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Economic Indicators

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[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.

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TOTAL OUTPUT, INCOME, AND SPENDING

THE NATION'S INCOME, EXPENDITURE, AND SAVING

Gross national product rose sharply by $16 billion in the fourth quarter to a seasonally adjusted annual rate of $697 billion, bringing the annual total to over $676 billion. Large fourth quarter gains occurred in all major sectors led by consumer spending, up $8½ billion. Gross private domestic investment rose by $4 billion and government purchases by $3½ billion.

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Persons					Government						
	Disposable personal income			Personal consumption expenditures	Personal saving (+) or dissaving (−)	Net receipts			Expenditures			Surplus (+) or deficit (−) on income and product account
	Total excluding interest and transfers	Total [1]	Interest paid and transfer payments to foreigners			Net receipts	Tax and nontax receipts or accruals	Transfers, interest, and subsidies [2]	Purchases of goods and services	Total expenditures	Transfers, interest, and subsidies [2]	
1956	287.3	293.2	5.9	266.7	20.6	83.5	109.0	25.5	78.6	104.1	25.5	4.9
1957	302.2	308.5	6.3	281.4	20.8	86.8	115.6	28.7	86.1	114.9	28.7	.7
1958	312.4	318.8	6.5	290.1	22.3	81.6	114.7	33.0	94.2	127.2	33.0	−12.5
1959	330.3	337.3	7.0	311.2	19.1	95.0	128.9	34.0	97.0	131.0	34.0	−2.1
1960	342.3	350.0	7.8	325.2	17.0	103.3	139.8	36.5	99.6	136.1	36.5	3.7
1961	356.3	364.4	8.1	335.2	21.2	103.3	144.6	41.3	107.6	149.0	41.3	−4.3
1962	376.7	385.3	8.6	355.1	21.6	114.2	157.0	42.8	117.1	159.9	42.8	−2.9
1963	394.3	403.8	9.6	373.8	20.4	123.8	168.3	44.5	122.6	167.1	44.5	1.2
1964	425.2	435.8	10.5	398.9	26.3	125.9	172.7	46.8	128.4	175.1	46.8	−2.4
1965*	453.6	465.3	11.7	428.7	24.9	137.3	187.0	49.7	134.8	184.5	49.7	2.5
1964: I	412.5	422.6	10.1	389.1	23.3	124.6	171.4	46.7	126.3	173.0	46.7	−1.6
II	423.3	433.6	10.4	396.0	27.3	123.2	169.6	46.4	129.7	176.1	46.4	−6.4
III	429.6	440.3	10.7	404.6	25.0	126.7	173.5	46.8	128.7	175.5	46.8	−2.1
IV	435.4	446.4	11.0	405.9	29.5	129.4	176.5	47.1	128.6	175.7	47.1	.8
1965: I	440.2	451.4	11.2	416.9	23.3	136.0	184.8	48.8	131.3	180.1	48.8	4.7
II	446.9	458.5	11.6	424.5	22.4	138.4	186.6	48.2	133.5	181.7	48.2	4.9
III	459.3	471.2	11.9	432.5	26.8	134.7	186.4	51.7	135.4	187.1	51.7	−.7
IV*	468.1	480.3	12.2	441.0	27.1	139.9	190.0	50.1	139.0	189.1	50.1	.8

Period	Business			International					Total income or receipts	Statistical discrepancy	Gross national product or expenditure
	Gross retained earnings [3]	Gross private domestic investment [4]	Excess of investment (−)	Transfers to foreigners by persons and Government	Net exports of goods and services			Excess of transfers (+) or of net exports (−) [5]			
					Net exports	Exports	Imports				
1956	47.3	70.0	−22.8	2.4	4.0	23.6	19.6	−1.6	420.4	−1.1	419.2
1957	49.8	67.8	−18.1	2.3	5.7	26.5	20.8	−3.4	441.1	[6]	441.1
1958	49.4	60.9	−11.5	2.3	2.2	23.1	20.9	.1	445.8	1.6	447.3
1959	56.8	75.3	−18.5	2.4	.1	23.5	23.3	2.3	484.5	−.8	483.6
1960	56.8	74.8	−18.0	2.3	4.1	27.2	23.2	−1.7	504.8	−1.0	503.8
1961	58.7	71.7	−13.0	2.6	5.6	28.6	22.9	−3.1	520.8	−.7	520.1
1962	66.3	83.0	−16.8	2.7	5.1	30.3	25.1	−2.5	559.8	.5	560.3
1963	69.1	86.9	−17.8	2.8	5.9	32.4	26.4	−3.2	589.9	−.7	589.2
1964	75.4	92.9	−17.5	2.7	8.6	37.0	28.5	−5.8	629.2	−.5	628.7
1965*	82.8	105.7	−22.9	2.8	7.1	39.0	31.9	−4.3	676.5	−.2	676.3
1964: I	74.2	89.7	−15.5	2.7	8.8	36.3	27.5	−6.1	614.0	[6]	614.0
II	75.2	90.9	−15.7	2.9	7.7	36.0	28.2	−4.8	624.5	−.3	624.2
III	76.5	92.6	−16.1	2.7	8.8	37.3	28.5	−6.1	635.4	−.7	634.8
IV	75.8	97.7	−21.9	2.7	8.9	38.4	29.5	−6.2	643.3	−2.2	641.1
1965: I	82.0	103.4	−21.4	2.6	6.0	34.7	28.6	−3.4	660.7	−3.1	657.6
II	82.0	102.8	−20.8	3.1	8.0	40.4	32.4	−5.0	670.2	−1.4	668.8
III	83.2	106.2	−23.0	2.8	7.4	40.1	32.7	−4.7	680.1	1.4	681.5
IV*	84.1	110.3	−26.2	2.7	6.9	40.8	33.9	−4.1	694.8	2.4	697.2

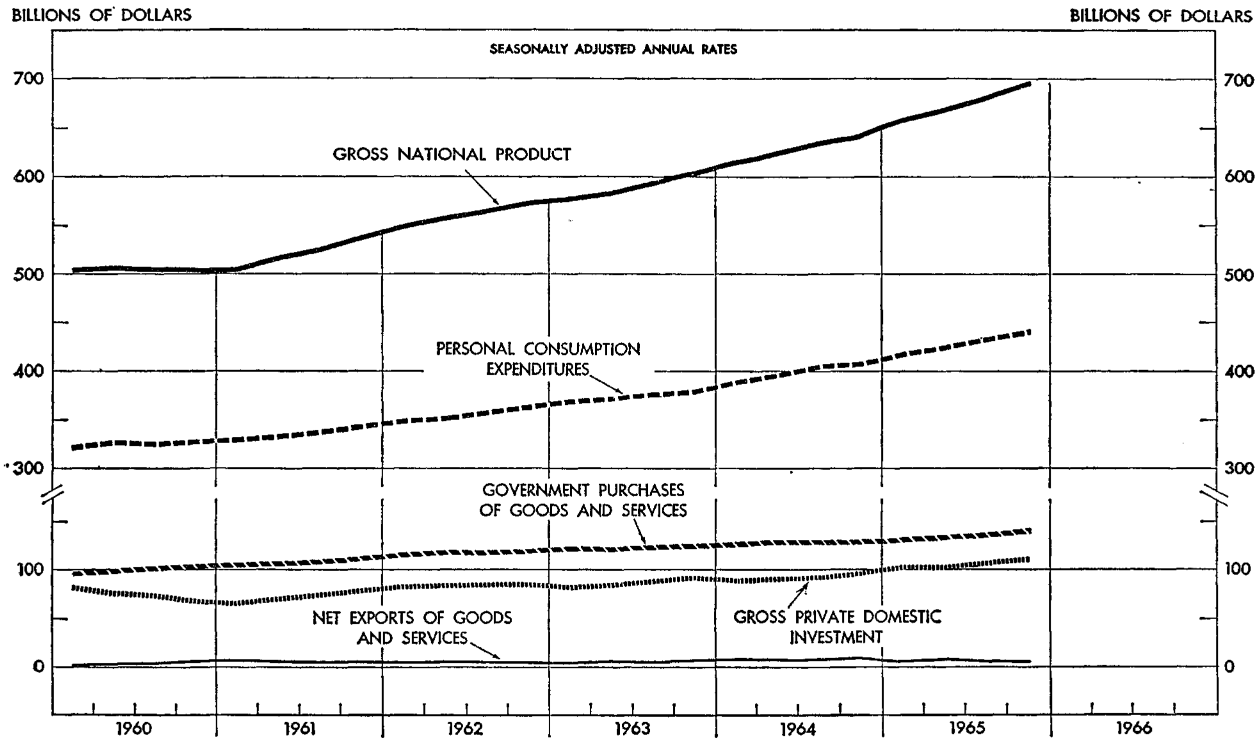
[1] Personal income (p. 5) less personal taxes and nontax payments (fines, penalties, etc.).
[2] Government transfer payments to persons, foreign net transfers by Government, net interest paid by government, and subsidies less current surplus of government enterprises.
[3] Undistributed corporate profits, corporate inventory valuation adjustment, capital consumption allowances, and wage accruals over disbursements. Does not include retained earnings of unincorporated business which are included in disposable personal income.
[4] Private business investment, purchases of capital goods by private nonprofit institutions, and residential housing.
[5] Net foreign investment with sign changed.
[6] Less than $50 million.
*Preliminary estimates.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

GROSS NATIONAL PRODUCT OR EXPENDITURE

Gross national product on a seasonally adjusted basis increased 2.3 percent in the fourth quarter. After adjustment for price changes, the increase was 1.9 percent.



SOURCE: DEPARTMENT OF COMMERCE

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Period	Total gross national product in 1958 prices	Total gross national product	Personal consumption expenditures	Gross private domestic investment	Net exports of goods and services	Government purchases of goods and services: Total	Federal: Total	Federal: National defense[1]	Federal: Other	State and local	Implicit price deflator for total GNP, 1958=100[2]
	Billions of dollars; quarterly data at seasonally adjusted annual rates										
1954	*407.0*	364.8	236.5	51.7	1.8	74.8	47.4	41.2	6.2	27.4	89.6
1955	*438.0*	398.0	254.4	67.4	2.0	74.2	44.1	38.6	5.5	30.1	90.9
1956	*446.1*	419.2	266.7	70.0	4.0	78.6	45.6	40.3	5.3	33.0	94.0
1957	*452.5*	441.1	281.4	67.8	5.7	86.1	49.5	44.2	5.3	36.6	97.5
1958	*447.3*	447.3	290.1	60.9	2.2	94.2	53.6	45.9	7.7	40.6	100.0
1959	*475.9*	483.6	311.2	75.3	.1	97.0	53.7	46.0	7.6	43.3	101.6
1960	*487.8*	503.8	325.2	74.8	4.1	99.6	53.5	44.9	8.6	46.1	103.3
1961	*497.3*	520.1	335.2	71.7	5.6	107.6	57.4	47.8	9.6	50.2	104.6
1962	*530.0*	560.3	355.1	83.0	5.1	117.1	63.4	51.6	11.8	53.7	105.7
1963	*550.0*	589.2	373.8	86.9	5.9	122.6	64.4	50.8	13.6	58.3	107.1
1964	*577.6*	628.7	398.9	92.9	8.6	128.4	65.3	49.9	15.4	63.1	108.9
1965	*609.6*	676.3	428.7	105.7	7.1	134.8	66.6	49.9	16.7	68.2	110.9
1964: I	*567.1*	614.0	389.1	89.7	8.8	126.3	65.0	49.8	15.2	61.3	108.3
II	*575.9*	624.2	396.0	90.9	7.7	129.7	67.0	51.7	15.3	62.7	108.4
III	*582.6*	634.8	404.6	92.6	8.8	128.7	64.9	49.5	15.4	63.8	109.0
IV	*584.7*	641.1	405.9	97.7	8.9	128.6	64.3	48.8	15.5	64.3	109.6
1965: I	*597.7*	657.6	416.9	103.4	6.0	131.3	64.9	48.8	16.1	66.4	110.0
II	*603.5*	668.8	424.5	102.8	8.0	133.5	65.7	49.2	16.5	67.8	110.8
III	*613.0*	681.5	432.5	106.2	7.4	135.4	66.5	49.8	16.7	68.9	111.2
IV	*624.4*	697.2	441.0	110.3	6.9	139.0	69.2	52.0	17.2	69.8	111.7

[1] This category corresponds closely with budget expenditures for national defense, shown on p. 35.

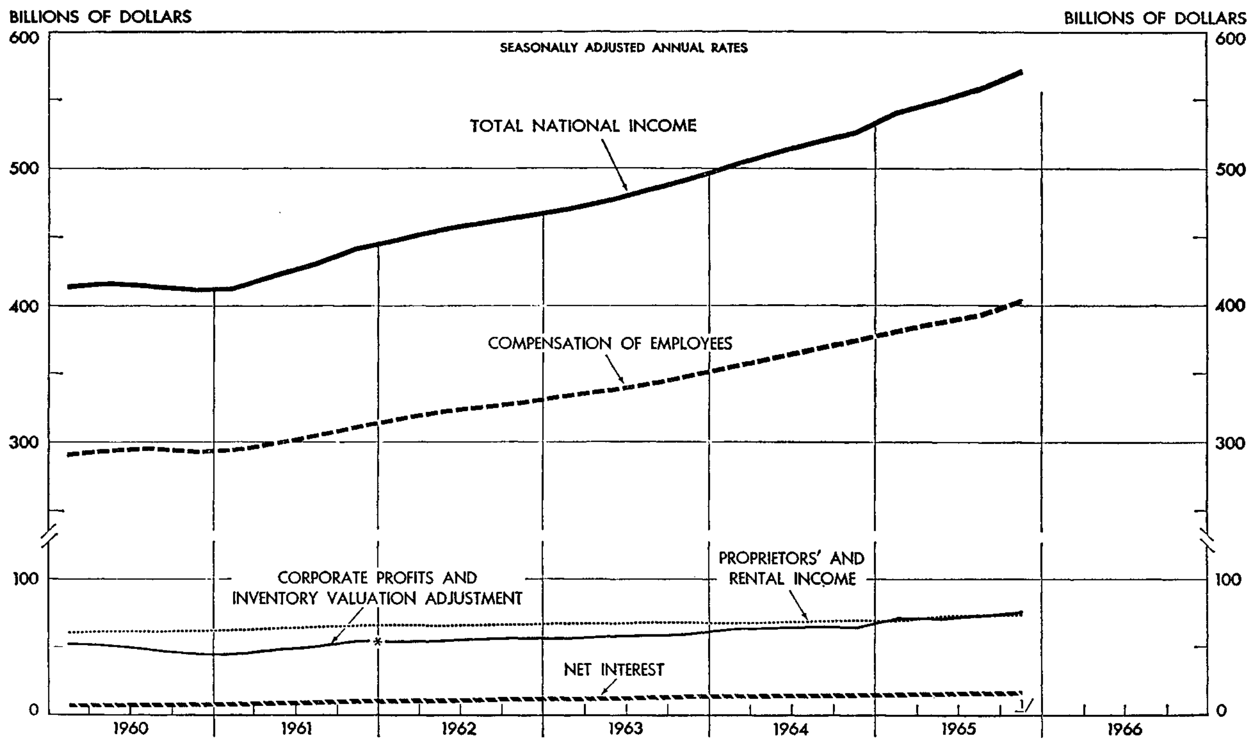
[2] Gross national product in current prices divided by gross national product in 1958 prices.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

NATIONAL INCOME

National income recorded a gain of $13 billion (seasonally adjusted annual rate) in the fourth quarter. Compensation of employees contributed $10 billion to the gain and corporate profits plus inventory valuation adjustment more than $1½ billion. Other types of income also rose.



1/PRELIMINARY ESTIMATES.

SOURCE: DEPARTMENT OF COMMERCE

*SEE NOTE, PAGE 7.

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Total national income	Compensation of employees [1]	Proprietors' income: Farm [2]	Proprietors' income: Business and professional	Rental income of persons	Net interest	Corporate profits and inventory valuation adjustment [3]: Total	Profits before taxes [3]	Inventory valuation adjustment
1954	303.1	208.0	12.4	27.6	13.6	3.6	38.0	38.3	−0.3
1955	331.0	224.5	11.4	30.3	13.9	4.1	46.9	48.6	−1.7
1956	350.8	243.1	11.4	31.3	14.3	4.6	46.1	48.8	−2.7
1957	366.1	256.0	11.3	32.8	14.8	5.6	45.6	47.2	−1.5
1958	367.8	257.8	13.4	33.2	15.4	6.8	41.1	41.4	−.3
1959	400.0	279.1	11.4	35.1	15.6	7.1	51.7	52.1	−.5
1960	414.5	294.2	12.0	34.2	15.8	8.4	49.9	49.7	.2
1961	427.3	302.6	12.8	35.6	16.0	10.0	50.3	50.3	−.1
1962	457.7	323.6	13.0	37.1	16.7	11.6	55.7	55.4	.3
1963	481.1	341.0	13.0	37.8	17.6	13.6	58.1	58.6	−.4
1964	514.4	365.3	12.0	39.1	18.2	15.2	64.5	64.8	−.3
1965 [4]	554.7	391.9	14.3	40.3	18.6	16.5	73.1	74.7	−1.6
1964: I	501.6	355.1	11.9	38.5	17.9	14.5	63.6	64.0	−.4
II	510.5	361.9	12.0	39.0	18.1	15.0	64.5	64.5	[5]
III	519.5	369.0	12.0	39.4	18.3	15.4	65.5	65.3	.2
IV	526.3	375.4	12.2	39.6	18.5	15.7	64.9	65.9	−1.0
1965: I	540.6	382.4	12.0	39.9	18.5	16.1	71.7	73.1	−1.4
II	549.5	387.9	14.5	40.1	18.6	16.4	72.0	73.9	−1.8
III	557.9	393.7	15.0	40.4	18.6	16.7	73.5	74.6	−1.2
IV [4]	570.8	403.6	15.5	40.7	18.7	17.1	75.2	77.0	−1.8

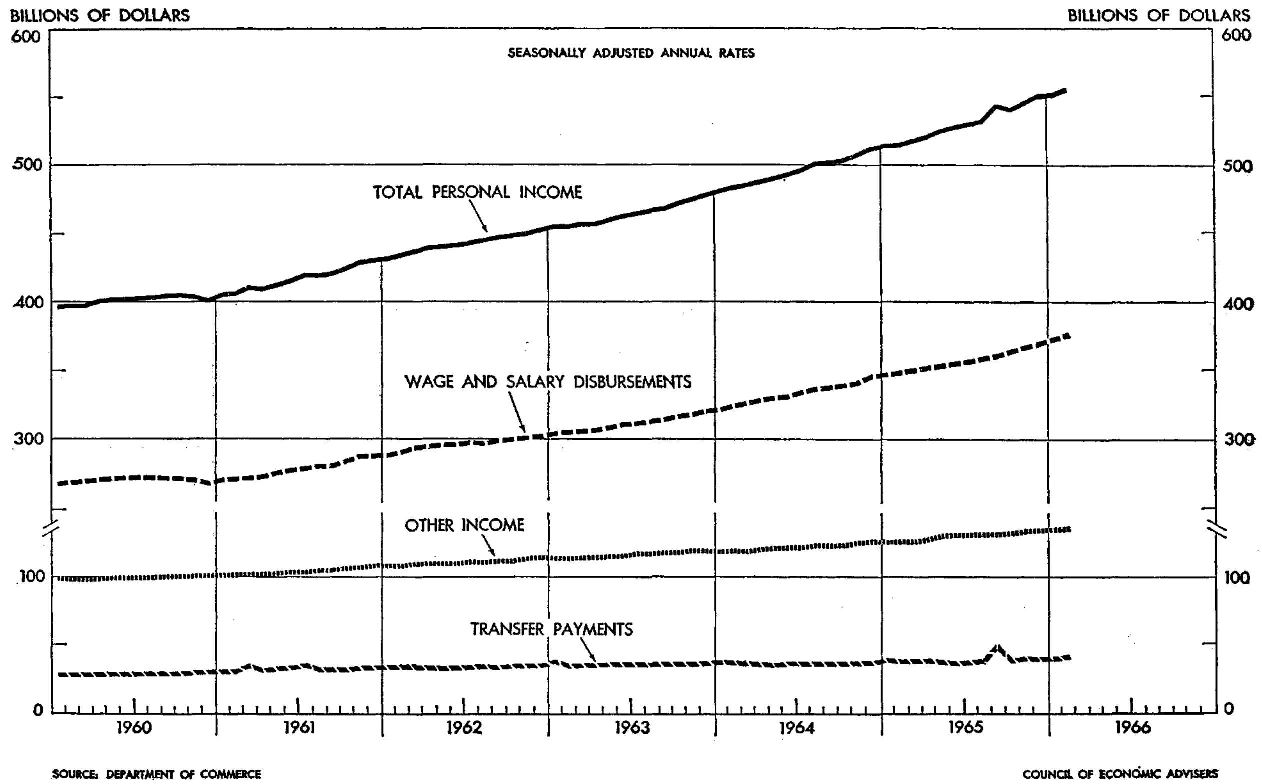
[1] Includes employer contributions for social insurance. (See also p. 4.)
[2] Excludes farm profits of corporations engaged in farming and therefore differs from net farm income (including net inventory change) on p. 6 which includes such profits.
[3] See Note, page 7.
[4] Preliminary estimates.
[5] Less than $50 million.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

SOURCES OF PERSONAL INCOME

Personal income registered a strong rise of $4 billion (seasonally adjusted annual rate) in February. The bulk of the increase came from a $2.8 billion advance in wages and salaries. Most other types of income also contributed to the increase.



[Billions of dollars; monthly data at seasonally adjusted annual rates]

Period	Total personal income	Wage and salary disbursements [1]	Other labor income [2]	Proprietors' income: Farm	Proprietors' income: Business and professional	Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Nonagricultural personal income [3]
1957	351.1	238.7	9.5	11.3	32.8	14.8	11.7	17.6	21.4	6.7	336.6
1958	361.2	239.9	9.9	13.4	33.2	15.4	11.6	18.9	25.7	6.9	344.3
1959	383.5	258.2	11.3	11.4	35.1	15.6	12.6	20.7	26.6	7.9	368.5
1960	401.0	270.8	12.0	12.0	34.2	15.8	13.4	23.4	28.5	9.3	385.2
1961	416.8	278.1	12.7	12.8	35.6	16.0	13.8	25.0	32.4	9.6	400.0
1962	442.6	296.1	13.9	13.0	37.1	16.7	15.2	27.7	33.3	10.3	425.5
1963	464.8	311.2	14.8	13.0	37.8	17.6	15.8	31.1	35.2	11.8	447.4
1964	495.0	333.5	16.5	12.0	39.1	18.2	17.2	34.3	36.6	12.4	478.7
1965	530.7	357.4	18.2	14.3	40.3	18.6	18.9	37.1	39.2	13.2	512.1
1965: Jan	515.4	346.5	17.4	12.4	39.8	18.5	17.9	35.7	[4] 40.1	12.9	498.7
Feb	515.2	348.9	17.5	12.0	39.9	18.5	18.0	36.0	37.4	12.9	499.0
Mar	517.8	351.1	17.6	11.7	40.1	18.5	18.0	36.2	37.6	13.0	502.2
Apr	520.5	351.5	18.0	12.9	40.0	18.6	18.2	36.5	37.8	12.9	503.2
May	525.0	353.9	18.1	14.7	40.1	18.6	18.5	36.7	37.4	13.0	505.8
June	528.5	355.4	18.2	15.9	40.1	18.6	19.1	37.0	37.2	13.1	508.2
July	530.4	357.4	18.3	15.2	40.3	18.6	19.0	37.2	37.6	13.2	510.8
Aug	532.1	358.8	18.4	14.9	40.4	18.6	19.2	37.5	37.7	13.3	512.9
Sept	545.4	360.8	18.4	14.9	40.5	18.6	19.5	37.7	*48.4	13.4	526.2
Oct	541.3	364.7	18.6	15.3	40.6	18.7	19.7	37.9	39.3	13.5	521.7
Nov	546.1	368.3	18.9	15.5	40.7	18.7	19.9	38.2	39.6	13.6	526.3
Dec	550.9	371.3	19.0	15.7	40.8	18.7	20.2	38.5	40.3	13.7	530.7
1966: Jan	552.3	373.8	19.2	15.7	40.9	18.8	20.4	38.9	41.2	16.6	532.3
Feb [5]	556.3	376.6	19.3	15.8	41.0	18.8	20.6	39.3	41.5	16.7	536.1

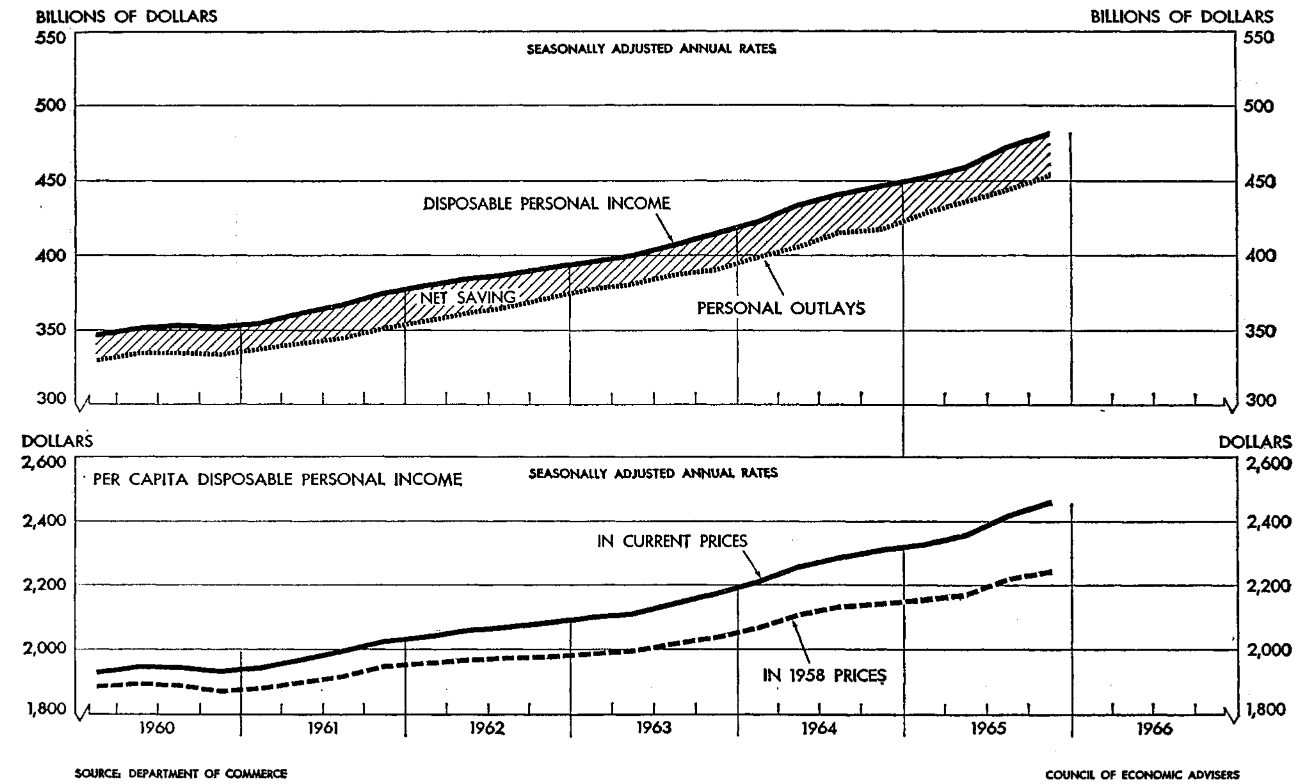
[1] Compensation of employees (see p. 3) excluding employer contributions for social insurance and wage accruals less disbursements.
[2] Employer contributions to private pension, health, and welfare funds; compensation for injuries; directors' fees; military reserve pay; and a few other minor items.
[3] Personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.
[4] Reflects stepped-up payments for veterans' insurance dividends.
[5] Preliminary estimates.
*Includes retroactive social security benefits of $885 million or $10.6 billion at annual rate.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

DISPOSITION OF PERSONAL INCOME

Despite a drop in transfer payments, disposable personal income in the fourth quarter of 1965 pushed ahead by over $9 billion (seasonally adjusted annual rate). With an increase of almost $9 billion in personal outlays, the saving rate went from 5.7 to 5.6 percent.



Period	Personal income	Less: Personal taxes	Equals: Disposable personal income	Less: Personal outlays: Total personal outlays [1]	Personal consumption expenditures [2]: Durable goods	Nondurable goods	Services	Equals: Personal saving	Per capita disposable personal income: Current prices	1958 prices	Saving as percent of disposable personal income (percent)	Population (thousands)
	Billions of dollars								Dollars			
1955	310.9	35.5	275.3	259.5	39.6	123.3	91.4	15.8	1,666	1,795	5.7	165,275
1956	333.0	39.8	293.2	272.6	38.9	129.3	98.5	20.6	1,743	1,839	7.0	168,221
1957	351.1	42.6	308.5	287.8	40.8	135.6	105.0	20.8	1,801	1,844	6.7	171,274
1958	361.2	42.3	318.8	296.5	37.9	140.2	112.0	22.3	1,831	1,831	7.0	174,141
1959	383.5	46.2	337.3	318.2	44.3	146.6	120.3	19.1	1,905	1,881	5.7	177,073
1960	401.0	50.9	350.0	333.0	45.3	151.3	128.7	17.0	1,937	1,883	4.9	180,684
1961	416.8	52.4	364.4	343.2	44.2	155.9	135.1	21.2	1,983	1,909	5.8	183,756
1962	442.6	57.4	385.3	363.7	49.5	162.6	143.0	21.6	2,064	1,969	5.6	186,656
1963	464.8	60.9	403.8	383.4	53.4	168.0	152.3	20.4	2,132	2,009	5.1	189,417
1964	495.0	59.2	435.8	409.5	58.7	177.5	162.6	26.3	2,268	2,116	6.0	192,119
1965	530.7	65.4	465.3	440.5	65.0	189.0	174.7	24.9	2,391	2,198	5.4	194,583
	Seasonally adjusted annual rates											
1964: I	483.0	60.4	422.6	399.3	57.4	173.7	158.0	23.3	2,211	2,070	5.5	191,160
II	490.6	56.9	433.6	406.3	59.1	175.7	161.2	27.3	2,261	2,111	6.3	191,780
III	499.1	58.8	440.3	415.3	60.5	179.8	164.3	25.0	2,288	2,134	5.7	192,478
IV	507.1	60.7	446.4	416.9	57.9	180.9	167.1	29.5	2,311	2,146	6.6	193,182
1965: I	516.2	64.8	451.4	428.1	64.6	182.8	169.5	23.3	2,330	2,157	5.2	193,762
II	524.7	66.2	458.5	436.1	63.5	187.9	173.1	22.4	2,360	2,170	4.9	194,298
III	536.0	64.8	471.2	444.4	65.4	190.5	176.7	26.8	2,418	2,218	5.7	194,910
IV	546.0	65.7	480.3	453.2	66.4	195.0	179.6	27.1	2,456	2,247	5.6	195,536

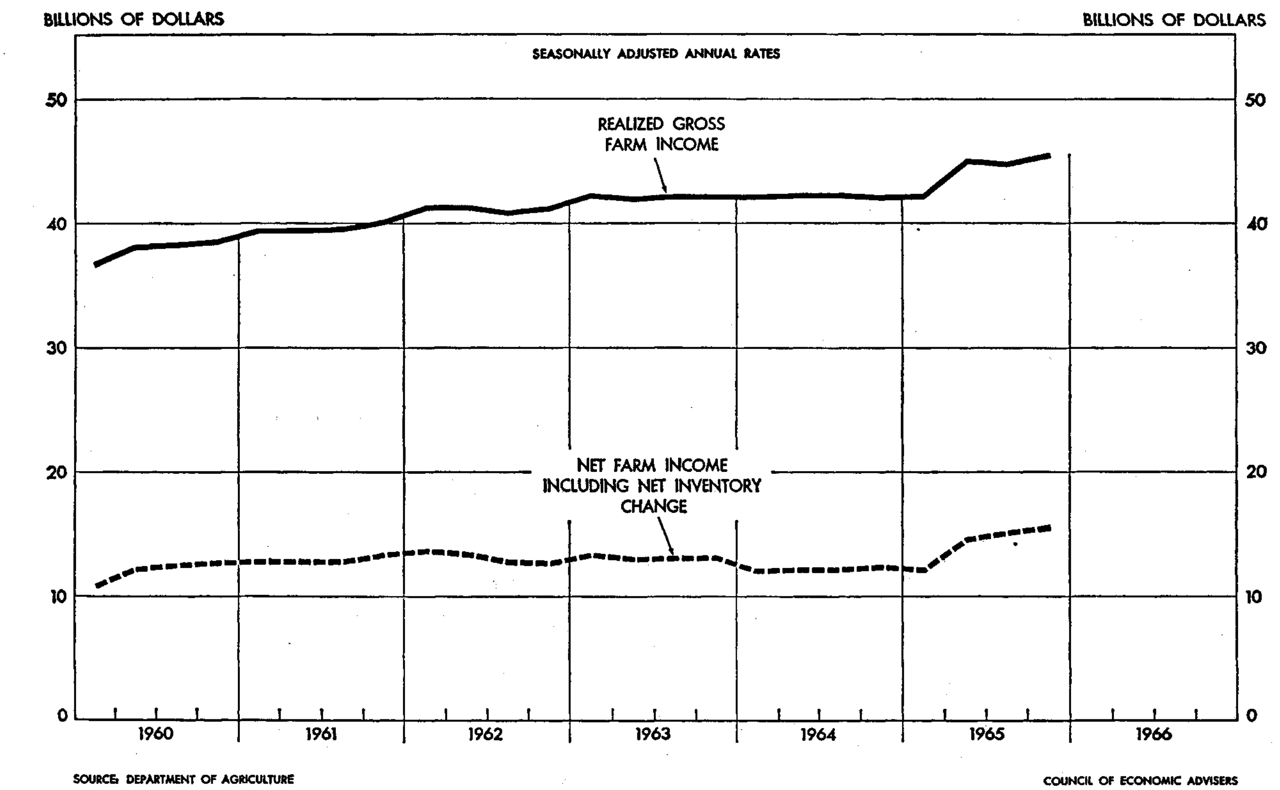
[1] Includes personal consumption expenditures, interest paid by consumers, and personal transfer payments to foreigners.
[2] See p. 2 for total personal consumption expenditures.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Sources: Department of Commerce and Council of Economic Advisers.

FARM INCOME

A further gain in seasonally adjusted net farm income, including inventory change, in the fourth quarter brought the total for 1965 to the highest level since 1952. On a per farm basis, however, it reached an all-time peak—23 percent above 1964.



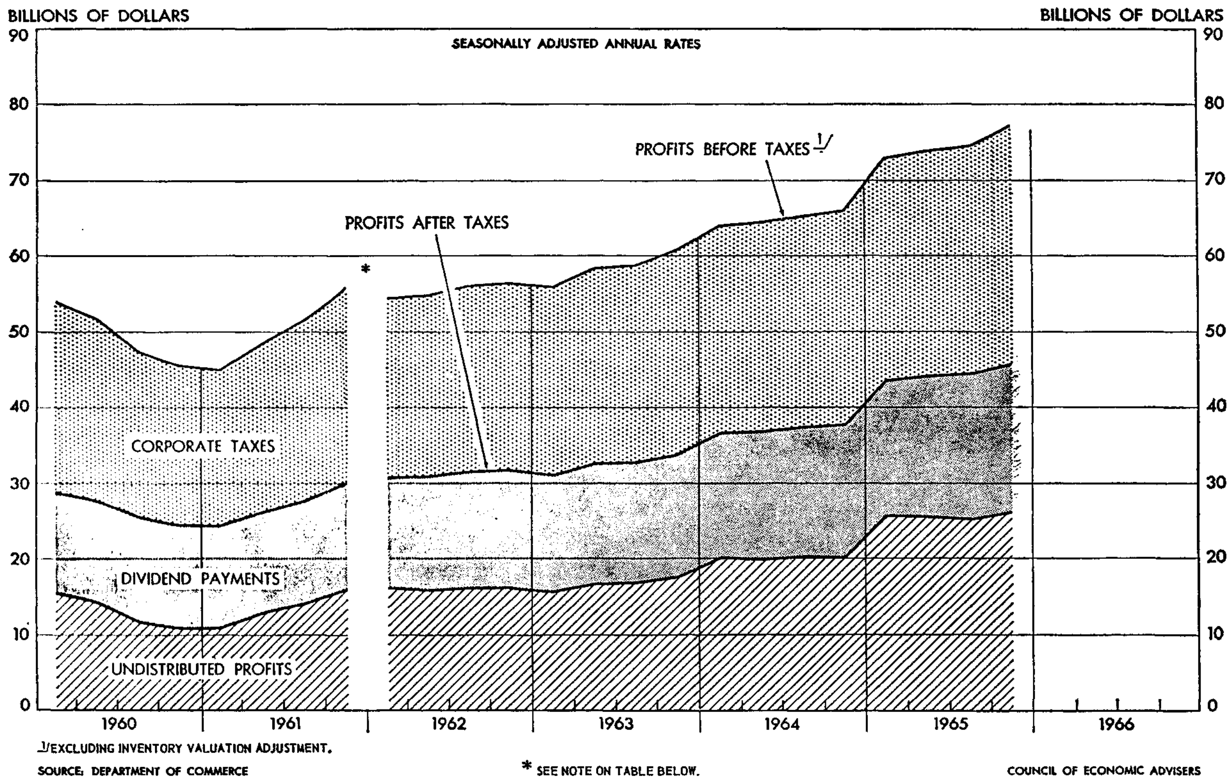
Period	Personal income received by total farm population: From all sources	From farm sources	From nonfarm sources	Income received from farming: Realized gross: Total [1]	Cash receipts from marketings	Production expenses	Net to farm operators: Excluding net inventory change	Including net inventory change [2]	Net income per farm including net inventory change [3]: Current prices	1965 prices [4]
	Billions of dollars								Dollars	
1957	17.7	11.0	6.6	34.0	29.7	23.3	10.7	11.3	2,590	2,786
1958	19.5	12.8	6.7	37.9	33.5	25.2	12.7	13.5	3,189	3,429
1959	18.1	11.0	7.0	37.5	33.5	26.1	11.4	11.5	2,795	2,973
1960	18.7	11.4	7.2	37.9	34.0	26.2	11.7	12.0	3,043	3,203
1961	19.0	12.1	6.9	39.6	34.9	27.0	12.6	12.9	3,389	3,567
1962	19.2	12.2	7.0	41.0	36.2	28.5	12.5	13.1	3,562	3,710
1963	18.7	12.0	6.7	42.1	37.3	29.6	12.5	13.1	3,671	3,785
1964	17.9	11.1	6.8	42.2	36.9	29.3	12.9	12.1	3,486	3,558
1965	20.0	13.2	6.8	44.4	38.9	30.3	14.1	14.4	4,280	4,280
	Seasonally adjusted annual rates									
1964: I	-------	-------	-------	42.1	36.9	29.5	12.6	12.0	3,460	3,530
II	-------	-------	-------	42.3	37.0	29.3	13.0	12.1	3,480	3,550
III	-------	-------	-------	42.3	37.0	29.2	13.1	12.1	3,480	3,550
IV	-------	-------	-------	42.1	36.7	29.0	13.1	12.3	3,540	3,610
1965: I	-------	-------	-------	42.2	36.7	29.7	12.5	12.1	3,590	3,630
II	-------	-------	-------	45.0	39.5	30.2	14.8	14.6	4,330	4,330
III	-------	-------	-------	44.8	39.3	30.3	14.5	15.1	4,480	4,480
IV	-------	-------	-------	45.5	40.0	31.1	14.4	15.6	4,620	4,620

[1] Cash receipts from marketings, Government payments, and nonmoney income furnished by farms.
[2] Inventory of crops and livestock valued at the average price for the year. Also, see footnote 2, p. 3.
[3] Based on 1959 Census of Agriculture definition of a farm. The number of farms is held constant within a year.
[4] Income in current prices divided by the index of prices paid by farmers for family living items on a 1965 base.

Source: Department of Agriculture.

CORPORATE PROFITS

Corporate profits before taxes in the fourth quarter moved further ahead by $2½ billion (seasonally adjusted annual rate) or 3 percent, to a record high of $77 billion. Profits after taxes also rose—$1½ billion or 3 percent—to a record of almost $46 billion.



[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Corporate profits (before taxes) and inventory valuation adjustment						Corporate profits before taxes	Corporate tax liability	Corporate profits after taxes			Corporate capital consumption allowances[1]	Profits plus capital consumption allowances[2]
	All industries	Manufacturing			Transportation, communications, and public utilities	All other industries			Total	Dividend payments	Undistributed profits		
		Total	Durable goods industries	Nondurable goods industries									
1956	46.1	24.7	12.8	11.9	5.9	15.6	48.8	21.7	27.2	11.3	15.9	18.9	46.1
1957	45.6	24.0	13.3	10.7	5.8	15.8	47.2	21.2	26.0	11.7	14.2	20.8	46.8
1958	41.1	19.3	9.3	10.0	5.9	15.9	41.4	19.0	22.3	11.6	10.8	22.0	44.3
1959	51.7	26.3	13.6	12.7	7.0	18.4	52.1	23.7	28.5	12.6	15.9	23.5	52.0
1960	49.9	24.4	12.0	12.4	7.5	17.9	49.7	23.0	26.7	13.4	13.2	24.9	51.6
1961	50.3	23.3	11.4	11.9	7.9	19.1	50.3	23.1	27.2	13.8	13.5	26.2	53.5
1962	55.7	26.6	14.1	12.5	8.5	20.5	55.4	24.2	31.2	15.2	16.0	30.1	61.3
1963	58.1	28.7	15.4	13.2	9.2	20.2	58.6	26.0	32.6	15.8	16.8	32.0	64.5
1964	64.5	32.1	17.2	14.9	10.0	22.4	64.8	27.6	37.2	17.2	19.9	34.0	71.2
1965[3]	73.1	37.4	20.7	16.7	10.8	24.9	74.7	30.1	44.5	18.9	25.6	36.1	80.5
1964: I	63.6	31.9	17.5	14.4	9.9	21.9	64.0	27.3	36.7	16.7	20.0	33.2	69.9
II	64.5	32.1	17.1	15.0	10.1	22.3	64.5	27.5	37.0	17.1	19.9	33.6	70.7
III	65.5	32.5	17.5	15.0	10.2	22.8	65.3	27.8	37.5	17.4	20.1	34.3	71.8
IV	64.9	32.3	17.1	15.3	10.1	22.5	65.9	28.1	37.8	17.7	20.0	34.8	72.6
1965: I	71.7	37.3	20.8	16.6	10.5	23.8	73.1	29.5	43.6	18.0	25.7	35.4	79.1
II	72.0	36.7	20.1	16.6	10.5	24.9	73.9	29.8	44.1	18.6	25.5	35.8	79.8
III	73.5	37.3	20.7	16.6	11.0	25.2	74.6	30.1	44.5	19.2	25.3	36.3	80.8
IV[3]	75.2	(4)	(4)	(4)	(4)	(4)	77.0	31.1	45.9	19.9	26.0	36.8	82.7

[1] Includes depreciation, capital outlays charged to current account, and accidental damages.
[2] Corporate profits after taxes plus corporate capital consumption allowances.
[3] Preliminary estimates.
[4] Not available.

NOTE.—Data beginning 1962 adjusted for effects of new depreciation guidelines ($2½ billion for 1962) and therefore not comparable with previous data. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

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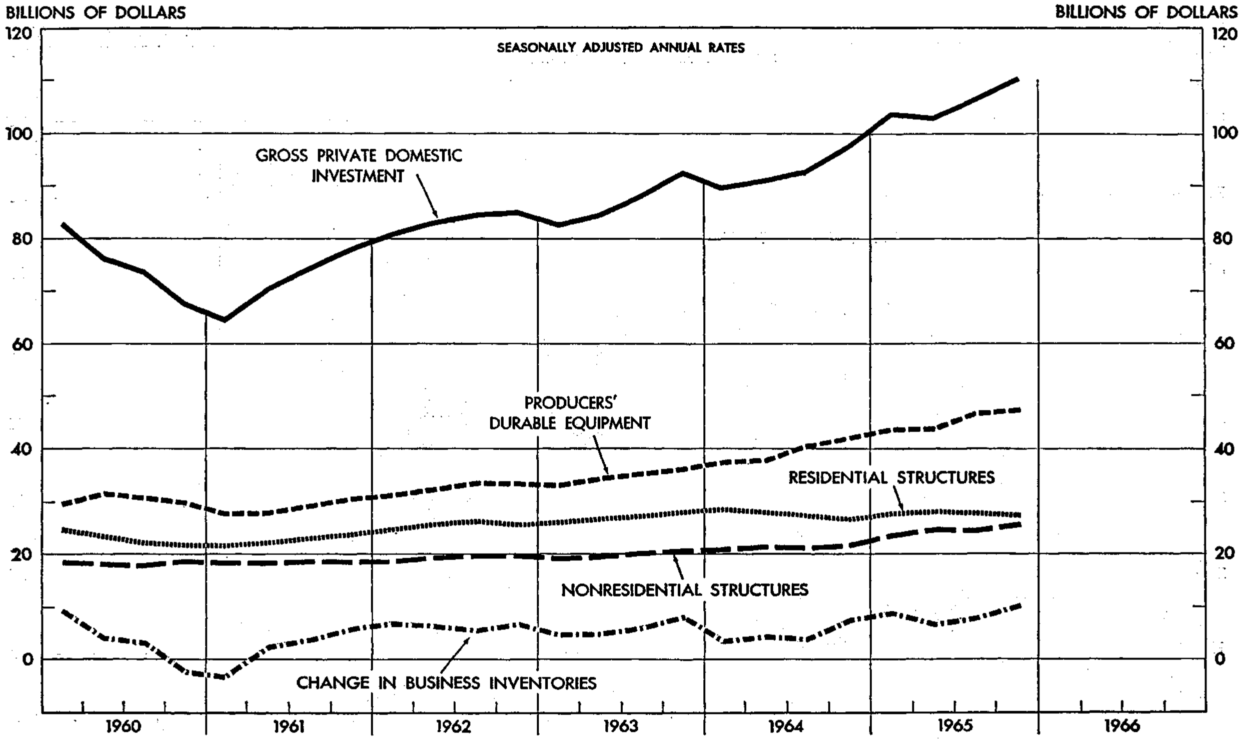
GROSS PRIVATE DOMESTIC INVESTMENT

Gross private domestic investment rose $4 billion in the fourth quarter to a seasonally adjusted annual rate of $110.3 billion. Increases of $2½ billion in business inventory accumulation and $2 billion in business fixed investment was offset in part by a small decline in residential building.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

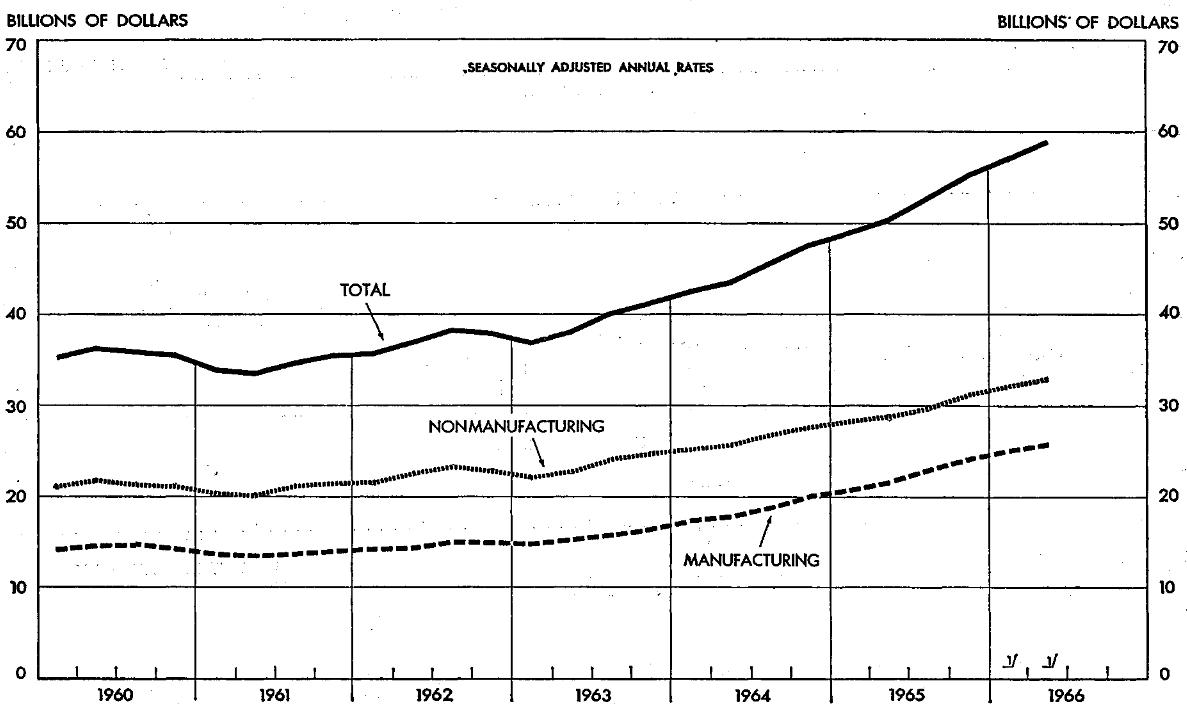
Period	Total gross private domestic investment	Fixed investment								Change in business inventories	
		Total	Nonresidential					Residential structures			
			Total	Structures		Producers' durable equipment		Total	Nonfarm	Total	Nonfarm
				Total	Nonfarm	Total	Nonfarm				
1954	51.7	53.3	33.6	13.1	12.3	20.6	18.0	19.7	19.0	−1.5	−2.1
1955	67.4	61.4	38.1	14.3	13.6	23.8	21.2	23.3	22.7	6.0	5.5
1956	70.0	65.3	43.7	17.2	16.5	26.5	24.2	21.6	20.9	4.7	5.1
1957	67.8	66.5	46.4	18.0	17.2	28.4	25.9	20.2	19.5	1.3	.8
1958	60.9	62.4	41.6	16.6	15.8	25.0	22.0	20.8	20.1	−1.5	−2.3
1959	75.3	70.5	45.1	16.7	15.9	28.4	25.4	25.5	24.8	4.8	4.8
1960	74.8	71.3	48.4	18.1	17.4	30.3	27.7	22.8	22.2	3.6	3.3
1961	71.7	69.7	47.0	18.4	17.7	28.6	25.8	22.6	22.0	2.0	1.7
1962	83.0	77.0	51.7	19.2	18.5	32.5	29.4	25.3	24.8	6.0	5.3
1963	86.9	81.2	54.3	19.7	19.0	34.6	31.2	26.9	26.3	5.7	4.9
1964	92.9	88.1	60.5	21.1	20.4	39.4	35.8	27.5	27.0	4.8	5.4
1965	105.7	97.4	69.8	24.3	23.7	45.5	41.3	27.6	27.1	8.2	7.9
1964: I	89.7	86.5	58.1	20.7	20.0	37.5	33.9	28.4	27.8	3.3	3.6
II	90.9	86.8	58.9	21.1	20.4	37.9	34.4	27.9	27.3	4.1	5.1
III	92.6	88.8	61.6	21.1	20.5	40.5	36.8	27.2	26.6	3.8	4.6
IV	97.7	90.2	63.5	21.5	20.8	42.0	38.3	26.7	26.2	7.5	7.8
1965: I	103.4	94.6	66.9	23.2	22.5	43.7	40.1	27.7	27.1	8.8	9.2
II	102.8	96.4	68.4	24.5	23.8	43.9	40.2	28.0	27.5	6.4	6.6
III	106.2	98.6	70.9	24.2	23.6	46.7	42.2	27.7	27.1	7.6	7.0
IV	110.3	100.2	73.0	25.4	24.7	47.6	42.7	27.2	26.7	10.1	8.9

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Business expenditures for new plant and equipment are expected to rise 16 percent to $60.2 billion in 1966. The strong increase of $8.3 billion is spread evenly throughout the year.



1/ SEE NOTE 3 ON TABLE BELOW.
SOURCES: SECURITIES AND EXCHANGE COMMISSION AND DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars; quarterly data at seasonally adjusted annual rates]

Period	Total [1]	Manufacturing			Mining	Transportation		Public utilities	Commercial and other [2]
		Total	Durable goods	Nondurable goods		Railroads	Other		
1953	28.32	11.91	5.65	6.26	0.99	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	35.08	14.95	7.62	7.33	1.24	1.23	1.71	4.90	11.05
1957	36.96	15.96	8.02	7.94	1.24	1.40	1.77	6.20	10.40
1958	30.53	11.43	5.47	5.96	.94	.75	1.50	6.09	9.81
1959	32.54	12.07	5.77	6.29	.99	.92	2.02	5.67	10.88
1960	35.68	14.48	7.18	7.30	.99	1.03	1.94	5.68	11.57
1961	34.37	13.68	6.27	7.40	.98	.67	1.85	5.52	11.68
1962	37.31	14.68	7.03	7.65	1.08	.85	2.07	5.48	13.15
1963	39.22	15.69	7.85	7.84	1.04	1.10	1.92	5.65	13.82
1964	44.90	18.58	9.43	9.16	1.19	1.41	2.38	6.22	15.13
1965	51.96	22.45	11.40	11.05	1.30	1.73	2.81	6.94	16.73
1966 [3]	60.23	26.75	13.50	13.25	1.51	1.83	3.15	8.04	18.95
1965: I	49.00	20.75	10.40	10.40	1.25	1.75	2.55	6.80	15.85
II	50.35	21.55	10.80	10.70	1.30	1.55	2.70	6.85	16.40
III	52.75	23.00	11.75	11.25	1.25	1.70	3.00	6.75	17.00
IV	55.35	24.15	12.45	11.70	1.35	1.95	3.00	7.30	17.55
1966: I [3]	57.20	25.15	12.80	12.35	1.45	1.65	3.30	7.65	18.05
II [3]	58.90	25.80	12.90	12.90	1.55	1.80	3.20	7.95	18.65
2d half [3]	62.20	27.90	14.10	13.80	1.50	1.95	3.10	8.25	19.50

[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 January and February 1966. Includes adjustments when necessary for systematic tendencies in anticipatory data.

NOTE.—Beginning 1959 all quarterly data are rounded to nearest $50 million.

Annual total is the sum of unadjusted expenditures; it does not necessarily coincide with the average of seasonally adjusted figures.

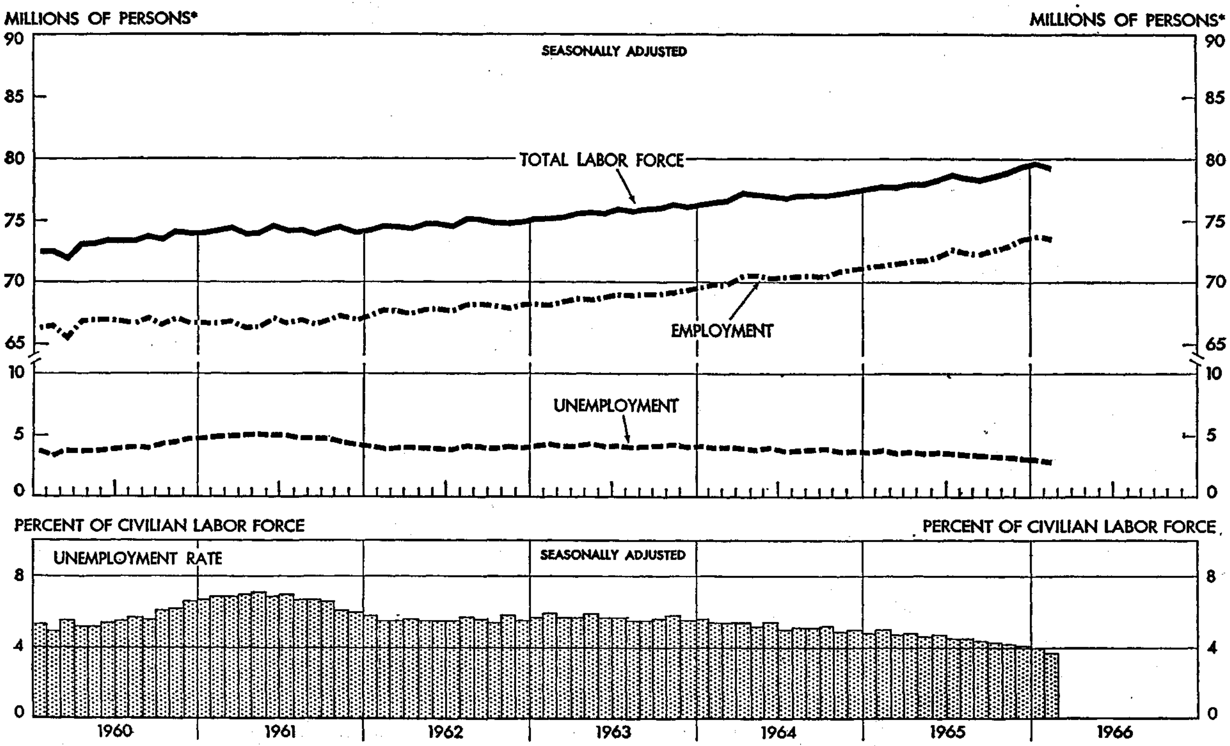
These figures do not agree with the totals included in the gross national product estimates of the Department of Commerce, principally because the latter cover agricultural investment and also certain equipment and construction outlays charged to current expense.

Sources: Securities and Exchange Commission and Department of Commerce.

EMPLOYMENT, UNEMPLOYMENT, AND WAGES

STATUS OF THE LABOR FORCE

Employment, seasonally adjusted, declined by 194,000 in February while the civilian labor force fell by 399,000. Agricultural employment rose by 13,000, but nonagricultural employment fell by 207,000 according to the household survey.



*14 YEARS OF AGE AND OVER.

SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

Period	Total labor force (including armed forces)	Civilian employment: Total	Civilian employment: Nonagricultural	Unemployment	Total labor force (including armed forces)	Civilian labor force	Civilian employment: Total	Civilian employment: Agricultural	Civilian employment: Nonagricultural	Unemployment	Unemployment rate (percent of civilian labor force): Unadjusted	Unemployment rate (percent of civilian labor force): Seasonally adjusted	Labor force participation rate, unadjusted [1]
	Thousands of persons 14 years of age and over										Percent		
1961	74, 175	66, 796	61, 333	4, 806	74, 175	71, 603	66, 796	5, 463	61, 333	4, 806	6. 7	-------	58. 0
1962 [2]	74, 681	67, 846	62, 657	4, 007	74, 681	71, 854	67, 846	5, 190	62, 657	4, 007	5. 6	-------	57. 4
1963	75, 712	68, 809	63, 863	4, 166	75, 712	72, 975	68, 809	4, 946	63, 863	4, 166	5. 7	-------	57. 3
1964	76, 971	70, 357	65, 596	3, 876	76, 971	74, 233	70, 357	4, 761	65, 596	3, 876	5. 2	-------	57. 4
1965	78, 357	72, 179	67, 594	3, 456	78, 357	75, 635	72, 179	4, 585	67, 594	3, 456	4. 6	-------	57. 5
	Unadjusted				Seasonally adjusted								
1964:													
Dec	76, 567	70, 375	66, 590	3, 466	*77, 473*	*74, 747*	*71, 037*	*4, 611*	*66, 426*	*3, 710*	4. 7	*5. 0*	56. 7
1965:													
Jan	75, 699	68, 996	65, 257	3, 996	*77, 588*	*74, 881*	*71, 252*	*4, 533*	*66, 719*	*3, 629*	5. 5	*4. 8*	55. 9
Feb	76, 418	69, 496	65, 694	4, 218	*77, 770*	*75, 066*	*71, 326*	*4, 608*	*66, 718*	*3, 740*	5. 7	*5. 0*	56. 4
Mar	76, 612	70, 169	66, 180	3, 740	*77, 722*	*75, 019*	*71, 483*	*4, 588*	*66, 895*	*3, 536*	5. 1	*4. 7*	56. 5
Apr	77, 307	71, 070	66, 597	3, 552	*77, 988*	*75, 302*	*71, 688*	*4, 769*	*66, 919*	*3, 614*	4. 8	*4. 8*	56. 9
May	78, 425	72, 407	67, 278	3, 335	*77, 990*	*75, 306*	*71, 816*	*4, 869*	*66, 947*	*3, 490*	4. 4	*4. 6*	57. 7
June	80, 683	73, 716	68, 094	4, 287	*78, 332*	*75, 652*	*72, 085*	*4, 651*	*67, 434*	*3, 567*	5. 5	*4. 7*	59. 3
July	81, 150	74, 854	69, 228	3, 602	*78, 747*	*76, 054*	*72, 618*	*4, 639*	*67, 979*	*3, 436*	4. 6	*4. 5*	59. 6
Aug	80, 163	74, 212	69, 077	3, 258	*78, 465*	*75, 772*	*72, 387*	*4, 572*	*67, 815*	*3, 385*	4. 2	*4. 5*	58. 7
Sept	78, 044	72, 446	67, 668	2, 875	*78, 334*	*75, 611*	*72, 297*	*4, 418*	*67, 879*	*3, 314*	3. 8	*4. 4*	57. 1
Oct	78, 713	73, 196	68, 242	2, 757	*78, 606*	*75, 846*	*72, 561*	*4, 551*	*68, 010*	*3, 285*	3. 6	*4. 3*	57. 5
Nov	78, 598	72, 837	68, 709	2, 966	*78, 906*	*76, 111*	*72, 914*	*4, 273*	*68, 641*	*3, 197*	3. 9	*4. 2*	57. 4
Dec	78, 477	72, 749	69, 103	2, 888	*79, 408*	*76, 567*	*73, 441*	*4, 486*	*68, 955*	*3, 126*	3. 8	*4. 1*	57. 2
1966:													
Jan	77, 409	71, 229	67, 652	3, 290	*79, 644*	*76, 754*	*73, 715*	*4, 429*	*69, 286*	*3, 039*	4. 4	*4. 0*	56. 3
Feb	77, 632	71, 551	67, 939	3, 158	*79, 279*	*76, 355*	*73, 521*	*4, 442*	*69, 079*	*2, 834*	4. 2	*3. 7*	56. 4

[1] Total labor force as percent of noninstitutional population.

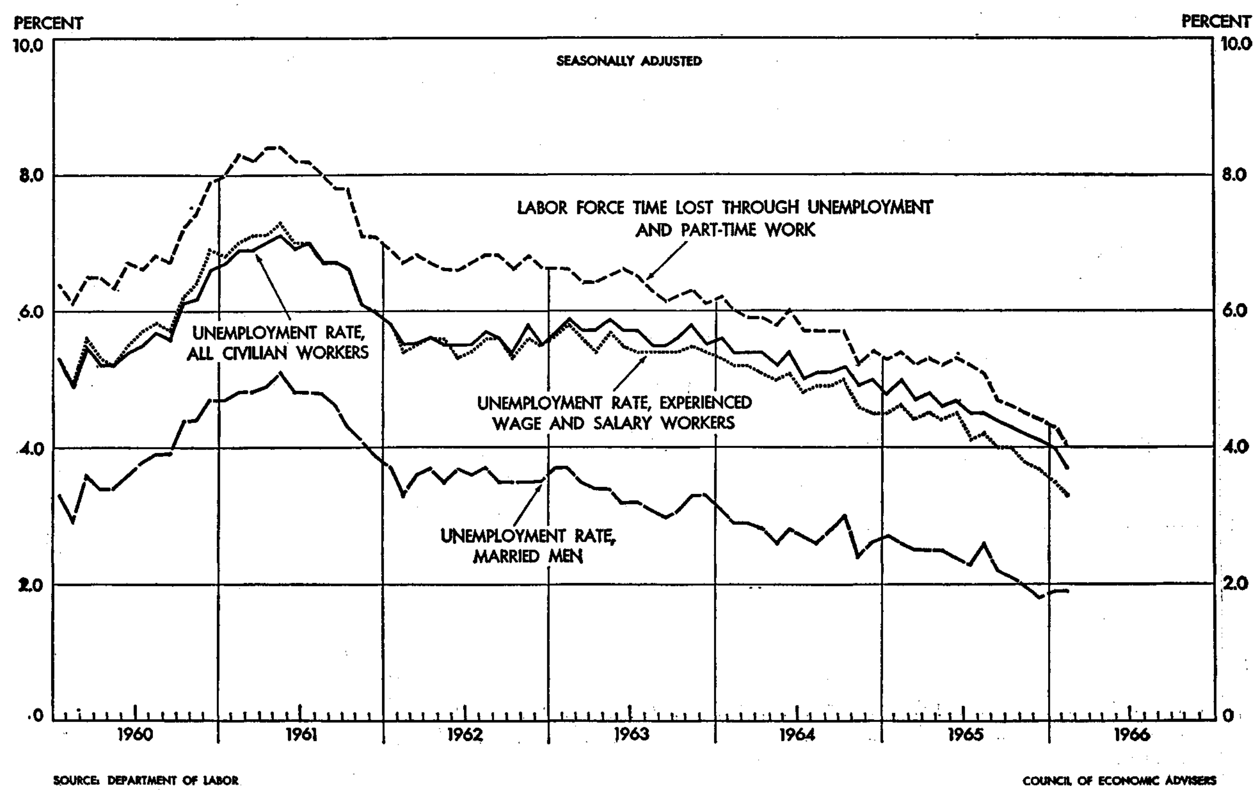
[2] Not strictly comparable with preceding data. See *Employment and Earnings*, May 1962, p. XIV.

NOTE.—Beginning 1960, data include Alaska and Hawaii.

Source: Department of Labor.

SELECTED MEASURES OF UNEMPLOYMENT AND PART-TIME EMPLOYMENT

The seasonally adjusted unemployment rate fell to 3.7 percent in February—the lowest rate since November 1953 and below the interim target set in 1961.



Period	Unemployment rate (percent of civilian labor force in group)			Labor force time lost through unemployment and part-time work [1]	Persons at work in nonagricultural industries by hours worked per week [2]						
							Under 35 hours				
	All workers	Experienced wage and salary workers	Married men (wife present)		Over 40 hours	35–40 hours	Total	Part-time for economic reasons: Usually full-time [3]	Part-time for economic reasons: Usually part-time [4]	Part-time for economic reasons: Usually full-time [3]	Part-time for economic reasons: Usually part-time [4]
	Percent				Thousands of persons 14 years of age and over						
1961	6.7	6.8	4.6	8.0	18,210	29,047	11,132	1,297	1,516	--------	--------
1962	5.6	5.5	3.6	6.7	19,025	28,853	11,675	1,049	1,288	--------	--------
1963	5.7	5.5	3.4	[1]6.4	19,257	29,422	11,856	1,070	1,219	--------	--------
1964	5.2	5.0	2.8	5.8	19,294	29,127	13,850	985	1,151	--------	--------
1965	4.6	4.2	2.4	5.0	20,808	30,802	12,618	897	1,031	--------	--------
	Seasonally adjusted				Unadjusted					Seasonally adjusted	
1965: Jan	4.8	4.5	2.7	5.3	20,264	31,166	11,681	1,078	979	1,000	1,130
Feb	5.0	4.6	2.6	5.4	20,018	30,110	13,165	927	982	957	1,049
Mar	4.7	4.4	2.5	5.2	20,612	31,371	11,981	910	998	904	1,078
Apr	4.8	4.5	2.5	5.3	18,499	29,187	16,117	862	921	840	1,030
May	4.6	4.4	2.5	5.2	21,354	31,654	11,966	936	892	947	957
June	4.7	4.5	2.4	5.3	20,856	32,011	11,462	944	1,292	948	1,035
July	4.5	4.1	2.3	5.2	20,244	30,295	10,778	874	1,466	961	1,127
Aug	4.5	4.2	2.6	5.1	20,424	30,684	10,408	959	1,358	932	1,038
Sept	4.4	4.0	2.2	4.7	22,040	31,626	11,159	851	854	843	937
Oct	4.3	4.0	2.1	4.6	21,900	30,846	13,052	829	853	848	973
Nov	4.2	3.8	2.0	4.5	21,006	28,341	17,195	830	916	817	1,002
Dec	4.1	3.7	1.8	4.4	22,477	32,330	12,447	761	866	766	979
1966: Jan	4.0	3.5	1.9	4.3	20,851	32,125	12,408	972	794	902	917
Feb	3.7	3.3	1.9	4.0	20,690	32,389	12,555	[5]871	[5]732	899	782

[1] Man-hours lost by the unemployed and those on part-time for economic reasons as a percent of total man-hours potentially available to the civilian labor force. Beginning 1963, series reflects whether unemployed persons sought full- or part-time jobs.

[2] Differs from total nonagricultural employment (p. 13), which includes persons with jobs but not at work for such reasons as vacation, illness, bad weather, and industrial disputes.

[3] Includes persons who worked part-time because of slack work, material shortages or repairs, new job started, or job terminated.

[4] Primarily includes persons who could find only part-time work.

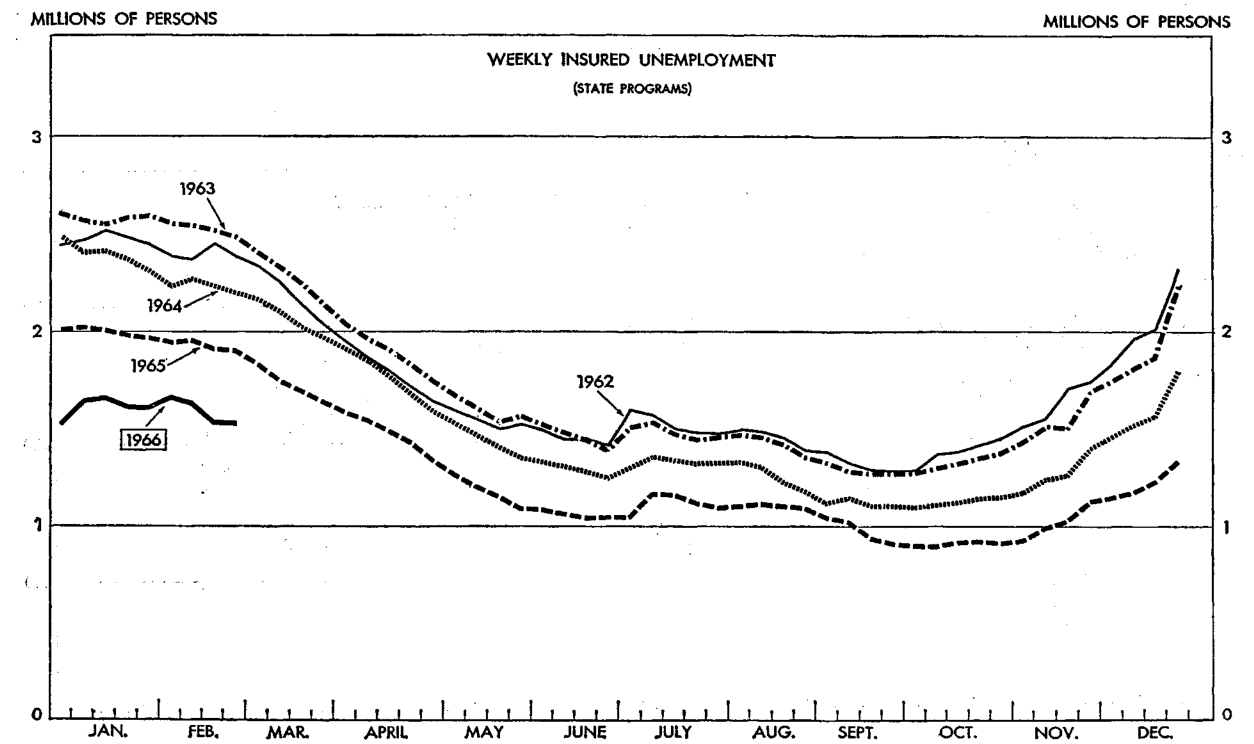
[5] Average hours worked: usually full-time, 23.6; usually part-time, 17.3.

NOTE.—Beginning 1960, data include Alaska and Hawaii.

Source: Department of Labor.

UNEMPLOYMENT INSURANCE PROGRAMS

In February, insured unemployment under State programs averaged 337,000 less than in February 1965. The insured unemployment rate on a seasonally adjusted basis dropped slightly to 2.6 percent, the lowest rate since July 1953.



1/ SEE NOTE 2 ON TABLE BELOW.
SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

Period	All programs: Covered employment	All programs: Insured unemployment (weekly average)	All programs: Total benefits paid (millions of dollars)	State programs: Insured unemployment	State programs: Initial claims	State programs: Exhaustions	Insured unemployment as percent of covered employment: Unadjusted	Insured unemployment as percent of covered employment: *Seasonally adjusted*	Benefits paid: Total (millions of dollars)	Benefits paid: Average weekly check (dollars)
	Thousands			Weekly average, thousands			Percent			
1962	47, 776	1, 946	3, 160. 0	1, 783	302	32	4. 4		2, 675. 4	34. 56
1963	48, 434	[1] 1, 973	3, 025. 9	[1] 1, 806	[1] 298	30	4. 3		2, 774. 7	35. 28
1964	49, 635	1, 753	2, 749. 2	1, 605	268	26	3. 8		2, 522. 1	35. 96
1965		1, 450	2, 434. 7	1, 328	232	21	3. 0		2, 166. 0	37. 19
1965: Jan	[2] 49, 319	2, 135	273. 0	1, 996	355	25	4. 6	*3. 4*	252. 1	37. 18
Feb	[2] 49, 320	2, 066	265. 8	1, 932	269	25	4. 5	*3. 3*	245. 7	37. 39
Mar	[2] 49, 834	1, 863	294. 9	1, 718	222	25	4. 0	*3. 2*	273. 4	37. 41
Apr	[2] 50, 683	1, 622	242. 7	1, 470	220	27	3. 4	*3. 2*	224. 9	37. 16
May	[2] 51, 336	1, 316	179. 2	1, 179	186	24	2. 7	*3. 0*	165. 7	36. 40
June	[2] 52, 125	1, 182	169. 3	1, 059	191	22	2. 4	*3. 0*	156. 3	36. 07
July		1, 255	160. 6	1, 139	252	19	2. 6	*3. 0*	149. 5	36. 40
Aug		1, 218	160. 7	1, 120	215	18	2. 5	*3. 1*	148. 0	36. 58
Sept		1, 068	150. 3	981	173	17	2. 2	*2. 9*	138. 6	37. 23
Oct		1, 013	128. 2	933	189	16	2. 0	*2. 7*	117. 8	37. 32
Nov		1, 123	143. 0	1, 042	225	15	2. 3	*2. 7*	132. 2	38. 08
Dec		1, 394	184. 7	1, 308	290	17	3. 0	*2. 7*	172. 1	38. 81
1966: Jan		1, 739	226. 5	1, 644	329	19	3. 7	*2. 7*	212. 7	39. 36
Feb [2]		1, 680	230. 0	1, 595	238	18	3. 6	*2. 6*	216. 0	39. 57
Week ended:										
1966: Feb 5		1, 761		1, 669	319		3. 8			
12		1, 729		1, 640	255		3. 7			
19		1, 633		1, 546	209		3. 5			
26		1, 633		1, 545	195		3. 5			
Mar 5 [2]		1, 557		*1, 471	198		3. 3			
12 [2]					177					

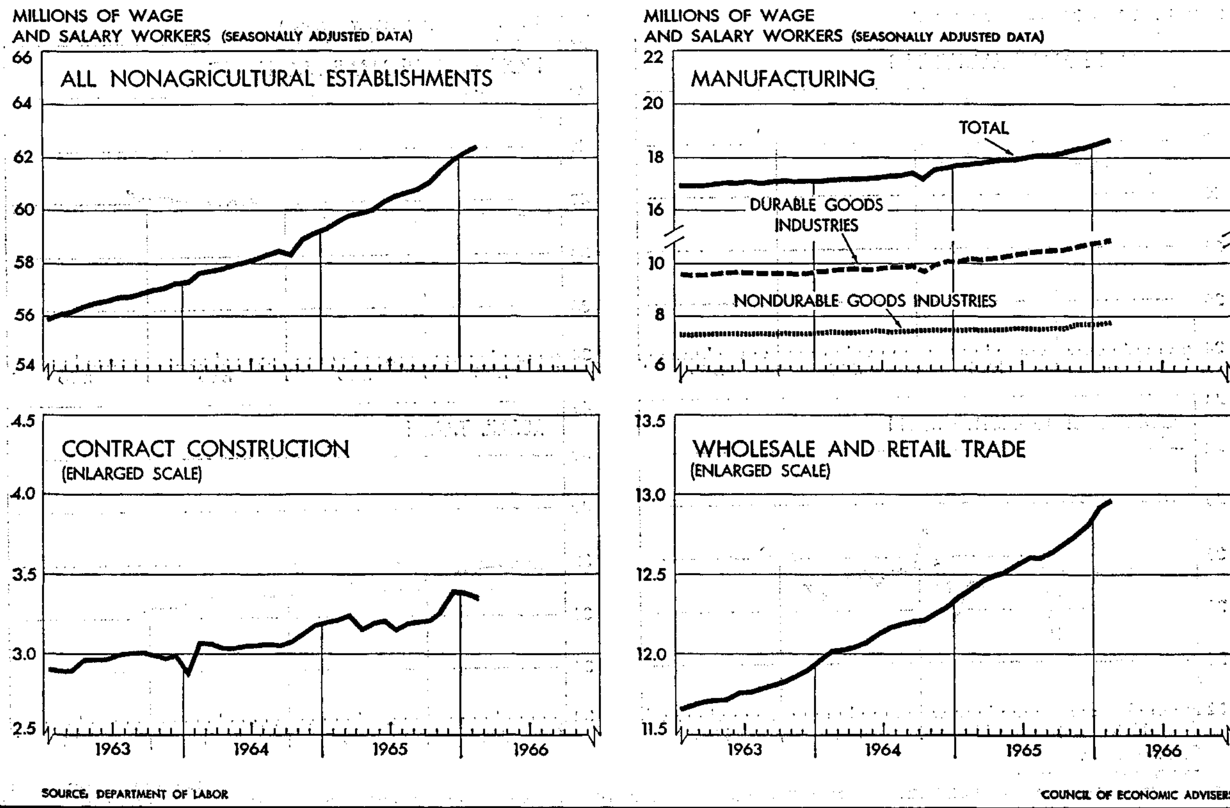
[1] Programs include Puerto Rican sugarcane workers for initial claims and insured unemployment beginning July 1963.
[2] Preliminary. * Not charted.

NOTE.—For definitions and coverage, see the *1964 Supplement to Economic Indicators*. Data for Alaska and Hawaii included for all periods and for Puerto Rico since January 1961.

Source: Department of Labor.

NONAGRICULTURAL EMPLOYMENT

Nonagricultural payroll employment increased by 258,000 (seasonally adjusted) in February. The gains were widely distributed but especially large in durable goods manufacturing.



[Thousands of wage and salary workers; [1] seasonally adjusted]

Period	Total	Manufacturing (private)			Nonmanufacturing (private)							Government	
		Total	Durable goods	Nondurable goods	Total	Mining	Contract construction	Transportation and public utilities	Wholesale and retail trade	Finance, insurance, and real estate	Service and miscellaneous	Federal	State and local
1959	53,297	16,675	9,373	7,303	28,539	732	2,960	4,011	11,127	2,594	7,115	2,233	5,850
1960	54,203	16,796	9,459	7,336	29,054	712	2,885	4,004	11,391	2,669	7,392	2,270	6,083
1961	53,989	16,326	9,070	7,256	29,069	672	2,816	3,903	11,337	2,731	7,610	2,279	6,315
1962	55,515	16,853	9,480	7,373	29,772	650	2,902	3,906	11,566	2,800	7,947	2,340	6,550
1963	56,602	16,995	9,616	7,380	30,381	635	2,963	3,903	11,778	2,877	8,226	2,358	6,868
1964	58,156	17,259	9,813	7,446	31,301	633	3,056	3,947	12,132	2,964	8,569	2,348	7,248
1965	60,444	17,984	10,379	7,604	32,402	628	3,211	4,031	12,588	3,044	8,907	2,378	7,673
1965: Jan	59,295	17,638	10,098	7,540	31,854	634	3,185	3,926	12,374	3,003	8,732	2,342	7,461
Feb	59,581	17,703	10,150	7,553	32,037	634	3,211	3,985	12,423	3,013	8,771	2,338	7,503
Mar	59,814	17,762	10,194	7,568	32,164	632	3,238	4,017	12,460	3,023	8,794	2,342	7,546
Apr	59,846	17,803	10,241	7,562	32,119	629	3,145	4,013	12,494	3,024	8,814	2,344	7,580
May	60,032	17,835	10,266	7,569	32,242	627	3,188	4,020	12,532	3,032	8,843	2,345	7,610
June	60,290	17,943	10,345	7,598	32,333	626	3,195	4,034	12,580	3,041	8,857	2,355	7,659
July	60,501	18,032	10,424	7,608	32,415	633	3,154	4,031	12,619	3,049	8,929	2,376	7,678
Aug	60,621	18,072	10,476	7,596	32,464	627	3,189	4,049	12,600	3,053	8,946	2,379	7,706
Sept	60,756	18,098	10,494	7,604	32,539	617	3,186	4,067	12,641	3,061	8,967	2,379	7,740
Oct	61,001	18,163	10,523	7,640	32,667	622	3,202	4,071	12,684	3,069	9,019	2,386	7,785
Nov	61,472	18,321	10,615	7,706	32,882	627	3,267	4,079	12,754	3,074	9,081	2,400	7,869
Dec	61,884	18,429	10,707	7,722	33,127	630	3,386	4,079	12,822	3,082	9,128	2,395	7,933
1966: Jan [2]	62,146	18,525	10,804	7,721	33,226	632	3,379	4,097	12,906	3,080	9,132	2,425	7,970
Feb [2]	62,404	18,652	10,884	7,768	33,300	633	3,349	4,094	12,957	3,089	9,178	2,435	8,017

[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 which includes the 12th 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 forces, shown on p. 10, 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.

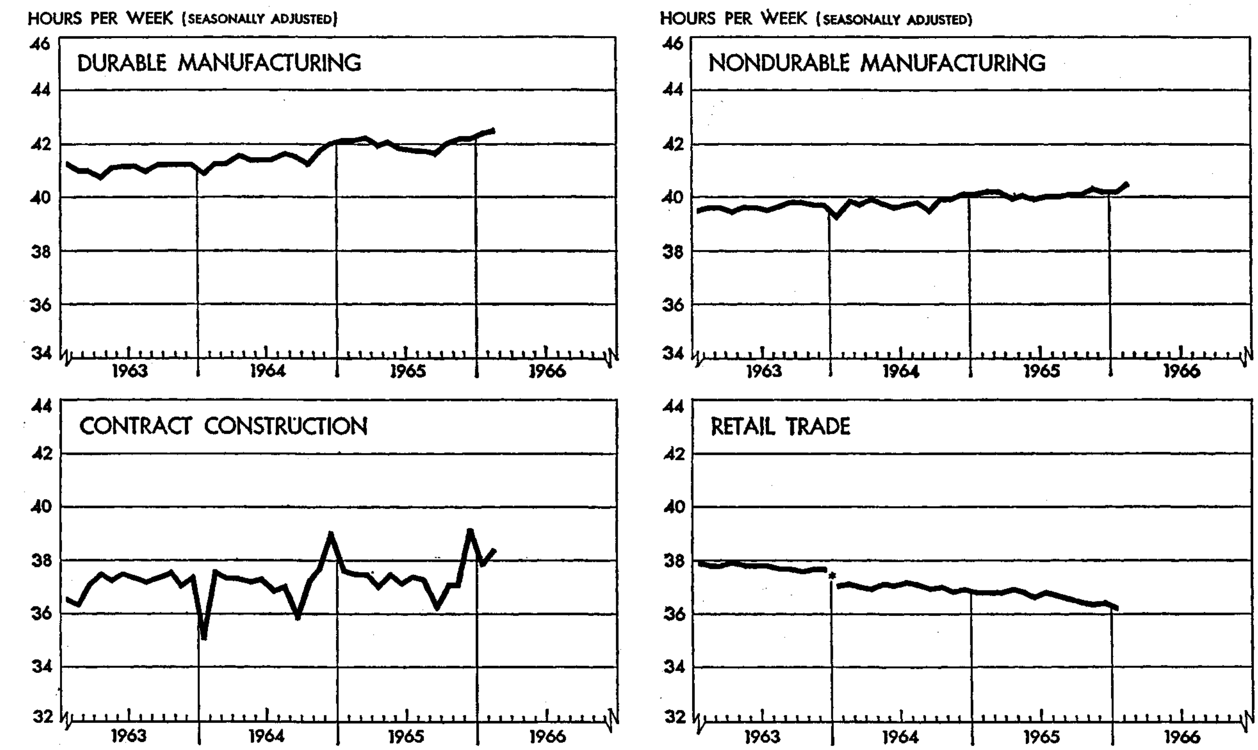
[2] Preliminary.

NOTE.—Beginning 1959, data include Alaska and Hawaii.

Source: Department of Labor.

WEEKLY HOURS OF WORK - SELECTED INDUSTRIES

The average workweek in manufacturing, seasonally adjusted, rose by 0.1 hour in February to 41.6 hours. In construction, the average workweek rose by 0.6 hour to 38.4 hours following a sharp decline in January.



*SEE TABLE BELOW.

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[Average hours per week; [1] seasonally adjusted]

Period	Manufacturing industries			Contract construction	Retail trade
	All	Durable goods	Nondurable goods		
1955	40.7	41.3	39.9	37.1	39.6
1956	40.4	41.0	39.6	37.5	39.1
1957	39.8	40.3	39.2	37.0	38.7
1958	39.2	39.5	38.8	36.8	38.7
1959	40.3	40.7	39.7	37.0	38.7
1960	39.7	40.1	39.2	36.7	38.5
1961	39.8	40.3	39.3	36.9	38.1
1962	40.4	40.9	39.6	37.0	37.9
1963	40.5	41.1	39.6	37.3	37.8
1964	40.7	41.4	39.7	37.2	* 37.0
1965	41.2	42.0	40.1	37.4	36.6
1965: Jan	41.2	42.1	40.1	37.6	36.8
Feb	41.2	42.1	40.2	37.5	36.8
Mar	41.3	42.2	40.2	37.5	36.8
Apr	41.0	41.9	39.9	37.0	36.9
May	41.1	42.0	40.0	37.5	36.8
June	41.0	41.8	39.9	37.1	36.6
July	41.0	41.7	40.0	37.4	36.8
Aug	41.0	41.7	40.0	37.3	36.7
Sept	40.9	41.6	40.1	36.2	36.5
Oct	41.2	42.0	40.1	37.0	36.4
Nov	41.4	42.2	40.3	37.1	36.3
Dec	41.4	42.2	40.2	39.2	36.4
1966: Jan [2]	41.5	42.4	40.2	37.8	36.2
Feb [2]	41.6	42.5	40.5	38.4	-------------

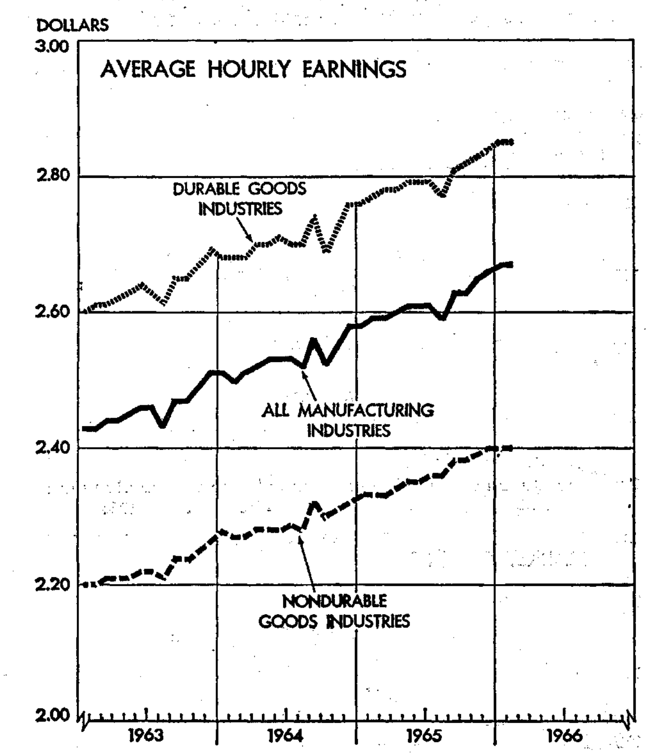
[1] Data relate to production workers or nonsupervisory employees. Data for Alaska and Hawaii included beginning 1959.
[2] Preliminary.

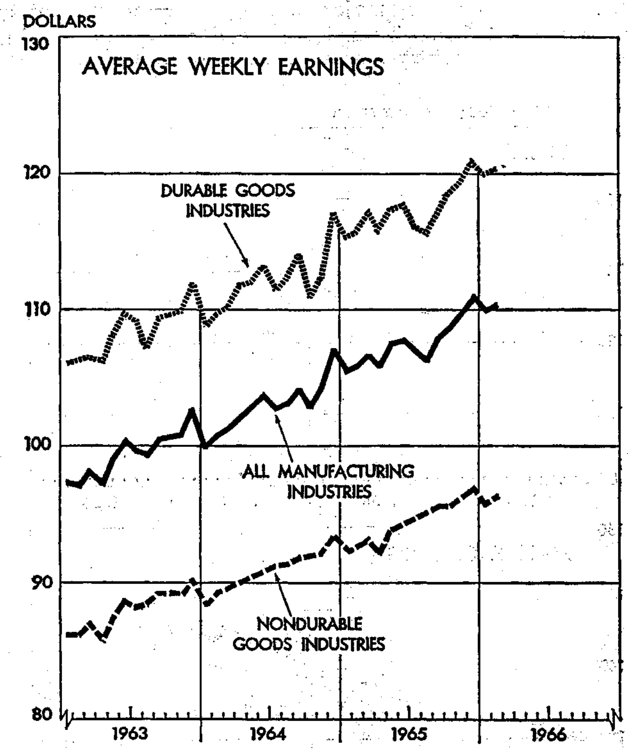
* Beginning 1964, includes eating and drinking places.

Source: Department of Labor.

AVERAGE HOURLY AND WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings in manufacturing were $110.27 in February—$4.34 above February 1965.





SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[For production workers or nonsupervisory employees]

Period	Average hourly earnings—current prices					Average weekly earnings—current prices					Manufacturing industries	
	Manufacturing industries			Contract construction	Retail trade	Manufacturing industries			Contract construction	Retail trade	Adjusted hourly earnings, 1957–59=100 [1]	Average weekly earnings, 1957–59 prices [2]
	All	Durable goods	Nondurable goods			All	Durable goods	Nondurable goods				
1956	$1.95	$2.08	$1.77	$2.57	$1.40	$78.78	$85.28	$70.09	$96.38	$54.74	91.5	$83.19
1957	2.05	2.19	1.85	2.71	1.47	81.59	88.26	72.52	100.27	56.89	96.2	83.26
1958	2.11	2.26	1.91	2.82	1.52	82.71	89.27	74.11	103.78	58.82	100.2	82.14
1959	2.19	2.36	1.98	2.93	1.57	88.26	96.05	78.61	108.41	60.76	103.5	86.96
1960	2.26	2.43	2.05	3.08	1.62	89.72	97.44	80.36	113.04	62.37	106.6	87.02
1961	2.32	2.49	2.11	3.20	1.68	92.34	100.35	82.92	118.08	64.01	109.6	88.62
1962	2.39	2.56	2.17	3.31	1.74	96.56	104.70	85.93	122.47	65.95	112.3	91.61
1963	2.46	2.63	2.22	3.41	1.80	99.63	108.09	87.91	127.19	68.04	115.2	93.37
1964	2.53	2.71	2.29	3.55	*1.75	102.97	112.19	90.91	132.06	*64.75	118.0	95.25
1965	2.61	2.79	2.36	3.69	1.82	107.53	117.18	94.64	138.01	66.61	121.0	97.84
1965: Jan	2.58	2.76	2.33	3.62	1.79	105.52	115.37	92.50	131.41	65.34	119.7	96.90
Feb	2.59	2.77	2.33	3.68	1.79	105.93	115.79	92.73	131.38	65.34	120.0	97.27
Mar	2.59	2.78	2.33	3.65	1.79	106.71	117.04	93.20	133.96	65.34	120.1	97.90
Apr	2.60	2.78	2.34	3.61	1.80	105.82	115.93	92.20	132.49	66.06	120.4	96.82
May	2.61	2.79	2.35	3.65	1.82	107.53	117.46	94.00	140.16	66.43	120.6	98.11
June	2.61	2.79	2.35	3.66	1.82	107.79	117.74	94.47	139.08	67.16	120.8	97.90
July	2.61	2.79	2.36	3.64	1.82	107.01	116.06	94.87	140.50	68.25	120.9	97.11
Aug	2.59	2.77	2.36	3.68	1.82	106.45	115.51	95.11	143.15	68.07	120.7	96.77
Sept	2.63	2.81	2.38	3.74	1.85	107.83	117.18	95.68	138.75	67.53	121.7	97.85
Oct	2.63	2.82	2.38	3.76	1.86	108.62	118.72	95.68	144.01	67.33	121.8	98.39
Nov	2.65	2.83	2.39	3.74	1.87	109.71	119.43	96.32	136.14	67.13	122.2	99.20
Dec	2.66	2.84	2.40	3.76	1.85	110.92	120.98	96.96	139.50	67.90	122.7	99.93
1966: Jan [3]	2.67	2.85	2.40	3.78	1.88	110.00	119.99	95.52	137.97	67.49	123.2	99.10
Feb [3]	2.67	2.85	2.40			110.27	120.27	96.24				

[1] Earnings in current prices, adjusted to exclude overtime and interindustry shifts.
[2] Earnings in current prices divided by the consumer price index on a 1957–59 base.
[3] Preliminary.

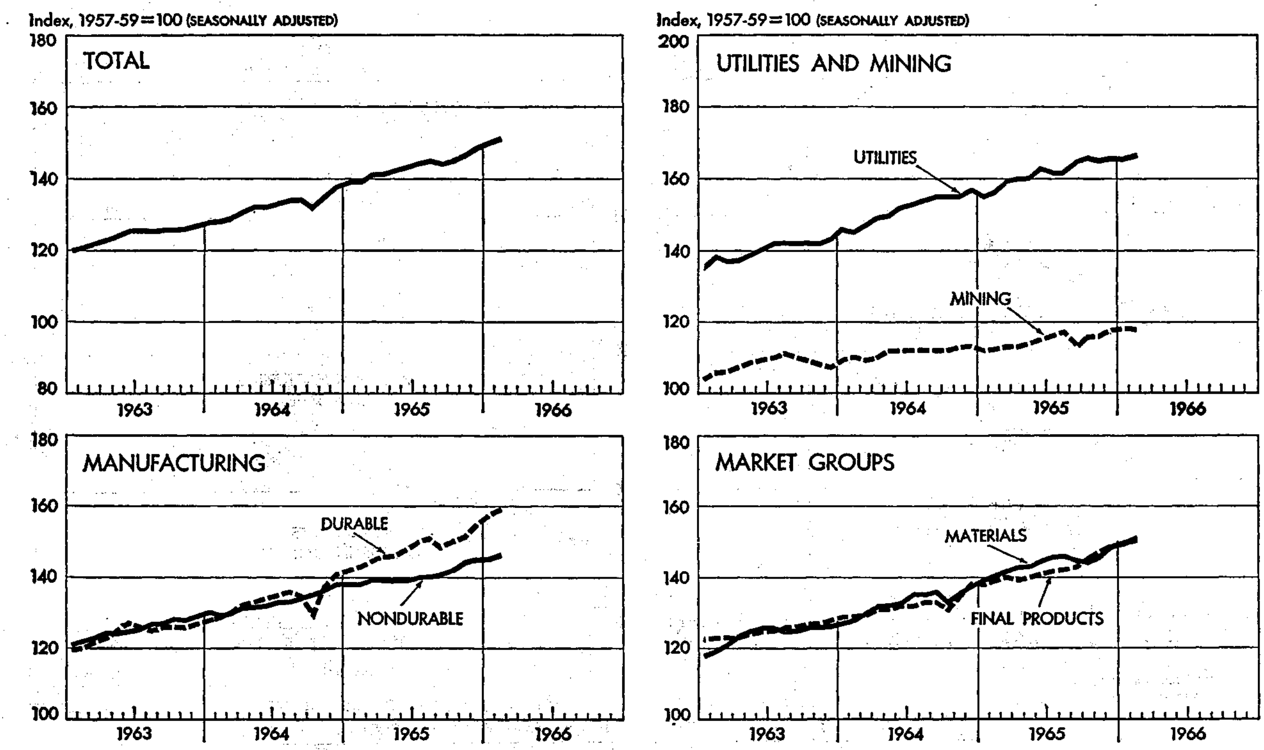
*Beginning 1964, includes eating and drinking places.
NOTE.—Beginning 1959, data include Alaska and Hawaii.
Source: Department of Labor.

60-383°—66——3

PRODUCTION AND BUSINESS ACTIVITY

INDUSTRIAL PRODUCTION

The seasonally adjusted industrial production index increased about 1 percent again in February to 151.3 (1957–59=100). Output of every major market group—equipment, consumer goods, and materials—contributed to the advance with equipment (including defense) scoring the largest gain.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1957–59=100, seasonally adjusted]

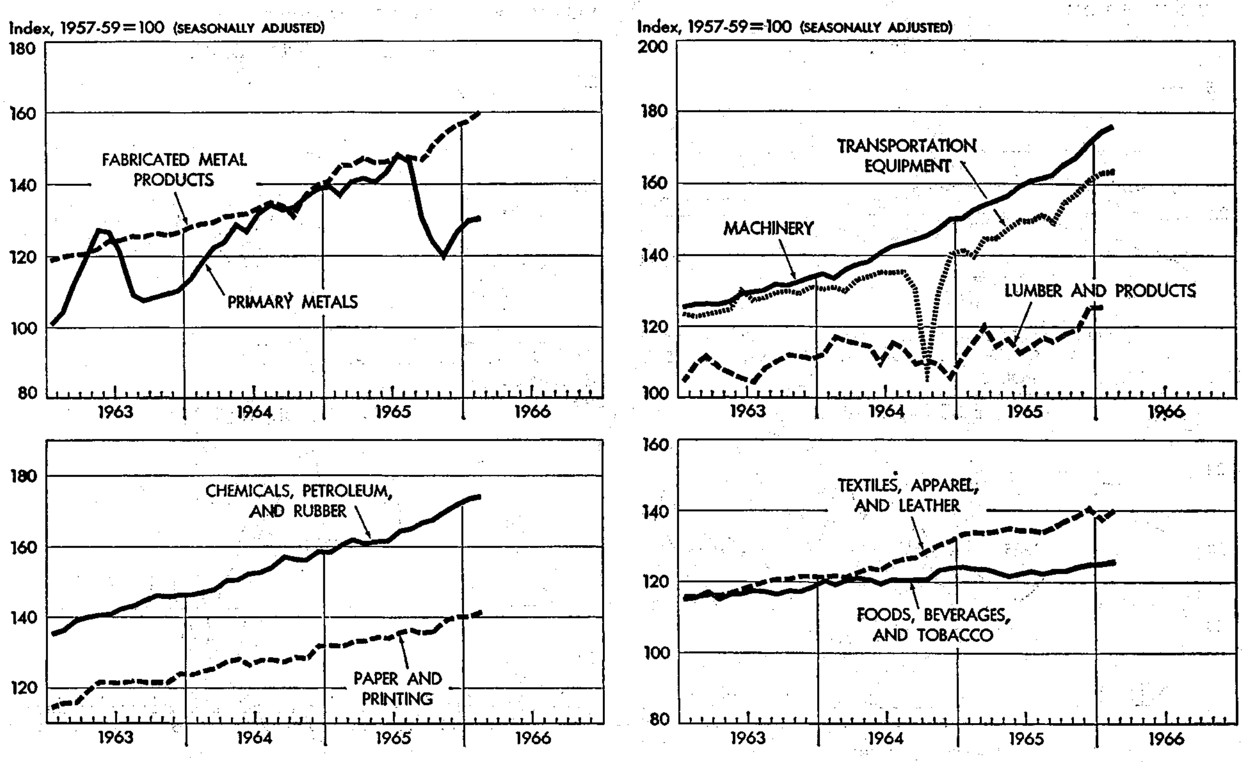
Period	Total industrial production	Industry					Market			
		Manufacturing			Mining	Utilities	Final products			Materials
		Total	Durable	Nondurable			Total	Consumer goods	Equipment	
1956	99.9	100.2	104.0	95.4	104.8	87.9	98.1	95.5	103.7	101.6
1957	100.7	100.8	104.0	96.7	104.6	93.9	99.4	97.0	104.6	101.9
1958	93.7	93.2	90.3	96.8	95.6	98.1	94.8	96.4	91.3	92.7
1959	105.6	106.0	105.6	106.5	99.7	108.0	105.7	106.6	104.1	105.4
1960	108.7	108.9	108.5	109.5	101.6	115.6	109.9	111.0	107.6	107.6
1961	109.7	109.6	107.0	112.9	102.6	122.3	111.2	112.6	108.3	108.4
1962	118.3	118.7	117.9	119.8	105.0	131.4	119.7	119.7	119.6	117.0
1963	124.3	124.9	124.5	125.3	107.9	140.0	124.9	125.2	124.2	123.7
1964	132.3	133.1	133.5	132.6	111.3	151.3	131.8	131.7	132.0	132.8
1965 [1]	143.3	144.9	148.4	140.7	114.4	161.0	142.4	140.2	146.9	144.1
1965: Jan	138.6	140.2	142.0	137.9	111.8	154.9	138.4	138.4	138.2	138.8
Feb	139.2	140.8	142.7	138.4	111.8	156.1	138.5	138.0	139.4	139.7
Mar	140.7	142.3	144.8	139.1	112.5	158.5	140.1	140.0	140.4	141.7
Apr	140.9	142.4	145.5	138.5	113.0	159.9	139.4	138.5	141.2	142.6
May	141.6	143.1	146.4	138.8	114.0	160.4	140.2	138.6	143.7	142.6
June	142.7	144.1	148.1	139.0	115.3	162.5	140.7	138.7	144.9	144.5
July	144.2	145.7	150.0	140.4	116.0	161.3	141.7	139.3	147.0	146.4
Aug	144.5	146.0	150.5	140.4	117.0	161.4	142.3	139.5	148.4	146.1
Sept	143.5	145.2	148.2	141.3	112.6	165.3	143.3	140.7	149.0	143.7
Oct	145.1	146.7	150.3	142.1	115.8	165.7	145.7	141.7	154.3	144.3
Nov	146.4	148.2	151.3	144.2	116.0	165.1	147.4	142.8	157.3	145.6
Dec	148.7	150.6	155.0	145.2	117.6	165.5	148.8	144.1	158.8	148.6
1966: Jan	150.1	152.1	157.6	145.2	118.6	165.5	149.6	144.0	161.6	150.1
Feb [1]	151.3	153.5	159.2	146.4	118.4	166.5	151.3	145.2	164.5	150.9

[1] Preliminary.

Source: Board of Governors of the Federal Reserve System.

PRODUCTION OF SELECTED MANUFACTURES

In February, production of all major manufactures continued to rise, on a seasonally adjusted basis. Largest gains—2 percent—were posted by the textiles and fabricated metals groups.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1957–59=100, seasonally adjusted]

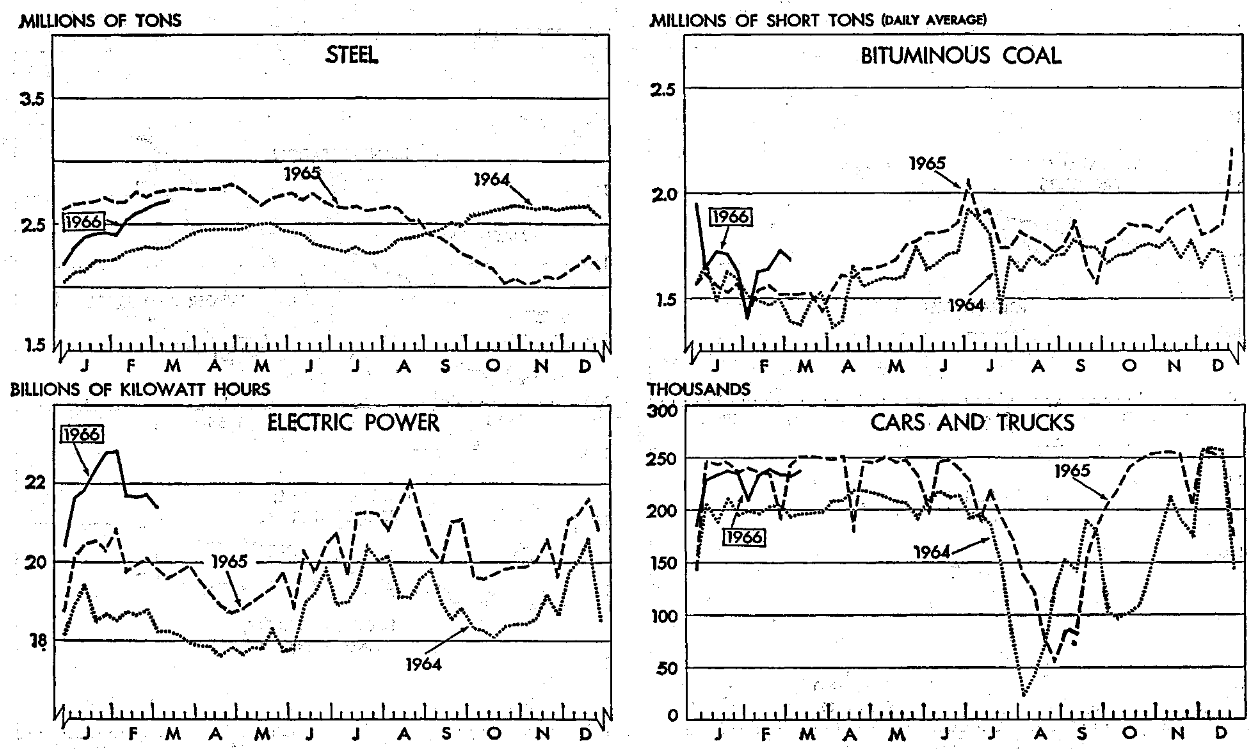
Period	Durable manufactures: Primary metals	Durable manufactures: Fabricated metal products	Durable manufactures: Machinery	Durable manufactures: Transportation equipment	Durable manufactures: Lumber and products	Nondurable manufactures: Textiles, apparel, and leather	Nondurable manufactures: Paper and printing	Nondurable manufactures: Chemicals, petroleum, and rubber	Nondurable manufactures: Foods, beverages, and tobacco
1956	116.4	98.8	107.1	97.4	105.4	98.0	97.1	91.4	96.6
1957	112.2	101.5	104.2	106.4	95.9	96.9	97.8	95.6	96.7
1958	87.5	92.9	88.8	89.5	95.6	95.0	97.0	95.5	99.4
1959	100.4	105.5	107.1	104.0	108.5	108.1	105.2	108.9	103.9
1960	101.3	107.6	110.8	108.2	102.1	107.5	109.0	113.9	106.6
1961	98.9	106.5	110.4	103.6	101.3	108.4	112.4	118.9	110.2
1962	104.6	117.1	123.5	118.3	106.1	115.1	116.7	131.2	113.3
1963	113.3	123.4	129.2	127.0	108.9	118.5	120.1	141.8	116.8
1964	129.1	132.7	141.4	130.7	112.6	125.2	127.5	152.5	120.8
1965 [1]	137.5	147.8	160.4	149.2	117.4	135.7	135.3	164.6	123.1
1965: Jan	139.6	140.6	150.7	141.4	111.9	133.3	132.0	158.2	124.2
Feb	136.9	145.0	152.5	139.7	115.6	133.8	131.8	160.4	123.4
Mar	140.4	145.2	153.9	144.4	120.5	133.7	132.9	162.0	123.7
Apr	141.4	147.4	155.4	144.6	114.2	133.9	133.2	160.8	122.4
May	140.2	146.0	156.9	147.3	117.1	135.0	134.2	161.2	121.5
June	143.0	146.4	159.0	149.5	112.8	134.5	134.0	161.6	122.3
July	148.7	148.0	160.6	149.8	115.4	134.7	135.9	164.1	122.9
Aug	146.5	147.5	161.4	151.5	117.2	134.1	136.4	164.9	122.3
Sept	131.2	147.0	162.3	149.4	116.2	135.5	135.4	166.9	123.1
Oct	123.7	150.9	166.0	155.0	118.3	137.3	136.4	167.7	123.0
Nov	119.4	153.6	167.5	157.3	119.1	138.8	139.2	170.1	124.5
Dec	126.5	156.2	170.7	160.8	125.4	140.4	139.9	171.7	124.7
1966: Jan	129.8	157.3	174.6	163.2	125.7	137.3	139.9	173.4	125.2
Feb [1]	131	160	177	163	--------	140	141	174	126

[1] Preliminary.

Source: Board of Governors of the Federal Reserve System.

WEEKLY INDICATORS OF PRODUCTION

Steel output increased again in February, averaging 7 percent more than in January. Cars and trucks assembled declined as did most other weekly indicators of production on a seasonally unadjusted basis.



SOURCES: AMERICAN IRON AND STEEL INSTITUTE, DEPARTMENT OF THE INTERIOR, EDISON ELECTRIC INSTITUTE, AND WARD'S AUTOMOTIVE REPORTS

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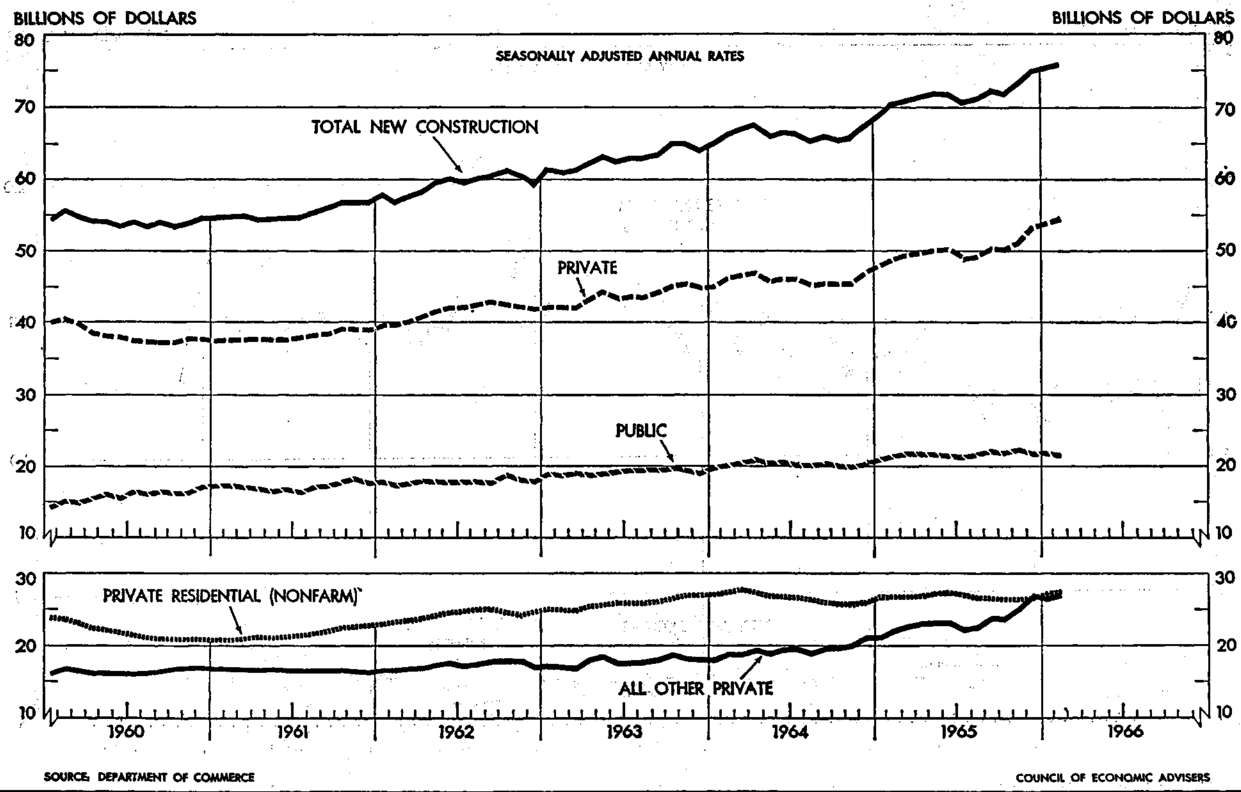
Period	Steel produced: Thousands of net tons	Steel produced: Index (1957–59=100)	Electric power distributed (millions of kilowatt-hours)	Bituminous coal mined (thousands of short tons) [1]	Freight loaded (thousands of cars)	Paperboard produced (thousands of tons)	Cars and trucks assembled (thousands): Total	Cars	Trucks
Weekly average:									
1959	1,792	96.2	13,297	1,380	596	307	129.5	107.6	21.9
1960	1,899	101.9	14,424	1,390	585	306	151.8	128.8	23.0
1961	1,880	100.9	15,139	1,353	550	322	127.8	106.1	21.7
1962	1,886	101.2	16,325	1,414	552	343	157.5	133.4	24.1
1963	2,096	112.5	17,490	1,535	555	358	175.0	146.9	28.1
1964	2,431	130.5	18,728	1,630	550	384	178.8	148.8	30.0
1965	2,516	135.1	20,169	1,717	563	410	213.7	179.4	34.3
1965: Jan	2,671	143.4	20,348	1,576	528	391	243.1	206.8	36.3
Feb	2,716	145.8	20,160	1,554	512	408	225.7	192.8	33.0
Mar	2,787	149.6	19,728	1,598	540	421	248.5	210.5	37.9
Apr	2,789	149.7	18,896	1,647	567	410	231.5	195.4	36.1
May	2,712	145.6	19,314	1,649	597	423	244.3	206.6	37.7
June	2,702	145.1	19,842	1,791	578	406	233.3	196.1	37.2
July	2,613	140.3	20,833	1,802	550	367	199.9	171.2	28.7
Aug	2,556	137.2	21,395	1,781	588	416	98.4	73.1	25.2
Sept	2,325	124.8	20,414	1,735	573	413	142.6	109.7	32.9
Oct	2,098	112.6	19,741	1,801	620	441	240.1	203.6	36.6
Nov	2,056	110.4	20,027	1,884	581	443	242.3	207.6	34.7
Dec	2,178	116.9	21,010	1,902	524	455	224.0	189.0	35.0
1966: Jan	2,388	128.2	22,138	1,651	526	421	233.8	196.0	37.7
Feb [2]	2,559	137.4	21,969	1,640	524	446	228.7	190.2	38.5
Week ended:									
1966: Feb 5	2,422	130.0	22,793	1,423	488	436	208.5	172.0	36.4
12	2,530	135.8	21,687	1,630	534	443	234.0	196.0	38.0
19	2,575	138.2	21,671	1,643	538	446	239.2	199.1	40.1
26	2,626	141.0	21,726	1,733	536	458	233.1	193.7	39.4
Mar 5 [2]	2,660	142.8	21,399	1,685	545	454	232.6	194.9	37.7
12 [2]	2,692	144.5	*21,424	*1,713	558	452	238.2	200.0	38.2

[1] Daily average. Includes data for Alaska.
[2] Preliminary. * Not charted.

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

NEW CONSTRUCTION

February outlays for new construction (seasonally adjusted), with a gain of ½ percent for the month, extended the rise started in November 1965. The 4-month increase of 5.7 percent was concentrated in the private nonresidential area.



Period	Total new construction expenditures	Private: Total	Private: Residential nonfarm: Total[1]	Private: Residential nonfarm: New housing units	Private: Commercial and industrial	Private: Other	Federal, State, and local	Construction contracts[2]: Total value (index, 1957–59=100)	Construction contracts[2]: Commercial and industrial floor space (millions of square feet)
	Billions of dollars								
1960	53.9	38.1	21.7	16.4	7.0	9.3	15.9	105.2	461
1961	55.4	38.3	21.7	16.2	7.5	9.2	17.1	107.6	443
1962*	59.7	41.8	24.3	18.6	8.0	9.5	17.9	119.7	500
1963*	63.0	43.6	25.8	20.1	7.9	9.9	19.3	132.0	534
1964*	66.2	45.9	26.5	20.6	9.0	10.4	20.3	137.0	599
1965*	71.6	50.0	26.7	20.8	11.8	11.5	21.6	142.8	680
	Seasonally adjusted annual rates							*Seasonally adjusted*	*Seasonally adjusted annual rates*
1965:* Jan	68.8	47.7	26.7	20.8	10.1	10.9	21.1	137	639
Feb	70.4	48.9	26.7	20.9	11.1	11.1	21.4	140	697
Mar	71.2	49.4	26.6	20.7	11.6	11.2	21.8	141	648
Apr	71.4	49.7	26.7	20.8	11.5	11.6	21.7	152	771
May	72.0	50.1	27.1	21.1	11.5	11.6	21.8	145	674
June	71.8	50.3	27.2	21.2	11.6	11.5	21.4	139	663
July	70.4	49.1	27.0	21.0	10.8	11.4	21.2	149	671
Aug	70.9	49.2	26.6	20.7	11.2	11.4	21.6	139	595
Sept	72.3	50.2	26.4	20.5	12.3	11.5	22.1	147	762
Oct	71.8	50.1	26.3	20.4	12.1	11.6	21.7	147	726
Nov	73.4	51.2	26.2	20.3	13.0	12.0	22.2	141	724
Dec	75.1	53.4	26.7	20.8	14.3	12.5	21.6	153	772
1966: Jan	75.5	53.7	27.3	21.4	14.0	12.4	21.8	149	720
Feb[3]	75.9	54.4	27.5	21.6	26.9		21.5	----------	----------

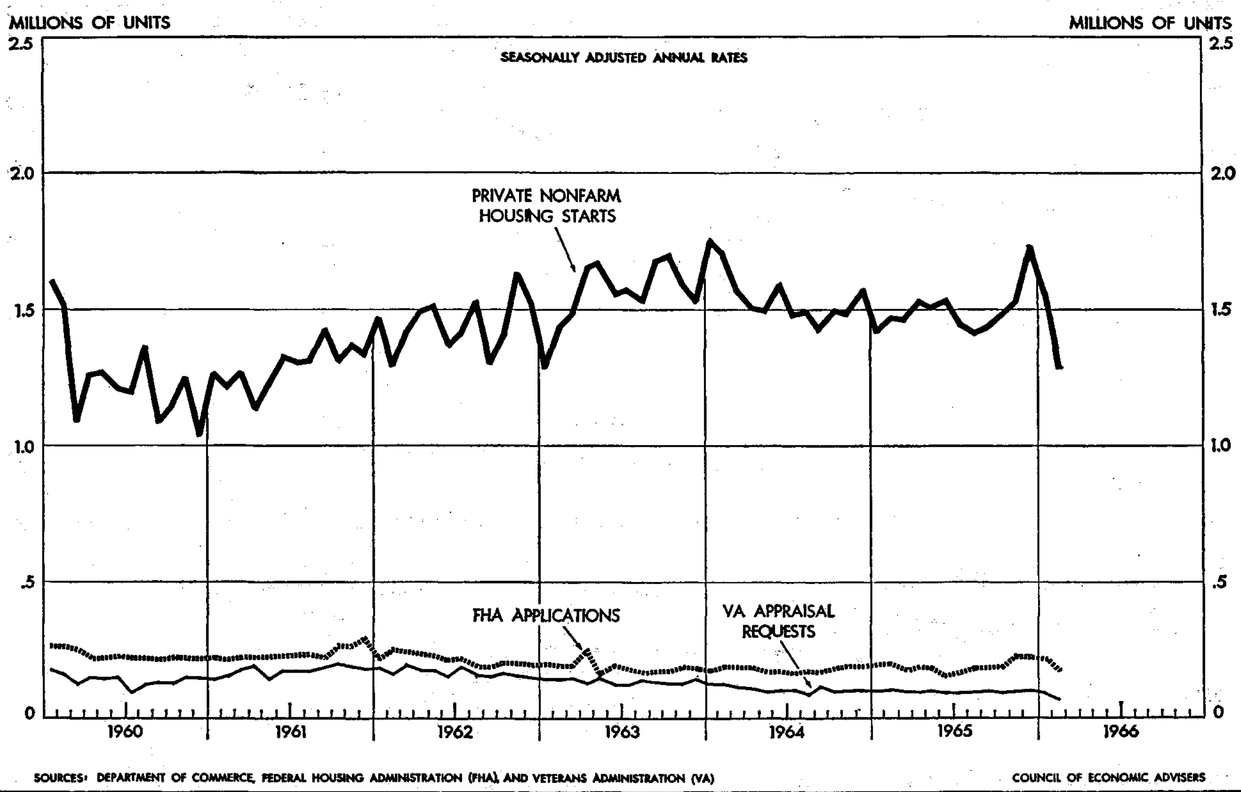
[1] Includes nonhousekeeping residential construction and additions and alterations, not shown separately.
[2] Compiled by F. W. Dodge Corporation and relates to 48 States.
[3] Preliminary.
* Data for 1962–65 revised; see *Construction Reports* C30–65 (Supplement), January 1966.

NOTE.—Data for Alaska and Hawaii included beginning January 1959.

Sources: Department of Commerce and F. W. Dodge Corporation.

NEW HOUSING STARTS AND APPLICATIONS FOR FINANCING

Private nonfarm housing starts declined 17 percent in February to a seasonally adjusted annual rate of 1.3 million units, the lowest level since January 1963. Permit authorizations also declined.



[Thousands of units]

Period	Housing starts: Total private and public (including farm)	Housing starts: Total private (including farm)	Private nonfarm: Total	Private nonfarm: One-family	Private nonfarm: Two or more families	Total private (including farm)	Private nonfarm: Total	Government home programs: FHA	Government home programs: VA	New private housing units authorized [1]	Proposed home construction: Applications for FHA commitments [2]	Proposed home construction: Requests for VA appraisals [2]
1960	1,296.0	1,252.1	1,230.1	972.9	257.2	1,252.1	1,230.1	225.7	74.6	998.0	242.4	142.9
1961	1,365.0	1,313.0	1,284.8	946.2	338.6	1,313.0	1,284.8	198.8	83.3	1,064.2	243.8	177.8
1962	1,492.4	1,462.7	1,439.0	967.8	471.2	1,462.7	1,439.0	197.3	77.8	1,186.6	221.1	171.2
1963	1,641.0	1,609.2	1,581.7	993.2	588.5	1,609.2	1,581.7	166.2	71.0	1,334.7	190.2	139.3
1964	1,590.7	1,557.4	1,530.4	944.5	585.9	1,557.4	1,530.4	154.0	59.2	1,285.8	182.1	113.6
1965 [3]	1,542.7	1,505.1	1,482.7	939.9	542.5	1,505.1	1,482.7	159.9	52.5	1,241.6	188.9	102.1
						Seasonally adjusted annual rates						
1965: Jan	85.6	81.4	80.1	50.4	29.7	1,442	1,417	168	67	1,280	196	107
Feb	87.9	85.4	84.7	50.7	34.0	1,482	1,468	164	61	1,224	194	116
Mar	124.9	120.7	118.8	74.8	44.0	1,489	1,465	163	56	1,269	175	106
Apr	154.9	152.2	150.1	97.7	52.4	1,552	1,532	146	50	1,187	187	100
May	162.1	157.5	155.2	99.9	55.3	1,516	1,501	155	54	1,240	180	113
June	162.3	155.5	152.8	97.0	55.8	1,566	1,539	154	54	1,254	154	100
July	143.9	141.3	139.0	91.8	47.2	1,473	1,447	151	52	1,243	165	95
Aug	138.0	134.7	132.8	86.5	46.3	1,427	1,409	148	48	1,217	186	95
Sept	125.9	124.3	122.7	78.4	44.3	1,453	1,436	160	47	1,180	189	97
Oct	135.7	133.6	130.9	84.4	46.5	1,411	1,380	167	49	1,259	192	94
Nov	118.3	116.1	114.9	70.2	44.7	1,547	1,531	173	54	1,282	222	100
Dec	103.2	102.3	100.7	58.2	42.2	1,769	1,735	189	48	1,325	219	105
1966: Jan [3]	86.2	83.6	82.6	49.8	31.2	1,584	1,558	181	53	1,262	214	89
Feb [3]	77.9	75.1	73.6	--------	-------	1,318	1,293	177	40	1,145	179	72

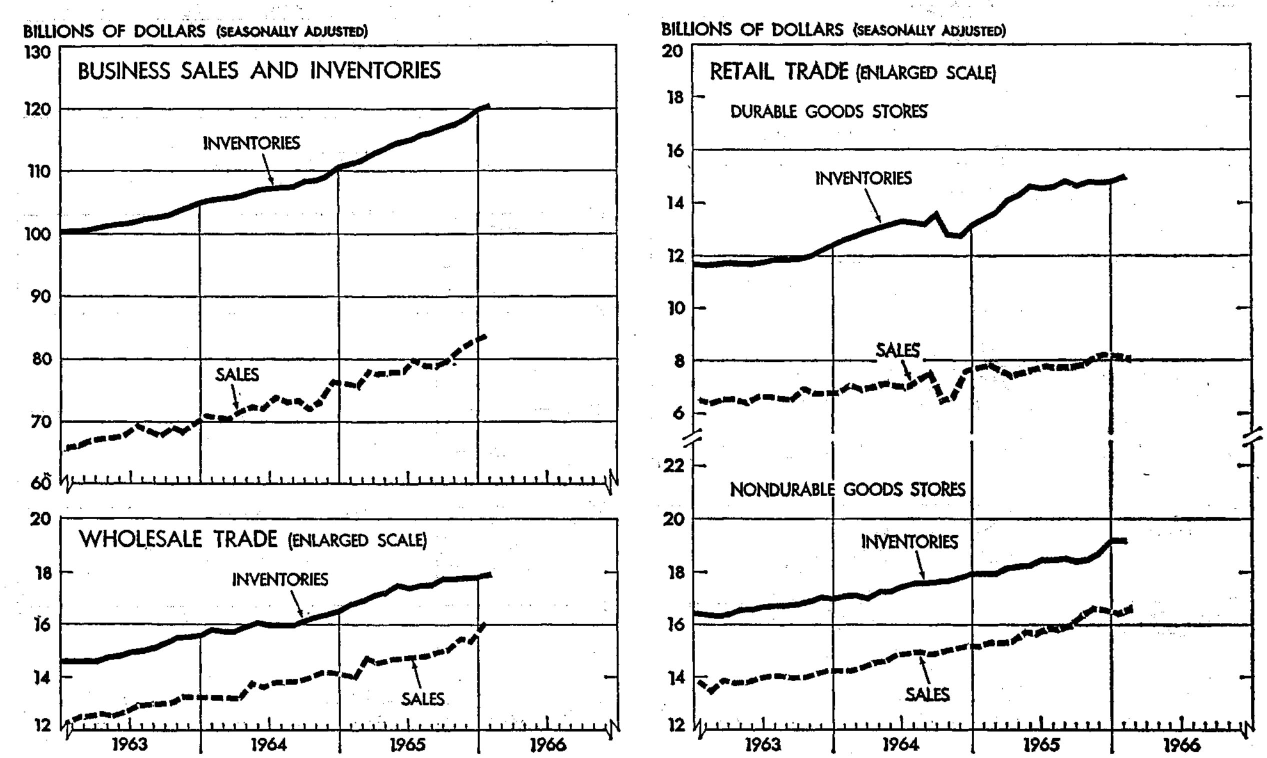
[1] Authorized by issuance of local building permit; in 10,000 permit-issuing places prior to 1963, and 12,000 or more thereafter.
[2] Units represented by mortgage applications for new home construction.
[3] Preliminary.

NOTE.—Data include Alaska and Hawaii.

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

BUSINESS SALES AND INVENTORIES — TOTAL AND TRADE

Despite the drop of retail sales, total business sales increased 1 percent (seasonally adjusted) in January. Inventories were up $600 million compared with the $1.3 billion gain in December. Retail sales showed little change in February, according to the advance survey.



DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

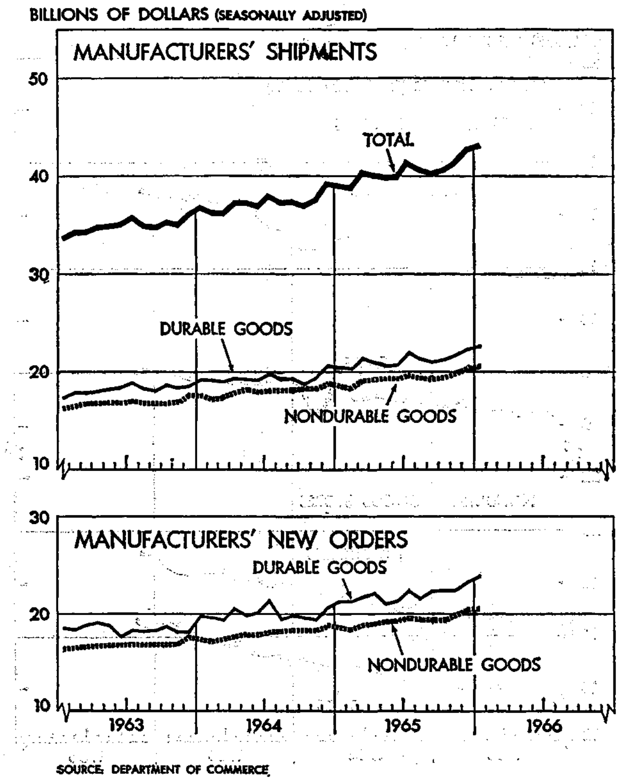
Period	Total business[1]		Wholesale[4]		Retail[5]					
					Sales[2]			Inventories[3]		
	Sales[2]	Inventories[3]	Sales[2]	Inventories[3]	Total	Durable goods stores	Nondurable goods stores	Total	Durable goods stores	Nondurable goods stores
	Millions of dollars, seasonally adjusted									
1958	54,233	86,922	10,257	12,739	16,696	5,284	11,412	24,113	10,526	13,587
1959	59,583	91,964	11,413	13,952	17,951	5,967	11,984	25,305	11,029	14,276
1960	60,530	94,610	11,440	13,983	18,294	5,880	12,414	26,813	11,923	14,890
1961	60,748	95,576	11,629	14,251	18,234	5,581	12,654	26,238	10,965	15,273
1962	65,078	100,271	12,158	14,580	19,613	6,210	13,402	27,938	11,656	16,282
1963	68,002	105,127	12,692	15,597	20,536	6,627	13,909	29,383	12,386	16,997
1964	72,647	110,535	13,715	16,461	21,802	7,014	14,788	31,130	13,136	17,994
1965[6]	78,737	119,847	14,799	17,875	23,660	7,806	15,863	33,957	14,782	19,175
1964: Dec	76,253	110,535	14,178	16,461	22,757	7,567	15,190	31,130	13,136	17,994
1965: Jan	75,946	111,465	14,128	16,774	22,933	7,759	15,174	31,478	13,493	17,985
Feb	75,807	111,884	13,946	16,867	23,168	7,841	15,327	31,635	13,655	17,980
Mar	77,894	113,032	14,725	17,064	22,884	7,597	15,287	32,260	14,082	18,178
Apr	77,493	113,761	14,620	17,216	22,829	7,445	15,384	32,546	14,298	18,248
May	77,866	114,542	14,718	17,450	23,334	7,618	15,716	32,823	14,566	18,257
June	78,027	115,049	14,736	17,410	23,348	7,691	15,657	33,014	14,546	18,468
July	79,938	116,012	14,828	17,530	23,658	7,821	15,837	33,088	14,592	18,496
Aug	78,938	116,683	14,829	17,535	23,591	7,764	15,827	33,360	14,819	18,541
Sept	78,872	116,967	14,936	17,655	23,763	7,770	15,993	33,045	14,621	18,424
Oct	79,760	117,653	14,995	17,715	24,217	7,871	16,346	33,296	14,782	18,514
Nov	81,548	118,500	15,505	17,775	24,640	8,050	16,590	33,533	14,774	18,759
Dec[6]	82,787	119,847	15,372	17,875	24,793	8,223	16,570	33,957	14,782	19,175
1966: Jan[6]	83,690	120,451	16,054	17,910	24,592	8,181	16,411	34,113	14,949	19,164
Feb[6]					24,603	8,016	16,587			

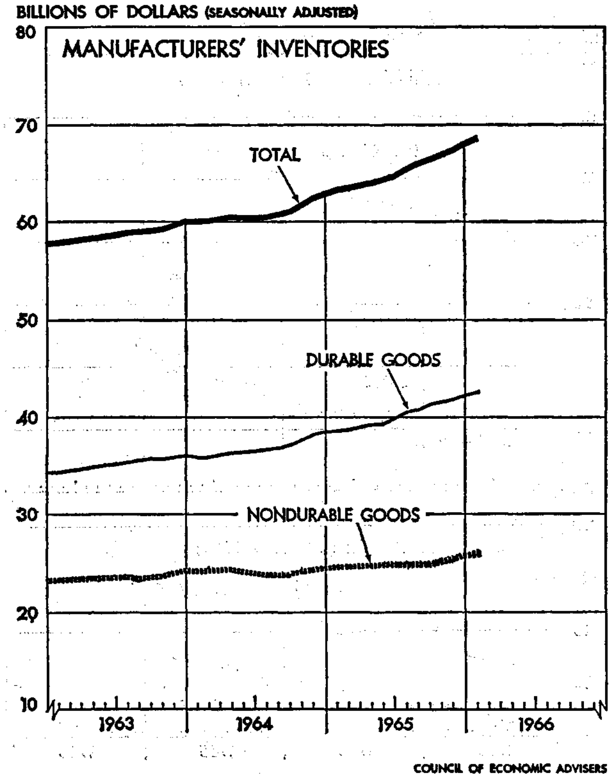
[1] The term "business" here includes wholesale and retail trade, and manufacturing (see page 22).
[2] Monthly average for year and total for month.
[3] Book value, end of period, seasonally adjusted.
[4] Beginning 1961, data include Alaska and Hawaii.
[5] Beginning 1960, data include Alaska and Hawaii.
[6] Preliminary.

Source: Department of Commerce.

MANUFACTURERS' SHIPMENTS, INVENTORIES, AND NEW ORDERS

Manufacturers' shipments increased 1 percent in January and new orders also gained, on a seasonally adjusted basis. Inventories registered a moderate rise of $400 million.





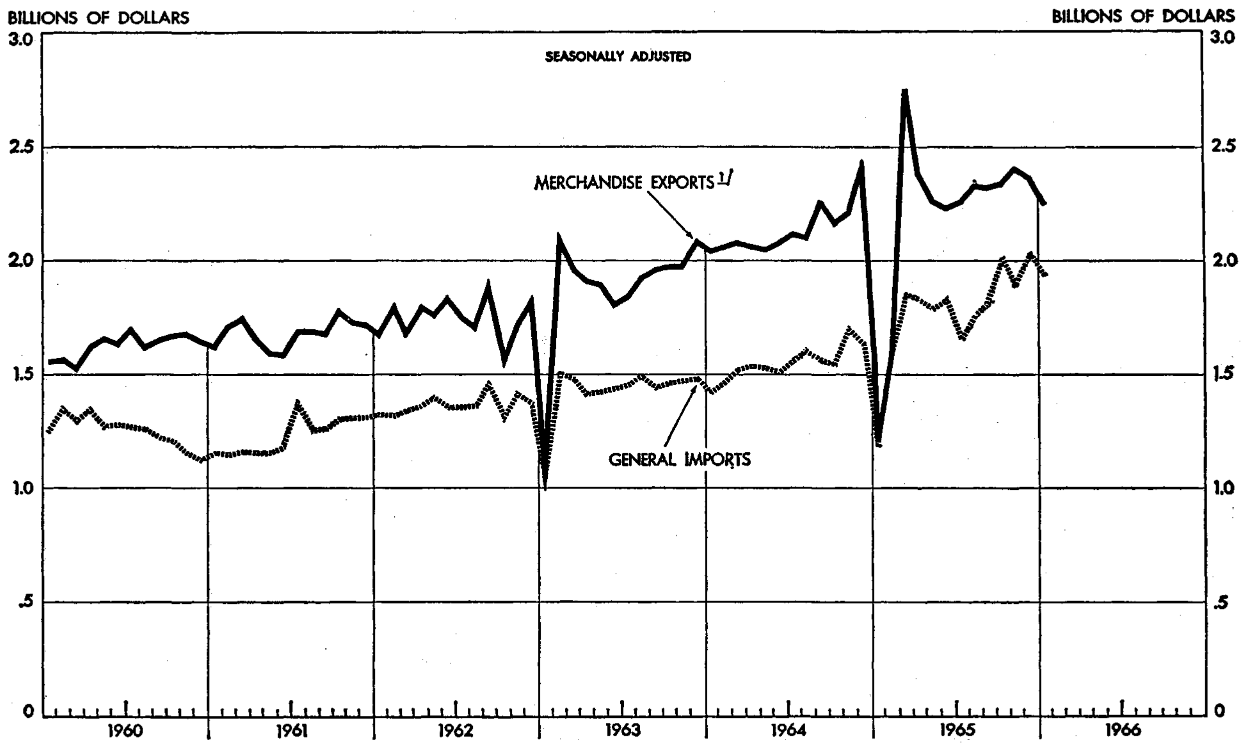
Period	Manufacturers' shipments [1]			Manufacturers' inventories [2]			Manufacturers' new orders [1]				Manufacturers' inventory-shipments ratio [3]
	Total	Durable goods	Nondurable goods	Total	Durable goods	Nondurable goods	Total	Durable goods: Total	Durable goods: Machinery and equipment	Nondurable goods	
	Millions of dollars, seasonally adjusted										
1958	27,280	13,572	13,708	50,070	30,095	19,975	26,901	13,170	2,354	13,731	1.84
1959	30,219	15,544	14,675	52,707	31,839	20,868	30,679	15,951	2,878	14,728	1.70
1960	30,796	15,817	14,979	53,814	32,360	21,454	30,115	15,223	2,791	14,892	1.76
1961	30,884	15,532	15,352	55,087	32,646	22,441	31,061	15,664	2,854	15,397	1.74
1962	33,308	17,184	16,124	57,753	34,326	23,427	33,167	17,085	3,090	16,082	1.70
1963	34,774	18,071	16,704	60,147	36,028	24,119	35,036	18,300	3,326	16,736	1.69
1964	37,129	19,231	17,898	62,944	38,412	24,532	37,697	19,803	3,706	17,895	1.64
1965 [4]	40,279	21,020	19,258	68,015	42,324	25,691	41,023	21,728	4,140	19,295	1.61
1964: Nov	37,514	19,291	18,223	62,377	38,040	24,337	37,720	19,454	3,882	18,266	1.66
Dec	39,318	20,559	18,759	62,944	38,412	24,532	39,590	20,720	3,917	18,870	1.60
1965: Jan	38,885	20,415	18,470	63,213	38,495	24,718	39,704	21,271	3,958	18,433	1.63
Feb	38,693	20,374	18,319	63,382	38,692	24,690	39,469	21,130	3,799	18,339	1.64
Mar	40,285	21,284	19,001	63,708	38,972	24,736	40,712	21,714	4,024	18,998	1.58
Apr	40,044	20,915	19,129	63,999	39,233	24,766	41,120	22,043	4,078	19,077	1.60
May	39,814	20,513	19,301	64,269	39,475	24,794	40,181	20,992	4,069	19,189	1.61
June	39,943	20,652	19,291	64,625	39,951	24,674	40,689	21,310	4,091	19,379	1.62
July	41,452	21,820	19,632	65,394	40,600	24,794	41,846	22,195	4,348	19,651	1.58
Aug	40,518	21,191	19,327	65,788	40,814	24,974	40,926	21,509	4,159	19,417	1.62
Sept	40,173	20,924	19,249	66,267	41,300	24,967	41,483	22,163	4,153	19,320	1.65
Oct	40,548	21,146	19,402	66,642	41,523	25,119	41,843	22,425	4,249	19,418	1.64
Nov	41,403	21,606	19,797	67,192	41,869	25,323	42,234	22,389	4,325	19,845	1.62
Dec	42,622	22,316	20,306	68,015	42,324	25,691	43,868	23,403	4,583	20,465	1.60
1966: Jan [4]	43,044	22,537	20,507	68,428	42,543	25,885	44,298	23,774	4,420	20,524	1.59
Feb [4,5]	-------	22,551	-------	-------	-------	-------	-------	23,463	4,533	-------	-------

[1] Monthly average for year and total for month.
[2] Book value, end of period, seasonally adjusted.
[3] For annual periods, ratio of weighted average inventories to average monthly shipments; for monthly data, ratio of inventories at end of month to shipments for month.
[4] Preliminary; February not charted.
[5] Not charted.

Source: Department of Commerce.

MERCHANDISE EXPORTS AND IMPORTS

In January, imports fell back from their peak level of the previous month and exports, too, declined nearly 5 percent. The trade surplus of $313 million (seasonally adjusted) was little changed from December, but remained considerably below last year's monthly average.



1/ SEE NOTE 1 BELOW.
SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Merchandise exports						Merchandise imports						Merchandise trade surplus, *seasonally adjusted*
	Total (including reexports) [1]		Domestic exports				General imports [2]		Imports for consumption [3]				
	Seasonally adjusted	Unadjusted	Total [1, 4]	Food, beverages, and tobacco	Crude materials and fuel	Manufactured goods	*Seasonally adjusted*	Unadjusted	Total [4]	Food, beverages, and tobacco	Crude materials and fuel	Manufactured goods	
Monthly average:													
1958	-------	1,364	1,351	224	254	962	-------	1,105	1,101	296	342	433	259
1959	-------	1,367	1,352	238	250	931	-------	1,302	1,285	296	382	575	65
1960	-------	1,634	1,617	263	324	1,072	-------	1,251	1,251	283	379	556	383
1961	-------	1,679	1,659	286	318	1,083	-------	1,226	1,221	286	361	539	453
1962	-------	1,745	1,723	307	277	1,157	-------	1,366	1,354	306	381	630	379
1963	-------	1,869	1,846	342	311	1,218	-------	1,429	1,417	320	386	666	440
1964	-------	2,139	2,110	387	362	1,364	-------	1,557	1,550	332	413	756	582
1965	-------	2,214	2,185	377	356	1,438	-------	1,781	1,773	335	448	933	433
		Unadjusted						Unadjusted					
1964: Dec	*2,426*	2,576	2,541	453	464	1,620	*1,642*	1,755	1,721	376	454	842	*784*
1965: Jan	*1,215*	1,188	1,171	137	209	826	*1,193*	1,113	1,138	173	386	535	*22*
Feb	*1,599*	1,514	1,491	225	246	1,052	*1,600*	1,463	1,488	264	416	759	*−1*
Mar	*2,755*	2,891	2,859	484	461	1,888	*1,861*	2,034	1,992	386	508	1,041	*894*
Apr	*2,380*	2,528	2,501	389	410	1,708	*1,833*	1,857	1,823	331	454	963	*547*
May	*2,260*	2,381	2,351	392	378	1,555	*1,789*	1,723	1,719	332	409	913	*471*
June	*2,230*	2,219	2,191	382	382	1,455	*1,830*	1,907	1,878	349	474	989	*400*
July	*2,256*	2,172	2,139	414	362	1,343	*1,663*	1,633	1,635	261	410	902	*593*
Aug	*2,333*	2,124	2,096	363	322	1,393	*1,764*	1,716	1,727	315	449	909	*569*
Sept	*2,324*	2,140	2,110	401	303	1,371	*1,807*	1,798	1,795	353	431	946	*517*
Oct	*2,342*	2,420	2,387	431	383	1,530	*2,006*	1,997	2,004	409	462	1,061	*336*
Nov	*2,408*	2,440	2,407	459	403	1,525	*1,903*	1,967	1,953	417	424	1,034	*505*
Dec	*2,356*	2,551	2,520	444	416	1,614	*2,035*	2,160	2,130	429	494	1,140	*321*
1966: Jan	*2,249*	2,133	2,105	374	324	1,359	*1,936*	1,829	1,801	325	461	974	*313*

[1] Total excludes Department of Defense shipments of grant-aid military supplies and equipment under the Military Assistance Program.

[2] Total arrivals of imported goods other than intransit shipments.

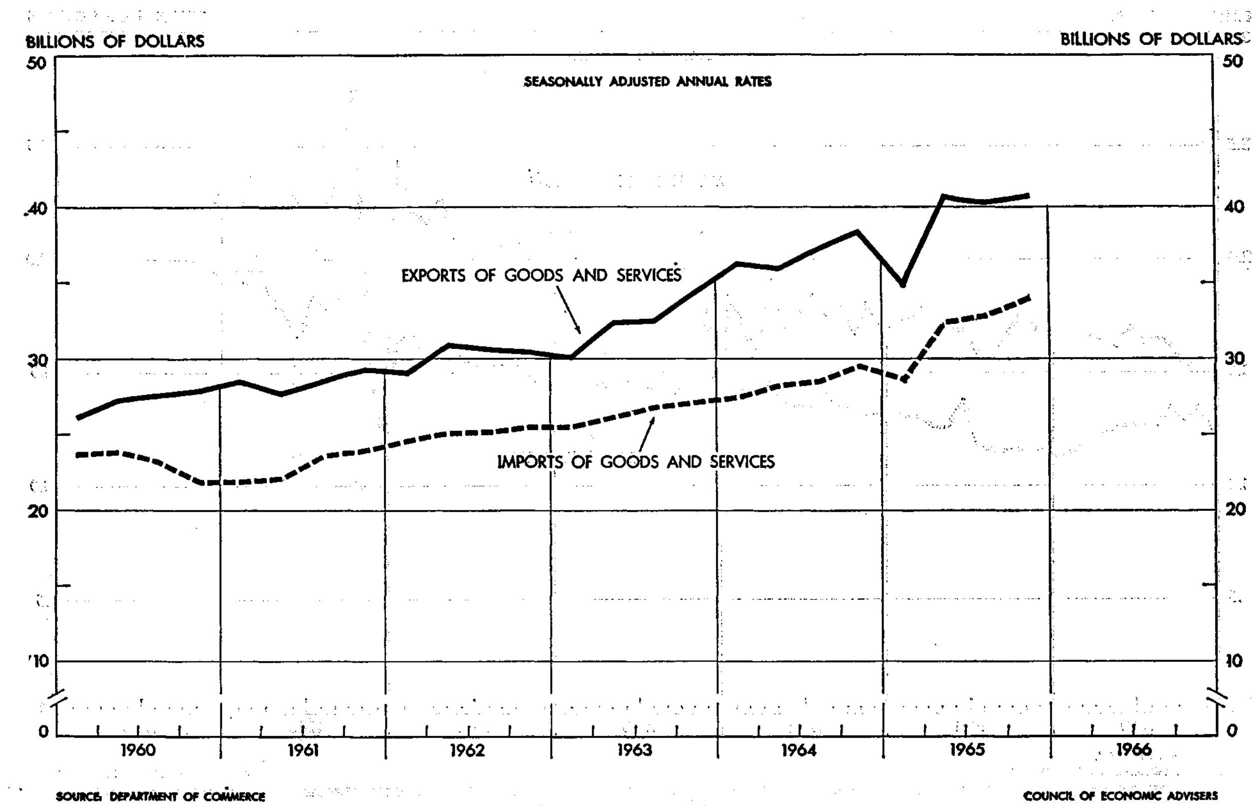
[3] Imported merchandise released from Customs custody for entry into U.S. consumption channels, entries into bonded manufacturing warehouses, and ores and crude metals (after smelting and refining) in bonded warehouses.

[4] Total includes commodities and transactions not classified according to kind.

Source: Department of Commerce.

U.S. EXPORTS AND IMPORTS OF GOODS AND SERVICES

In the fourth quarter of 1965 the balance on goods and services declined to $6.7 billion (seasonally adjusted annual rate) bringing the balance for the year to $7.1 billion. This yearly total is below the unusually high 1964 level of $8.6 billion but is still the second highest surplus attained since 1947.



[Millions of dollars]

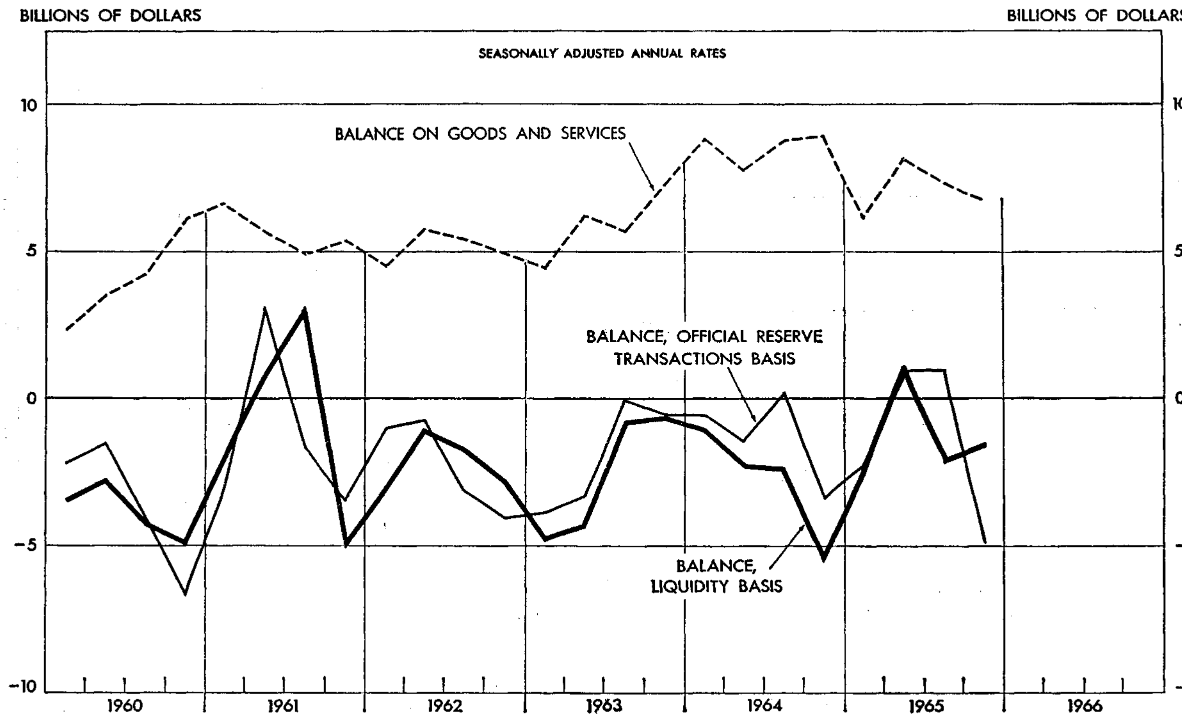
Period	Exports of goods and services						Imports of goods and services				Balance on goods and services
	Total	Merchandise [1]	Military sales	Income on investments: Private	Income on investments: Government	Other services	Total	Merchandise [1]	Military expenditures	Other services	
1959	23,476	16,282	302	2,694	349	3,849	23,342	15,310	3,107	4,925	134
1960	27,244	19,489	335	3,001	349	4,070	23,177	14,732	3,048	5,397	4,067
1961	28,557	19,936	402	3,561	380	4,278	22,924	14,507	2,954	5,463	5,633
1962	30,278	20,604	656	3,954	471	4,593	25,129	16,173	3,078	5,878	5,149
1963	32,353	22,069	659	4,156	498	4,971	26,436	16,992	2,929	6,515	5,917
1964	37,017	25,288	762	5,003	454	5,510	28,457	18,619	2,824	7,014	8,560
1965	39,060	26,285	815	5,557	497	5,906	31,980	21,492	2,838	7,650	7,080
	Seasonally adjusted annual rates										
1964: I	36,336	24,596	776	5,064	520	5,380	27,512	17,640	2,928	6,944	8,824
II	35,964	24,268	764	5,052	528	5,352	28,244	18,396	2,880	6,968	7,720
III	37,340	25,528	672	5,040	528	5,572	28,544	18,836	2,764	6,944	8,796
IV	38,428	26,760	836	4,856	240	5,736	29,528	19,604	2,724	7,200	8,900
1965: I	34,844	22,508	696	5,664	556	5,420	28,620	18,652	2,648	7,320	6,224
II	40,576	27,200	916	6,024	568	5,868	32,424	21,920	2,808	7,696	8,152
III	40,152	27,316	796	5,452	568	6,020	32,876	22,376	2,880	7,620	7,276
IV	40,668	28,116	852	5,088	296	6,316	34,000	23,020	3,016	7,964	6,668

[1] Adjusted from customs data for differences in timing and coverage.

Source: Department of Commerce.

U.S. BALANCE OF INTERNATIONAL PAYMENTS

In 1965 the United States recorded moderate sized deficits on both the liquidity and official settlements bases. The deficit on liquidity balance was $1.3 billion (compared to $2.8 billion in 1964), and the deficit on official settlements balance was also $1.3 billion (about the same as in 1964). The balances were about the same since the build-up of private liquid claims held abroad was very small in 1965.



SOURCE: DEPARTMENT OF COMMERCE

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[Millions of dollars]

Period	U.S. Government grants and capital, net [1]	U.S. private capital, net: Direct investment	U.S. private capital, net: Other long-term	U.S. private capital, net: Short-term	Foreign capital, net [1]	Errors and unrecorded transactions	Balance: Liquidity basis [2]	Balance: Official reserve transactions basis [3]	Changes in selected liabilities (decrease (−)) [4]: To foreign official holders [5]: Liquid	Changes in selected liabilities (decrease (−)) [4]: To foreign official holders [5]: Nonliquid [6]	Changes in selected liabilities (decrease (−)) [4]: To other foreign holders [7]	Changes in gold, convertible currencies and IMF gold tranche position (increase (−))
1959	−1,986	−1,372	−926	−77	863	412	−3,743	−2,283	1,248	--------	1,460	1,035
1960	−2,769	−1,674	−863	−1,348	366	−988	−3,881	−3,592	1,449	--------	289	2,143
1961	−2,780	−1,599	−1,025	−1,556	707	−1,045	−2,370	−1,287	681	--------	1,083	606
1962	−3,013	−1,654	−1,227	−544	1,021	−1,197	−2,203	−2,241	457	251	213	1,533
1963	−3,581	−1,976	−1,695	−785	688	−401	−2,670	−1,977	1,673	−74	619	378
1964	−3,563	−2,376	−1,975	−2,111	667	−1,161	−2,798	−1,342	1,073	98	1,554	171
1965	−3,390	−3,266	−988	728	172	−659	−1,301	−1,299	−50	127	129	1,222
	Seasonally adjusted annual rates								Quarterly totals, unadjusted			
1964:												
I	−3,012	−1,856	−1,096	−2,356	456	−1,152	−1,028	−608	−400	−34	227	−51
II	−3,560	−2,160	−1,024	−2,192	308	−608	−2,328	−1,496	215	23	114	303
III	−3,580	−2,204	−2,448	−1,624	680	−1,164	−2,372	112	389	18	562	70
IV	−4,100	−3,284	−3,332	−2,272	1,224	−1,720	−5,464	−3,376	869	91	651	−151
1965:												
I	−3,100	−4,636	−2,716	1,196	1,336	−40	−2,632	−2,256	−860	−23	203	842
II	−3,836	−3,564	636	1,668	−532	−324	1,032	988	−107	−15	−150	68
III	−2,900	−2,060	−1,428	212	−988	−1,264	−2,068	976	253	−22	677	41
IV	−3,724	−2,804	−444	−164	872	−1,008	−1,536	−4,904	664	187	−601	[8] 271

[1] Includes certain special Government transactions.

[2] Equals changes in liquid liabilities to foreign official holders, other foreign holders, and changes in official reserve assets consisting of gold, convertible currencies, and the U.S. gold tranche position in the IMF.

[3] Equals changes in liquid and nonliquid liabilities to foreign official holders and changes in official reserve assets consisting of gold, convertible currencies, and the U.S. gold tranche position in the IMF.

[4] Includes short-term official and banking liabilities and foreign holdings of U.S. Government bonds and notes.

[5] Central banks, governments, and U.S. liabilities to the IMF arising from reversible gold sales to, and gold deposits with, the U.S.

[6] Provisional.

[7] Private holders; includes banks and international and regional organizations; excludes IMF.

[8] On Dec. 31, U.S. reserve assets consisted of gold stock, $13,807 million (down $118 million from Sept. 30); IMF position including gold portion of increased U.S. subscription, $837 million; convertible currencies, $777 million.

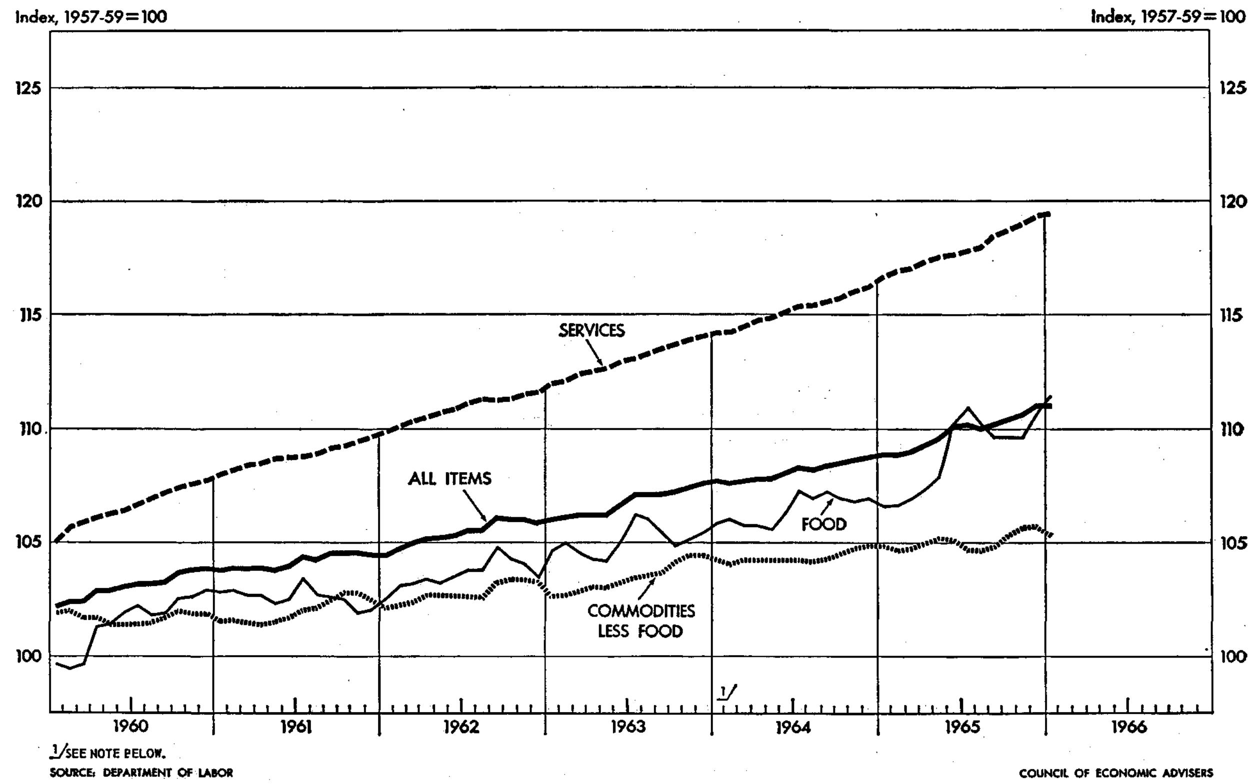
NOTE.—Data exclude military grant-aid and U.S. subscriptions to IMF.

Source: Department of Commerce.

PRICES

CONSUMER PRICES

The consumer price index was stable in January after four successive months of increase. Another large increase in food prices—of 0.7 percent—was more than offset by an 0.4 percent decline in the prices of all other commodities. Service prices continued their steady uptrend, rising by 0.2 percent.



[1957–59=100]

Period	All items	Commodities: All commodities	Commodities: Food	Commodities less food: All	Commodities less food: Durable	Commodities less food: Nondurable	Services: All services	Services: Rent	Services: Services less rent
1955	93.3	94.6	94.0	94.9	95.3	94.4	90.5	94.8	89.4
1956	94.7	95.5	94.7	95.9	95.4	96.5	92.8	96.5	91.9
1957	98.0	98.5	97.8	98.8	98.5	99.1	96.6	98.3	96.1
1958	100.7	100.8	101.9	99.9	100.0	99.8	100.3	100.1	100.2
1959	101.5	100.9	100.3	101.2	101.5	101.0	103.2	101.6	103.6
1960	103.1	101.7	101.4	101.7	100.9	102.6	106.6	103.1	107.4
1961	104.2	102.3	102.6	102.0	100.8	103.2	108.8	104.4	110.0
1962	105.4	103.2	103.6	102.8	101.8	103.8	110.9	105.7	112.1
1963	106.7	104.1	105.1	103.5	102.1	104.8	113.0	106.8	114.5
1964[1]	108.1	105.2	106.4	104.4	103.0	105.7	115.2	107.8	117.0
1965	109.9	106.4	108.8	105.1	102.6	107.2	117.8	108.9	120.0
1964: Dec	108.8	105.7	106.9	104.9	103.4	106.3	116.2	108.4	118.2
1965: Jan	108.9	105.6	106.6	104.9	103.6	106.1	116.6	108.4	118.6
Feb	108.9	105.5	106.6	104.7	103.3	106.1	116.9	108.5	118.9
Mar	109.0	105.6	106.9	104.8	103.2	106.2	117.0	108.7	119.1
Apr	109.3	105.9	107.3	105.0	103.0	106.8	117.3	108.8	119.3
May	109.6	106.2	107.9	105.2	102.9	107.2	117.5	108.8	119.5
June	110.1	106.9	110.1	105.1	102.6	107.3	117.6	108.8	119.7
July	110.2	106.9	110.9	104.7	102.3	106.9	117.8	108.9	120.0
Aug	110.0	106.6	110.1	104.7	101.8	107.1	117.9	109.0	120.0
Sept	110.2	106.6	109.7	104.9	101.7	107.7	118.5	109.1	120.7
Oct	110.4	106.9	109.7	105.3	102.1	108.0	118.7	109.2	121.0
Nov	110.6	107.1	109.7	105.6	102.4	108.3	119.0	109.3	121.3
Dec	111.0	107.4	110.6	105.7	102.4	108.4	119.3	109.5	121.6
1966: Jan	111.0	107.4	111.4	105.3	101.9	108.0	119.5	109.7	121.8

[1] See Note.

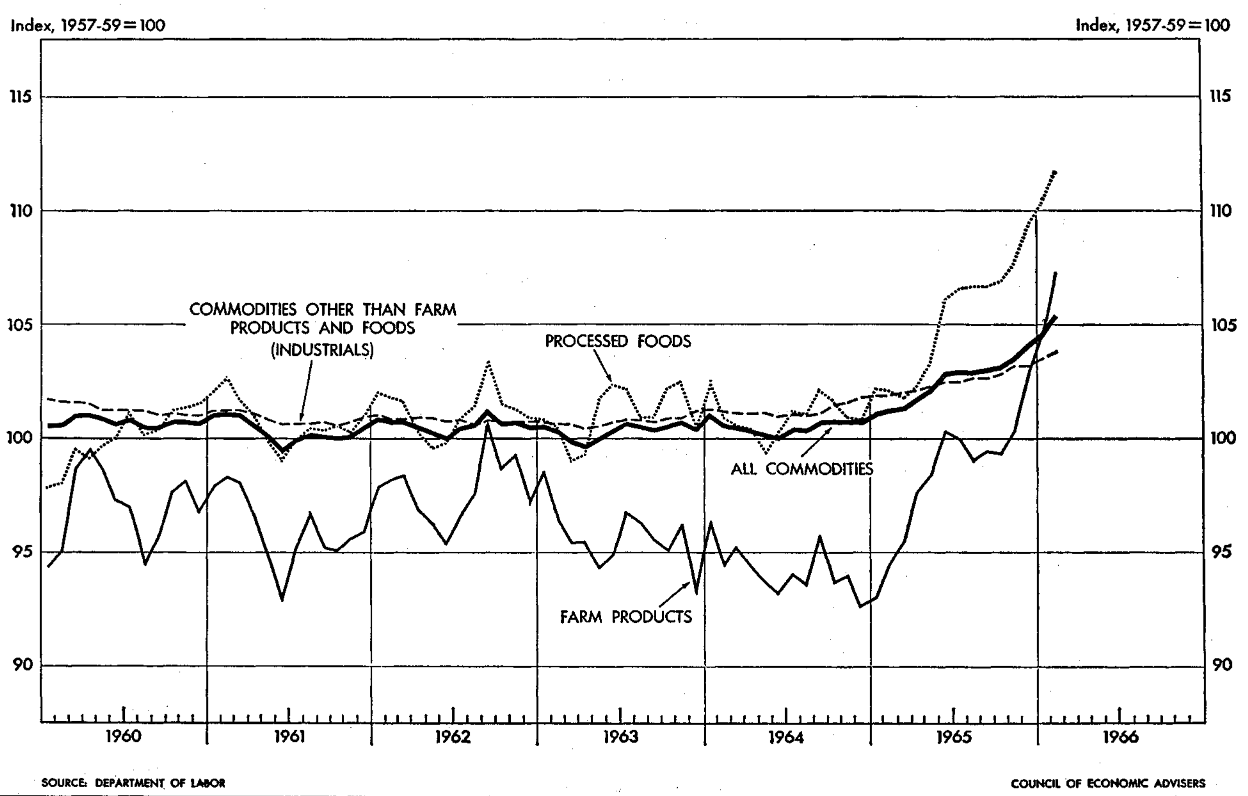
NOTE.—Prior to January 1964, indexes revised to reflect transfer of home-ownership from services to durable commodities.

Beginning with January 1964, new index with revised weights, coverage, and sampling procedures. For details, see Department of Labor release, *Major Changes in the Consumer Price Index*, March 3, 1964.

Source: Department of Labor.

WHOLESALE PRICES

The wholesale price index rose by 0.7 percent in February. This was the fourth big increase in a row. The increases were again concentrated in farm products and processed foods, which rose by 2.7 percent and 1.3 percent, respectively; but industrial prices also rose substantially by 0.3 percent for the second straight month.



[1957–59=100]

Period	All commodities	Farm products	Processed foods	Commodities other than farm products and foods (industrials): All industrials[1]	Industrial crude materials	Industrial intermediate materials[2]	Producer finished goods	Consumer finished goods excluding food: Durable	Nondurable
1958	100.4	103.6	102.9	99.5	96.9	99.4	100.2	100.1	99.3
1959	100.6	97.2	99.2	101.3	102.3	101.0	102.1	101.3	100.8
1960	100.7	96.9	100.0	101.3	98.3	101.4	102.3	100.9	101.5
1961	100.3	96.0	100.7	100.8	97.2	100.1	102.5	100.5	101.5
1962	100.6	97.7	101.2	100.8	95.6	99.9	102.9	100.0	101.6
1963	100.3	95.7	101.1	100.7	94.3	99.6	103.1	99.5	101.9
1964	100.5	94.3	101.0	101.2	97.1	100.2	104.1	99.9	101.6
1965[3]	102.5	98.4	105.1	102.5	100.9	101.5	105.4	99.6	102.8
1965: Jan	101.0	93.0	102.2	101.9	99.0	100.8	104.9	99.8	102.3
Feb	101.2	94.5	102.1	101.9	99.4	100.8	105.0	99.7	102.2
Mar	101.3	95.4	101.8	102.0	99.7	100.9	105.1	99.7	102.2
Apr	101.7	97.6	102.3	102.1	100.1	101.1	105.3	99.7	102.2
May	102.1	98.4	103.3	102.3	101.0	101.4	105.3	99.6	102.5
June	102.8	100.3	106.1	102.5	100.5	101.5	105.4	99.7	102.6
July	102.9	100.0	106.6	102.5	100.4	101.5	105.4	99.6	102.7
Aug	102.9	99.1	106.7	102.7	101.7	101.7	105.5	99.5	102.8
Sept	103.0	99.5	106.7	102.7	101.3	101.8	105.5	99.5	103.0
Oct	103.1	99.4	106.9	102.8	102.0	101.9	105.6	99.5	103.3
Nov	103.5	100.3	107.6	103.2	102.7	102.1	105.9	99.6	103.6
Dec	104.1	103.0	109.4	103.2	102.6	102.2	106.0	99.6	103.7
1966: Jan	104.6	104.5	110.3	103.5	104.0	102.4	106.2	99.7	103.9
Feb[3]	105.3	107.3	111.7	103.8	105.7	102.6	106.5	99.7	103.9
Week ended:[4]									
1966: Mar 8	105.2	106.5	111.9	103.7	--------	--------	--------	--------	--------
15[3]	105.2	106.2	111.4	103.8	--------	--------	--------	--------	--------

[1] Coverage of the subgroups does not correspond exactly to coverage of this index.

[2] Excludes intermediate materials for food manufacturing and manufactured animal feeds; includes, in part, grain products for further processing.

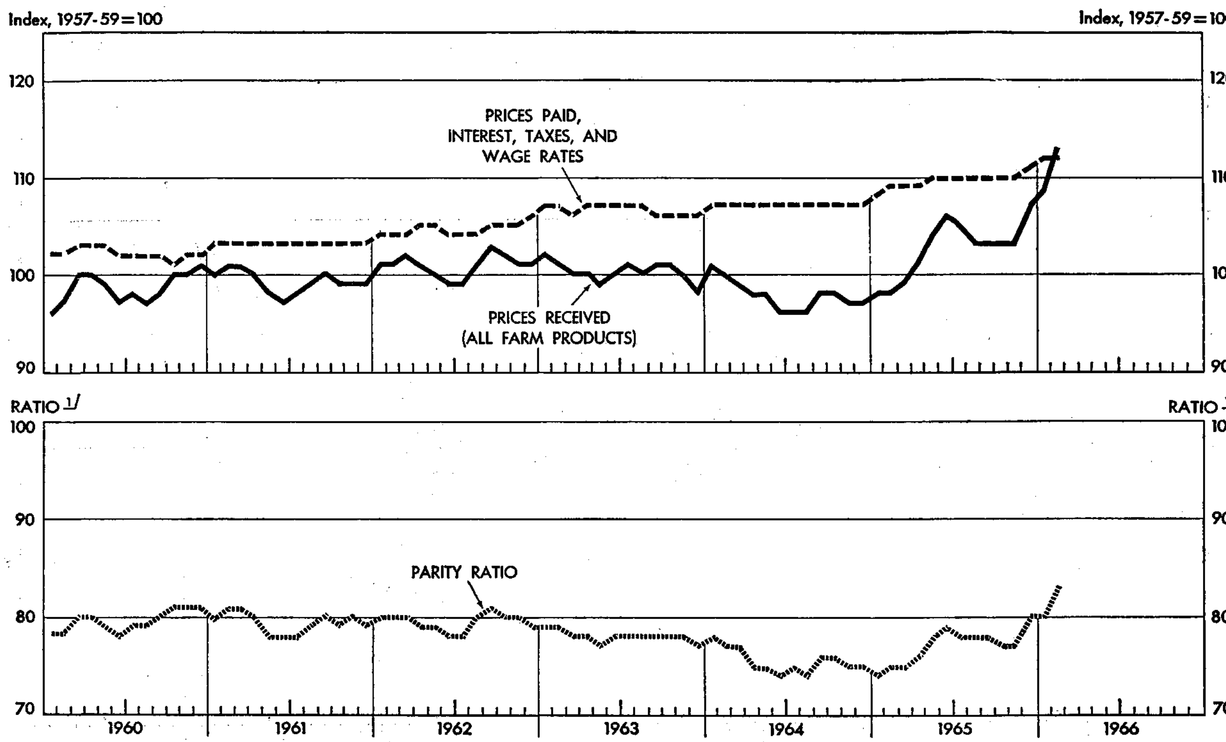
[3] Preliminary.

[4] Weekly series based on smaller sample than monthly series.

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

The parity ratio advanced by 3 points in the month ended February 15 as prices paid by farmers were stable while prices received by farmers were rising by 4 percent. Livestock prices were up 3 percent and crop prices were up 4 percent.



1/ RATIO OF INDEX OF PRICES RECEIVED TO INDEX OF PRICES PAID, INTEREST, TAXES, AND WAGE RATES, ON 1910-14=100 BASE.

SOURCE: DEPARTMENT OF AGRICULTURE.

COUNCIL OF ECONOMIC ADVISERS

Period	Prices received by farmers			Prices paid by farmers			Parity ratio [1]
	All farm products	Crops	Livestock and products	All items, interest, taxes, and wage rates	Family living items	Production items	
	Index, 1957–59=100						
1956	95	105	88	95	96	95	83
1957	97	101	94	98	99	98	82
1958	104	100	106	100	100	100	85
1959	99	99	100	102	101	102	81
1960	98	99	98	102	102	101	80
1961	99	102	98	103	102	101	79
1962	101	104	99	105	103	103	80
1963	100	106	95	107	104	104	78
1964	98	106	91	107	105	103	76
1965	102	104	101	110	107	105	77
1965: Jan 15	98	105	92	108	106	104	74
Feb 15	98	105	93	109	106	104	75
Mar 15	99	106	93	109	106	104	75
Apr 15	101	109	95	109	106	105	76
May 15	104	111	99	110	108	106	78
June 15	106	109	103	110	107	106	79
July 15	105	106	104	110	107	106	78
Aug 15	103	100	105	110	107	106	78
Sept 15	103	100	105	110	107	106	78
Oct 15	103	99	106	110	107	105	77
Nov 15	103	98	106	110	107	105	77
Dec 15	107	100	112	111	108	106	80
1966: Jan 15	109	102	114	112	108	107	80
Feb 15	113	106	117	112	109	108	83

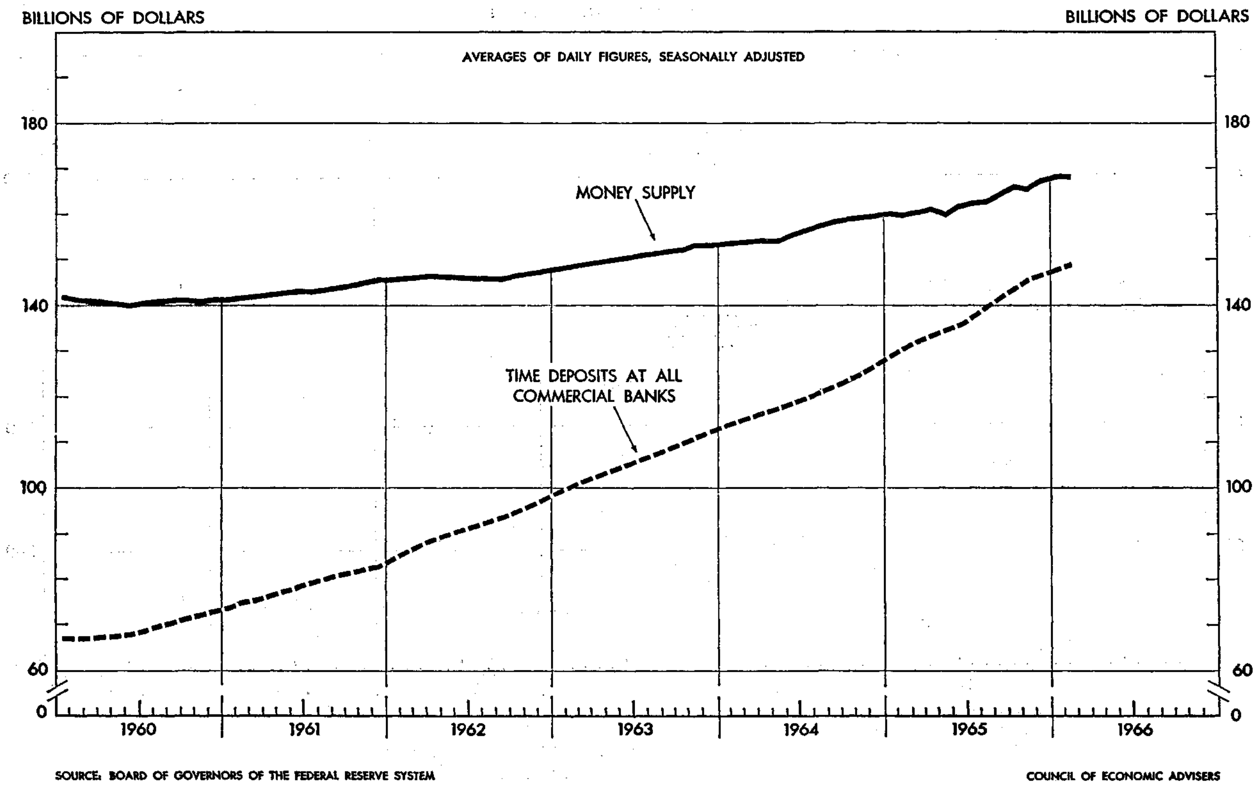
[1] Percentage ratio of index of prices received by farmers to index of prices paid, interest, taxes, and wage rates on 1910–14=100 base.

Source: Department of Agriculture.

MONEY, CREDIT, AND SECURITY MARKETS

MONEY SUPPLY

Following strong advances in December and January, the daily average money supply (seasonally adjusted) declined slightly in February. It was, however, 1.4 percent above November and 5.3 percent above a year earlier. Time deposits continued to grow more slowly in February than they had, on average, during 1965.



[Averages of daily figures, billions of dollars]

Period	Money supply: Total	Money supply: Currency outside banks	Money supply: Demand deposits	Time deposits [1]	Money supply: Total	Money supply: Currency outside banks	Money supply: Demand deposits	Time deposits [1]	U.S. Government demand deposits [1]
	Seasonally adjusted				Unadjusted				
1960: Dec	141.1	28.9	112.1	72.9	144.7	29.6	115.2	72.1	4.7
1961: Dec	145.5	29.6	116.0	82.7	149.4	30.2	119.2	81.8	4.9
1962: Dec	147.5	30.6	116.9	97.8	151.6	31.2	120.3	96.7	5.6
1963: Dec	153.1	32.5	120.6	112.2	157.3	33.1	124.1	111.0	5.1
1964: Dec	159.7	34.2	125.4	126.6	164.0	35.0	129.1	125.2	5.5
1965: Dec	167.4	36.3	131.2	147.0	172.0	37.0	135.0	145.3	4.5
1965: Jan	160.0	34.5	125.5	128.8	164.4	34.4	130.1	128.3	4.2
Feb	159.7	34.7	125.1	131.0	159.5	34.2	125.3	130.8	5.7
Mar	160.3	34.7	125.6	132.1	159.0	34.3	124.6	132.7	6.7
Apr	161.1	34.7	126.4	133.5	161.6	34.5	127.1	134.0	5.6
May	160.0	34.9	125.1	134.6	157.6	34.6	123.0	135.4	9.7
June	161.8	35.0	126.8	135.9	159.6	34.9	124.6	136.6	9.3
July	162.5	35.2	127.3	137.6	160.9	35.4	125.6	138.3	9.1
Aug	162.7	35.4	127.3	140.1	160.5	35.5	125.0	140.2	7.4
Sept	164.3	35.6	128.7	141.6	163.2	35.6	127.5	141.4	5.6
Oct	165.6	35.9	129.7	143.6	165.8	36.0	129.8	143.5	5.0
Nov	165.7	36.1	129.6	145.5	167.4	36.5	130.9	144.4	4.0
Dec	167.4	36.3	131.2	147.0	172.0	37.0	135.0	145.3	4.5
1966: Jan	168.4	36.7	131.8	148.0	173.0	36.5	136.5	147.4	3.7
Feb [2]	168.1	36.8	131.2	148.8	167.9	36.3	131.6	148.7	5.1

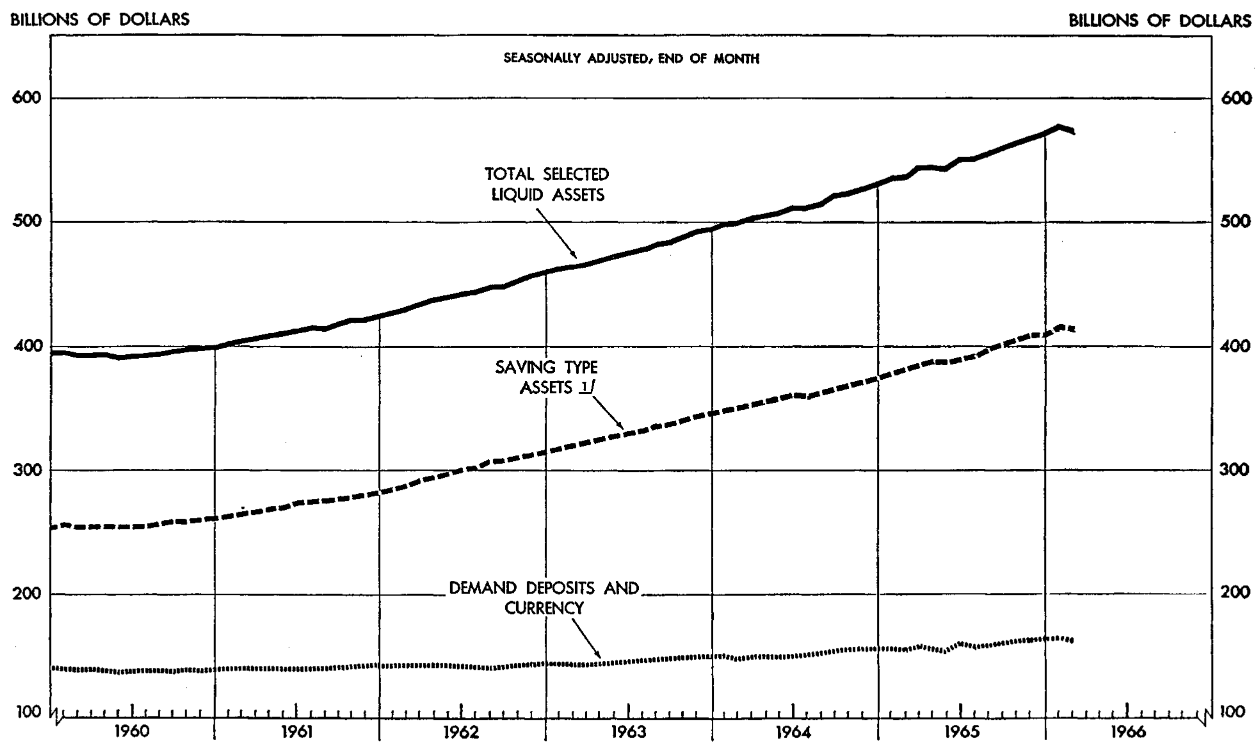
[1] Deposits at all commercial banks.
[2] Preliminary.

NOTE.—See Note, p. 31.

Source: Board of Governors of the Federal Reserve System.

SELECTED LIQUID ASSETS HELD BY THE PUBLIC

Nonbank public holdings of liquid assets, seasonally adjusted, declined in February following a sizable January rise. They were depressed by the decline in holdings of short-term Treasury securities, as well as by the erratic decline in demand deposits and currency.



1/ ASSETS OTHER THAN DEMAND DEPOSITS AND CURRENCY.
SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars, seasonally adjusted]

End of period	Total selected liquid assets	Demand deposits and currency [1]	Time deposits: Commercial banks	Time deposits: Mutual savings banks	Postal Savings System	Savings and loan shares	U.S. Government savings bonds [2]	U.S. Government securities maturing within one year [2]
1959	393.9	139.7	67.4	34.9	0.9	54.3	47.9	48.8
1960	399.2	138.4	73.1	36.2	.8	61.8	47.0	41.9
1961	424.6	142.6	82.5	38.3	.6	70.5	47.4	42.6
1962	459.0	144.8	98.1	41.4	.5	79.8	47.6	46.8
1963	495.4	149.6	112.9	44.5	.5	90.9	49.0	48.1
1964	530.4	156.7	127.1	49.0	.4	101.3	49.9	46.1
1965 [3]	572.4	163.7	147.1	52.5	.3	109.7	50.5	48.6
1965: Jan	534.9	156.1	130.6	49.4	.4	101.7	50.0	46.8
Feb	536.4	154.8	131.9	49.6	.4	102.6	49.9	47.3
Mar	542.8	158.6	133.0	49.8	.4	103.6	49.9	47.6
Apr	543.3	156.3	134.1	50.1	.4	103.9	49.9	48.6
May	543.0	155.4	134.9	50.4	.4	104.4	49.9	47.6
June	550.2	159.6	136.3	50.8	.4	105.1	50.0	48.0
July	550.9	157.7	138.3	51.1	.4	105.5	50.1	47.9
Aug	555.6	157.8	139.8	51.3	.3	106.5	50.1	49.8
Sept	560.6	160.6	141.6	51.6	.3	107.7	50.1	48.7
Oct [3]	565.0	161.1	144.0	52.0	.3	108.3	50.1	49.1
Nov [3]	568.2	160.3	146.5	52.3	.3	109.2	50.1	49.4
Dec [3]	572.4	163.7	147.1	52.5	.3	109.7	50.5	48.6
1966: Jan [3]	577.7	164.0	149.2	52.8	.3	109.8	50.5	51.2
Feb [3]	574.8	162.1	149.4	53.0	.3	110.3	50.3	49.4

[1] Agrees in concept with money supply, p. 29, except for deduction of demand deposits held by mutual savings banks and savings and loan associations. Data for last Wednesday of month.

[2] Excludes holdings of Government agencies and trust funds, domestic commercial and mutual savings banks, Federal Reserve Banks, and beginning February 1960, savings and loan associations.

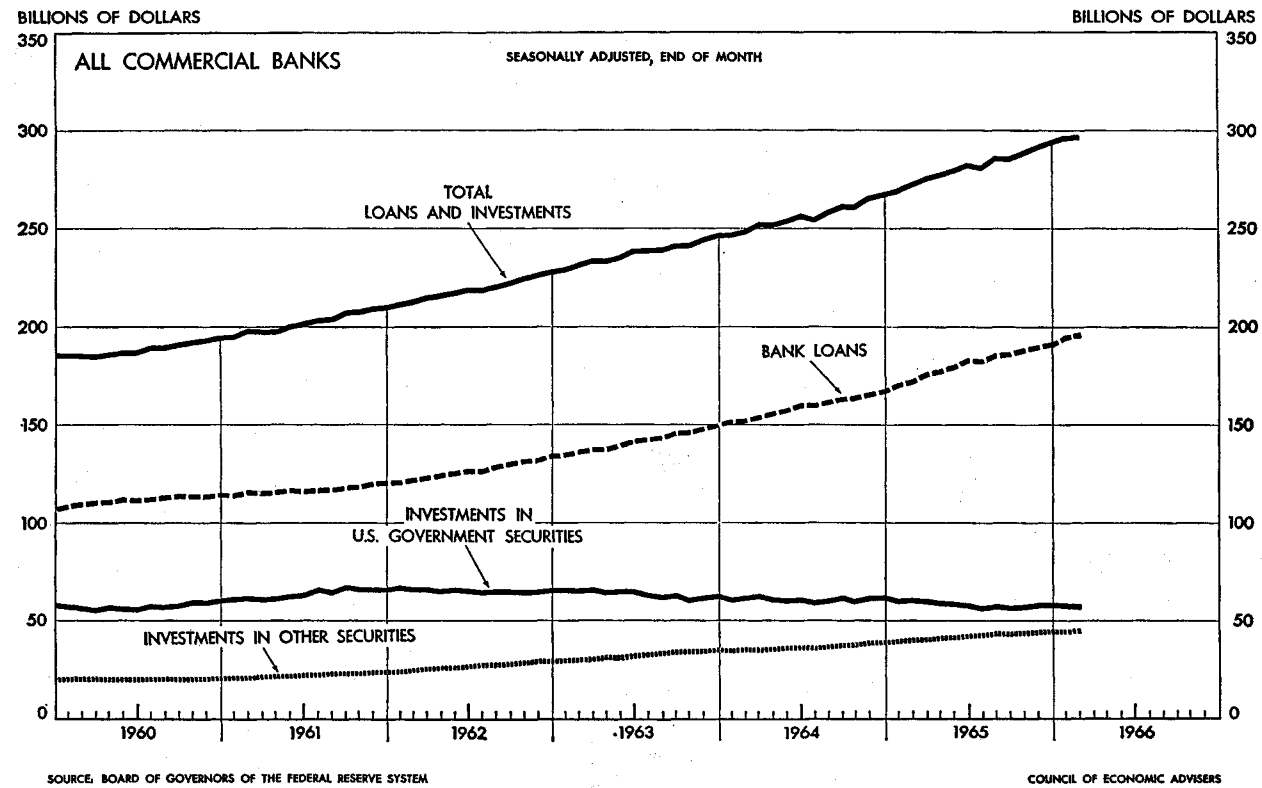
[3] Preliminary.

NOTE.—See Note, p. 31.

Source: Board of Governors of the Federal Reserve System.

BANK LOANS, INVESTMENTS, DEBITS, AND RESERVES

Total commercial bank credit (seasonally adjusted) at the end of February was only $100 million above a month earlier, as loan growth slowed abruptly and was largely offset by a decline in investments.



End of period	All commercial banks (seasonally adjusted data)				Weekly reporting member banks [1]	Bank debits outside New York City (224 centers), seasonally adjusted annual rates [3]	All member banks [1][4]			
	Total loans and investments	Loans, excluding interbank	Investments: U.S. Government securities	Investments: Other securities	Business loans [2]		Total reserves	Excess reserves	Borrowings at Federal Reserve Banks	Free reserves
	Billions of dollars						Millions of dollars			
1959	185.9	107.6	57.8	20.5	30.7	*1,656*	18,932	482	906	−424
1960	194.5	113.8	59.9	20.8	32.2	*1,736*	19,283	756	87	669
1961	209.8	120.5	65.4	23.9	32.9	*1,832*	20,118	568	149	419
1962	228.3	133.9	65.2	29.2	35.2	*2,021*	20,040	572	304	268
1963	246.5	149.4	62.1	35.0	38.8	*2,199*	20,746	536	327	209
1964	267.2	167.1	61.4	38.7	42.1	[3] *2,696*	21,609	411	243	168
1965 [5]	294.0	191.8	57.6	44.6	50.6	*2,999*	22,715	443	454	−11
1965: Jan	269.6	170.2	59.9	39.5	41.8	*2,803*	21,619	402	299	103
Feb	272.1	171.9	60.2	40.0	43.0	*2,845*	21,227	437	405	32
Mar	275.5	175.8	59.6	40.1	44.6	*2,924*	21,248	340	416	−76
Apr	277.3	177.1	59.1	41.1	44.6	*2,962*	21,505	359	471	−112
May	279.4	179.5	58.6	41.3	45.2	*2,872*	21,476	327	505	−178
June	282.8	183.0	57.7	42.1	46.8	*3,019*	21,709	343	528	−185
July	281.5	182.7	56.4	42.4	46.3	*3,021*	21,865	349	524	−175
Aug	286.1	185.8	57.0	43.3	46.9	*3,019*	21,620	428	564	−136
Sept	286.2	186.2	56.5	43.5	48.1	*3,023*	21,729	373	528	−155
Oct [5]	288.9	188.0	57.0	43.9	48.2	*3,069*	21,959	341	490	−149
Nov [5]	291.5	189.8	57.6	44.1	49.0	*3,179*	21,958	370	452	−82
Dec [5]	294.0	191.8	57.6	44.6	50.6	*3,250*	22,715	443	454	−11
1966: Jan [5]	297.0	195.0	57.4	44.6	50.3	*3,198*	22,750	358	402	−44
Feb [5]	297.1	195.5	56.3	45.3	51.1	*3,264*	22,232	373	478	−105

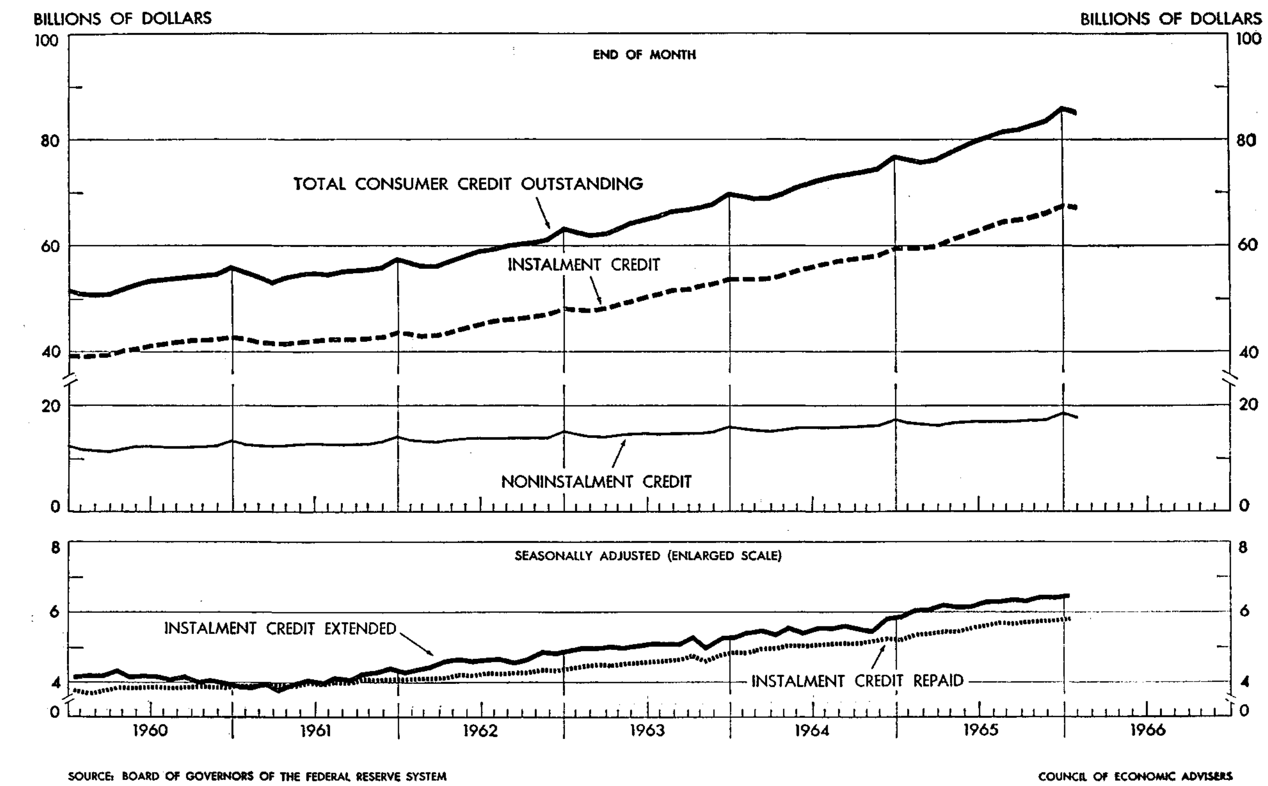
[1] Member banks are all national banks and those State banks which have taken membership in the Federal Reserve System.
[2] Commercial and industrial loans.
[3] Debits during period to demand deposit accounts except interbank and U.S. Government. New series; see *Bank Debits and Deposit Turnover, G.6 FRB, February 19, 1965.*
[4] Averages of daily figures. Annual data are for December.
[5] Preliminary.

NOTE.—Between January and August 1959, series for all commercial banks expanded to include data for all banks in Alaska and Hawaii. Data for all member banks include Alaska and Hawaii beginning 1954 and 1959, respectively.

Source: Board of Governors of the Federal Reserve System.

CONSUMER AND REAL ESTATE CREDIT

The increase in consumer instalment credit (seasonally adjusted) in January was slightly smaller than in the immediately preceding months or the monthly average for 1965.



[Millions of dollars]

Period	Consumer credit outstanding (end of period; unadjusted)					Consumer instalment credit extended and repaid (seasonally adjusted)				Mortgage debt outstanding, nonfarm 1- to 4-family houses[3]
	Total	Instalment			Noninstalment[2]	Total		Automobile paper		
		Total[1]	Automobile paper	Personal loans		Extended	Repaid	Extended	Repaid	
1956	42, 334	31, 720	14, 420	6, 789	10, 614	39, 868	37, 054	15, 515	14, 555	99, 000
1957	44, 970	33, 867	15, 340	7, 582	11, 103	42, 016	39, 868	16, 465	15, 545	107, 600
1958	45, 129	33, 642	14, 152	8, 116	11, 487	40, 119	40, 344	14, 226	15, 415	117, 700
1959	51, 542	39, 245	16, 420	9, 386	12, 297	48, 052	42, 603	17, 779	15, 579	130, 900
1960	56, 028	42, 832	17, 688	10, 480	13, 196	49, 560	45, 972	17, 654	16, 384	141, 300
1961	57, 678	43, 527	17, 223	11, 256	14, 151	48, 396	47, 700	16, 007	16, 472	153, 100
1962	63, 164	48, 034	19, 540	12, 643	15, 130	55, 126	50, 620	19, 796	17, 478	166, 500
1963	69, 890	53, 745	22, 199	14, 391	16, 145	60, 822	55, 111	22, 013	19, 354	182, 200
1964	76, 810	59, 397	24, 521	16, 071	17, 413	66, 070	60, 418	23, 565	21, 243	197, 600
1965	85, 983	67, 406	28, 201	18, 166	18, 577	74, 527	66, 518	27, 357	23, 677	212, 900
1964: Dec	76, 810	59, 397	24, 521	16, 071	17, 413	5, 816	5, 256	2, 043	1, 864	197, 600
1965: Jan	76, 145	59, 342	24, 574	16, 091	16, 803	5, 883	5, 213	2, 120	1, 830	---------
Feb	75, 741	59, 363	24, 743	16, 190	16, 378	6, 022	5, 381	2, 228	1, 897	---------
Mar	76, 085	59, 788	25, 063	16, 341	16, 297	6, 030	5, 393	2, 229	1, 924	200, 500
Apr	77, 483	60, 803	25, 615	16, 693	16, 680	6, 189	5, 445	2, 272	1, 936	---------
May	78, 687	61, 739	26, 109	16, 917	16, 948	6, 105	5, 435	2, 215	1, 940	---------
June	79, 887	62, 790	26, 685	17, 159	17, 097	6, 139	5, 537	2, 250	1, 960	204, 800
July	80, 686	63, 609	27, 171	17, 312	17, 077	6, 278	5, 612	2, 301	1, 972	---------
Aug	81, 454	64, 393	27, 493	17, 565	17, 061	6, 288	5, 679	2, 313	2, 030	---------
Sept	81, 924	64, 846	27, 555	17, 724	17, 078	6, 331	5, 648	2, 324	1, 996	209, 000
Oct	82, 569	65, 368	27, 766	17, 763	17, 201	6, 306	5, 717	2, 266	2, 028	---------
Nov	83, 390	66, 012	27, 976	17, 883	17, 378	6, 405	5, 748	2, 408	2, 112	---------
Dec	85, 983	67, 406	28, 201	18, 166	18, 577	6, 398	5, 751	2, 393	2, 049	212, 900
1966: Jan	85, 089	67, 157	28, 149	18, 136	17, 932	6, 452	5, 830	2, 290	2, 054	---------

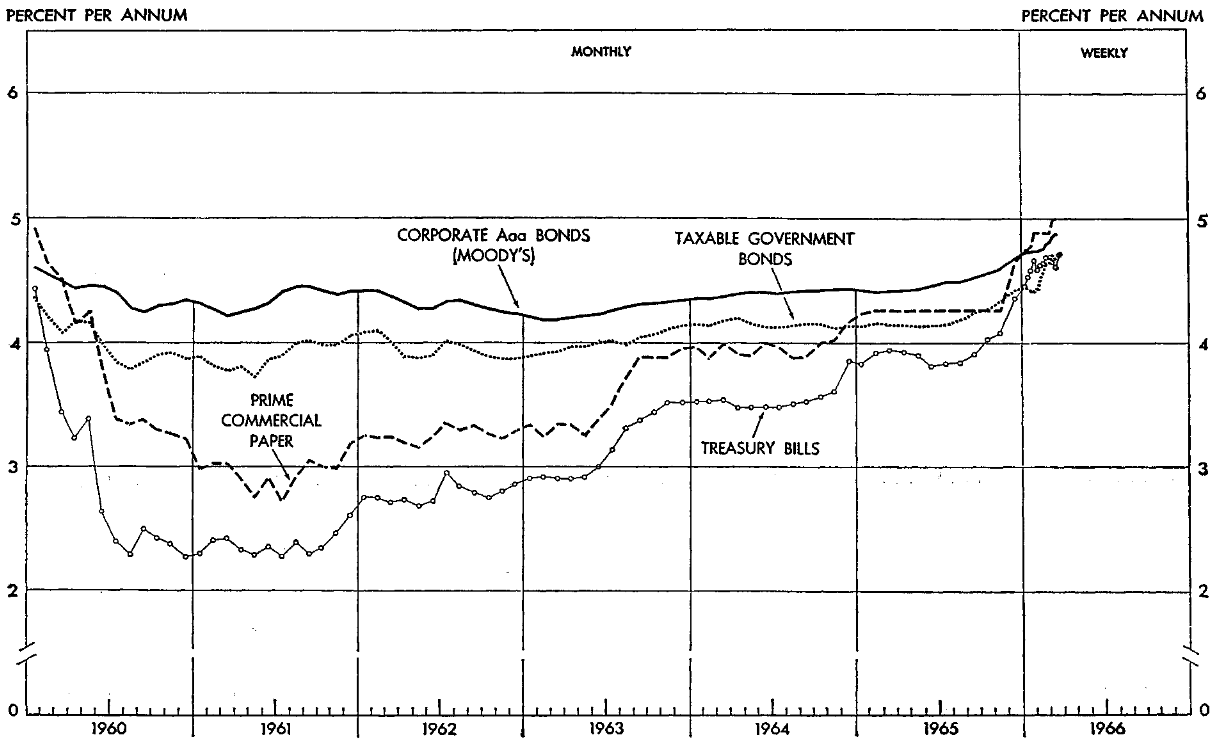
[1] Also includes other consumer goods paper, and repair and modernization loans, not shown separately.
[2] Consists of single-payment loans, charge accounts, and service credit.
[3] End of period, unadjusted.

NOTE.—Data for Alaska and Hawaii included beginning January and August 1959, respectively.

Sources: Board of Governors of the Federal Reserve System and Federal Home Loan Bank Board (except as noted).

BOND YIELDS AND INTEREST RATES

Yields on Treasury securities reached a high-level plateau in late February and early March but yields on corporate bonds and mortgages continued to rise at the mid-March tax date, Treasury bill rates turned up again reaching an all-time high.



SOURCES: SEE TABLE BELOW

COUNCIL OF ECONOMIC ADVISERS

[Percent per annum]

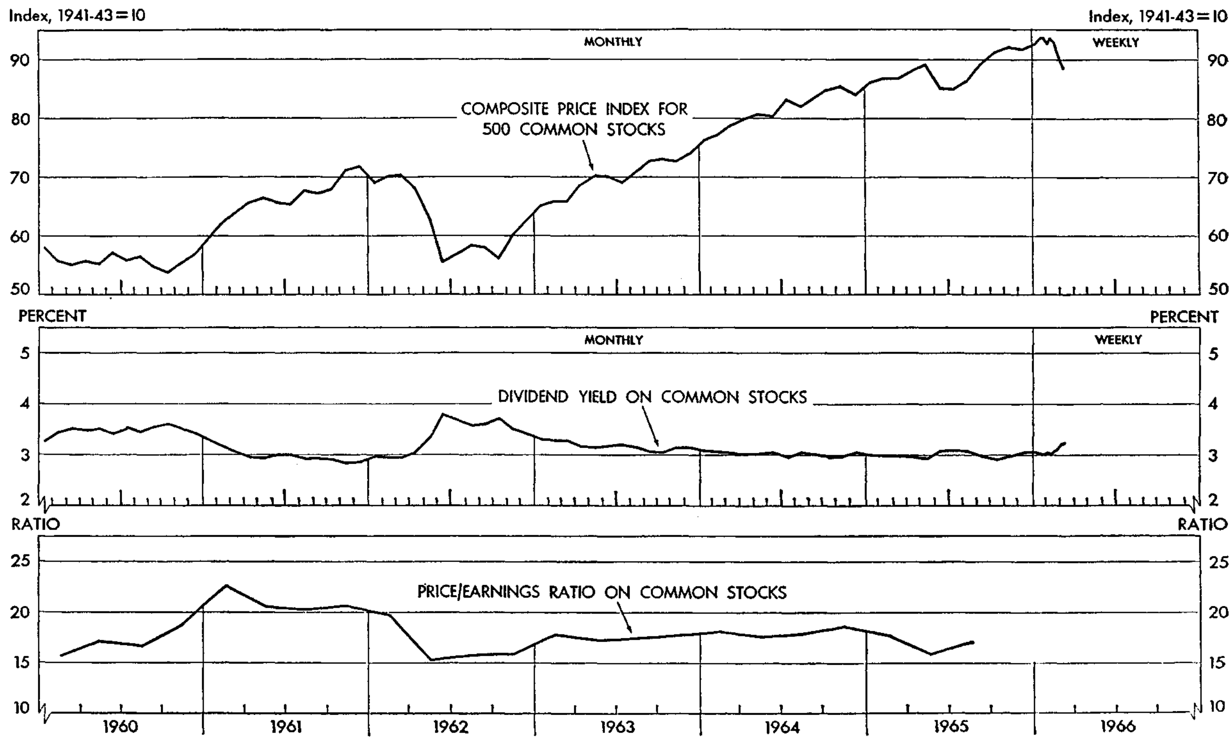
Period	U.S. Government security yields: 3-month Treasury bills [1]	U.S. Government security yields: 3–5 year issues [2]	U.S. Government security yields: Taxable bonds [3]	High-grade municipal bonds (Standard & Poor's) [4]	Corporate bonds (Moody's): Aaa	Corporate bonds (Moody's): Baa	Prime commercial paper, 4–6 months	FHA new home mortgage yields [5]
1959	3.405	4.33	4.08	3.95	4.38	5.05	3.97	5.77
1960	2.928	3.99	4.02	3.73	4.41	5.19	3.85	6.16
1961	2.378	3.60	3.90	3.46	4.35	5.08	2.97	5.78
1962	2.778	3.57	3.95	3.18	4.33	5.02	3.26	5.60
1963	3.157	3.72	4.00	3.23	4.26	4.86	3.55	5.46
1964	3.549	4.06	4.15	3.22	4.40	4.83	3.97	5.45
1965	3.954	4.22	4.21	3.27	4.49	4.87	4.38	5.46
1965: Jan	3.828	4.06	4.14	3.06	4.43	4.80	4.25	5.45
Feb	3.929	4.08	4.16	3.10	4.41	4.78	4.27	5.45
Mar	3.942	4.12	4.15	3.18	4.42	4.78	4.38	5.45
Apr	3.932	4.12	4.15	3.17	4.43	4.80	4.38	5.45
May	3.895	4.11	4.14	3.19	4.44	4.81	4.38	5.45
June	3.810	4.09	4.14	3.26	4.46	4.85	4.38	5.45
July	3.831	4.10	4.15	3.26	4.48	4.88	4.38	5.44
Aug	3.836	4.19	4.19	3.25	4.49	4.88	4.38	5.44
Sept	3.912	4.24	4.25	3.36	4.52	4.91	4.38	5.45
Oct	4.032	4.33	4.28	3.42	4.56	4.93	4.38	5.46
Nov	4.082	4.46	4.34	3.47	4.60	4.95	4.38	5.49
Dec	4.362	4.77	4.43	3.56	4.68	5.02	4.65	5.51
1966: Jan	4.596	4.89	4.43	3.52	4.74	5.06	4.82	5.62
Feb	4.670	5.02	4.61	3.63	4.78	5.12	4.88	5.70
Week ended:								
1966: Feb 12	4.650	5.01	4.58	3.56	4.76	5.10	4.88	----------
19	4.695	5.04	4.65	3.67	4.79	5.14	4.88	----------
26	4.696	5.04	4.66	3.75	4.82	5.16	4.88	----------
Mar 5	4.661	5.03	4.71	3.81	4.85	5.20	4.98	----------
12	4.620	5.00	4.68	3.76	4.88	5.26	5.00	----------
19 [6]	4.718	4.94	4.64	3.72	4.93	5.34	5.25	----------

[1] Rate on new issues within period. [2] Selected note and bond issues.
[3] Series includes: April 1953 to date, bonds due or callable 10 years and after.
[4] Weekly data are Wednesday figures.
[5] Data for first of the month, based on the maximum permissible interest rate (5¼ percent since May 1961) and 30-year mortgages paid in 15 years.
[6] Treasury bill rate charted; other rates not charted.

Sources: Treasury Department, Board of Governors of the Federal Reserve System, Federal Housing Administration, Standard & Poor's Corporation, and Moody's Investors Service.

COMMON STOCK PRICES, YIELD, AND EARNINGS

Stock prices declined abruptly in February and early March reflecting the emergence of firmer monetary conditions and continued uncertainties over the policy implications of economic and defense developments.



SOURCE: STANDARD AND POOR'S CORPORATION

COUNCIL OF ECONOMIC ADVISERS

Period	Price index [1]: Total	Industrials: Total	Industrials: Capital goods	Industrials: Consumers' goods	Public utilities	Railroads	Dividend yield [2] (percent)	Price/earnings ratio [3]
	1941–43=10							
1960	55.85	59.43	59.75	47.21	46.86	30.31	3.47	17.09
1961	66.27	69.99	67.33	57.01	60.20	32.83	2.98	21.06
1962	62.38	65.54	58.15	54.96	59.16	30.56	3.37	16.68
1963	69.87	73.39	63.30	62.28	64.99	37.58	3.17	17.62
1964	81.37	86.19	76.34	73.84	69.91	45.46	3.01	18.08
1965	88.17	93.48	85.26	81.94	76.08	46.78	3.00	----------
1965: Feb	86.75	91.64	82.52	80.74	77.04	46.76	2.99	----------
Mar	86.83	91.75	83.62	81.50	76.92	46.98	2.99	17.69
Apr	87.97	93.08	84.85	83.78	77.24	46.63	2.95	----------
May	89.28	94.69	86.35	85.21	77.50	45.53	2.92	----------
June	85.04	90.19	81.62	80.04	74.19	42.52	3.07	15.93
July	84.91	89.92	80.54	78.80	74.63	43.31	3.09	----------
Aug	86.49	91.68	83.25	80.23	74.71	46.13	3.06	----------
Sept	89.38	94.93	86.91	82.34	76.10	46.96	2.98	17.10
Oct	91.39	97.20	90.28	83.90	76.69	48.46	2.91	----------
Nov	92.15	98.02	91.62	83.75	76.72	50.23	2.96	----------
Dec	91.73	97.66	91.42	83.31	75.39	51.03	3.05	----------
1966: Jan	93.32	99.56	93.35	84.28	74.50	53.68	3.02	----------
Feb	92.69	99.11	93.69	83.48	71.87	54.78	3.06	----------
Week ended:								
1966: Feb 4	92.70	99.03	92.62	83.88	72.80	53.96	3.05	----------
11	93.77	100.27	94.56	84.95	72.86	54.76	3.01	----------
18	93.01	99.46	94.79	83.38	71.70	55.97	3.06	----------
25	91.35	97.70	92.79	81.69	70.51	54.26	3.12	----------
Mar 4	89.83	96.15	90.62	79.79	68.79	53.50	3.21	----------
11	88.60	94.74	90.56	79.34	68.86	51.84	3.22	----------

[1] Includes 500 common stock, 425 are industrials; 50 are public utilities; and 25 are railroads. Weekly indexes for capital and consumer goods are Wednesday figures; all other weekly indexes are averages of daily figures.

[2] Aggregate cash dividends (based on latest known annual rate) divided by the aggregate monthly market value of the stocks in the group. Annual yields are averages of monthly data. Weekly data are Wednesday figures.

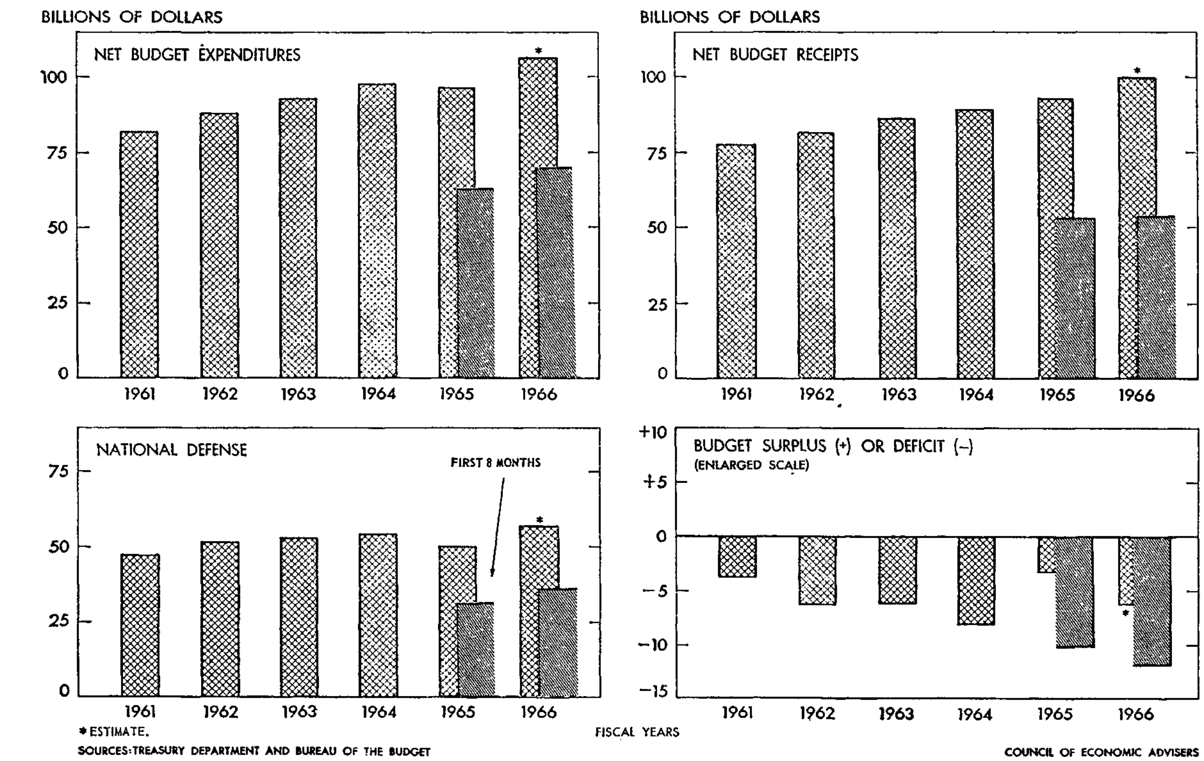
[3] Ratio of price index for last day in quarter to quarterly earnings (seasonally adjusted annual rate). Annual ratios are averages of quarterly data.

Source: Standard & Poor's Corporation.

FEDERAL FINANCE

FEDERAL ADMINISTRATIVE BUDGET RECEIPTS AND EXPENDITURES

The budget deficit in the first 8 months of fiscal 1966 amounted to $12.0 billion. In the corresponding period of fiscal 1965 the deficit was $10.3 billion.



[Billions of dollars]

Period	Net budget receipts	Net budget expenditures: Total	National defense [1]: Total	National defense [1]: Department of Defense, military	National defense [1]: Military assistance	Budget surplus or deficit (–)	Public debt (end of period) [2]
Fiscal year 1960	77.8	76.5	45.7	41.2	1.6	1.2	286.5
Fiscal year 1961	77.7	81.5	47.5	43.2	1.4	–3.9	289.2
Fiscal year 1962	81.4	87.8	51.1	46.8	1.4	–6.4	298.6
Fiscal year 1963	86.4	92.6	52.8	48.3	1.7	–6.3	306.5
Fiscal year 1964	89.5	97.7	54.2	49.8	1.5	–8.2	312.5
Fiscal year 1965	93.1	96.5	50.2	46.2	1.2	–3.4	317.9
Fiscal year 1966 [3]	100.0	106.4	56.6	52.9	1.3	–6.4	320.0
Fiscal year 1967 [3]	111.0	112.8	60.5	57.2	1.2	–1.8	321.7
1965: Jan	5.6	7.7	4.0	3.7	.1	–2.0	318.6
Feb	7.5	7.1	3.8	3.6	.1	.4	320.6
Mar	11.2	8.1	4.5	4.2	.1	3.0	318.4
Apr	8.5	8.3	4.3	4.1	.1	.3	317.2
May	7.3	8.1	4.3	3.8	.2	–.8	319.8
June	13.4	9.1	5.0	4.3	.4	4.3	317.9
July	3.8	7.2	3.8	3.6	(4)	–3.4	317.1
Aug	7.4	9.0	4.4	4.1	(4)	–1.6	318.7
Sept	11.0	9.5	4.5	4.3	.1	1.5	317.3
Oct	3.3	8.8	4.5	4.3	(4)	–5.5	319.4
Nov	8.1	9.1	4.5	4.2	.1	–1.0	322.2
Dec	9.6	9.4	5.1	4.8	.1	.1	321.4
1966: Jan	6.5	8.8	4.6	4.4	(4)	–2.4	322.4
Feb	8.3	8.2	4.5	4.2	.1	.2	323.7
Cumulative totals, first 8 months:							
Fiscal year 1965	52.7	62.9	32.0	29.8	.5	–10.3	320.6
Fiscal year 1966	57.9	69.9	35.9	33.9	.5	–12.0	323.7

[1] In addition to items shown, also includes atomic energy and defense related services.

[2] Includes guaranteed securities held outside the Treasury. Not all of total shown is subject to statutory debt limitation.

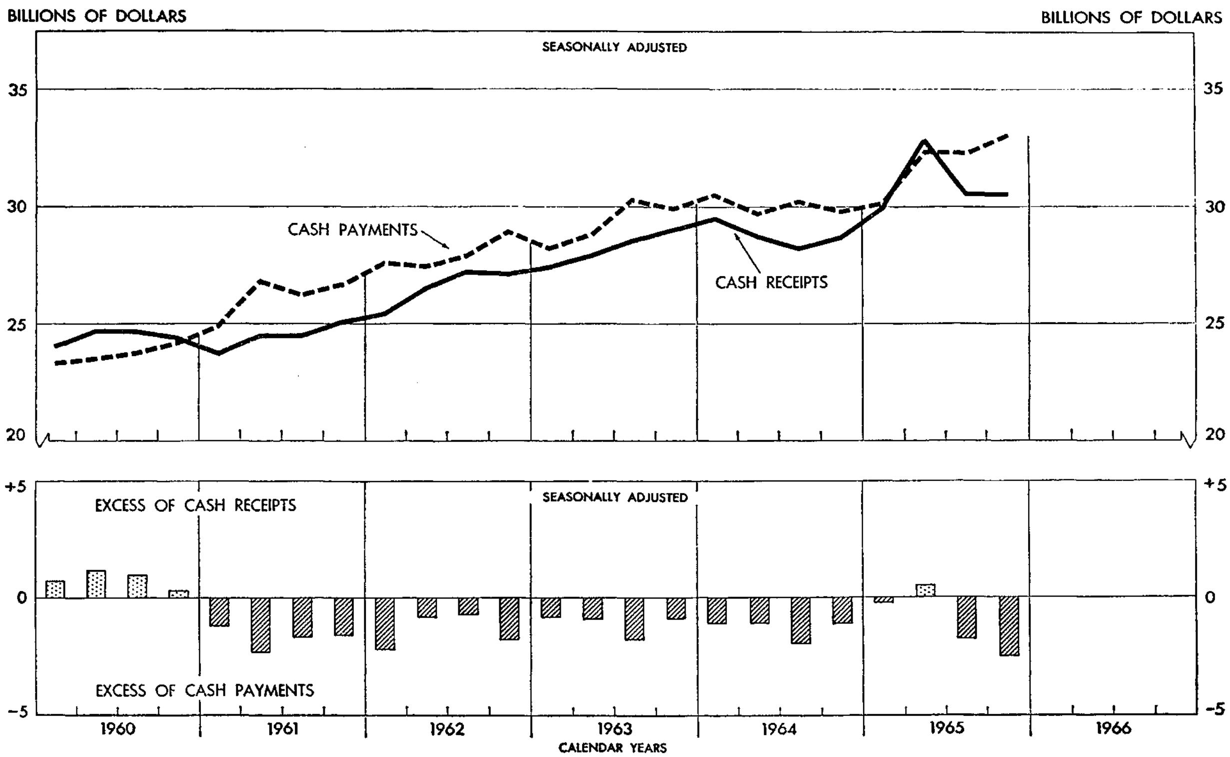
[3] Estimates. [4] Less than $50 million.

NOTE.—Total budget receipts and expenditures exclude certain intragovernmental transactions.

Sources: Treasury Department and Bureau of the Budget.

FEDERAL CASH RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

In the fourth quarter, cash payments exceeded cash receipts by $8 billion; on a seasonally adjusted basis, however, the excess of payments was $2½ billion. As a result, the cash deficit for the calendar year 1965 was $4½ billion.



SOURCES: TREASURY DEPARTMENT AND BUREAU OF THE BUDGET

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Cash receipts from the public	Cash payments to the public	Excess of receipts or payments (−)	Cash receipts from the public	Cash payments to the public	Excess of receipts or payments (−)
Fiscal year:						
1961	97.2	99.5	−2.3			
1962	101.9	107.7	−5.8			
1963	109.7	113.8	−4.0			
1964	115.5	120.3	−4.8			
1965	119.7	122.4	−2.7			
1966 [1]	128.2	135.0	−6.9			
1967 [1]	145.5	145.0	.5			
Calendar year:						
1960	98.3	94.7	3.6			
1961	97.9	104.7	−6.8			
1962	106.2	111.9	−5.7			
1963	112.6	117.2	−4.6			
1964	115.0	120.3	−5.2			
1965 [2]	123.4	127.9	−4.5			
	Unadjusted			Seasonally adjusted		
Quarterly total (calendar years):						
1964: I	30.3	28.7	1.6	29.5	30.5	−1.1
II	33.4	30.1	3.3	[3] 28.7	29.7	−1.1
III	27.0	30.9	−3.9	28.2	30.2	−2.0
IV	24.3	30.6	−6.3	28.7	29.8	−1.1
1965: I	30.7	28.3	2.4	29.9	30.1	−.2
II	37.7	32.6	5.1	[3] 32.8	32.3	.5
III	29.2	33.1	−3.9	30.5	32.3	−1.8
IV [2]	25.8	34.0	−8.1	30.5	33.1	−2.5

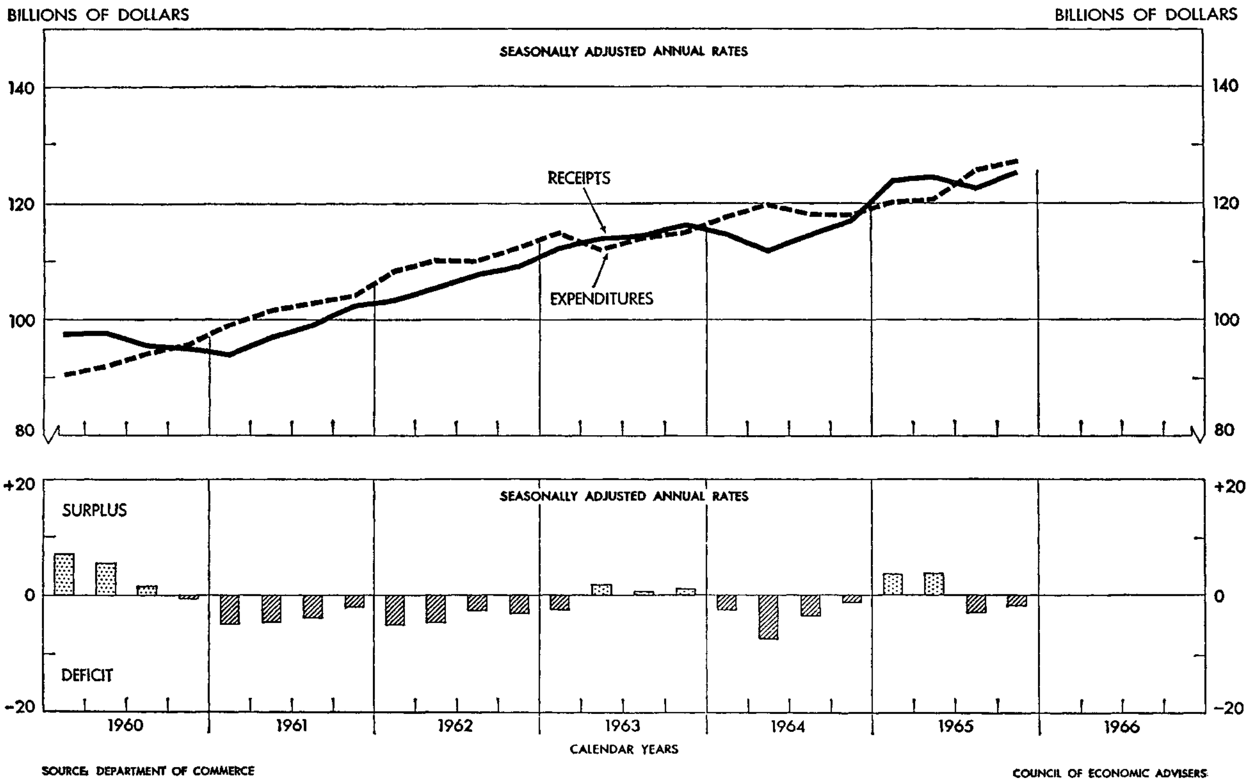
[1] Estimates.
[2] Preliminary.

[3] Seasonally adjusted data include accelerated corporate tax payments of about $0.3 billion in 1964 and $0.9 billion in 1965.

Sources: Treasury Department and Bureau of the Budget.

FEDERAL BUDGET, NATIONAL INCOME ACCOUNTS BASIS

In the fourth quarter, Federal expenditures rose $1½ billion (seasonally adjusted annual rate) and receipts increased by $2½ billion. As a result, the deficit dropped about $1 billion to nearly $2 billion.



[Billions of dollars, quarterly data at seasonally adjusted annual rates]

Period	Federal Government receipts: Total	Personal tax and nontax receipts	Corporate profits tax accruals	Indirect business tax and nontax accruals	Contributions for social insurance	Federal Government expenditures: Total	Purchases of goods and services	Transfer payments	Grants-in-aid to State and local governments	Net interest paid	Subsidies less current surplus of Govt. enterprises	Surplus or deficit (−)
Fiscal year:												
1962	104.2	47.3	22.9	14.2	19.9	106.4	60.9	27.2	7.6	6.8	3.8	−2.1
1963	110.2	49.6	23.6	15.0	22.1	111.4	63.4	28.6	8.4	7.5	3.6	−1.2
1964	115.1	50.7	25.3	15.6	23.6	117.1	65.8	29.6	9.8	8.1	3.8	−1.9
1965	119.6	51.2	27.0	16.8	24.6	118.3	64.5	30.3	10.9	8.6	4.1	1.2
1966 [1]	128.8	54.8	29.3	15.9	28.8	131.0	70.7	34.2	12.8	9.0	4.3	−2.2
1967 [1]	142.2	60.5	31.1	16.5	34.1	142.7	74.4	39.2	14.7	9.7	4.7	−.5
Calendar year:												
1961	98.3	44.7	21.8	13.6	18.2	102.1	57.4	27.0	7.2	6.6	3.8	−3.8
1962	106.4	48.6	22.7	14.6	20.5	110.3	63.4	27.7	8.0	7.2	4.0	−3.8
1963	114.3	51.5	24.5	15.3	23.0	114.0	64.4	29.2	9.1	7.8	3.6	.3
1964	114.5	48.6	26.0	16.1	23.7	118.3	65.3	29.9	10.4	8.4	4.3	−3.8
1965	124.1	53.9	28.3	16.7	25.2	123.3	66.6	32.1	11.4	8.8	4.5	.7
1964: I	114.8	50.2	25.7	15.6	23.3	117.5	65.0	30.3	9.9	8.3	3.9	−2.6
II	112.0	46.5	25.9	16.0	23.5	119.6	67.0	29.8	10.3	8.2	4.2	−7.6
III	114.6	48.1	26.2	16.4	23.9	118.2	64.9	29.7	10.6	8.5	4.4	−3.6
IV	116.8	49.8	26.5	16.4	24.2	117.9	64.3	29.8	10.8	8.4	4.7	−1.1
1965: I	123.7	53.5	27.7	17.7	24.7	120.1	64.9	31.2	10.8	8.6	4.6	3.6
II	124.4	54.8	28.0	16.7	24.9	120.6	65.7	30.6	11.0	8.7	4.5	3.8
III	122.7	53.2	28.3	16.1	25.2	125.6	66.5	34.1	11.7	8.8	4.5	−2.9
IV	125.3	54.0	29.2	16.3	25.8	127.0	69.2	32.5	12.0	8.9	4.4	−1.8

[1] Estimates.

NOTE.—Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

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