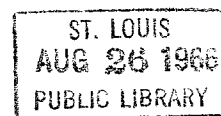


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Economic Indicators

July 1966



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Council of Economic Advisers*

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WASHINGTON : 1966

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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.

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TOTAL OUTPUT, INCOME, AND SPENDING

THE NATION'S INCOME, EXPENDITURE, AND SAVING

Gross national product rose by \$11 billion (seasonally adjusted annual rate) in the second quarter, according to preliminary estimates. The regular annual revisions issued in July show an increase of \$17 billion in the first quarter.

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

Period	Persons					Government							Surplus (+) or deficit (-) on income and product account
	Disposable personal income			Personal consump- tion expend- itures	Per- sonal saving (+) or dis- saving (-)	Net receipts			Expenditures				
	Total ¹	Less: Interest paid and transfer pay- ments to for- eigners	Equals: Total exclud- ing interest and trans- fers			Tax and nontax receipts or accruals	Less: Trans- fers, interest, and sub- sidies ²	Equals: Net receipts	Total expend- itures	Less: Trans- fers, interest, and sub- sidies ²	Equals: Pur- chases of goods and services		
1958.....	318.8	6.5	312.4	290.1	22.3	114.7	33.0	81.6	127.2	33.0	94.2	-12.5	
1959.....	337.3	7.0	330.3	311.2	19.1	128.9	34.0	95.0	131.0	34.0	97.0	-2.1	
1960.....	350.0	7.8	342.3	325.2	17.0	139.8	36.5	103.3	136.1	36.5	99.6	3.7	
1961.....	364.4	8.1	356.3	335.2	21.2	144.6	41.3	103.3	149.0	41.3	107.6	-4.3	
1962.....	385.3	8.6	376.6	355.1	21.6	157.0	42.8	114.2	159.9	42.8	117.1	-2.9	
1963.....	404.6	9.7	394.9	375.0	19.9	168.8	44.4	124.3	166.9	44.4	122.5	1.8	
1964.....	436.6	10.7	425.8	401.4	24.5	174.2	46.7	127.5	175.6	46.7	128.9	-1.4	
1965.....	469.1	11.9	457.2	431.5	25.7	189.0	49.6	139.4	185.8	49.6	136.2	3.2	
1964: III.....	441.2	10.9	430.3	407.5	22.8	175.4	46.7	128.7	176.2	46.7	129.5	-0.8	
IV.....	446.6	11.2	435.4	408.8	26.6	178.2	46.7	131.5	176.2	46.7	129.4	2.1	
1965: I.....	453.2	11.4	441.8	418.9	22.8	186.4	48.5	137.9	180.1	48.5	131.6	6.4	
II.....	461.0	11.8	449.2	426.8	22.4	188.5	48.0	140.5	182.4	48.0	134.3	6.1	
III.....	476.2	12.1	464.1	435.0	29.0	188.6	51.9	136.7	189.6	51.9	137.7	-1.0	
IV.....	486.1	12.4	473.7	445.2	28.5	192.6	50.0	142.6	191.1	50.0	141.2	1.4	
1966: I.....	495.1	12.7	482.4	455.6	26.9	203.1	53.4	149.7	198.4	53.4	145.0	4.7	
II ⁶	499.7	13.3	486.4	458.9	27.6	(?)	53.3	(?)	202.6	53.3	149.4	(?)	

Period	Business			Net transfers to for- eigners by per- sons and Govern- ment	International			Excess of transfers (+) or of net exports (-) ⁵	Total income or receipts	Statistical discrep- ancy	Gross national product or expend- iture
	Gross retained earn- ings ³	Gross private domestic invest- ment ⁴	Excess of invest- ment (-)		Net exports of goods and services						
					Exports	Less: Imports	Equals: Net exports				
1958.....	49.4	60.9	-11.5	2.3	23.1	20.9	2.2	0.1	445.8	1.6	447.3
1959.....	56.8	75.3	-18.5	2.4	23.5	23.3	.1	2.3	484.5	-0.8	483.6
1960.....	56.8	74.8	-18.0	2.3	27.2	23.2	4.1	-1.7	504.8	-1.0	503.8
1961.....	58.7	71.7	-13.0	2.6	28.6	22.9	5.6	-3.1	520.8	-0.7	520.1
1962.....	66.3	83.0	-16.8	2.7	30.3	25.1	5.1	-2.5	559.8	-0.5	560.3
1963.....	68.8	87.1	-18.4	2.8	32.3	26.4	5.9	-3.1	590.8	-0.3	590.5
1964.....	76.9	93.0	-16.0	2.8	37.0	28.5	8.5	-5.7	633.1	-1.4	631.7
1965.....	83.4	106.6	-23.1	2.8	39.0	32.0	7.0	-4.2	682.8	-1.6	681.2
1964: III.....	78.4	92.5	-14.1	2.8	37.2	28.8	8.4	-5.7	640.2	-2.3	637.9
IV.....	77.9	97.4	-19.5	2.7	38.1	29.6	8.6	-5.9	647.5	-3.3	644.2
1965: I.....	82.6	103.8	-21.2	2.6	35.1	28.7	6.4	-3.8	664.9	-4.1	660.8
II.....	82.3	103.7	-21.4	3.1	40.5	32.3	8.2	-5.1	675.0	-2.1	672.9
III.....	83.8	106.7	-22.9	2.8	40.1	33.0	7.1	-4.2	687.3	-0.8	686.5
IV.....	85.1	111.9	-26.8	2.5	40.3	34.2	6.1	-3.5	704.0	-0.4	704.4
1966: I.....	86.6	114.5	-27.9	3.4	41.7	35.6	6.0	-2.6	722.0	-0.8	721.2
II ⁶	(?)	118.4	(?)	2.9	42.3	37.0	5.3	-2.5	(?)	(?)	732.0

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 less 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 Preliminary.

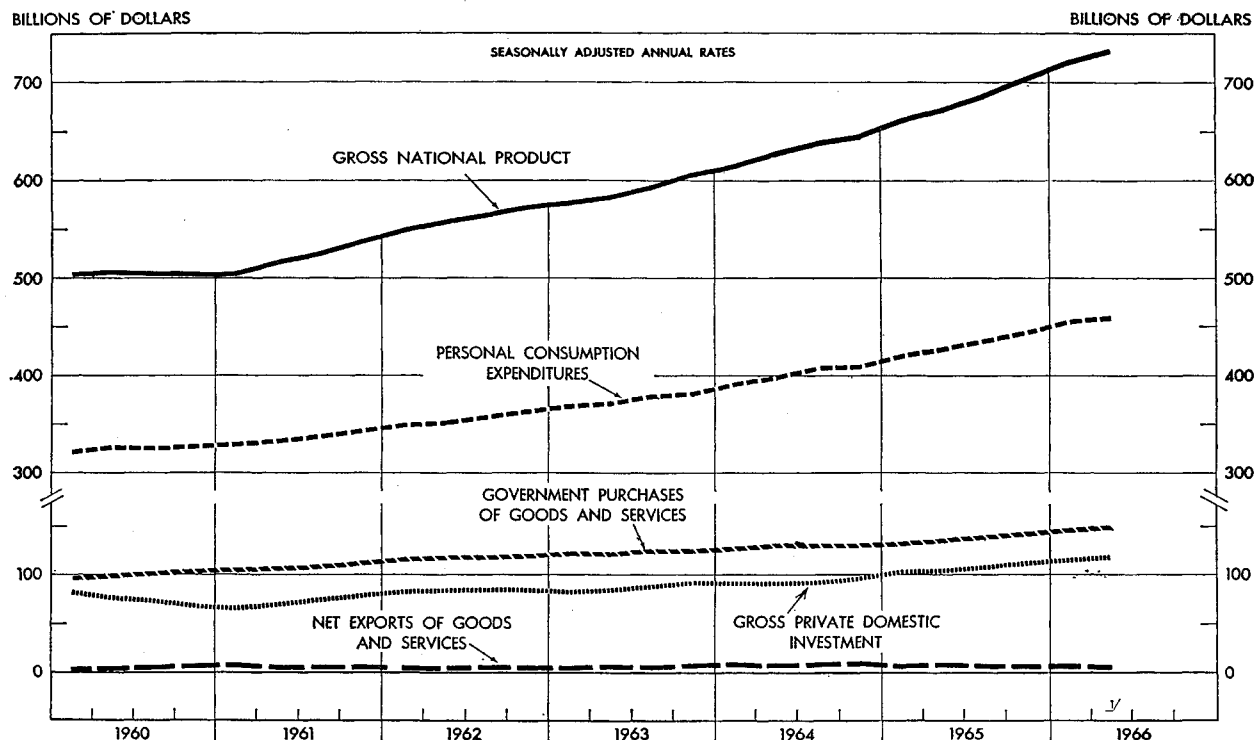
⁷ Not available.

NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966.
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 1½ percent in the second quarter. After adjustment for price changes, the increase was ½ percent. The corresponding changes for the first quarter, according to revised data, are 2½ percent and 1½ percent, respectively.



1/2 PRELIMINARY.

SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

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					Implicit price deflator for total GNP 1958=100 ²
						Total	Federal			State and local	
							Total	National defense ¹	Other		
Billions of dollars; quarterly data at seasonally adjusted annual rates											
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-----	529.8	560.3	355.1	83.0	5.1	117.1	63.4	51.6	11.8	53.7	105.8
1963-----	551.0	590.5	375.0	87.1	5.9	122.5	64.2	50.8	13.5	58.2	107.2
1964-----	580.0	631.7	401.4	93.0	8.5	128.9	65.2	50.0	15.2	63.7	108.9
1965-----	614.4	681.2	431.5	106.6	7.0	136.2	66.8	50.1	16.7	69.4	110.9
1964: III-----	585.0	637.9	407.5	92.5	8.4	129.5	65.1	49.8	15.3	64.4	109.1
IV-----	587.2	644.2	408.8	97.4	8.6	129.4	64.1	48.5	15.6	65.3	109.7
1965: I-----	600.3	660.8	418.9	103.8	6.4	131.6	64.4	48.2	16.2	67.3	110.1
II-----	607.8	672.9	426.8	103.7	8.2	134.3	65.6	49.1	16.5	68.7	110.7
III-----	618.2	686.5	435.0	106.7	7.1	137.7	67.5	50.7	16.8	70.2	111.0
IV-----	631.2	704.4	445.2	111.9	6.1	141.2	69.8	52.5	17.3	71.4	111.6
1966: I-----	640.5	721.2	455.6	114.5	6.0	145.0	71.9	54.6	17.4	73.1	112.6
II ³ -----	644.2	732.0	458.9	118.4	5.3	149.4	74.6	57.0	17.6	74.8	113.6

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.

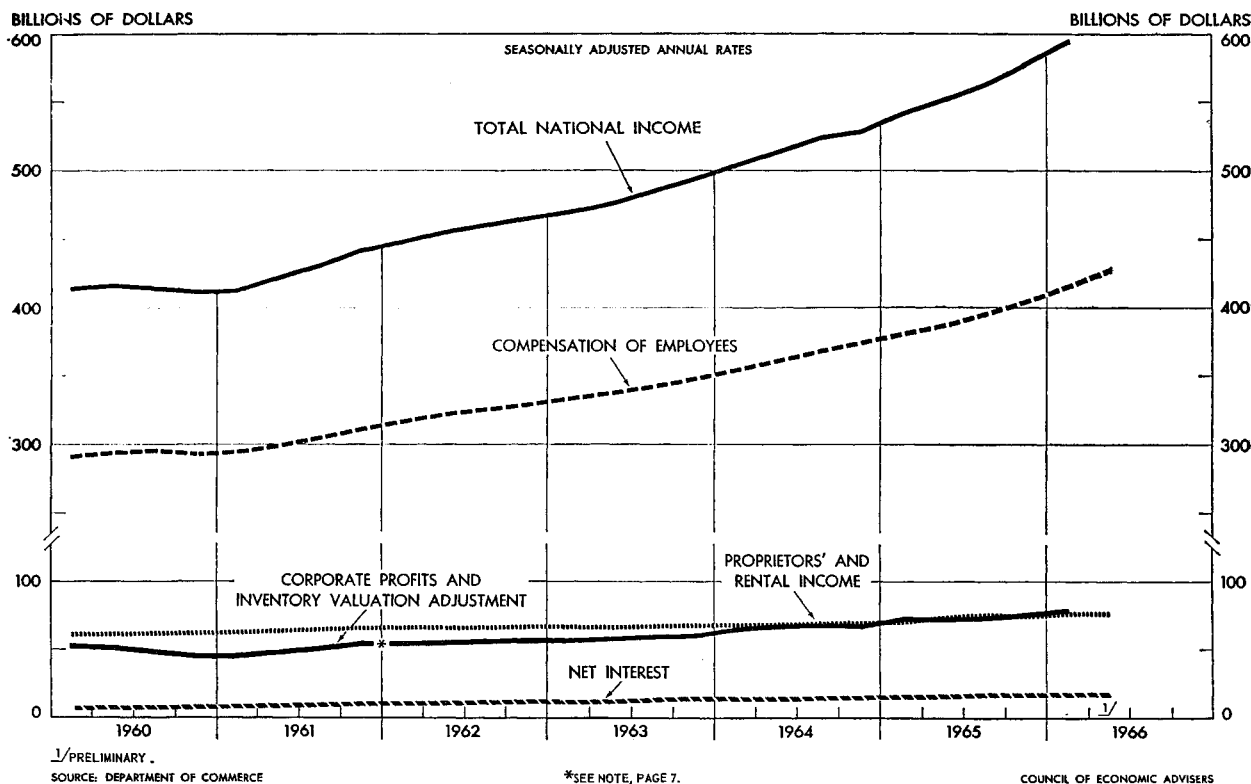
³ Preliminary.

NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966. Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

NATIONAL INCOME

Employee compensation rose \$8 billion (seasonally adjusted annual rate) in the second quarter. Farm proprietors' income dropped \$¼ billion below the peak reached in the first quarter. Most other forms of noncorporate income showed little or no change.



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

Period	Total national income	Compensation of employees ¹	Proprietors' income		Rental income of persons	Net interest	Corporate profits and inventory valuation adjustment ³		
			Farm ²	Business and professional			Total	Profits before taxes ³	Inventory valuation adjustment
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.....	481.9	341.0	13.1	37.9	17.1	13.8	58.9	59.4	-.5
1964.....	517.3	365.7	12.0	39.9	17.7	15.5	66.6	67.0	-.4
1965.....	559.0	392.9	15.1	40.7	18.3	17.8	74.2	75.7	-1.5
1964: III.....	522.9	369.8	11.7	40.3	17.8	15.7	67.8	67.8	(⁴)
IV.....	528.5	375.3	11.9	40.3	17.9	16.3	66.8	67.7	-.9
1965: I.....	543.3	381.7	12.9	40.5	18.1	16.9	73.2	74.5	-1.3
II.....	552.2	387.8	15.5	40.4	18.3	17.5	72.7	74.5	-1.8
III.....	562.7	395.6	16.0	40.7	18.4	18.1	74.0	75.0	-1.0
IV.....	577.8	406.5	16.0	41.1	18.5	18.7	76.9	78.7	-1.8
1966: I.....	595.7	419.6	17.0	41.4	18.7	19.1	80.0	82.7	-2.8
II ⁵	(⁶)	427.7	16.3	41.6	18.8	19.6	(⁶)	(⁶)	-2.0

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, p. 7.

⁴ Less than \$50 million.

⁵ Preliminary.

⁶ Not available.

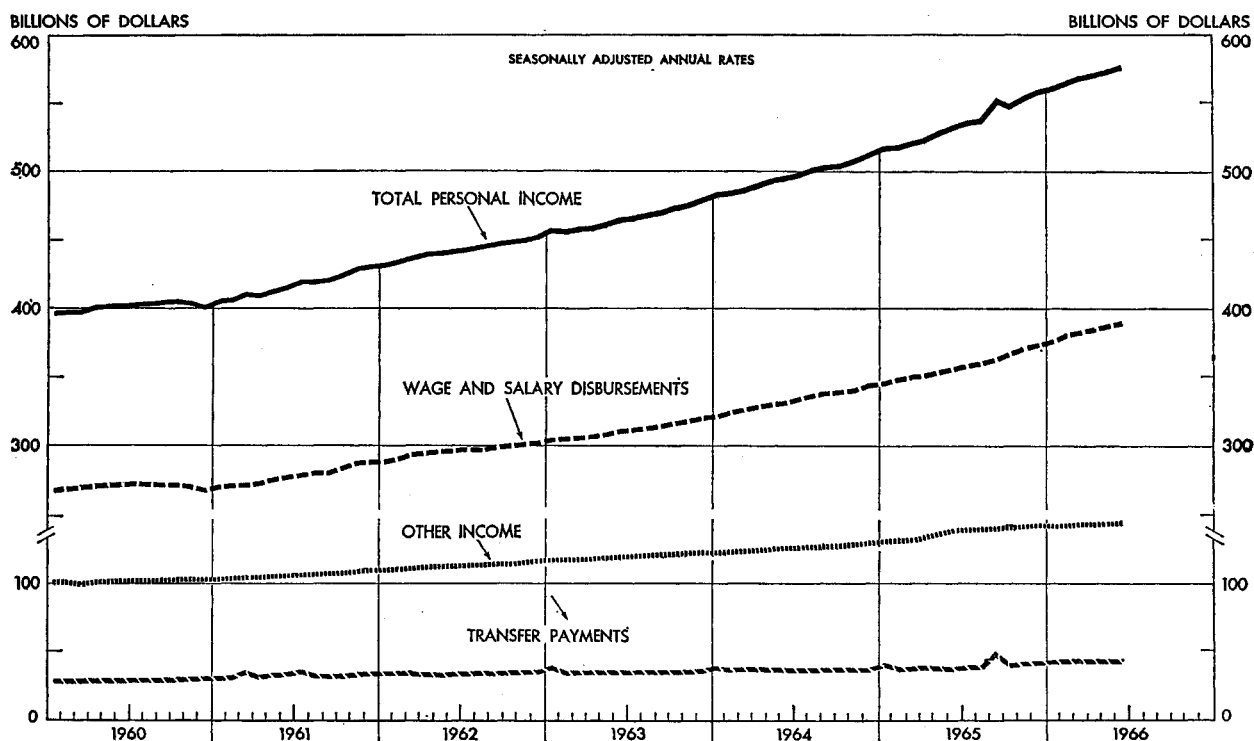
NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966.

Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

SOURCES OF PERSONAL INCOME

Personal income in June scored its largest monthly increase since March by rising \$3½ billion (seasonally adjusted annual rate). Wages and salaries had a growth of \$2¾ billion and transfer payments \$½ billion while farm income declined \$½ billion.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[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		Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Nonagricultural personal income ³
				Farm	Business and professional						
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.....	465.5	311.1	14.9	13.1	37.9	17.1	16.5	31.4	35.3	11.8	448.1
1964.....	496.0	333.6	16.6	12.0	39.9	17.7	17.3	34.6	36.8	12.5	479.7
1965.....	535.1	358.4	18.5	15.1	40.7	18.3	19.2	38.4	39.7	13.2	515.6
1965: May.....	528.0	354.1	18.2	15.7	40.4	18.3	18.7	38.0	37.7	13.1	507.9
June.....	532.2	356.1	18.4	16.9	40.4	18.3	19.3	38.4	37.5	13.2	510.8
July.....	535.4	358.3	18.6	16.3	40.7	18.4	19.3	38.7	38.4	13.2	514.6
Aug.....	537.8	360.6	18.8	15.9	40.6	18.4	19.5	38.9	38.3	13.2	517.6
Sept.....	552.5	363.5	19.0	15.9	40.7	18.5	19.8	39.2	49.2	13.2	532.3
Oct.....	547.2	366.9	19.2	15.8	40.8	18.5	20.0	39.4	39.8	13.3	526.9
Nov.....	553.2	371.4	19.4	16.0	41.1	18.6	20.2	39.7	40.3	13.5	532.6
Dec.....	558.2	374.1	19.6	16.2	41.3	18.6	20.5	40.0	41.4	13.6	537.2
1966: Jan.....	560.2	376.8	19.8	16.8	41.3	18.6	20.8	40.5	42.3	16.8	538.8
Feb.....	564.7	380.1	20.0	17.0	41.3	18.7	21.0	41.0	42.6	16.9	543.0
Mar.....	569.0	382.9	20.2	17.3	41.5	18.7	20.9	41.4	42.9	16.9	547.0
Apr.....	570.5	384.7	20.4	16.7	41.5	18.7	21.0	41.8	42.6	17.0	549.1
May.....	573.0	387.0	20.6	16.3	41.6	18.8	21.2	42.1	42.5	17.1	551.9
June ⁵	576.4	389.7	20.7	15.9	41.7	18.8	21.2	42.4	43.1	17.2	555.7

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 Includes retroactive social security benefits of \$885 million or \$10.6 billion at annual rate.

⁵ Preliminary.

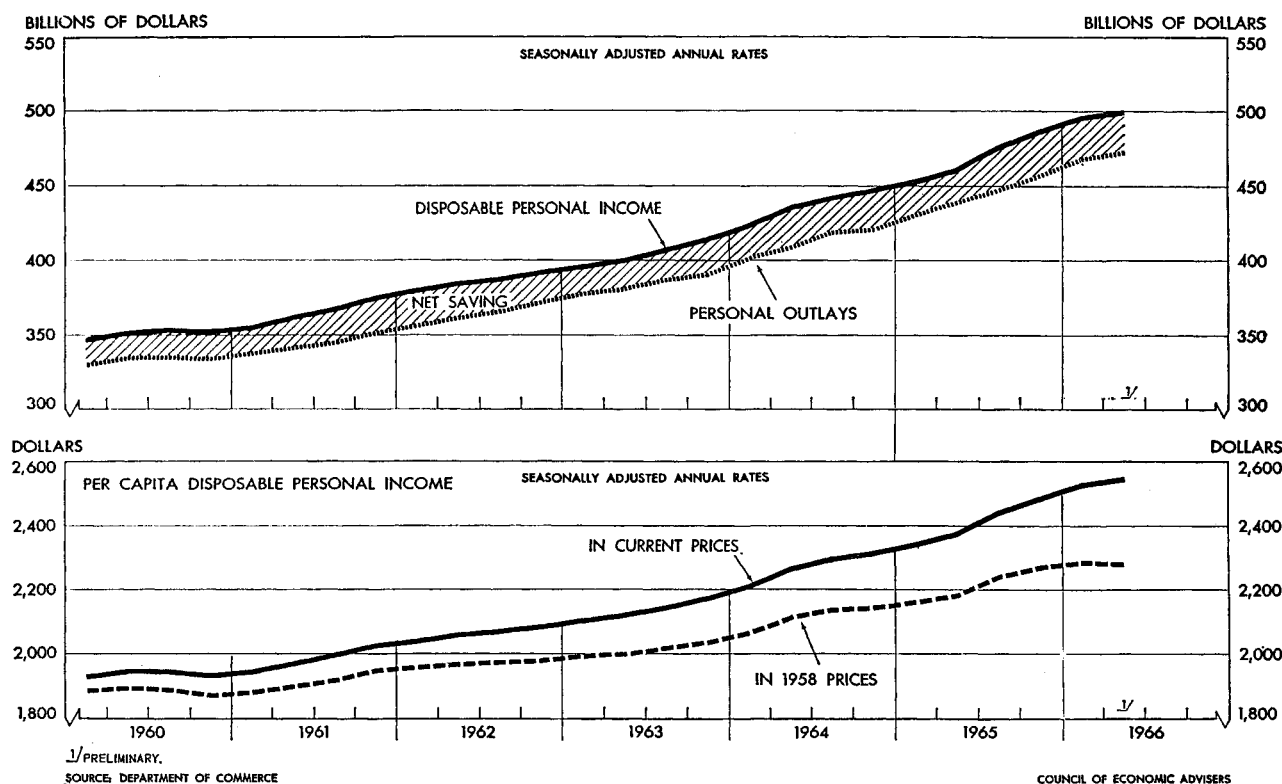
NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966.

Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

DISPOSITION OF PERSONAL INCOME

Personal income in the second quarter slowed down from its recent pace but still registered a strong gain of \$8½ billion (seasonally adjusted annual rate). Personal taxes rose sharply with the advent of graduated withholding; hence, disposable income was up only \$4½ billion, but the saving rate remained virtually unchanged.



Period	Personal income	Less: Personal taxes	Equals: Disposable personal income	Less: Personal outlays				Equals: Personal saving	Per capita disposable personal income		Saving as percent of disposable personal income (percent)	Population (thousands)
				Total personal outlays ¹	Personal consumption expenditures ²				Current prices	1958 prices		
					Durable goods	Non-durable goods	Services					
Billions of dollars									Dollars			
1956-----	333.0	39.8	293.2	272.6	38.9	129.3	98.5	20.6	1,743	1,838	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	1,968	5.6	186,656
1963-----	465.5	60.9	404.6	384.7	53.9	168.6	152.4	19.9	2,136	2,013	4.9	189,417
1964-----	496.0	59.4	436.6	412.1	59.4	178.9	163.1	24.5	2,272	2,116	5.6	192,120
1965-----	535.1	66.0	469.1	443.4	66.1	190.6	174.8	25.7	2,411	2,214	5.5	194,572
Seasonally adjusted annual rates												
1964: III--	500.3	59.1	441.2	418.4	61.1	181.7	164.7	22.8	2,292	2,134	5.2	192,492
IV--	507.5	60.9	446.6	420.0	58.9	182.4	167.5	26.6	2,312	2,140	6.0	193,196
1965: I--	518.0	64.9	453.2	430.3	65.1	184.5	169.3	22.8	2,339	2,162	5.0	193,731
II--	527.6	66.6	461.0	438.6	64.4	189.4	173.0	22.4	2,373	2,181	4.9	194,268
III--	541.9	65.7	476.2	447.1	66.7	191.4	176.9	29.0	2,443	2,241	6.1	194,898
IV--	552.8	66.7	486.1	457.6	68.0	197.0	180.2	28.5	2,486	2,270	5.9	195,543
1966: I--	564.6	69.5	495.1	468.4	70.3	201.9	183.4	26.9	2,525	2,287	5.4	196,082
II ³ --	573.3	73.6	499.7	472.1	66.8	204.7	187.4	27.6	2,542	2,277	5.5	196,585

¹Includes personal consumption expenditures, interest paid by consumers, and personal transfer payments to foreigners.

²See p. 2 for total personal consumption expenditures.

³Preliminary.

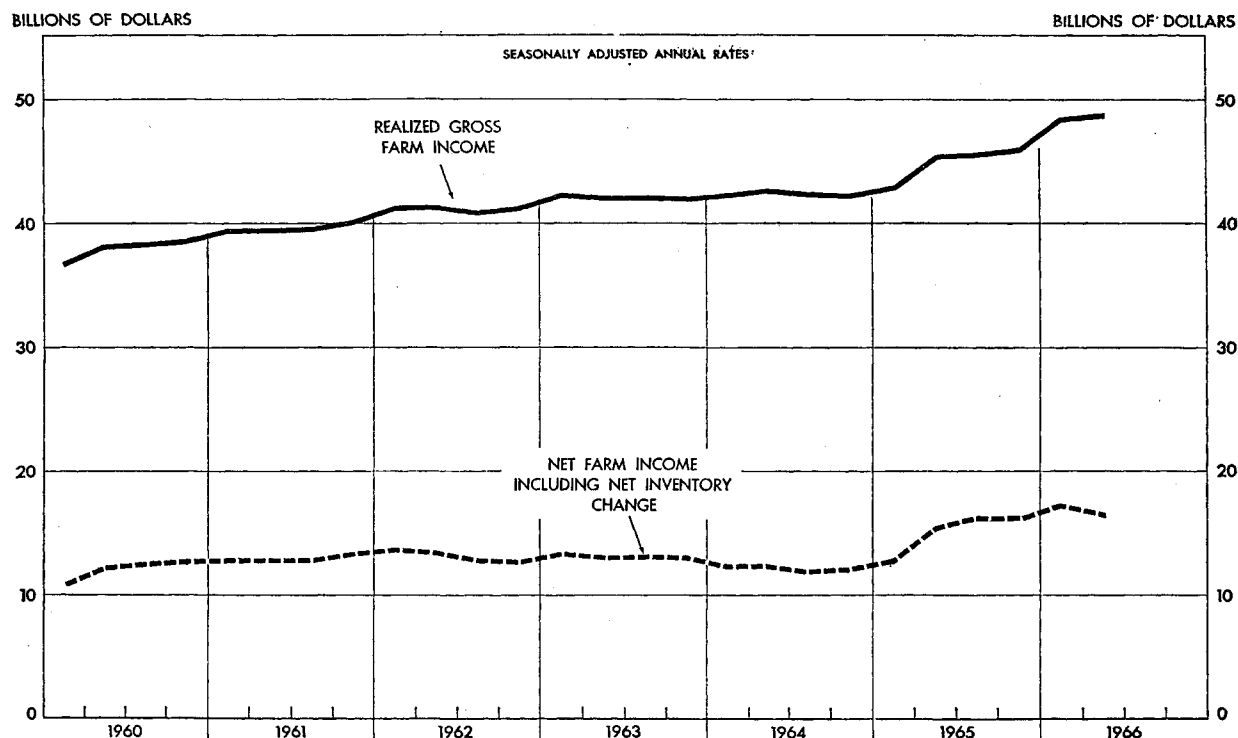
NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966.

Data for Alaska and Hawaii included beginning 1960.

Sources: Department of Commerce and Council of Economic Advisers.

FARM INCOME

In the second quarter seasonally adjusted net farm income, including net inventory change, fell 4 percent from the record high of the 1st quarter. According to revised estimates, net income per farm rose 29 percent in 1965.



SOURCE: DEPARTMENT OF AGRICULTURE

COUNCIL OF ECONOMIC ADVISERS

Period	Personal income received by total farm population			Income received from farming						
	From all sources	From farm sources	From nonfarm sources	Realized gross		Production expenses	Net to farm operators		Net income per farm including net inventory change ³	
				Total ¹	Cash receipts from marketings		Excluding net inventory change	Including net inventory change ²	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	37.2	29.6	12.5	13.1	3,671	3,785
1964	17.9	11.1	6.8	42.3	36.9	29.4	12.9	12.1	3,479	3,550
1965	20.6	13.8	6.8	44.9	39.2	30.7	14.2	15.2	4,493	4,493
Seasonally adjusted annual rates										
1964: III				42.3	36.9	29.3	13.0	11.8	3,400	3,470
IV				42.2	36.7	29.2	13.0	12.0	3,460	3,530
1965: I				42.9	37.3	30.0	12.9	12.9	3,820	3,860
II				45.4	39.7	30.8	14.6	15.5	4,590	4,590
III				45.5	39.7	30.9	14.6	16.1	4,770	4,770
IV				45.9	40.0	31.2	14.7	16.1	4,770	4,770
1966: I				48.4	42.2	31.9	16.5	17.1	5,210	5,110
II ⁵				48.7	42.2	32.5	16.2	16.4	5,000	4,850

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.

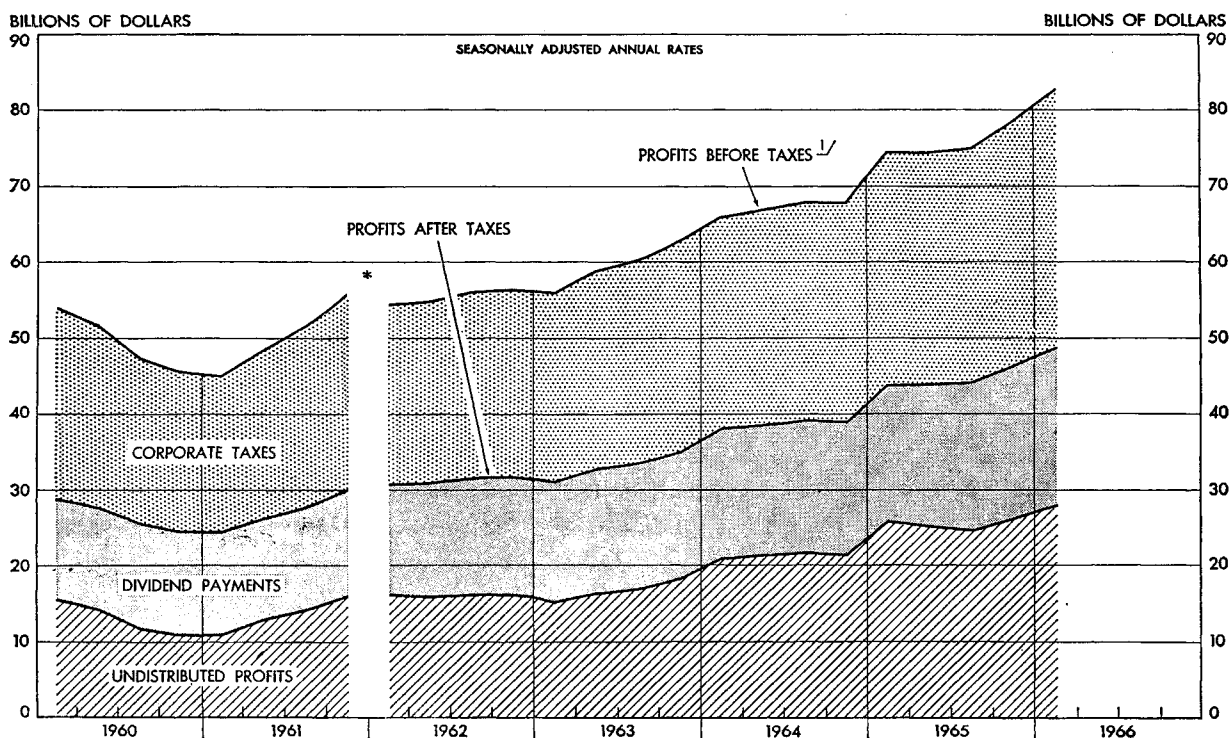
⁵ Preliminary.

NOTE.—Series revised beginning 1962. For details, see *Farm Income Situation*, July 1966.

Source: Department of Agriculture.

CORPORATE PROFITS

After revisions in corporate profits, profits (before taxes) and inventory valuation adjustment in the first quarter amounted to \$80 billion (seasonally adjusted annual rate) or 9 percent above a year earlier.



EXCLUDING INVENTORY VALUATION ADJUSTMENT.

SOURCE: DEPARTMENT OF COMMERCE

* SEE NOTE ON TABLE BELOW.

COUNCIL OF ECONOMIC ADVISERS

[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	Non-durable goods industries									
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. 9	28. 8	15. 8	13. 0	9. 5	20. 7	59. 4	26. 3	33. 1	16. 5	16. 6	31. 8	64. 8
1964-----	66. 6	32. 4	17. 9	14. 5	10. 4	23. 8	67. 0	28. 4	38. 7	17. 3	21. 3	33. 9	72. 5
1965-----	74. 2	37. 8	22. 1	15. 7	11. 1	25. 3	75. 7	31. 2	44. 5	19. 2	25. 3	36. 3	80. 8
1964: III	67. 8	33. 0	18. 4	14. 6	10. 6	24. 1	67. 8	28. 7	39. 1	17. 4	21. 7	34. 2	73. 3
IV--	66. 8	32. 2	17. 5	14. 7	10. 5	24. 1	67. 7	28. 6	39. 0	17. 7	21. 4	34. 8	73. 8
1965: I--	73. 2	37. 4	21. 9	15. 5	10. 7	25. 0	74. 5	30. 7	43. 8	18. 1	25. 7	35. 2	79. 0
II--	72. 7	36. 7	21. 2	15. 5	10. 9	25. 1	74. 5	30. 7	43. 8	18. 8	25. 0	36. 0	79. 8
III--	74. 0	37. 4	21. 9	15. 5	11. 2	25. 3	75. 0	30. 9	44. 1	19. 5	24. 6	36. 8	80. 9
IV--	76. 9	39. 6	23. 2	16. 4	11. 5	25. 9	78. 7	32. 4	46. 3	20. 2	26. 1	37. 2	83. 5
1966: I--	80. 0	41. 9	24. 7	17. 2	11. 3	26. 8	82. 7	34. 1	48. 7	20. 9	27. 8	37. 7	86. 4
II ³ --	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	21. 1	(⁴)	38. 3	(⁴)

¹ Includes depreciation, capital outlays charged to current account, and accidental damages.

² Corporate profits after taxes plus corporate capital consumption allowances.

³ Preliminary.

⁴ Not available.

NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966.

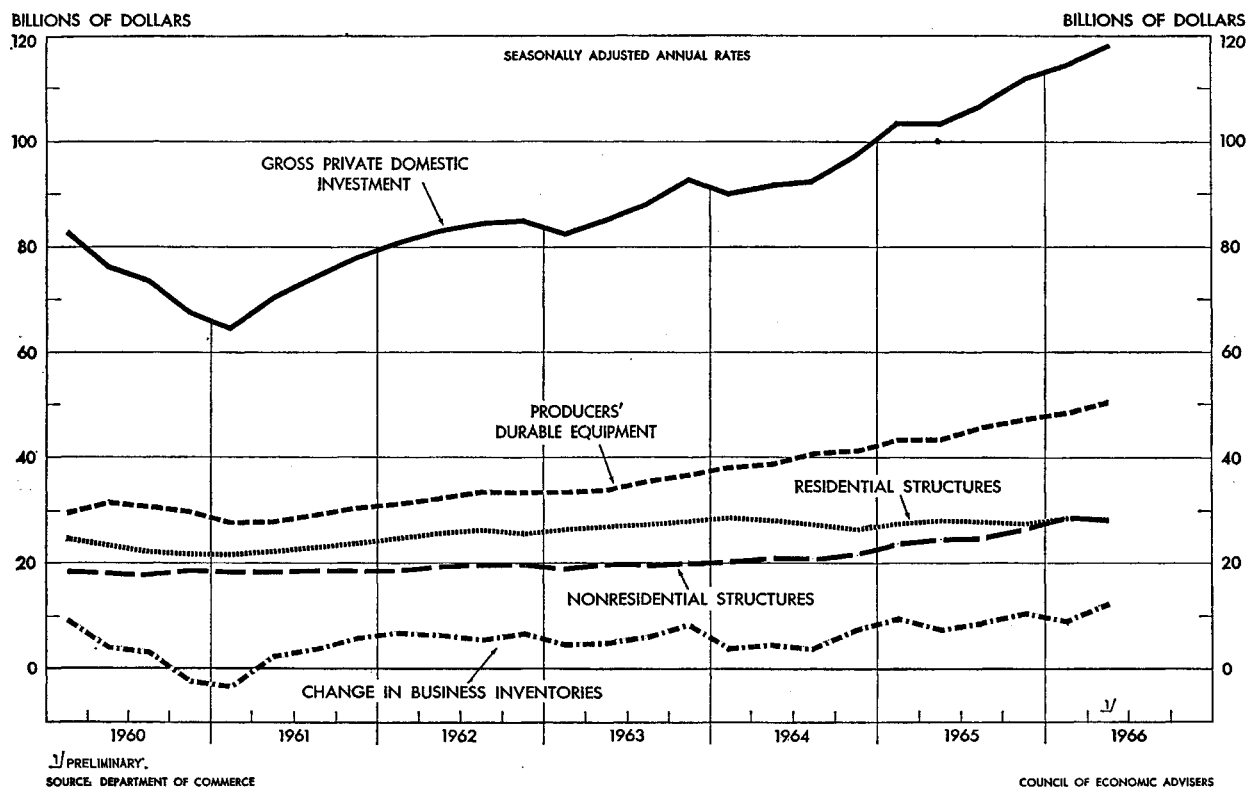
Data beginning 1962 adjusted for effects of new depreciation guidelines (\$2½ billion for 1962) and therefore not comparable with preceding data.

Data for Alaska and Hawaii included beginning 1960.

Source: Department of Commerce.

GROSS PRIVATE DOMESTIC INVESTMENT

Gross private domestic investment advanced \$4 billion in the second quarter as inventory accumulation accelerated by \$3 billion (seasonally adjusted annual rate). Fixed investment gained nearly \$1 billion despite a decline of \$½ billion in residential structures.



[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	Non-farm	Total	Non-farm
				Total	Non-farm	Total	Non-farm				
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.....	87.1	81.3	54.3	19.5	18.8	34.8	31.2	27.0	26.4	5.9	5.1
1964.....	93.0	88.3	60.7	21.0	20.3	39.7	35.9	27.6	27.0	4.7	5.3
1965.....	106.6	97.5	69.7	24.9	24.2	44.8	40.6	27.8	27.2	9.1	8.1
1964: III.....	92.5	88.9	61.7	21.0	20.3	40.7	36.9	27.2	26.6	3.6	4.6
1964: IV.....	97.4	90.0	63.3	21.8	21.2	41.4	37.7	26.7	26.2	7.4	7.9
1965: I.....	103.8	94.4	66.7	23.6	22.9	43.1	39.3	27.7	27.2	9.5	9.4
1965: II.....	103.7	96.0	67.9	24.6	24.0	43.3	39.4	28.1	27.5	7.6	6.7
1965: III.....	106.7	98.0	70.2	24.4	23.8	45.8	41.3	27.8	27.3	8.7	7.2
1965: IV.....	111.9	101.5	73.9	26.8	26.1	47.1	42.3	27.6	27.0	10.4	9.0
1966: I.....	114.5	105.6	77.0	28.5	27.8	48.5	43.7	28.6	28.0	8.9	8.5
1966: II ¹	118.4	106.4	78.3	28.0	27.3	50.3	45.4	28.1	27.6	12.0	11.8

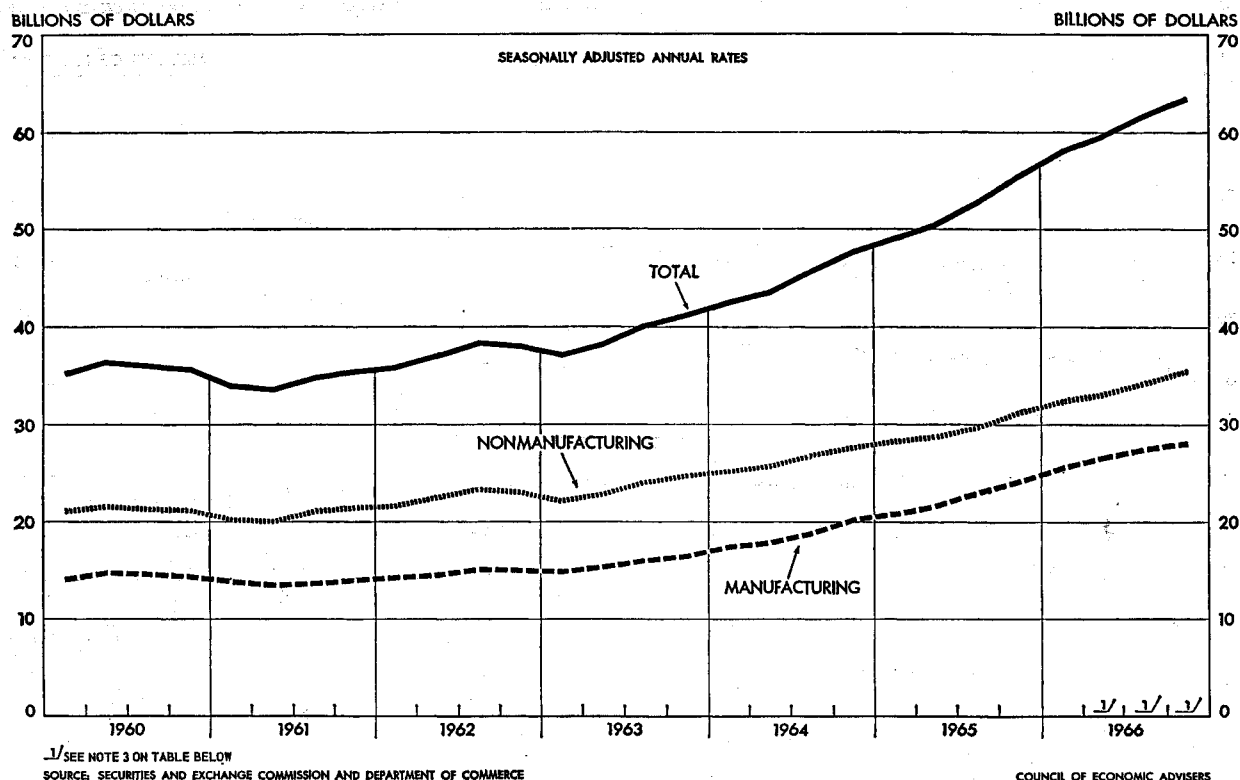
¹ Preliminary.

Source: Department of Commerce.

NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966. Data for Alaska and Hawaii included beginning 1960.

EXPENDITURES FOR NEW PLANT AND EQUIPMENT

Business expenditures for new plant and equipment in 1966 are now expected to rise 17 percent above 1965, to \$60.8 billion. This is 1 percent more than reported in February. Outlays in the last half of 1966, seasonally adjusted, are expected to maintain a steady advance.



[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	60.78	27.02	13.78	13.24	1.42	2.05	3.49	7.99	18.80
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.....	58.00	25.60	13.15	12.45	1.40	1.75	3.30	8.25	17.70
II ³	59.60	26.60	13.55	13.05	1.40	1.85	3.40	7.80	18.50
III ³	61.65	27.55	14.00	13.50	1.40	2.10	3.65	8.10	18.85
IV ³	63.55	28.10	14.30	13.75					
							35.50		

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 April and May 1966. Includes adjustments when necessary for systematic tendencies in anticipatory data.

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

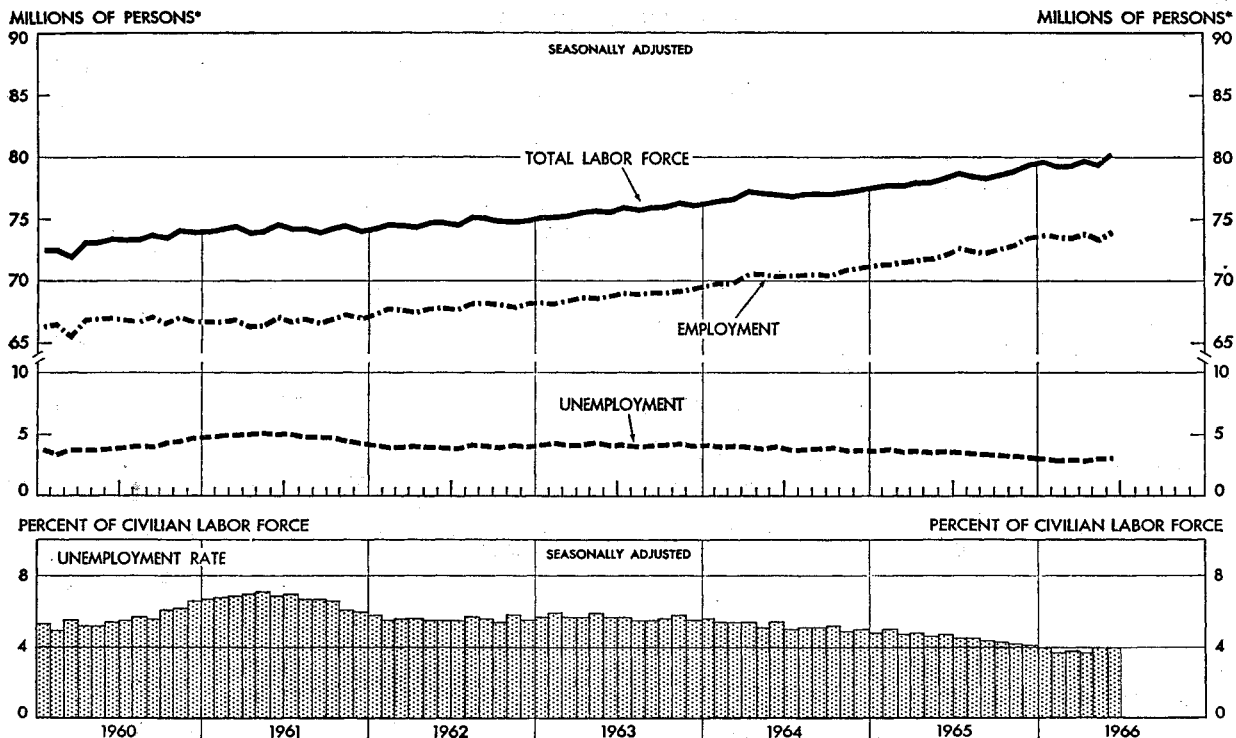
Annual total is the sum of unadjusted expenditures; it does not necessarily coincide with the average of seasonally adjusted figures.

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, rose by 766,000 in June while the civilian labor force increased by 818,000. Nonagricultural employment rose by 604,000 and agricultural employment by 162,000, 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		Unemployment	Total labor force (including armed forces)	Civilian labor force	Civilian employment			Unemployment	Unemployment rate (percent of civilian labor force)		Labor force participation rate, unadjusted ¹
		Total	Non-agricultural				Total	Agricultural	Non-agricultural		Unadjusted	Seasonally adjusted	
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							
1965:													
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
Mar.....	78, 034	72, 023	68, 244	3, 037	79, 315	76, 341	73, 435	4, 363	69, 072	2, 906	4. 0	3. 8	56. 7
Apr.....	78, 914	73, 105	68, 900	2, 802	79, 674	76, 666	73, 799	4, 482	69, 317	2, 867	3. 7	3. 7	57. 2
May.....	79, 751	73, 764	69, 472	2, 942	79, 313	76, 268	73, 231	4, 076	69, 155	3, 037	3. 8	4. 0	57. 7
June.....	82, 700	75, 731	70, 543	3, 870	80, 185	77, 086	73, 997	4, 238	69, 759	3, 089	4. 9	4. 0	59. 8

¹ Total labor force as percent of noninstitutional population.

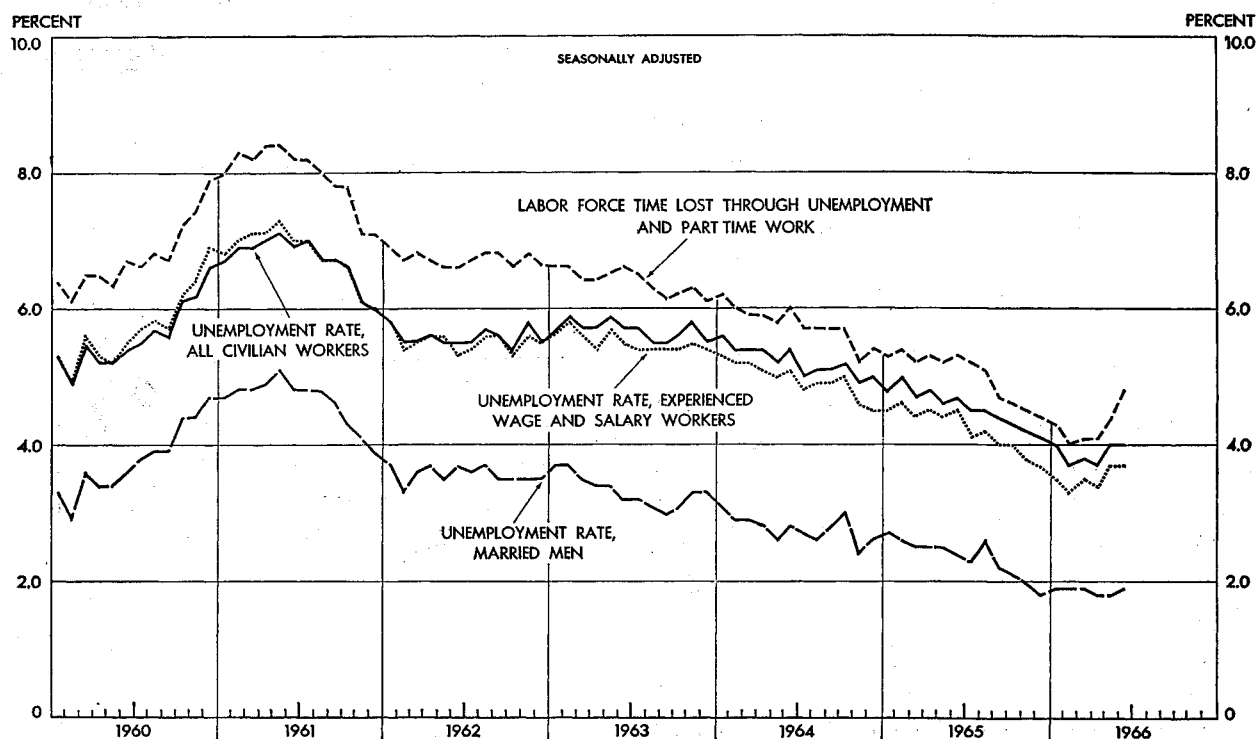
² Not strictly comparable with preceding data. See *Employment and Earnings*, May 1962, p. XIV.

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 was 4.0 percent in June for the second consecutive month.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

Period	Unemployment rate (percent of civilian labor force in group)			Labor force time lost through unem- ployment and part- time work ¹	Persons at work in nonagricultural industries by hours worked per week ²							
	All workers	Experi- enced wage and salary workers	Married men (wife present)		Over 40 hours	35-40 hours	Under 35 hours					
							Total	Part-time for economic reasons		Part-time for economic reasons		
								Usually full- time ³	Usually part- time ⁴	Usually full- time ³	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: 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	871	732	899	782	
Mar-----	3.8	3.5	1.9	4.1	21,288	32,543	12,156	826	743	820	802	
Apr-----	3.7	3.4	1.8	4.1	20,926	32,263	12,825	796	711	776	795	
May-----	4.0	3.7	1.8	4.4	21,440	32,951	12,772	829	716	839	768	
June-----	4.0	3.7	1.9	4.8	21,656	33,258	11,420	⁵ 1,036	⁵ 1,203	1,040	964	

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.

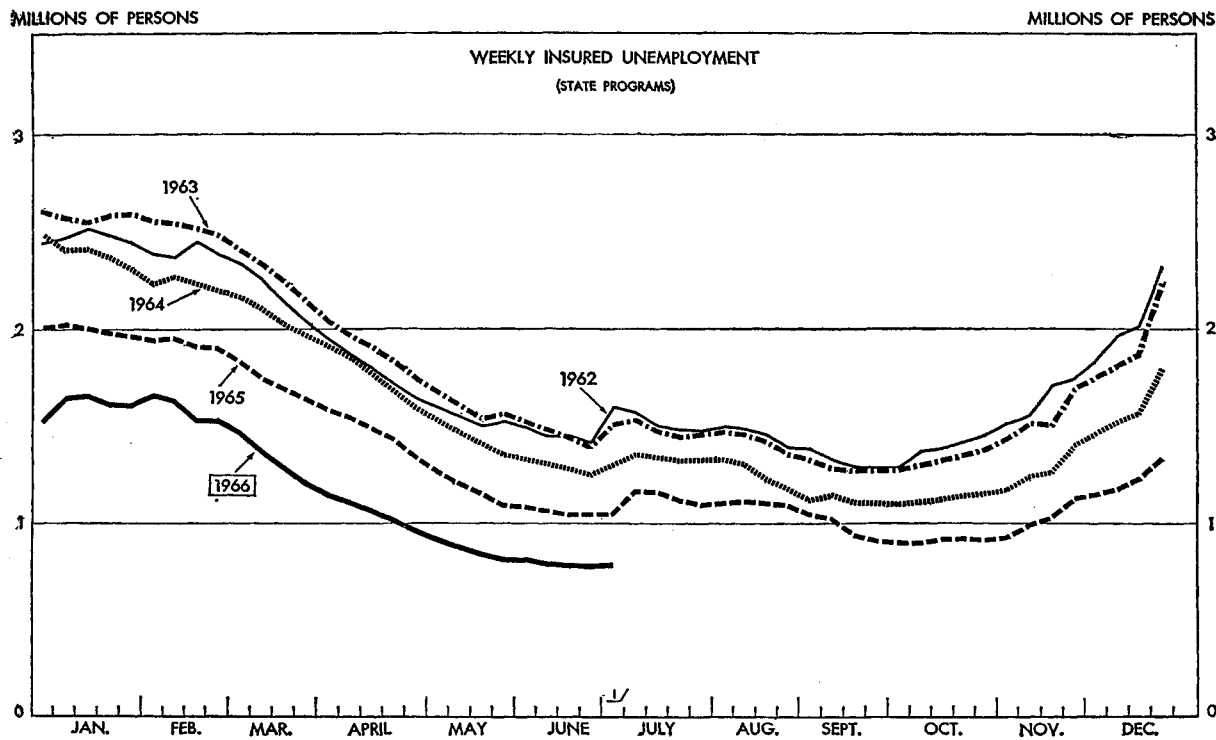
⁵ Average hours worked: usually full-time, 23.2; usually part-time, 16.7.

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

Source: Department of Labor.

UNEMPLOYMENT INSURANCE PROGRAMS

In June, insured unemployment under State programs averaged 269,000 less than in June 1965. The insured unemployment rate on a seasonally adjusted basis was at a low of 2.1 percent for the third consecutive month.



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

COUNCIL OF ECONOMIC ADVISERS

Period	All programs			State programs						Benefits paid	
	Covered employment	Insured unemployment (weekly average)	Total benefits paid (millions of dollars)	Insured unemployment	Initial claims	Exhaustions	Insured unemployment as percent of covered employment		Total (millions of dollars)	Average weekly check (dollars)	
							Unadjusted	Seasonally adjusted			
	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	1,973	3,025.9	1,806	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	51,568	1,450	2,434.7	1,328	232	21	3.0		2,166.0	37.19	
1965: May	51,186	1,316	179.2	1,179	186	24	2.7	3.0	165.7	36.40	
June	52,088	1,182	169.3	1,059	191	22	2.4	3.0	156.3	36.07	
July	52,280	1,262	160.6	1,139	252	19	2.6	3.0	149.5	36.40	
Aug.	52,611	1,235	160.7	1,120	215	18	2.5	3.1	148.0	36.58	
Sept.	52,713	1,089	150.3	981	173	17	2.2	2.9	138.6	37.23	
Oct.	52,702	1,030	128.2	933	189	16	2.0	2.7	117.8	37.32	
Nov.	52,709	1,133	143.0	1,042	225	15	2.3	2.7	132.2	38.08	
Dec.	53,411	1,396	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.		1,679	230.2	1,590	238	19	3.6	2.6	217.2	39.66	
Mar.		1,381	240.0	1,301	171	18	2.9	2.3	225.5	39.83	
Apr.		1,112	166.4	1,044	166	19	2.3	2.1	155.5	39.38	
May		916	136.1	862	152	17	1.9	2.1	126.1	38.86	
June ²		841	127.8	790	156	15	1.8	2.1	118.7	38.59	
Week ended:											
1966: June 4		868		816	142		1.8				
11		850		799	149		1.8				
18		835		786	152		1.8				
25		831		783	150		1.7				
July 2 ²		835		787	188		1.8				
9 ²					283						

¹Programs include Puerto Rican sugarcane workers for initial claims and insured unemployment beginning July 1963.

²Preliminary.

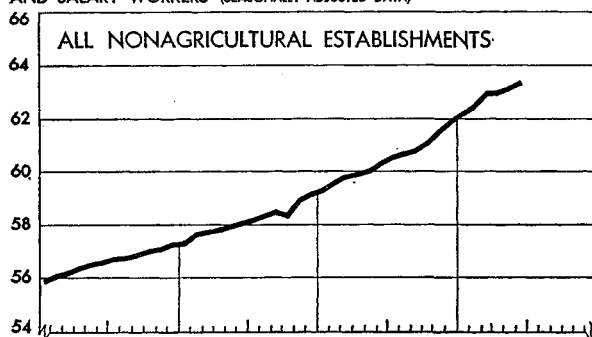
NOTE.—For definitions and coverage, see the 1964 Supplement to Economic Indicators. Data for Alaska and Hawaii included for all periods and for Puerto Rico since January 1961.

Source: Department of Labor.

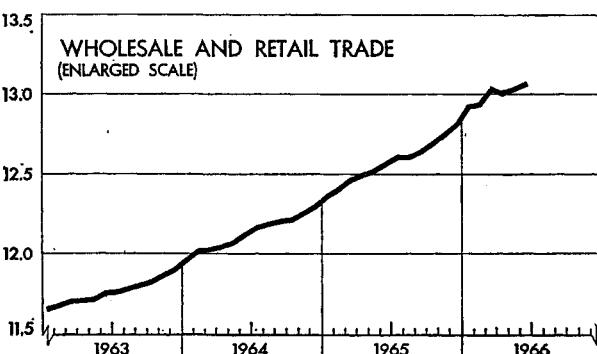
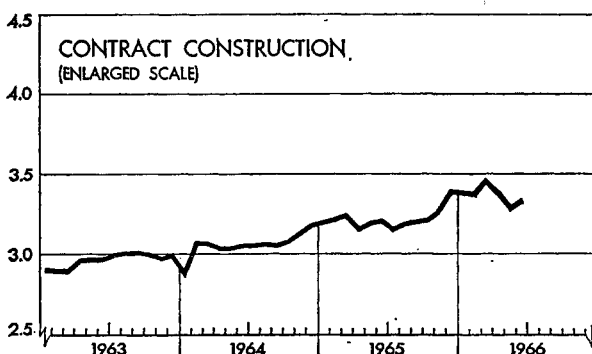
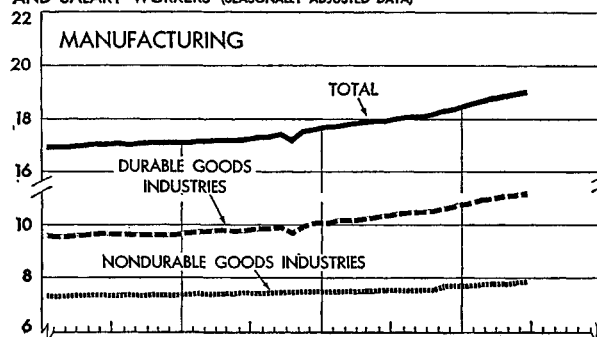
NONAGRICULTURAL EMPLOYMENT

Nonagricultural payroll employment increased by 324,000 (seasonally adjusted) in June. The largest gains were in manufacturing, contract construction, and government.

MILLIONS OF WAGE
AND SALARY WORKERS (SEASONALLY ADJUSTED DATA)



MILLIONS OF WAGE
AND SALARY WORKERS (SEASONALLY ADJUSTED DATA)



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

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

Period	Total	Manufacturing (private)			Nonmanufacturing (private)							Government	
		Total	Durable goods	Non-durable 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	32,409	628	3,211	4,031	12,588	3,044	8,907	2,378	7,673
1965: 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.	62,148	18,522	10,805	7,717	33,236	632	3,383	4,090	12,909	3,080	9,142	2,425	7,965
Feb.	62,501	18,691	10,919	7,772	33,338	631	3,374	4,104	12,942	3,082	9,205	2,451	8,021
Mar.	62,918	18,780	10,996	7,784	33,567	632	3,462	4,107	13,015	3,100	9,251	2,477	8,094
Apr.	62,935	18,860	11,056	7,804	33,439	591	3,370	4,112	13,004	3,101	9,261	2,501	8,135
May ²	63,060	18,939	11,109	7,830	33,426	624	3,275	4,123	13,016	3,105	9,283	2,521	8,174
June ²	63,384	19,047	11,180	7,867	33,568	630	3,332	4,128	13,060	3,115	9,303	2,546	8,223

¹Includes 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 force, 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 enu-

meration of population, whereas the estimates in this table are based on reports from employing establishments.

²Preliminary.

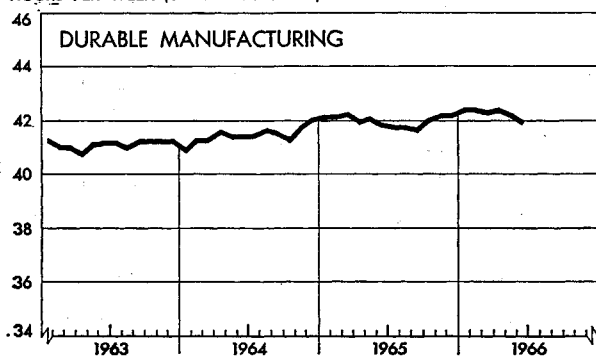
NOTE.—Beginning 1959, data include Alaska and Hawaii.

Source: Department of Labor.

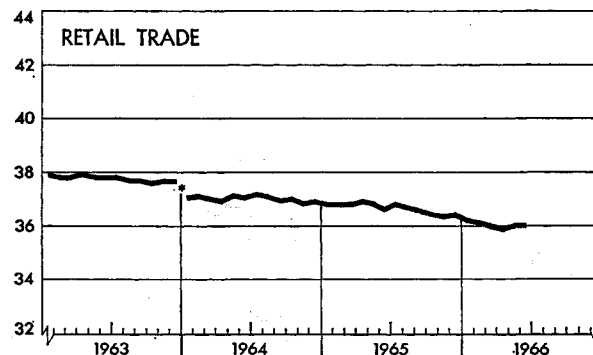
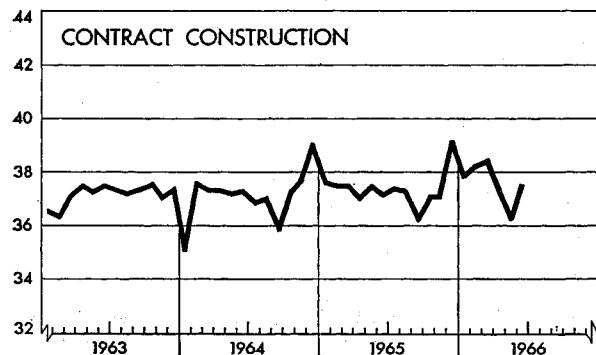
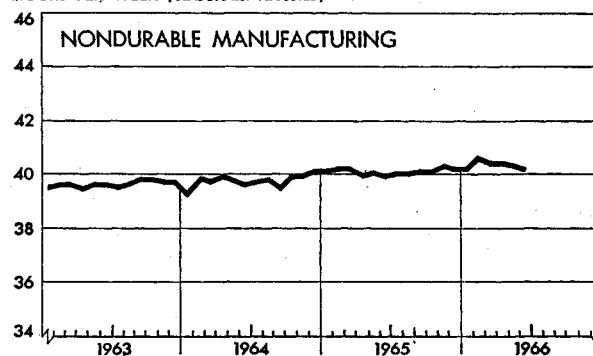
WEEKLY HOURS OF WORK - SELECTED INDUSTRIES

The average workweek in manufacturing, seasonally adjusted, fell slightly in June to 41.2 hours. In construction, the average workweek increased by 1.3 hours to 37.5 hours.

HOURS PER WEEK (SEASONALLY ADJUSTED)



HOURS PER WEEK (SEASONALLY ADJUSTED)



* 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: 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.....	41.5	42.4	40.2	37.8	36.2
Feb.....	41.6	42.4	40.6	38.2	36.1
Mar.....	41.5	42.3	40.4	38.5	36.0
Apr.....	41.5	42.4	40.4	37.2	35.9
May ²	41.4	42.2	40.3	36.2	36.0
June ²	41.2	41.9	40.1	37.5	36.0

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

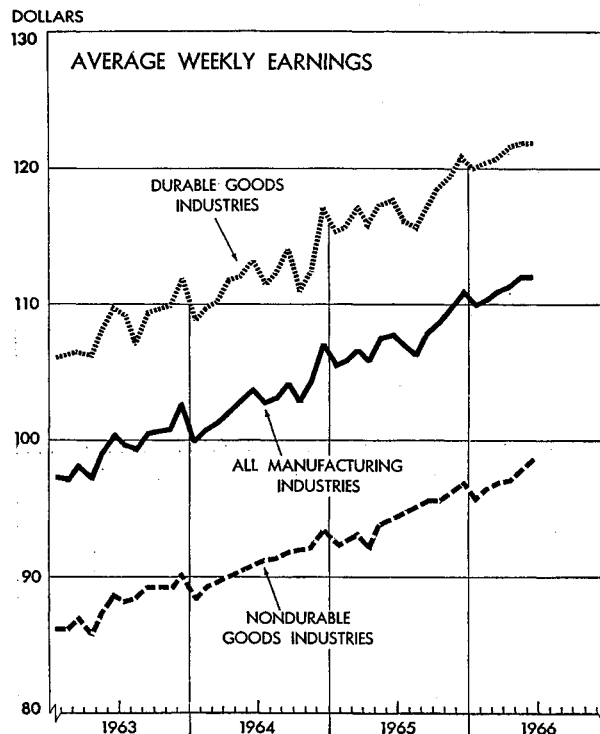
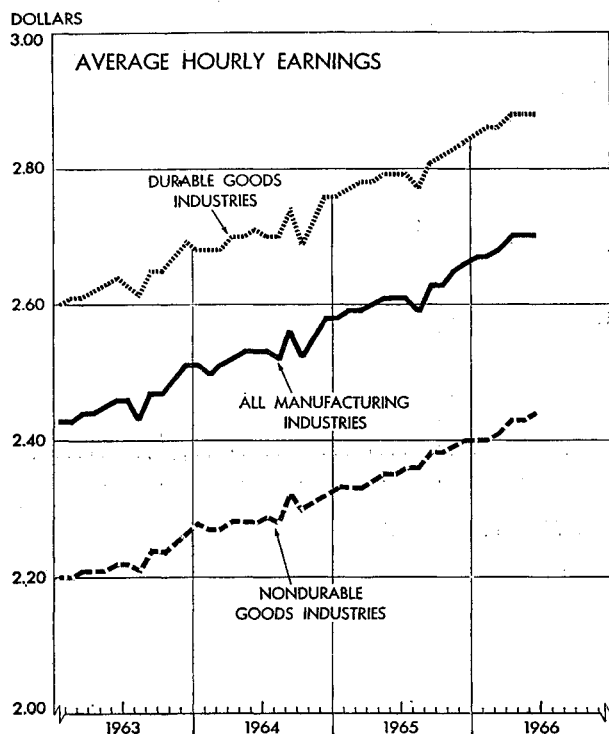
² Preliminary.

* Beginning 1964, includes eating and drinking places.

Source: Department of Labor.

AVERAGE HOURLY AND WEEKLY EARNINGS - SELECTED INDUSTRIES

Average weekly earnings in manufacturing were \$112.05 in June—the same as in May and \$4.26 above June 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					Manufacturing industries					Adjusted hourly earnings, 1957-59=100 ¹	Average weekly earnings, 1957-59 prices ²
	All	Durable goods	Non-durable goods	Contract construction	Retail trade	All	Durable goods	Non-durable goods	Contract construction	Retail trade		
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: 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	122.3	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.....	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.....	2.67	2.86	2.40	3.81	1.88	110.27	120.41	96.43	138.30	67.30	123.4	98.81
Mar.....	2.68	2.86	2.41	3.79	1.89	110.95	120.69	96.88	142.88	67.47	123.5	99.06
Apr.....	2.70	2.88	2.43	3.80	1.89	111.24	121.54	96.96	140.22	67.47	124.2	98.88
May ³	2.70	2.88	2.43	3.82	1.91	112.05	121.82	97.93	141.72	68.19	124.4	99.51
June ³	2.70	2.88	2.44	3.82	1.91	112.05	121.82	98.58	146.69	69.33	-----	99.25

¹ Earnings in current prices, adjusted to exclude overtime and interindustry shifts.

² Earnings in current price divided by the consumer price index.

³ Preliminary.

*Beginning 1964, includes eating and drinking places.

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

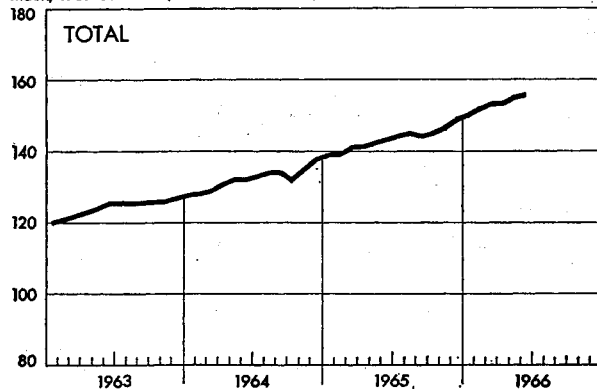
Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

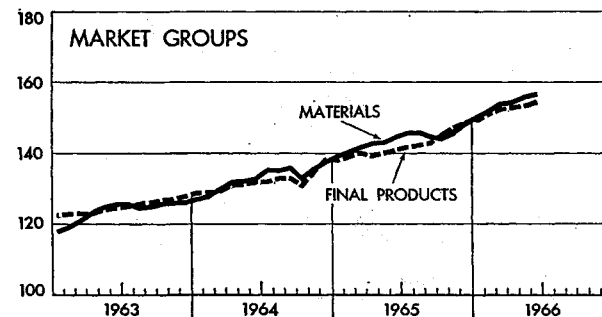
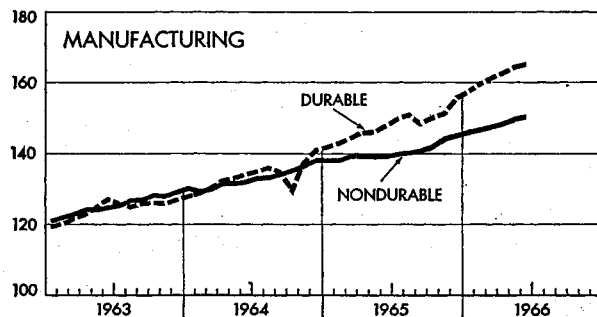
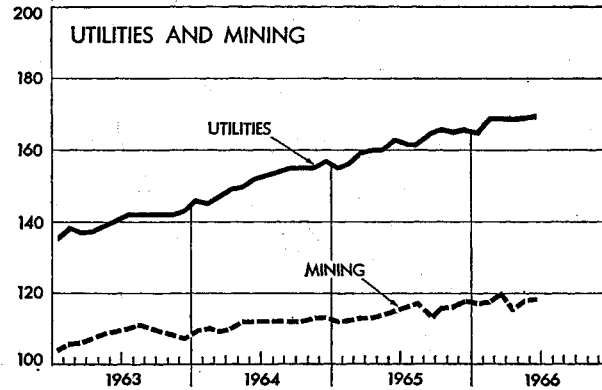
INDUSTRIAL PRODUCTION

Industrial production, seasonally adjusted, increased about ½ percent in June bringing the increase in the second quarter to about 1½ percent or about one-half as much as in the first quarter.

Index, 1957-59=100 (SEASONALLY ADJUSTED)



Index, 1957-59=100 (SEASONALLY ADJUSTED)



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	Non-durable			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: May	141.6	143.1	146.4	138.8	114.0	159.7	140.2	138.6	143.7	142.6
June	142.7	144.1	148.1	139.0	115.3	161.9	140.7	138.7	144.9	144.5
July	144.2	145.7	150.0	140.4	116.0	161.2	141.7	139.3	147.0	146.4
Aug.	144.5	146.0	150.5	140.4	117.0	161.6	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	165.8	145.7	141.7	154.3	144.3
Nov.	146.4	148.2	151.3	144.2	116.0	165.3	147.4	142.8	157.3	145.6
Dec.	148.7	150.6	155.0	145.1	117.9	165.7	148.8	144.1	158.8	148.7
1966: Jan.	150.2	152.4	157.6	146.0	117.2	164.9	149.5	144.1	161.3	150.4
Feb.	151.9	154.1	159.7	147.0	117.7	168.9	151.4	145.5	164.1	152.0
Mar.	153.4	155.6	161.7	147.9	120.2	168.8	152.4	146.0	166.2	154.3
Apr.	153.7	156.4	162.7	148.4	115.8	168.3	152.7	146.0	166.9	154.6
May	155.0	157.7	164.3	149.5	118.1	169.0	153.5	145.8	170.0	156.0
June ¹	155.8	158.5	165.1	150.2	118.4	169.5	154.5	146.6	171.4	156.8

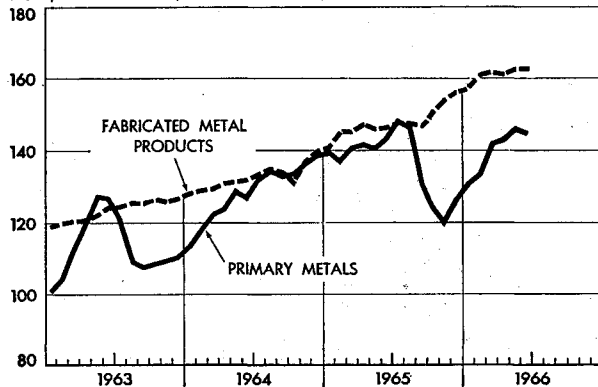
¹Preliminary.

Source: Board of Governors of the Federal Reserve System.

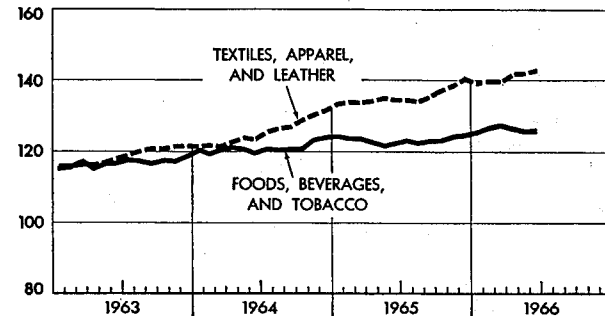
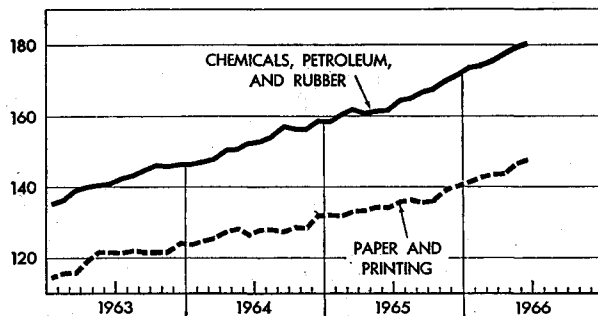
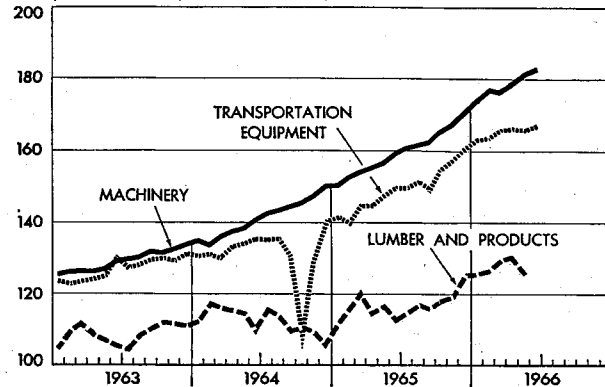
PRODUCTION OF SELECTED MANUFACTURES

Production of machinery and transportation equipment (all in aircraft) increased 1 percent in June on a seasonally adjusted basis while the output of primary metals declined 1 percent—the first decline since November 1965. All major nondurables posted gains.

Index, 1957-59=100 (SEASONALLY ADJUSTED)



Index, 1957-59=100 (SEASONALLY ADJUSTED)



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[1957-59=100, seasonally adjusted]

Period	Durable manufactures					Nondurable manufactures			
	Primary metals	Fabricated metal products	Machinery	Transportation equipment	Lumber and products	Textiles, apparel, and leather	Paper and printing	Chemicals, petroleum, and rubber	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: 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	156.3	170.7	160.7	125.4	140.3	139.9	171.7	124.7
1966: Jan.....	130.8	157.0	174.3	163.1	125.6	139.1	141.1	173.6	125.5
Feb.....	133.6	160.7	176.7	163.2	126.5	139.8	142.5	174.1	127.0
Mar.....	141.4	161.4	176.0	165.8	129.3	139.5	143.7	175.8	127.6
Apr.....	142.4	160.7	178.4	166.0	130.7	141.6	143.3	177.5	126.6
May.....	146.3	162.3	181.0	165.7	125.9	141.9	146.7	179.3	125.6
June ¹	145	163	183	167	-----	143	148	180	126

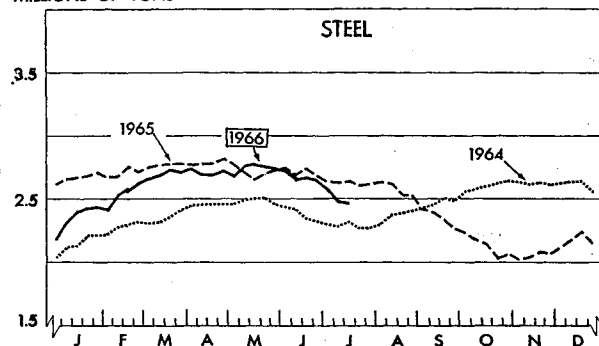
¹ Preliminary.

Source: Board of Governors of the Federal Reserve System.

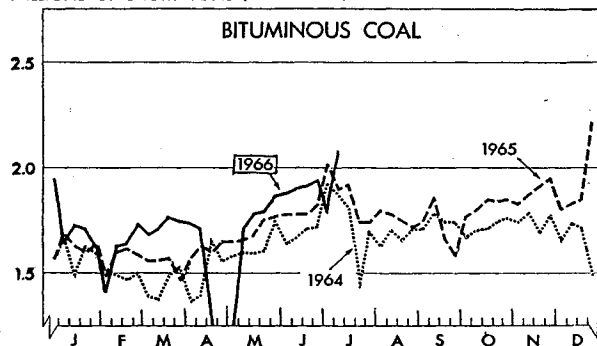
WEEKLY INDICATORS OF PRODUCTION

Steel production and cars and trucks assembled declined in June on a seasonally unadjusted basis.

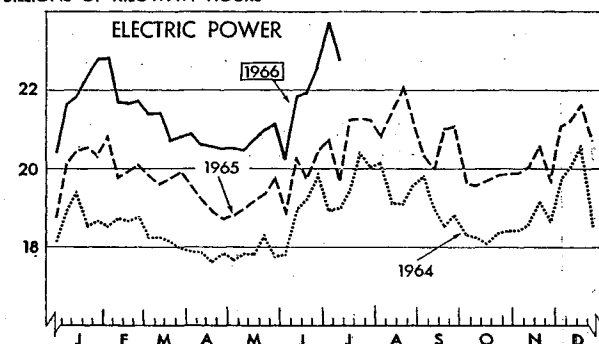
MILLIONS OF TONS



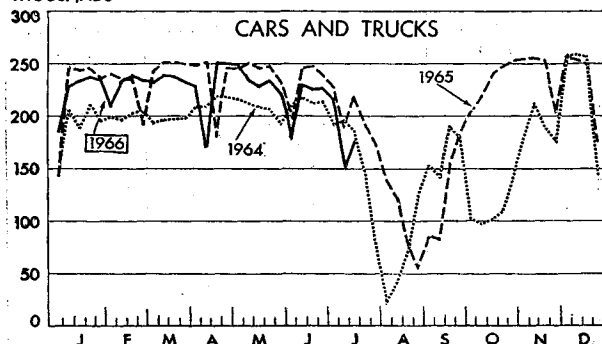
MILLIONS OF SHORT TONS (DAILY AVERAGE)



BILLIONS OF KILOWATT HOURS



THOUSANDS



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

COUNCIL OF ECONOMIC ADVISERS

Period	Steel produced		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)		
	Thousands of net tons	Index (1957-59=100)					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-----	2,521	135.3	20,169	1,728	563	410	213.7	179.4	34.3
1965: May-----	2,712	145.6	19,314	1,669	596	424	244.2	206.5	37.7
June-----	2,702	145.1	19,842	1,802	578	404	233.3	196.1	37.2
July-----	2,613	140.3	20,833	1,811	550	360	199.9	171.2	28.7
Aug-----	2,556	137.2	21,395	1,778	588	416	98.4	73.1	25.2
Sept-----	2,325	124.8	20,414	1,734	573	414	142.6	109.7	32.9
Oct-----	2,098	112.6	19,741	1,792	620	441	240.1	203.6	36.6
Nov-----	2,056	110.4	20,027	1,900	581	443	242.3	207.6	34.7
Dec-----	2,178	116.9	21,010	1,901	524	401	224.0	189.0	35.0
1966: Jan-----	2,388	128.2	22,138	1,677	526	421	233.8	196.0	37.7
Feb-----	2,562	137.5	21,969	1,675	524	446	228.7	190.2	38.5
Mar-----	2,728	146.4	21,051	1,785	558	453	234.6	197.5	37.2
Apr-----	2,697	144.8	20,542	1,196	557	450	230.7	192.8	37.9
May-----	2,752	147.7	20,826	1,803	609	466	229.7	190.2	39.4
June ² -----	2,657	142.6	22,078	1,922	593	459	215.3	177.2	38.0
Week ended:									
1966: June 11-----	2,660	142.8	21,863	1,903	621	450	228.2	188.4	39.8
18-----	2,670	143.3	21,967	1,923	625	460	225.8	186.3	39.6
25-----	2,645	142.0	22,578	1,946	617	477	226.6	187.6	39.0
July 2-----	2,571	138.0	23,747	1,786	554	467	216.6	177.0	39.6
9 ² -----	2,484	133.3	22,752	2,081	445	327	151.2	120.5	30.8
16 ² -----	2,469	132.5					177.1	142.0	35.1

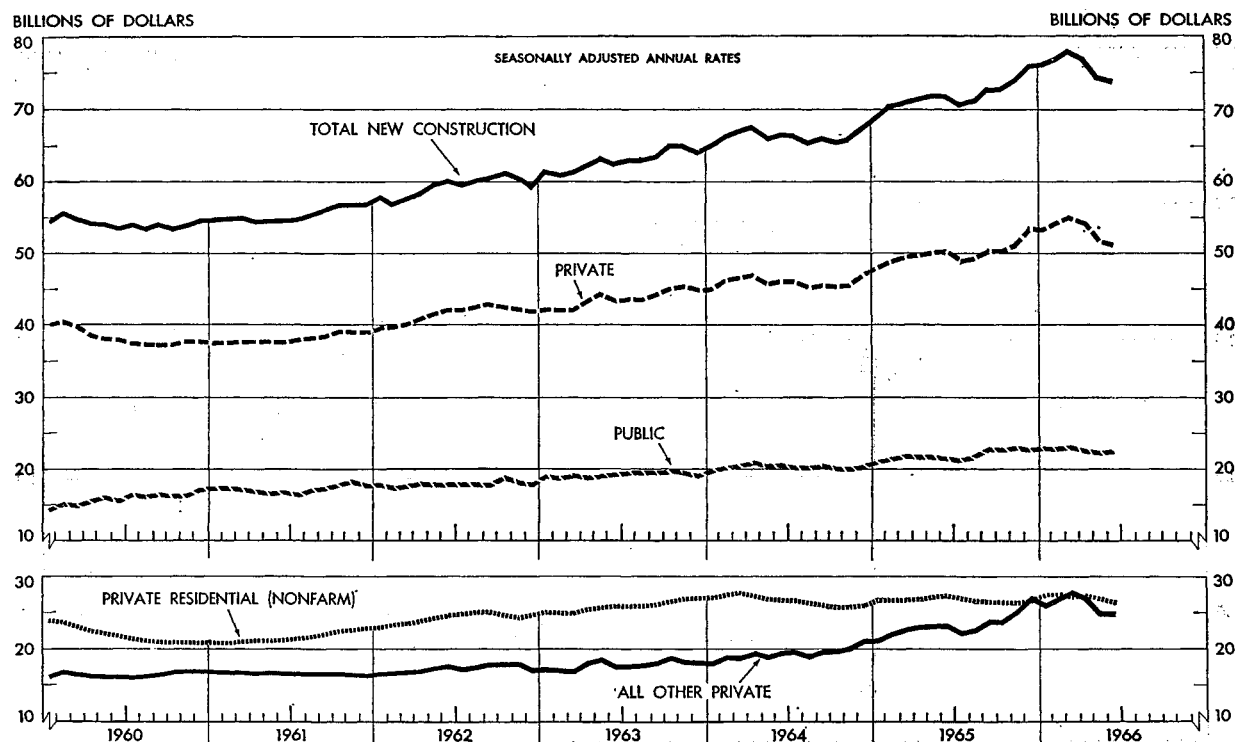
¹ Daily average. Includes data for Alaska.

² Preliminary.

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

New construction expenditures fell $\frac{1}{2}$ percent (seasonally adjusted) in June. Residential structures dropped 2 percent while public construction advanced about 1 percent.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

Period	Total new construction expenditures	Private						Federal, State, and local	Construction contracts ²	
		Total	Residential nonfarm		Commercial and industrial	Other	Total value (index, 1957-59=100)		Commercial and industrial floor space (millions of square feet)	
			Total ¹	New housing units						
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.....	71.9	50.0	26.7	20.8	11.8	11.5	21.9	142.8	680	
Seasonally adjusted annual rates									Seasonally adjusted	Seasonally adjusted annual rates
1965: 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.....	72.8	50.2	26.4	20.5	12.3	11.5	22.7	147	762	
Oct.....	72.7	50.1	26.3	20.4	12.1	11.6	22.6	147	726	
Nov.....	74.0	51.2	26.2	20.3	13.0	12.0	22.8	141	724	
Dec.....	76.0	53.4	26.7	20.8	14.3	12.5	22.6	153	772	
1966: Jan.....	76.1	53.3	27.5	21.6	13.8	12.0	22.8	152	720	
Feb.....	77.0	54.3	27.5	21.6	13.9	12.9	22.7	157	810	
Mar.....	78.1	55.1	27.3	21.4	14.7	13.0	23.1	158	829	
Apr.....	76.8	54.3	27.4	21.6	14.3	12.6	22.5	161	860	
May.....	74.1	51.8	27.0	21.1	12.4	12.4	22.3	156	744	
June ³	73.7	51.2	26.4	20.5	24.8		22.5			

¹Includes nonhousekeeping residential construction and additions and alterations, not shown separately.

²Compiled by F. W. Dodge Corporation and relates to 48 States.

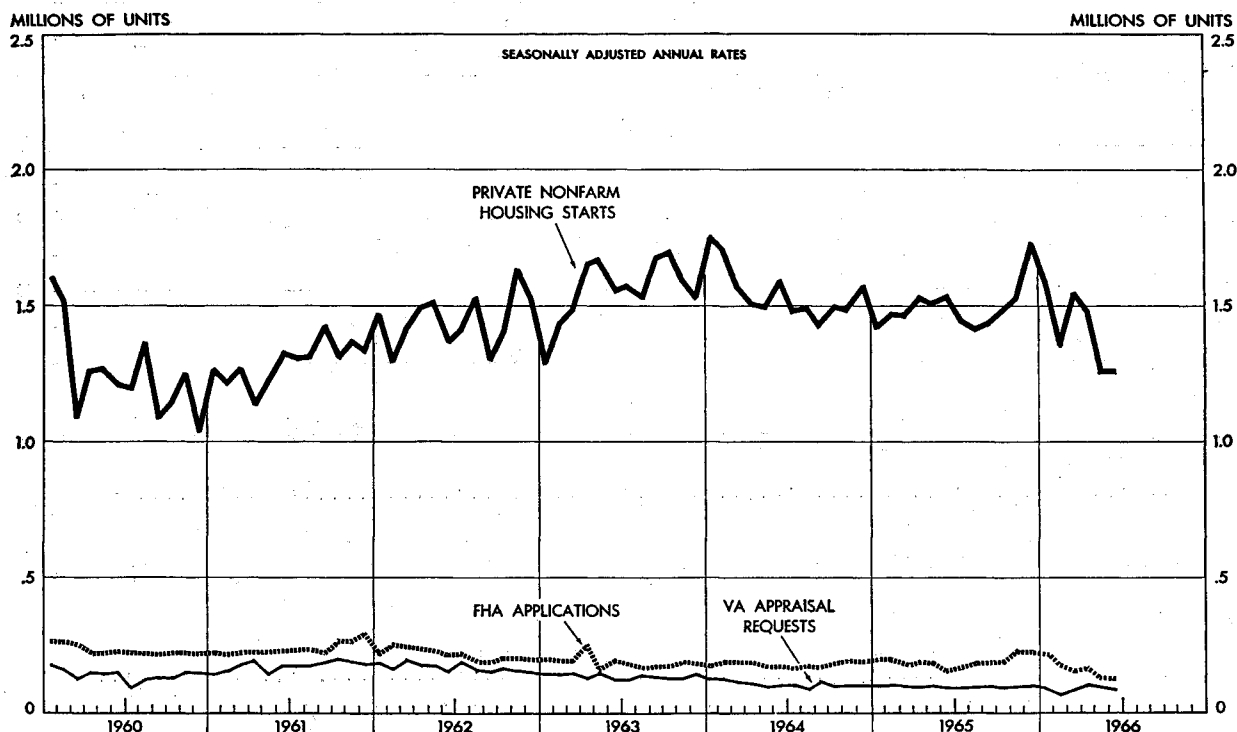
³Preliminary.

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

Total private housing starts (seasonally adjusted) remained near 1.3 million in June, following a 14 percent decline in May. June starts were 18 percent below the level of a year earlier and 14½ percent below the 1965 rate. Permits dropped sharply by 14 percent.



SOURCES: DEPARTMENT OF COMMERCE, FEDERAL HOUSING ADMINISTRATION (FHA), AND VETERANS ADMINISTRATION (VA)

COUNCIL OF ECONOMIC ADVISERS

(Thousands of units)

Period	Housing starts									New private housing units authorized ¹	Proposed home construction	
	Total private and public (including farm)	Total private (including farm)	Private nonfarm			Total private (including farm)	Private nonfarm				Applications for FHA commitments ²	Requests for VA appraisals ²
			Total	One-family	Two or more families		Total	Government home programs				
								FHA	VA			
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	1,505.0	1,482.7	940.0	542.7	1,505.0	1,482.7	159.9	52.5	1,240.6	188.9	102.1
Seasonally adjusted annual rates												
1965: May--	162.1	157.5	155.2	99.9	55.3	1,516	1,501	155	54	1,243	180	113
June--	162.3	155.5	152.8	97.0	55.8	1,566	1,539	154	54	1,245	154	100
July--	143.9	141.3	139.0	91.8	47.2	1,473	1,447	151	52	1,234	165	95
Aug--	138.0	134.7	132.8	86.5	46.3	1,427	1,409	148	48	1,228	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	1,244	192	94
Nov--	118.3	116.1	114.9	70.2	44.7	1,547	1,531	173	54	1,280	222	100
Dec--	103.2	102.3	100.8	58.3	42.5	1,769	1,735	189	48	1,292	219	105
1966: Jan--	87.3	84.6	83.7	47.2	36.5	1,611	1,585	181	53	1,255	214	89
Feb--	81.0	78.2	76.7	45.3	31.4	1,374	1,349	177	40	1,197	179	72
Mar--	130.9	126.3	124.1	78.7	45.4	1,569	1,538	187	45	1,268	160	92
Apr--	149.2	147.1	144.8	92.8	51.7	1,502	1,481	151	37	1,185	168	111
May ³ --	137.1	133.2	129.9	86.1	44.5	1,295	1,264	128	38	1,098	133	98
June ³ --	130.9	127.7	125.3	78.7	46.5	1,288	1,264	121	44	941	127	89

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.

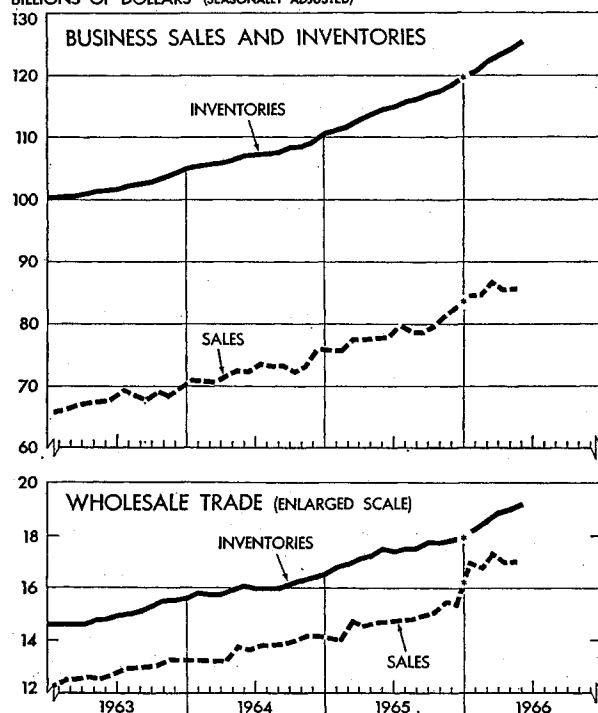
NOTE.—Data include Alaska and Hawaii.

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

BUSINESS SALES AND INVENTORIES — TOTAL AND TRADE

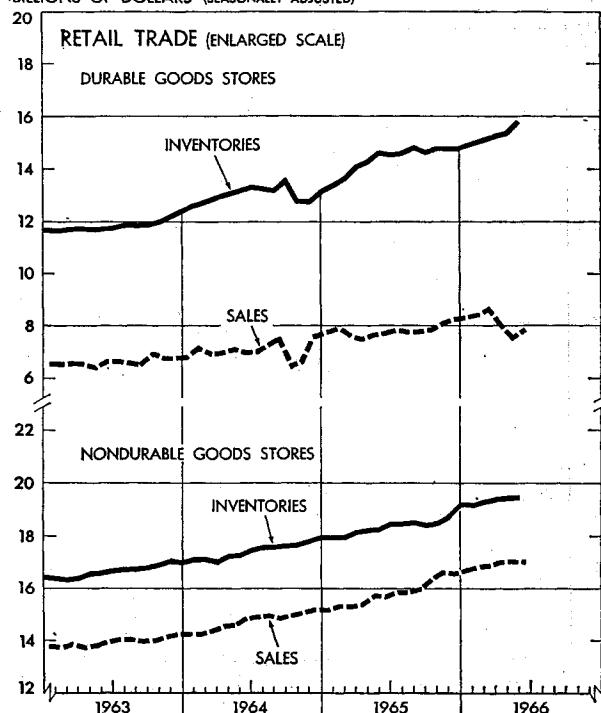
Despite the drop in retail sales, total business sales (seasonally adjusted) rose slightly in May. Pushed by the large accumulation at the retail durable level, business inventories rose \$1.4 billion. Following 2 months of declines, retail sales for June were up 1 percent, on a preliminary basis.

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



* SEE TABLE BELOW.
SOURCE: DEPARTMENT OF COMMERCE

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



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	Non-durable goods stores	Total	Durable goods stores	Non-durable 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.....	78,740	119,847	14,799	17,875	23,662	7,810	15,853	33,957	14,782	19,175
1965: Apr.....	77,513	113,761	14,620	17,216	22,849	7,454	15,395	32,546	14,298	18,248
May.....	77,849	114,542	14,718	17,450	23,317	7,616	15,701	32,823	14,566	18,257
June.....	78,001	115,049	14,736	17,410	23,322	7,665	15,657	33,014	14,546	18,468
July.....	79,948	116,012	14,828	17,530	23,668	7,827	15,841	33,088	14,592	18,496
Aug.....	78,932	116,683	14,829	17,535	23,585	7,755	15,830	33,360	14,819	18,541
Sept.....	78,862	116,967	14,936	17,655	23,753	7,768	15,985	33,045	14,621	18,424
Oct.....	79,737	117,653	14,995	17,715	24,194	7,865	16,329	33,296	14,782	18,514
Nov.....	81,555	118,500	15,505	17,775	24,647	8,092	16,555	33,533	14,774	18,759
Dec.....	82,810	119,847	15,372	17,875	24,816	8,252	16,564	33,957	14,782	19,175
1966: Jan.....	⁶ 84,669	⁶ 120,938	⁶ 16,981	⁶ 18,231	25,023	8,324	16,699	34,113	14,949	19,164
Feb.....	84,744	122,047	16,779	18,580	25,263	8,399	16,864	34,427	15,113	19,314
Mar.....	86,991	123,085	17,334	18,881	25,536	8,649	16,887	34,556	15,201	19,355
Apr ⁷	85,455	124,091	16,966	19,008	24,949	7,939	17,010	34,737	15,336	19,401
May ⁷	85,589	125,500	17,004	19,202	24,555	7,532	17,023	35,266	15,813	19,453
June ⁷					24,841	7,832	17,009			

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 New sample; not comparable with preceding data.

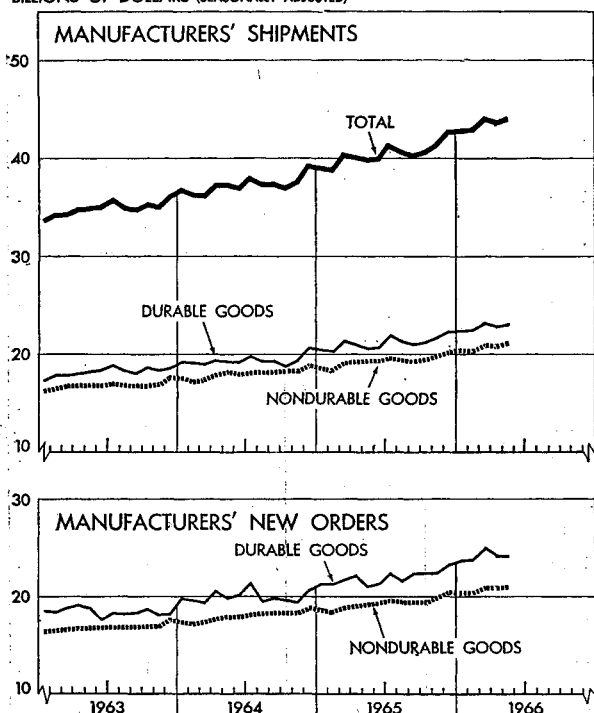
⁷ Preliminary.

Source: Department of Commerce.

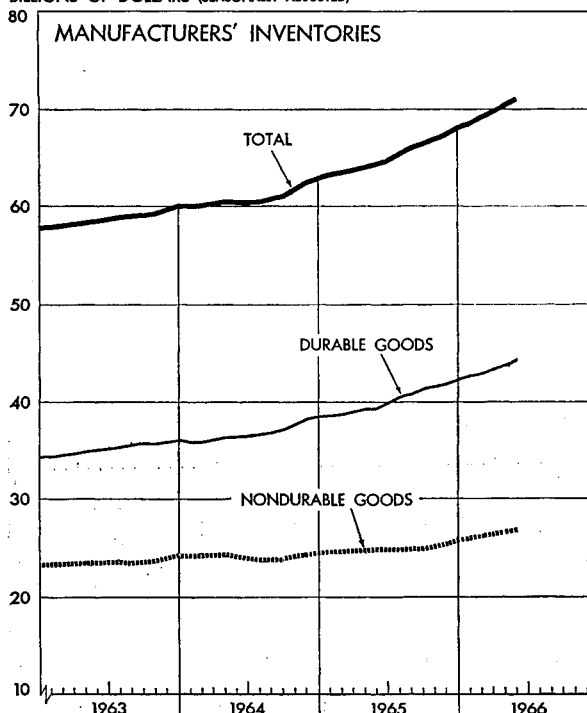
MANUFACTURERS' SHIPMENTS, INVENTORIES, AND NEW ORDERS

Manufacturers continued the April pace of inventory accumulation by adding almost \$700 million (seasonally adjusted) in May. But the sharp rise in shipments left the inventory-shipment ratio almost constant.

BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



BILLIONS OF DOLLARS (SEASONALLY ADJUSTED)



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

Period	Manufacturers' shipments ¹			Manufacturers' inventories ²			Manufacturers' new orders ¹				Manufacturers' inventory-shipment ratio ³
	Total	Durable goods	Non-durable goods	Total	Durable goods	Non-durable goods	Total	Durable goods		Non-durable goods	
	Total			Total			Total	Total	Machinery and equipment		
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-----	40,279	21,020	19,258	68,015	42,324	25,691	41,023	21,728	4,140	19,295	1.61
1965: 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-----	42,665	22,307	20,358	68,594	42,589	26,005	43,986	23,578	4,450	20,408	1.61
Feb-----	42,702	22,433	20,269	69,040	42,884	26,156	44,129	23,741	4,584	20,388	1.62
Mar-----	44,121	23,238	20,883	69,648	43,273	26,375	45,833	24,888	4,587	20,945	1.58
Apr-----	43,540	22,708	20,832	70,346	43,779	26,567	45,064	24,197	4,788	20,867	1.62
May ⁴ -----	44,030	22,961	21,069	71,032	44,256	26,776	45,152	24,189	4,808	20,963	1.61
June ⁴ -----	22,838						24,100	4,723			

¹ Monthly average for year and total for month.

² Book value, end of period, seasonally adjusted.

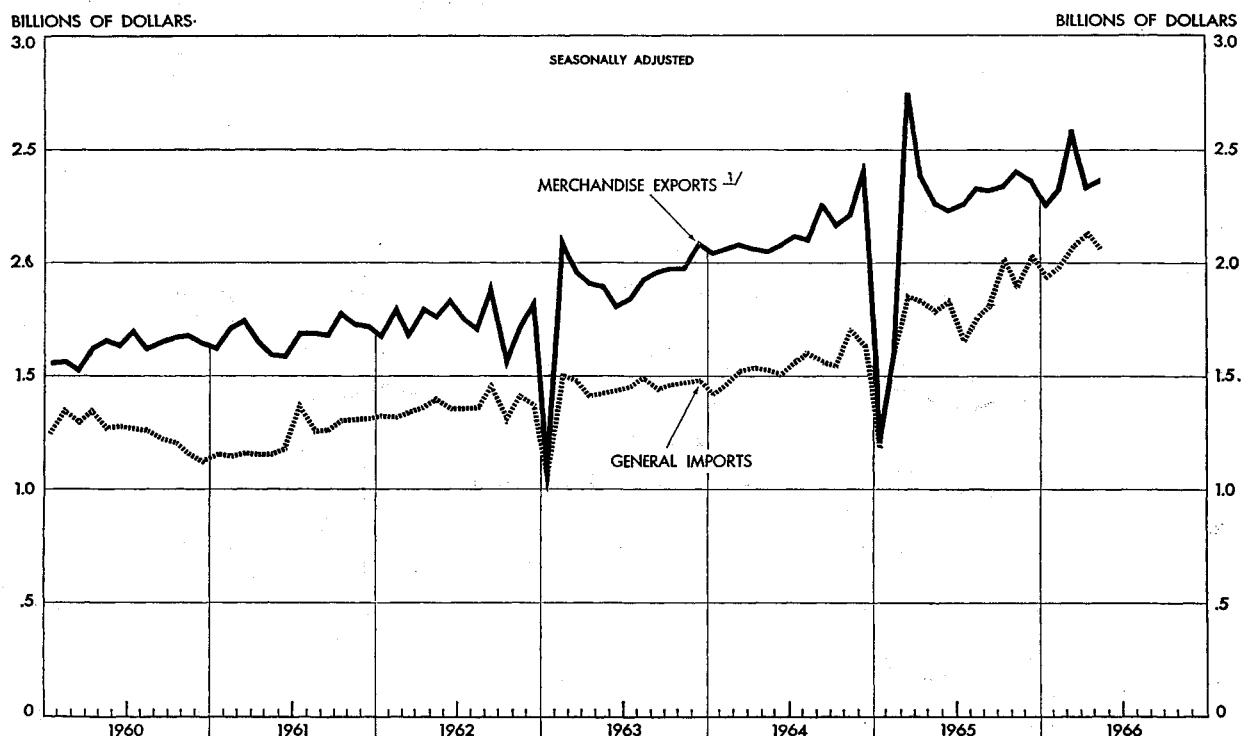
³ For annual periods, ratio of weighted average inventories to average monthly shipments; for monthly data, ratio of inventories at end of month to shipments for month.

⁴ Preliminary; June not charted.

Source: Department of Commerce.

MERCHANDISE EXPORTS AND IMPORTS

The seasonally adjusted trade balance recovered somewhat in May as exports moved up 1 percent and imports fell back from their record high of the previous month. However, at \$294 million the U.S. export surplus remained well below the rate prevailing last year or during the first quarter of 1966.



^{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 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													
1965: 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
Jan.	2,249	2,133	2,105	374	324	1,359	1,936	1,829	1,801	325	461	974	313
1966: Feb.	2,335	2,210	2,177	396	332	1,468	1,993	1,822	1,806	352	419	956	342
Mar.	2,594	2,747	2,708	486	366	1,822	2,073	2,246	2,232	414	523	1,225	522
Apr.	2,331	2,465	2,422	437	339	1,624	2,138	2,071	2,004	378	446	1,111	193
May	2,364	2,506	2,457	405	372	1,650	2,070	2,092	2,066	359	456	1,181	294
June	*2,486	2,468	2,430										

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.

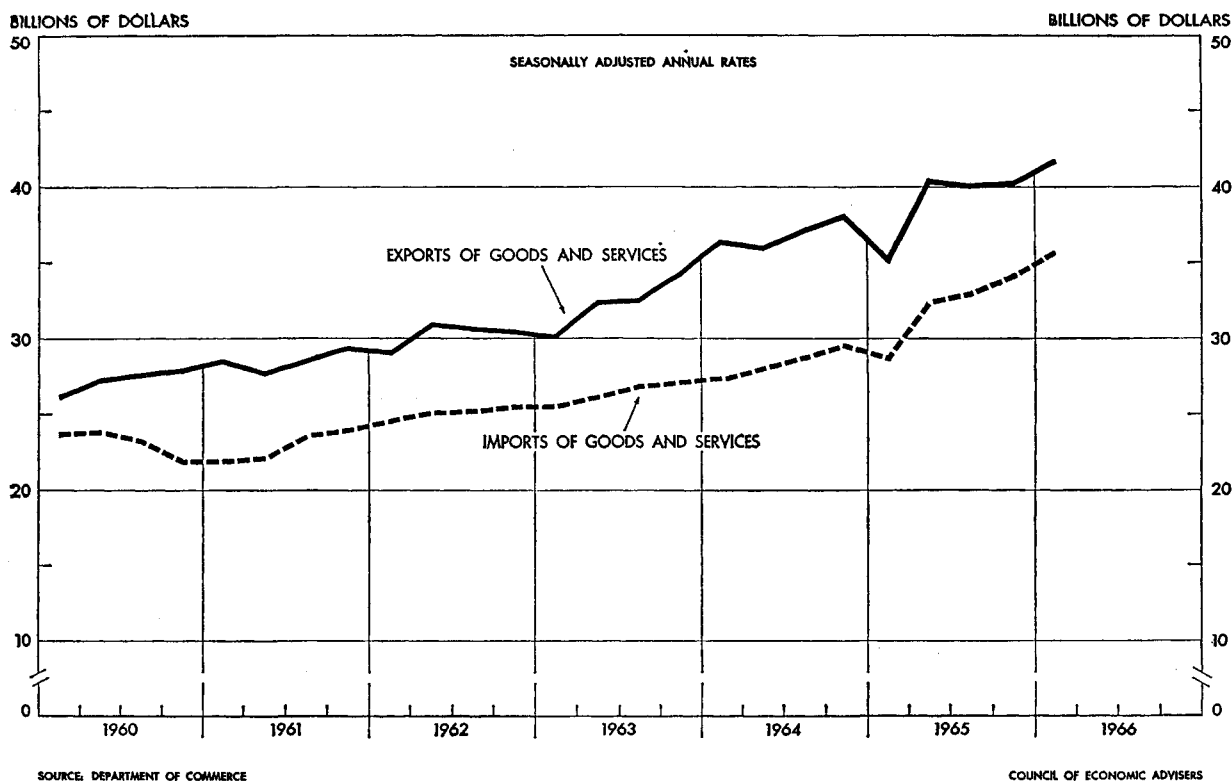
⁴ Total includes commodities and transactions not classified according to kind.

* Not charted.

Source: Department of Commerce.

U.S. EXPORTS AND IMPORTS OF GOODS AND SERVICES

The U.S. balance on goods and services in the first quarter of 1966 amounted to \$6 billion (seasonally adjusted annual rate)—down slightly from the previous quarter and more than \$900 million below the full-year rate in 1965. A decline of \$600 million in the trade surplus together with larger military and other service payments more than offset a \$1.1 billion gain in investment income.



[Millions of dollars]

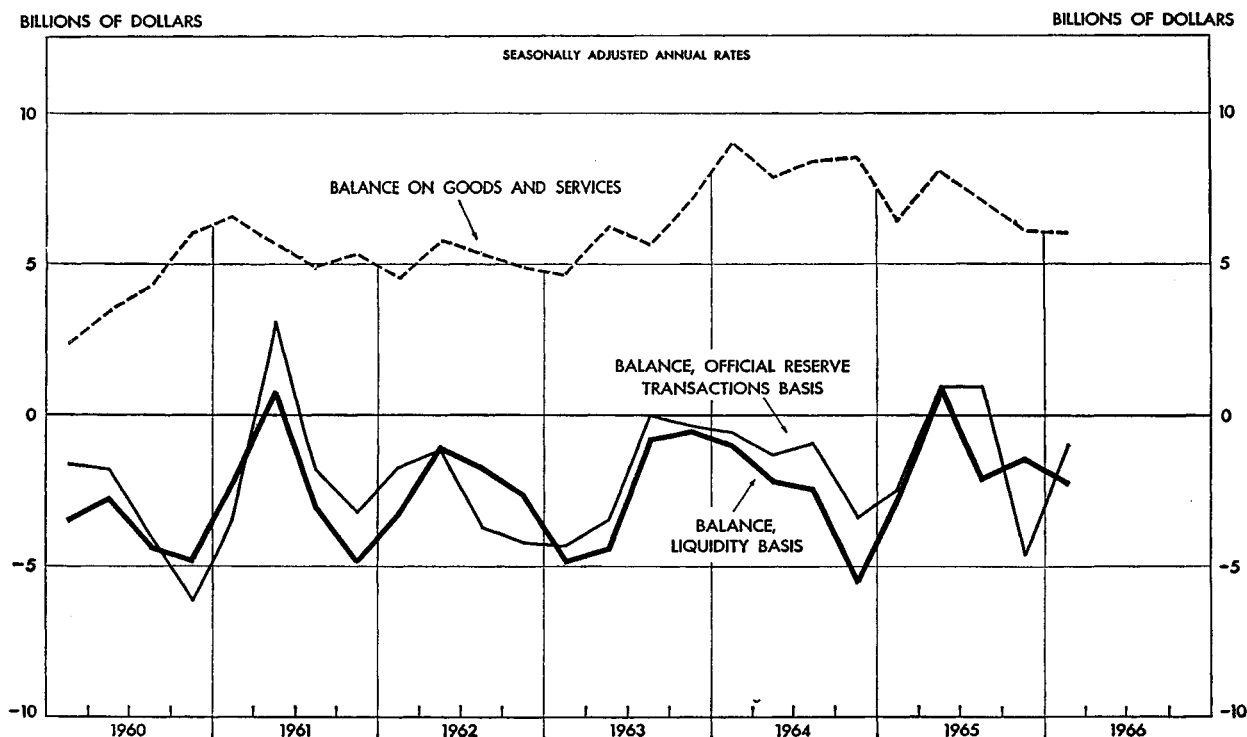
Period	Exports of goods and services						Imports of goods and services				Bal- ance on goods and serv- ices
	Total	Mer- chan- dise ¹	Mili- tary sales	Income on investments		Other serv- ices	Total	Mer- chan- dise ¹	Mili- tary expend- itures	Other serv- ices	
				Pri- vate	Gov- ern- ment						
1959.....	23, 489	16, 295	302	2, 694	349	3, 849	23, 342	15, 310	3, 107	4, 925	147
1960.....	27, 244	19, 489	335	3, 001	349	4, 070	23, 198	14, 732	3, 069	5, 397	4, 046
1961.....	28, 575	19, 954	402	3, 561	380	4, 278	22, 954	14, 510	2, 981	5, 463	5, 621
1962.....	30, 278	20, 604	656	3, 954	471	4, 593	25, 148	16, 187	3, 083	5, 878	5, 130
1963.....	32, 339	22, 071	657	4, 156	498	4, 957	26, 442	16, 992	2, 936	6, 514	5, 897
1964.....	36, 958	25, 297	747	4, 932	460	5, 522	28, 468	18, 621	2, 834	7, 013	8, 490
1965.....	38, 993	26, 276	844	5, 389	512	5, 972	32, 036	21, 488	2, 881	7, 667	6, 957
	Seasonally adjusted annual rates										
1964: III.....	37, 232	25, 556	648	4, 940	532	5, 556	28, 784	19, 008	2, 744	7, 032	8, 448
IV.....	38, 148	26, 640	804	4, 764	248	5, 692	29, 560	19, 604	2, 732	7, 224	8, 588
1965: I.....	35, 104	22, 500	800	5, 688	556	5, 560	28, 656	18, 624	2, 656	7, 376	6, 448
II.....	40, 544	27, 192	916	5, 880	584	5, 972	32, 348	21, 924	2, 804	7, 620	8, 196
III.....	40, 064	27, 304	796	5, 284	596	6, 084	32, 980	22, 380	2, 980	7, 620	7, 084
IV.....	40, 260	28, 108	864	4, 704	312	6, 272	34, 160	23, 024	3, 084	8, 052	6, 100
1966: I.....	41, 664	28, 484	776	5, 532	596	6, 276	35, 632	24, 012	3, 348	8, 272	6, 032

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

Source: Department of Commerce.

U.S. BALANCE OF INTERNATIONAL PAYMENTS

In the first quarter of 1966 the U.S. deficit on the liquidity balance was \$2.3 billion (seasonally adjusted annual rate) compared to \$1.4 billion in 1965. By contrast, the deficit on the official reserve balance declined to an annual rate of less than \$1 billion from \$1.3 billion in 1965.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	U.S. Government grants and capital, net ¹	U.S. private capital, net			Foreign capital, net ¹	Errors and unrecorded transactions	Balance		Changes in selected liabilities (decrease (-)) ⁴			Changes in gold, convertible currencies and IMF gold tranche position (increase (-))
		Direct investment	Other long-term	Short-term			Liquid-ity basis ²	Official reserve transactions basis ³	To foreign official holders ⁵		To other foreign holders ⁶	
									Liquid	Non-liquid		
1959-----	-1, 986	-1, 372	-926	-77	736	423	-3, 870	-----	-----	-----	-----	1, 035
1960-----	-2, 769	-1, 674	-863	-1, 348	366	-941	-3, 881	-3, 402	⁷ 1, 449	-----	289	2, 143
1961-----	-2, 780	-1, 599	-1, 025	-1, 556	707	-1, 006	-2, 370	-1, 347	⁷ 681	-----	1, 083	606
1962-----	-3, 013	-1, 654	-1, 227	-544	1, 021	-1, 159	-2, 203	-2, 706	⁷ 457	254	213	1, 533
1963-----	-3, 581	-1, 976	-1, 695	-785	689	-352	-2, 670	-2, 044	1, 673	-7	619	378
1964-----	-3, 560	-2, 416	-1, 961	-2, 146	685	-1, 011	-2, 798	-1, 546	1, 073	302	1, 554	171
1965-----	-3, 375	-3, 371	-1, 080	761	176	-429	-1, 355	-1, 302	-17	97	150	1, 222
Seasonally adjusted annual rates									Quarterly totals, unadjusted			
1964:												
III-----	-3, 540	-2, 488	-2, 408	-1, 460	688	-812	-2, 468	-924	389	222	562	70
IV-----	-4, 236	-3, 116	-3, 252	-2, 388	1, 240	-1, 440	-5, 524	-3, 380	869	91	651	-151
1965:												
I-----	-3, 208	-4, 848	-2, 656	1, 084	1, 300	0	-2, 788	-2, 472	-860	-23	203	842
II-----	-3, 796	-3, 436	404	1, 648	-524	-436	904	952	-107	-15	-150	68
III-----	-2, 972	-2, 276	-1, 452	420	-1, 004	-960	-2, 136	944	253	-22	712	41
IV-----	-3, 524	-2, 924	-616	-108	932	-320	-1, 400	-4, 632	697	157	-615	271
1966:												
I-----	-3, 820	-2, 520	-976	-56	956	-912	-2, 252	-980	-833	29	487	⁸ 424

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

⁷ Includes change in Treasury liabilities to certain foreign military agencies; excluding these changes, data (\$ millions) are 1,259 (1960), 741 (1961), and 919 (1962).

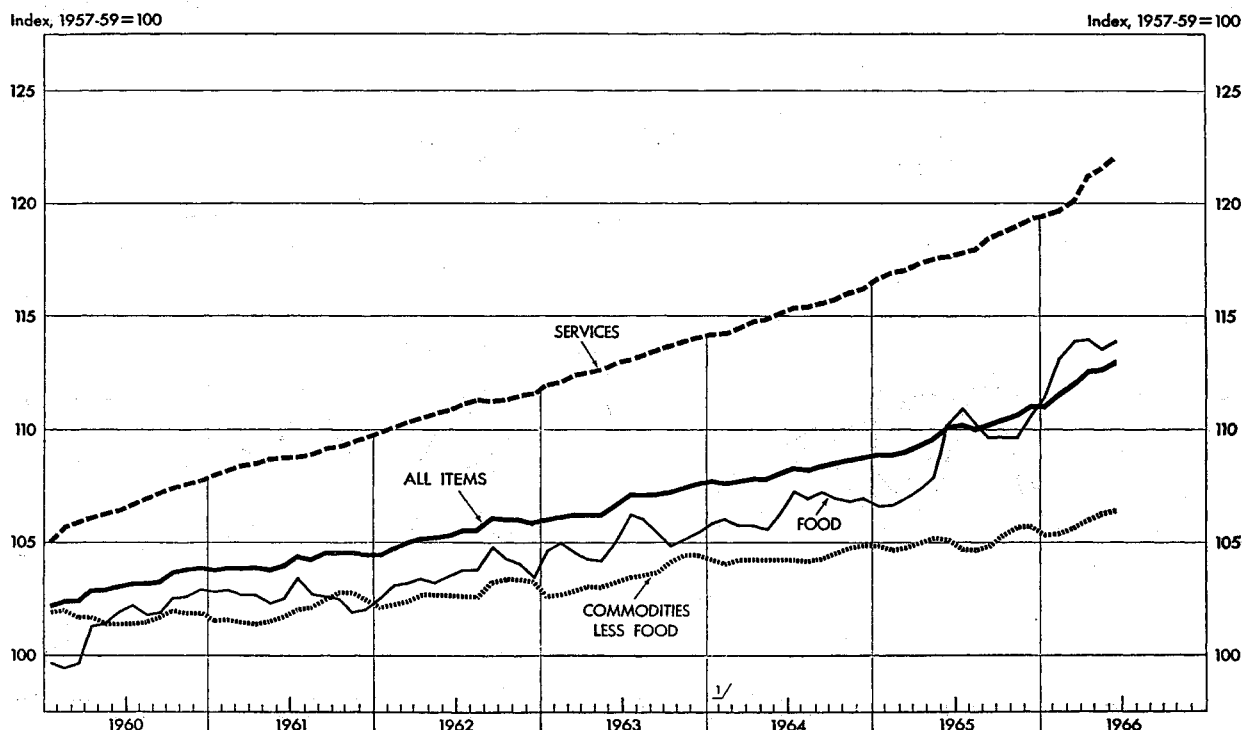
⁸ On Mar. 31, U.S. reserve assets consisted of gold stock, \$13,738 million (down \$68 million from Dec. 31); IMF position including gold portion of increased U.S. subscription, \$729 million; convertible currencies, \$559 million.

NOTE.—Data exclude military grant-aid and U.S. subscriptions to IMF.
Source: Department of Commerce.

PRICES

CONSUMER PRICES

The consumer price index rose by 0.3 percent in June. The main thrust came from 0.4 percent increases in food and in services. Nonfood commodity prices edged upward by 0.1 percent.



1/SEE NOTE BELOW.

SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[1957-59=100]

Period	All items	Commodities					Services		
		All commodities	Food	Commodities less food			All services	Rent	Services less rent
				All	Durable	Non-durable			
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
1965: 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
Feb.	111.6	108.0	113.1	105.4	101.8	108.3	119.7	109.8	122.0
Mar.	112.0	108.4	113.9	105.6	102.0	108.6	120.1	109.9	122.5
Apr.	112.5	108.8	114.0	106.0	102.3	109.0	121.1	110.1	123.6
May	112.6	108.8	113.5	106.3	102.5	109.3	121.5	110.2	124.1
June	112.9	109.0	113.9	106.4	102.6	109.5	122.0	110.2	124.8

¹ See Note.

* Not charted.

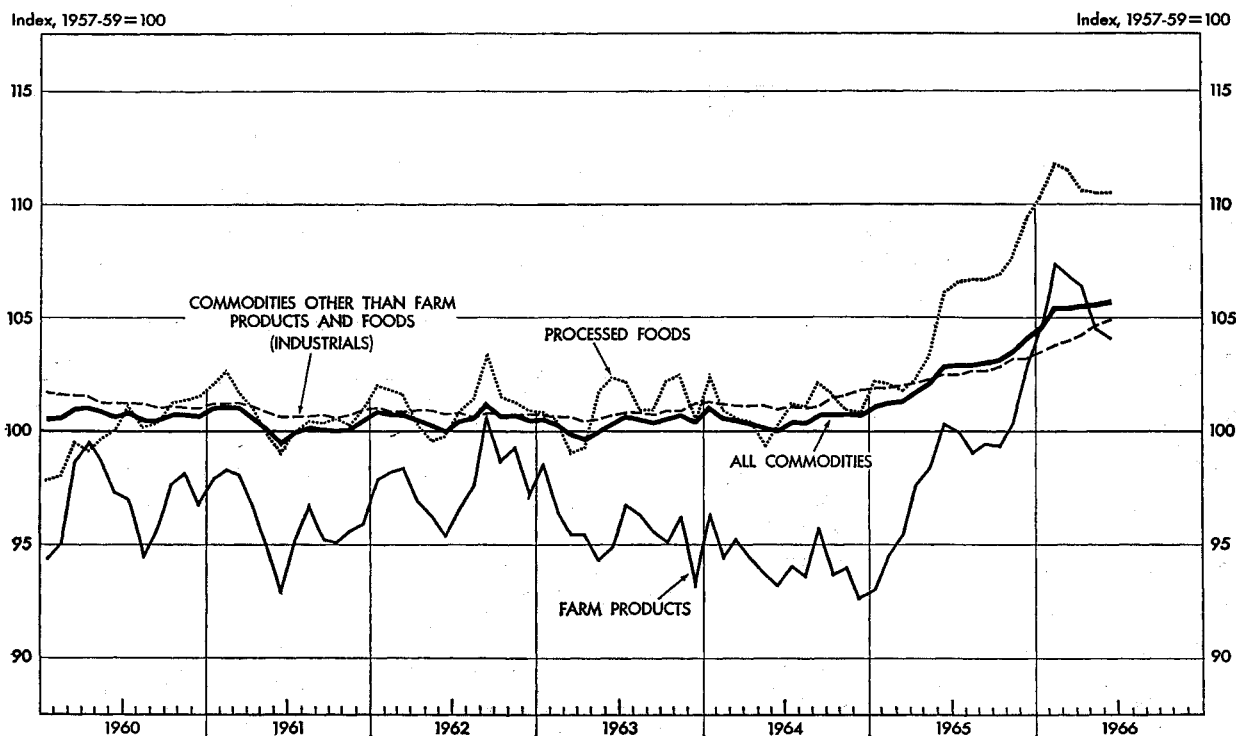
NOTE.—Prior to January 1964, indexes revised to reflect transfer of home-ownership from services to durable commodities.

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

Wholesale prices increased by 0.1 percent in June. A fall of 0.4 percent in farm prices was more than offset by a rise of 0.2 percent in industrial prices. Processed food prices were stable. In the last 4 months wholesale prices have increased only 0.3 percent as declines of 3.1 percent in farm prices and 1.2 percent in processed food prices almost offset a 1.1 percent rise in industrial prices.



SOURCE: DEPARTMENT OF LABOR

COUNCIL OF ECONOMIC ADVISERS

[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	Non-durable
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	102.5	98.4	105.1	102.5	100.9	101.5	105.4	99.6	102.8
1965: 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.	105.4	107.4	111.8	103.8	105.7	102.6	106.6	99.7	104.0
Mar.	105.4	106.8	111.5	104.0	106.6	102.9	106.8	99.7	104.1
Apr.	105.5	106.4	110.6	104.3	106.1	103.4	107.0	99.8	104.3
May	105.6	104.5	110.5	104.7	105.9	103.8	107.6	100.2	104.5
June ³	105.7	104.1	110.5	104.9	106.5	103.9	107.9	100.1	104.9
Week ended: ⁴									
1966: July 5	106.0	105.9	110.5	105.0					
12 ³	106.1	106.9	111.2	105.0					

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.

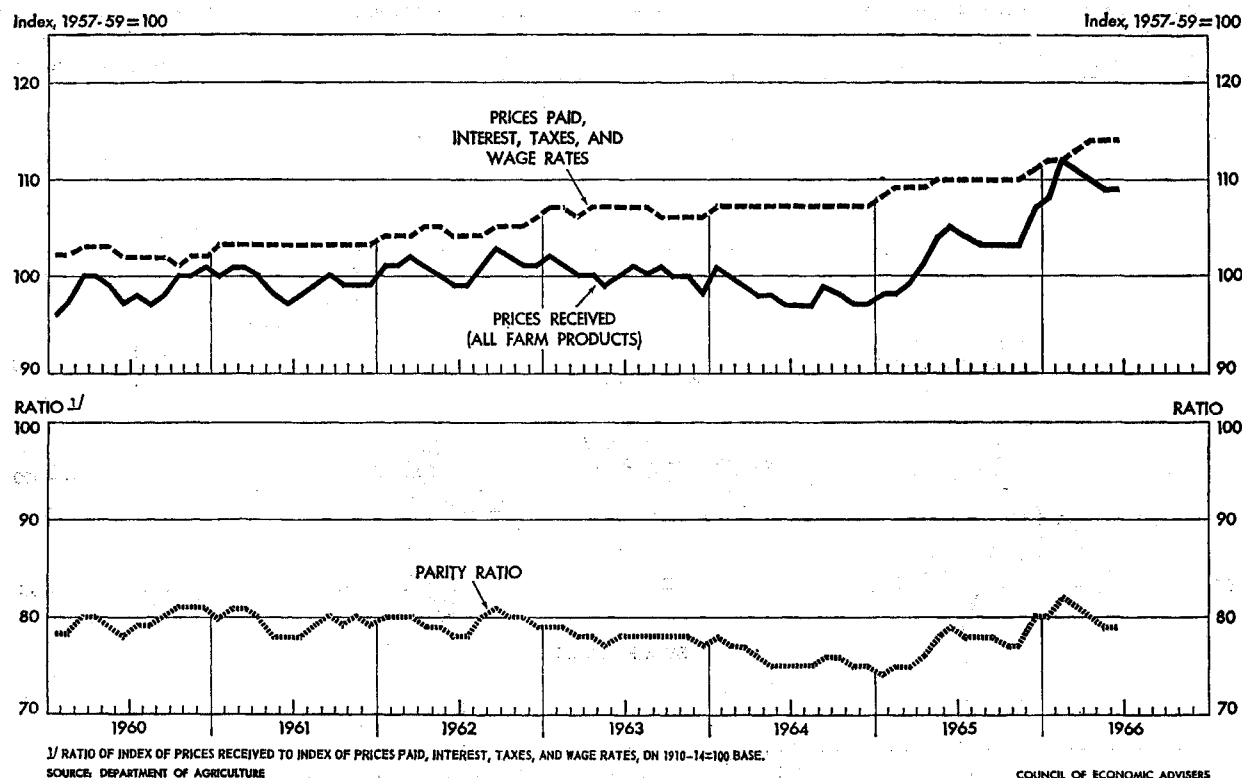
³ Preliminary.

⁴ Weekly series based on smaller sample than monthly series.

Source: Department of Labor.

PRICES RECEIVED AND PAID BY FARMERS

The parity ratio was unchanged in the month ended June 15 as prices paid and prices received by farmers were stable.



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	107	95	107	104	104	78
1964.....	98	107	91	107	105	103	76
1965.....	102	104	101	110	107	105	77
1965: May 15.....	104	111	99	110	108	106	78
June 15.....	105	108	103	110	107	106	79
July 15.....	104	104	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	107	110	107	105	77
Dec 15.....	107	100	112	111	108	106	80
1966: Jan 15.....	108	101	114	112	108	107	80
Feb 15.....	112	104	118	112	109	108	82
Mar 15.....	111	104	118	113	110	108	81
Apr 15.....	110	106	113	114	110	108	80
May 15.....	109	107	110	114	110	108	79
June 15.....	109	108	110	114	110	108	79

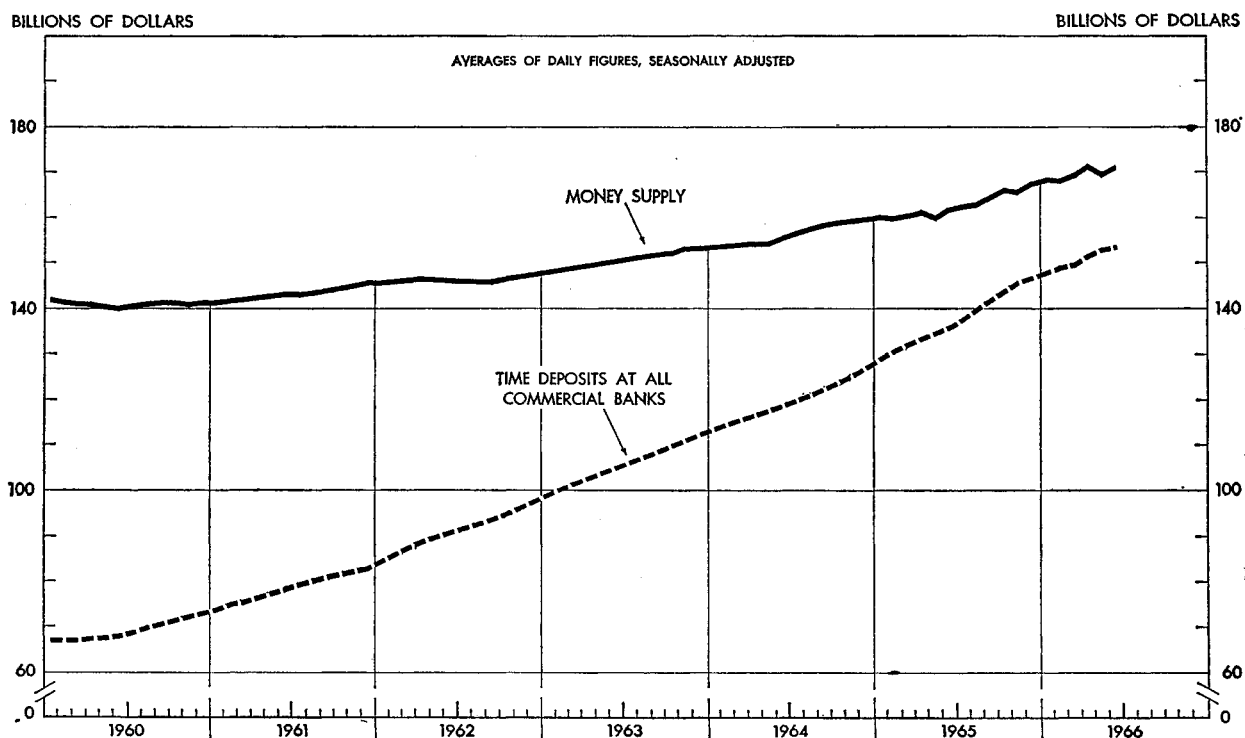
¹ Percentage ratio of index of prices received by farmers to index of prices paid, interest, taxes, and wage rates on 1910-14=100 base.

Source: Department of Agriculture.

MONEY, CREDIT, AND SECURITY MARKETS

MONEY SUPPLY

The average daily supply of money (seasonally adjusted) in June attained again its April peak.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Averages of daily figures, billions of dollars]

Period	Money supply				Money supply				U.S. Gov- ernment de- mand de- posits ¹
	Total	Cur- rency out- side banks	De- mand de- posits	Time de- posits ¹	Total	Cur- rency out- side banks	De- mand de- posits	Time de- posits 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: 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.....	168. 0	36. 8	131. 2	148. 8	167. 8	36. 3	131. 5	148. 7	5. 1
Mar.....	169. 2	36. 9	132. 3	149. 6	167. 8	36. 5	131. 3	150. 2	4. 6
Apr.....	171. 1	37. 1	134. 0	151. 6	171. 6	36. 8	134. 8	152. 2	3. 0
May.....	169. 5	37. 3	132. 2	152. 9	166. 9	37. 0	129. 9	153. 9	7. 2
June ²	171. 1	37. 3	133. 8	³ 153. 3	168. 8	37. 3	131. 5	³ 154. 0	6. 2

¹ Deposits at all commercial banks.

² Preliminary.

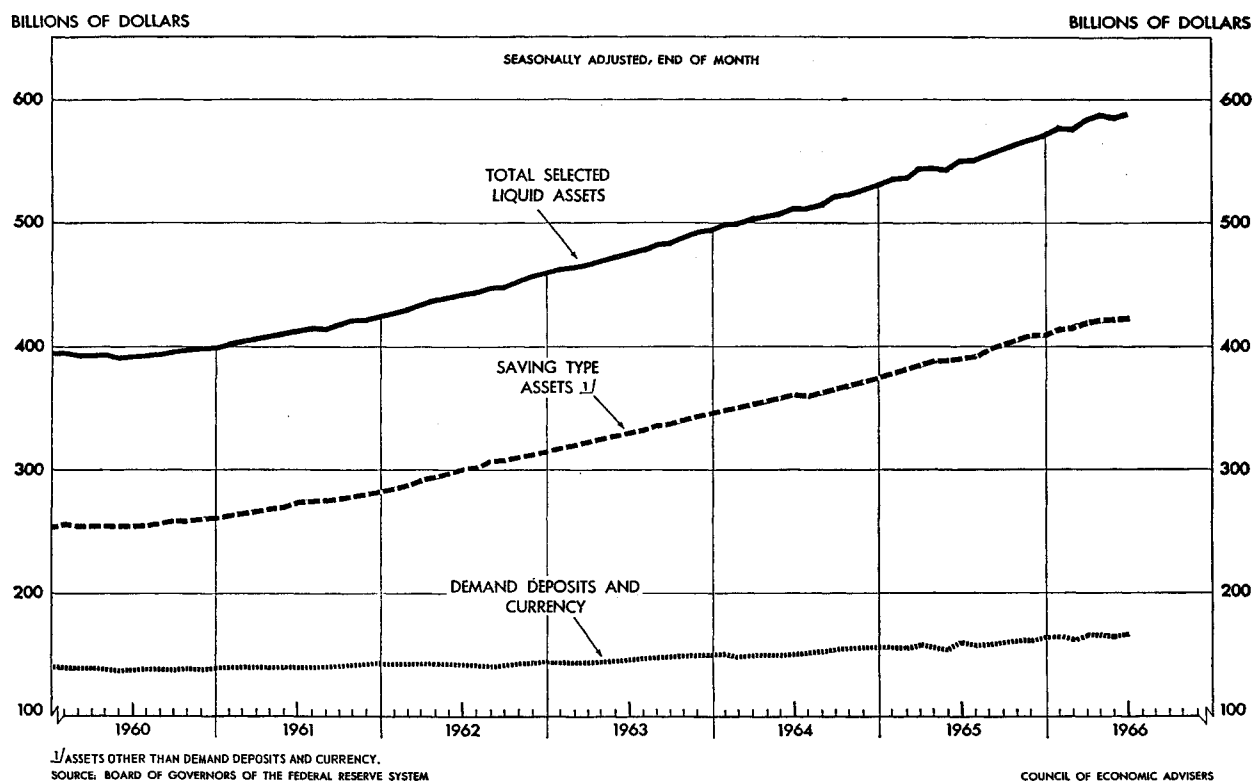
³ Effective June 9, balances accumulated for payment of personal loans (about \$1.1 billion at that time) are excluded from time deposits reported by member banks and from loans at all commercial banks.

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) increased in June, following a normal pattern. The moderate increase was concentrated in demand deposits and currency, with an increase in time deposits being canceled by declines in the holdings of savings and loan shares and short-term government securities.



(Billions of dollars, seasonally adjusted)

End of period	Total selected liquid assets	Demand deposits and currency ¹	Time deposits		Postal Savings System	Savings and loan shares	U.S. Govt savings bonds ²	U.S. Govt securities maturing within one year ²
			Com-mercial banks	Mutual savings banks				
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	530.5	156.7	127.1	49.0	.4	101.4	49.9	46.1
1965	572.8	164.0	147.1	52.5	.3	109.7	50.5	48.6
1965: May	543.0	155.4	134.9	50.4	.4	104.5	49.9	47.6
June	550.2	159.7	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.	555.7	157.8	139.8	51.3	.3	106.5	50.1	49.8
Sept.	560.7	160.6	141.6	51.6	.3	107.8	50.1	48.7
Oct.	565.1	161.1	144.0	52.0	.3	108.4	50.1	49.1
Nov.	568.3	160.4	146.5	52.3	.3	109.3	50.1	49.4
Dec.	572.8	164.0	147.1	52.5	.3	109.7	50.5	48.6
1966: Jan.	578.5	164.8	149.2	52.8	.3	109.8	50.5	51.2
Feb.	577.5	162.8	149.4	53.0	.3	110.6	50.3	51.0
Mar ³	585.5	167.1	151.1	53.1	.3	111.4	50.3	52.1
Apr ³	587.0	166.6	152.3	53.1	.3	111.0	50.4	53.3
May ³	585.8	164.1	153.2	53.3	.3	111.2	50.4	53.3
June ³	588.3	166.4	153.8	53.5	.2	111.0	50.4	52.9

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.

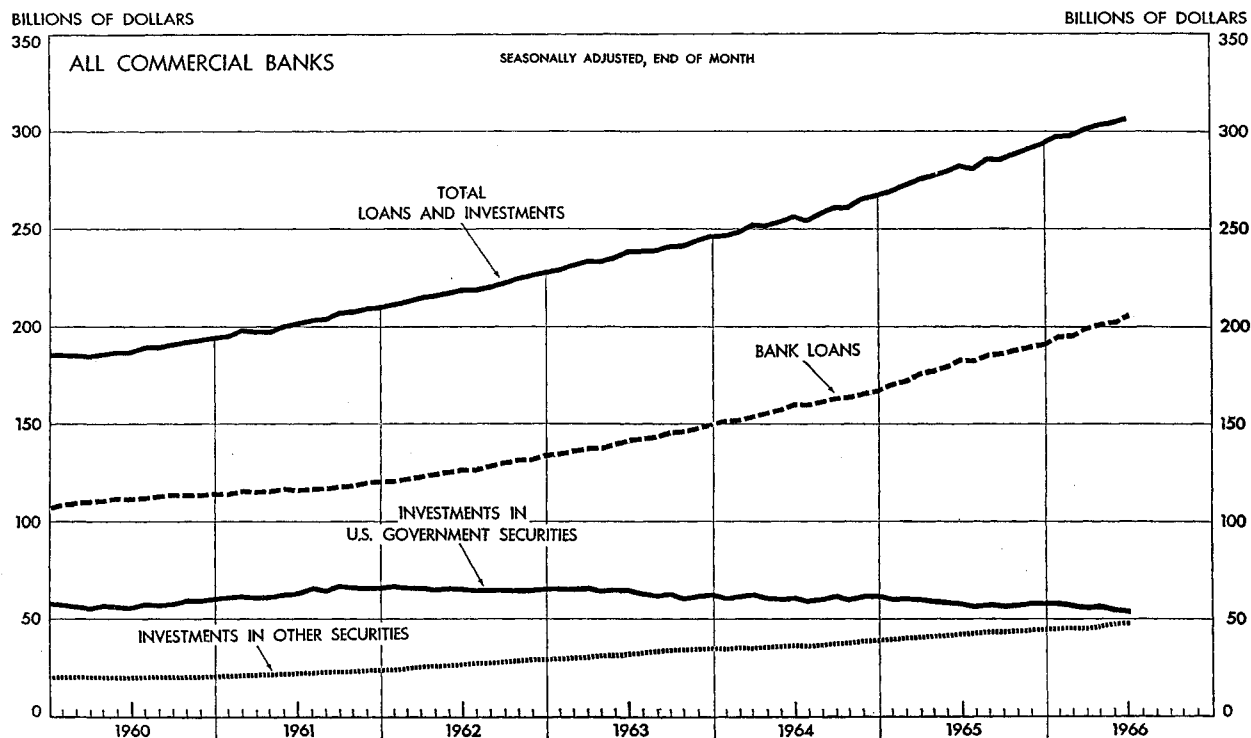
⁴ See footnote 3, page 29.

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) rose \$2.3 billion in June. Loans, lifted by mid-month corporate tax borrowing, expanded by \$3.3 billion. (Both totals would be about \$1 billion higher if there had been no change in reporting in June.) Investments again declined on balance.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

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 invest- ments	Loans, excluding inter- bank	Investments				Total reserves	Excess reserves	Borrow- ings at Federal Reserve Banks	Free reserves
			U.S. Gov- ernment securities	Other securi- ties	Business loans ²					
	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-----	294.4	191.6	58.0	44.8	50.6	2,997	22,719	452	454	-2
1965: May-----	279.4	179.5	58.6	41.3	45.2	2,872	21,472	325	505	-180
June-----	282.8	183.0	57.7	42.1	46.8	3,019	21,709	346	528	-182
July-----	281.5	182.7	56.4	42.4	46.3	3,021	21,863	350	524	-174
Aug-----	286.1	185.8	57.0	43.3	46.9	3,019	21,617	430	564	-134
Sept-----	286.2	186.2	56.5	43.5	48.1	3,023	21,740	384	528	-144
Oct-----	288.8	187.9	57.0	43.9	48.2	3,069	21,958	344	490	-146
Nov-----	291.5	189.6	57.7	44.2	49.0	3,179	21,958	369	452	-83
Dec-----	294.4	191.6	58.0	44.8	50.6	3,250	22,719	452	454	-2
1966: Jan-----	297.4	194.7	57.8	44.9	50.3	3,198	22,750	358	402	-44
Feb-----	297.5	195.2	56.8	45.5	51.1	3,264	22,233	371	478	-107
Mar-----	300.3	199.0	56.1	45.2	52.6	3,397	22,160	305	551	-246
Apr ⁵ -----	303.0	200.7	56.2	46.1	52.5	3,390	22,528	358	626	-268
May ⁵ -----	304.3	202.2	54.9	47.2	53.5	3,348	22,487	370	722	-352
June ⁵ -----	⁶ 306.6	⁶ 205.5	53.9	47.2	55.8	3,377	22,529	314	674	-360

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.

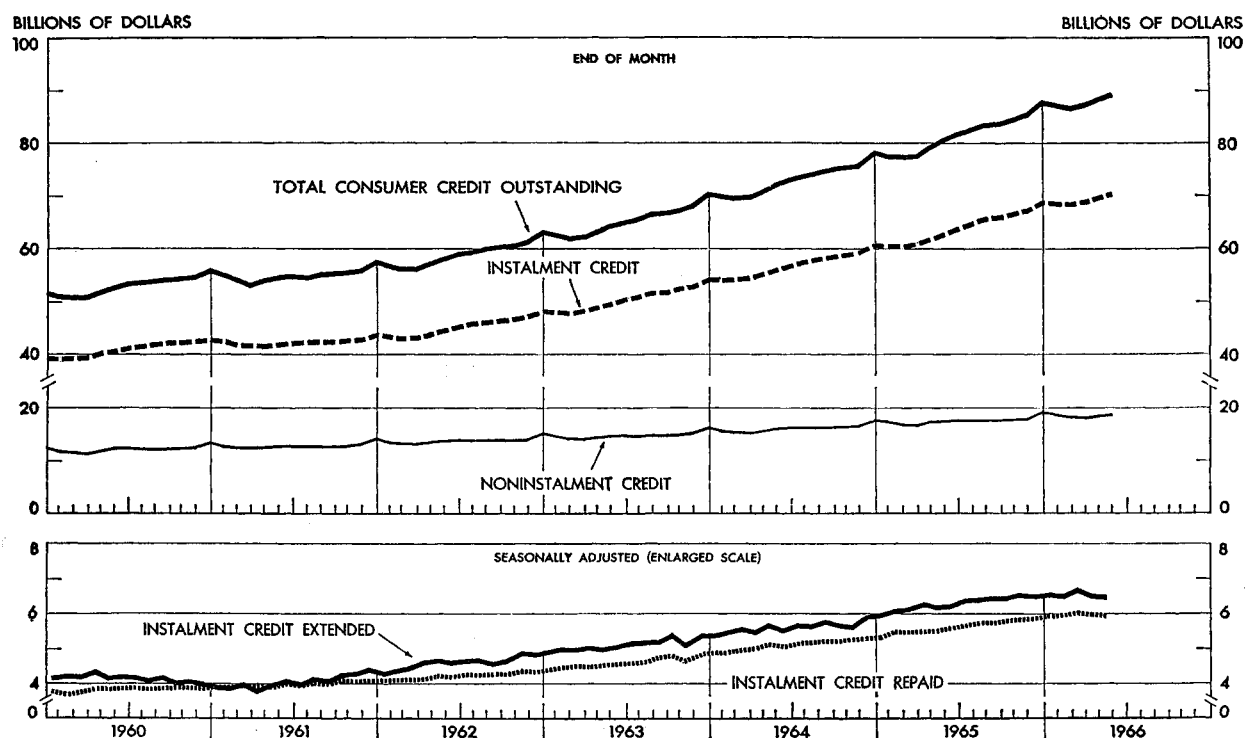
⁶ See footnote 3, page 29.

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

Consumer credit outstanding in May increased at a rate below that of a year earlier. Instalment credit extended, seasonally adjusted, declined for the second month, but the decline can no longer be attributed to the decline in automobile instalment loans.



SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

COUNCIL OF ECONOMIC ADVISERS

[Millions of dollars]

Period	Consumer credit outstanding (end of period; unadjusted)					Consumer instalment credit extended and repaid (seasonally adjusted)				Mortgage debt out- standing, nonfarm 1- to 4- family houses ³
	Total	Instalment			Non- instal- ment 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.....	70, 461	54, 158	22, 433	14, 464	16, 303	61, 295	55, 171	22, 292	19, 400	182, 200
1964.....	78, 442	60, 548	25, 195	16, 228	17, 894	67, 505	61, 121	24, 435	21, 676	197, 600
1965.....	87, 884	68, 565	28, 843	18, 354	19, 319	75, 508	67, 495	27, 914	24, 267	213, 000
1965: Apr.....	79, 237	61, 886	26, 235	16, 871	17, 351	6, 245	5, 500	2, 299	1, 975	-----
May.....	80, 469	62, 807	26, 717	17, 098	17, 662	6, 167	5, 511	2, 249	1, 987	-----
June.....	81, 717	63, 850	27, 280	17, 346	17, 867	6, 196	5, 601	2, 285	2, 007	204, 800
July.....	82, 539	64, 704	27, 779	17, 503	17, 835	6, 383	5, 659	2, 355	2, 007	-----
Aug.....	83, 319	65, 508	28, 111	17, 753	17, 811	6, 385	5, 729	2, 372	2, 068	-----
Sept.....	83, 801	65, 979	28, 175	17, 911	17, 822	6, 434	5, 748	2, 385	2, 056	209, 000
Oct.....	84, 465	66, 511	28, 393	17, 950	17, 954	6, 425	5, 805	2, 338	2, 080	-----
Nov.....	85, 291	67, 168	28, 612	18, 070	18, 123	6, 530	5, 831	2, 480	2, 148	-----
Dec.....	87, 884	68, 565	28, 843	18, 354	19, 319	6, 489	5, 855	2, 443	2, 107	213, 000
1966: Jan.....	87, 027	68, 314	28, 789	18, 325	18, 713	6, 544	5, 947	2, 340	2, 115	-----
Feb.....	86, 565	68, 279	28, 894	18, 396	18, 286	6, 492	5, 954	2, 340	2, 135	-----
Mar.....	87, 059	68, 827	29, 248	18, 532	18, 232	6, 673	6, 024	2, 479	2, 216	216, 100
Apr.....	88, 184	69, 543	29, 597	18, 747	18, 641	6, 505	5, 974	2, 302	2, 145	-----
May.....	89, 092	70, 209	29, 908	18, 927	18, 883	6, 472	5, 979	2, 298	2, 159	-----

¹Also includes other consumer goods paper, and repair and modernization loans, not shown separately.

²Consists of single-payment loans, charge accounts, and service credit.

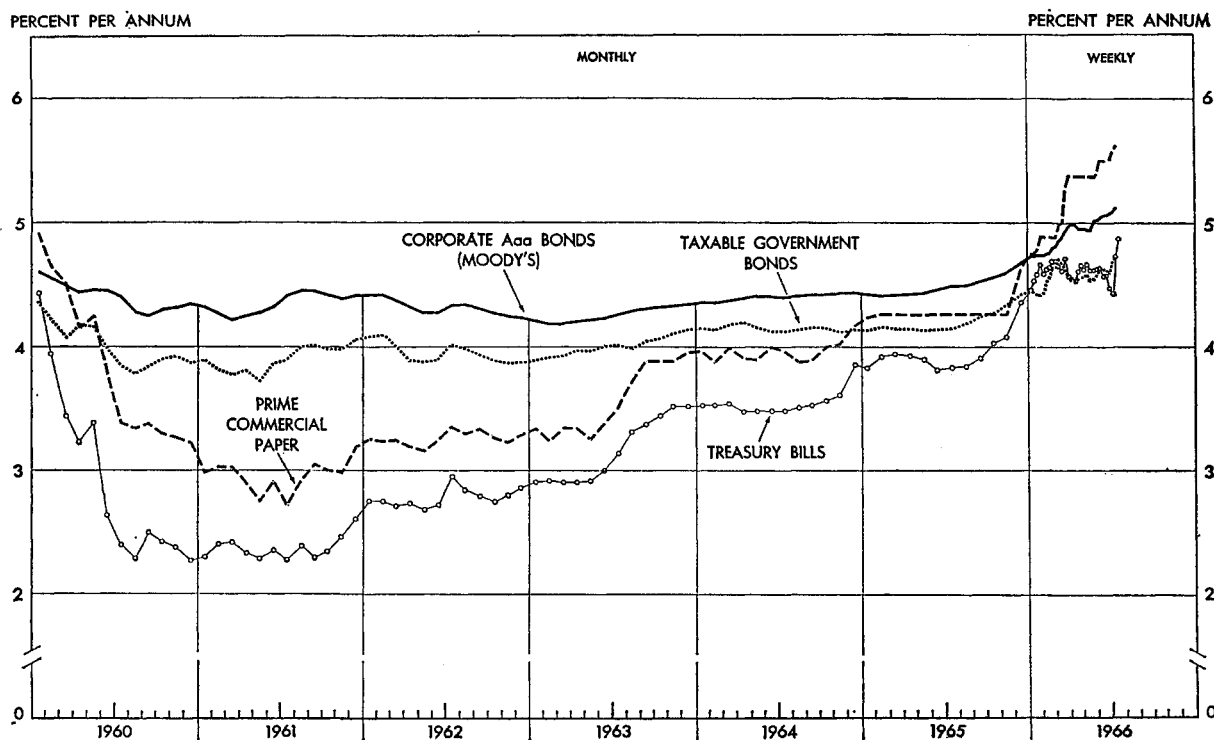
³End of period, unadjusted.

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.

BOND YIELDS AND INTEREST RATES

Yields on short-term commercial paper, corporate bonds, and medium- and long-term Government securities have shown a fairly steady increase since the beginning of May. Treasury bill yields have not shown this constant uptrend, although they have increased during the first half of July, reaching new highs by mid-month.



SOURCES: SEE TABLE BELOW

COUNCIL OF ECONOMIC ADVISERS

Period	U.S. Government security yields				Corporate bonds (Moody's)		Prime commercial paper, 4-6 months	FHA new home mortgage yields ⁵
	3-month Treasury bills ¹	3-5 year issues ²	Taxable bonds ³	High-grade municipal bonds (Standard & Poor's) ⁴	Aaa	Baa		
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: 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
Mar.....	4.626	4.94	4.63	3.72	4.92	5.32	5.21	-----
Apr.....	4.611	4.86	4.55	3.59	4.96	5.41	5.38	6.00
May.....	4.642	4.94	4.57	3.68	4.98	5.48	5.39	-----
June.....	4.539	5.01	4.63	3.77	5.07	5.58	5.51	6.32
Week ended:								
1966: June 18..	4.575	4.97	4.63	3.76	5.06	5.59	5.50	-----
25.....	4.470	4.95	4.59	3.72	5.07	5.61	5.50	-----
2.....	4.435	5.11	4.69	3.80	5.09	5.61	5.58	-----
July 9.....	4.731	5.14	4.72	3.91	5.12	5.63	5.63	-----
16.....	4.876	5.24	*4.78	3.95	*5.14	5.68	*5.63	-----
23.....	*4.996							-----

¹ Rate on new issues within period.

² Selected note and bond issues.

³ April 1963 to date, bonds due or callable 10 years and after.

⁴ Weekly data are Wednesday figures.

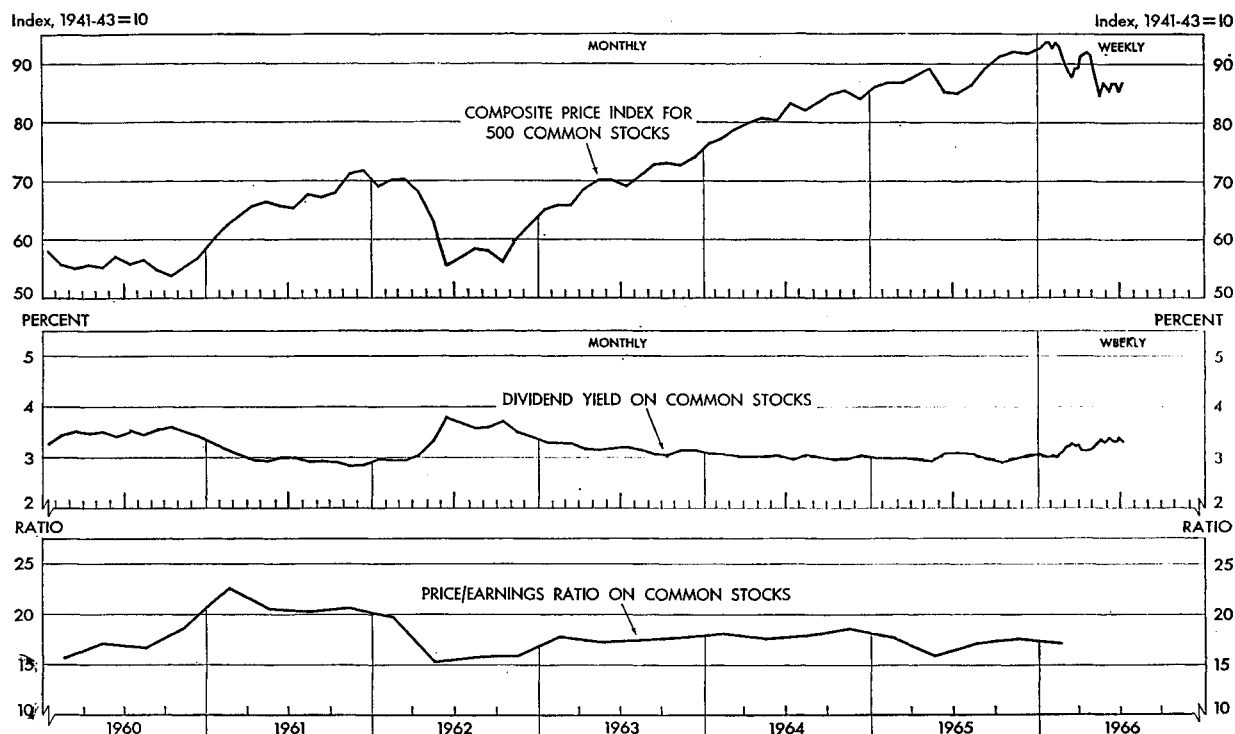
⁵ Data for first of the month, based on the maximum permissible interest rate (6¾ percent for June 1966) and 30-year mortgages paid in 15 years.

*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 fluctuated within a narrow range during most of June and early July.



SOURCE: STANDARD AND POOR'S CORPORATION

COUNCIL OF ECONOMIC ADVISERS

Period	Price index ¹						Dividend yield ² (percent)	Price/ earnings ratio ³
	Total	Industrials			Public utilities	Railroads		
		Total	Capital goods	Consumers' goods				
	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	17.08
1965: 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	17.61
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	-----
Mar.....	88.88	95.04	90.28	78.96	69.21	51.52	3.23	17.13
Apr.....	91.60	98.17	93.54	79.28	70.06	52.33	3.15	-----
May.....	86.78	92.85	88.78	75.12	68.49	47.00	3.30	-----
June.....	86.06	92.14	87.34	73.75	67.51	46.35	3.36	-----
Week ended:								
1966: June 10.....	85.42	91.40	85.79	73.73	67.54	45.75	3.39	-----
17.....	86.72	92.89	88.04	74.30	67.75	46.76	3.32	-----
24.....	86.62	92.80	89.38	73.89	67.47	46.80	3.32	-----
July 1.....	85.39	91.42	86.09	72.75	66.96	46.11	3.40	-----
8.....	86.97	93.23	88.06	74.58	67.49	46.53	3.31	-----
15.....	* 86.91	93.11	87.11	74.45	67.99	46.21	* 3.34	-----

¹ Includes 500 common stocks: 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.

Not charted

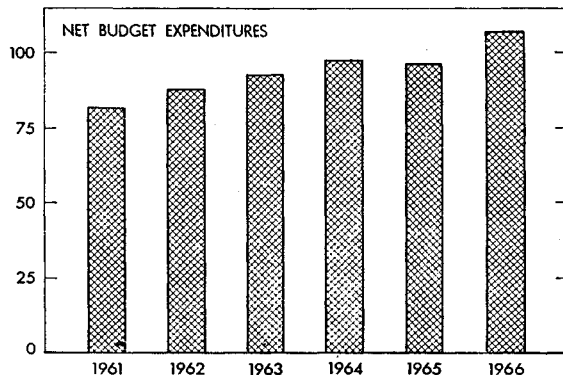
Source: Standard & Poor's Corporation.

FEDERAL FINANCE

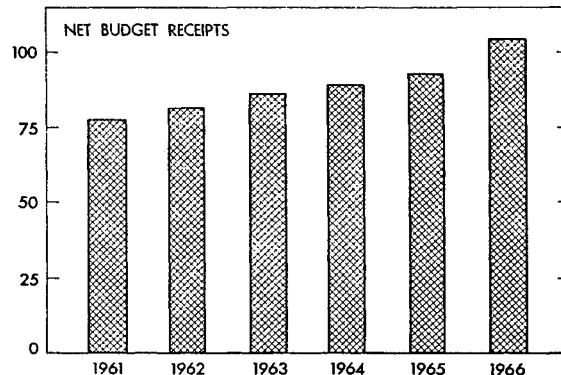
FEDERAL ADMINISTRATIVE BUDGET RECEIPTS AND EXPENDITURES

Budget receipts for fiscal 1966 came in much stronger than estimated in January. As a result, the deficit for the year was \$2.3 billion, compared to the January estimate of \$6.4 billion.

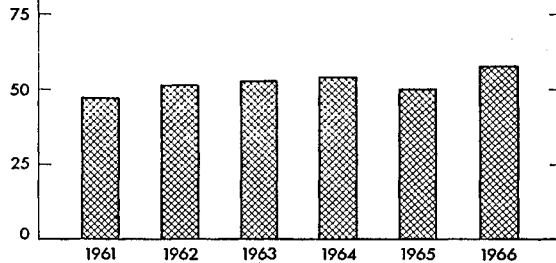
BILLIONS OF DOLLARS



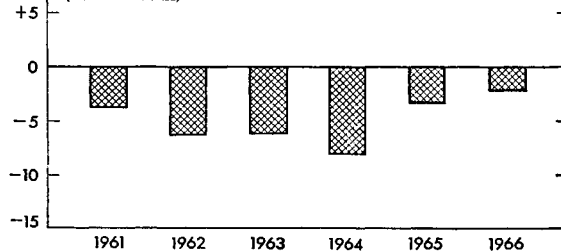
BILLIONS OF DOLLARS



NATIONAL DEFENSE



BUDGET SURPLUS (+) OR DEFICIT (-)
(ENLARGED SCALE)



SOURCES: TREASURY DEPARTMENT AND BUREAU OF THE BUDGET

COUNCIL OF ECONOMIC ADVISERS

[Billions of dollars]

Period	Net budget receipts	Net budget expenditures				Budget surplus or deficit (—)	Public debt (end of period) ²
		Total	National defense ¹				
			Total	Depart- ment of Defense, military	Military assistance		
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	104.6	106.9	57.7	54.4	.9	—2.3	320.4
1965: 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
Mar.	11.3	10.2	5.6	5.2	.2	1.1	321.5
Apr.	9.9	8.4	5.0	4.8	(⁴)	1.6	320.1
May	8.5	9.1	4.9	4.6	.1	— .6	322.8
June	17.1	9.4	6.2	5.9	.2	7.7	320.4

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 Preliminary.

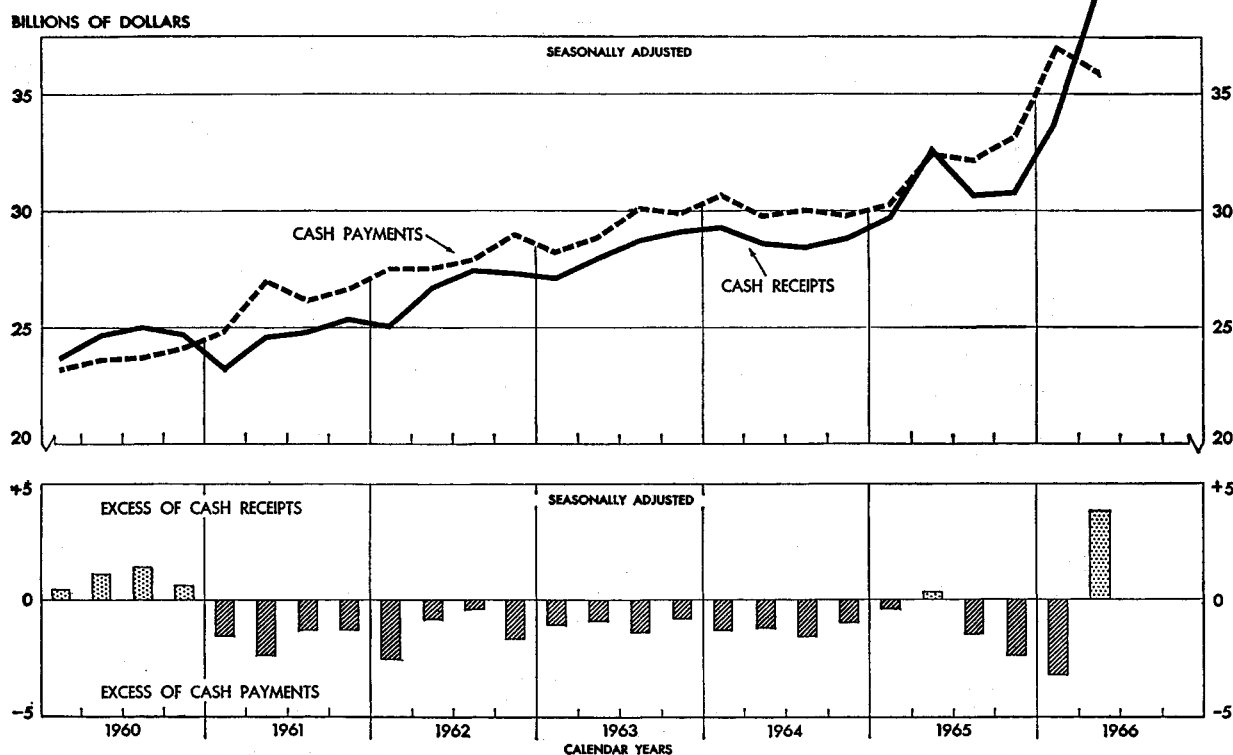
⁴ Less than \$50 million.

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

Strong cash receipts produced a \$10.1 billion surplus in the April-June quarter (\$3.8 billion seasonally adjusted) and reduced the cash deficit for fiscal 1966 to \$3.2 billion—less than half the January estimate.



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	134.4	137.6	-3.2			
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	123.4	127.9	-4.5			
Quarterly total (calendar years):						
	Unadjusted			Seasonally adjusted		
1964: III	27.0	30.9	-3.9	28.4	30.0	-1.6
IV	24.3	30.6	-6.3	28.8	29.8	-1.0
1965: I	30.7	28.3	2.4	29.7	30.2	-.4
II	37.7	32.6	5.1	*32.6	32.4	.3
III	29.2	33.1	-3.9	30.6	32.1	-1.5
IV	25.8	34.0	-8.1	30.7	33.1	-2.4
1966: I	33.3	34.6	-1.3	*33.7	36.9	*-3.2
II	46.1	36.0	10.1	*39.6	35.8	3.8

* Revised.

¹ Preliminary.

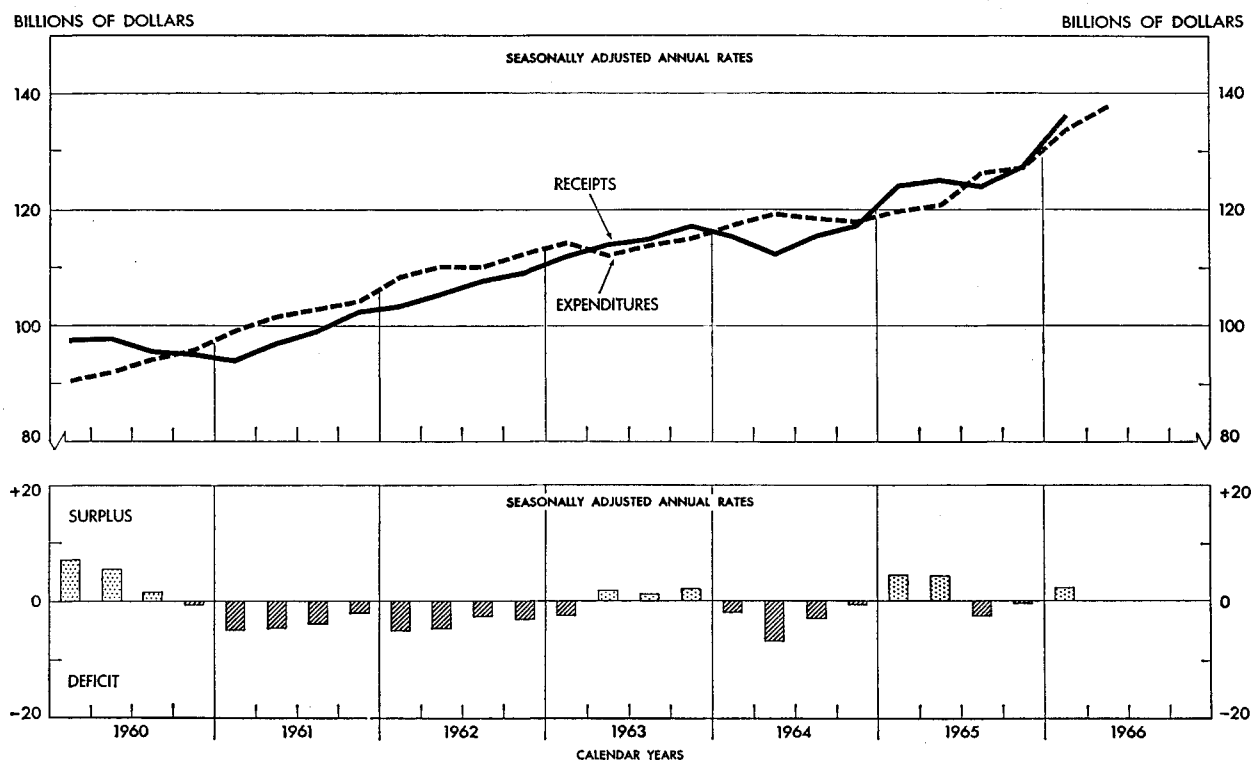
² Seasonally adjusted data include accelerated corporate tax payments of

about \$0.9 billion in 1965, and \$2.8 billion in 1966; data also include about \$0.3 billion in 1966 for initiation of graduated withholding of personal income taxes and \$1.4 billion for change in schedule for depositing withheld and OASI taxes.

Sources: Treasury Department and Bureau of the Budget.

FEDERAL BUDGET, NATIONAL INCOME ACCOUNTS BASIS

In the first quarter, Federal expenditures rose over \$6½ billion (seasonally adjusted annual rate) and receipts increased \$9 billion. As a result, there was a surplus of more than \$2 billion. Preliminary data indicate there was a surplus again in the second quarter.



SOURCE: DEPARTMENT OF COMMERCE

COUNCIL OF ECONOMIC ADVISERS

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

Period	Federal Government receipts					Federal Government expenditures						Surplus or deficit (—)
	Total	Personal tax and nontax receipts	Corpo- rate profits tax accruals	Indirect business tax and nontax accruals	Contri- butions for social in- surance	Total	Pur- chases of goods and services	Trans- fer pay- ments	Grants- in-aid to State and local govern- ments	Net interest paid	Subsidies less current surplus of Govt. enter- prises	
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	23.5	15.0	22.1	111.4	63.4	28.5	8.4	7.5	3.6	-1.2
1964-----	115.5	50.7	25.6	15.6	23.6	116.9	65.7	29.6	9.8	8.1	3.9	-1.4
1965-----	120.6	51.3	27.8	16.9	24.6	118.3	64.3	30.4	10.9	8.5	4.1	2.3
1966 ¹ -----	(²)	56.6	(²)	16.1	28.4	131.2	71.0	34.4	12.6	9.1	4.2	(²)
Calendar year:												
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-----	114.5	51.5	24.6	15.3	23.1	113.9	64.2	29.1	9.1	7.7	3.6	.7
1964-----	115.1	48.6	26.5	16.2	23.9	118.1	65.2	29.9	10.4	8.3	4.2	-3.0
1965-----	124.9	54.2	29.1	16.8	24.8	123.4	66.8	32.4	11.2	8.7	4.2	1.6
1964: III-----	115.4	48.1	26.8	16.6	24.0	118.4	65.1	29.7	10.8	8.4	4.4	-3.0
IV-----	117.2	49.6	26.7	16.5	24.4	117.7	64.1	29.8	11.0	8.4	4.4	-.5
1965: I-----	124.0	53.4	28.7	17.5	24.5	119.6	64.4	31.3	11.0	8.6	4.3	4.5
II-----	125.0	54.9	28.7	16.8	24.6	120.6	65.6	30.9	11.1	8.7	4.2	4.4
III-----	123.8	53.8	28.9	16.3	24.7	126.3	67.5	34.8	11.1	8.8	4.1	-2.5
IV-----	126.9	54.7	30.3	16.7	25.2	127.0	69.8	32.8	11.6	8.8	4.1	-.2
1966: I-----	136.0	57.1	31.9	15.2	31.7	133.7	71.9	35.4	13.0	9.3	4.1	2.3
II ³ -----	(²)	60.7	(²)	16.2	32.2	137.7	74.6	34.8	14.5	9.5	4.3	(²)

¹ Estimates.
² Not available.
³ Preliminary.

NOTE.—Series revised beginning 1962. For details, see *Survey of Current Business*, July 1966. Data for Alaska and Hawaii included beginning 1960.
 Source: Department of Commerce.

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NOTE.— Detail in these tables will not necessarily add to totals because of rounding.
Data for Alaska and Hawaii are not included unless specifically noted.
Unless otherwise stated, all dollar figures are in current prices.