



# National Economic Trends



## A New *NET*

Longtime *National Economic Trends* readers may be startled when they open this issue. The publication has been redesigned from the ground up to provide a comprehensive monthly briefing on the state of the U.S. economy. The inside pages still focus on reporting rather than analyzing data, but we think the data speak much more clearly in the new format.

Here are some of the new features we think will make *NET* more useful: (1) Growth triangles are gone and charts now dominate. Given the ready electronic availability of the numbers themselves, an emphasis on visual presentation seemed appropriate. (2) Most sections show a 25-year view on the left side. This should help keep the short-run movements shown on the right in the proper perspective. (3) Although the publication has not grown physically, the new presentation lets us cover a broader selection of data. (4) The charts are designed to facilitate comparisons among data series; almost all of the long-run charts, for example, cover the same period. (5) Quick-reference tables at the end of the publication show both levels and growth rates of many of the most important data series. (6) *NET* is now available in electronic form on our World Wide Web server at <http://www.stls.frb.org>. Starting in the next few weeks, the electronic version will be updated within a day or two after new data are released.

Our coverage of asset markets and international trade has expanded the most. *NET* now devotes page 7 to showing general movements in interest rates and equity returns. (Our sister publications, *Monetary Trends* and *U.S. Financial Data*, cover financial markets more comprehensively.) The international section (pages 18 and 19) now includes exchange rates, GDP growth rates for six major trading partners, the balance on investment income and a more detailed look at trade in goods and services.

Throughout the publication, we have tried in various ways to emphasize the uncertainty associated

with high-frequency economic data. The most important way we do this is by contrasting long-run perspectives with short-run views that do not smooth away the sometimes dramatic (and often uninformative) month-to-month or quarter-to-quarter variation. Two other examples: The chart in the upper right corner of page 5 shows the uncertainty associated with early reports on GDP growth. (We also plan to include charts that report on benchmark revisions of major data series.) Likewise, on page 11, confidence bands for household survey employment and the unemployment rate show how sampling variation affects these estimates.

Over the next few months, we expect cover essays to delve into the new data shown inside, explaining what they are and why we think they are interesting. Indeed, this process has been under way for some time: A number of the new charts were inspired by recent cover essays.

The long-run views that *NET* now provides make *Annual U.S. Economic Data* largely redundant, so it has been discontinued.

As always, except for a handful of proprietary series (those provided by the OECD), the data contained in this publication are also available electronically on FRED, our electronic database. Instructions for reaching FRED can be found at the bottom of page 2.

Your comments and suggestions are welcome. Please send them to:

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*National Economic Trends*  
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## ***Conventions used in this publication:***

1. Charts and tables contain data that was current on January 6, 1997.
2. Shaded areas indicate recessions, as determined by the National Bureau of Economic Research.
3. *Percent change* refers to simple percent changes. *Percent change from year ago* refers to the percent change from the same month or quarter in the previous year. The *percent change at annual rate* shows what the growth rate would be over an entire year if the same simple percent change continued for four quarters or twelve months. The percent change at annual rate of  $X$  between the previous quarter  $t-1$  and the current quarter  $t$  is:

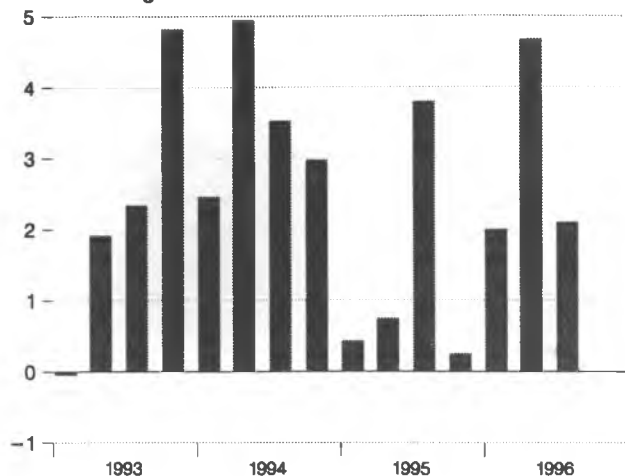
$$100 \times \left[ \left( \frac{X_t}{X_{t-1}} \right)^4 - 1 \right]$$

For monthly data replace 4 with 12.

4. All data with significant seasonal patterns are seasonally adjusted, unless labeled NSA.

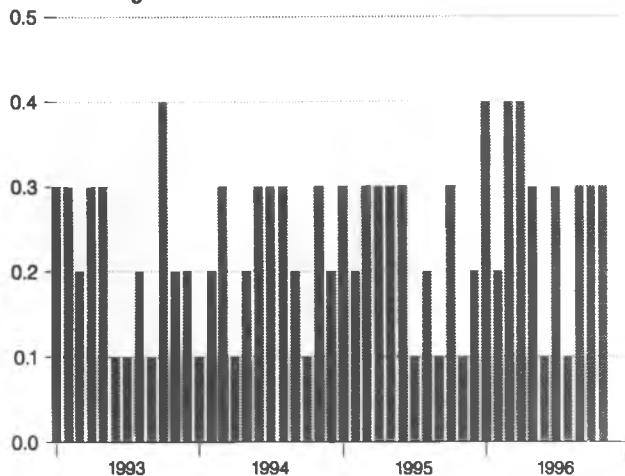
## Real GDP Growth

Percent change at annual rate



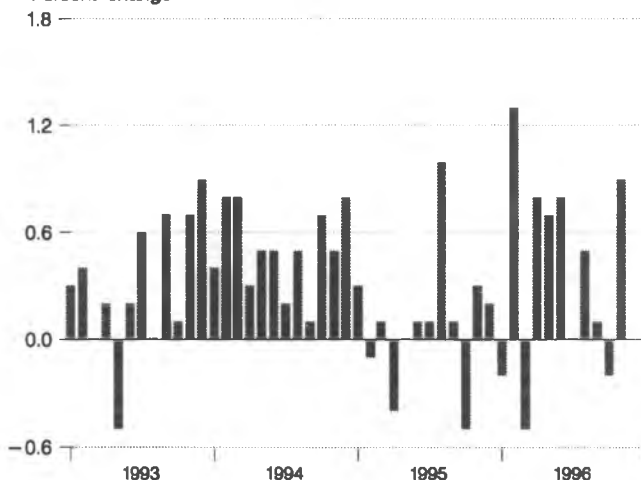
## Consumer Price Index

Percent change



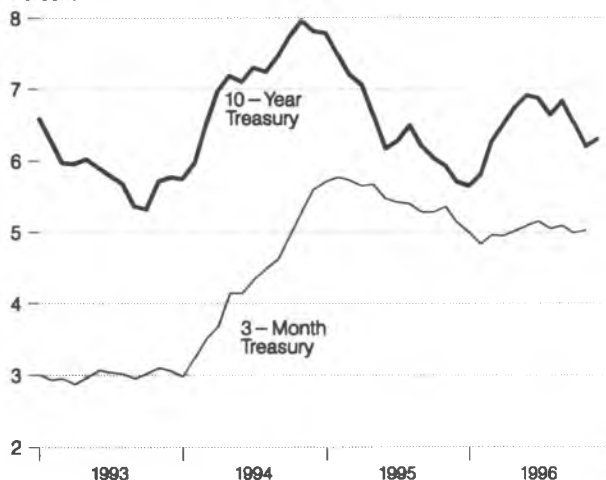
## Industrial Production

Percent change



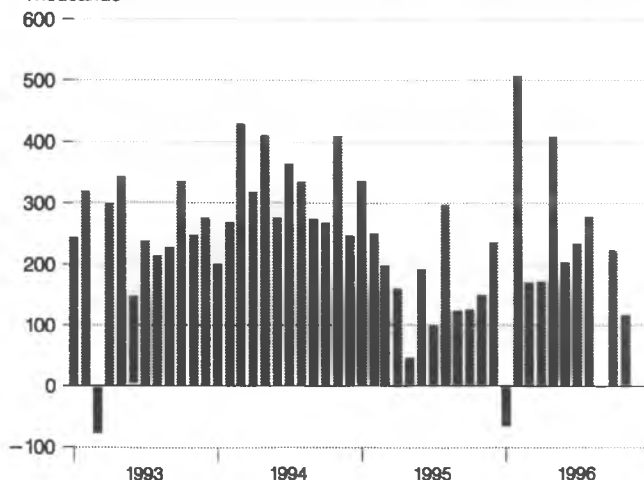
## Interest Rates

Percent



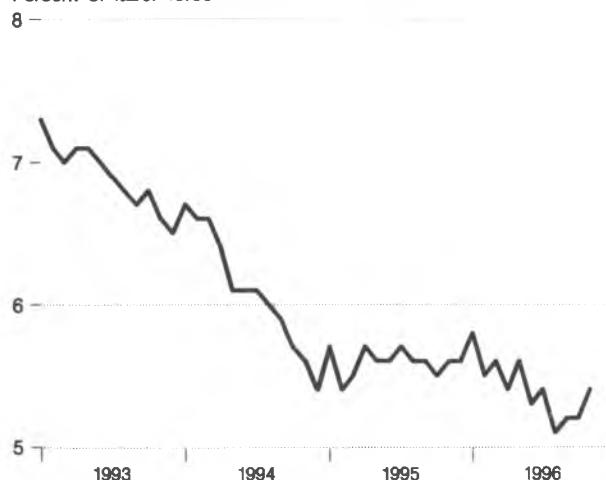
## Change in Nonfarm Payrolls

Thousands



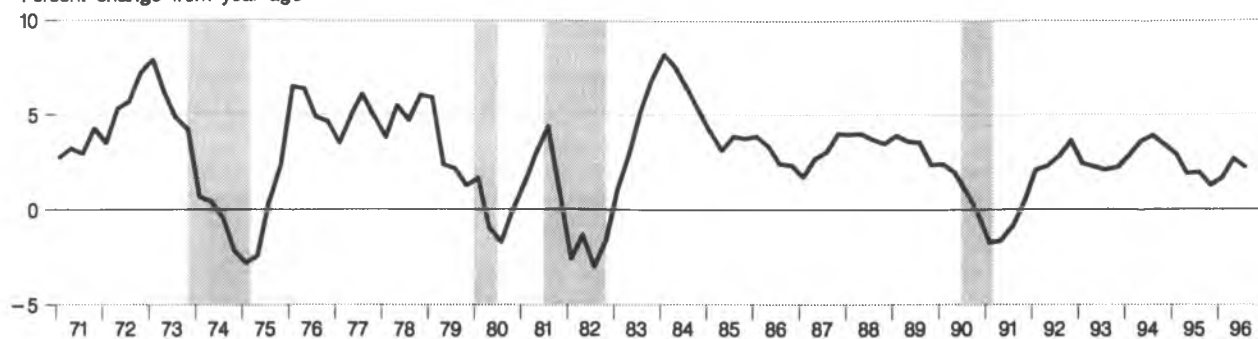
## Unemployment Rate

Percent of labor force



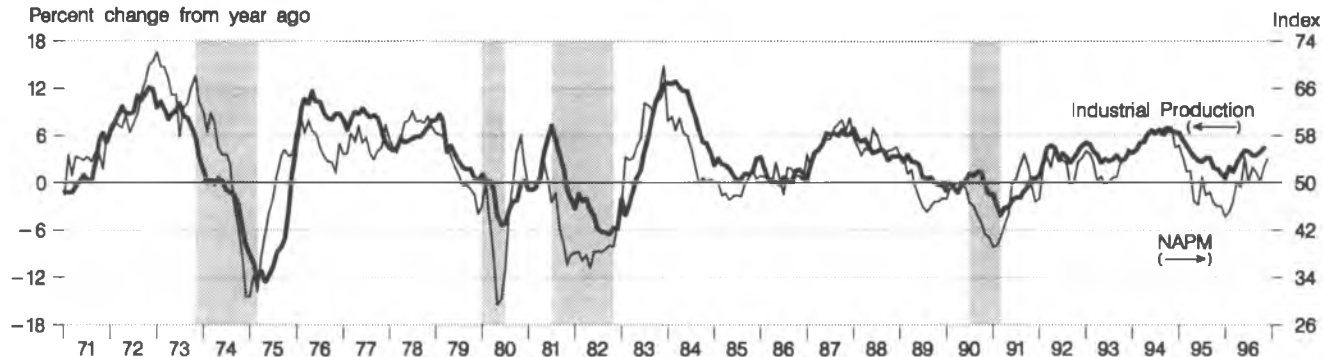
## Real Gross Domestic Product

Percent change from year ago



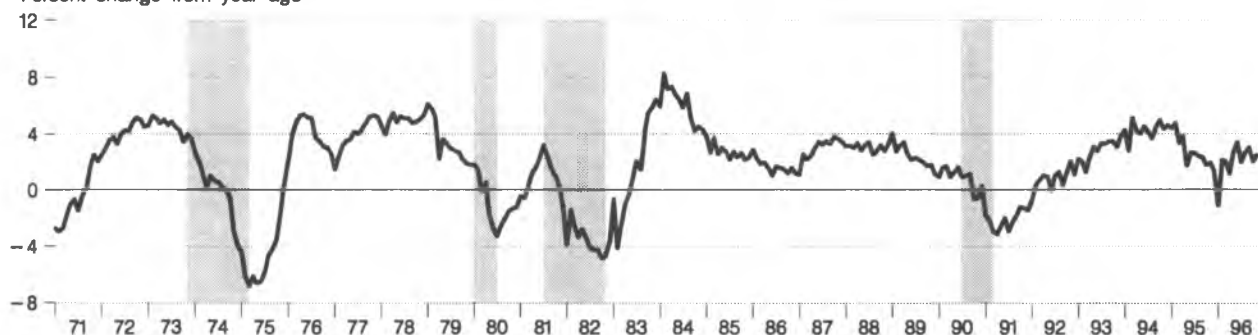
## Industrial Production and Purchasing Managers' (NAPM) Indexes

Percent change from year ago



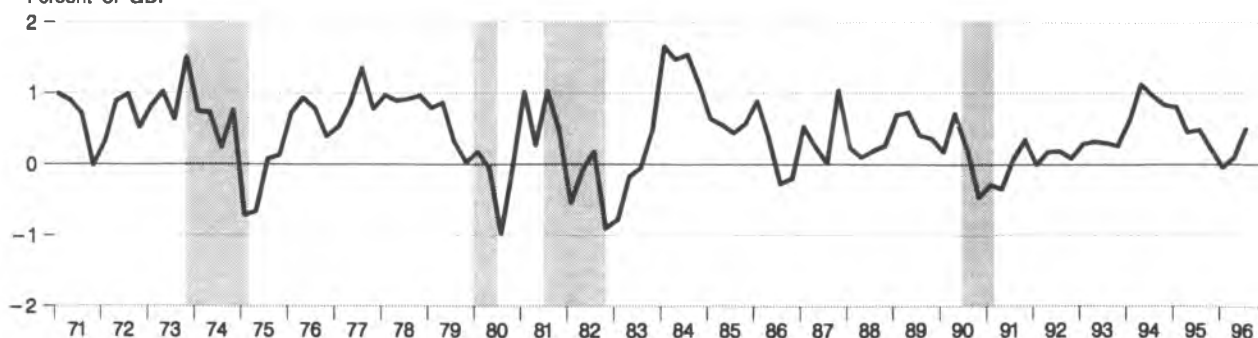
## Aggregate Private Nonfarm Hours

Percent change from year ago



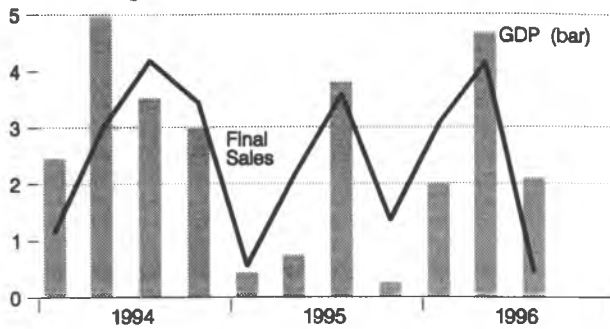
## Real Change in Business Inventories

Percent of GDP



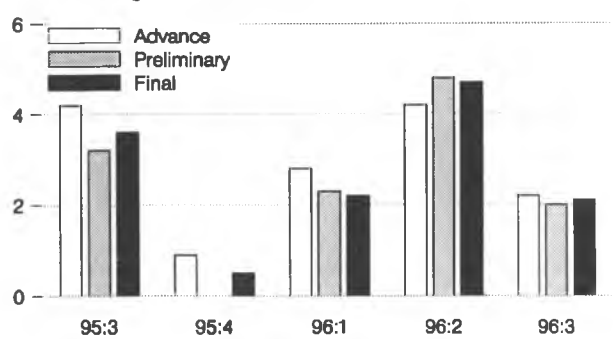
## Real Final Sales and GDP

Percent change at annual rate



## Real GDP Revisions

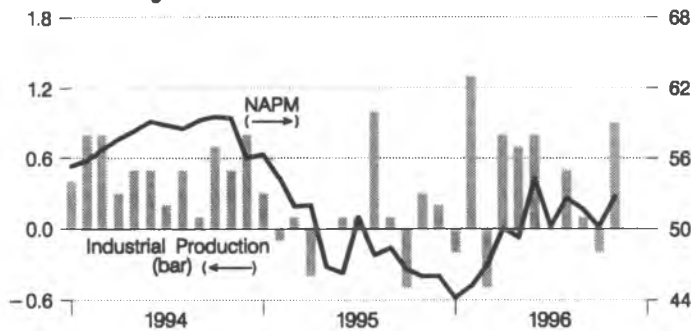
Percent change at annual rate



## Industrial Production and NAPM Index

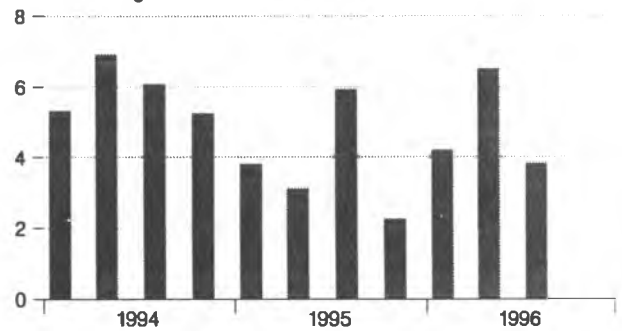
Percent change

Index



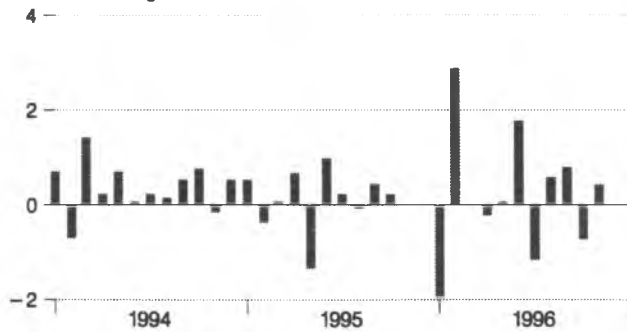
## Nominal Gross Domestic Product

Percent change at annual rate



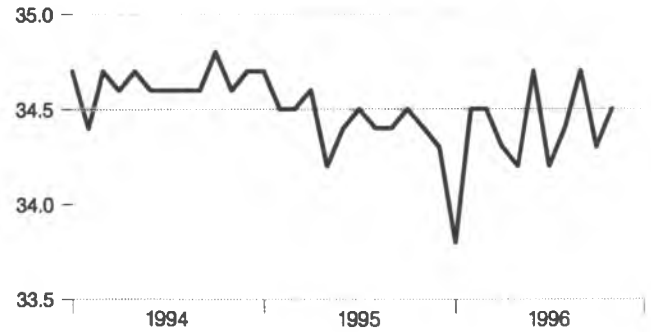
## Aggregate Private Nonfarm Hours

Percent change



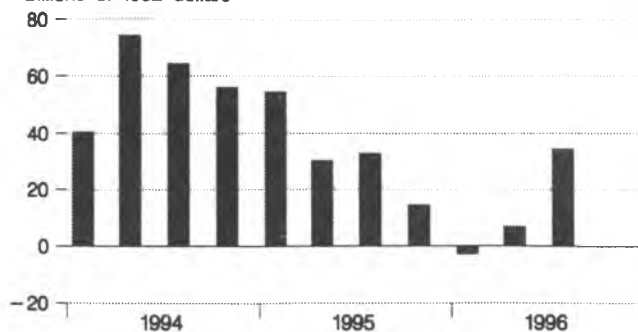
## Average Weekly Private Nonfarm Hours

Hours



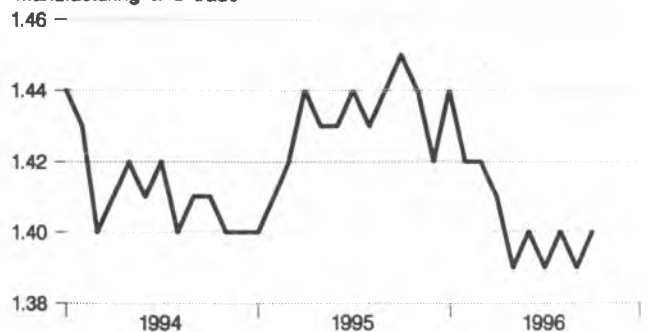
## Real Change in Business Inventories

Billions of 1992 dollars



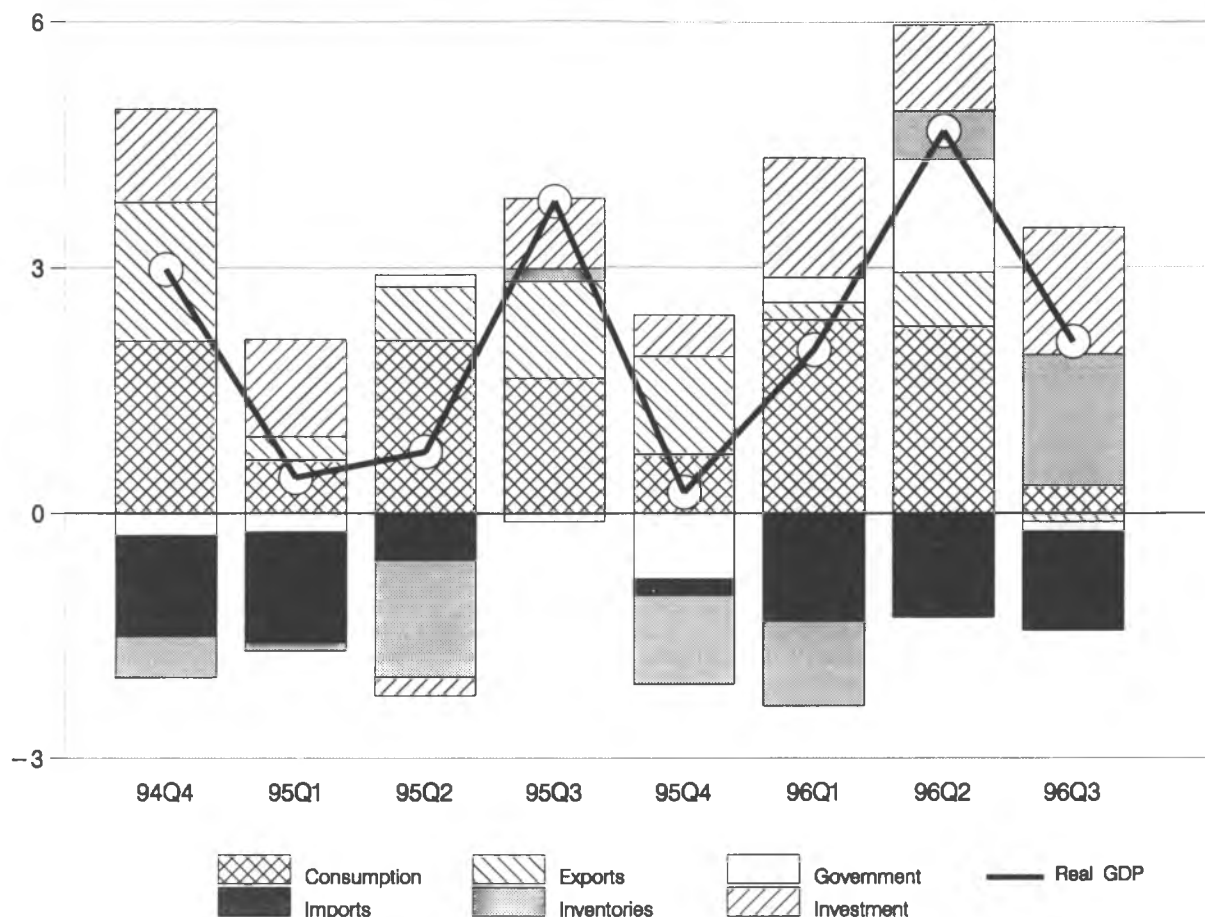
## Inventory-Sales Ratio

Manufacturing and trade



## Contribution of Components to Real GDP Growth

Percent change at annual rate



## Contributions to Real GDP Growth Rate

	1994	1995				1996		
	4th	1st	2nd	3rd	4th	1st	2nd	3rd
Real GDP	2.98	0.43	0.75	3.80	0.25	2.00	4.67	2.10
Final Sales	3.42	0.55	2.11	3.56	1.35	3.04	4.15	0.47
Change in Inventory	-0.50	-0.09	-1.43	0.15	-1.08	-1.03	0.59	1.60
Consumption	2.10	0.65	2.11	1.65	0.71	2.36	2.28	0.34
Fixed Investment	1.14	1.19	-0.23	0.85	0.51	1.47	1.05	1.54
Nonresidential	1.16	1.49	0.36	0.51	0.26	1.19	0.41	1.80
Residential	-0.00	-0.26	-0.56	0.34	0.24	0.28	0.61	-0.22
Government	-0.28	-0.23	0.15	-0.11	-0.81	0.30	1.39	-0.12
Federal	-0.45	-0.49	-0.10	-0.41	-0.96	0.40	0.62	-0.24
State and Local	0.19	0.26	0.25	0.31	0.17	-0.11	0.76	0.13
Net Exports	0.44	-1.08	0.07	1.19	0.99	-1.12	-0.63	-1.31
Exports	1.70	0.28	0.65	1.18	1.19	0.21	0.66	-0.10
Imports	-1.24	-1.36	-0.58	0.00	-0.21	-1.33	-1.28	-1.21
Residual	0.04	-0.03	0.07	0.03	-0.06	0.04	-0.03	0.01

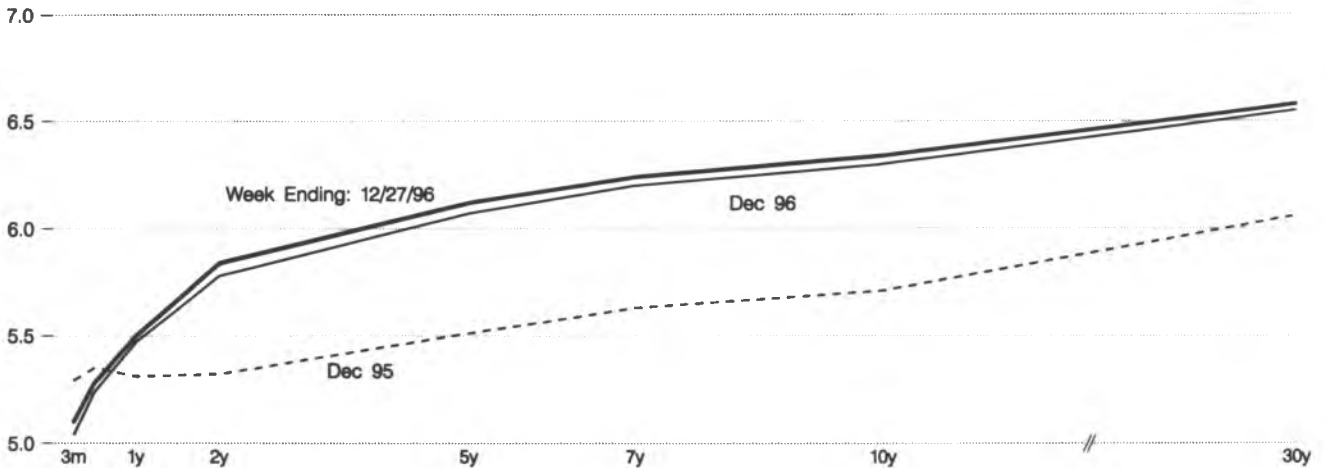
## Interest Rates

Percent



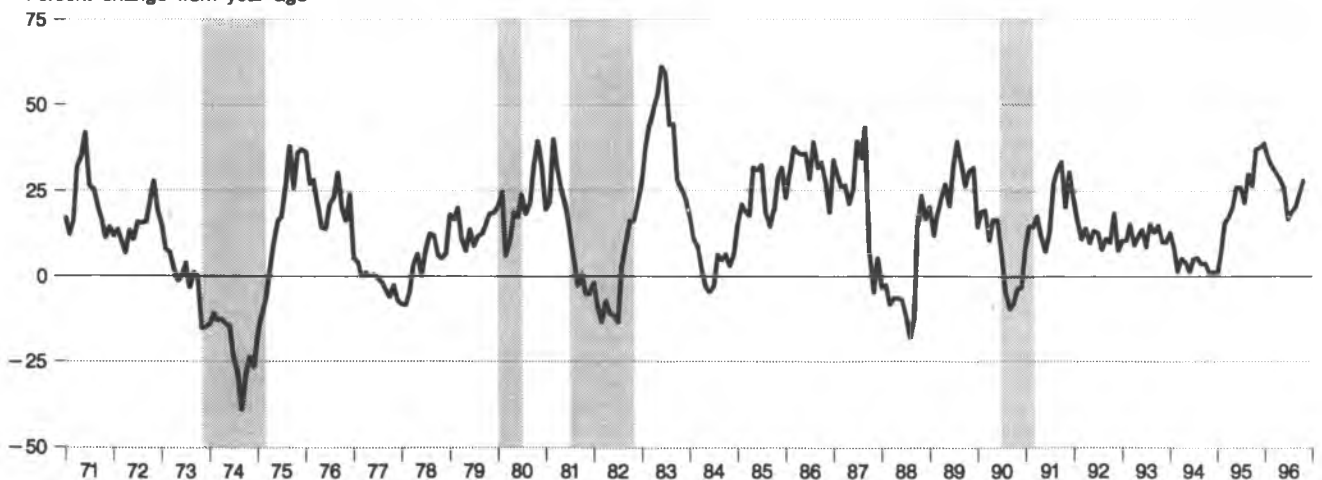
## Treasury Yield Curve

Percent



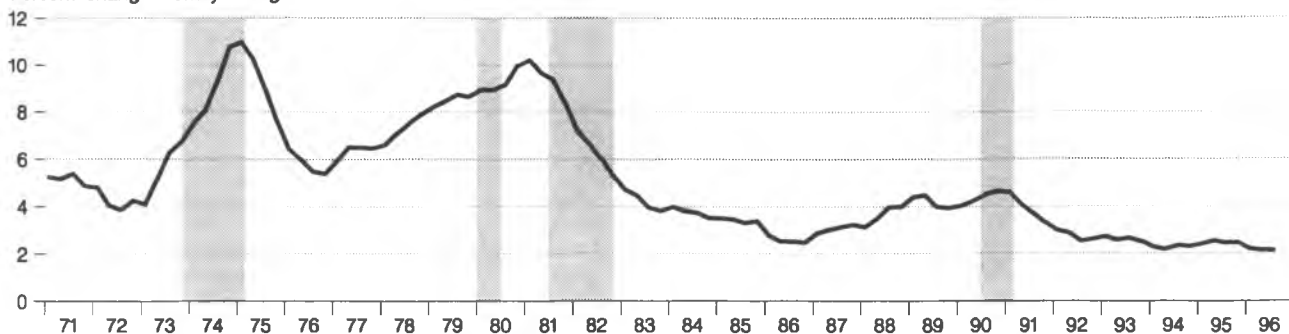
## Total Return on Standard and Poor's 500

Percent change from year ago



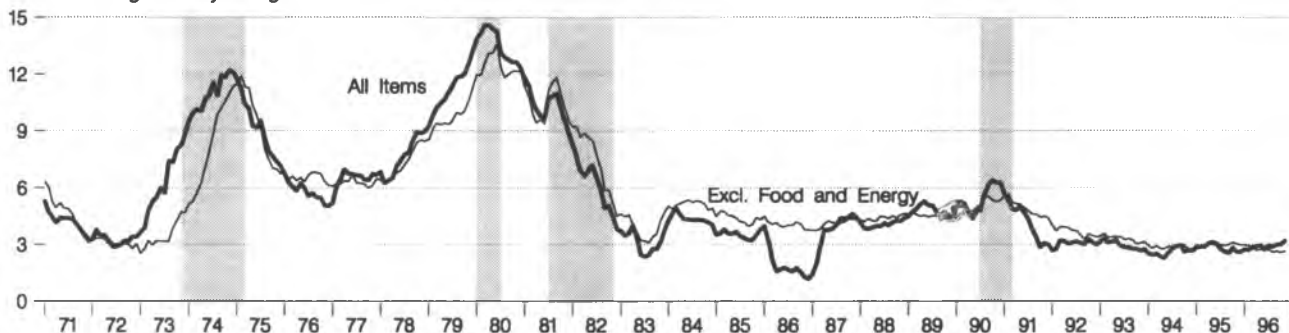
## GDP Chain Price Index

Percent change from year ago



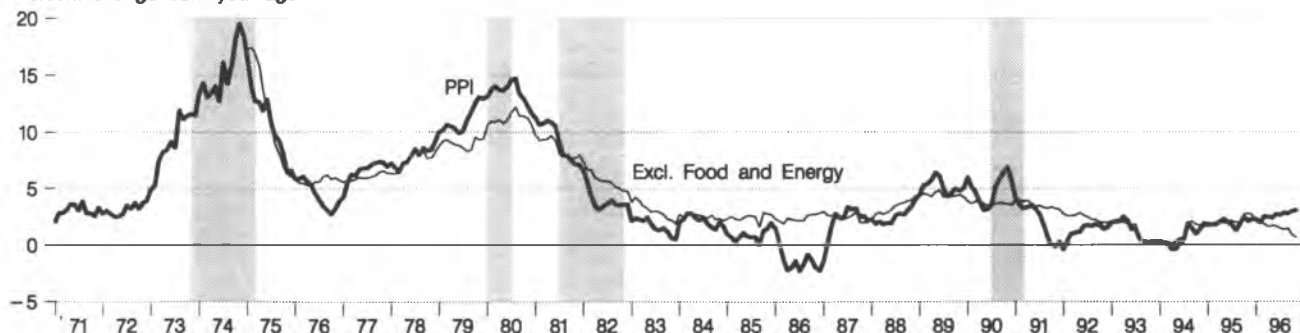
## Consumer Price Index

Percent change from year ago



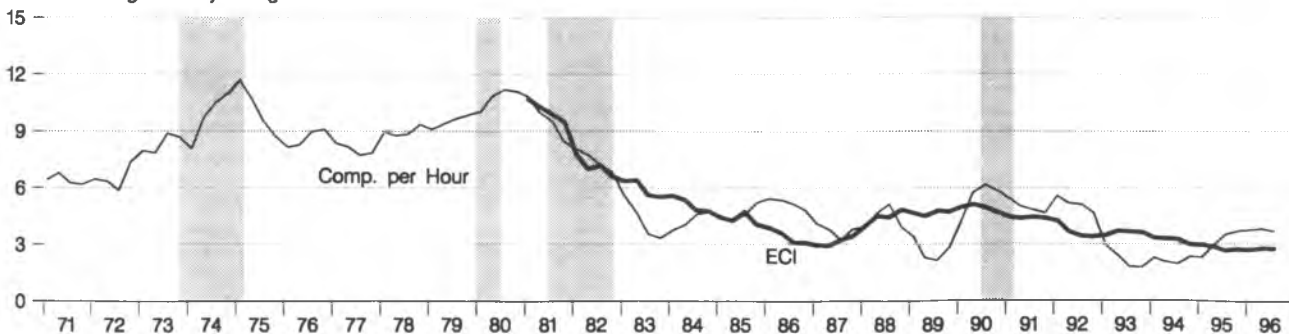
## Producer Price Index, Finished Goods

Percent change from year ago



## Employment Cost Index and Compensation per Hour

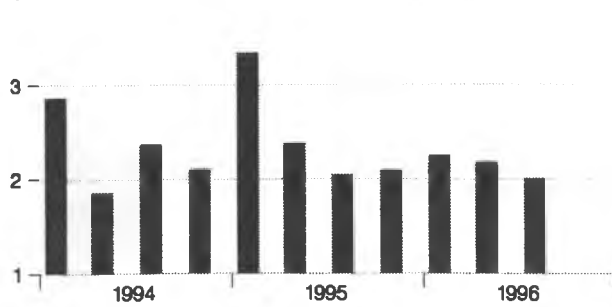
Percent change from year ago





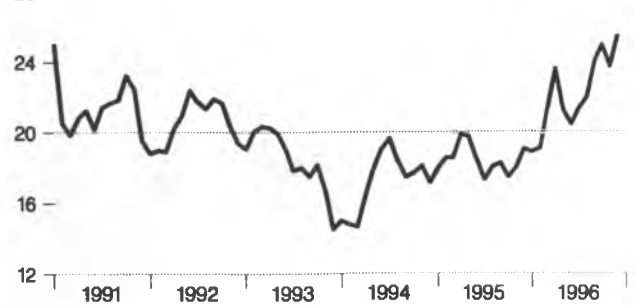
## GDP Chain Price Index

Percent change at annual rate  
4



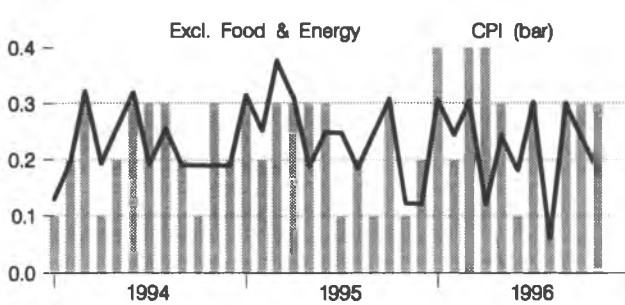
## Crude Oil Price

Dollars per barrel  
28



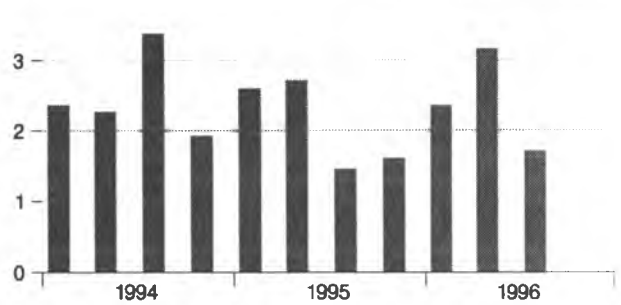
## Consumer Price Index

Percent change  
0.5



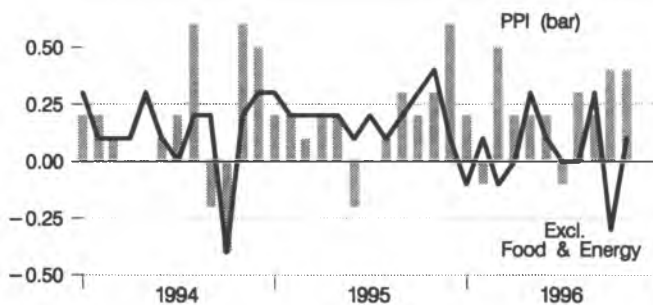
## Consumption Chain Price Index

Percent change at annual rate  
4



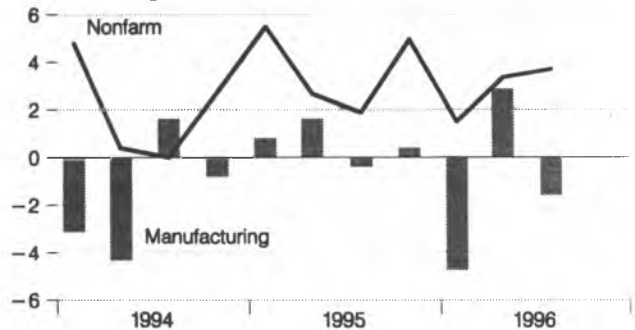
## Producer Price Index, Finished Goods

Percent change  
0.75



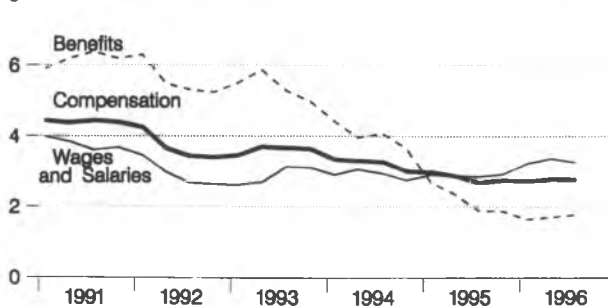
## Unit Labor Cost

Percent change at annual rate  
6



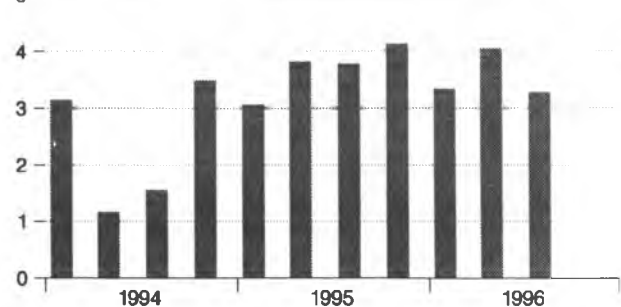
## Employment Cost Index

Percent change from year ago  
8



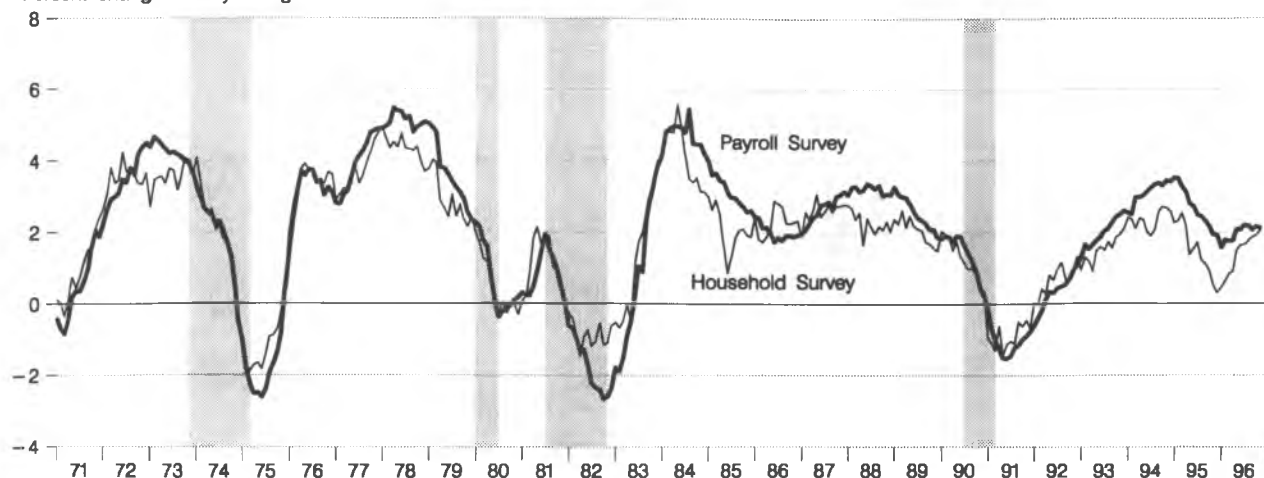
## Compensation per Hour

Percent change at annual rate  
5



## Employment

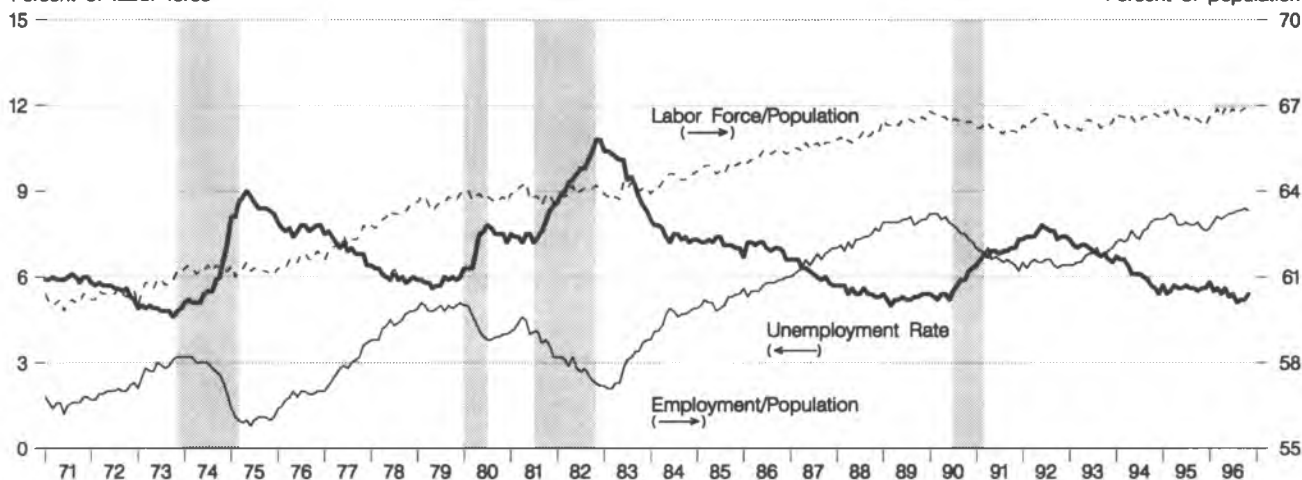
Percent change from year ago



## Unemployment, Labor Force Participation and Employment Rates

Percent of labor force

Percent of population



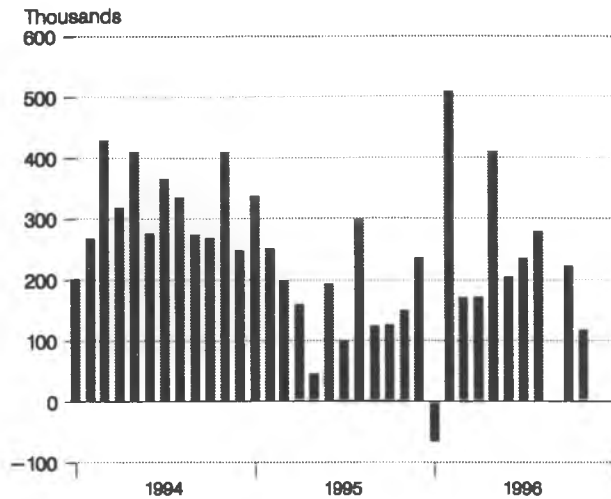
## Duration of Unemployment

Percent of labor force

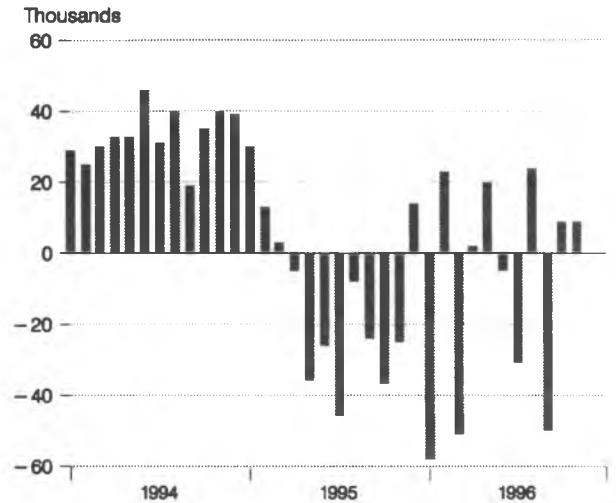
Weeks



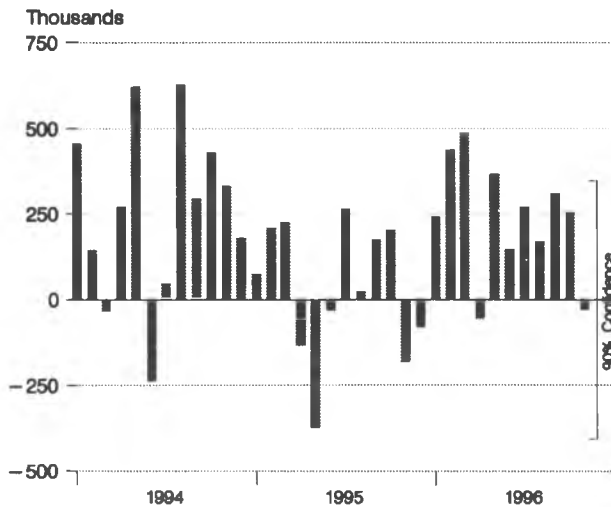
## Change in Nonfarm Payrolls



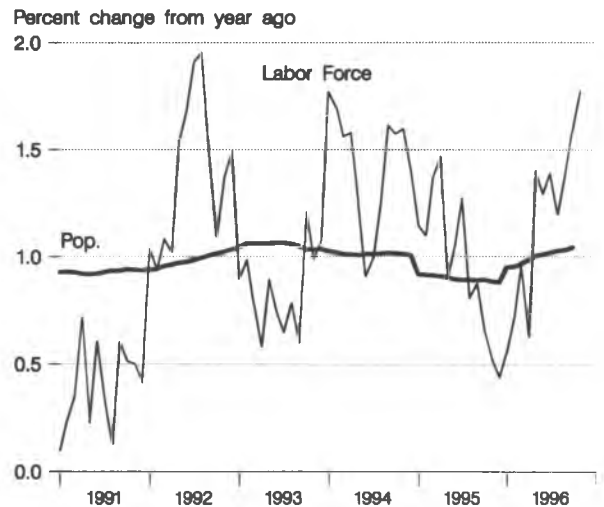
## Change in Manufacturing Payrolls



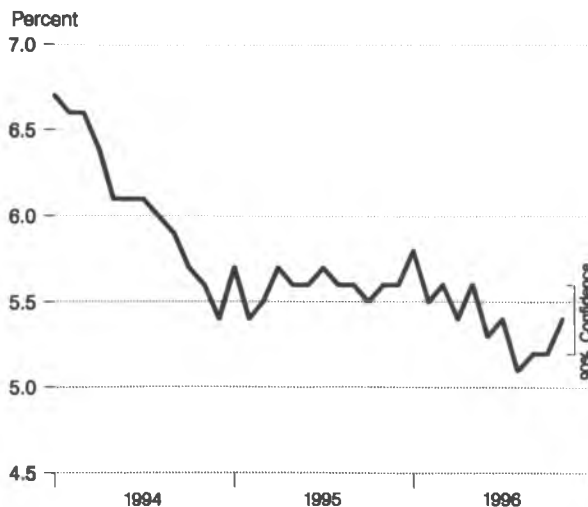
## Change in Household Employment



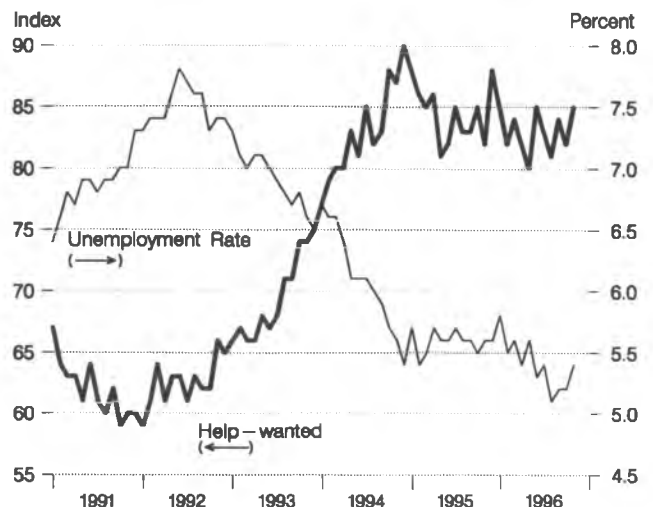
## Labor Force and Population



## Unemployment Rate

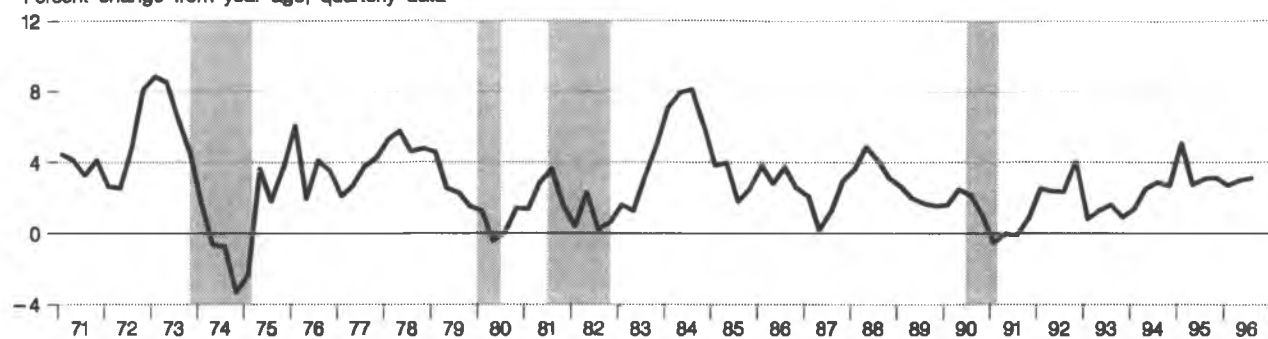


## Help-Wanted Advertising



## Real Disposable Income

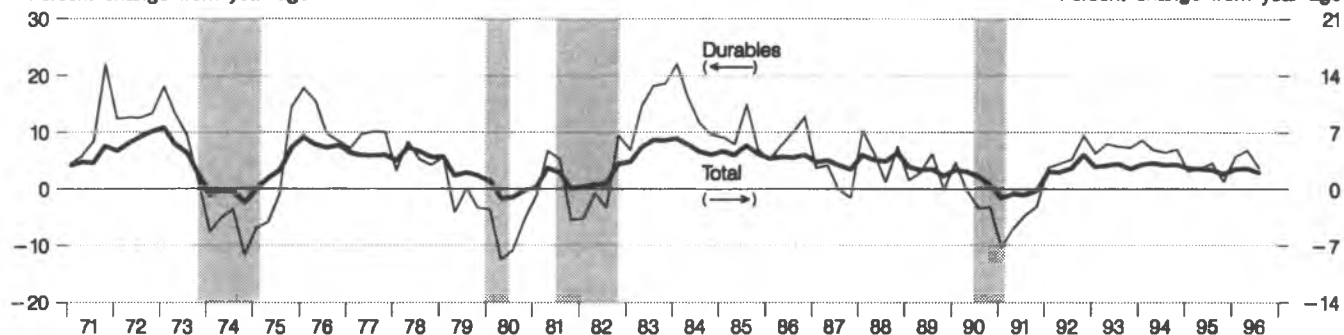
Percent change from year ago, quarterly data



## Real Consumption

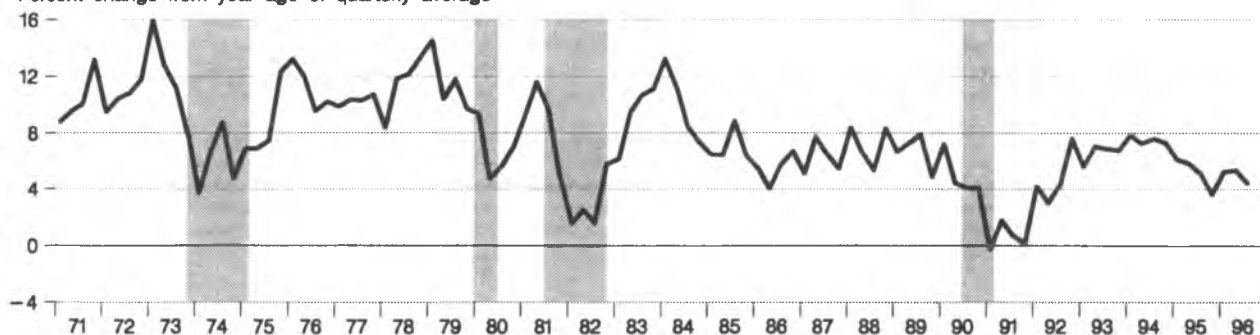
Percent change from year ago

Percent change from year ago



## Retail Sales

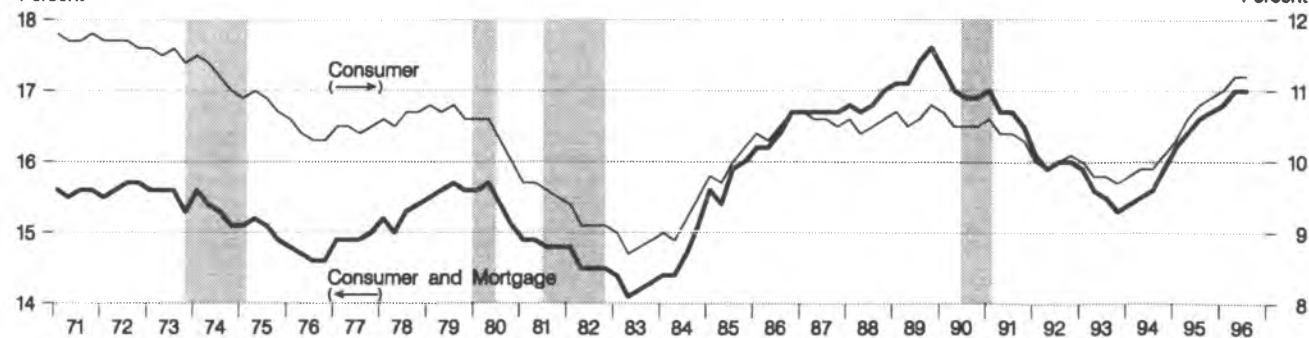
Percent change from year ago of quarterly average



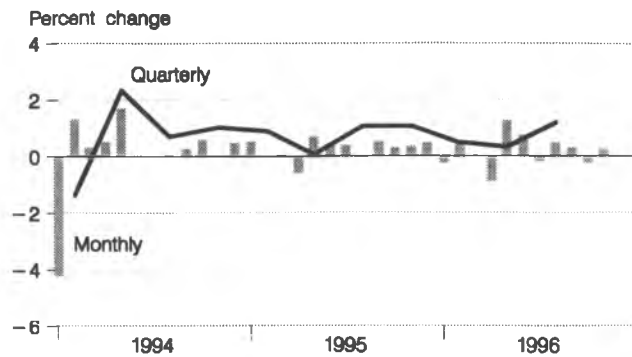
## Debt Service as Percent of Disposable Income

Percent

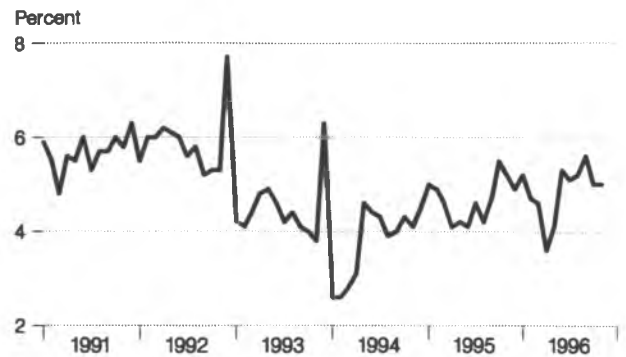
Percent



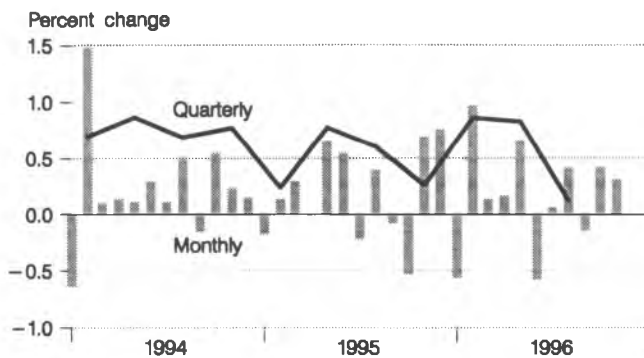
## Real Disposable Income



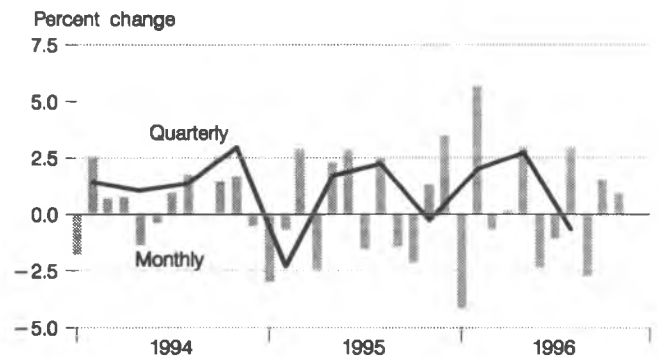
## Personal Saving Rate



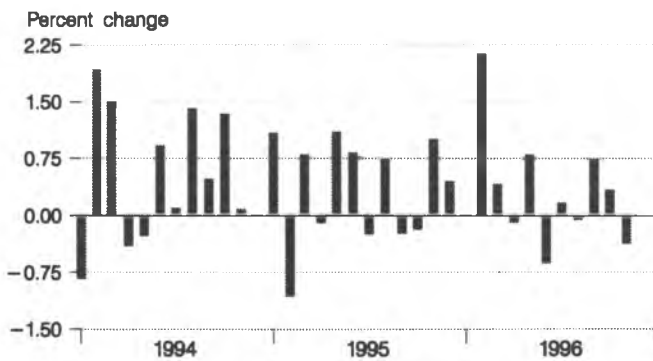
## Real Consumption



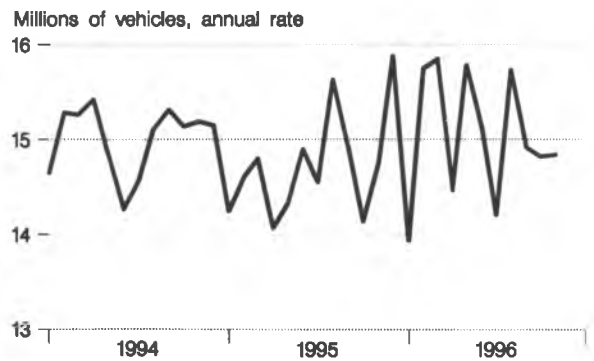
## Real Durables Consumption



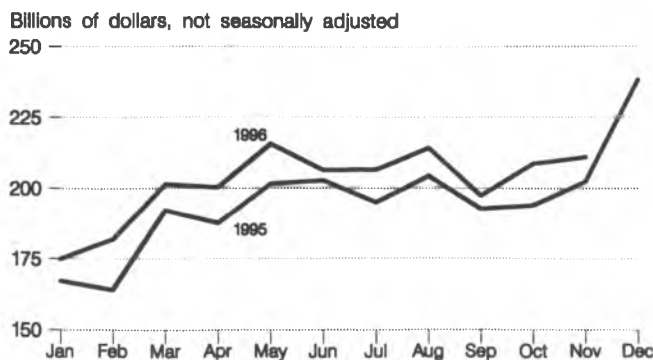
## Retail Sales



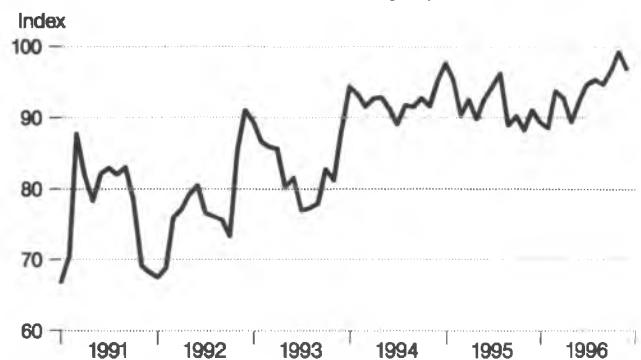
## Total Auto and Light Truck Sales



## Retail Sales

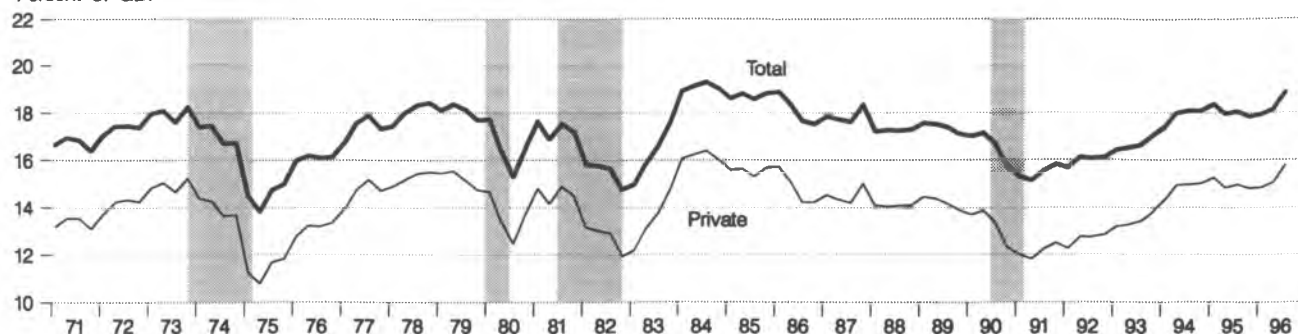


## Consumer Sentiment (U. of Michigan)



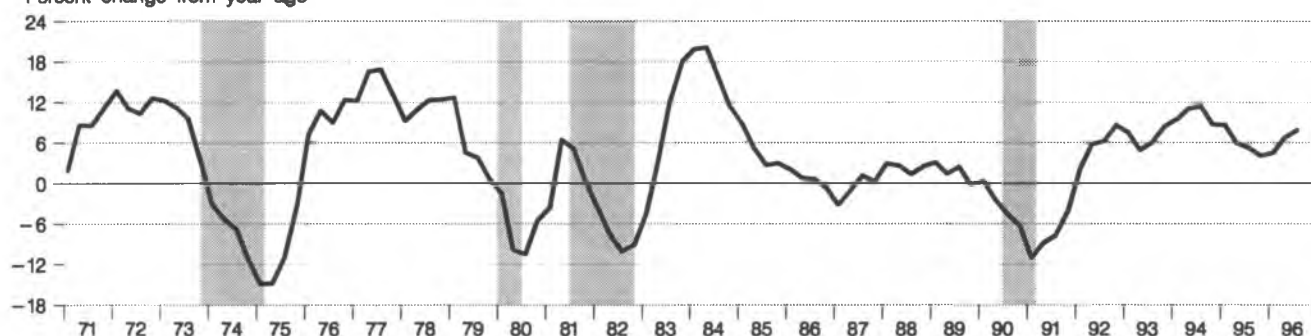
## Real Investment

Percent of GDP



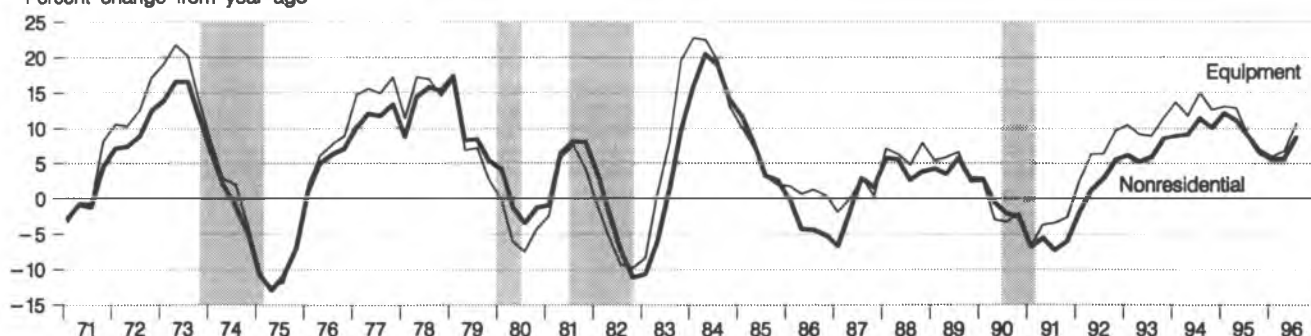
## Real Private Fixed Investment

Percent change from year ago



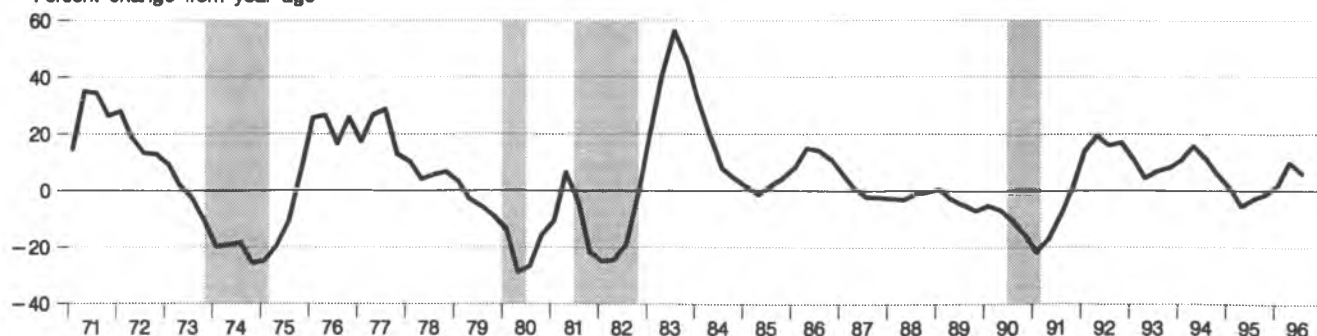
## Real Nonresidential and Producers Durable Equipment Investment

Percent change from year ago

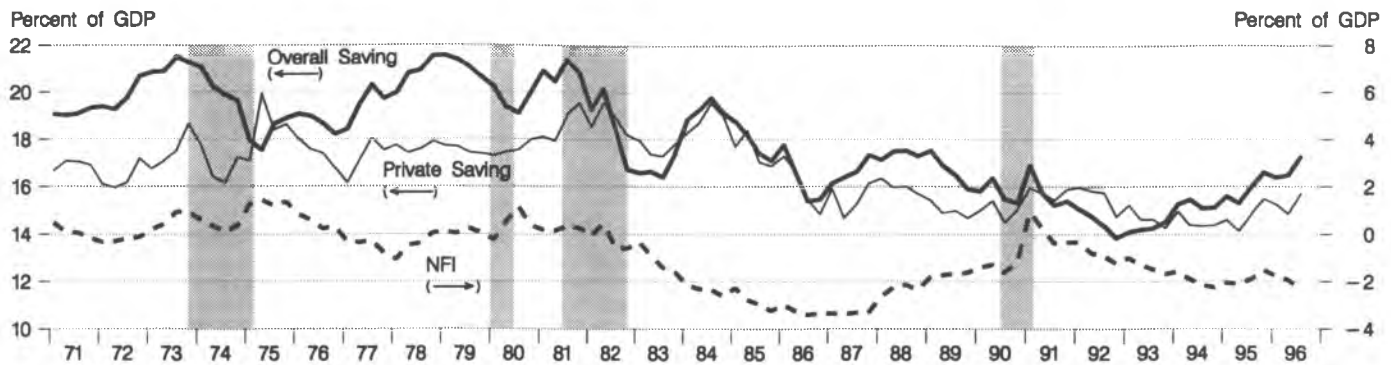


## Real Residential Investment

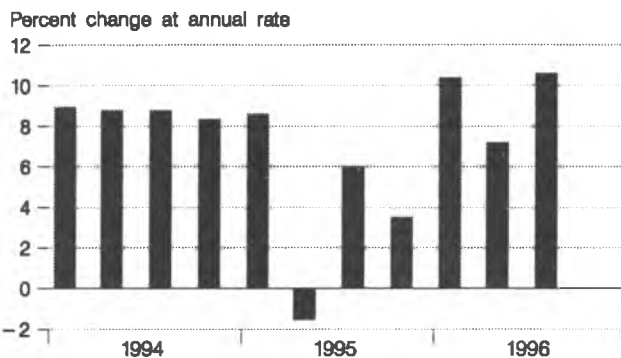
Percent change from year ago



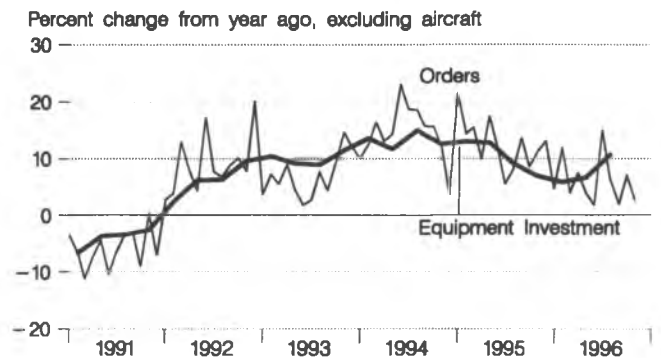
## Gross Saving Rates and Net Foreign Investment



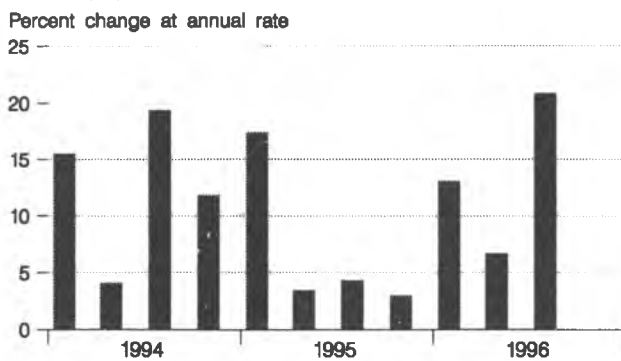
## Real Private Fixed Investment



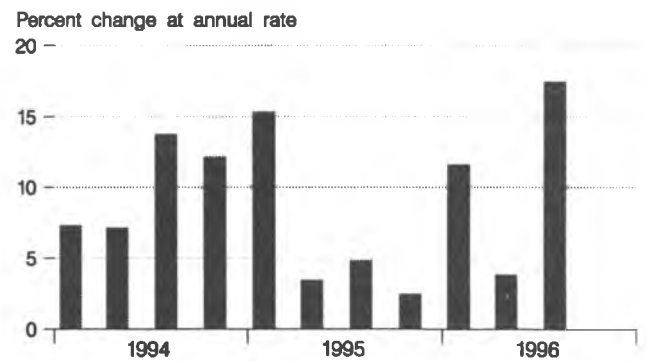
## Nondefense Capital Goods Orders



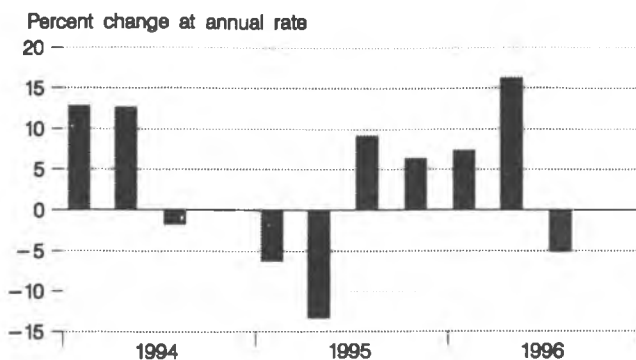
## Real Equipment Investment



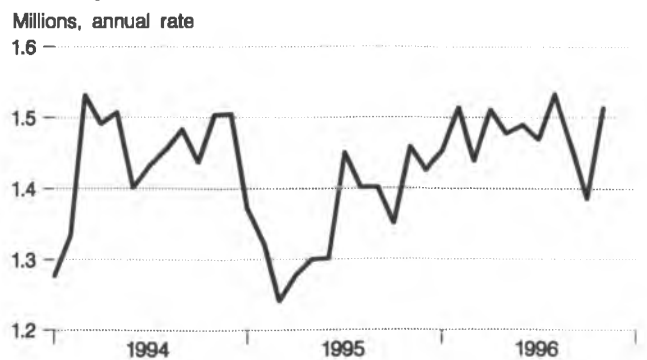
## Real Nonresidential Investment



## Real Residential Investment



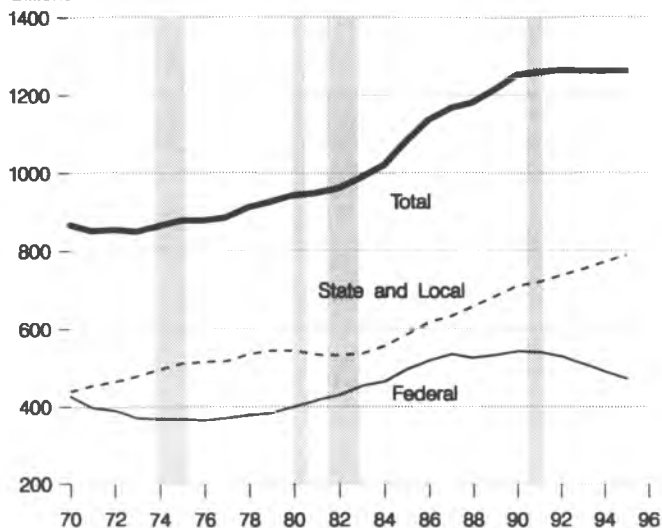
## Housing Starts





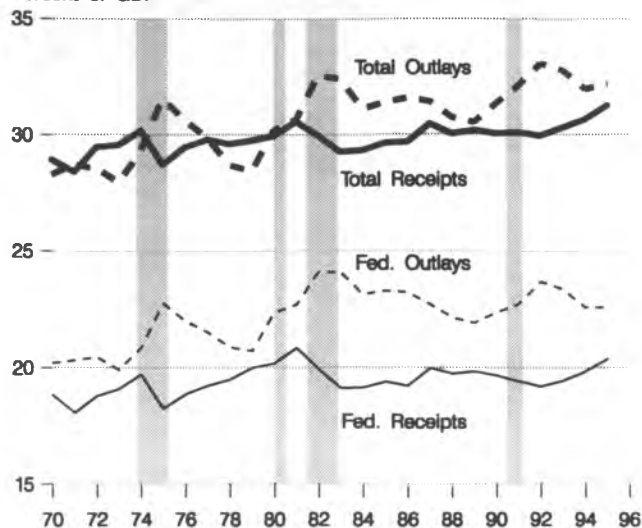
## Govt. Consumption and Investment

Billions of 1992 dollars

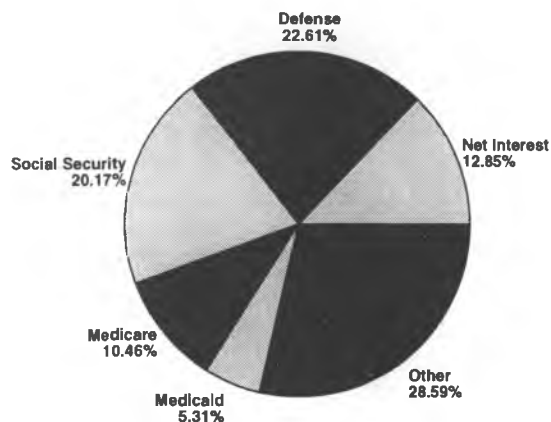


## Government Receipts and Outlays

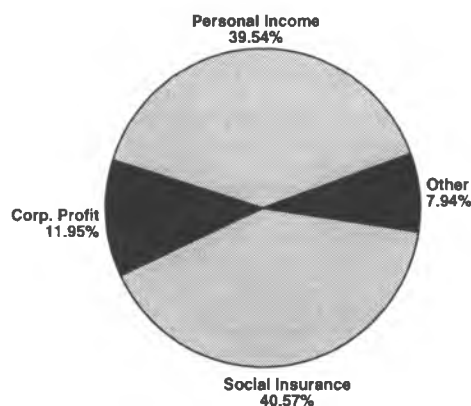
Percent of GDP



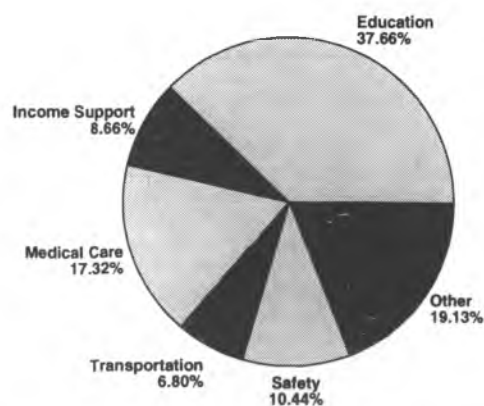
## Federal Outlays, 1994



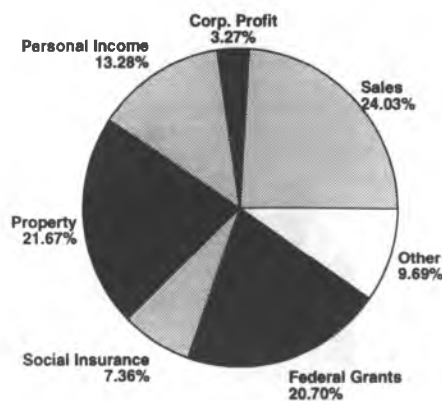
## Federal Receipts, 1994



## State and Local Outlays, 1994

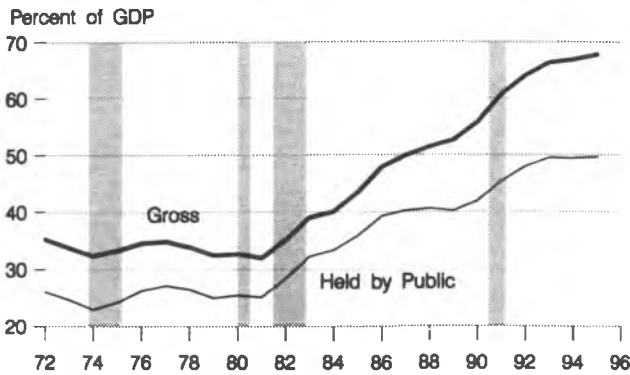


## State and Local Receipts, 1994

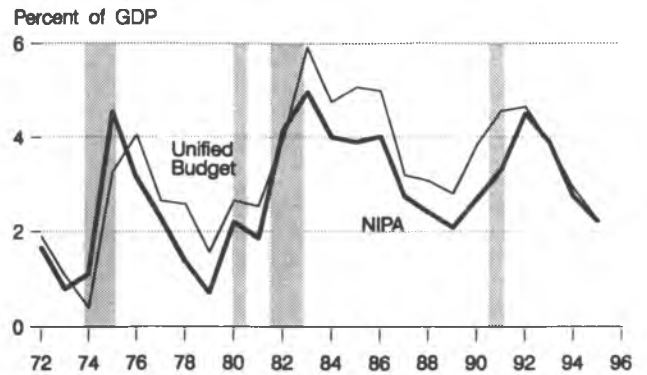




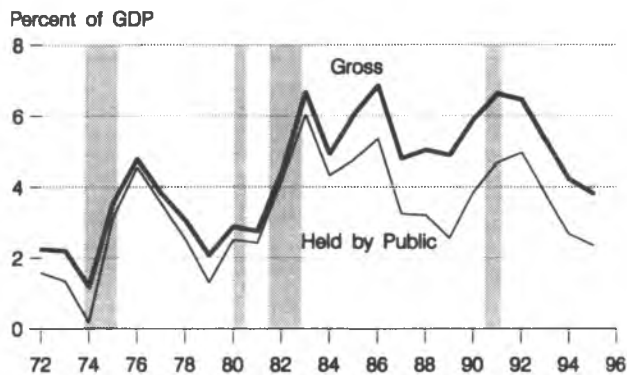
## Gross Federal Debt



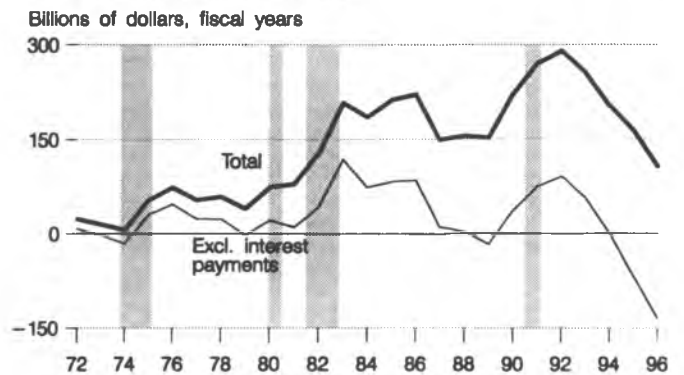
## Federal Deficit



## Change in Gross Federal Debt



## Federal Deficit, Unified Basis



## Government Budgets

Billions of dollars

### National Income Accounts Calendar Years

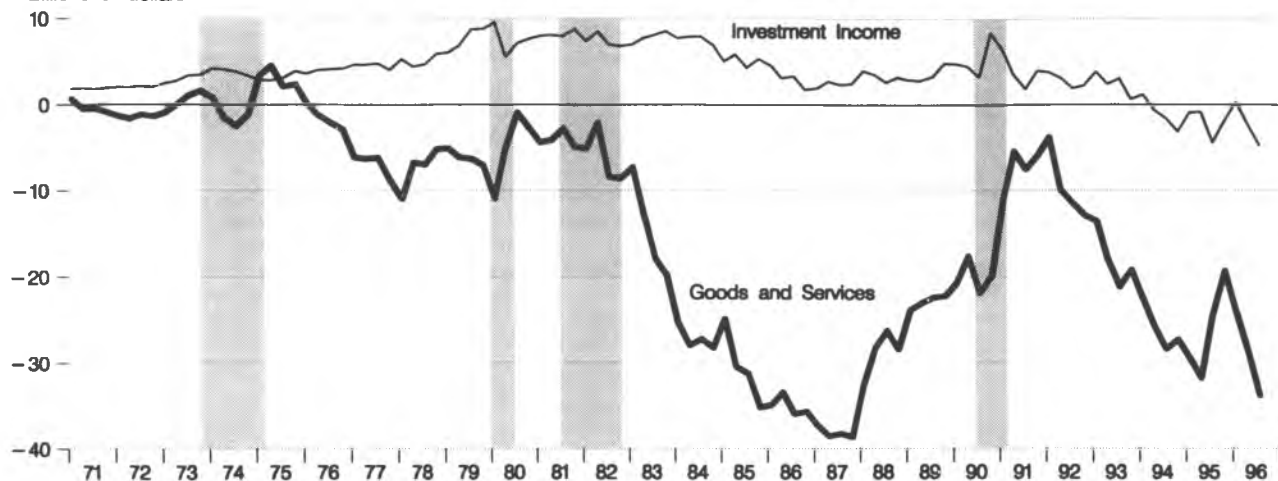
	State and Local			Federal		
	Receipts	Expenditures	Surplus or Deficit(-)	Receipts	Expenditures	Surplus or Deficit(-)
1980	361.4	307.0	54.4	561.5	622.5	-61.0
1981	390.8	335.4	55.4	649.3	707.1	-57.8
1982	409.0	357.7	51.3	646.4	781.0	-134.6
1983	443.6	378.8	64.8	671.9	846.3	-174.4
1984	492.0	405.1	86.9	746.9	902.9	-156.0
1985	528.7	437.8	90.9	811.3	974.2	-162.9
1986	570.6	475.7	94.9	850.1	1027.6	-177.5
1987	594.9	511.1	83.8	937.4	1066.3	-128.9
1988	631.4	545.5	85.9	997.2	1118.5	-121.3
1989	681.0	585.9	95.1	1079.3	1192.7	-113.4
1990	728.9	648.8	80.1	1129.8	1284.5	-154.7
1991	784.2	708.4	75.8	1149.0	1345.0	-196.0
1992	844.3	758.0	86.3	1198.5	1479.4	-280.9
1993	897.1	802.2	94.9	1275.3	1530.9	-255.6
1994	946.4	846.6	99.8	1377.0	1567.3	-190.3
1995	996.1	901.1	95.0	1478.4	1640.1	-161.7
1996	NA	NA	NA	NA	NA	NA

### Unified Budget Fiscal Years

Federal		
Receipts	Outlays	Surplus or Deficit(-)
517.1	590.9	-73.8
599.3	678.2	-79.0
617.8	745.8	-128.0
600.6	808.4	-207.8
666.5	851.8	-185.4
734.1	946.4	-212.3
769.1	990.3	-221.2
854.1	1003.9	-149.8
909.0	1064.1	-155.2
990.7	1143.2	-152.5
1031.3	1252.5	-221.2
1054.3	1323.6	-269.4
1090.5	1380.9	-290.4
1153.5	1408.7	-255.1
1257.7	1460.8	-203.1
1351.5	1514.4	-162.9
1452.8	1560.1	-107.3

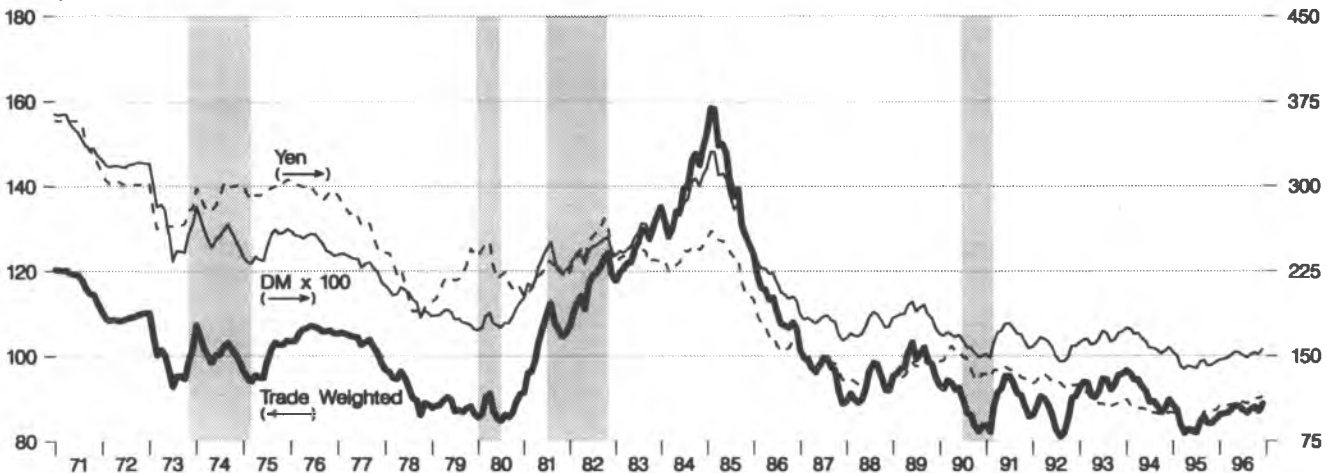
## Trade and Investment Income Balances

Billions of dollars

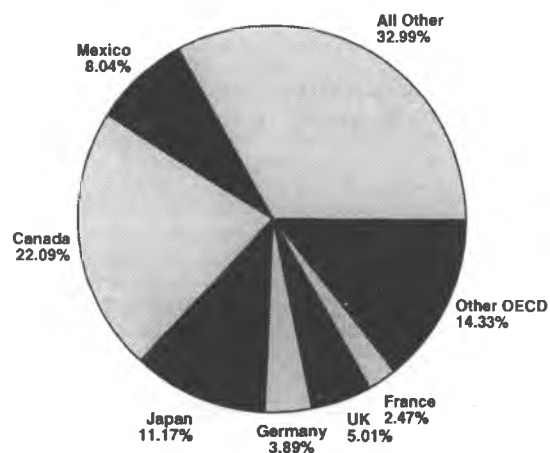


## Exchange Rates

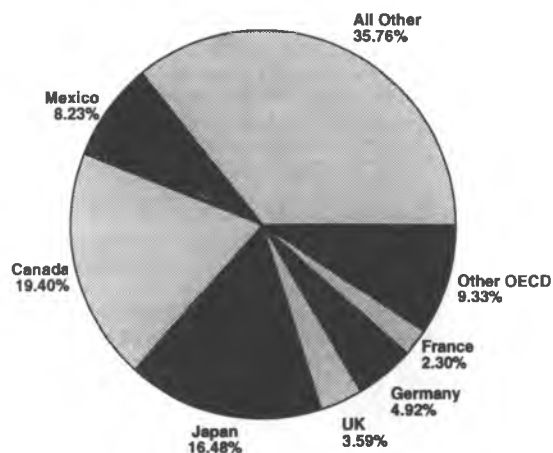
Index, March 1973=100



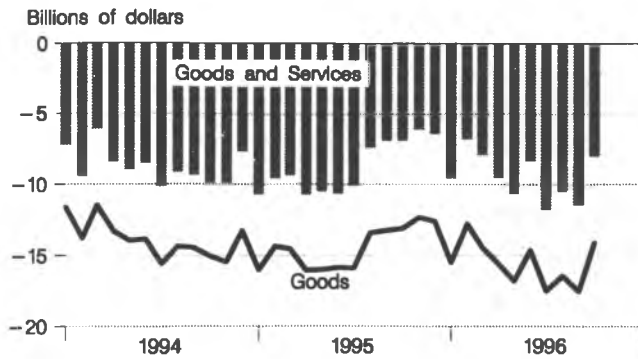
## Goods Export Shares, 1995



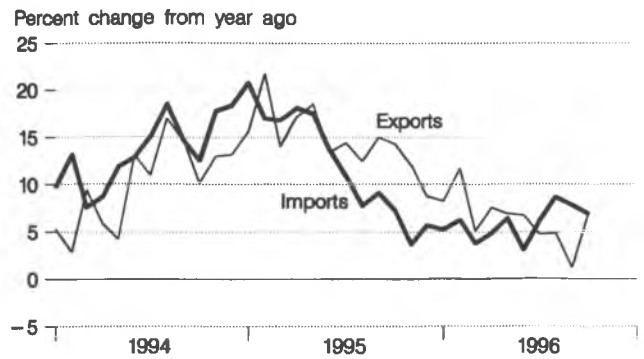
## Goods Import Shares, 1995



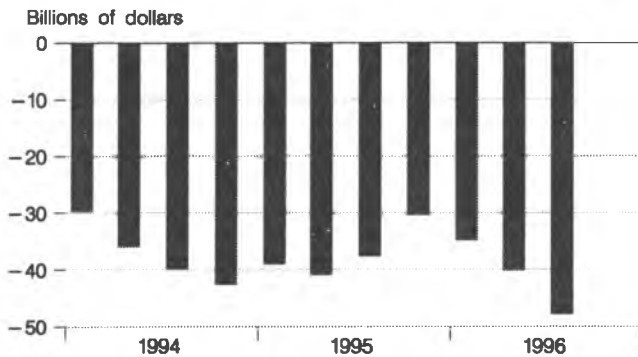
## Trade Balance



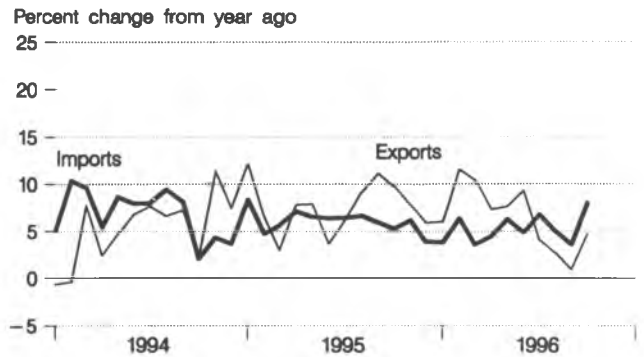
## Goods Trade



## Current Account Balance



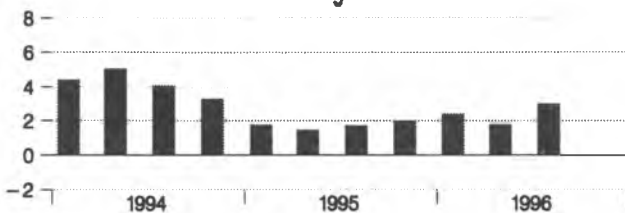
## Services Trade



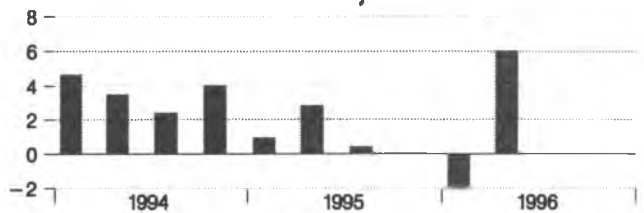
## Real GDP Growth of Major Trading Partners

Percent change at annual rate

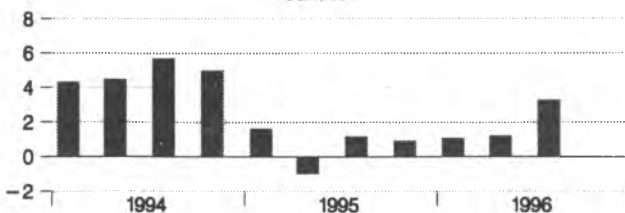
### United Kingdom



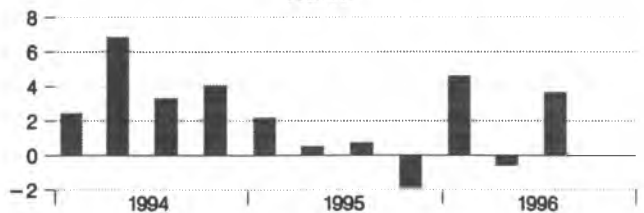
### Germany



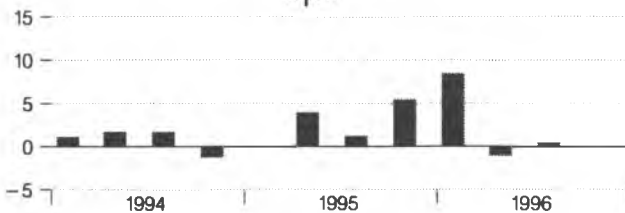
### Canada



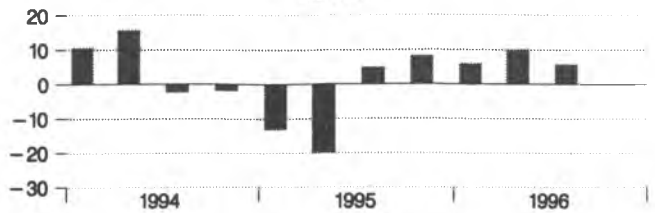
### France



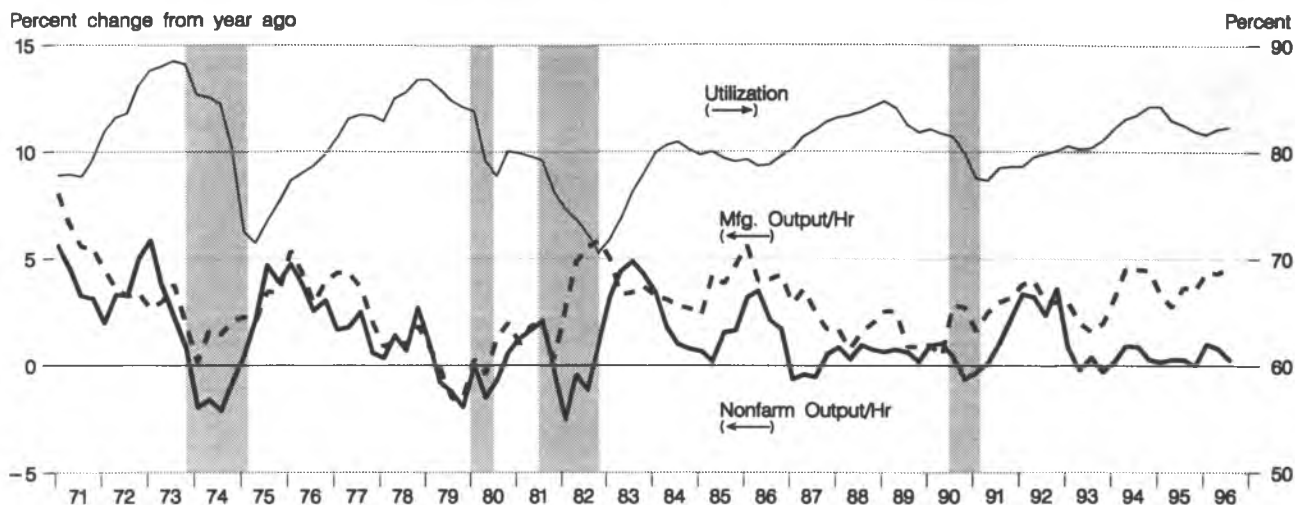
### Japan



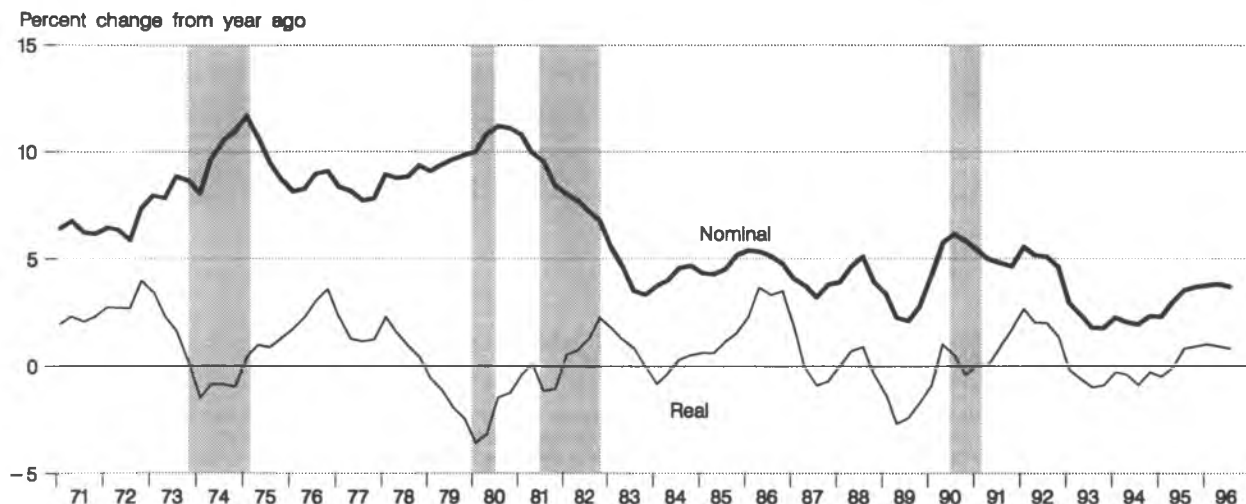
### Mexico



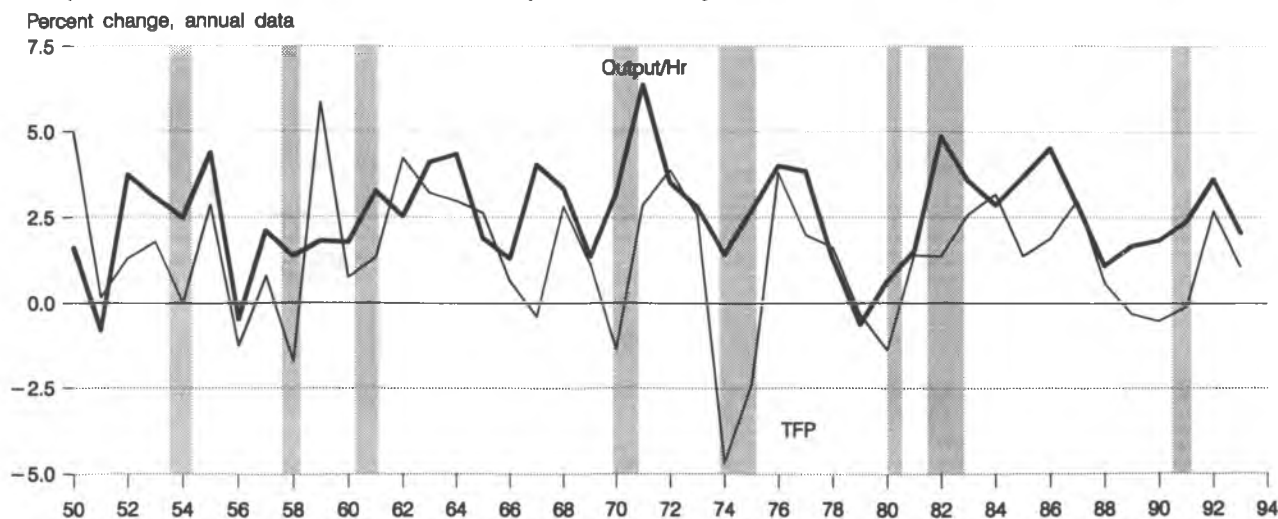
## Output per Hour and Manufacturing Capacity Utilization



## Nonfarm Compensation per Hour

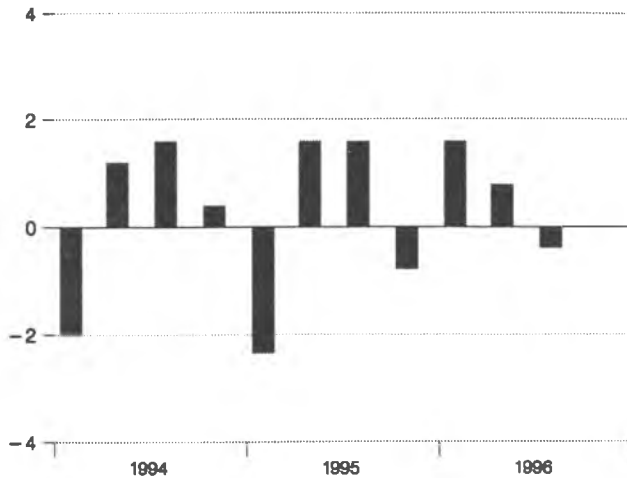


## Output per Hour and Total Factor Productivity, Manufacturing



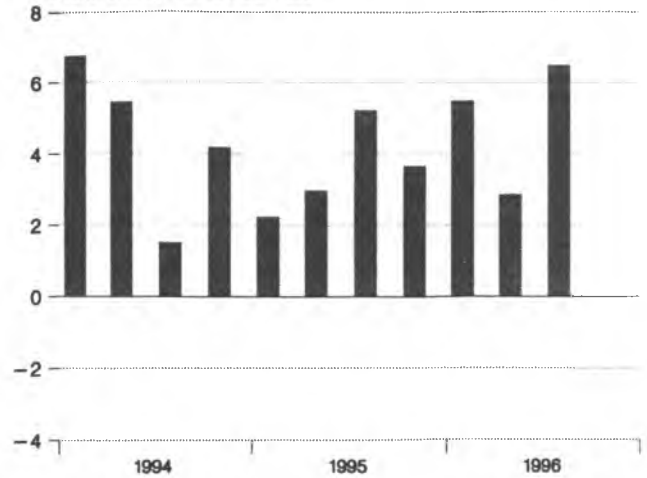
## Nonfarm Output per Hour

Percent change at annual rate

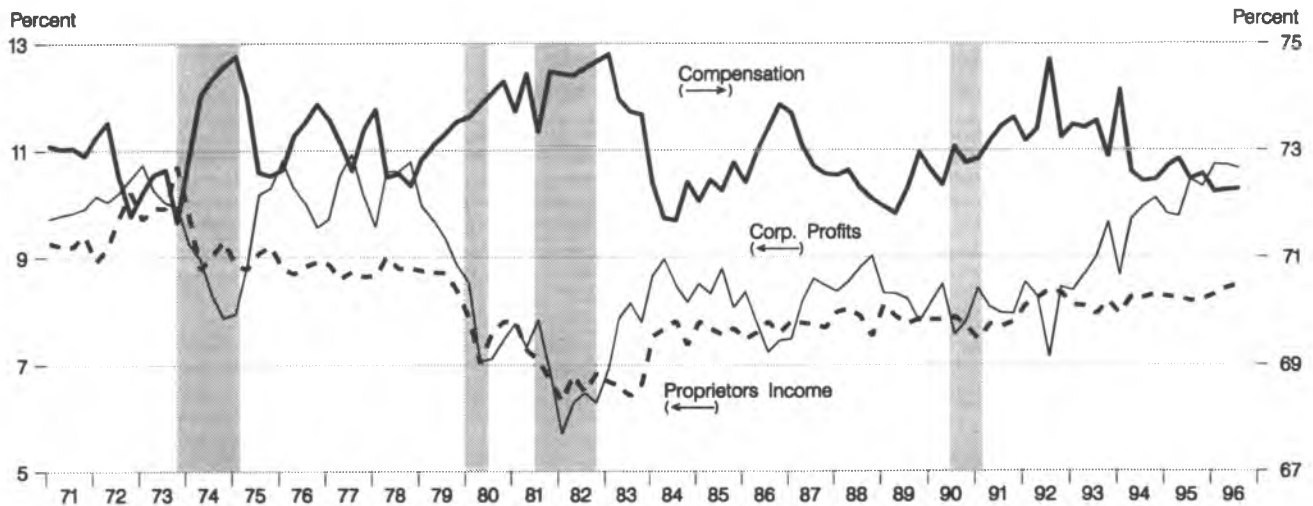


## Manufacturing Output per Hour

Percent change at annual rate

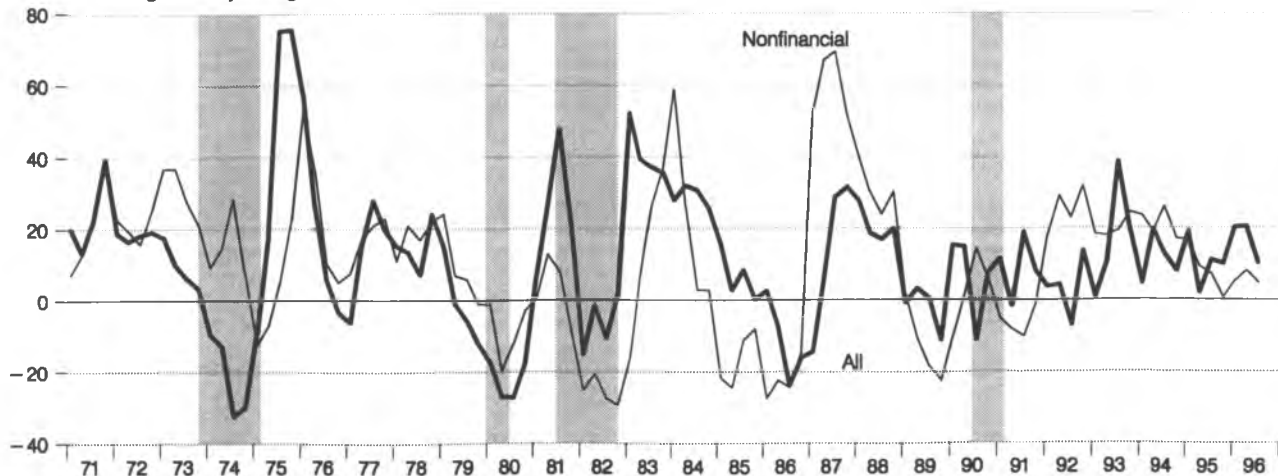


## Selected Component Shares of National Income



## Corporate Profits after Tax (with IVA and CCAAdj)

Percent change from year ago



# National Economic Trends

	Nominal GDP			Real GDP			Final Sales			Change in Business Inventories		
	Percent change			Percent change			Percent change			Billions of 1992 \$		
	Billions of \$	Annual rate	Year ago	Billions of 1992 \$	Annual rate	Year ago	Billions of 1992 \$	Annual rate	Year ago	Last qtr	Year ago	
1991	5916.7		3.0	6078.933		-1.0	6082.628		-0.7		10.396	
1992	6244.4		5.5	6244.442		2.7	6237.457		2.5		-2.982	
1993	6553.0		4.9	6386.363		2.3	6365.527		2.1		7.269	
1994	6935.7		5.8	6608.711		3.5	6550.717		2.9		19.075	
1995	7253.8		4.6	6742.920		2.0	6708.836		2.4		58.898	
1993 1	6442.6	3.8	5.2	6326.432	-0.1	2.4	6307.113	-0.9	2.1	18.500	-0.142	
2	6506.2	4.0	4.9	6356.530	1.9	2.3	6334.496	1.7	2.1	20.846	11.294	
3	6574.4	4.3	4.8	6393.434	2.3	2.1	6371.296	2.3	1.9	19.540	12.142	
4	6688.6	7.1	4.8	6469.055	4.8	2.2	6449.202	5.0	2.0	17.414	5.782	
1994 1	6776.0	5.3	5.2	6508.519	2.5	2.9	6467.727	1.2	2.5	40.530	18.500	
2	6890.5	6.9	5.9	6587.574	4.9	3.6	6514.945	3.0	2.8	74.481	20.846	
3	6993.1	6.1	6.4	6644.898	3.5	3.9	6582.060	4.2	3.3	64.488	19.540	
4	7083.2	5.3	5.9	6693.854	3.0	3.5	6638.134	3.5	2.9	56.093	17.414	
1995 1	7149.8	3.8	5.5	6701.036	0.4	3.0	6647.366	0.6	2.8	54.510	40.530	
2	7204.9	3.1	4.6	6713.524	0.7	1.9	6682.420	2.1	2.6	30.450	74.481	
3	7309.8	6.0	4.5	6776.406	3.8	2.0	6741.364	3.6	2.4	32.976	64.488	
4	7350.6	2.3	3.8	6780.715	0.3	1.3	6764.193	1.4	1.9	14.584	56.093	
1996 1	7426.8	4.2	3.9	6814.310	2.0	1.7	6815.153	3.0	2.5	-2.999	54.510	
2	7545.1	6.5	4.7	6892.553	4.7	2.7	6884.700	4.1	3.0	7.064	30.450	
3	7616.3	3.8	4.2	6928.396	2.1	2.2	6892.747	0.5	2.2	34.450	32.976	
	Consumption			Durables Consumption			Private Fixed Investment			Nonresidential Investment		
	Percent change			Percent change			Percent change			Percent change		
	Billions of 1992 \$	Annual rate	Year ago	Billions of 1992 \$	Annual rate	Year ago	Billions of 1992 \$	Annual rate	Year ago	Billions of 1992 \$	Annual rate	Year ago
1991	4105.788		-0.6	461.959		-6.4	741.271		-8.0	547.704		-6.4
1992	4219.796		2.8	488.529		5.8	783.429		5.7	557.870		1.9
1993	4339.501		2.8	524.077		7.3	836.353		6.8	593.645		6.4
1994	4473.142		3.1	561.969		7.2	921.087		10.1	652.053		9.8
1995	4577.846		2.3	579.827		3.2	975.921		6.0	714.306		9.5
1993 1	4289.676	0.7	2.8	506.010	0.8	6.3	815.422	4.9	7.5	577.495	6.0	6.1
2	4318.835	2.7	2.9	519.581	11.2	8.0	821.102	2.8	5.0	586.371	6.3	5.2
3	4359.471	3.8	3.1	528.863	7.3	7.5	835.407	7.2	6.1	593.137	4.7	5.8
4	4390.023	2.8	2.5	541.853	10.2	7.3	873.482	19.5	8.4	617.578	17.5	8.5
1994 1	4420.532	2.8	3.1	549.591	5.8	8.6	892.417	9.0	9.4	628.545	7.3	8.8
2	4458.721	3.5	3.2	555.429	4.3	6.9	911.431	8.8	11.0	639.480	7.1	9.1
3	4489.357	2.8	3.0	563.089	5.6	6.5	930.813	8.8	11.4	660.472	13.8	11.4
4	4523.959	3.1	3.1	579.768	12.4	7.0	949.686	8.4	8.7	679.713	12.2	10.1
1995 1	4534.762	1.0	2.6	566.490	-8.9	3.1	969.499	8.6	8.6	704.449	15.4	12.1
2	4569.870	3.1	2.5	576.187	7.0	3.7	965.676	-1.6	6.0	710.480	3.5	11.1
3	4597.341	2.4	2.4	589.089	9.3	4.6	979.973	6.1	5.3	718.954	4.9	8.9
4	4609.410	1.1	1.9	587.540	-1.0	1.3	988.536	3.5	4.1	723.339	2.5	6.4
1996 1	4649.076	3.5	2.5	599.202	8.2	5.8	1013.292	10.4	4.5	743.478	11.6	5.5
2	4687.603	3.4	2.6	615.621	11.4	6.8	1031.100	7.2	6.8	750.512	3.8	5.6
3	4693.468	0.5	2.1	611.605	-2.6	3.8	1057.485	10.6	7.9	781.374	17.5	8.7

	GDP Chain Price Index			Employment Cost Index			ECI: Wages			ECI: Benefits		
	Index	Percent change		Index	Percent change		Index	Percent change		Index	Percent change	
		Annual rate	Year ago		Annual rate	Year ago		Annual rate	Year ago		Annual rate	Year ago
1991	97.321		3.9	110.2		4.4	108.8		3.8	114.1		6.2
1992	100.000		2.8	114.3		3.7	111.9		2.9	120.5		5.6
1993	102.617		2.6	118.4		3.6	115.2		2.9	127.0		5.4
1994	104.958		2.3	122.2		3.2	118.5		2.9	132.1		4.0
1995	107.565		2.5	125.7		2.8	121.9		2.9	135.0		2.2
1993 1	101.832	3.8	2.7	116.9	4.2	3.5	113.9	3.2	2.6	124.8	6.7	5.5
2	102.386	2.2	2.6	117.9	3.5	3.7	114.6	2.5	2.7	126.5	5.6	5.9
3	102.833	1.8	2.7	118.9	3.4	3.7	115.6	3.5	3.1	127.7	3.8	5.3
4	103.415	2.3	2.5	119.9	3.4	3.6	116.5	3.2	3.1	128.9	3.8	5.0
1994 1	104.149	2.9	2.3	120.8	3.0	3.3	117.2	2.4	2.9	130.3	4.4	4.4
2	104.632	1.9	2.2	121.8	3.4	3.3	118.1	3.1	3.1	131.5	3.7	4.0
3	105.248	2.4	2.3	122.8	3.3	3.3	119.0	3.1	2.9	132.9	4.3	4.1
4	105.802	2.1	2.3	123.5	2.3	3.0	119.7	2.4	2.7	133.6	2.1	3.6
1995 1	106.676	3.3	2.4	124.4	2.9	3.0	120.6	3.0	2.9	133.8	0.6	2.7
2	107.309	2.4	2.6	125.3	2.9	2.9	121.5	3.0	2.9	134.6	2.4	2.4
3	107.855	2.1	2.5	126.1	2.6	2.7	122.4	3.0	2.9	135.4	2.4	1.9
4	108.419	2.1	2.5	126.9	2.6	2.8	123.2	2.6	2.9	136.1	2.1	1.9
1996 1	109.027	2.3	2.2	127.8	2.9	2.7	124.5	4.3	3.2	136.0	-0.3	1.6
2	109.619	2.2	2.2	128.8	3.2	2.8	125.6	3.6	3.4	136.9	2.7	1.7
3	110.166	2.0	2.1	129.6	2.5	2.8	126.4	2.6	3.3	137.8	2.7	1.8
	Exports			Imports			Nonfarm Output per Hour			Nonfarm Compensation/Hr		
	Billions of 1992 \$	Percent change		Billions of 1992 \$	Percent change		Index	Percent change		Index	Percent change	
		Annual rate	Year ago		Annual rate	Year ago		Annual rate	Year ago		Annual rate	Year ago
1991	599.926		6.3	622.191		-0.7	97.0		0.8	95.2		5.0
1992	639.416		6.6	668.959		7.5	100.0		3.1	100.0		5.1
1993	658.217		2.9	730.246		9.2	100.2		0.2	102.3		2.2
1994	711.972		8.2	817.637		12.0	100.8		0.6	104.5		2.2
1995	775.399		8.9	883.001		8.0	101.0		0.2	107.7		3.1
1993 1	647.083	-1.3	2.2	703.069	8.3	8.5	100.1	-3.9	0.8	101.5	1.2	2.9
2	660.044	8.3	3.8	724.429	12.7	8.4	99.7	-1.6	-0.2	102.0	2.0	2.4
3	645.484	-8.5	0.9	731.707	4.1	9.1	100.1	1.6	0.4	102.5	2.0	1.8
4	680.255	23.4	4.8	761.777	17.5	10.5	100.8	2.8	-0.3	103.0	2.0	1.8
1994 1	677.647	-1.5	4.7	776.962	8.2	10.5	100.3	-2.0	0.2	103.8	3.1	2.3
2	703.108	15.9	6.5	810.404	18.4	11.9	100.6	1.2	0.9	104.1	1.2	2.1
3	719.560	9.7	11.5	831.262	10.7	13.6	101.0	1.6	0.9	104.5	1.5	2.0
4	747.573	16.5	9.9	851.919	10.3	11.8	101.1	0.4	0.3	105.4	3.5	2.3
1995 1	752.330	2.6	11.0	874.851	11.2	12.6	100.5	-2.4	0.2	106.2	3.1	2.3
2	763.226	5.9	8.6	884.605	4.5	9.2	100.9	1.6	0.3	107.2	3.8	3.0
3	782.952	10.7	8.8	884.524	-0.0	6.4	101.3	1.6	0.3	108.2	3.8	3.5
4	803.087	10.7	7.4	888.023	1.6	4.2	101.1	-0.8	0.0	109.3	4.1	3.7
1996 1	806.713	1.8	7.2	910.707	10.6	4.1	101.5	1.6	1.0	110.2	3.3	3.8
2	817.864	5.6	7.2	932.556	9.9	5.4	101.7	0.8	0.8	111.3	4.1	3.8
3	816.106	-0.9	4.2	953.541	9.3	7.8	101.6	-0.4	0.3	112.2	3.3	3.7

		Household Survey Employment				Nonfarm Payroll Employment				Nonfarm Aggregate Hours				
		Thousands	Change	Percent change		Thousands	Change	Percent change		Index	Percent change			
				Annual rate	Year ago			Annual rate	Year ago		Monthly rate	Annual rate	Year ago	
1991		117713	-1083		-0.9	108261	-1155		-1.1	120.3			-2.2	
1992		118488	775		0.7	108592	331		0.3	121.2			0.7	
1993		120259	1771		1.5	110726	2134		2.0	124.6			2.8	
1994		123065	2806		2.3	114153	3427		3.1	129.9			4.2	
1995		124901	1836		1.5	117202	3050		2.7	133.4			2.7	
1994	1	122006	854	2.9	2.3	112625	792	2.9	2.7	127.6	1.1	4.3	4.0	
	2	122638	632	2.1	2.2	113686	1062	3.8	3.0	129.4	1.4	5.9	4.2	
	3	123250	612	2.0	2.2	114690	1003	3.6	3.3	130.5	0.8	3.2	4.1	
	4	124366	1116	3.7	2.7	115611	921	3.3	3.4	132.1	1.3	5.1	4.6	
1995	1	124886	520	1.7	2.4	116484	874	3.1	3.4	132.9	0.6	2.4	4.2	
	2	124712	-174	-0.6	1.7	116956	472	1.6	2.9	132.9	0.0	0.1	2.7	
	3	124909	197	0.6	1.3	117441	485	1.7	2.4	133.6	0.5	2.1	2.4	
	4	125096	187	0.6	0.6	117928	487	1.7	2.0	134.3	0.5	2.0	1.7	
1996	1	125680	584	1.9	0.6	118466	538	1.8	1.7	134.2	-0.0	-0.2	1.0	
	2	126389	709	2.3	1.3	119264	797	2.7	2.0	136.1	1.4	5.6	2.4	
	3	127102	713	2.3	1.8	119958	694	2.3	2.1	137.0	0.7	2.8	2.5	
1994 Nov		124417	331	3.2	2.7	115665	411	4.4	3.4	131.8	-0.2	-1.8	4.4	
	Dec	124595	178	1.7	2.6	115913	248	2.6	3.4	132.5	0.5	6.6	4.6	
1995	Jan	124671	76	0.7	2.3	116250	337	3.5	3.5	133.2	0.5	6.5	4.4	
	Feb	124881	210	2.0	2.3	116502	252	2.6	3.5	132.7	-0.4	-4.4	4.7	
	Mar	125106	225	2.2	2.5	116701	199	2.1	3.3	132.8	0.1	0.9	3.3	
	Apr	124973	-133	-1.3	2.2	116861	160	1.7	3.1	133.7	0.7	8.4	3.8	
	May	124598	-375	-3.5	1.4	116907	46	0.5	2.8	131.9	-1.3	-15.0	1.7	
	Jun	124566	-32	-0.3	1.5	117100	193	2.0	2.7	133.2	1.0	12.5	2.6	
	Jul	124832	266	2.6	1.7	117201	101	1.0	2.5	133.5	0.2	2.7	2.6	
	Aug	124859	27	0.3	1.2	117499	298	3.1	2.4	133.4	-0.1	-0.9	2.4	
	Sep	125036	177	1.7	1.1	117623	124	1.3	2.3	134.0	0.4	5.5	2.3	
	Oct	125244	208	2.0	0.9	117749	126	1.3	2.2	134.3	0.2	2.7	1.7	
	Nov	125062	-182	-1.7	0.5	117899	150	1.5	1.9	134.3	0.0	0.0	1.9	
	Dec	124981	-81	-0.8	0.3	118136	237	2.4	1.9	134.3	0.0	0.0	1.4	
	1996	Jan	125226	245	2.4	0.4	118070	-66	-0.7	1.6	131.7	-1.9	-20.9	-1.1
		Feb	125663	437	4.3	0.6	118579	509	5.3	1.8	135.5	2.9	40.7	2.1
		Mar	126151	488	4.8	0.8	118750	171	1.7	1.8	135.5	0.0	0.0	2.0
Apr		126095	-56	-0.5	0.9	118922	172	1.8	1.8	135.2	-0.2	-2.6	1.1	
May		126462	367	3.5	1.5	119332	410	4.2	2.1	135.3	0.1	0.9	2.6	
Jun		126610	148	1.4	1.6	119537	205	2.1	2.1	137.7	1.8	23.5	3.4	
Jul		126884	274	2.6	1.6	119772	235	2.4	2.2	136.1	-1.2	-13.1	1.9	
Aug		127055	171	1.6	1.8	120052	280	2.8	2.2	136.9	0.6	7.3	2.6	
Sep		127368	313	3.0	1.9	120050	-2	-0.0	2.1	138.0	0.8	10.1	3.0	
Oct		127627	259	2.5	1.9	120274	224	2.3	2.1	137.0	-0.7	-8.4	2.0	
Nov		127597	-30	-0.3	2.0	120392	118	1.2	2.1	137.6	0.4	5.4	2.5	



		Unempl. Rate	Retail Sales				Industrial Production				Treasury Yields	
			Billions of dollars	Percent change			Index	Percent change			3—mo	10—yr
				Monthly rate	Annual rate	Year ago		Monthly rate	Annual rate	Year ago		
1991		6.9	1856.090			0.6	104.186		-1.8	5.38	7.86	
1992		7.5	1944.605			4.8	107.809		3.5	3.43	7.01	
1993		6.9	2072.550			6.6	111.584		3.5	3.00	5.86	
1994		6.1	2227.763			7.5	118.095		5.8	4.25	7.08	
1995		5.6	2342.511			5.2	122.013		3.3	5.49	6.58	
1994	1	6.6	543.502	1.8	7.4	7.8	115.494	2.0	8.4	4.4	3.24	6.07
	2	6.2	550.915	1.4	5.6	7.3	117.462	1.7	7.0	6.0	3.99	7.08
	3	6.0	560.508	1.7	7.1	7.6	118.785	1.1	4.6	6.4	4.48	7.33
	4	5.6	572.838	2.2	9.1	7.3	120.637	1.6	6.4	6.6	5.28	7.84
1995	1	5.5	576.706	0.7	2.7	6.1	121.808	1.0	3.9	5.5	5.74	7.48
	2	5.6	582.972	1.1	4.4	5.8	121.387	-0.3	-1.4	3.3	5.60	6.62
	3	5.6	589.293	1.1	4.4	5.1	122.339	0.8	3.2	3.0	5.37	6.32
	4	5.6	593.540	0.7	2.9	3.6	122.518	0.1	0.6	1.6	5.26	5.89
1996	1	5.6	606.749	2.2	9.2	5.2	123.416	0.7	3.0	1.3	4.93	5.91
	2	5.4	614.066	1.2	4.9	5.3	125.425	1.6	6.7	3.3	5.02	6.72
	3	5.2	615.445	0.2	0.9	4.4	126.781	1.1	4.4	3.6	5.10	6.78
1994	Nov	5.6	190.992	0.1	1.0	7.4	120.534	0.5	6.6	6.6	5.29	7.96
	Dec	5.4	191.020	0.0	0.2	6.4	121.484	0.8	9.9	6.4	5.60	7.81
1995	Jan	5.7	193.097	1.1	13.9	8.5	121.816	0.3	3.3	6.3	5.71	7.78
	Feb	5.4	191.035	-1.1	-12.1	5.3	121.720	-0.1	-0.9	5.4	5.77	7.47
	Mar	5.5	192.574	0.8	10.1	4.6	121.888	0.1	1.7	4.7	5.73	7.20
	Apr	5.7	192.372	-0.1	-1.3	4.9	121.388	-0.4	-4.8	3.9	5.65	7.06
	May	5.6	194.493	1.1	14.1	6.3	121.339	-0.0	-0.5	3.3	5.67	6.63
	Jun	5.6	196.107	0.8	10.4	6.2	121.434	0.1	0.9	2.8	5.47	6.17
	Jul	5.7	195.615	-0.3	-3.0	5.9	121.507	0.1	0.7	2.7	5.42	6.28
	Aug	5.6	197.081	0.7	9.4	5.2	122.690	1.0	12.3	3.2	5.40	6.49
	Sep	5.6	196.597	-0.2	-2.9	4.4	122.821	0.1	1.3	3.2	5.28	6.20
	Oct	5.5	196.225	-0.2	-2.2	2.8	122.159	-0.5	-6.3	1.9	5.28	6.04
	Nov	5.6	198.211	1.0	12.8	3.8	122.587	0.4	4.3	1.7	5.36	5.93
	Dec	5.6	199.104	0.5	5.5	4.2	122.809	0.2	2.2	1.1	5.14	5.71
1996	Jan	5.8	199.129	0.0	0.2	3.1	122.515	-0.2	-2.8	0.6	5.00	5.65
	Feb	5.5	203.392	2.1	28.9	6.5	124.157	1.3	17.3	2.0	4.83	5.81
	Mar	5.6	204.228	0.4	5.0	6.1	123.576	-0.5	-5.5	1.4	4.96	6.27
	Apr	5.4	204.031	-0.1	-1.2	6.1	124.519	0.8	9.6	2.6	4.95	6.51
	May	5.6	205.669	0.8	10.1	5.7	125.380	0.7	8.6	3.3	5.02	6.74
	Jun	5.3	204.366	-0.6	-7.3	4.2	126.377	0.8	10.0	4.1	5.09	6.91
	Jul	5.4	204.719	0.2	2.1	4.7	126.320	-0.0	-0.5	4.0	5.15	6.87
	Aug	5.1	204.599	-0.1	-0.7	3.8	126.917	0.5	5.8	3.4	5.05	6.64
	Sep	5.2	206.127	0.7	9.3	4.8	127.106	0.1	1.8	3.5	5.09	6.83
	Oct	5.2	206.842	0.3	4.2	5.4	126.890	-0.2	-2.0	3.9	4.99	6.53
	Nov	5.4	206.063	-0.4	-4.4	4.0	128.002	0.9	11.0	4.4	5.03	6.20

		Consumer Price Index					Consumer Price Index less Food and Energy					Producer Price Index Finished Goods				
		Percent change					Percent change					Percent change				
		Index	Monthly rate	Annual rate	Year ago	Year to date	Index	Monthly rate	Annual rate	Year ago	Year to date	Index	Monthly rate	Annual rate	Year ago	
1991	136.3				4.2			142.3			4.9			121.7		
	1992	140.4			3.0		147.5			3.7		123.2			1.2	
	1993	144.6			3.0		152.4			3.3		124.7			1.2	
	1994	148.3			2.6		156.7			2.8		125.5			0.6	
	1995	152.5			2.8		161.4			3.0		127.9			1.9	
1994	1	146.7	0.5	2.0	2.5	2.0	155.1	0.7	2.8	2.9	2.8	125.0	0.5	1.8	0.2	
	2	147.7	0.6	2.6	2.4	2.3	156.2	0.8	3.0	2.8	2.9	125.1	0.1	0.5	-0.2	
	3	149.0	0.9	3.8	2.9	2.8	157.4	0.7	2.9	2.9	2.9	125.9	0.6	2.4	1.3	
	4	149.9	0.6	2.3	2.6	2.6	158.3	0.6	2.4	2.8	2.8	126.1	0.2	0.9	1.4	
1995	1	150.9	0.7	2.9	2.9	2.9	159.6	0.8	3.2	2.9	3.2	127.2	0.8	3.3	1.8	
	2	152.2	0.8	3.4	3.1	3.1	160.9	0.9	3.5	3.0	3.4	127.7	0.4	1.8	2.1	
	3	153.0	0.5	2.0	2.6	2.8	162.0	0.7	2.8	3.0	3.2	127.9	0.1	0.5	1.6	
	4	153.9	0.6	2.4	2.7	2.7	163.1	0.7	2.7	3.0	3.0	128.9	0.8	3.3	2.2	
1996	1	155.1	0.8	3.2	2.8	3.2	164.2	0.7	2.8	2.9	2.8	130.0	0.8	3.2	2.2	
	2	156.6	0.9	3.8	2.9	3.5	165.3	0.6	2.5	2.7	2.7	130.9	0.7	2.9	2.5	
	3	157.5	0.6	2.3	2.9	3.1	166.3	0.6	2.6	2.7	2.7	131.4	0.4	1.4	2.7	
1994 Nov Dec		149.9	0.3	3.3	2.7	2.7	158.3	0.2	2.3	2.8	2.7	126.2	0.6	7.9	1.4	
		150.2	0.2	2.4	2.7	2.7	158.6	0.2	2.3	2.7	2.7	126.8	0.5	5.9	1.8	
1995 Jan Feb Mar  Apr May Jun  Jul Aug Sep  Oct Nov Dec		150.6	0.3	3.2	2.9	3.2	159.1	0.3	3.8	2.8	3.8	127.0	0.2	1.9	1.8	
		150.9	0.2	2.4	2.9	2.8	159.5	0.3	3.1	2.9	3.5	127.2	0.2	1.9	1.8	
		151.3	0.3	3.2	2.9	3.0	160.1	0.4	4.6	3.0	3.8	127.3	0.1	0.9	1.8	
		151.8	0.3	4.0	3.1	3.2	160.6	0.3	3.8	3.1	3.8	127.6	0.2	2.9	2.0	
		152.2	0.3	3.2	3.1	3.2	160.9	0.2	2.3	3.0	3.5	127.9	0.2	2.9	2.2	
		152.6	0.3	3.2	3.0	3.2	161.3	0.2	3.0	2.9	3.4	127.7	-0.2	-1.9	2.0	
		152.7	0.1	0.8	2.8	2.9	161.7	0.2	3.0	3.0	3.4	127.7	0.0	0.0	1.8	
		153.0	0.2	2.4	2.6	2.8	162.0	0.2	2.2	2.9	3.2	127.8	0.1	0.9	1.3	
		153.2	0.1	1.6	2.5	2.7	162.4	0.2	3.0	3.0	3.2	128.2	0.3	3.8	1.8	
		153.7	0.3	4.0	2.8	2.8	162.9	0.3	3.8	3.1	3.3	128.4	0.2	1.9	2.4	
		153.8	0.1	0.8	2.6	2.6	163.1	0.1	1.5	3.0	3.1	128.8	0.3	3.8	2.1	
		154.1	0.2	2.4	2.6	2.6	163.3	0.1	1.5	3.0	3.0	129.6	0.6	7.7	2.2	
	1996 Jan Feb Mar  Apr May Jun  Jul Aug Sep  Oct Nov		154.7	0.4	4.8	2.7	4.8	163.8	0.3	3.7	3.0	3.7	129.8	0.2	1.9	2.2
			155.0	0.2	2.4	2.7	3.6	164.2	0.2	3.0	2.9	3.4	129.7	-0.1	-0.9	2.0
			155.6	0.4	4.7	2.8	4.0	164.7	0.3	3.7	2.9	3.5	130.4	0.5	6.7	2.4
			156.2	0.4	4.7	2.9	4.1	164.9	0.1	1.5	2.7	3.0	130.7	0.2	2.8	2.4
		156.7	0.3	3.9	3.0	4.1	165.3	0.2	3.0	2.7	3.0	130.9	0.2	1.9	2.3	
		156.8	0.1	0.8	2.8	3.5	165.6	0.2	2.2	2.7	2.8	131.1	0.2	1.8	2.7	
		157.2	0.3	3.1	2.9	3.5	166.1	0.3	3.7	2.7	3.0	131.0	-0.1	-0.9	2.6	
		157.4	0.1	1.5	2.9	3.2	166.2	0.1	0.7	2.6	2.7	131.4	0.3	3.7	2.8	
		157.8	0.3	3.1	3.0	3.2	166.7	0.3	3.7	2.6	2.8	131.7	0.2	2.8	2.7	
		158.3	0.3	3.9	3.0	3.3	167.1	0.2	2.9	2.6	2.8	132.2	0.4	4.7	3.0	
		158.7	0.3	3.1	3.2	3.3	167.4	0.2	2.2	2.6	2.7	132.7	0.4	4.6	3.0	

## Notes

**Pages 4, 5:** **Final sales** is gross domestic product (GDP) minus change in business inventories. **Advance, preliminary, and final GDP growth rates** are released during the first, second, and third months of the following quarter. Changes result from incorporation of more complete information. The **Purchasing Managers' Index** is a weighted average of diffusion indexes for new orders, production, supplier deliveries, inventories, and employment. The National Association of Purchasing Management (NAPM) surveys over 300 firms in 20 manufacturing industries, weighting responses by industry share of GDP. **Aggregate and average weekly hours** are paid hours of production and nonsupervisory employees.

**Page 6:** The **contribution** of a component  $X_t$  to the overall GDP growth rate in quarter  $t$  is  $100 \times [(1 + (X_t - X_{t-1})/GDP_{t-1})^4 - 1]$ . The sign is changed for **imports**. This calculation forces components to add up to the GDP growth rate before compounding and does not exactly match *Survey of Current Business*, Table 8.2. The **residual** line is calculated using the finest level of detail in the table.

**Page 7:** Ten-year **Treasury yields** are adjusted to constant maturity. Three-month yields are secondary market averages, but all rates used in the yield curves are adjusted to constant maturity. The **total return on the Standard and Poor's 500** is dividends as a percent of the value of the index plus the percent change in the index.

**Pages 8,9:** **Oil prices** are monthly averages of daily spot prices for West Texas intermediate crude (*Wall Street Journal*). **Consumer price index** is for all urban consumers. The **Employment Cost Index (ECI)** covers nonfarm, nonfederal employers. **ECI compensation** refers to a fixed sample of jobs, while **compensation per hour** covers all workers in the nonfarm business sector in a given quarter. In both cases, **compensation** is wages and salaries plus benefits.

**Pages 10,11:** **Nonfarm payroll employment** is counted in a survey of about 390,000 establishments (Current Employment Survey). It excludes self-employed individuals and workers in private households, but double-counts individuals with more than one job. The **household survey** (Current Population Survey) of about 50,000 households provides estimates of civilian employment, unemployment rate, labor force participation rate, and employment-population ratio. **Population** is civilian, noninstitutional, 16 years and over. 90 percent confidence intervals for the unemployment rate ( $\pm 0.2$  percentage points) and change in household survey employment ( $\pm 376,000$ ) measure uncertainty due to sample size. The household survey was changed in January 1994, so care should be exercised in making short-term comparisons around this date, particularly with the duration data shown on page 10. Other changes in the survey are detailed in Bureau of Labor Statistics, *Employment and Earnings*, Appendix A.

**Pages 12, 13:** **Debt service** is an estimate of scheduled interest and principal payments on outstanding debt. The **Michigan consumer sentiment index** shows changes in a summary measure of consumers' answers to five questions about their current and expected financial situation, expectations about future economic conditions, and attitudes about making large purchases. The survey is based on a representative sample of U.S. households.

**Pages 14, 15:** Overall **gross saving** includes government saving, which is the sum of the government surplus and capital consumption (see notes for pages 16 and 17). **Net foreign investment (NFI)** is U.S. investment abroad minus foreign investment in the U.S. Aside from a statistical discrepancy, NFI also equals the difference between gross domestic investment and saving.

**Pages 16, 17:** **Government consumption and investment** is current expenditures on goods and services, including capital consumption (depreciation) and gross investment, as reported in the National Income and Product Accounts (NIPA). The **unified federal budget deficit** differs from **NIPA basis** in four main ways: (1) NIPA ex-

cludes transactions involving existing assets; (2) NIPA outlays exclude government investment and include consumption of government capital, while unified budget outlays do the reverse; (3) NIPA accounts exclude Puerto Rico and U.S. territories; and (4) various timing issues are handled differently. **Outlays and receipts** data on these pages are from the NIPAs, except as noted. Since 1977, the **federal fiscal year** starts on October 1. **Federal debt held by the public** includes holdings of the Federal Reserve System and excludes holdings of the social security and other federal trust funds. Federal grants in aid to state and local governments appear in both state and local receipts and federal outlays.

**Pages 18, 19:** The **trade balance** (shown on a balance of payments basis) is the difference between exports and imports of goods (merchandise) and services. It is nearly identical in concept to the **net exports** component of GDP, but differs slightly in accounting details. The **investment income balance** equals income received from U.S.-owned assets in other countries minus income paid on foreign-owned assets in the U.S. The investment income balance is nearly identical in concept to the difference between gross national product and gross domestic product, but differs in accounting details. The **current account balance** is the trade balance plus the balance on investment income plus net unilateral transfers to the U.S. from other countries.

**Pages 20, 21:** **Output per hour (Y/H)**, **unit labor cost (C/Y)**, and **compensation per hour (C/H)** are indexes which approximately obey the following relationship:  $\%(Y/H) + \%(C/Y) = \%(C/H)$  with  $\%( )$  meaning percent changes. Unit labor cost is shown on page 9. **Real compensation per hour** uses the CPI to adjust for the effects of inflation. **Total factor productivity** estimates changes in output that do not correspond to changes in quantities of labor, capital, or intermediate inputs. **Inventory valuation adjustments (IVA)** remove the effect of changes in the value of existing inventories from corporate profits and proprietors' income. (This change in value does not correspond to current production and therefore is not part of GDP). **Capital consumption adjustments (CCAdj)** increase profits and proprietors' income by the difference between estimates of economic depreciation and depreciation allowed by the tax code. Components of national income not shown are rental income of persons and net interest.

## Sources

**Bureau of Economic Analysis (BEA), U.S. Dept. of Commerce**  
National income and product accounts, international trade and investment data (except by country), auto and light truck sales

**Census Bureau, U.S. Dept. of Commerce**  
Inventory-sales ratios, retail sales, capital goods orders, housing starts, exports and imports by country

**Bureau of Labor Statistics (BLS), U.S. Dept. of Labor**  
All employment-related data, employment cost index, consumer and producer price indexes, unit labor cost, output per hour, compensation per hour, total factor productivity

**United States Department of Treasury**  
Unified budget receipts, outlays, deficit

**Federal Reserve Board**  
Index of industrial production, treasury yields, exchange rates, capacity utilization, consumer debt service

**The Survey Research Center, The University of Michigan**  
Consumer sentiment index

**The Conference Board**  
Help-wanted advertising index.

**Organization for Economic Cooperation and Development (OECD)**  
GDP for major trading partners (not available on FRED)

Federal Reserve Bank of St. Louis  
Post Office Box 442  
St. Louis, Missouri 63166

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