

Rates of Change in NATIONAL ECONOMIC INDICATORS

PREPARED BY FEDERAL RESERVE BANK OF ST. LOUIS

MONTH ENDING: September 30, 1966

RELEASED: October 20, 1966

Measured in dollars, the national economy has continued to expand at a rapid rate. Measured in real terms, advance has been at a reduced rate, probably due to capacity limitations.

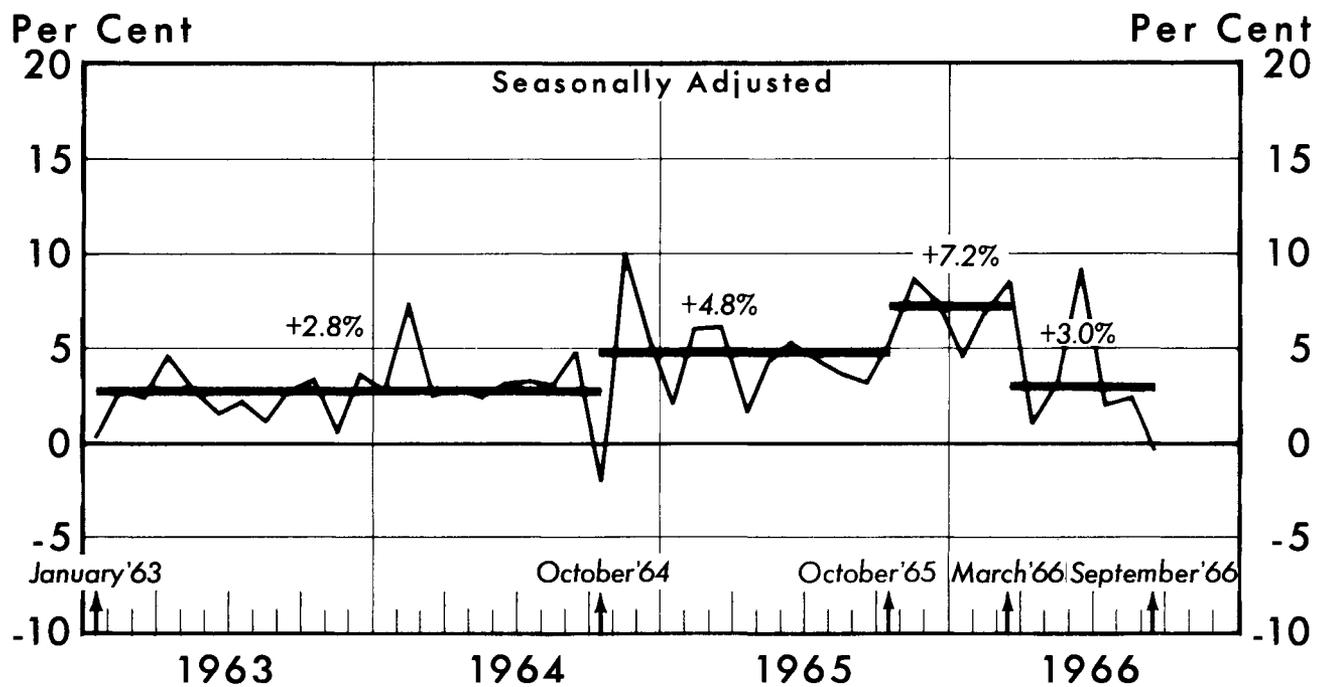
Personal income rose at a 9 per cent annual rate from May to September compared with a 6 per cent rate from 1960 to 1965, a time when unused resources were more readily available. Wages and salaries have contributed largely to the increase in personal income, increasing at a 9.7 per cent annual rate from May to September.

Industrial production, a major part of real product, rose at a 6 per cent rate from May to September and at a 4 per cent rate from June, compared with a 10 per cent rate of increase from May 1965 to May 1966.

Total employment, another indicator of real economic growth, has been increasing at a 1.5 per annum rate after growing about 3 per cent from early 1965 to early 1966. Payroll employment similarly has grown at only a 3 per cent rate since last March after increasing 5.3 per cent in the preceding year. These declines in the rate of increase in employment may be due to the limited availability of workers profitably employable at or above the minimum wage rates.

With total demand increasing much more rapidly than real product, prices have risen rapidly. The general price level rose at a 3.6 per cent annual rate from the first to the third quarter. Consumer prices have risen at about a 4 per cent annual rate since early this year and wholesale prices have been rising at about a 3.5 per cent rate.

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: September preliminary

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TABLE I

Compounded Annual Rates of Change of Selected Business Indicators
Seasonally Adjusted

To September 1966 from Month Indicated

| | | <u>Employment</u> ^{1/} | | <u>Industrial Production</u> ^{2/} | <u>Personal Income</u> ^{3/} | <u>Retail Sales</u> ^{3/} |
|------|-------|---------------------------------|----------------|--|--|---------------------------------------|
| | | <u>Total Civilian</u> | <u>Payroll</u> | | | |
| 1966 | Aug. | - 2.8 % | - 0.3 % | - 0.7 % | 8.7 % | - 4.7 % |
| | July | 0.8 | 1.0 | 3.9 | 10.2 | 4.6 |
| | June | 0.9 | 1.3 | 4.4 | 8.8 | 2.6 |
| | May | 3.9 | 3.2 | 5.9 | 8.9 | 13.8 |
| | Apr. | 1.2 | 3.2 | 7.0 | 8.2 | 5.9 |
| | Mar. | 2.0 | 3.0 | 6.4 | 7.3 | 0.1 |
| | Feb. | 1.5 | 3.8 | 7.2 | 7.6 | 2.0 |
| | Jan. | 0.9 | 4.1 | 8.1 | 8.0 | 3.2 |
| 1965 | Dec. | 1.3 | 4.2 | 8.6 | 7.6 | 4.0 |
| | Nov. | 2.1 | 4.5 | 9.8 | 7.9 | 4.4 |
| | Oct. | 2.4 | 4.9 | 9.9 | 8.5 | 6.2 |
| | Sept. | 2.6 | 4.9 | 10.3 | 6.7 | 7.6 |
| | Aug. | 2.3 | 4.8 | 8.7 | 8.8 | 7.7 |
| 1964 | Sept. | 2.6 | 4.5 | 8.7 | 8.3 | 7.0 |
| 1963 | Sept. | 2.3 | 4.1 | 8.0 | 7.8 | 7.7 |

To 1965 from Year Indicated

| | | | | | |
|------|-----|-----|-----|-----|-----|
| 1961 | 2.0 | 3.0 | 6.9 | 6.5 | 6.7 |
| 1960 | 1.6 | 2.3 | 5.7 | 5.9 | 5.3 |
| 1959 | 1.6 | 2.2 | 5.2 | 5.7 | 4.7 |
| 1957 | 1.3 | 1.8 | 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: ^{1/} U. S. Department of Labor.
^{2/} Board of Governors of the Federal Reserve System.
^{3/} U. S. Department of Commerce.

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October 19, 1966

TABLE II

Compounded Annual Rates of Change of Selected Business Indicators
Seasonally Adjusted

Change from Previous Month to Month Indicated

| | | <u>1/</u> Employment | | <u>Industrial</u> <u>Production</u> <u>2/</u> | <u>Personal</u> <u>Income</u> <u>3/</u> | <u>Retail</u> <u>Sales</u> <u>3/</u> |
|------|-------|---------------------------------|----------------|--|--|---|
| | | <u>Total</u> <u>Civilian</u> | <u>Payroll</u> | | | |
| 1966 | Sept. | - 2.8 % | - 0.3 % | - 0.7 % | 8.7 % | - 4.7 % |
| | Aug. | 4.4 | 2.4 | 8.7 | 11.8 | 14.9 |
| | July | 1.2 | 1.7 | 5.5 | 6.0 | - 1.5 |
| | June | 13.3 | 9.2 | 10.5 | 9.2 | 55.6 |
| | May | - 8.9 | 3.2 | 11.5 | 5.4 | - 20.6 |
| | Apr. | 6.1 | 2.0 | 3.2 | 3.2 | - 24.4 |
| | Mar. | - 1.4 | 8.6 | 12.5 | 9.5 | 13.8 |
| | Feb. | - 3.1 | 6.8 | 14.5 | 10.1 | 12.1 |
| | Jan. | 4.6 | 4.5 | 12.8 | 4.4 | 10.5 |
| 1965 | Dec. | 9.0 | 7.6 | 20.6 | 11.4 | 8.6 |
| | Nov. | 6.0 | 8.7 | 11.3 | 14.0 | 24.9 |
| | Oct. | 4.5 | 5.2 | 14.3 | - 10.9 | 24.7 |
| | Sept. | - 1.5 | 3.2 | - 8.0 | 38.2 | 8.9 |
| | Aug. | - 3.7 | 3.6 | 2.5 | 5.5 | - 4.1 |

Monthly Seasonally Adjusted Data

| | | <u>Thousands of Persons</u> | | <u>1957-59 = 100</u> | <u>Billions of Dollars</u> <u>Annual Rates</u> | |
|------|-------|-----------------------------|----------|----------------------|---|---------|
| 1966 | Sept. | 74,165 | 64,181 p | 158.2 p | 589.5 p | 306.6 p |
| | Aug. | 74,338 | 64,196 p | 158.3 p | 585.4 p | 307.9 p |
| | July | 74,072 | 64,072 | 157.2 | 580.0 | 304.3 |
| | June | 73,997 | 63,983 | 156.5 | 577.2 | 304.7 |
| | May | 73,231 | 63,517 | 155.2 | 573.0 | 293.7 |

p - preliminary

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

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TABLE III

Compounded Annual Rates of Change of Selected Business Indicators

To September 1966 from Month IndicatedPrices ^{1/}

| | <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 Aug. | - % | 0.0 % | - 1.2 % | 4.4 % |
| July | 5.4 | 2.3 | - 0.6 | 10.2 |
| June | 4.9 | 4.2 | 0.8 | 15.7 |
| May | 4.3 | 3.5 | 1.2 | 10.9 |
| Apr. | 3.5 | 3.0 | 1.9 | 6.8 |
| Mar. | 3.9 | 2.7 | 2.1 | 4.3 |
| Feb. | 4.0 | 2.3 | 2.2 | 3.0 |
| Jan. | 4.4 | 3.2 | 2.3 | 5.6 |
| 1965 Dec. | 3.8 | 3.5 | 2.5 | 6.6 |
| Nov. | 3.9 | 3.8 | 2.2 | 8.6 |
| Oct. | 3.7 | 3.9 | 2.4 | 8.6 |
| Sept. | 3.6 | 3.7 | 2.3 | 7.9 |
| Aug. | 3.5 | 3.5 | 2.2 | 7.5 |
| 1964 Sept. | 2.6 | 3.0 | 2.0 | 6.1 |
| 1963 Sept. | 2.1 | 2.1 | 1.4 | 4.3 |

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 | |

* September data not available, rates of change are to August 1966 from month indicated.

Sources: ^{1/} U.S. Department of Labor.

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October 18, 1966

TABLE IV

Compounded Annual Rates of Change of Selected Business Indicators

Change from Previous Month to Month Indicated

| | | <u>Prices</u> ^{1/} | | | |
|------|-------|-----------------------------|-------------------------|--------------------|--|
| | | <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 | Sept. | N.A. % * | 0.0 % | - 1.2 % | 4.4 % |
| | Aug. | 5.4 | 4.6 | 0.0 | 16.4 |
| | July | 4.4 | 8.3 | 3.5 | 27.5 |
| | 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 |

Monthly Unadjusted Data
 1957-59 = 100

| | | | | | |
|------|-------|--------|---------|---------|---------|
| 1966 | Sept. | N.A. * | 106.8 p | 105.1 p | 111.7 p |
| | Aug. | 113.8 | 106.8 | 105.2 | 111.3 |
| | July | 113.3 | 106.4 | 105.2 | 109.9 |
| | June | 112.9 | 105.7 | 104.9 | 107.7 |
| | May | 112.6 | 105.6 | 104.7 | 107.9 |

p - preliminary

* - Sept. data not available

Source: ^{1/} U.S. Department of Labor

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TABLE V

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

to September 1966 from Base Period Indicated 1/

| | Base Period | Total | | | |
|------|----------------|---------|---------|------------|-------------|
| | | Total | Loans | Securities | |
| | | | | Other | U.S. Gov't. |
| 1966 | August | - 1.3 % | - 1.2 % | - 2.5 % | - 1.1 % |
| | July | 3.8 | 4.5 | - 3.1 | 7.4 |
| | June | 6.0 | 9.2 | - 2.1 | 1.5 |
| | May | 6.4 | 10.1 | 1.3 | - 2.4 |
| | Apr. | 6.7 | 10.3 | 5.0 | - 4.0 |
| | Mar. | 7.4 | 11.0 | 6.0 | - 3.5 |
| | Feb. | 7.2 | 11.3 | 6.7 | - 5.9 |
| | Jan. | 7.1 | 11.7 | 6.9 | - 7.4 |
| 1965 | Dec. | 7.7 | 12.1 | 7.3 | - 6.1 |
| | Nov. | 7.9 | 12.0 | 7.8 | - 5.2 |
| | Oct. | 8.3 | 12.0 | 8.2 | - 3.8 |
| | Sept. | 8.3 | 12.0 | 8.4 | - 3.8 |
| | Aug. | 8.1 | 11.9 | 8.9 | - 4.6 |
| 1964 | Sept. | 9.1 | 13.3 | 12.4 | - 5.0 |
| 1963 | Sept. | 8.8 | 12.9 | 11.7 | - 4.1 |

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

Prepared by Federal Reserve Bank of St. Louis
 October 11, 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 1/

| | | Total | Total Loans | Securities | |
|------|-------|---------|----------------|------------|-------------|
| | | | | Other | U.S. Gov't. |
| 1966 | Sept. | - 1.3 % | - 1.2 % | - 2.5 % | - 1.1 % |
| | Aug. | 9.2 | 10.4 | - 3.7 | 16.6 |
| | 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 |
| | Jan. | 12.8 | 15.9 | 9.9 | 5.3 |
| 1965 | 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 |

Average Amount Outstanding
Seasonally Adjusted

Millions of Dollars

| | | | | | |
|------|-------|------------|------------|-----------|-----------|
| 1966 | Sept. | \$ 308,650 | \$ 206,800 | \$ 46,900 | \$ 54,950 |
| | Aug. | 309,000 | 207,000 | 47,000 | 55,000 |
| | July | 306,750 | 205,300 | 47,150 | 54,300 |
| | June | 304,200 | 202,300 | 47,150 | 54,750 |

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

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