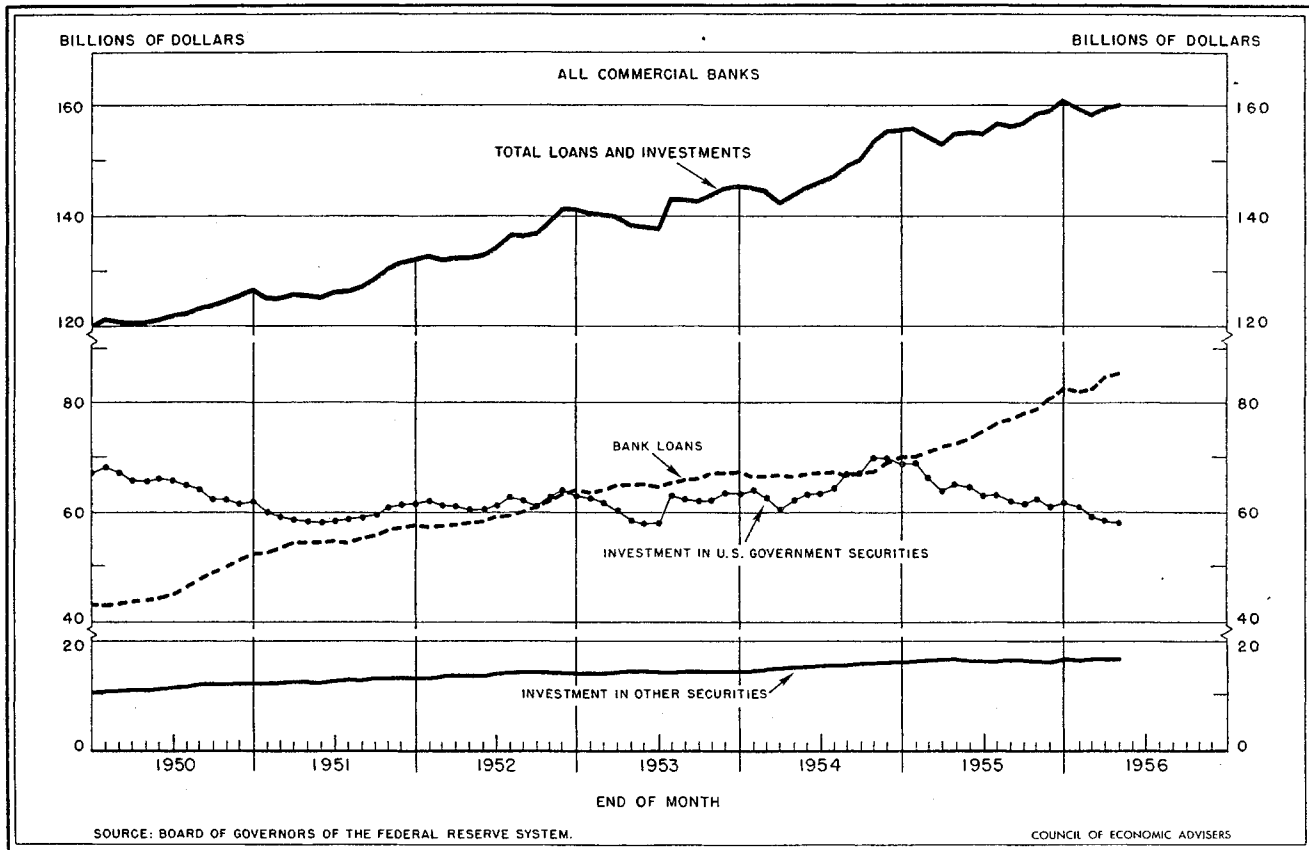
<sup>5</sup> Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

# BANK LOANS, INVESTMENTS, AND RESERVES

In April, loans of all commercial banks increased \$0.6 billion, somewhat less than the sharp expansion in March and about the same as in April of last year. Bank holdings of Government securities declined \$0.4 billion. The average reserve deficiency of member banks (borrowings at the Federal Reserve less excess reserves) decreased between April and May.



[Billions of dollars]

End of period	All commercial banks					Weekly reporting member banks <sup>1 2</sup>	All member banks <sup>1 2</sup>			
	Total loans and investments	Loans	Investments				Business loans <sup>3</sup>	Reserve balances		Borrowings at Federal Reserve Banks
			Total	U. S. Gov. securities	Other securities			Required	Excess	
1949	120.2	43.0	77.2	67.0	10.2	13.9	17.0	.8	.1	
1950	126.7	52.2	74.4	62.0	12.4	17.8	15.6	.8	.1	
1951	132.6	57.7	74.9	61.5	13.3	21.6	18.5	.8	.3	
1952	141.6	64.2	77.5	63.3	14.1	23.4	19.6	.7	.8	
1953	145.7	67.6	78.1	63.4	14.7	23.4	19.3	.7	.8	
1954	155.9	70.6	85.3	69.0	16.3	22.4	18.5	.8	.1	
1955	160.9	82.6	78.3	61.6	16.7	26.7	18.3	.6	.6	
1955: April	155.5	72.9	82.6	65.6	17.0	22.5	18.2	.6	.5	
May	155.6	73.9	81.7	65.0	16.7	22.6	18.2	.6	.4	
June	155.3	75.2	80.1	63.3	16.8	23.5	18.1	.6	.4	
July	157.0	76.6	80.4	63.7	16.7	23.5	18.2	.6	.5	
August	156.7	77.3	79.3	62.5	16.9	24.2	18.2	.6	.8	
September	157.3	78.4	78.9	62.0	16.9	24.7	18.1	.6	.8	
October	158.9	79.2	79.7	62.9	16.8	25.1	18.3	.5	.9	
November	159.4	81.4	78.0	61.4	16.6	26.0	18.4	.5	1.0	
December	160.9	82.6	78.3	61.6	16.7	26.7	18.6	.6	.8	
1956: January <sup>4</sup>	159.4	82.0	77.4	60.9	16.5	26.2	18.6	.6	.8	
February <sup>4</sup>	158.4	82.5	75.8	59.2	16.6	26.3	18.2	.5	.8	
March <sup>4</sup>	159.9	84.7	75.2	58.5	16.6	27.8	18.3	.6	1.0	
April <sup>4</sup>	160.0	85.3	74.7	58.1	16.6	27.8	18.3	.5	1.1	
May <sup>4</sup>						27.8	18.3	.5	1.0	

<sup>1</sup> Member banks include, besides all national banks, those State banks that have taken membership in the Federal Reserve System.

<sup>2</sup> Commercial, industrial, and agricultural loans; revised series beginning January 1952 and again October 1955. Such loans by weekly reporting member banks represent approximately 70 percent of business loans by all commercial banks.

<sup>3</sup> Data are averages of daily figures on balances and borrowings during the period.

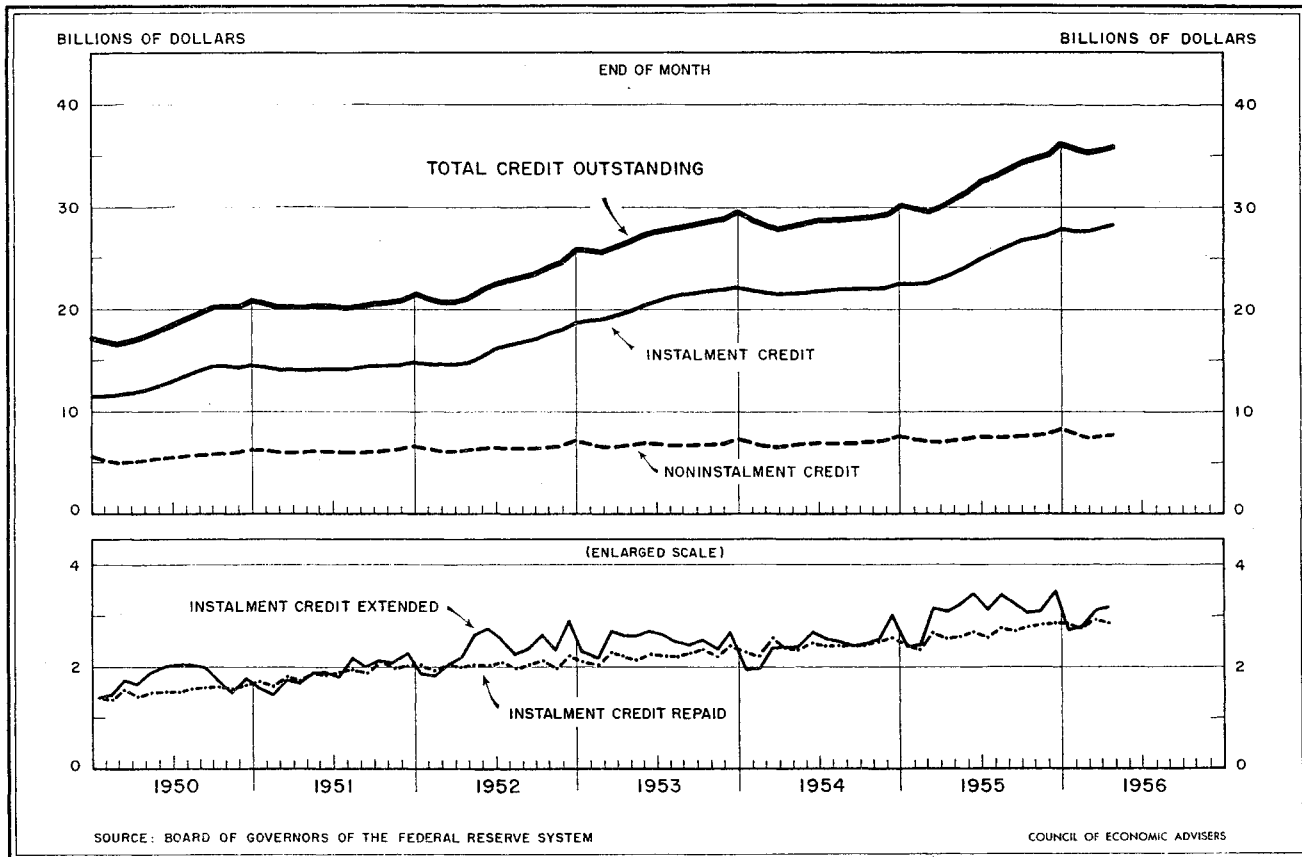
<sup>4</sup> Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

# CONSUMER CREDIT

In April, total consumer credit outstanding increased about \$425 million to a total of nearly \$36 billion at the end of the month. All types of credit contributed to the increase. The rise in April 1955 was more than \$700 million.



[Millions of dollars]

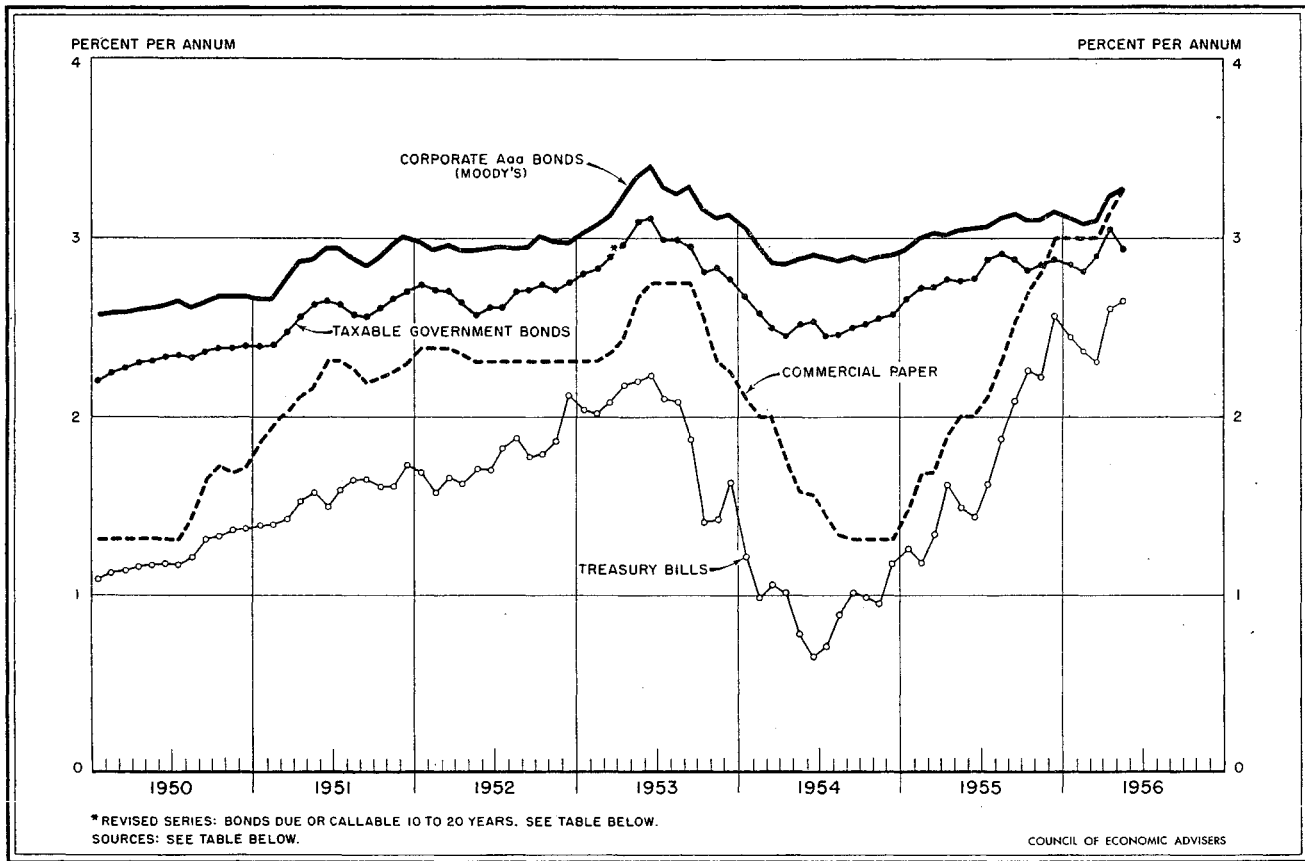
End of period	Total consumer credit outstanding	Instalment credit outstanding					Noninstalment credit outstanding		Instalment credit extended <sup>2</sup>	Instalment credit repaid <sup>3</sup>
		Total	Auto-mobile paper <sup>1</sup>	Other consumer goods paper <sup>1</sup>	Repair and modernization loans <sup>2</sup>	Personal loans	Total	Charge accounts		
1939.....	7,222	4,503	1,497	1,620	298	1,088	2,719	1,414	6,872	6,060
1947.....	11,570	6,695	1,924	2,143	718	1,910	4,875	2,353	12,713	10,190
1948.....	14,411	8,968	3,054	2,842	843	2,229	5,443	2,713	15,540	13,267
1949.....	17,104	11,516	4,699	3,486	887	2,444	5,588	2,680	18,002	15,454
1950.....	20,813	14,490	6,342	4,337	1,006	2,805	6,323	3,006	21,256	18,282
1951.....	21,468	14,837	6,242	4,270	1,090	3,235	6,631	3,096	22,791	22,444
1952.....	25,827	18,684	8,099	5,328	1,406	3,851	7,143	3,342	28,397	24,550
1953.....	29,537	22,187	10,341	5,831	1,649	4,366	7,350	3,411	30,321	26,818
1954.....	30,125	22,467	10,396	5,668	1,616	4,787	7,658	3,518	29,304	29,024
1955.....	36,225	27,895	14,312	6,435	1,641	5,507	8,330	3,797	37,172	31,744
1955: March....	29,948	22,974	11,053	5,479	1,530	4,912	6,974	2,735	3,159	2,693
April.....	30,655	23,513	11,482	5,492	1,534	5,005	7,142	2,859	3,089	2,550
May.....	31,568	24,149	11,985	5,555	1,546	5,063	7,419	3,011	3,206	2,570
June.....	32,471	24,914	12,561	5,639	1,562	5,152	7,557	3,040	3,443	2,678
July.....	32,896	25,476	13,038	5,676	1,570	5,192	7,420	2,991	3,131	2,569
August....	33,636	26,155	13,547	5,762	1,589	5,257	7,481	3,019	3,436	2,757
September..	34,293	26,699	13,929	5,848	1,611	5,311	7,594	3,108	3,241	2,697
October....	34,640	26,963	14,095	5,917	1,627	5,324	7,677	3,218	3,051	2,787
November..	35,059	27,247	14,172	6,057	1,634	5,384	7,812	3,285	3,103	2,819
December..	36,225	27,895	14,312	6,435	1,641	5,507	8,330	3,797	3,508	2,860
1956: January...	35,599	27,769	14,314	6,318	1,610	5,527	7,830	3,355	2,724	2,850
February...	35,272	27,784	14,397	6,209	1,599	5,579	7,488	2,974	2,769	2,754
March.....	35,536	27,964	14,565	6,137	1,599	5,663	7,572	2,933	3,114	2,934
April.....	35,962	28,260	14,706	6,183	1,611	5,760	7,702	2,996	3,163	2,867

<sup>1</sup> Includes all consumer credit extended for the purpose of purchasing automobiles and other consumer goods and secured by the items purchased.  
<sup>2</sup> Includes only such loans held by financial institutions; those held by retail outlets are included in "other consumer goods paper."  
<sup>3</sup> Credit extended or repaid during the period.

Source: Board of Governors of the Federal Reserve System.

# BOND YIELDS AND INTEREST RATES

Yields on Treasury bills moved down during May but the average for the month was higher than in April. Prime commercial paper rate rose at the end of the month. The yields on Federal bonds and on high-grade corporate and municipal bonds decreased during May.



[Percent per annum]

Period	U. S. Government security yields			High-grade municipal bonds (Standard & Poor's) <sup>3</sup>	Corporate bonds (Moody's)		Prime commercial paper, 4-6 months
	3-month Treasury bills <sup>1</sup>	Taxable bonds <sup>2</sup>			Aaa	Baa	
1948	1.040	2.44		2.40	2.82	3.47	1.44
1949	1.102	2.31		2.21	2.66	3.42	1.49
1950	1.218	2.32		1.98	2.62	3.24	1.45
1951	1.552	2.57		2.00	2.86	3.41	2.16
1952	1.766	2.68		2.19	2.96	3.52	2.33
1953	1.931	<sup>4</sup> 2.92	<sup>5</sup> 3.16	2.72	3.20	3.74	2.52
1954	.953	2.52	2.71	2.37	2.90	3.51	1.58
1955	1.753	2.80	2.94	2.53	3.06	3.53	2.18
1955: July	1.622	2.88	2.96	2.62	3.06	3.52	2.11
August	1.876	2.91	3.02	2.67	3.11	3.56	2.33
September	2.086	2.88	3.00	2.63	3.13	3.59	2.54
October	2.259	2.82	2.96	2.56	3.10	3.59	2.70
November	2.225	2.85	2.96	2.55	3.10	3.58	2.81
December	2.564	2.88	2.97	2.71	3.15	3.62	2.99
1956: January	2.456	2.86	2.94	2.64	3.11	3.60	3.00
February	2.372	2.82	2.93	2.58	3.08	3.58	3.00
March	2.310	2.90	2.98	2.69	3.10	3.60	3.00
April	2.613	3.05	3.10	2.88	3.24	3.68	3.14
May	2.650	2.94	3.03	2.86	3.28	3.73	3.27
Week ended:							
1956: May 5	2.741	3.00	3.08	2.96	3.30	3.72	3.25
12	2.523	2.97	3.05	2.87	3.27	3.72	3.25
19	2.708	2.94	3.03	2.86	3.27	3.73	3.25
26	2.702	2.89	3.01	2.83	3.27	3.73	3.25
June 2	2.573	2.87	2.99	2.78	3.27	3.74	3.38
9	2.562	2.87	2.98	2.76	3.27	3.75	3.38

<sup>1</sup> Rate on new issues within period.

<sup>2</sup> First issued in 1941. The single series on these bonds (which continued through March 1953) included: October 1941-March 1952, bonds due or callable after 15 years; April 1952-March 1953, bonds due or callable after 12 years.

<sup>3</sup> Weekly data are Wednesday figures.

<sup>4</sup> Bonds due or callable from 10 to 20 years.

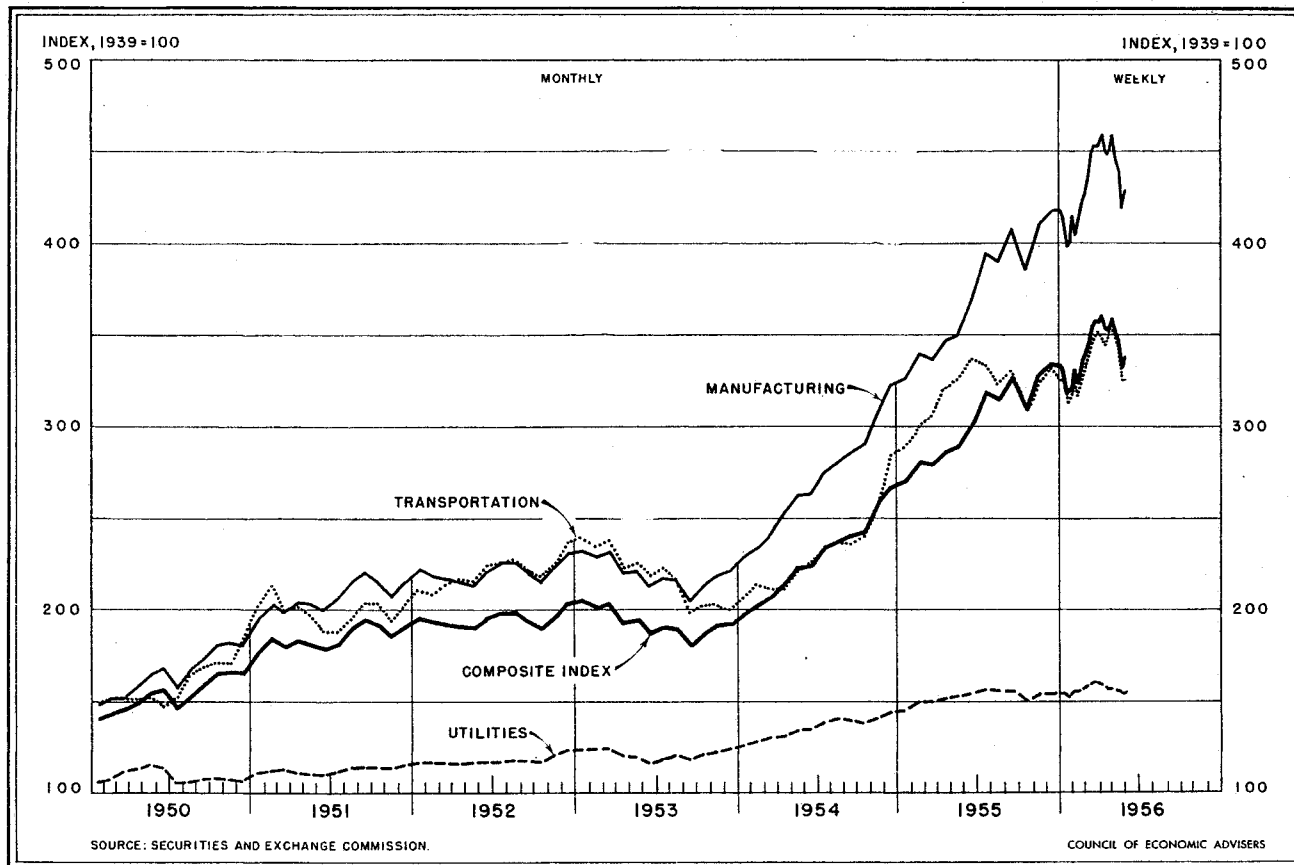
<sup>5</sup> Bonds due or callable 20 years and after.

Sources: Treasury Department and Board of Governors of the Federal Reserve System (except as noted).



# STOCK PRICES

The index of stock prices dropped during most of May.



[1939 = 100]

Period	Com- posite index <sup>1</sup>	Manufacturing			Trans- portation	Utilities	Trade, finance, and service	Mining
		Total	Durable goods	Nondura- ble goods				
Weekly average:								
1947	130.9	132.4	119.9	144.6	149.1	105.5	162.8	117.2
1948	132.7	136.8	124.3	148.6	158.1	99.3	156.9	133.0
1949	127.7	132.1	116.0	147.2	136.0	98.1	160.7	129.4
1950	154.1	165.7	150.2	180.2	160.0	108.9	183.8	143.5
1951	184.9	206.8	178.5	233.1	199.0	112.6	207.9	204.9
1952	195.0	220.2	188.8	249.3	220.6	117.9	206.0	275.7
1953	193.3	220.1	192.6	245.2	218.7	121.5	207.1	240.5
1954	229.8	271.3	245.2	295.2	232.6	135.8	235.6	267.0
1955	304.6	374.4	352.4	394.4	320.0	152.9	296.9	312.9
1955: June	302.9	370.1	344.4	393.4	336.5	154.3	294.2	313.8
July	318.8	394.6	366.1	420.7	333.9	156.6	304.3	317.2
August	315.3	390.0	367.8	410.0	323.6	156.2	302.4	311.4
September	326.6	407.1	387.0	425.2	331.3	155.3	319.7	317.1
October	310.2	385.1	365.3	402.9	309.3	150.9	307.0	294.1
November	328.4	410.6	389.2	429.9	324.8	154.2	324.9	312.5
December	333.6	418.7	395.9	439.2	331.6	154.3	323.2	326.2
1956: January	325.7	407.8	378.6	434.4	320.2	153.8	309.8	330.3
February	330.0	413.3	382.8	441.0	322.8	156.1	309.6	350.2
March	350.9	443.4	412.0	472.0	343.6	159.7	321.9	372.9
April	355.4	452.4	410.5	490.6	347.9	157.3	316.7	369.4
May	347.0	440.9	397.6	480.4	342.0	155.6	305.8	364.1
Week ended:								
1956: May 4	359.4	458.9	413.5	500.4	352.0	157.0	317.1	376.9
11	350.9	446.4	403.1	485.9	348.5	156.0	308.1	365.3
18	345.8	438.9	396.0	478.0	342.0	155.7	303.5	365.9
25	332.1	419.3	377.8	457.1	325.3	153.8	294.7	348.2
June 1	338.1	428.5	386.7	466.7	325.0	154.9	298.0	346.5
8 <sup>2</sup>	334.3	423.3	383.3	459.8	320.6	153.6	295.7	345.2

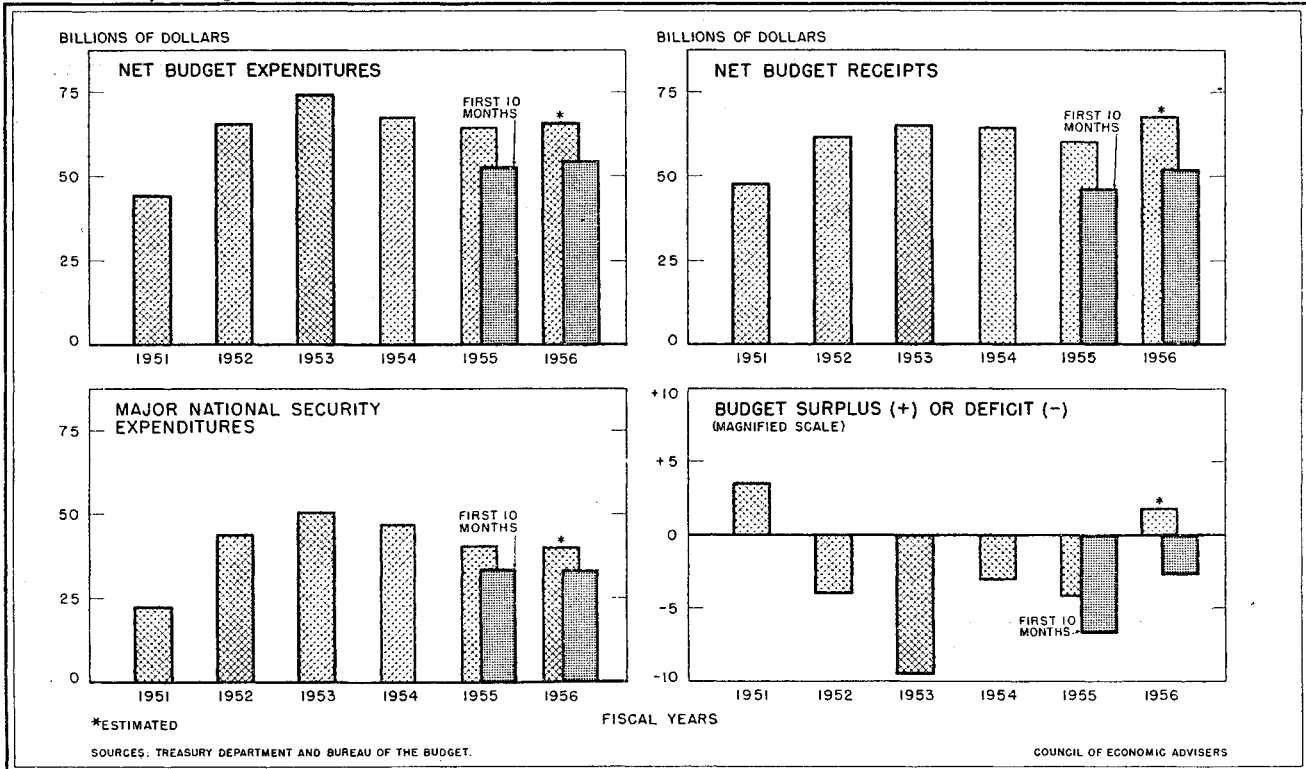
<sup>1</sup> Includes 265 common stocks: 98 for durable goods manufacturing, 72 for nondurable goods manufacturing, 21 for transportation, 20 for utilities 31 for trade, finance, and service, and 14 for mining. Indexes are for weekly closing prices.

<sup>2</sup> Not charted.

# FEDERAL FINANCE

## BUDGET RECEIPTS AND EXPENDITURES

Budget receipts through April of the current fiscal year were \$5.7 billion higher than a year earlier. Budget expenditures were \$1.6 billion higher. As a result, the cumulative budget deficit at the end of April was about \$4 billion lower than a year ago.



(Billions of dollars)

Period	Net budget receipts	Net budget expenditures		Budget surplus (+) or deficit (-)	Public debt (end of period) <sup>2</sup>
		Total	Major national security <sup>1</sup>		
Fiscal year 1944	43.6	95.1	76.8	-51.4	202.6
Fiscal year 1947	39.8	39.0	14.4	+8	258.4
Fiscal year 1948	41.5	33.1	11.8	+8.4	252.4
Fiscal year 1949	37.7	39.5	12.9	-1.8	252.8
Fiscal year 1950	36.5	39.6	13.0	-3.1	257.4
Fiscal year 1951	47.6	44.1	22.4	+3.5	255.3
Fiscal year 1952	61.4	65.4	44.0	-4.0	259.2
Fiscal year 1953	64.8	74.3	50.4	-9.4	266.1
Fiscal year 1954	64.7	67.8	46.9	-3.1	271.3
Fiscal year 1955	60.4	64.6	40.6	-4.2	274.4
Fiscal year 1956 (estimated)	67.7	65.9	40.1	+1.8	274.4
1955: April	3.7	5.2	3.3	-1.5	276.7
May	4.4	5.4	3.3	-9	277.5
June	10.1	6.8	3.9	+3.4	274.4
July <sup>4</sup>	2.8	5.4	3.0	-2.6	277.6
August <sup>4</sup>	4.7	6.2	3.5	-1.5	278.4
September <sup>4</sup>	5.5	5.3	3.5	+2	277.5
October <sup>4</sup>	2.7	5.4	3.3	-2.7	279.9
November <sup>4</sup>	4.7	5.2	3.1	-5	280.2
December <sup>4</sup>	4.9	5.7	3.4	-8	280.8
1956: January <sup>4</sup>	4.7	5.3	3.1	-6	280.1
February <sup>4</sup>	6.2	5.0	3.2	+1.2	280.2
March <sup>4</sup>	11.3	5.4	3.3	+5.9	276.4
April <sup>4</sup>	4.1	5.4	3.2	-1.3	275.8
Cumulative totals for first 10 months:					
Fiscal year 1955	45.8	52.5	33.4	-6.6	276.7
Fiscal year 1956 <sup>4</sup>	51.5	54.1	32.7	-2.6	275.8

<sup>1</sup> Revised to include the items classified as "major national security" in *The Budget of the United States Government for the Fiscal Year Ending June 30, 1957*. These expenditure items are: Military functions of Defense Department, mutual military program, development and control of atomic energy, stockpiling of strategic and critical materials, and defense production expansion.

<sup>2</sup> Includes guaranteed securities, except those held by the Treasury. Not all of total shown is subject to statutory debt limitation.

<sup>3</sup> No estimate made in the release of May 17, 1956.

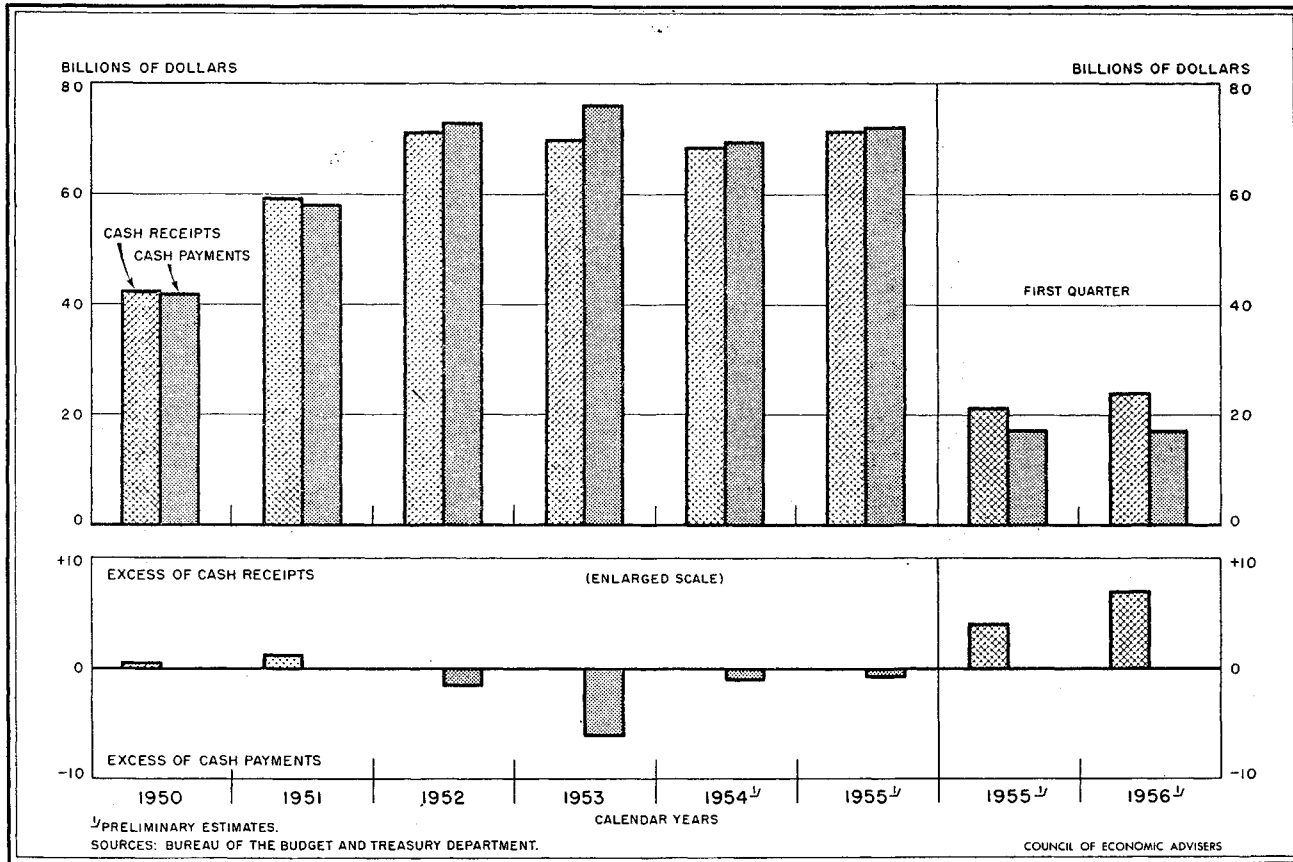
<sup>4</sup> Preliminary.

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

Sources: Treasury Department and Bureau of the Budget.

# CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

Federal cash receipts exceeded cash payments by almost \$7 billion for the first quarter of 1956, compared with \$4.1 billion for the same period last year.



[Millions of dollars]

Calendar year	Cash receipts from the public	Cash payments to the public	Excess of receipts (+) or payments (-)
<b>Calendar year total:</b>			
1948	44,922	36,897	+8,027
1949	41,346	42,642	-1,295
1950	42,419	41,969	+450
1951	59,278	58,034	+1,244
1952	71,339	72,980	-1,641
1953	70,041	76,194	-6,153
1954 <sup>1</sup>	68,562	69,643	-1,082
1955 <sup>1</sup>	71,448	72,188	-740
<b>Quarterly totals, not adjusted for seasonal variation:</b>			
1954: <sup>1</sup> Third quarter	13,501	18,582	-5,082
Fourth quarter	12,253	16,172	-3,918
1955: <sup>1</sup> First quarter	21,302	17,175	+4,126
Second quarter	20,749	18,587	+2,162
Third quarter	15,330	18,589	-3,258
Fourth quarter	14,067	17,837	-3,770
1956: <sup>1</sup> First quarter	24,069	17,097	+6,972

<sup>1</sup> Preliminary estimates.

NOTE—Detail will not necessarily add to totals because of rounding.  
Sources: Bureau of the Budget and Treasury Department.

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