

# Rates of Change in NATIONAL ECONOMIC INDICATORS

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONTH ENDING: July 31, 1966

RELEASED: August 19, 1966

Business activity expanded through July. While production and employment remained strong, the rise in output of goods and services apparently did not keep pace with demand. As a result, prices rose further.

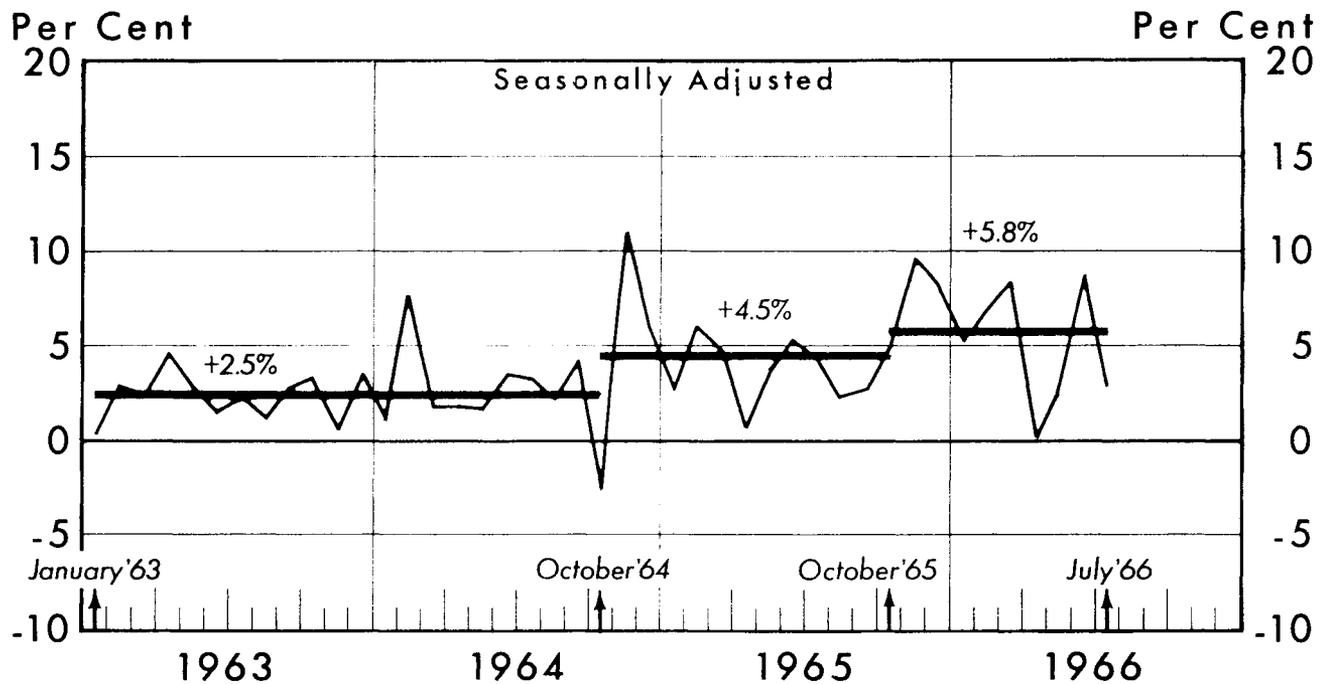
Industrial output has risen at a 9.1 per cent annual rate since February. From September to February, industrial production increased at a 14.6 per cent annual rate. Similarly, the rate of growth of employment has declined. Total civilian employment has increased at a 1.8 per cent rate since February compared with a 4.1 per cent rate of growth from September to February.

Income has risen more rapidly in recent months than earlier. Personal income has grown at a 6.5 per cent rate since February, compared with a 5.4 per cent rate of increase from September to February. Retail sales have jumped markedly since April, following a decline from March to May.

Prices have continued their upward movement, reflecting excessive total demand. Wholesale prices of all commodities have advanced at a 2.3 per cent annual rate since February, compared with a 5.7 per cent rate of increase from September to February. The decline in the rate of price increases largely reflects shifts in agricultural prices. These shifts have occurred against a background of a strong upward movement in industrial prices. Prices of industrial commodities have moved upward strongly since the fall of 1965. After having risen 1.6 per cent in the year ending in November 1965, they have since risen at a 2.8 per cent annual rate.

Bank loans continued to expand markedly through July. Since February, loans made by commercial banks have grown at a 14.2 per cent annual rate. In order to accommodate strong loan demand, banks have reduced their holdings of Government securities.

# Payroll Employment Annual Rates of Change



Bars on chart are periods of no marked and sustained changes in the rates of change.

Percentages are annual rates of change between months indicated.

Latest data plotted: July preliminary

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TABLE I

Compounded Annual Rates of Change of Selected Business Indicators  
Seasonally Adjusted

To July 1966 from Month Indicated

		<u>Employment</u> <sup>1/</sup>		<u>Industrial</u>	<u>Personal</u>	<u>Retail</u>
		<u>Total</u>		<u>Production</u> <sup>2/</sup>	<u>Income</u> <sup>3/</sup>	<u>Sales</u> <sup>3/</sup>
		<u>Civilian</u>	<u>Payroll</u>			
1966	June	1.2 %	2.9 %	10.5 %	5.3 %	7.2 %
	May	7.1	5.8	9.2	7.2	28.1
	Apr.	1.5	4.6	10.0	6.6	9.3
	Mar.	2.6	3.5	8.2	5.8	- 0.3
	Feb.	1.8	4.5	9.1	6.5	2.3
	Jan.	1.0	4.9	10.0	7.1	3.9
1965	Dec.	1.5	4.9	10.4	6.7	4.8
	Nov.	2.4	5.4	11.6	7.3	5.3
	Oct.	2.8	5.8	11.6	8.0	7.3
	Sept.	3.0	5.7	11.8	5.9	8.9
	Aug.	2.5	5.5	9.9	8.5	8.9
	July	2.0	5.2	9.2	8.3	7.8
	June	2.5	5.1	9.5	8.2	8.6
1964	July	2.6	4.6	8.7	8.0	8.0
1963	July	2.4	4.0	7.8	7.6	7.2

To 1965 from Year Indicated

1961	2.0	2.9	6.9	6.5	6.7
1960	1.6	2.2	5.7	5.9	5.3
1959	1.6	2.1	5.2	5.7	4.7
1957	1.3	1.7	4.5	5.4	4.5
1955	1.4	1.8	4.0	5.6	4.4
1953	1.3	1.6	3.8	5.3	4.4
1951	1.2	1.7	4.1	5.4	4.4

Sources: <sup>1/</sup> U.S. Department of Labor.  
<sup>2/</sup> Board of Governors of the Federal Reserve System.  
<sup>3/</sup> U.S. Department of Commerce.

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August 18, 1966

TABLE II

Compounded Annual Rates of Change of Selected Business Indicators  
Seasonally Adjusted

Change from Previous Month to Month Indicated

		<u>Employment</u> <sup>1/</sup>		<u>Industrial</u>	<u>Personal</u>	<u>Retail</u>
		<u>Total</u>	<u>Payroll</u>	<u>Production</u> <sup>2/</sup>	<u>Income</u> <sup>3/</sup>	<u>Sales</u> <sup>3/</sup>
		<u>Civilian</u>				
1966	July	1.2 %	2.9 %	10.5 %	5.3 %	7.2 %
	June	13.3	8.8	8.0	9.2	53.1
	May	- 8.9	2.2	11.5	5.4	- 20.6
	Apr.	6.1	0.3	3.2	3.2	- 24.4
	Mar.	- 1.4	8.3	12.5	9.5	13.8
	Feb.	- 3.1	7.0	14.5	10.1	12.1
	Jan.	4.6	5.3	12.8	4.4	10.5
1965	Dec.	9.0	8.3	20.6	11.4	8.6
	Nov.	6.0	9.7	11.3	14.0	24.9
	Oct.	4.5	5.0	14.3	- 10.9	24.7
	Sept.	- 1.5	2.7	- 8.0	38.2	8.9
	Aug.	- 3.7	2.4	2.5	5.5	- 4.1
	July	9.3	4.3	13.4	7.5	19.3
	June	4.6	5.3	9.7	10.0	0.3

Monthly Seasonally Adjusted Data

		<u>Thousands of Persons</u>		<u>1957-59 = 100</u>	<u>Billions of Dollars</u>	
					<u>Annual Rates</u>	
1966	July	74,072	63,646 p	157.5 p	579.7 p	306.1 p
	June	73,997	63,496 p	156.2 p	577.2 p	304.3 p
	May	73,231	63,050	155.2	573.0	293.7
	Apr.	73,799	62,935	153.8	570.5	299.4
	Mar.	73,435	62,918	153.4	569.0	306.4

p- Preliminary

Sources: <sup>1/</sup> U.S. Department of Labor.  
<sup>2/</sup> Board of Governors of the Federal Reserve System.  
<sup>3/</sup> U.S. Department of Commerce.

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TABLE III

## Compounded Annual Rates of Change of Selected Business Indicators

To July 1966 from Month IndicatedPrices <sup>1/</sup>

		<u>Consumer *</u>	<u>Wholesale Prices</u>		
		<u>All Items</u>	<u>All Commodities</u>	<u>Industrials</u>	<u>Farm Products and Processed Foods</u>
1966	June	-	8.3 %	2.3 %	24.7 %
	May	3.2	4.6	2.3	10.4
	Apr.	2.2	3.5	3.1	3.7
	Mar.	3.3	2.9	3.2	0.8
	Feb.	3.5	2.3	3.0	- 0.2
	Jan.	4.2	3.5	3.1	3.8
1965	Dec.	3.5	3.8	3.2	5.2
	Nov.	3.6	4.2	2.8	7.9
	Oct.	3.4	4.3	3.0	7.9
	Sept.	3.3	4.0	2.8	7.2
	Aug.	3.2	3.7	2.6	6.8
	July	2.7	3.4	2.5	5.8
	June	2.5	3.2	2.3	5.5
1964	July	2.2	3.0	2.0	5.8
1963	July	1.8	1.9	1.4	3.2

To 1965 from Year Indicated

1961	1.3	0.6	0.4	0.9
1960	1.3	0.4	0.2	0.7
1959	1.3	0.3	0.2	0.6
1957	1.4	0.4	0.4	0.4
1955	1.7	1.0	1.0	0.6
1953	1.4	0.8	1.1	0.1
1951	1.4	0.4	0.8	

\* July data not available, rates of change are to June 1966 from month indicated.

Sources: <sup>1/</sup> U.S. Department of LaborPrepared by Federal Reserve Bank of St. Louis  
August 12, 1966

TABLE IV

## Compounded Annual Rates of Change of Selected Business Indicators

Change from Previous Month to Month Indicated

		<u>Prices</u> <sup>1/</sup>			
		<u>Consumer</u>	<u>Wholesale Prices</u>		
		<u>All Items</u>	<u>All Commodities</u>	<u>Industrials</u>	<u>Farm Products and Processed Foods</u>
1966	July	N.A. % *	8.3 %	2.3 %	24.7 %
	June	3.2	1.1	2.3	- 2.2
	May	1.1	1.1	4.7	- 8.5
	Apr.	5.5	1.1	3.5	- 7.4
	Mar.	4.4	0.0	2.3	- 4.3
	Feb.	6.7	9.6	3.5	26.1
	Jan.	0.0	5.9	3.5	14.4
1965	Dec.	4.4	7.2	0.0	28.5
	Nov.	2.2	4.8	4.8	8.4
	Oct.	2.2	1.2	1.2	1.2
	Sept.	2.2	1.2	0.0	2.4
	Aug.	- 2.2	0.0	2.4	- 4.5
	July	1.1	1.2	0.0	2.4
	June	5.6	8.5	2.4	32.5

Monthly Unadjusted Data  
1957-59 = 100

1966	July	N.A. *	106.4 p	105.1 p	109.7 p
	June	112.9	105.7	104.9	107.7
	May	112.6	105.6	104.7	107.9
	Apr.	112.5	105.5	104.3	108.7
	Mar.	112.0	105.4	104.0	109.4

p- Preliminary

\* July data not available.

Sources: <sup>1/</sup> U.S. Department of Labor.

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 August 12, 1966

TABLE V

Compounded Annual Rates of Change of Bank Credit  
 All U.S. Commercial Banks  
 Seasonally Adjusted \*

to July 1966 from Base Period Indicated <sup>1/</sup>

	Base Period	Total			
		Total	Loans	Securities	
				Other	U.S. Gov't.
1966	June	10.5 %	19.3 %	-0- %	- 9.4 %
	May	9.1	16.1	5.9	- 11.3
	Apr.	8.7	14.3	10.9	- 11.0
	Mar.	9.3	14.4	10.9	- 8.6
	Feb.	8.6	14.2	11.0	- 10.8
	Jan.	8.2	14.2	10.5	- 11.9
1965	Dec.	8.9	14.4	10.4	- 9.6
	Nov.	9.0	14.0	10.7	- 8.1
	Oct.	9.3	13.7	10.8	- 6.2
	Sept.	9.2	13.5	10.9	- 5.9
	Aug.	8.9	13.3	11.3	- 6.6
	July	9.0	13.3	11.6	- 6.5
	June	9.0	13.3	12.0	- 6.6
1964	July	9.7	13.8	14.0	- 4.9
1963	July	8.9	13.3	13.2	- 5.3

<sup>1/</sup> Data used are averages of end of preceding and current month.

\* Beginning with this release data have been revised to incorporate new seasonal adjustment factors.

Prepared by Federal Reserve Bank of St. Louis  
 August 15, 1966

TABLE VI

Compounded Annual Rates of Change of Bank Credit  
 All U.S. Commercial Banks  
 Seasonally Adjusted \*

Change from Previous Month to Month Indicated <sup>1/</sup>

		Total	Total Loans	Securities	
				Other	U.S. Gov't.
1966	July	10.5 %	19.3 %	-0- %	- 9.4 %
	June	7.6	13.0	12.2	- 13.2
	May	8.1	10.8	21.4	- 10.2
	Apr.	11.0	14.7	11.1	- 1.1
	Mar.	6.0	13.4	11.2	- 19.1
	Feb.	6.3	13.9	8.3	- 17.2
1965	Jan.	12.8	15.9	9.9	5.3
	Dec.	9.9	11.4	13.0	3.2
	Nov.	11.4	11.5	11.6	11.1
	Oct.	8.5	11.6	11.7	- 3.1
	Sept.	6.3	11.4	15.0	- 13.6
	Aug.	9.6	13.3	15.2	- 5.0
	July	8.5	12.4	17.0	- 7.9
	June	10.7	15.6	13.9	- 5.0

Average Amount Outstanding  
 Seasonally Adjusted

Millions of Dollars

1966	July	\$ 306,750	\$ 205,300	\$ 47,150	\$ 54,300
	June	304,200	202,300	47,150	54,750
	May	302,350	200,250	46,700	55,400
	Apr.	300,400	198,550	45,950	55,900

<sup>1/</sup> Data used are averages of end of preceding and current month.

\* Beginning with this release data have been revised to incorporate new seasonal adjustment factors.

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