

84th Congress, 2d Session

St. Louis Public Library
REFERENCE DEPT.

ST. LOUIS
OCT 29 1956
PUBLIC LIBRARY

Economic Indicators

OCTOBER 1956



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

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1956

JOINT ECONOMIC COMMITTEE

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

PAUL H. DOUGLAS, Illinois, *Chairman*

WRIGHT PATMAN, Texas, *Vice Chairman*

JOHN SPARKMAN (Alabama)

J. WILLIAM FULBRIGHT (Arkansas)

JOSEPH C. O'MAHONEY (Wyoming)

RALPH E. FLANDERS (Vermont)

ARTHUR V. WATKINS (Utah)

BARRY GOLDWATER (Arizona)

RICHARD BOLLING (Missouri)

WILBUR D. MILLS (Arkansas)

AUGUSTINE B. KELLEY (Pennsylvania)

JESSE P. WOLCOTT (Michigan)

HENRY O. TALLE (Iowa)

THOMAS B. CURTIS (Missouri)

GROVER W. ENSLEY, *Executive Director*

JOHN W. LEHMAN, *Clerk*

COUNCIL OF ECONOMIC ADVISERS

ARTHUR F. BURNS, *Chairman*

RAYMOND J. SAULNIER

JOSEPH S. DAVIS

[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 Economic Committee 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 Economic Committee; 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

Contents

TOTAL OUTPUT, INCOME, AND SPENDING

	Page
The Nation's Income, Expenditure, and Saving.....	1
Gross National Product or Expenditure.....	2
National Income.....	3
Sources of Personal Income.....	4
Disposition of Personal Income.....	5
Per Capita Disposable Income.....	6
Farm Income.....	7
Corporate Profits.....	8
Gross Private Domestic Investment.....	9
Expenditures for New Plant and Equipment.....	10

EMPLOYMENT, UNEMPLOYMENT, AND WAGES

Status of the Labor Force.....	11
Nonagricultural Employment.....	12
Average Weekly Hours—Selected Industries.....	13
Average Hourly Earnings—Selected Industries.....	14
Average Weekly Earnings—Selected Industries.....	15

PRODUCTION AND BUSINESS ACTIVITY

Industrial Production.....	16
Production of Selected Manufactures.....	17
Weekly Indicators of Production.....	18
New Construction.....	19
Housing Starts and Applications for Financing.....	20
Sales and Inventories—Manufacturing and Trade.....	21
Merchandise Exports and Imports.....	22

PRICES

Consumer Prices.....	23
Wholesale Prices.....	24
Prices Received and Paid by Farmers.....	25

CURRENCY, CREDIT, AND SECURITY MARKETS

Currency and Deposits.....	26
Bank Loans, Investments, and Reserves.....	27
Consumer Credit.....	28
Bond Yields and Interest Rates.....	29
Stock Prices.....	30

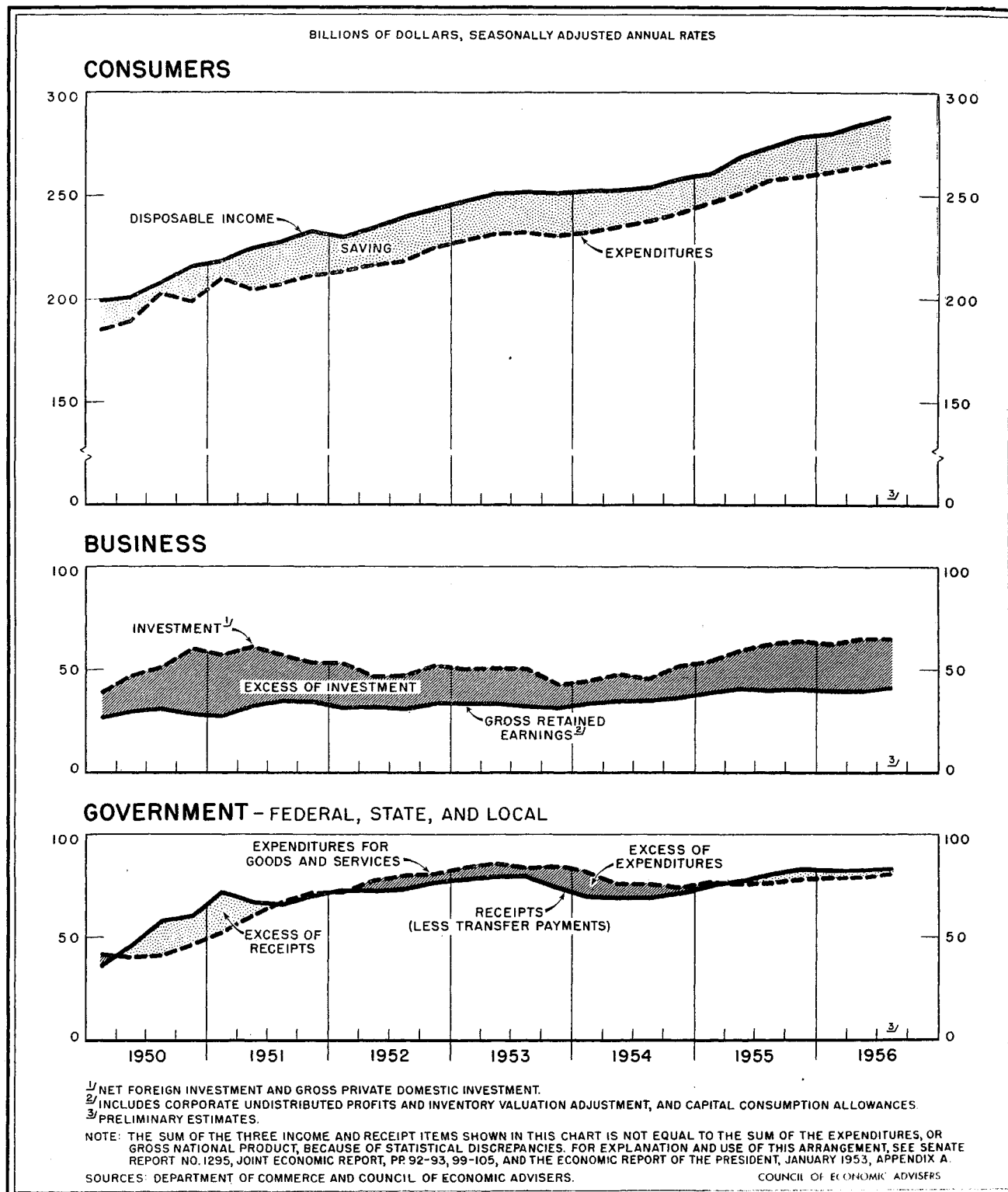
FEDERAL FINANCE

Budget Receipts and Expenditures.....	31
Cash Receipts from and Payments to the Public.....	32

TOTAL OUTPUT, INCOME, AND SPENDING

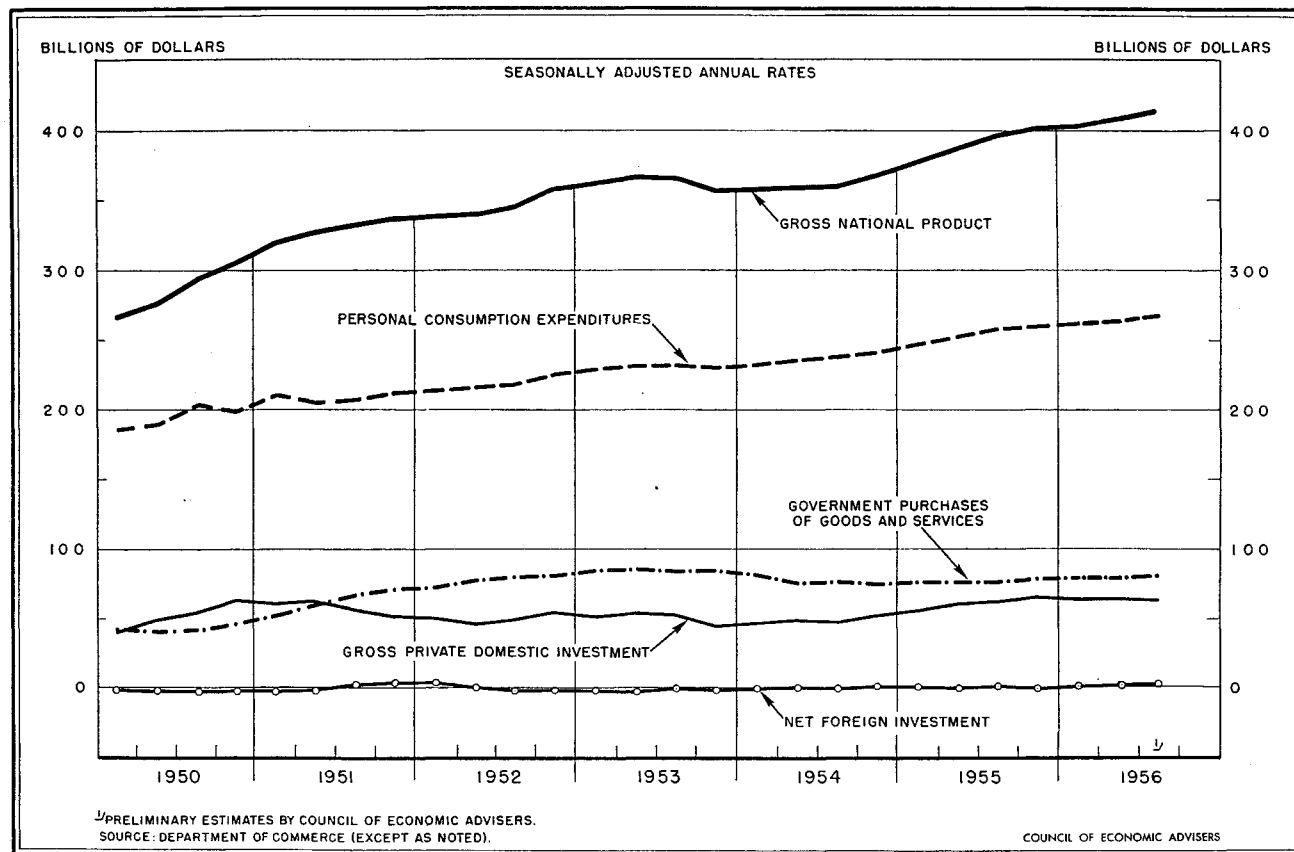
THE NATION'S INCOME, EXPENDITURE, AND SAVING

Preliminary estimates of total income and expenditures show a continued rise in over-all economic activity between the second and third quarters of 1956.



GROSS NATIONAL PRODUCT OR EXPENDITURE

The gross national product rose almost \$5 billion (seasonally adjusted annual rate) between the second and third quarters of 1956 to \$413.0 billion. Both consumer and government expenditures increased. Private domestic investment was practically unchanged, with increases in fixed investment being offset by a drop in the rate of inventory accumulation.



[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 ¹	Federal			State and local
						Total ¹	National security ²	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.....	345.4	218.3	49.8	-.2	77.5	54.3	48.8	5.8	23.2
1953.....	363.2	230.5	50.3	-2.0	84.4	59.5	51.5	8.4	24.9
1954.....	360.7	236.5	48.0	-.4	76.5	48.9	43.0	6.3	27.6
1955.....	390.9	254.0	60.6	-.5	76.8	46.7	41.2	5.9	30.1
Seasonally adjusted annual rates									
1955: First quarter.....	377.3	246.7	54.7	-.4	76.3	46.8	41.8	5.4	29.5
Second quarter.....	387.4	251.8	60.2	-.9	76.2	46.3	41.3	5.5	29.9
Third quarter.....	396.8	257.8	62.3	.2	76.5	46.6	41.3	5.8	29.9
Fourth quarter.....	401.9	259.5	65.1	-.8	78.1	47.2	40.6	7.1	30.9
1956: First quarter.....	403.4	261.7	63.1	.1	78.5	46.4	40.5	6.3	32.1
Second quarter.....	408.3	263.7	64.2	1.7	78.7	46.1	40.7	5.8	32.6
Third quarter ³	413.0	267.0	64.0	1.7	80.3	47.2	41.7	5.9	33.1

¹ Less Government sales.

² 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*.

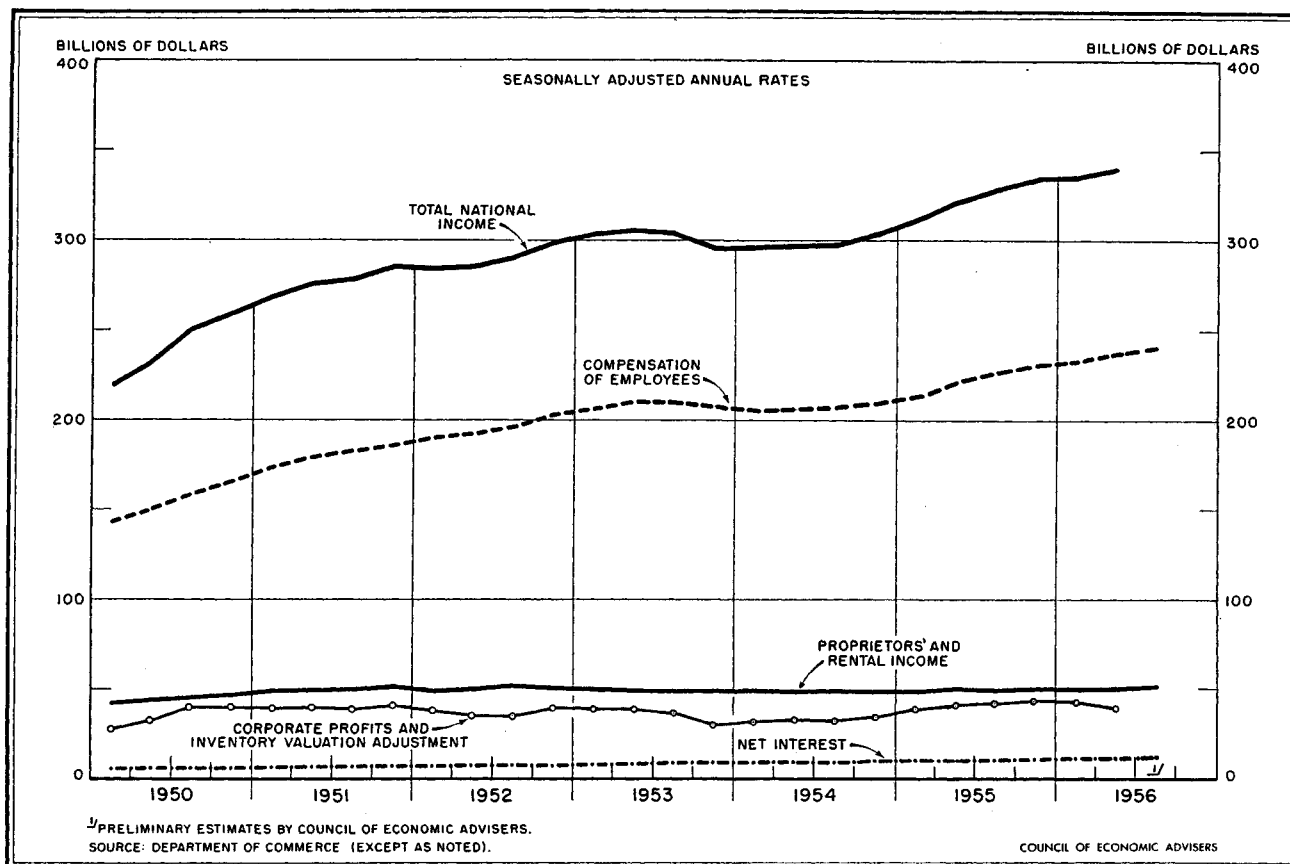
³ Preliminary estimates by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted).

NATIONAL INCOME

Compensation of employees increased \$3.2 billion (seasonally adjusted annual rate) between the second and third quarters, according to preliminary estimates. Farm and nonfarm proprietors' income and interest also rose, while rental income was unchanged.



[Billions of dollars]

Period	Total national income	Compensation of employees ¹	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.....	290.2	195.1	15.1	25.7	9.9	7.4	36.9	35.9	1.0
1953.....	302.1	208.1	13.3	25.9	10.2	8.7	36.0	37.0	-1.0
1954.....	298.3	206.9	12.5	25.9	10.5	9.7	32.9	33.2	-0.3
1955.....	324.0	223.2	11.7	27.3	10.1	10.8	40.9	42.7	-1.7
Seasonally adjusted annual rates									
1955: First quarter.....	311.3	213.9	11.8	26.5	10.3	10.4	38.5	39.7	-1.2
Second quarter.....	321.9	221.6	12.2	27.1	10.2	10.6	40.2	41.1	-0.9
Third quarter.....	328.3	226.8	11.3	27.7	10.0	11.0	41.6	43.5	-1.9
Fourth quarter.....	334.4	230.3	11.4	28.0	9.8	11.3	43.4	46.4	-3.0
1956: First quarter.....	334.9	233.0	11.5	28.2	9.8	11.5	40.9	43.7	-2.8
Second quarter.....	338.7	237.2	11.3	28.9	9.7	11.7	39.8	42.9	-3.1
Third quarter ²	(³)	240.4	11.6	29.5	9.7	12.0	(³)	(³)	-0.8

¹ Includes employer contributions for social insurance. (See also p. 4.)

³ Not available.

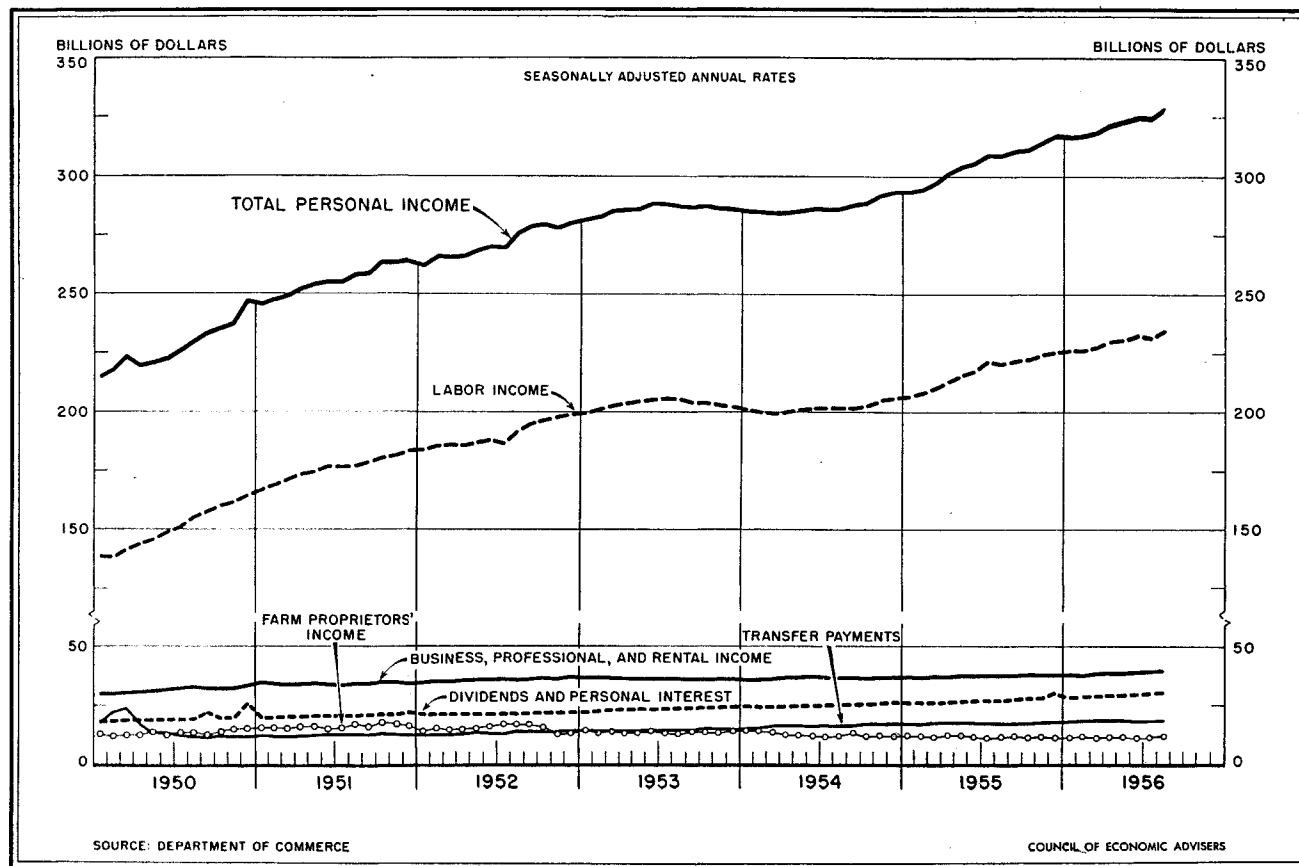
² Preliminary estimates by Council of Economic Advisers.

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

Source: Department of Commerce (except as noted).

SOURCES OF PERSONAL INCOME

Personal income (seasonally adjusted) increased markedly between July and August. All components rose, except rental and dividend income which remained unchanged.



[Billions of dollars]

Period	Total personal income	Labor income (wage and salary disbursements and other labor income) ¹	Proprietors' income		Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Nonagricultural personal income ²
			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	³ 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.....	271.8	190.3	15.1	25.7	9.9	9.0	12.3	13.2	3.8	253.1
1953.....	286.0	203.4	13.3	25.9	10.2	9.3	13.7	14.3	3.9	269.2
1954.....	287.3	201.8	12.5	25.9	10.5	10.0	14.9	16.4	4.6	271.4
1955.....	306.1	217.4	11.7	27.3	10.1	11.2	16.1	17.6	5.2	290.9
Seasonally adjusted annual rates										
1955: August.....	308.7	220.5	11.4	27.6	10.0	10.9	16.2	17.4	5.3	293.8
September.....	311.0	221.9	11.5	27.9	9.9	11.3	16.4	17.4	5.3	295.9
October.....	311.6	222.5	11.2	28.0	9.9	11.4	16.5	17.4	5.3	296.9
November.....	314.5	224.4	11.8	27.9	9.9	11.5	16.6	17.7	5.3	299.4
December.....	317.5	225.5	11.3	28.1	9.8	13.4	16.8	18.0	5.4	302.8
1956: January.....	316.7	226.3	11.4	28.1	9.8	11.7	16.8	18.2	5.7	301.6
February.....	317.1	226.1	12.0	27.9	9.8	11.8	16.9	18.3	5.7	301.5
March.....	318.6	227.5	11.2	28.5	9.8	11.9	16.9	18.5	5.7	304.0
April.....	321.7	230.1	11.3	28.6	9.8	12.0	17.0	18.6	5.8	306.8
May.....	322.8	230.4	11.5	28.9	9.7	12.2	17.2	18.7	5.8	307.6
June.....	324.9	232.5	11.1	29.2	9.7	12.3	17.3	18.6	5.8	310.3
July.....	324.3	231.3	11.5	29.4	9.7	12.3	17.4	18.6	5.8	309.4
August ⁴	328.2	234.4	11.7	29.6	9.7	12.3	17.6	18.8	5.9	312.9

¹ Compensation of employees (see p. 3) excluding employer contributions for social insurance and the excess of wage accruals over disbursements.

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

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

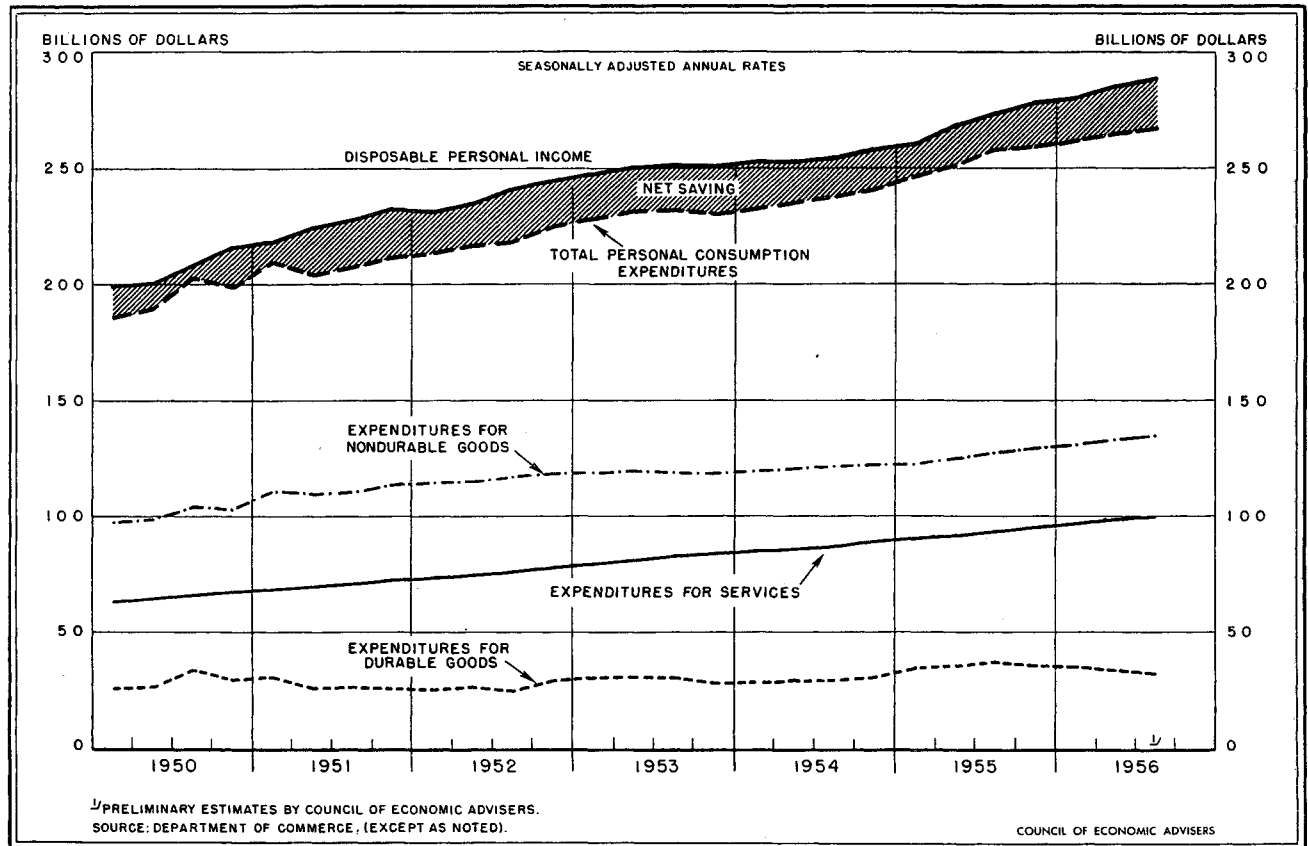
Source: Department of Commerce.

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

⁴ Preliminary estimates.

DISPOSITION OF PERSONAL INCOME

Disposable personal income increased \$3.4 billion (seasonally adjusted annual rate) between the second and third quarters of 1956, according to preliminary estimates. Consumer expenditures rose about as much as disposable income, and the rate of consumer saving was unchanged.



Period	Personal income	Less: Personal taxes ¹	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.....	271.8	34.4	237.4	218.3	26.6	116.1	75.6	19.0	8.0
1953.....	286.0	35.8	250.2	230.5	29.8	119.1	81.7	19.7	7.9
1954.....	287.3	32.9	254.4	236.5	29.4	120.9	86.3	17.9	7.0
1955.....	306.1	35.5	270.6	254.0	35.7	126.2	92.1	16.6	6.1
Billions of dollars, seasonally adjusted annual rates									
1955: First quarter.....	295.1	34.5	260.6	246.7	34.7	122.5	89.5	13.9	5.3
Second quarter.....	303.8	35.3	268.5	251.8	35.3	125.3	91.2	16.7	6.2
Third quarter.....	309.6	35.9	273.8	257.8	37.2	127.6	92.9	15.9	5.8
Fourth quarter.....	314.6	36.3	278.4	259.5	35.4	129.2	94.9	18.8	6.8
1956: First quarter.....	317.5	37.3	280.2	261.7	34.8	130.5	96.4	18.6	6.6
Second quarter.....	322.9	38.1	284.9	263.7	33.4	132.3	98.0	21.2	7.4
Third quarter ²	327.1	38.8	288.3	267.0	33.0	134.5	99.5	21.3	7.4

¹ Includes such items as fines, penalties, and donations.

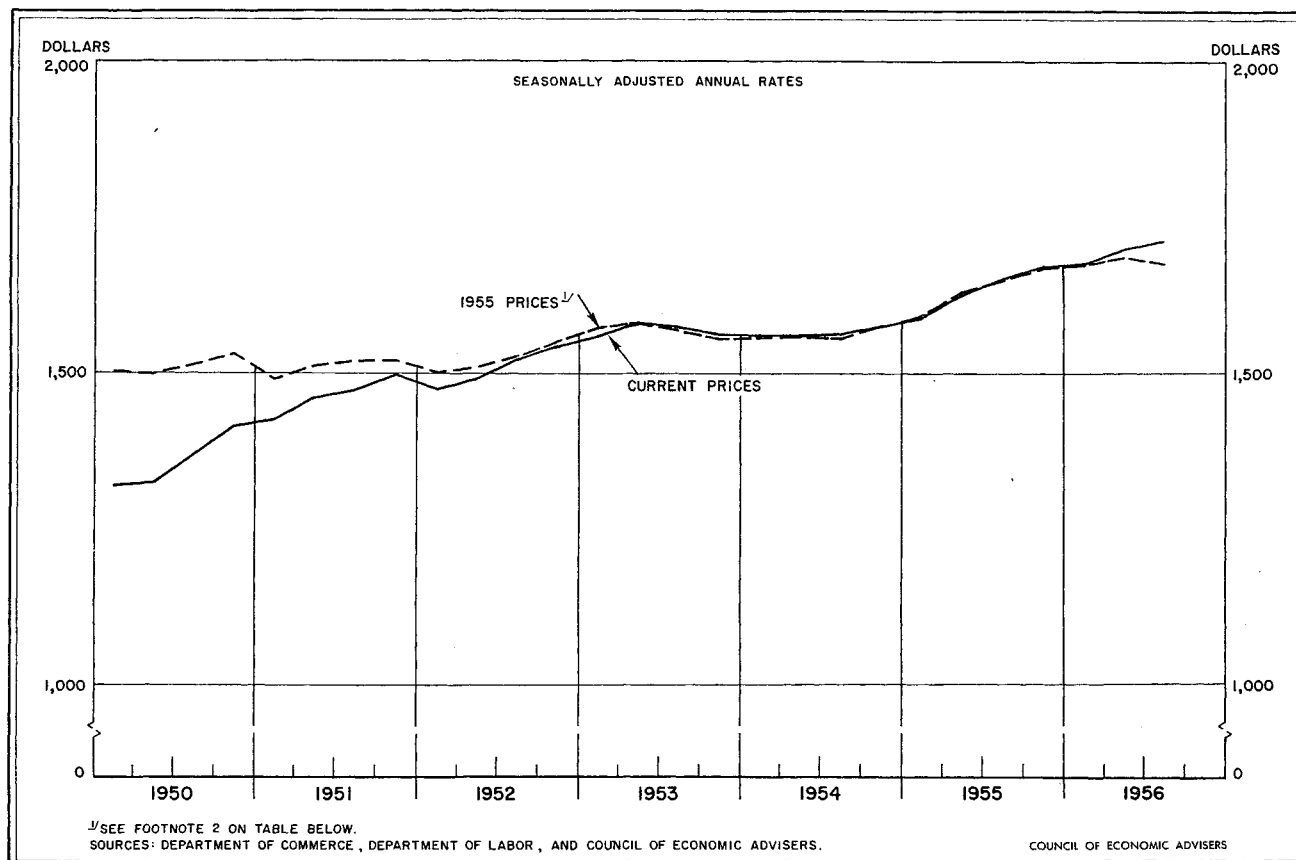
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

² Preliminary estimates by Council of Economic Advisers.

PER CAPITA DISPOSABLE INCOME

Per capita disposable income (seasonally adjusted), expressed in both current and constant prices, showed little change between the second and third quarters, according to preliminary estimates.



Period	Total disposable personal income (billions of dollars) ¹		Per capita disposable personal income (dollars) ¹		Population (thousands) ²
	Current prices	1955 prices ³	Current prices	1955 prices ³	
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.....	237.4	239.6	1,512	1,526	157,028
1953.....	250.2	250.5	1,568	1,570	159,636
1954.....	254.4	253.6	1,566	1,561	162,417
1955.....	270.6	270.6	1,637	1,637	165,271
Seasonally adjusted annual rates					
1955: First quarter.....	260.6	261.1	1,586	1,589	164,287
Second quarter.....	268.5	269.0	1,628	1,631	164,934
Third quarter.....	273.8	273.3	1,653	1,650	165,653
Fourth quarter.....	278.4	277.6	1,673	1,668	166,424
1956: First quarter.....	280.2	279.9	1,677	1,675	167,103
Second quarter.....	284.9	282.4	1,698	1,683	167,754
Third quarter ⁴	288.3	282.4	1,711	1,676	168,499

¹ Income less taxes.

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

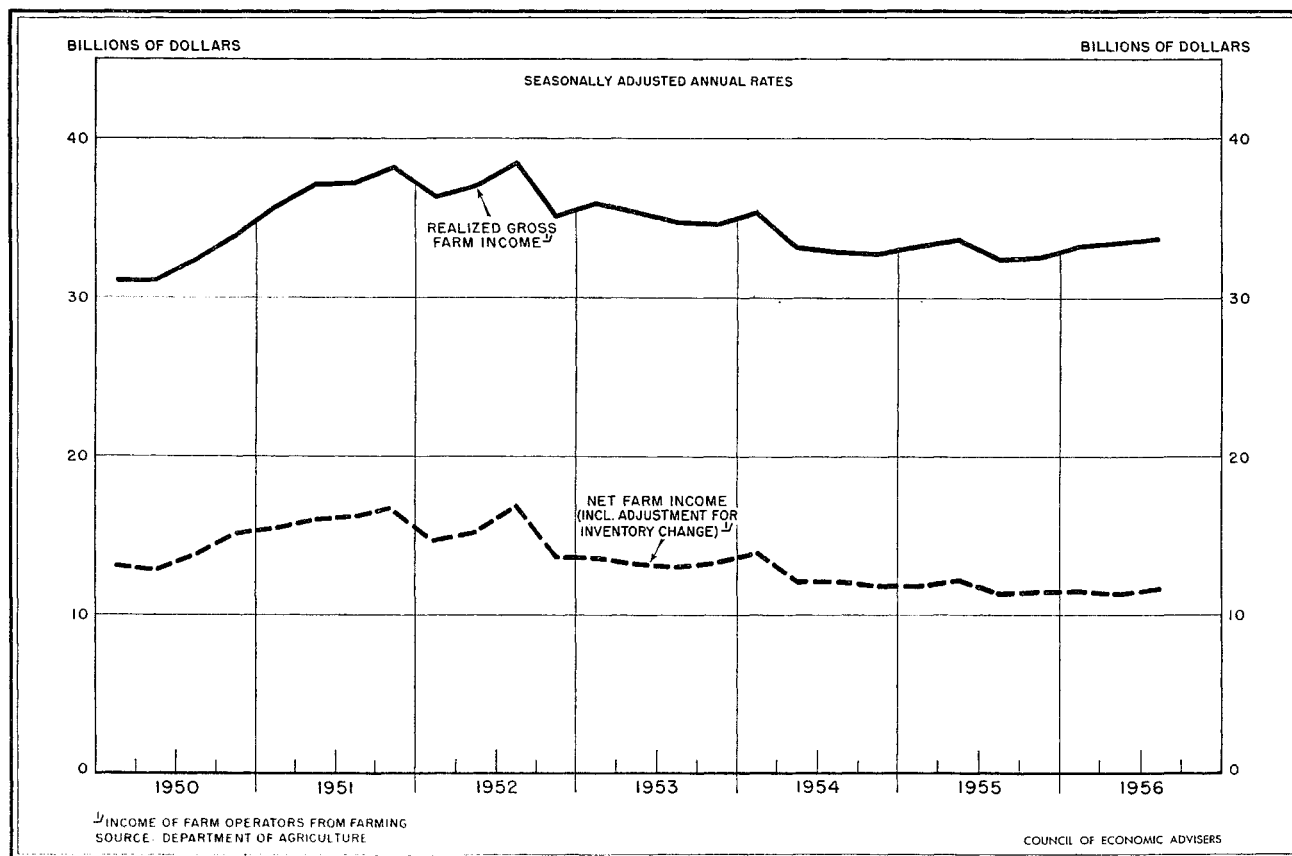
³ Includes armed forces overseas. Annual data as of July 1; quarterly data centered in the middle of the period, interpolated from monthly figures.

⁴ Preliminary estimates.

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

FARM INCOME

Gross farm income (seasonally adjusted annual rate) rose \$300 million from the second to the third quarter of 1956, according to preliminary estimates. Since farm production expenses remained unchanged, there was a corresponding rise in net farm income.



Period	Farm operators' income						Number of farms (millions) ⁵
	Realized gross farm income ¹	Farm production expenses	Net income ²		Net income per farm (including adjustment for inventory change)		
			Excluding adjustment for inventory change	Including adjustment for inventory change ³	Current prices	1955 prices ⁴	
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, 025	5. 9
1948-----	34. 6	18. 6	15. 9	17. 7	3, 049	3, 314	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, 698	5. 6
1951-----	37. 1	22. 3	14. 8	16. 1	2, 919	2, 979	5. 5
1952-----	36. 7	22. 5	14. 3	15. 1	2, 821	2, 849	5. 4
1953-----	35. 1	21. 2	13. 9	13. 3	2, 531	2, 557	5. 2
1954-----	33. 5	21. 4	12. 0	12. 5	2, 449	2, 449	5. 1
1955-----	32. 9	21. 6	11. 3	11. 7	2, 336	2, 336	5. 0
Seasonally adjusted annual rates							
1955: Third quarter-----	32. 4	21. 4	11. 0	11. 3	2, 260	2, 260	5. 0
Fourth quarter-----	32. 5	21. 3	11. 2	11. 4	2, 280	2, 280	5. 0
1956: First quarter-----	33. 2	21. 6	11. 6	11. 5	2, 350	2, 350	⁶ 4. 9
Second quarter-----	33. 4	21. 8	11. 6	11. 3	2, 310	2, 290	⁶ 4. 9
Third quarter-----	33. 7	21. 8	11. 9	11. 6	2, 370	2, 300	⁶ 4. 9

¹ Cash receipts from farm marketings, value of farm products consumed in farm households, gross rental value of farm dwellings, and Government payments to farmers.

² Realized gross farm income less farm production expenses. Excludes farm wages paid to workers living on farms and any income to farm people from non-farm sources, which in 1955 amounted to 1.7 billion dollars and 6.1 billion dollars, respectively.

Source: Department of Agriculture (except as noted).

³ Data prior to 1952 differ 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.

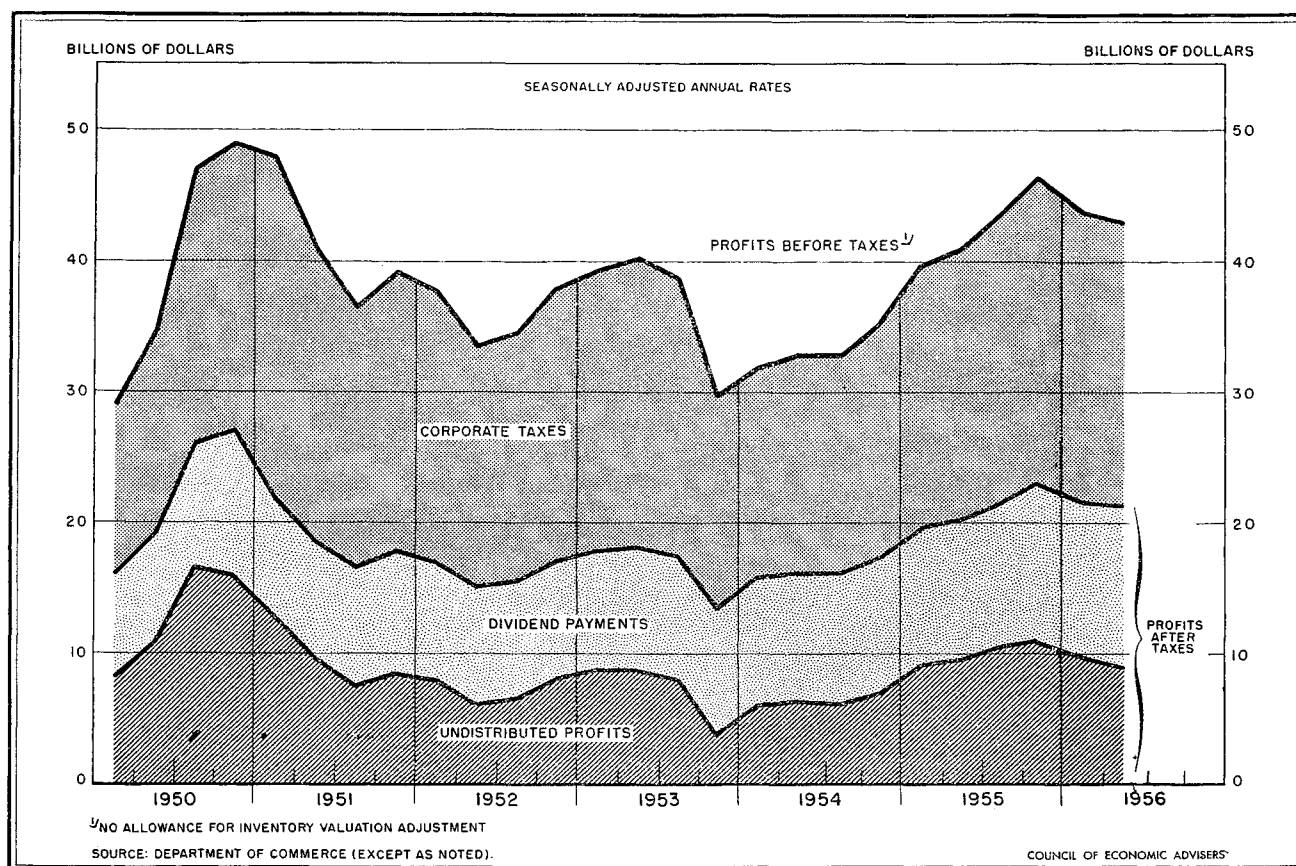
⁴ Dollar estimates in current prices divided by the index of prices paid by farmers for items used in family living, on a 1955 base.

⁵ The number of farms is held constant within a given year.

⁶ Estimate by Council of Economic Advisers.

CORPORATE PROFITS

According to preliminary estimates, corporate profits (seasonally adjusted) in the second quarter were below the first quarter of 1956 but appreciably above the second quarter of 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.....	37.0	20.3	16.7	9.3	7.4
1954.....	33.2	16.8	16.4	10.0	6.4
1955.....	42.7	21.5	21.1	11.2	9.9
Seasonally adjusted annual rates					
1955: First quarter.....	39.7	20.0	19.7	10.4	9.3
Second quarter.....	41.1	20.7	20.3	10.7	9.6
Third quarter.....	43.5	22.0	21.5	11.0	10.5
Fourth quarter.....	46.4	23.4	23.0	12.1	10.9
1956: First quarter.....	43.7	22.1	21.6	11.8	9.8
Second quarter.....	42.9	21.7	21.3	12.2	9.1
Third quarter ¹	(²)	(²)	(²)	12.3	(²)

¹ Preliminary estimates by Council of Economic Advisers.

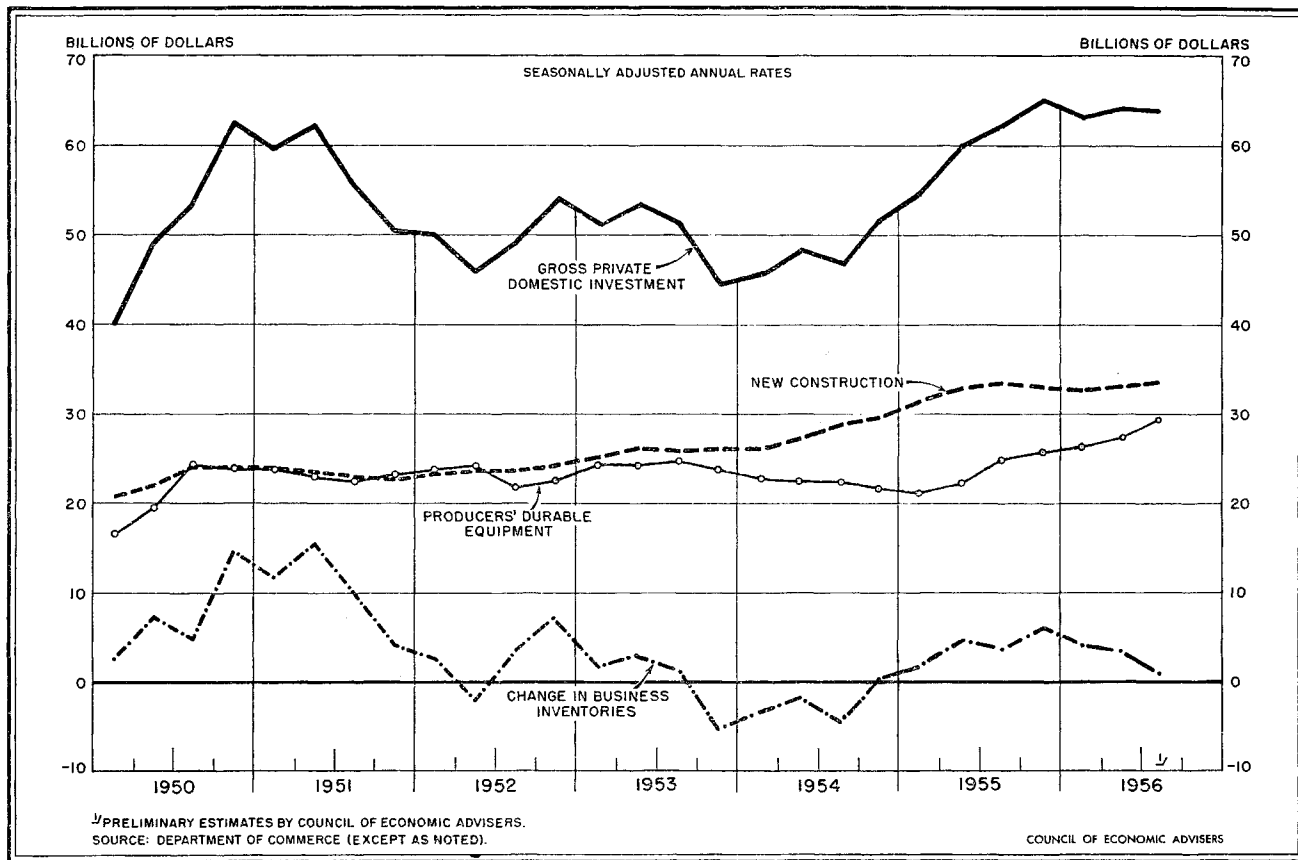
² Not available.

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

According to preliminary estimates, gross private domestic investment (seasonally adjusted) changed very little between the second and third quarters of this year. Fixed investment increased \$2.4 billion while additions to inventories declined \$2.5 billion.



[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 ¹	All other ²			
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-----	49.8	46.8	23.7	11.1	7.5	5.2	23.1	3.0	2.1
1953-----	50.3	50.1	25.8	11.9	8.4	5.4	24.3	.3	.9
1954-----	48.0	50.3	27.9	13.5	8.6	5.8	22.4	-2.3	-2.7
1955-----	60.6	56.4	32.7	16.6	10.0	6.1	23.7	4.2	3.8
Seasonally adjusted annual rates									
1955: First quarter----	54.7	52.8	31.5	16.1	9.3	6.1	21.3	1.9	1.4
Second quarter----	60.2	55.3	32.9	16.9	9.9	6.1	22.4	4.9	4.5
Third quarter----	62.3	58.5	33.5	17.2	10.4	5.9	25.0	3.7	3.4
Fourth quarter----	65.1	58.9	33.0	16.2	10.6	6.2	25.9	6.1	5.9
1956: First quarter----	63.1	59.0	32.6	15.3	11.0	6.3	26.4	4.1	4.2
Second quarter----	64.2	60.6	33.1	15.1	11.5	6.5	27.5	3.5	3.9
Third quarter ³ ----	64.0	63.0	33.6	15.4	11.7	6.5	29.4	1.0	1.3

¹ Includes public utility.

² Includes petroleum and natural gas well drilling.

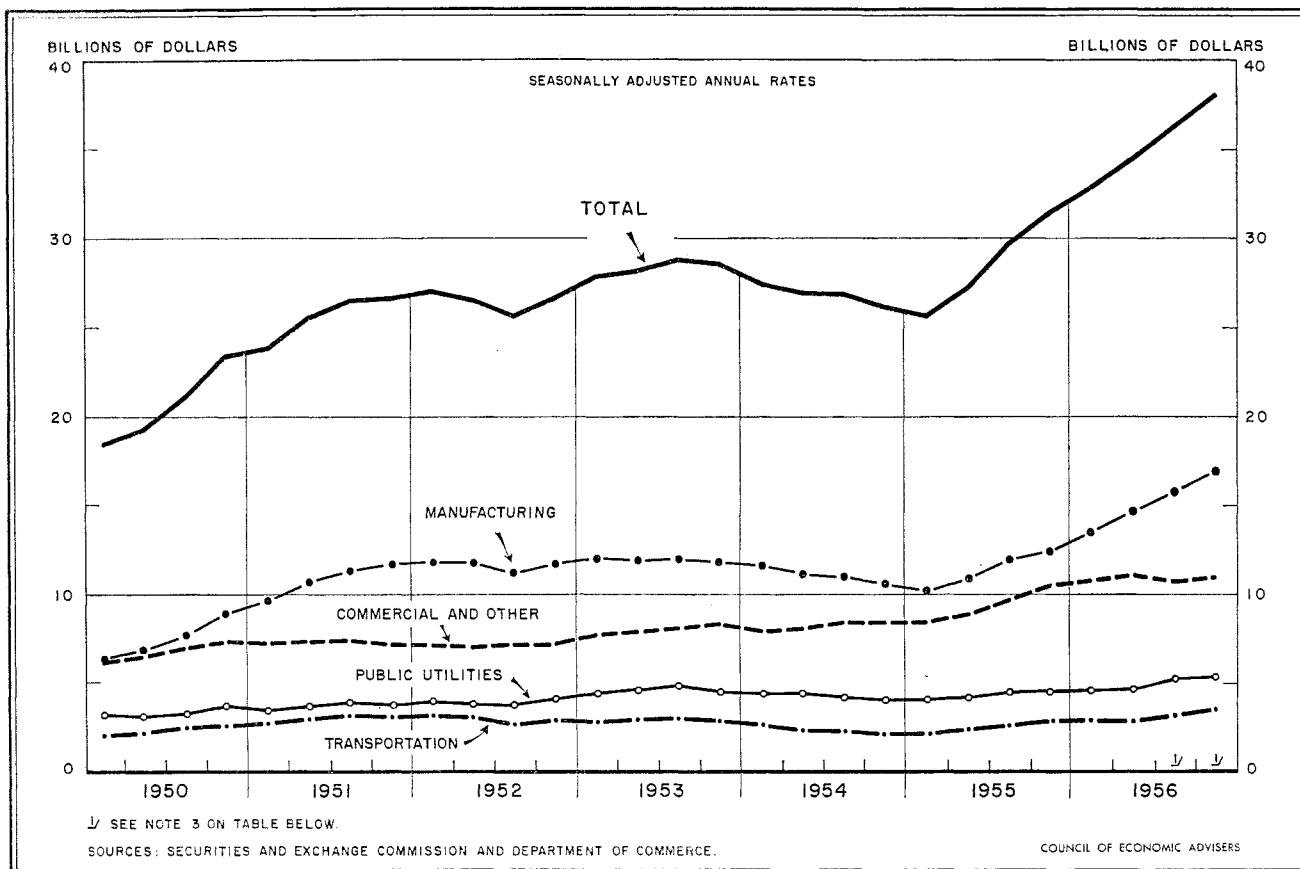
NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

³ Preliminary estimates by Council of Economic Advisers.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

The July-August survey of business expenditures on plant and equipment indicates a continued increase in outlays through the rest of the year, bringing the expected total for 1956 to \$35.3 billion. This represents a gain of 23 per cent over the 1955 total.



[Billions of dollars]

Period	Total ¹	Manufacturing			Mining	Transportation		Public utilities	Commercial and other ²
		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
1956 ^{3 4}	35.31	15.25	7.72	7.53	1.24	1.32	1.79	5.01	10.71
Seasonally adjusted annual rates									
1956: First quarter	32.82	13.45	6.57	6.88	1.13	1.25	1.65	4.56	10.78
Second quarter	34.49	14.65	7.38	7.27	1.28	1.22	1.63	4.61	11.10
Third quarter ³	36.26	15.82	8.17	7.65	1.32	1.32	1.85	5.20	10.75
Fourth quarter ³	38.00	16.87	8.64	8.23	1.28	1.53	1.99	5.31	11.02

¹ Excludes agriculture.

² Commercial and other includes trade, service, finance, communications, and construction.

³ Estimates based on anticipated capital expenditures as reported by business in late July and August 1956.

⁴ Annual total is the sum of seasonally unadjusted expenditures; it does not necessarily coincide with the average of seasonally adjusted figures, which include adjustments, when necessary, for systematic tendencies in anticipatory data.

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.

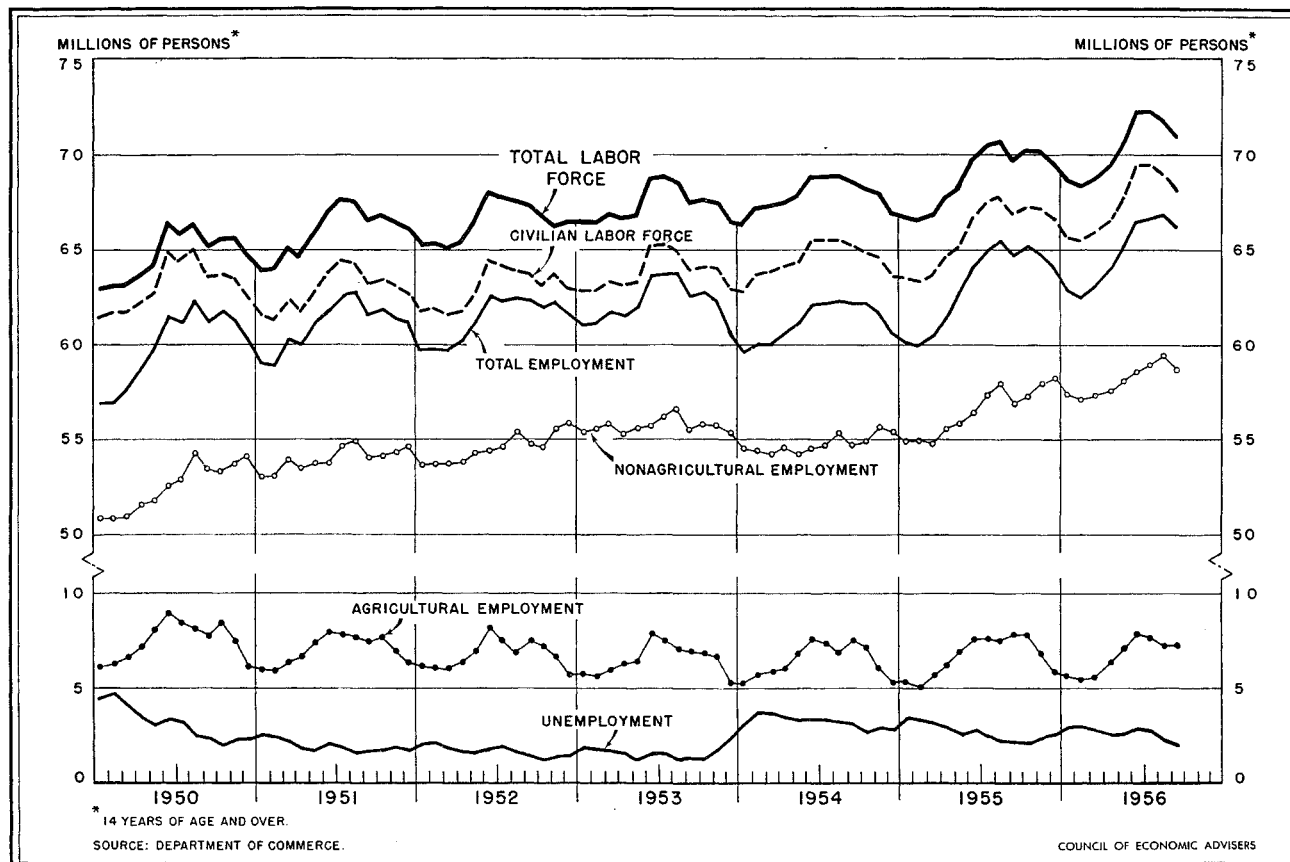
Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission and Department of Commerce.

EMPLOYMENT, UNEMPLOYMENT, AND WAGES

STATUS OF THE LABOR FORCE

In September, unemployment fell to about 2 million or 2.9 percent of the civilian labor force, its lowest rate for September since 1953. Employment declined seasonally between August and September, but was 1.3 million above September 1955.



Period	Total labor force (including armed forces)	Civilian labor force	Employment ^{1 2}			Tempo- rary layoffs ³	Unemployment ²		Insured unemployment ⁴	
			Total	Agricul- tural	Nonagri- cultural		Number	% of civilian labor force	Thousands of persons (all pro- grams)	% of covered employment (State pro- grams)
	Thousands of persons 14 years of age and over ⁵									
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: 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-----	70, 711	67, 846	65, 238	7, 146	58, 092	110	2, 608	3. 8	1, 316	3. 3
June-----	72, 274	69, 430	66, 503	7, 876	58, 627	80	2, 927	4. 2	1, 234	3. 1
July-----	72, 325	69, 489	66, 655	7, 700	58, 955	145	2, 833	4. 1	1, 316	3. 1
August-----	71, 787	68, 947	66, 752	7, 265	59, 487	123	2, 195	3. 2	1, 158	2. 7
September-----	70, 896	68, 069	66, 071	7, 388	58, 683	139	1, 998	2. 9	⁶ 1, 063	⁶ 2. 6

¹ 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.

² See footnote 3.

³ Temporary layoffs are shown separately so as to

afford a basis for further analysis of employment and unemployment.

⁴ Weekly average.

⁵ 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

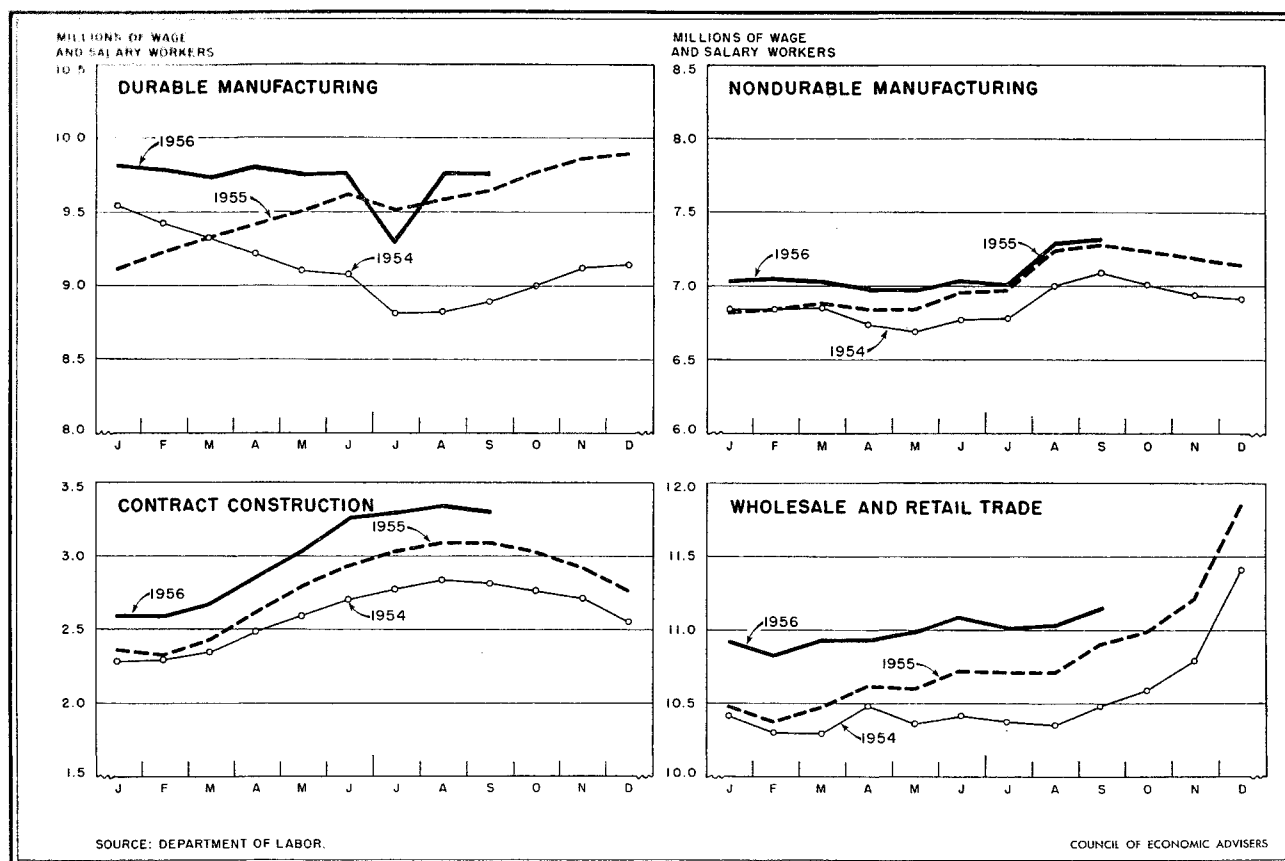
July 1955, data are for week containing 12th of month; previously, for week containing 8th of month.

⁶ Preliminary estimate.

Sources: Department of Commerce (labor force) and Department of Labor (insured unemployment).

NONAGRICULTURAL EMPLOYMENT

Nonagricultural employment increased less than usual in September but it reached an all-time high of 52.1 million.



[Thousands of wage and salary workers ¹]

Period	Total adjusted for seasonal variation	Total	Manufacturing			Mining	Contract construction	Wholesale and retail trade	Government (Federal, State, local)	Other
			Total	Durable goods	Nondur- able 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: 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.....	51,327	50,848	16,769	9,795	6,974	790	2,853	10,928	7,130	12,378
May.....	51,454	51,197	16,715	9,747	6,968	786	3,040	10,985	7,203	12,468
June.....	51,600	51,709	16,809	9,764	7,045	812	3,257	11,091	7,150	12,590
July.....	51,003	50,896	16,291	9,277	7,014	746	3,270	11,015	6,947	12,627
August ²	51,707	51,884	17,037	9,758	7,279	821	3,354	11,042	6,964	12,666
September ²	51,555	52,131	17,061	9,750	7,311	818	3,301	11,144	7,201	12,606

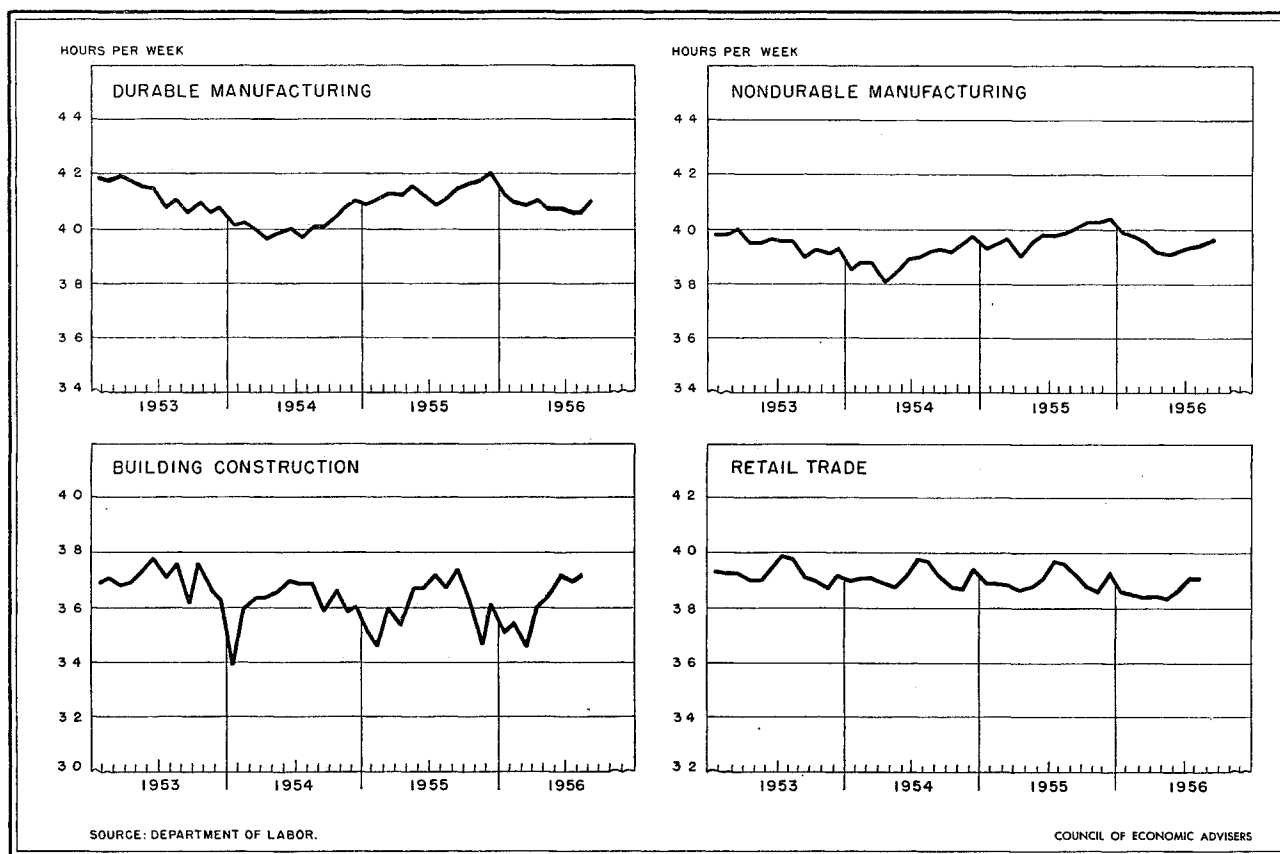
¹ Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked during or received pay for any part of the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and personnel of the armed forces. Total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

² Preliminary estimates.

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 manufacturing production workers rose 0.3 hours from mid-August to mid-September. The rise—although larger than normal for this season—left the workweek below September of last 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: 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	40.9	39.6	34.6	38.4
April	40.3	41.1	39.2	36.0	38.4
May	40.1	40.8	39.1	36.5	38.3
June	40.2	40.8	39.2	37.2	38.7
July	40.1	40.7	39.4	37.0	39.1
August ²	40.2	40.7	39.5	37.2	39.1
September ²	40.5	41.1	39.7	(²)	(²)

¹ Data beginning with January 1948 are not strictly comparable with those for earlier periods.

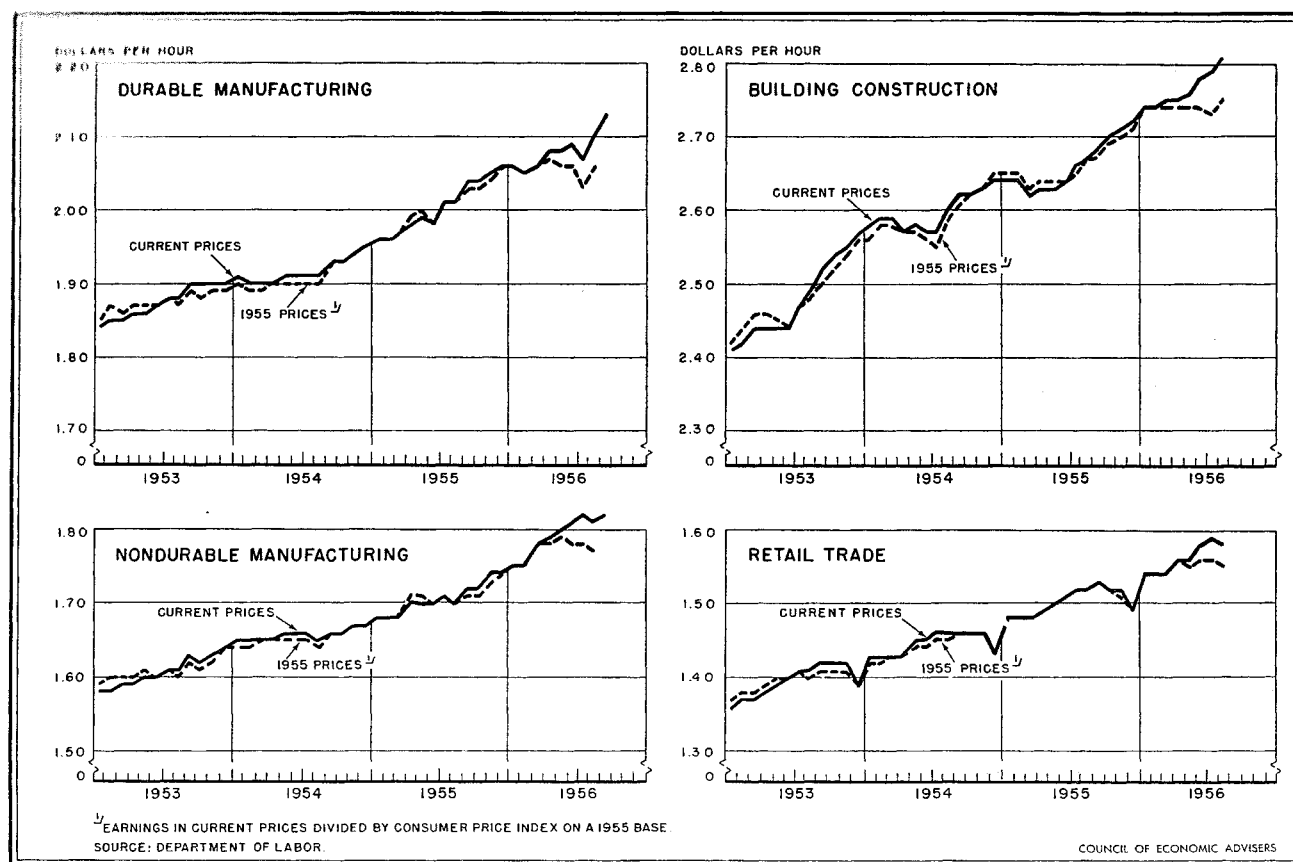
² Preliminary estimates.

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

² Not available.

AVERAGE HOURLY EARNINGS - SELECTED INDUSTRIES

In September, average hourly earnings of production workers in manufacturing reached \$2.00 or 10 cents above September a year ago.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1955 prices ¹	Current prices	1955 prices ¹	Current prices	1955 prices ¹	Current prices	1955 prices ¹	Current prices	1955 prices ¹
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	² 1.848	² 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: 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.....	1.95	1.95	2.06	2.06	1.78	1.78	2.75	2.74	1.54	1.54
April.....	1.96	1.95	2.08	2.07	1.79	1.78	2.75	2.74	1.56	1.56
May.....	1.97	1.95	2.08	2.06	1.80	1.79	2.76	2.74	1.56	1.55
June.....	1.97	1.94	2.09	2.06	1.81	1.78	2.78	2.74	1.58	1.56
July.....	1.97	1.93	2.07	2.03	1.82	1.78	2.79	2.73	1.59	1.56
August ³	1.98	1.94	2.10	2.06	1.81	1.77	2.81	2.75	1.58	1.55
September ³	2.00	(⁴)	2.13	(⁴)	1.82	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)

¹ Earnings in current prices divided by consumer price index on a 1955 base.

² Data beginning with January 1948 are not strictly comparable with those for earlier periods.

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

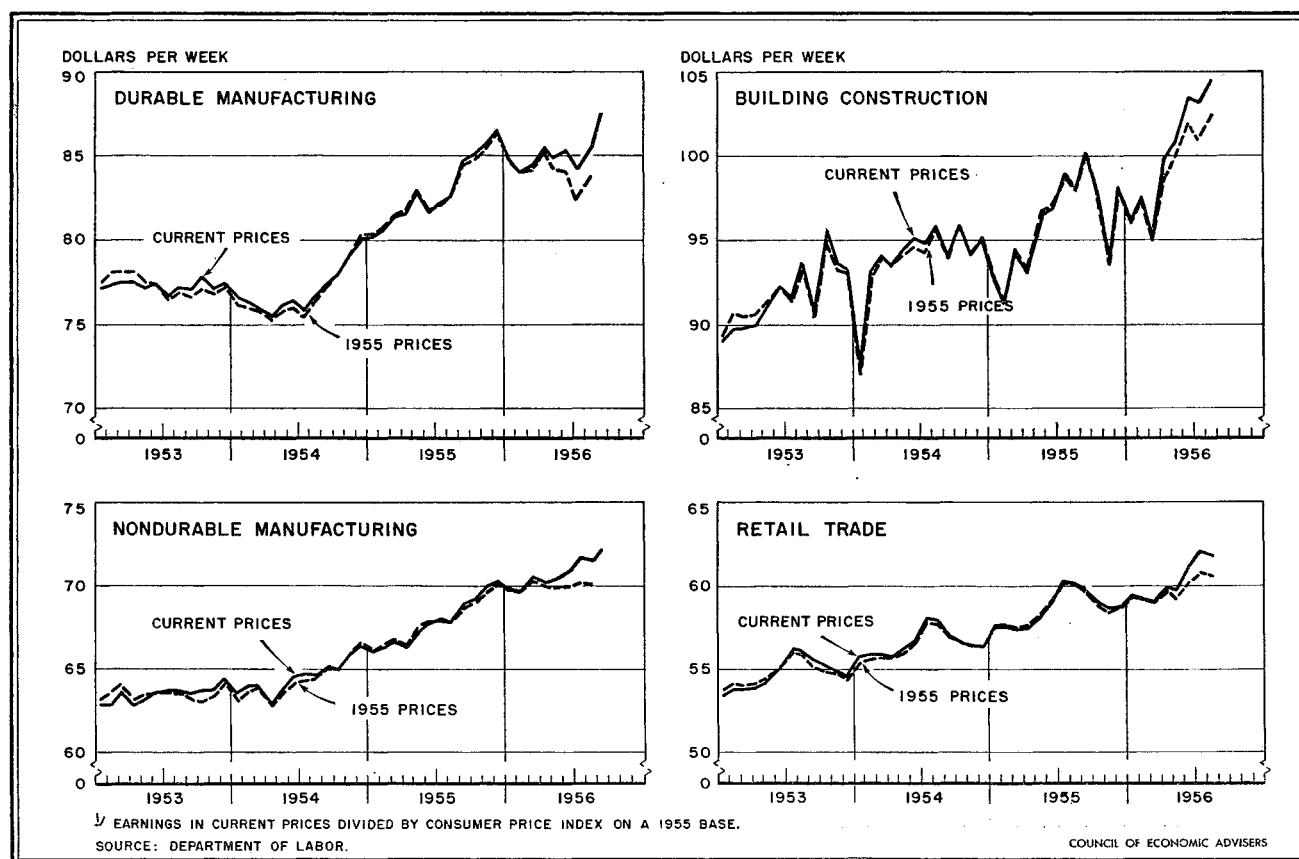
³ Preliminary estimates.

⁴ Not available.

Source: Department of Labor.

AVERAGE WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings of manufacturing production workers reached \$81.00 in September. They were \$1.40 above August and \$3.29 above last September.



[For production workers or nonsupervisory employees]

Period	All manufacturing		Durable goods manufacturing		Nondurable goods manufacturing		Building construction		Retail trade	
	Current prices	1955 prices ¹	Current prices	1955 prices ¹	Current prices	1955 prices ¹	Current prices	1955 prices ¹	Current prices	1955 prices ¹
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	² 68.85	² 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: 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	84.25	84.08	70.49	70.35	95.15	94.96	59.14	59.02
April.....	78.99	78.75	85.49	85.23	70.17	69.96	99.00	98.70	59.90	59.72
May.....	79.00	78.37	84.86	84.19	70.38	69.82	100.74	99.94	59.75	59.28
June.....	79.19	78.02	85.27	84.01	70.95	69.90	103.42	101.89	61.15	60.25
July.....	79.00	77.30	84.25	82.44	71.71	70.17	103.23	101.01	62.17	60.83
August ³	79.60	78.04	85.47	83.79	71.50	70.10	104.53	102.48	61.78	60.57
September ³	81.00	(4)	87.54	(4)	72.25	(4)	(4)	(4)	(4)	(4)

¹ Earnings in current prices divided by consumer price index on a 1955 base.

² Data beginning with January 1948 are not strictly comparable with those for earlier periods.

³ Preliminary estimates.

⁴ Not available.

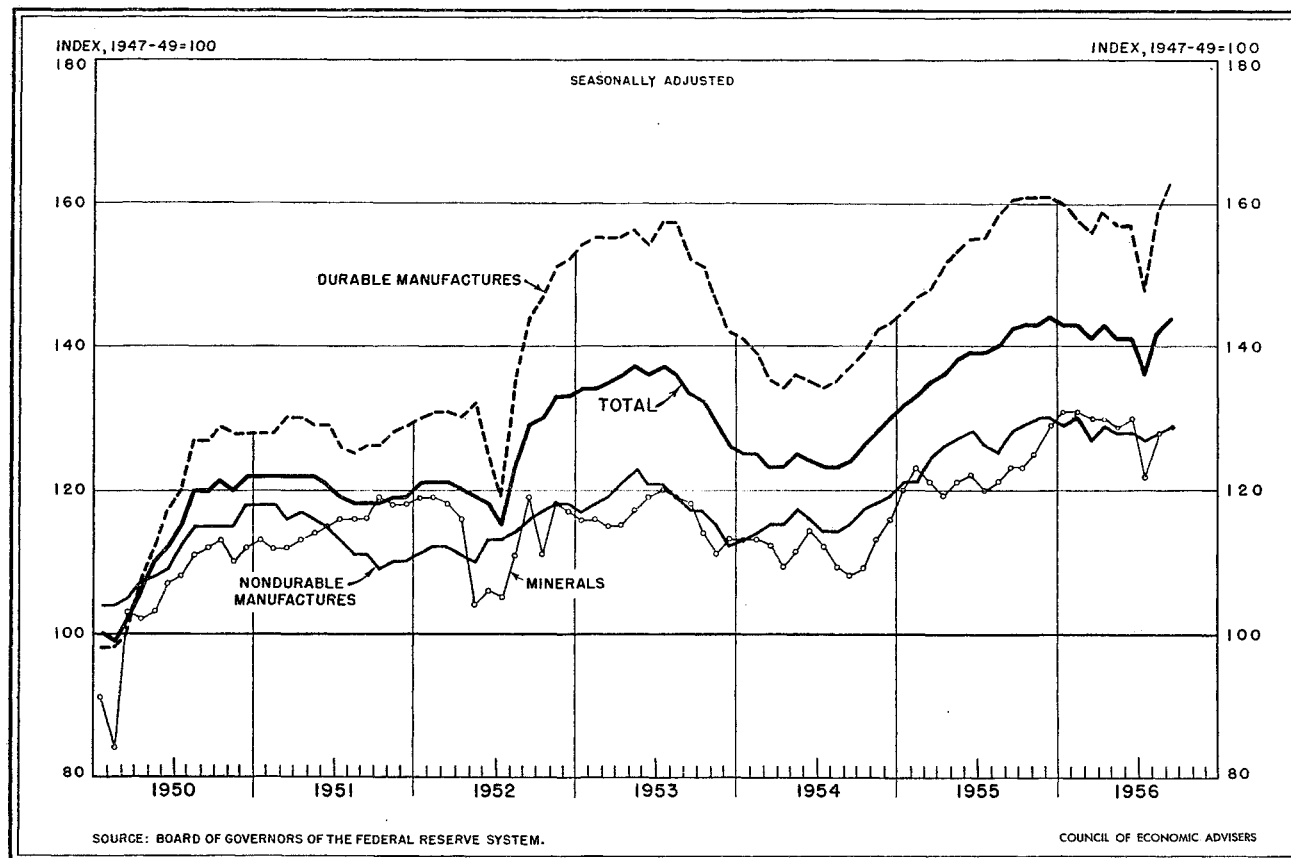
NOTE.—Beginning with 1954, data are based on first quarter 1955 benchmark levels of employment.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

The index of industrial production (seasonally adjusted) is estimated at 144 (1947-49=100) in September, the same as the previous peak of December 1955.



[1947-49=100, seasonally adjusted]

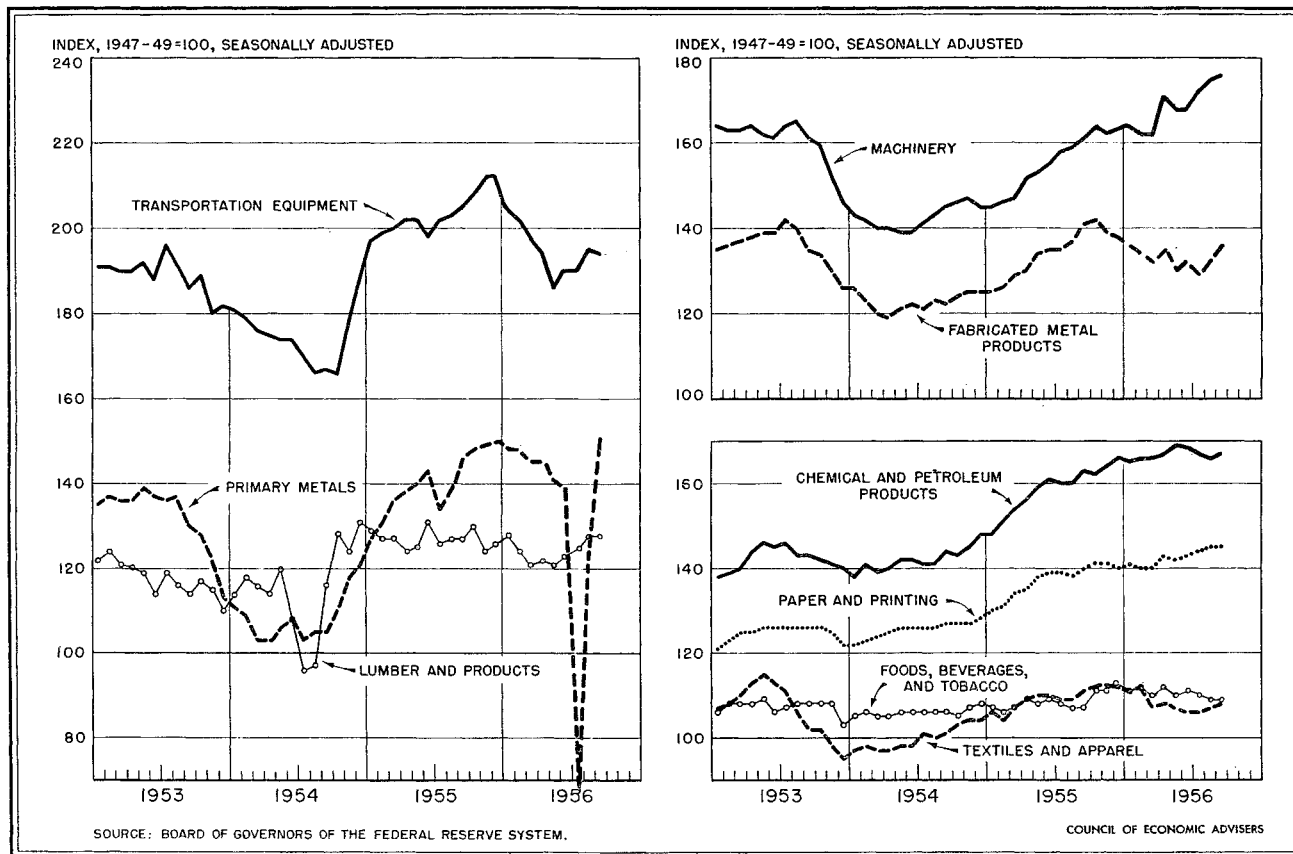
Period	Total industrial production	Manufactures			Minerals
		Total	Durable	Nondurable	
1939.....	58	57	49	66	68
1947.....	100	100	101	99	100
1948.....	104	103	104	102	106
1949.....	97	97	95	99	94
1950.....	112	113	116	111	105
1951.....	120	121	128	114	115
1952.....	124	125	136	114	114
1953.....	134	136	153	118	116
1954.....	125	127	137	116	111
1955.....	139	141	155	126	122
1955: 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: ¹ January.....	143	145	160	129	131
February.....	143	144	158	130	131
March.....	141	142	156	127	130
April.....	143	144	159	129	130
May.....	141	143	157	128	129
June.....	141	143	157	128	130
July.....	136	137	147	127	122
August.....	142	143	159	128	128
September.....	144	146	163	129	129

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

PRODUCTION OF SELECTED MANUFACTURES

In September, most manufactures equaled or exceeded their August output. Primary metals production rose sharply and was well above the prestrike level.



[1947-49=100, seasonally adjusted]

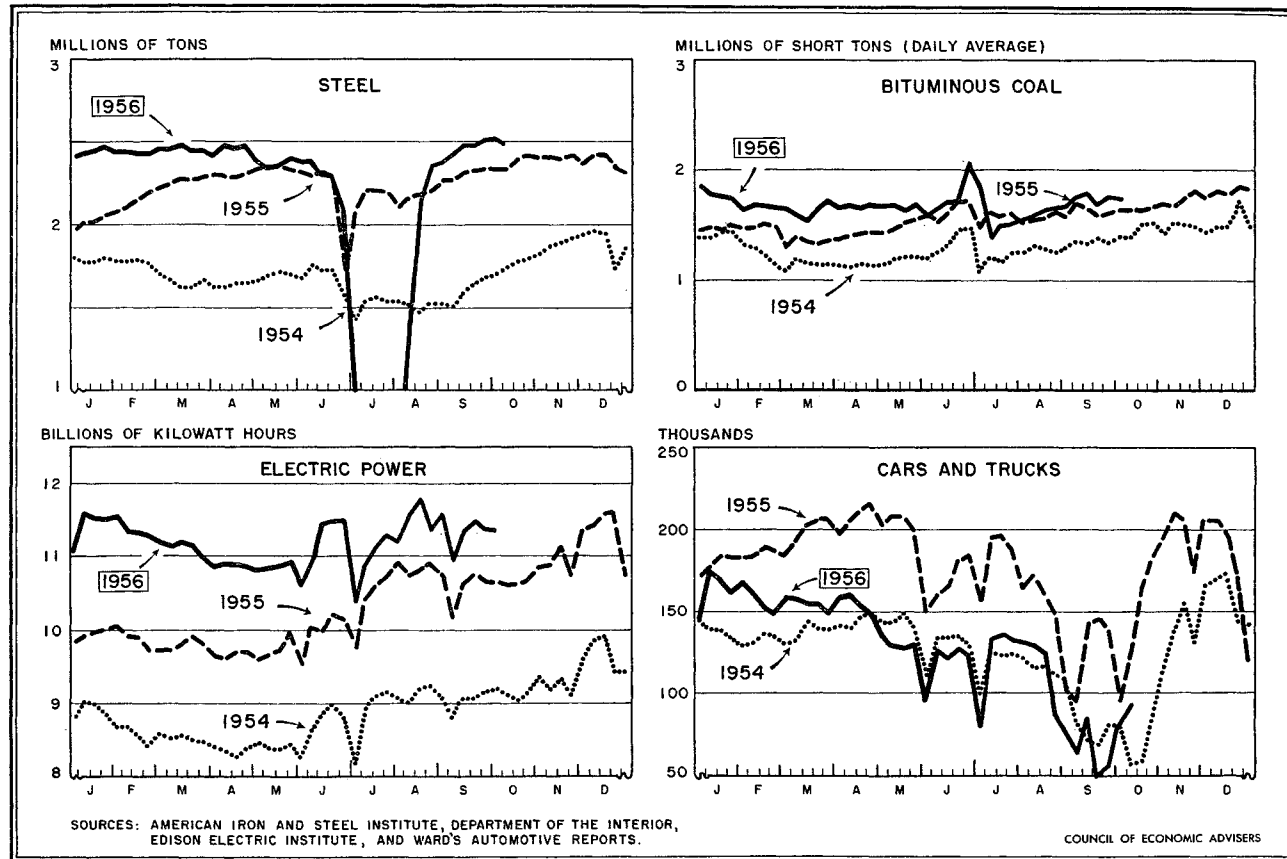
Period	Durable manufactures					Nondurable manufactures				Consumer durable goods
	Primary metals	Fabricated metal products	Machinery	Transportation equipment	Lumber and products	Textiles and apparel	Paper and printing	Chemical and petroleum products	Foods, beverages, and tobacco	
1939.....	54	52	38	47	80	80	66	49	65	-----
1947.....	103	103	103	96	101	99	96	97	101	98
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.....	140	134	155	203	127	109	137	159	109	147
1955: 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
1956:¹ January.....	148	136	164	205	128	111	141	165	111	143
February.....	148	134	162	202	124	112	140	166	112	137
March.....	145	132	162	197	121	107	140	166	110	133
April.....	145	135	171	194	122	108	143	167	112	132
May.....	141	130	168	186	121	107	142	169	110	124
June.....	139	132	168	190	123	106	143	168	111	124
July.....	68	129	172	190	125	106	144	167	110	129
August.....	124	133	175	195	128	107	145	166	109	129
September.....	151	136	176	194	128	108	145	167	109	127

¹ Preliminary estimates.

Source: Board of Governors of the Federal Reserve System.

WEEKLY INDICATORS OF PRODUCTION

As measured by various weekly indicators, production increased during September. Output of steel continued to rise markedly to a new peak in early October. Automobile production declined on account of model changeovers, but was rising again in late September and early October.



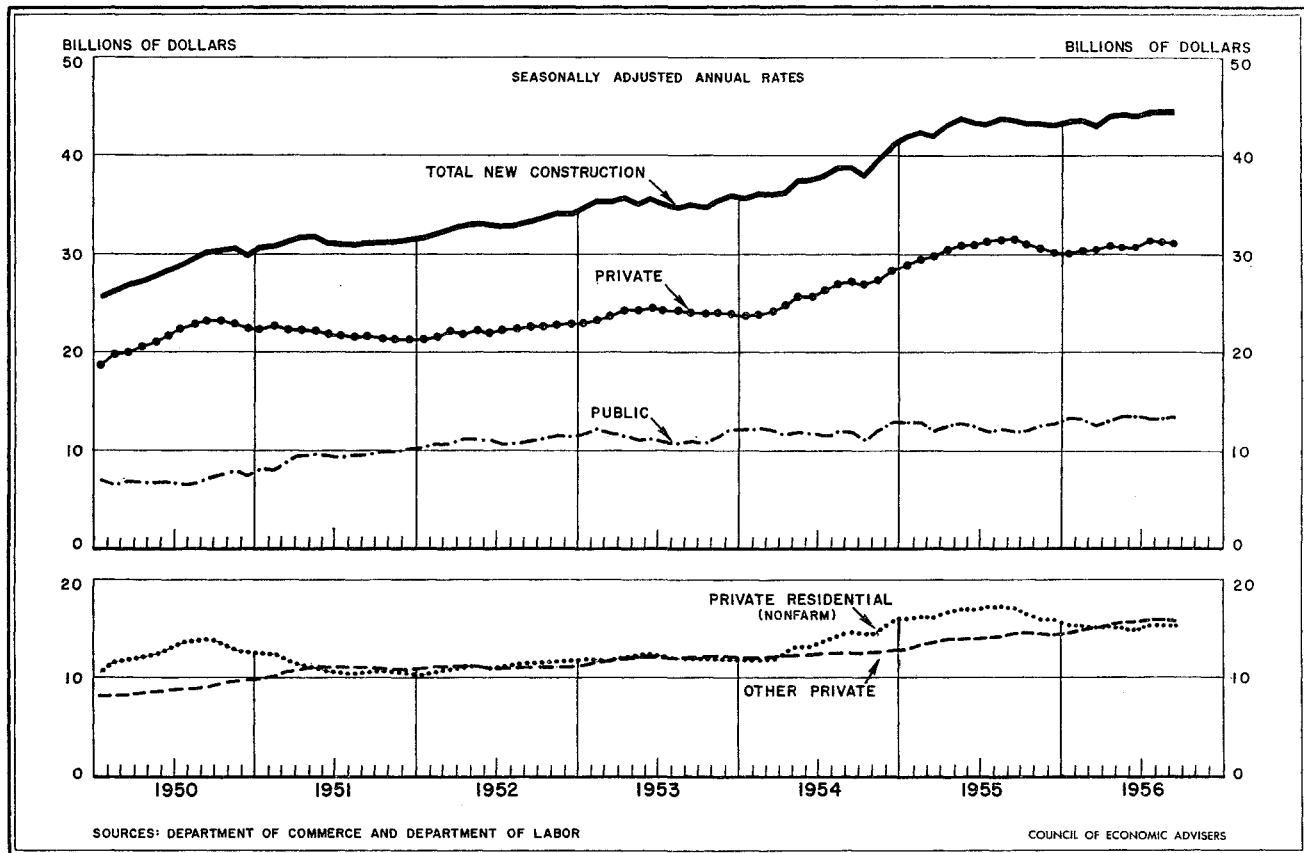
Period	Steel produced		Electric power distributed (millions of kilowatt-hours)	Bituminous coal mined (thousands of short tons) ²	Freight loaded (thousands of cars)	Paperboard produced (thousands of tons)	Cars and trucks assembled (thousands)		
	Thousands of net tons	Percent of theoretical capacity ¹					Total	Cars	Trucks
Weekly average:									
1951.....	2,018	100.9	6,958	1,772	779	229	129.8	102.7	27.2
1952.....	1,782	85.8	7,455	1,548	730	213	106.8	83.4	23.4
1953.....	2,141	94.9	8,246	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: September.....	2,309	95.7	10,540	1,632	787	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.....	2,453	99.6	10,881	1,655	742	284	155.1	131.6	23.5
May.....	2,368	96.2	10,810	1,661	767	286	123.0	102.0	21.0
June.....	2,266	92.0	11,338	1,678	786	286	124.6	103.5	21.0
July.....	367	14.9	10,922	1,526	599	225	120.3	101.3	19.0
August.....	1,834	74.5	11,484	1,652	740	274	109.0	89.2	19.9
September ³	2,440	99.1	11,285	1,680	788	257	63.3	47.8	15.6
Week ended:									
1956: September 8.....	2,429	98.7	10,955	1,746	680	202	62.4	47.8	14.7
15.....	2,477	100.6	11,339	1,775	821	281	84.4	64.4	20.1
22.....	2,477	100.6	11,482	1,683	822	273	49.8	35.7	14.2
29.....	2,502	101.6	11,365	1,752	831	272	56.7	43.4	13.3
October 6.....	2,506	101.8	11,342	1,735	815	281	79.3	59.4	19.9
13 ³	2,483	100.9 ³	⁴ 11,300			280	93.0	72.1	21.0

¹ 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 2,461,593 beginning January 1, 1956. ² Daily average for week. ³ Preliminary estimates. ⁴ Not charted.

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

NEW CONSTRUCTION

Total construction expenditures, after seasonal adjustment, continued in September at an annual rate of \$44½ billion. Contract awards (seasonally adjusted) declined between August and September but were at about the same level as a year ago.



[Billions of dollars]

Period	Total new construction	Private			Federal, State, and local	Construction contracts awarded in 37 Eastern States ¹	
		Total private	Residential (nonfarm)	Other			
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.....	37.8	25.9	13.5	12.4	11.9	19.8	-----
1955.....	43.0	30.6	16.6	14.0	12.4	23.7	-----
Seasonally adjusted annual rates						Annual rates	
						Un-adjusted	Seasonally adjusted
1955: August.....	43.7	31.4	17.2	14.2	12.2	22.7	22.1
September.....	43.5	31.5	17.1	14.5	11.9	24.4	21.2
October.....	43.2	31.1	16.5	14.6	12.0	22.4	22.1
November.....	43.2	30.6	16.1	14.5	12.6	21.6	25.1
December.....	43.0	30.2	15.9	14.4	12.7	23.1	24.0
1956: January.....	43.4	30.1	15.4	14.6	13.3	22.3	30.1
February.....	43.5	30.3	15.3	14.9	13.2	22.3	30.2
March.....	43.0	30.4	15.2	15.2	12.6	23.6	29.2
April.....	43.9	30.8	15.3	15.4	13.1	29.1	25.5
May.....	44.2	30.7	15.1	15.6	13.5	29.8	25.9
June.....	44.1	30.7	15.0	15.7	13.5	26.4	24.4
July.....	44.5	31.3	15.5	15.8	13.2	25.8	22.6
August.....	44.5	31.2	15.4	15.8	13.3	24.8	24.1
September ²	44.5	31.1	15.4	15.7	13.4	24.3	21.1

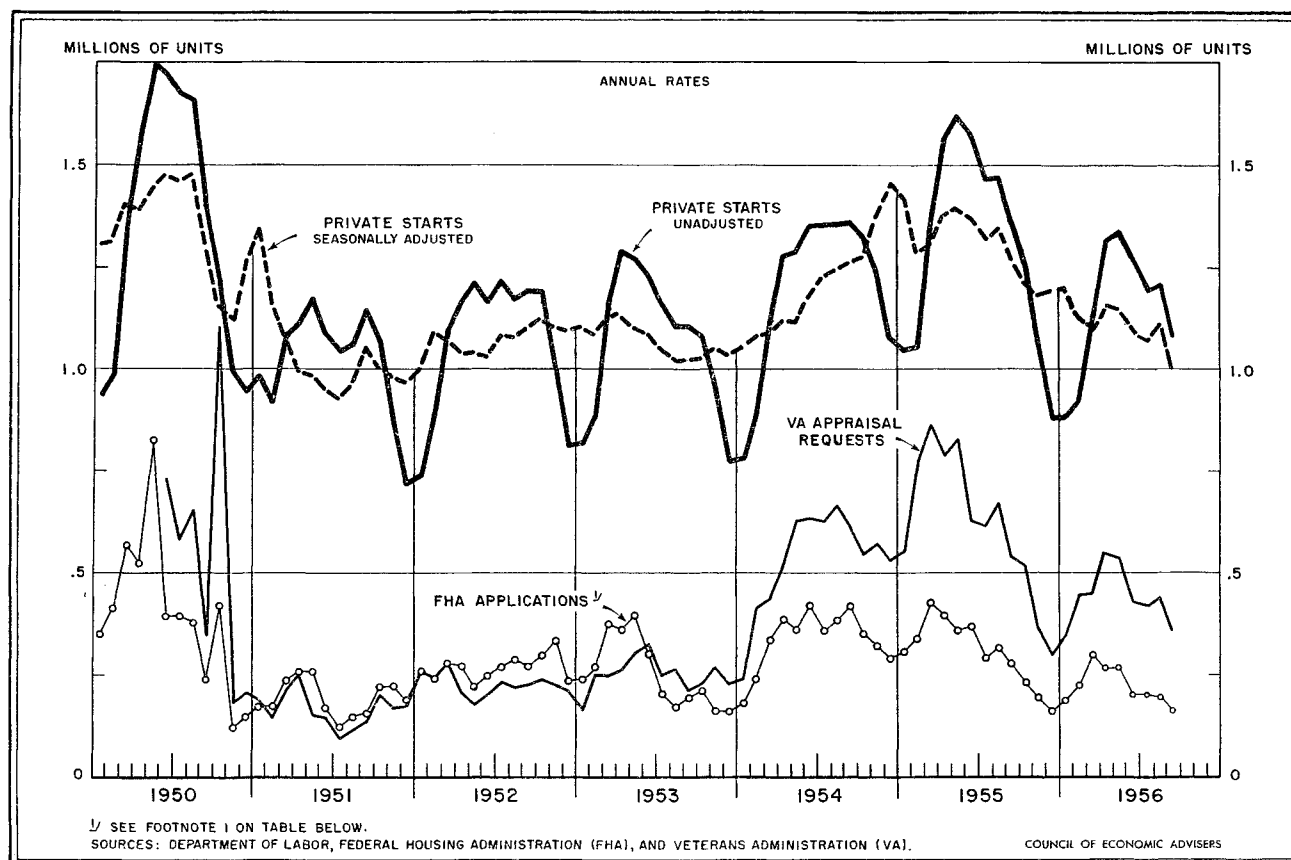
¹ Compiled by F. W. Dodge Corporation; seasonally adjusted by the National Bureau of Economic Research. Omits small contracts, and covers rural areas less fully than urban.

² Preliminary estimates.

Sources: Department of Commerce, Department of Labor, and F. W. Dodge Corporation (except as noted).

HOUSING STARTS AND APPLICATIONS FOR FINANCING

The annual rate of private nonfarm housing starts (seasonally adjusted) declined in September to one million units.



[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 ¹	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	³ 200. 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: 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	98. 6	4. 7	93. 9	37. 6	17. 0	20. 6	1, 094	24. 9	37. 5
April	111. 3	1. 4	109. 9	46. 3	19. 9	26. 4	1, 157	22. 3	45. 8
May	113. 7	2. 9	110. 8	46. 3	19. 7	26. 6	1, 146	22. 1	44. 4
June	107. 4	2. 8	104. 6	44. 9	18. 5	26. 4	1, 091	16. 8	35. 6
July	⁴ 101. 0	⁴ 1. 9	⁴ 99. 1	42. 8	17. 6	25. 2	⁴ 1, 070	16. 9	34. 6
August	⁴ 101. 0	⁴ 1. 5	⁴ 100. 5	43. 2	18. 7	24. 4	⁴ 1, 110	16. 2	36. 5
September ⁴	93. 0	3. 1	89. 9	39. 2	15. 2	24. 0	1, 000	13. 4	30. 0

¹ Units represented by mortgage applications for new home construction.

² Not available.

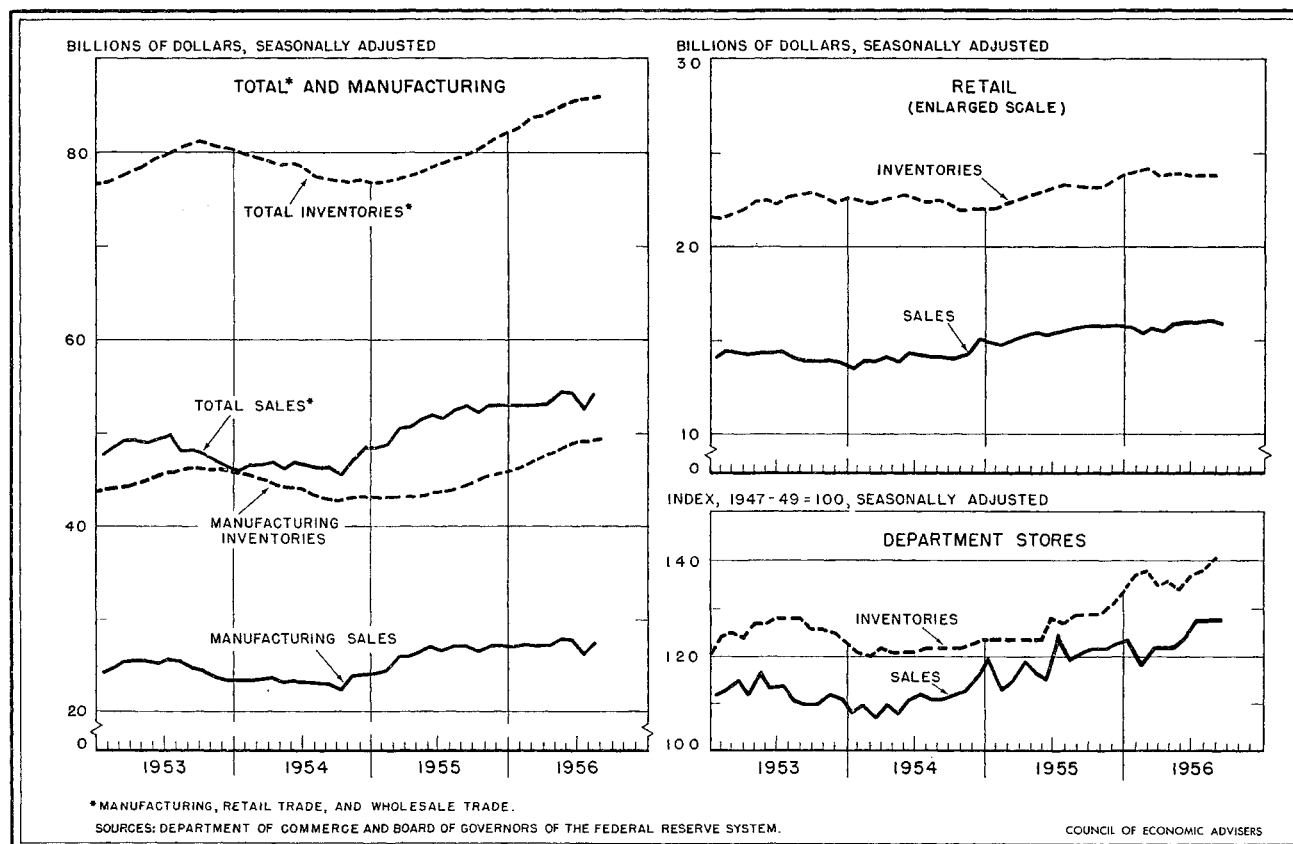
³ Partly estimated.

⁴ Preliminary estimates.

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

SALES AND INVENTORIES - MANUFACTURING AND TRADE

Manufacturers' new orders (seasonally adjusted) rose \$2.0 billion in August and sales increased \$1.3 billion, largely reflecting the settlement of the steel strike. Inventories of manufacturers rose by \$0.2 billion during the period. Trade inventories remained unchanged, while sales advanced \$0.4 billion. Preliminary estimates indicate that retail sales dropped in September, largely on account of reduced automotive sales.



Period	Manufacturing and trade		Manufacturing			Wholesale		Retail		Department stores	
	Sales ¹	Inven- tories ²	Sales ¹	Inven- tories ²	New orders ¹	Sales ¹	Inven- tories ²	Sales ¹	Inven- tories ²	Sales ¹	Inven- tories ²
	Billions of dollars, seasonally adjusted										Index 1947-49=100, 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-----	44.9	75.2	22.3	42.8	24.5	9.4	11.1	13.2	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: July-----	51.9	79.2	26.7	43.9	27.0	9.6	11.9	15.5	23.4	125	127
August-----	52.8	79.6	27.2	44.3	28.7	9.9	12.0	15.7	23.3	119	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-----	53.2	84.5	27.2	48.0	27.8	10.4	12.6	15.5	23.9	122	136
May-----	54.4	85.1	27.8	48.6	28.8	10.7	12.7	15.9	23.9	122	134
June-----	54.3	85.6	27.7	49.1	27.9	10.6	12.7	16.0	23.8	124	137
July-----	52.7	85.8	26.2	49.2	27.0	10.5	12.8	16.0	23.8	128	138
August ⁵ -----	54.4	86.0	27.5	49.4	29.0	10.7	12.8	16.2	23.8	128	141
September ⁵ -----								15.9		128	

¹ Monthly average for year and total for month.

² Book value, end of period.

³ Book value, end of period, except annual data, which are monthly averages.

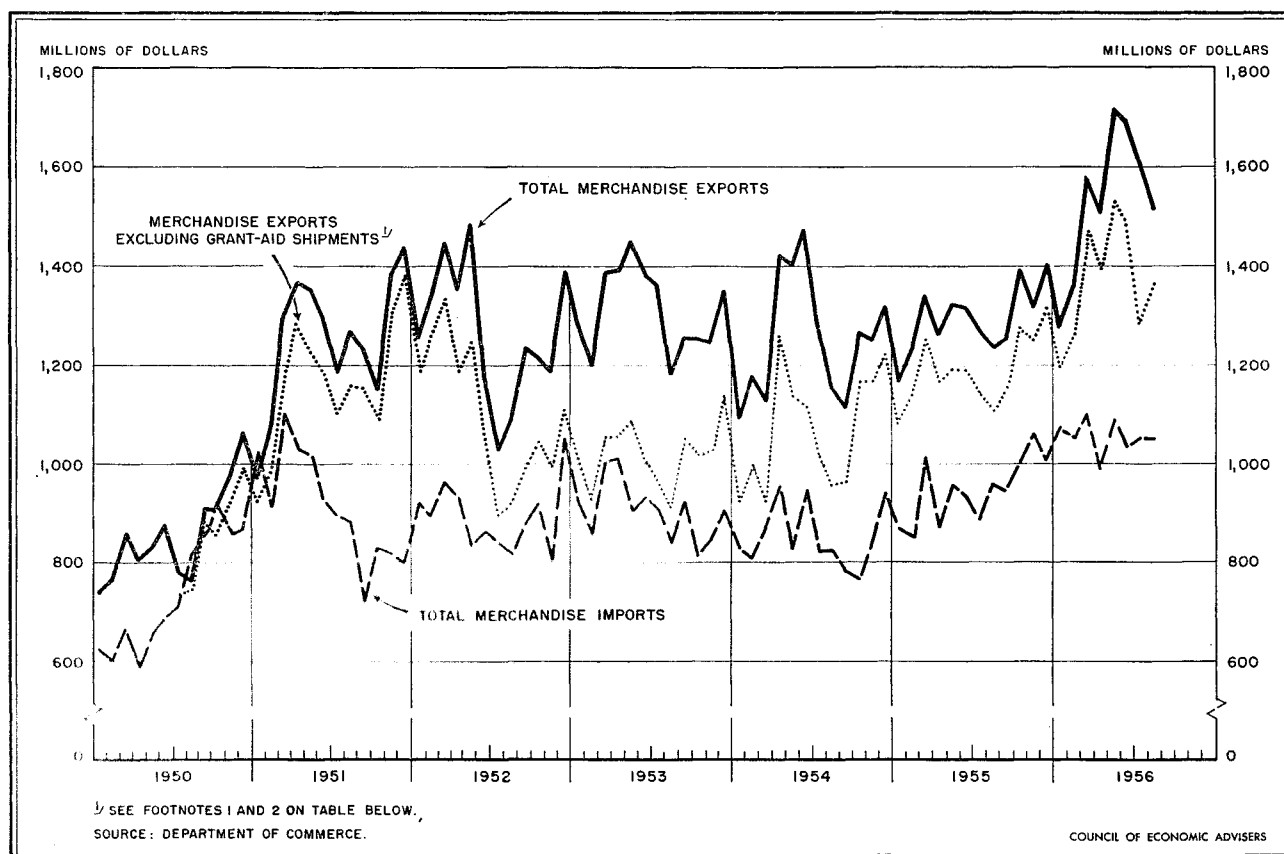
⁴ Revised series on retail trade beginning with 1951; not comparable with previous data.

⁵ Preliminary estimates.

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

MERCHANDISE EXPORTS AND IMPORTS

In the first 8 months of 1956, commercial exports were approximately 19 percent higher and imports almost 15 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 ¹	Excluding grant-aid shipments		Total	Excluding grant-aid shipments
1936-38 monthly average.....	247	(²)	(²)	207	40	(²)
1947 monthly average.....	1,278	96	1,182	480	798	702
1948 monthly average.....	1,054	(²)	(²)	594	460	(²)
1949 monthly average.....	1,004	(²)	(²)	552	452	(²)
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.....	1,295	105	1,190	948	347	242
1955: July.....	1,270	128	1,142	885	384	256
August.....	1,236	128	1,108	960	276	148
September.....	1,256	99	1,157	946	310	210
October.....	1,396	119	1,277	1,011	385	266
November.....	1,322	73	1,249	1,065	257	184
December.....	1,405	84	1,321	1,008	397	313
1956: January.....	1,280	82	1,198	1,074	206	124
February.....	1,358	90	1,268	1,050	308	218
March.....	1,580	104	1,476	1,102	478	374
April.....	1,511	112	1,399	990	521	409
May.....	1,716	184	1,531	1,091	624	440
June.....	1,689	199	1,490	1,032	657	458
July.....	1,614	331	1,283	1,051	563	232
August.....	1,516	152	1,364	1,049	467	315

¹ 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.

² Not available.

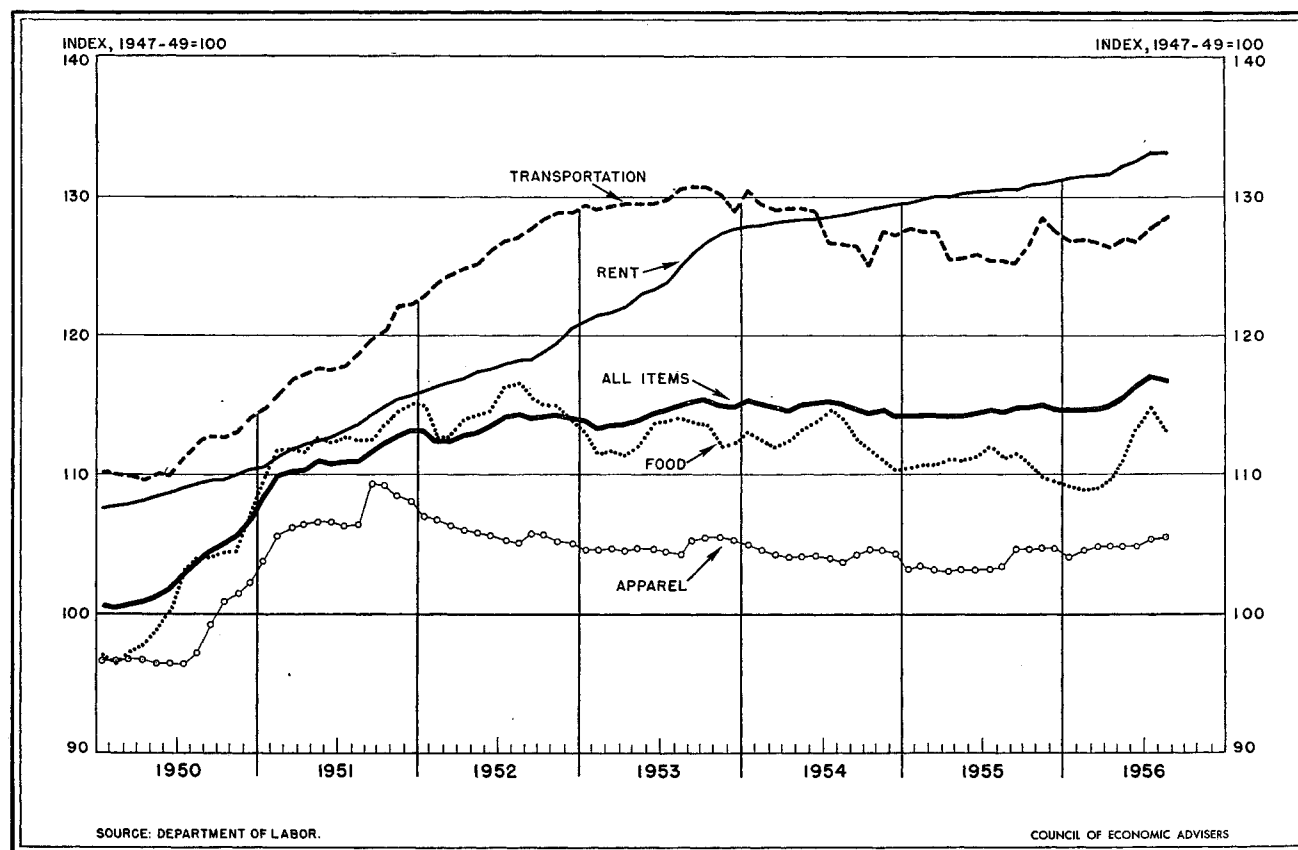
NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Department of Defense.

PRICES

CONSUMER PRICES

The consumer price index fell 0.2 percent in August. Food prices declined 1.5 percent; rents were unchanged; the prices of all other major categories increased.



[1947-49=100]

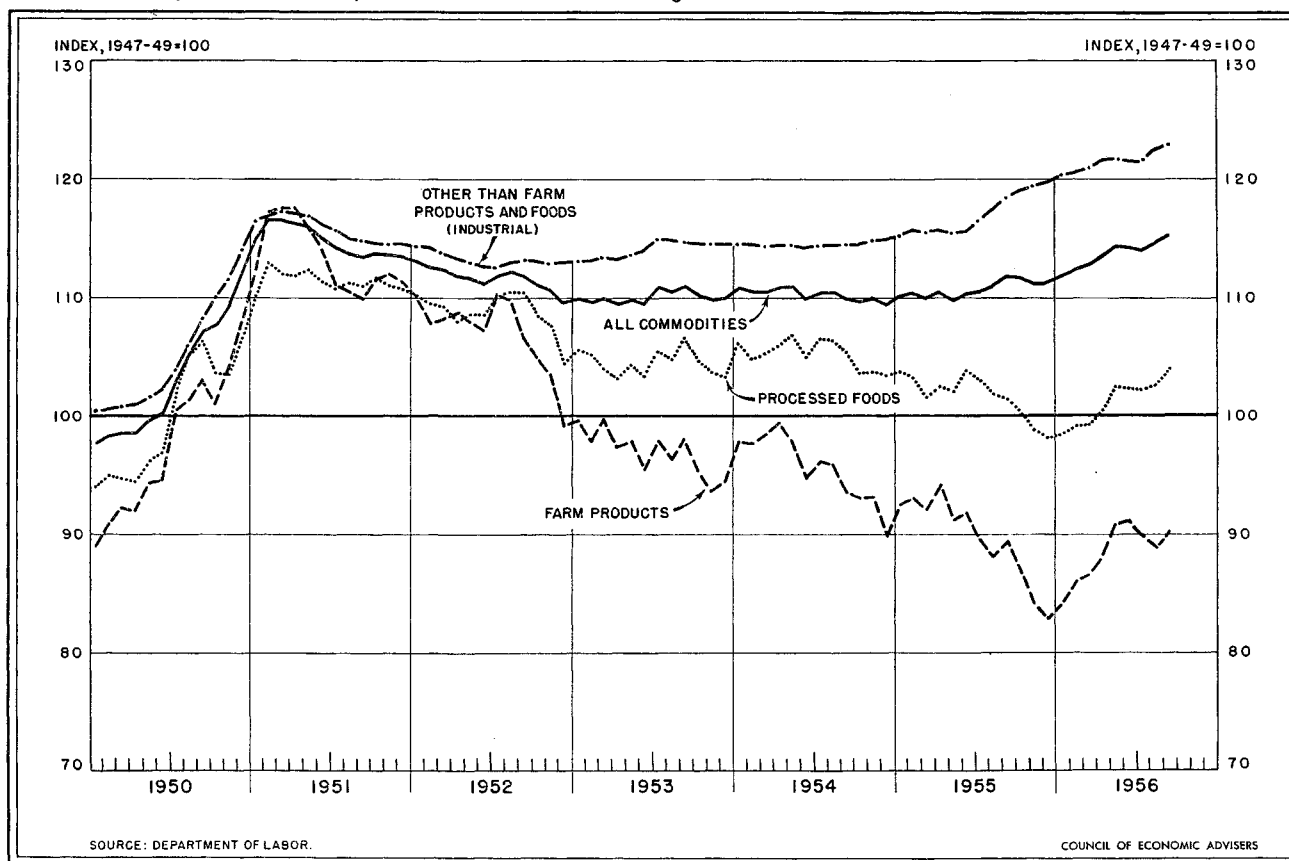
Period	All items	Food	Housing		Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total ¹	Rent						
1939.....	59.4	47.1	76.1	86.6	52.5	68.9	72.6	59.6	63.0	70.6
1947.....	95.5	95.9	95.0	94.4	97.1	90.6	94.9	97.6	95.5	96.1
1948.....	102.8	104.1	101.7	100.7	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: 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
May.....	115.4	111.0	120.9	132.2	104.8	127.1	131.9	119.6	108.2	121.5
June.....	116.2	113.2	121.4	132.5	104.8	126.8	132.0	119.9	107.6	121.8
July.....	117.0	114.8	121.8	133.2	105.3	127.7	132.7	120.1	107.7	122.2
August.....	116.8	113.1	122.2	133.2	105.5	128.5	133.3	120.3	107.9	122.1

¹ Includes, in addition to rent, homeowner costs, utilities, housefurnishings, etc.

Source: Department of Labor.

WHOLESALE PRICES

The average of wholesale prices rose 0.5 percent between August and September. Price indexes for farm products, processed foods, and industrial products all advanced during the month.



[1947-49=100]

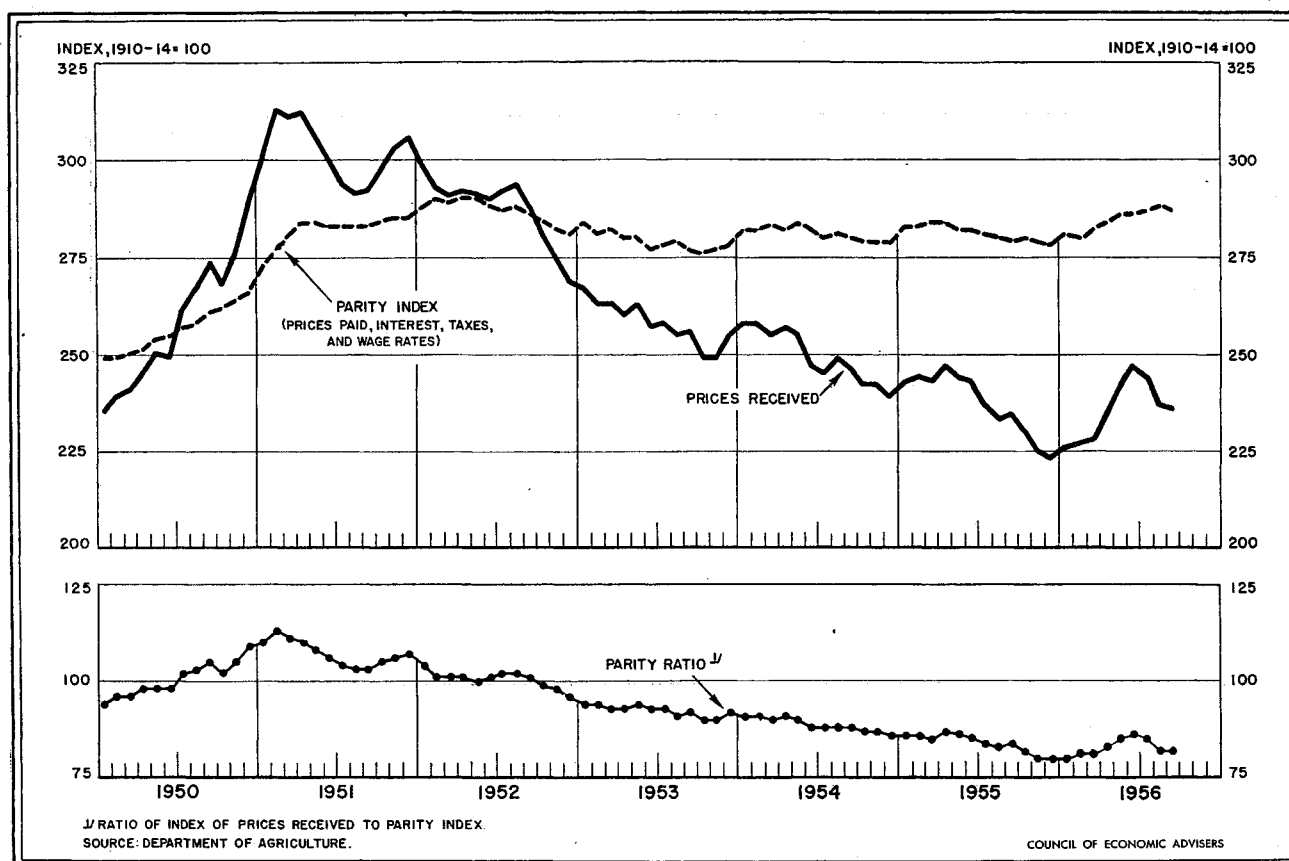
Period	All commodities	Farm products	Processed foods	Other than farm products and foods (industrial)
1939.....	50.1	36.5	43.3	58.1
1947.....	96.4	100.0	98.2	95.3
1948.....	104.4	107.3	106.1	103.4
1949.....	99.2	92.8	95.7	101.3
1950.....	103.1	97.5	99.8	105.0
1951.....	114.8	113.4	111.4	115.9
1952.....	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: 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.....	114.4	90.9	102.4	121.7
June.....	114.2	91.2	102.3	121.5
July.....	114.0	90.0	102.2	121.4
August.....	114.7	89.1	102.6	122.5
September.....	115.3	90.2	104.0	122.9
Week ended: ¹				
1956: October 2.....	115.2	88.9	104.1	122.9
9.....	115.0	88.1	103.3	123.0
16.....	115.1	88.4	103.4	123.0

¹ Weekly series based on smaller sample than monthly series.

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

The index of prices received and the index of prices paid by farmers both declined one point in the month ending September 15. The parity ratio remained unchanged.



Period	Prices paid by farmers for items used in		Parity index (prices paid, interest, taxes, and wage rates)	Prices re- ceived by farmers	Parity ratio ¹
	Family living	Produc- tion			
	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: August 15.....	273	247	280	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
June 15.....	280	248	286	247	86
July 15.....	282	248	287	244	85
August 15.....	281	250	288	237	82
September 15.....	279	252	287	236	82

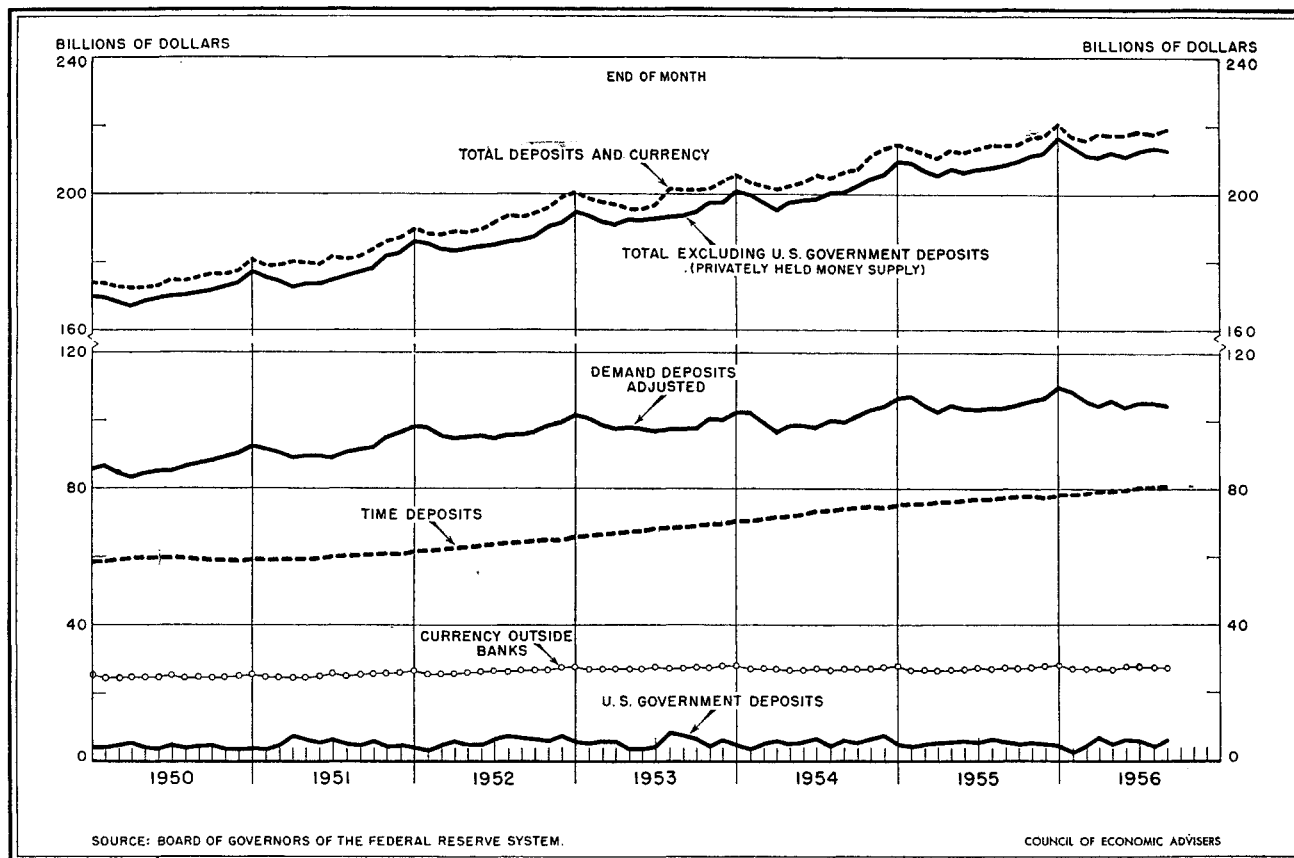
¹Percentage ratio of index of prices received by farmers to parity index.

Source: Department of Agriculture.

CURRENCY, CREDIT, AND SECURITY MARKETS

CURRENCY AND DEPOSITS

During August, the fall in demand deposits was slightly more than seasonal. Total deposits (excluding Government) and currency at the end of the month were 2.1 percent higher than a year earlier; time deposits were up 4.4 percent.



[Billions of dollars]

End of period	Total deposits and currency	U. S. Government deposits ¹	Total excluding U. S. Government deposits (privately held money supply) ²			
			Total	Currency outside banks	Demand deposits adjusted ³	Time deposits 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
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: 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	216.6	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: ⁵ January	217.2	2.8	214.4	27.1	108.9	78.4
February	216.1	4.5	211.6	27.2	105.6	78.8
March	217.8	7.0	210.8	27.2	104.4	79.3
April	217.4	5.0	212.4	27.0	106.1	79.3
May	217.4	6.2	211.2	27.4	104.2	79.6
June	218.8	5.9	212.9	27.5	105.1	80.3
July	217.6	4.2	213.4	27.5	105.3	80.6
August	219.2	6.3	212.9	27.5	104.6	80.8

¹ Includes U. S. Government deposits at Federal Reserve banks and 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.

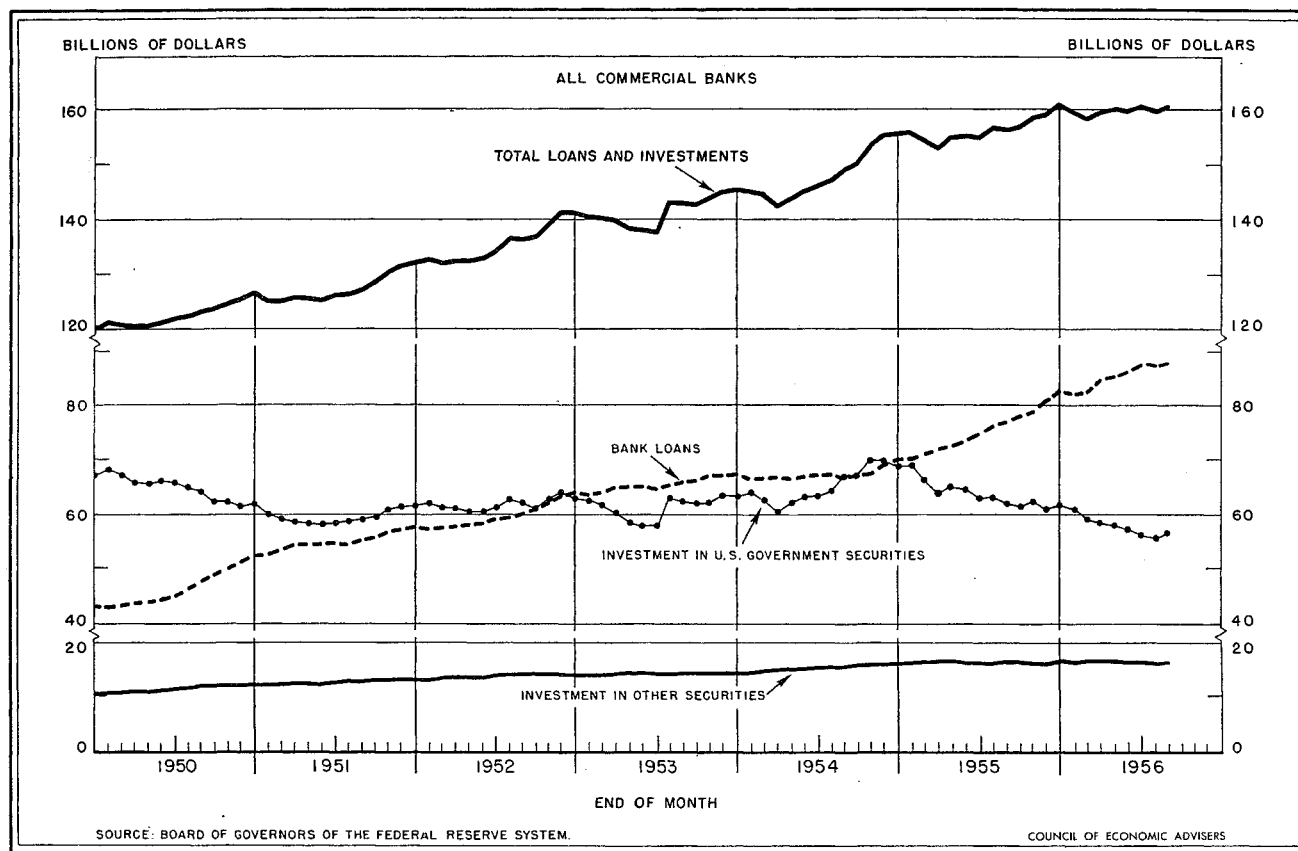
⁵ Preliminary estimates.

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

During August, loans of commercial banks rose \$0.3 billion, compared to a \$0.4 billion decrease in July and a \$0.7 billion increase in August 1955. During September, loans appear to have increased again. Member bank borrowings at Federal Reserve Banks and the average reserve deficiency of member banks (borrowings at the Federal Reserve less excess reserves) declined in September.



[Billions of dollars]

End of period	All commercial banks					Weekly reporting member banks ^{1 2}	All member banks ^{1 3}		
	Total loans and investments	Loans	Investments				Reserve balances		Borrowings at Federal Reserve Banks
			Total	U. S. Gov-ernment 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: 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: ⁴ January.....	159. 4	82. 0	77. 4	60. 9	16. 5	26. 2	18. 6	. 6	. 8
February.....	158. 4	82. 5	75. 8	59. 2	16. 6	26. 3	18. 2	. 5	. 8
March.....	159. 9	84. 7	75. 2	58. 5	16. 6	27. 8	18. 3	. 6	1. 0
April.....	160. 0	85. 3	74. 7	58. 1	16. 6	27. 8	18. 3	. 5	1. 1
May.....	159. 6	86. 0	73. 6	57. 2	16. 4	27. 8	18. 3	. 5	1. 0
June.....	160. 5	87. 7	72. 8	56. 4	16. 4	28. 8	18. 4	. 6	. 8
July.....	159. 4	87. 3	72. 2	55. 9	16. 2	28. 6	18. 2	. 6	. 7
August.....	160. 8	87. 6	73. 2	56. 9	16. 4	29. 2	18. 2	. 6	. 9
September.....						29. 7	18. 4	. 6	. 8

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

² 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.

³ Data are averages of daily figures on balances and borrowings during the period.

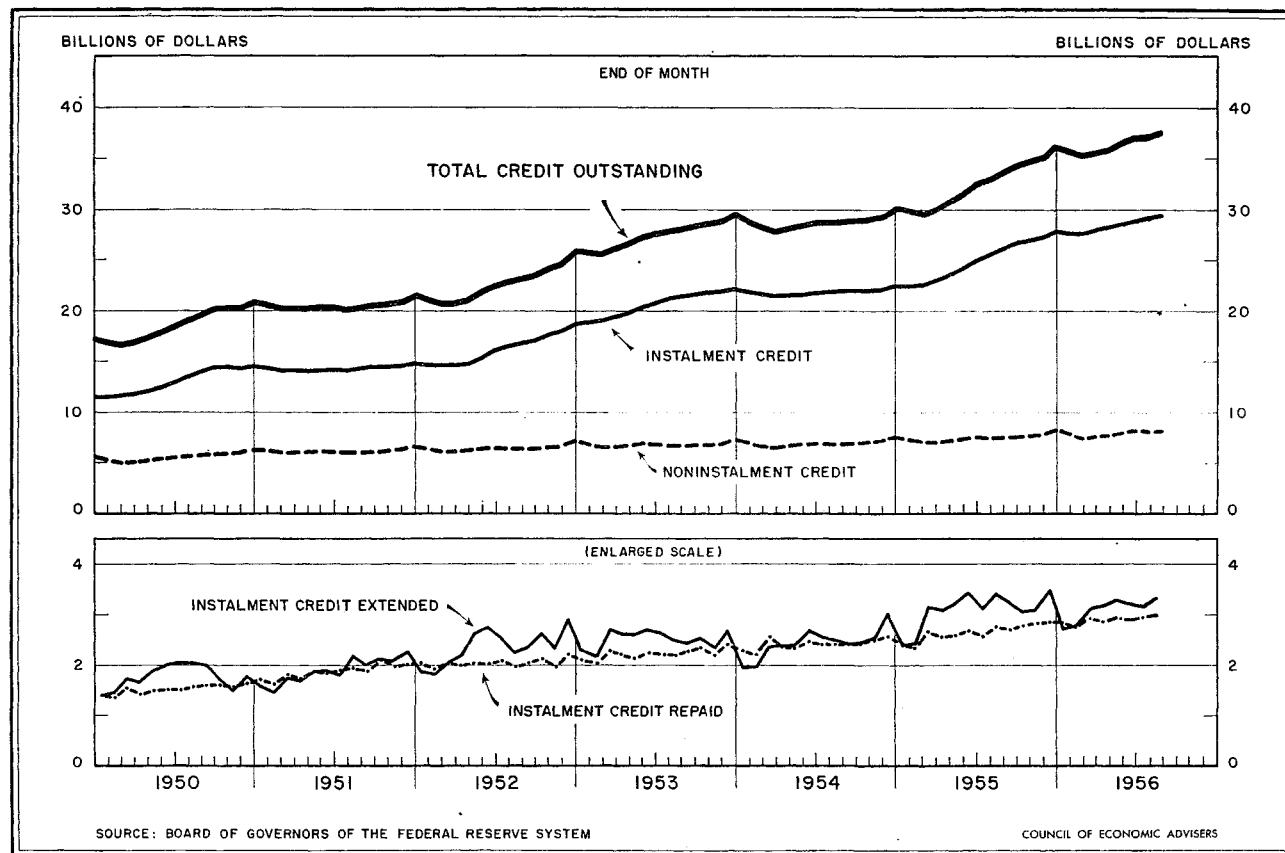
⁴ Preliminary estimates.

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

Source: Board of Governors of the Federal Reserve System.

CONSUMER CREDIT

In August, total consumer credit outstanding increased \$360 million, compared to \$50 million in July of this year and \$740 million in August of last year. All types of credit shared in the rise.



[Millions of dollars]

End of period	Total consumer credit outstanding	Instalment credit outstanding					Noninstalment credit outstanding		Instalment credit extended ¹	Instalment credit repaid ²
		Total	Auto-mobile paper ¹	Other consumer goods paper ¹	Repair and modernization loans ²	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: 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
May-----	36,574	28,591	14,876	6,244	1,642	5,829	7,983	3,135	3,281	2,950
June-----	37,093	28,890	15,077	6,247	1,663	5,903	8,203	3,231	3,204	2,905
July-----	37,143	29,103	15,208	6,258	1,674	5,963	8,040	3,127	3,143	2,930
August-----	37,503	29,427	15,361	6,319	1,695	6,052	8,076	3,132	3,315	2,991

¹ Includes all consumer credit extended for the purpose of purchasing automobiles and other consumer goods and secured by the items purchased.

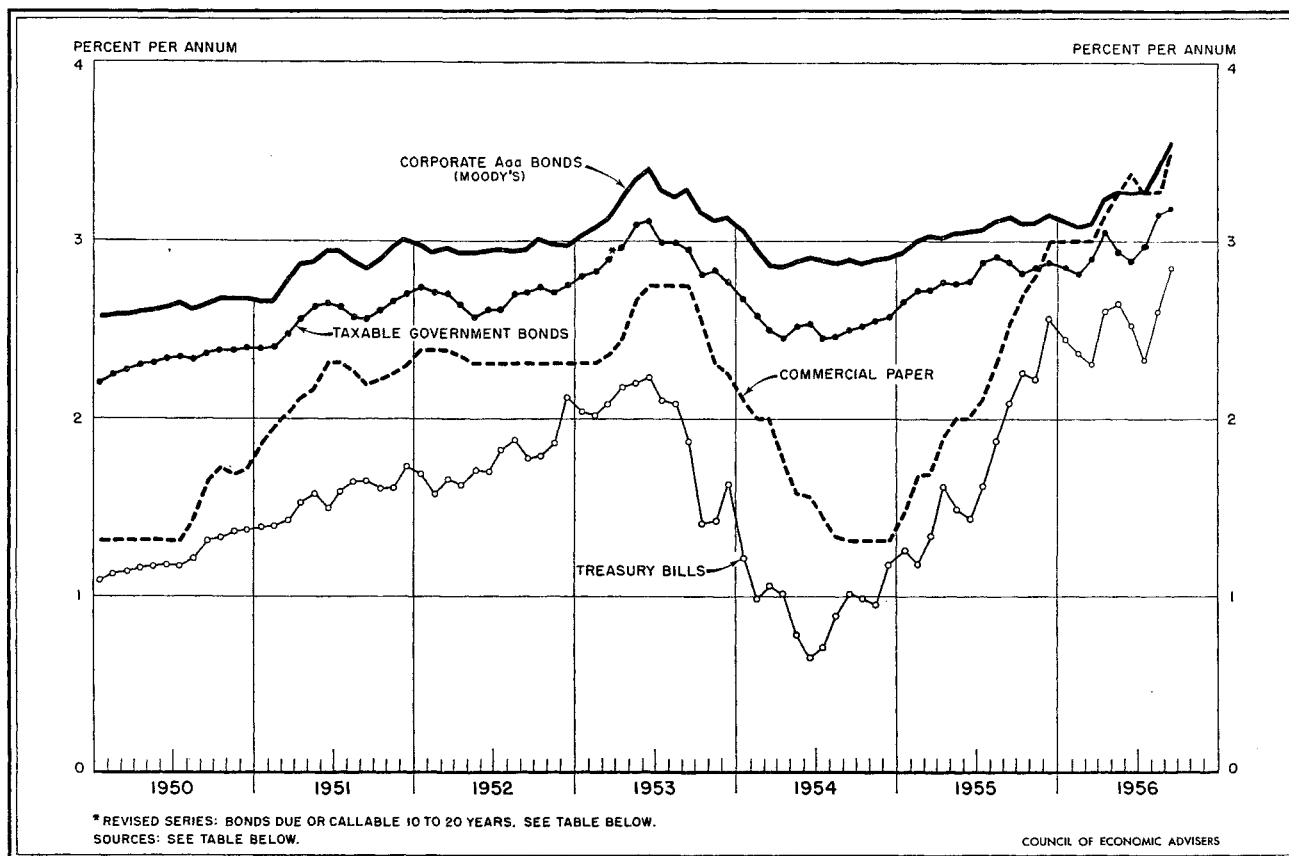
² Includes only such loans held by financial institutions; those held by retail outlets are included in "other consumer goods paper."

³ Credit extended or repaid during the period.

Source: Board of Governors of the Federal Reserve System.

BOND YIELDS AND INTEREST RATES

Yields on new Treasury bills rose significantly during September and early October. The prime commercial paper rate was increased in early September and again in early October. Yields on Federal, high grade municipal, and corporate bonds averaged higher in September than in August.



[Percent per annum]

Period	U. S. Government security yields			High-grade municipal bonds (Standard & Poor's) ¹	Corporate bonds (Moody's)		Prime commercial paper, 4-6 months
	3-month Treasury bills ¹	Taxable bonds ²			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	2.92	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: November-----	2.225	2.85	2.96	2.55	3.10	3.58	2.81
1955: 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
1956: February-----	2.372	2.82	2.93	2.58	3.08	3.58	3.00
1956: March-----	2.310	2.90	2.98	2.69	3.10	3.60	3.00
1956: April-----	2.613	3.05	3.10	2.88	3.24	3.68	3.14
1956: May-----	2.650	2.94	3.03	2.86	3.28	3.73	3.27
1956: June-----	2.527	2.89	2.98	2.75	3.27	3.75	3.38
1956: July-----	2.334	2.97	3.05	2.78	3.28	3.80	3.27
1956: August-----	2.606	3.15	3.19	2.94	3.43	3.93	3.28
1956: September-----	2.850	3.19	3.25	3.07	3.56	4.07	3.50
Week ended:							
1956: September 8-----	2.736	3.22	3.25	3.05	3.52	4.01	3.50
1956: September 15-----	2.770	3.21	3.26	3.10	3.55	4.05	3.50
1956: September 22-----	2.908	3.15	3.24	3.08	3.56	4.09	3.50
1956: September 29-----	2.985	3.17	3.24	3.05	3.58	4.12	3.50
1956: October 6-----	2.899	3.14	3.21	3.06	3.58	4.14	3.63
1956: October 13-----	3.013	3.16	3.21	3.08	3.57	4.16	3.63

¹ Rate on new issues within period.

² 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.

³ Weekly data are Wednesday figures.

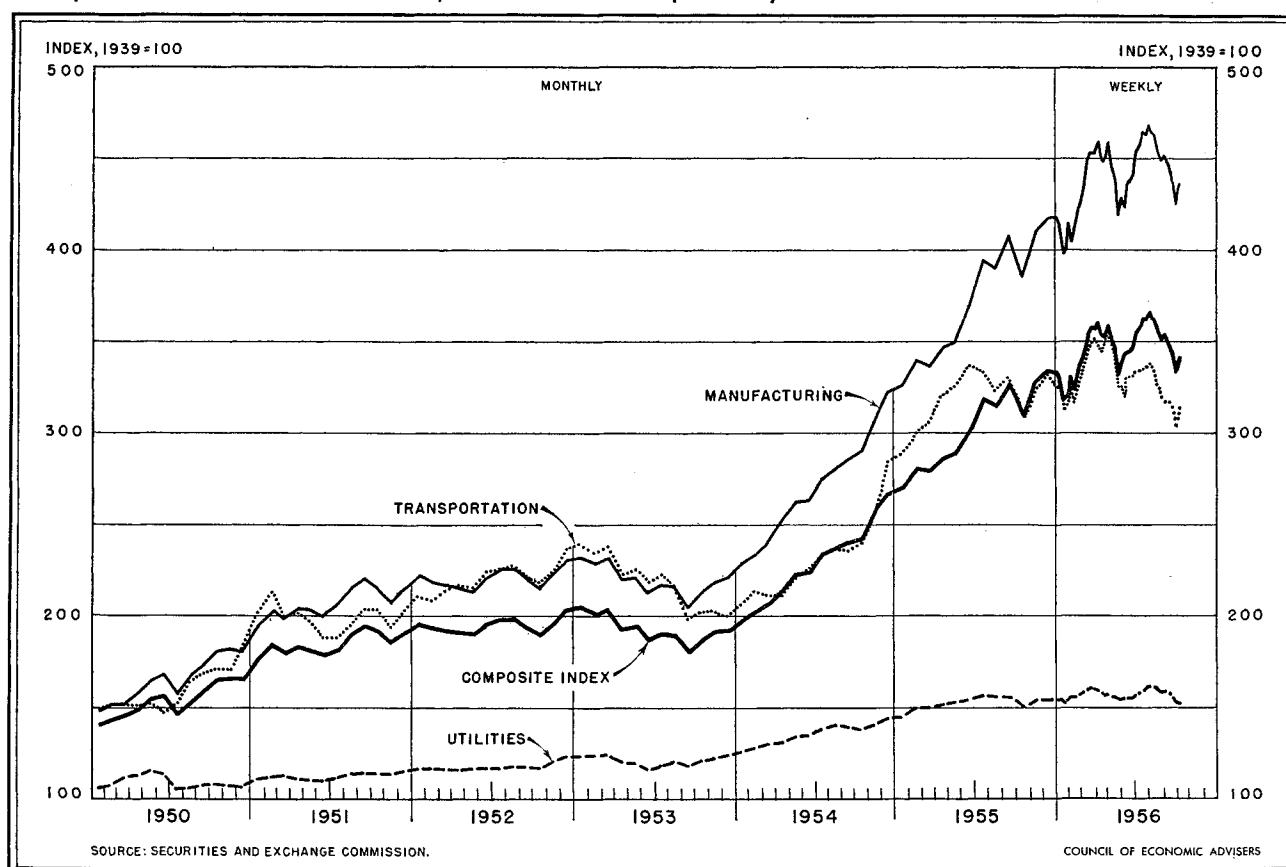
⁴ Bonds due or callable from 10 to 20 years.

⁵ 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

Stock prices continued to decline in September but turned up in early October.



[1939=100]

Period	Com- posite index ¹	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: 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
June.....	341.4	433.5	392.8	470.7	328.0	154.9	299.5	352.1
July.....	359.4	459.6	420.7	495.4	334.8	158.7	314.6	368.6
August.....	359.4	459.5	432.5	484.3	329.1	159.9	312.7	373.1
September.....	344.8	440.2	422.0	457.3	312.9	155.3	301.5	349.3
Week ended:								
1956: September 7.....	353.3	451.7	430.1	471.9	316.9	158.3	309.1	359.5
14.....	348.6	445.4	427.6	462.3	316.9	156.2	305.8	352.9
21.....	343.6	438.4	421.9	454.0	314.5	154.9	300.3	349.1
28.....	333.7	425.2	408.5	441.0	303.2	151.9	290.7	335.8
October 5.....	341.0	436.5	419.4	452.6	313.4	151.6	296.4	340.0
12 ²	344.4	440.8	426.2	454.7	317.4	152.5	302.6	340.8

¹ Includes 265 common stocks: 98 for durable goods manufacturing, 72 for nondurable goods manufacturing, 21 for transportation, 29 for utilities, 31 for trade, finance, and service, and 14 for mining. Indexes are for weekly closing prices.

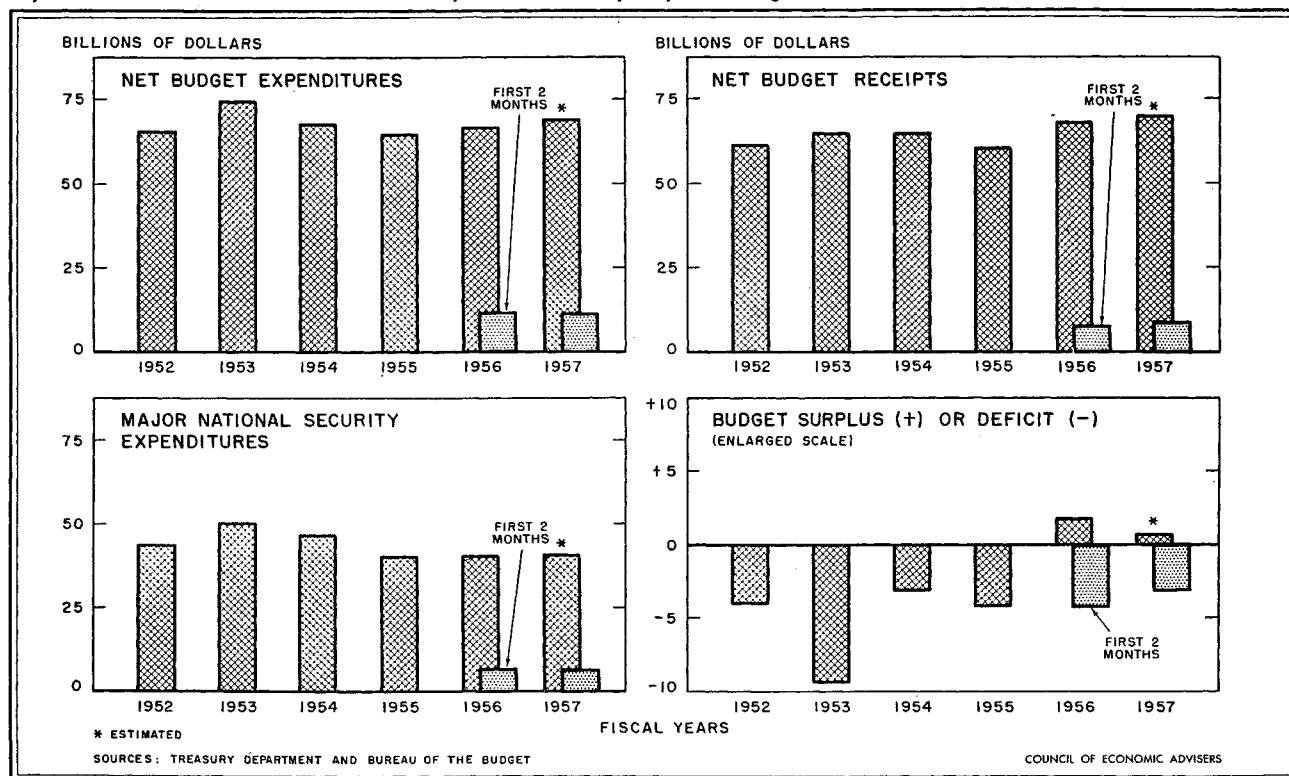
² Not charted.

Source: Securities and Exchange Commission.

FEDERAL FINANCE

BUDGET RECEIPTS AND EXPENDITURES

The cumulative budget deficit for the first 2 months of the current fiscal year was \$3.0 billion, due primarily to seasonally low tax collections. For the same period of last year, the budget deficit amounted to \$4.1 billion.



(Billions of dollars)

Period	Net budget receipts	Net budget expenditures		Budget surplus (+) or deficit (-)	Public debt (end of period) ²
		Total	Major national security ¹		
Fiscal year 1944	43.6	95.1	76.8	-51.4	202.6
Fiscal year 1947	39.8	39.0	14.4	+8.8	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 ³	68.1	66.4	40.5	+1.8	272.8
Fiscal year 1957 (estimated)	69.8	69.1	40.8	+7.7	271.5
1955: ³ July	2.8	5.4	3.0	-2.6	277.6
August	4.7	6.2	3.6	-1.5	278.4
September	5.5	5.3	3.5	+2.2	277.5
October	2.7	5.4	3.3	-2.7	279.9
November	4.7	5.2	3.1	-0.5	280.2
December	4.9	5.7	3.5	-0.8	280.8
1956: ³ January	4.7	5.3	3.0	-0.6	280.1
February	6.2	5.0	3.2	+1.2	280.2
March	11.3	5.4	3.3	+5.9	276.4
April	4.1	5.4	3.2	-1.3	275.8
May	5.0	5.5	3.4	-0.4	276.8
June	11.6	6.8	4.3	+4.8	272.8
July	3.5	5.5	3.0	-2.1	272.7
August	5.0	5.9	3.6	-0.9	275.6
Cumulative totals for first 2 months: ³					
Fiscal year 1956	7.5	11.6	6.6	-4.1	278.4
Fiscal year 1957	8.4	11.4	6.5	-3.0	275.6

¹ 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, 1967*. 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.

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

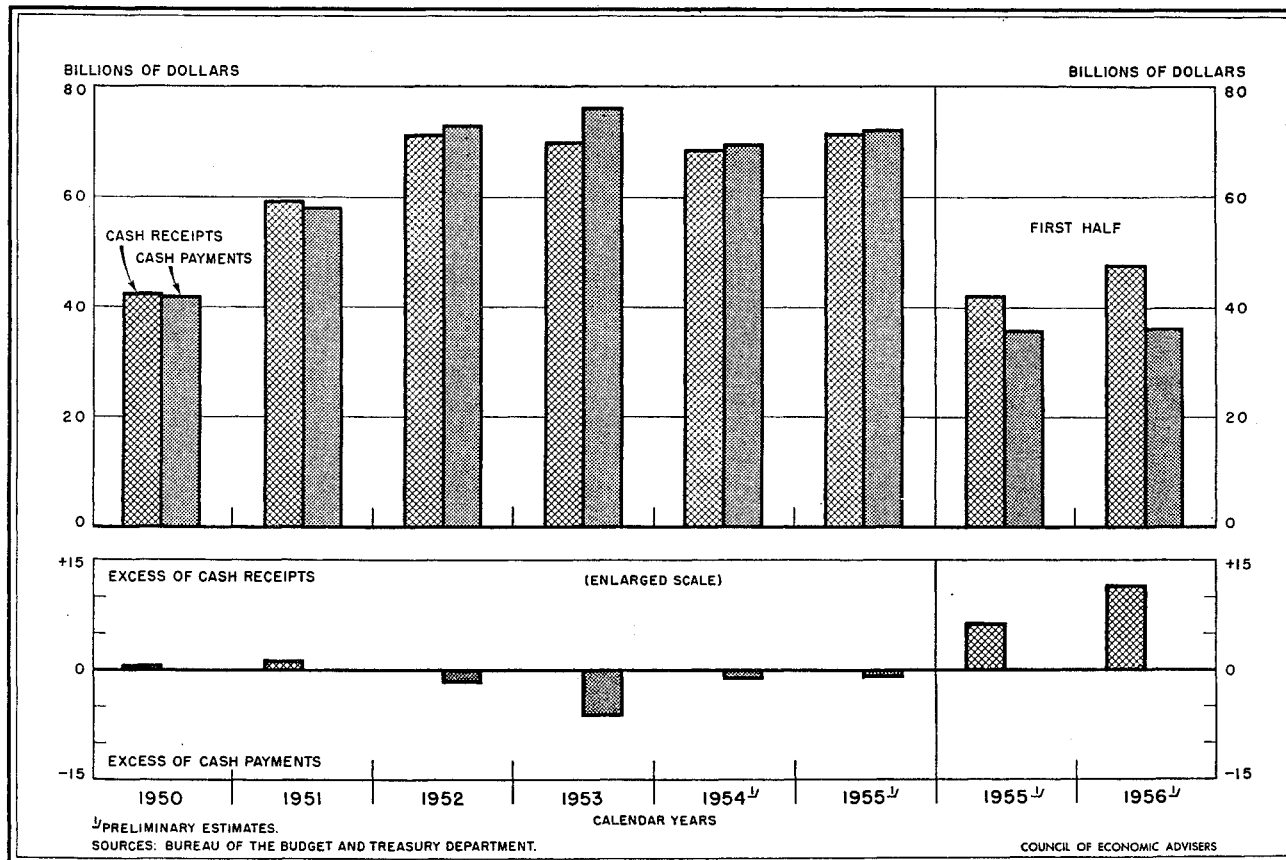
³ Preliminary.

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 \$4.5 billion in fiscal year 1956, compared with an excess of cash payments over cash receipts of \$2.7 billion for fiscal year 1955.



[Millions of dollars]

Calendar year	Cash receipts from the public	Cash payments to the public	Excess of receipts (+) or payments (-)
Calendar year total:			
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 ¹	68,562	69,643	-1,082
1955 ¹	71,448	72,188	-740
Fiscal year total:			
1955 ¹	67,836	70,538	-2,702
1956 ¹	77,067	72,593	+4,475
Quarterly total, not adjusted for seasonal variation:			
1955: ¹ 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: ¹ First quarter	24,069	17,097	+6,972
Second quarter	23,656	19,125	+4,531

¹ Preliminary estimates.

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