

FEDERAL RESERVE BANK OF ST. LOUIS

August 1967



CONTENTS

	Page
<i>Saving, Investment, and Economic Outlook</i>	2
<i>Farm Income and Price Trends</i>	7

Review

Volume 49

Number 8

Saving, Investment, and Economic Outlook

UNDERLYING ECONOMIC forces remain strong, though the pace of economic activity in recent months has been more moderate than in 1965 and early 1966. Total demand for goods and services has been slowed by an inventory adjustment. However, final sales have advanced rapidly, upward pressures on prices have remained, and government actions, which usually affect the economy with a lag, have been expansionary.

The slowdown in activity followed previous advances which were not consistent with stable prices. Last fall and winter, households saved a larger proportion of their incomes. This development apparently caught businessmen by surprise, and as a result there was a very rapid accumulation of inventories in the fourth quarter of last year. Adjustment of those inventory excesses has been undertaken during the first half of this year.

In addition to the decrease in inventory investments, investment in plant and equipment has declined. This combination of factors—households increasing saving last winter, and businesses decreasing investment de-

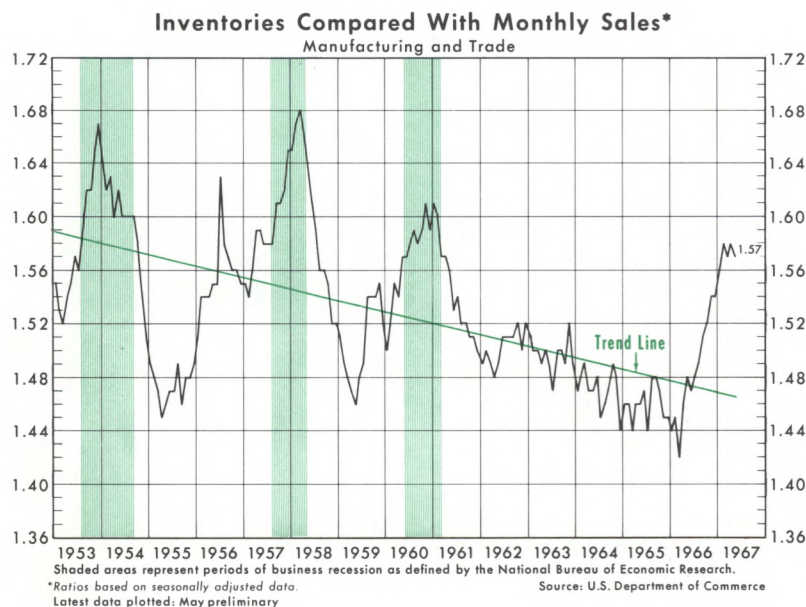
mand this spring and early summer—prompted the slowdown in aggregate economic activity relative to previous rates of advance. If it were not for the continuing expansive force of fiscal actions and the stimulative monetary moves in the first half of 1967, the slowdown would probably have been much more marked and severe.

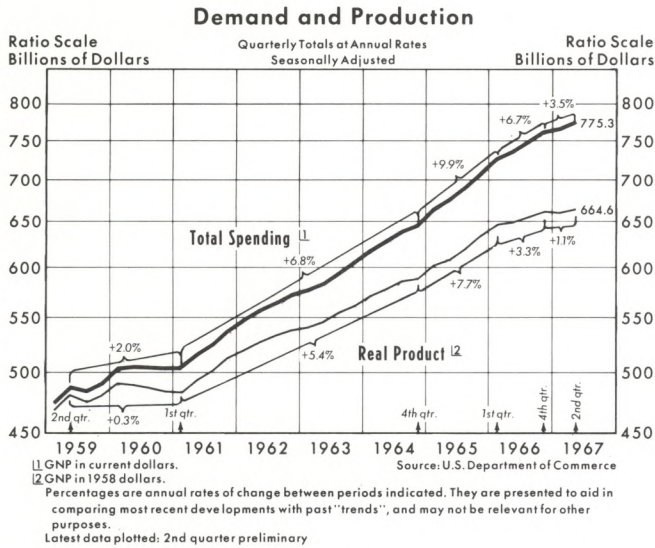
The economic outlook for the rest of 1967 depends crucially on the relation between total desired saving (private plus Government) and investment plans. These plans are influenced to a considerable extent by monetary and fiscal developments, current and expected. But, in fact, the speed of response by private economic units to policy stimuli will be an important factor in determining economic developments in the near future.

Economic Conditions: Output, Employment and Prices

As of mid-1967, the economy appears to be poised for a resumption of the expansion of total demand which had continued almost without interruption from 1961 through 1966. Gross national product in current dollars rose at a 4 per cent annual rate from fourth quarter of 1966 to second quarter 1967, following the extremely rapid 8 per cent average rate from 1964 to late 1966.

The slowdown in total dollar spending has been reflected in total real output, which in the second quarter was up at a 1 per cent rate from the fourth quarter of last year. The slowdown in the growth of real output in the first half of this year was a lagged response to the deceleration in growth of final sales (GNP minus change in business inventories) from a 10 per cent rate in 1965, to a 7 per cent rate in mid-1966, to a 6 per cent rate in the fourth quarter of 1966. Final sales





been chiefly in the manufacturing sector. Sales of durable goods, both to households and to businesses, slipped measurably. Industrial output declined at a 5 per cent annual rate from December 1966 to June 1967, after advancing at a 9 per cent average rate from 1964 to late 1966. Renewed strength in manufacturing has recently been indicated as new orders outpaced shipments in May and June, resulting in an increase of backlogs for the first time this year.

Total employment has risen moderately during the first half of 1967, and unemployment as a per cent of the labor force has increased slightly. There is some indication that the slowdown in production has been met primarily by reducing overtime rather than number of workers. Such a situation will permit a rapid adjustment to increased output once businessmen are convinced of the strength of final sales.

have surged upward again in 1967 at an 8 per cent rate, suggesting that total growth will soon follow.

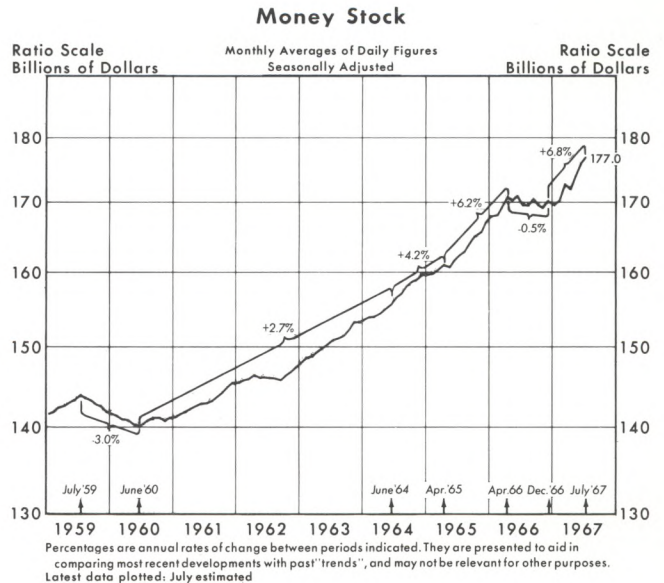
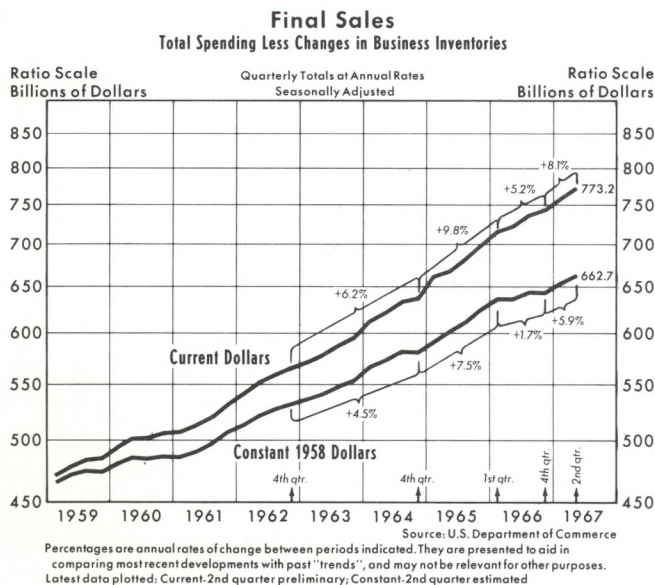
Reflecting in part the acceleration of growth in final demand in the first half of 1967, consumer prices on items other than food increased at an annual rate of 3.0 per cent. Food prices, which had been a factor tending to hold down overall consumer prices, increased in May and June.

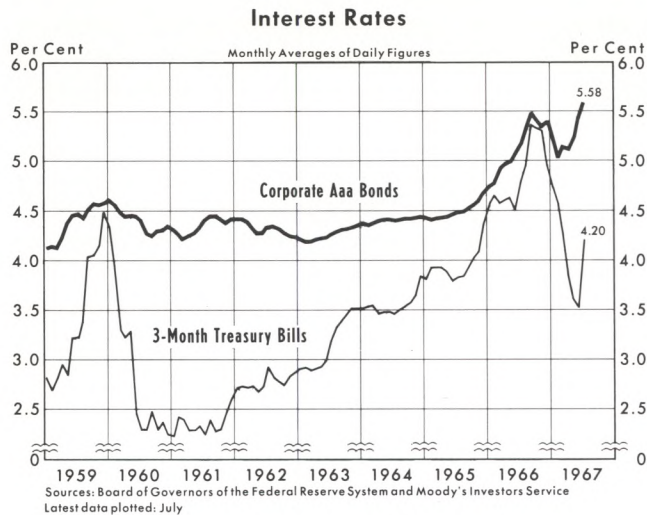
Price increases accounted for all of the increase in GNP in the first quarter of this year, but in the second quarter real output resumed its advance, increasing at an annual rate of 2.4 per cent. This increase compares with an average annual rate of growth of 6 per cent during the period 1964-1966.

The slowdown in national economic activity has

Economic Conditions: Monetary and Fiscal Policy and Interest Rates

Monetary and credit developments have been very expansive in recent months. Rates of expansion of some monetary variables have been even more rapid than in the expansive period of late 1965 and early 1966. Federal Reserve credit has expanded at a 15 per cent annual rate since last December, compared with a 10 per cent average rate from 1964 to 1966. Total member bank reserves have increased at a 10 per cent rate since December, substantially greater than the 4.5 per cent average rate from 1964 to 1966. Commercial bank credit rose at a 13 per cent rate in the first half of the year, following a 9 per cent average rate of growth from 1964 to 1966. Money stock grew

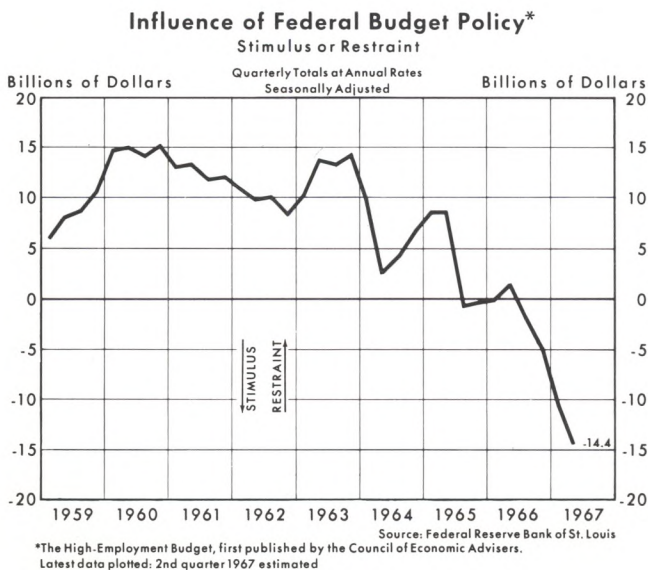




at about a 7 per cent annual rate in the last six months, considerably above the rapid 4 per cent average rate of expansion from 1964 to 1966.

Interest rates have risen despite the rise in bank credit. Demands for funds by businesses and government have been intense. The upward movement of long-term rates began early in the year. Short-term rates, which had generally declined since last summer, have increased markedly since mid-June.

The recent experience of rising interest rates at a time when money and credit were also rising is similar to the period from mid-1965 to the spring of 1966 when interest rates rose rapidly. In both cases interest rates rose as a result of a great demand for loan funds, or anticipations thereof, and in spite of large contributions to available credit supplies by the banking system. In both periods the Federal budget was exercising a strong upward influence on interest rates.



Government fiscal actions, which by historical standards were already highly stimulative from mid-1965 through 1966, became yet more expansionary in the first half of 1967. The high-employment budget, which adjusts the national income accounts budget for the effect of varying economic activity on tax receipts and on unemployment insurance disbursements, showed a \$14 billion deficit in the second quarter. This measure of fiscal actions was substantially in surplus from 1960 to mid-1965, and despite a shift toward stimulus in mid-1965, averaged a deficit of only \$1.1 billion from then through 1966.

Indications are that fiscal actions will remain stimulative for the rest of the year with or without adoption of the proposed 6 per cent tax surcharge. Rising defense spending and increased social security benefits are the main factors contributing to the outpacing of receipts by expenditures. The prospect of continuing Federal deficits portends stimulus to economic activity and continued upward pressure on interest rates.

Saving and Investment: An Alternative Approach to the Analysis of Economic Conditions

By focusing attention on the release of resources via saving (by both the private sector and governments), and the use of resources via investment (in plant, equipment, housing and inventory), it may be possible to isolate the dominant forces that caused the growth rate of GNP to slow in the first quarter of this year. Such an analysis may also give some insight into current and prospective developments. Such an approach has the advantage of bringing Federal fiscal actions directly into the analysis by interpreting the deficit or surplus as the net effect of Government on resource availability.

In the national income accounts, the total amount saved by households, businesses, and governments must by definition equal the total amount invested, both domestically and abroad. The relevant forces in the determination of the level of spending and production, however, are the *plans* of savers and the *plans* of investors. If planned saving exceeds planned investment, spending and production tend to decrease. Such a situation indicates that investment is not absorbing all resources that are being released via saving. After the fact, the amount saved still equals the amount invested, as some savers accumulate less than anticipated because of declines in incomes, and some businesses invest more than expected as sales decrease and inventories rise.

Economic developments in late 1966 and early 1967 suggest that saving plans were outpacing the investment plans of businesses. Such an inference raises a question as to whether this discrepancy reflects declines in investment plans, increases in saving plans, or both.

Data are not available on saving and investment plans. Economic data are after the fact, and need not coincide with intentions before the fact. Any inferences about planned magnitudes have to be derived indirectly from movements in observed data.

Household saving increased to abnormally high levels relative to disposable income in the fourth quarter of 1966 and the first quarter of 1967. During short periods (say less than a year) saving is not systematically related to other economic variables such as incomes, interest rates, and wealth. One of the most volatile factors underlying personal saving is the portion of income that goes toward the purchase of consumer durables. Such expenditures are easily postponable and consumers vary substantially their purchases of autos, appliances and furniture over short periods, and their saving levels tend to vary inversely. There may be considerable stability and predictability of consumer durable purchases over long periods, but such stability is of little help in analyzing economic developments within relatively short time periods.

Personal saving increased late last year but the specific cause is difficult to identify. Most economic factors generally thought to influence consumers were moving in a direction which usually causes them to increase outlays. Incomes were rising, interest rates were falling or stable, and wealth was increasing. One factor, however, may have been acting to restrain spending; money holdings had been declining relative to other assets since April, 1966, and consumers may have been attempting to restore a normal relationship by spending less of their income. Variability in saving (and spending) over short periods makes it difficult for businesses to forecast their sales, and thus inventory adjustments seem to be an inevitable part of a free market economy.

More recently, there is some evidence that consumer saving is declining. Consumer purchases of goods and services have been rising at a rate equal to or greater than personal incomes.

Business saving, retained earnings plus depreciation allowances, declined from mid-1966 to early 1967. This component of saving, however, should not be viewed in the same way as household saving. A rise or fall in business saving may result from either a change in the saving-investment plans of businesses, or from changes in the overall economic climate which affect the flow of funds into and out of businesses. Interpretation of changes in business saving depends greatly on which force was causal. Last winter, businesses invested heavily, apparently not by conscious decision, but because sales fell and inventories accumulated. Hence, this was a depressing factor on future activity, rather than the expansive force which typically accompanies a rise in investment plans. More recently, businesses have accumulated inventories at a slower pace and sales have risen.

Also included in total saving is that by the governments—Federal and state and local. State and local governments generally try to balance their budgets, and therefore state and local saving (or dissaving) does not vary substantially from quarter to quarter. In recent quarters state and local budgets have been slightly in surplus.

OUTPUT, SPENDING AND SAVING

Quarterly Totals at Seasonally Adjusted Annual Rates

	(Billions of Dollars)					
	1966				1967	
	I	II	III	IV	I	II ^P
Gross national product	725.9	736.7	748.8	762.1	766.3	775.3
Real product	645.4	649.3	654.8	661.1	660.7	664.6
Final sales	716.0	722.7	737.4	743.6	759.2	773.2
Fixed investment	105.3	104.5	104.9	103.7	103.3	104.0
Change in business inventories	9.9	14.0	11.4	18.5	7.1	2.1
Government purchases of goods and services	146.5	151.2	157.7	161.7	170.4	175.2
Personal saving	26.6	28.7	29.2	34.6	38.8	37.1
	Annual Rates of Change (Per Cent)					
Gross national product	9.9	6.0	6.6	7.1	2.2	4.7
Real product	6.9	2.4	3.4	3.8	- 0.2	2.4
Final sales	10.0	3.7	8.1	3.4	8.4	7.4
Fixed investment	11.3	- 3.0	1.5	- 4.6	- 1.5	2.7
Government purchases of goods and services	11.8	12.8	17.2	10.1	21.5	11.3
Personal saving	- 36.9	31.6	7.0	74.0	48.6	-17.5

^p— preliminary
Source: U.S. Department of Commerce

The amount of saving by the Federal Government, however, is of fundamental importance as a measure of Federal fiscal policy. The Federal surplus or deficit rises or falls with economic activity and, to this extent, does not indicate a discretionary decision to spend or save. Changes in the surplus or deficit caused by variations in Government spending or tax rates measure discretionary fiscal actions. An attempt to decompose the surplus or deficit into discretionary and passive effects is provided in the high-employment budget. This measure is normalized on fixed levels of economic activity and thereby abstracts the effect of changing economic activity on the budget surplus or deficit.

An enlarged Federal deficit (national income accounts basis) in late 1966 suggests a definite stimulus. A sharp increase in the deficit (negative saving) indicates a sharp increase in the demand by the Government for resources released by saving. In view of the slowdown in GNP growth, however, a part of this deficit reflects relatively sluggish activity rather than positive fiscal actions taken to expand GNP. The high-employment budget shows a measure of this expansionary force; a surplus of \$3.5 billion in the second quarter of 1966 had changed to a \$10 billion deficit a year later.

Recent data on investment, which may be viewed as demand for saving, reveals declines which are in contrast to recent increases in private saving. Gross private domestic investment rose only slightly in the second and third quarters of 1966, as the decline in housing offset most of the advance in business investment. The increase in investment in the fourth quarter was due to large, unexpected and apparently involuntary inventory accumulation. Businesses have been adjusting these levels during the first half of 1967, accounting for the sharply decreased investment in this period.

Attempts at meaningful interpretation of the saving-investment data suggest the desirability of "high-employment" values for other magnitudes in addition to Government saving, that is, eliminating the changes in these magnitudes resulting merely from changes in overall economic activity. Proportions of GNP going to saving during periods of high-employment

activity show that personal saving recently was above its high-employment average of past periods. The saving rate has more recently been falling, but the capricious consumer holds the key as to whether this trend will continue.

Investment as a proportion of GNP, on the other hand, is currently below its historical high-employment average. Investment can be expected to turn up in the near future as the inventory adjustment process is completed. Its upward movement, however, is contingent in part upon business expectations which will be influenced by consumer, business and Government actions.

This saving-investment analysis gives some support to the view that overall activity is apt to expand in the near future, but such a study does not lead to precise conclusions. What has happened in the past is known only after adjustments in the market place. Patterns of saving and investment intentions and behavior are not sufficiently predictable to indicate reliably the course of future developments. It is evident, however, that recent fiscal influence has been expansive, tending to offset a major part of the increase in the private saving rate and the decrease in investment demand.

It is also evident that the money stock has been rising sharply, and hence the desire to save in order to build up cash balances has been reduced. If these developments continue, and households decide to save less and spend more, it seems likely that total savings plans will fall short of investment.

The expansive monetary developments are also causing interest rates to be lower than they might otherwise be, and liquidity to be higher. To the extent that private investment and total private spending are responsive to this policy stimulus, investment can be expected to increase rather than decline in future quarters. Thus, it appears that on the basis of a cursory examination of the saving-investment data, expansionary forces are at work. To the extent that private economic units respond to policy stimuli with a lag, the problem in late 1967 and early 1968 could be one of excessive demands on resource utilization.



Farm Income and Price Trends

NET FARM INCOME per farm worker has advanced substantially in recent years. From \$2,700 per worker in 1960 annual income rose to \$4,800 per worker in 1966. These figures do not include income of farmers from non-farm employment, or capital gains from increases in value of farm land.

In the first half of 1967 income per worker fell to a \$4,500 annual rate. Prices received by farmers were well below year-ago levels, reflecting a larger volume of commodities marketed. In recent weeks farm prices have increased, and income prospects for the last half of the year have improved. Also, larger crops are indicated both for the nation and the Central Mississippi Valley states.

Although farm income per farm worker in the first half of this year was down 5 per cent from the 1966 record level, it was still 12 per cent above the level for 1965 and second only to 1966 (Table I). During the six years 1960-66, net farm income per worker rose at an annual rate of 10 per cent. In comparison, non-farm income per worker rose at the rate of 4 per cent during this period. From 1960 to the first half of 1967, farm income per worker rose 8 per cent per year com-

pared with 4 per cent for nonfarm income. The gains in farm income per worker reflect a sizable net movement of workers from farm to nonfarm employment and a slow increase in total farm income.

Total farm income to operators and labor rose from \$14.9 billion in 1960 to \$19.0 billion in 1966, a 4 per cent annual rate of increase. Rapidly advancing technology has steadily reduced not only the proportion but the number of workers employed on the farm. Farm income in 1960 was shared by 5.5 million farm workers, whereas in 1966 it was shared by 4.0 million workers and by only 3.8 million in the first half of 1967. Farm workers declined 250 thousand per year during the six years 1960-66, or about 5 per cent per year.

Prices

Fluctuation of prices for farm commodities was the chief factor in the reduced income in the first half of this year. Cash receipts during the first five months were down about 2 per cent from year-earlier levels, a net result of substantially lower prices and a larger volume of products marketed. Costs of production continued upward at about the same rate as in recent years.

Farm commodity prices were 5 per cent lower in the first half of the year than during the corresponding months a year earlier. Livestock product prices were down 6 per cent and crops 4 per cent (Table II). In the livestock sector, hog prices dropped 21 per cent, while broiler and egg prices declined 14.6 and 15.4 per cent, respectively. Lower prices for cotton and soybeans were important in reducing the average for the crop sector.

Farm commodity prices have turned upward in recent weeks, pointing to higher farm incomes in

Table I
FARM INCOME PER WORKER

	United States			Number of Farm Workers (Thousands)	Income Per Worker (Dollars)
	Income to Operators	Wages to Hired Labor (Billions of dollars)	Total		
1967 ¹	14.7	2.7	17.4	3,838	4,524
1966	16.2	2.8	19.0	3,979	4,767
1965	14.9	2.8	17.7	4,361	4,051
1964	12.2	2.8	15.0	4,523	3,317
1963	13.1	2.9	16.0	4,687	3,423
1962	13.1	2.9	16.0	4,944	3,244
1961	12.9	2.9	15.8	5,200	3,045
1960	12.0	2.9	14.9	5,458	2,726

¹ First-half 1967 at annual rate.
Source: USDA.

Table II

FARM COMMODITY PRICES

	Jan.—June 1966	Jan.—June 1967	Per Cent Change
Hogs, per cwt.	\$ 24.32	\$ 19.22	-21.0
Beef cattle, per cwt.	22.63	21.93	- 3.1
Milk, wholesale, per cwt.	4.46	4.90	9.9
Broilers, live, per lb.	.16	.14	-14.6
Eggs, per dozen	.38	.32	-15.4
Cotton, per lb.	.28	.20	-27.5
Wheat, per bu.	1.45	1.55	6.9
Soybeans, per bu.	2.81	2.72	- 3.2
Corn, per bu.	1.19	1.27	6.7
Rice, per cwt.	5.13	5.14	0.2
All livestock products ¹	293	275	- 6.2
All crops ¹	234	224	- 4.3
All farm commodities ¹	266	252	- 5.3

¹Averages of price indexes (1910-14=100).

Source: USDA *Agricultural Prices*.

the second half of the year. Prices in mid-June had risen 4 per cent from the mid-April low, and recent daily quotes on major commodities indicate some further price increases from mid-June to late July.

Although prices received by farmers averaged lower the first six months of this year than a year ago, they were still well above levels for most recent years. For example, prices in the first half of this year were 5 per cent above the 1957-59 average, 2 per cent higher than in 1965, 7 per cent higher than in 1964, and higher than the average for any year from 1953 to 1965, inclusive.

Production

The lower farm product prices and the decline in farm income this year were caused by an increase in volume of products marketed. The increase in production was more than offset by the resulting price declines. Livestock producers responded to favorable 1966 prices by stepping up production. Red meat (beef, veal, lamb, mutton and pork) output during January-May inclusive was 9 per cent above the comparable months in 1966 (Table III). Pork production increased 16 per cent, beef, 6 per cent, and

chickens, 8 per cent. Milk output, however, remained about unchanged.

The price declines in the crop sector reflected larger crops of citrus fruits and of some commercial vegetables, increased supplies of soybeans, and changes in the loan rate on cotton. A smaller supply of feed, coupled with a reduction in export demand, resulted in generally stable feed prices. A shrinkage in food grain supplies had little impact on prices because of the large quantity in storage. The heavy wheat harvest this year resulted in declining prices at mid-year.

Prospects for Remaining Months¹

After adjustment for seasonal influences, cash farm receipts are likely to average somewhat higher in the last half of the year than in the first half. Production of livestock seems to be slowing, and prices are expected to rise sufficiently to bring about a higher return. Poultry sales slackened somewhat in June. Egg settings indicate some decline in broiler production during July-August to about last year's level, compared with an 8 per cent increase in production in the first five months of 1966. Egg production, which was 6 per cent above last year's level in the first half of the year, will probably lose momentum in the second half. Fall hog slaughter rates are expected to drop below those

¹Summary of USDA outlook reports as of mid-1967.

Prices Received by Farmers

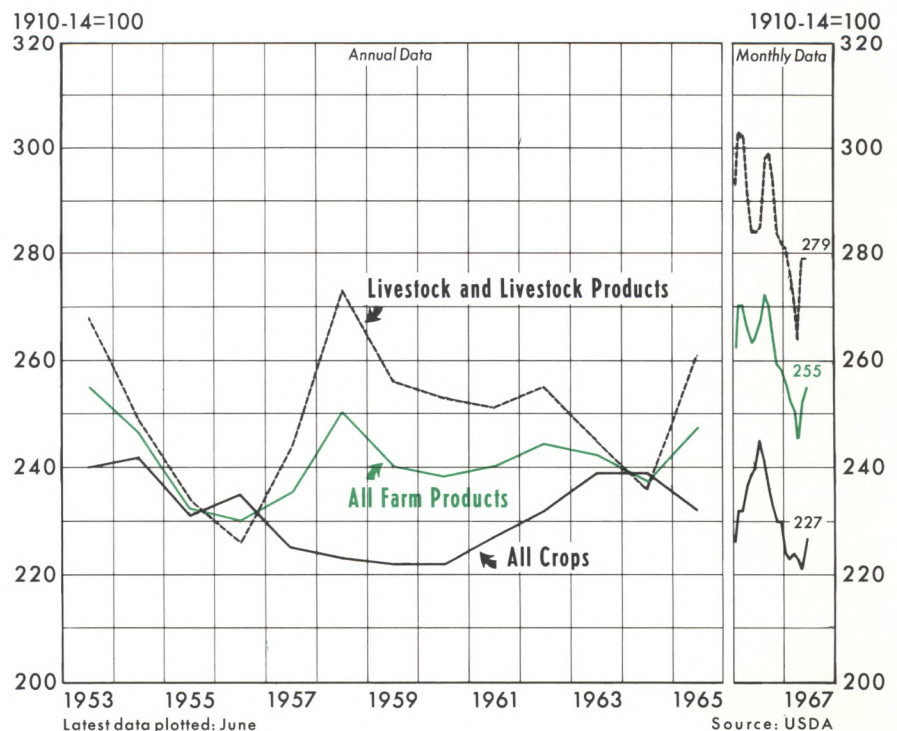


Table III

OUTPUT OF LIVESTOCK PRODUCTS

	Jan.—May 1966	Jan.—May 1967	Per Cent Change
Dairy Products			
Milk, mil. lbs.	51,729	51,822	0.2
Poultry Products			
Eggs, mil. doz.	27,795	29,577	6.4
Chickens, mil. lbs. ¹	1,835	1,987	8.3
Turkeys, mil. lbs. ¹	91	122	33.6
Meat, mil. lbs.			
Beef	7,824	8,318	6.3
Calf and Veal	357	308	-13.7
Pork	4,443	5,165	16.3
Lamb and Mutton	264	276	4.5
Total Red Meat	12,888	14,067	9.1

¹January-April data.

Source: USDA *Livestock Market News*; *Crop Production*.

of 1966, whereas spring slaughter was 11 per cent greater, and summer slaughter is also larger.

The number of cattle on feed indicate some decline in fat cattle slaughter during the remaining months of 1967 from the very high rates in the first half of the year. Marketings under Federal inspection during the April-June quarter were up 9 per cent from a year ago.

Crop production this year is expected to exceed that of 1966. On the basis of United States Department of Agriculture July 1 estimates and acreage planted data, wheat, corn, and soybean output may exceed the 1966 total by 22, 10, and 9 per cent, respectively (Table IV). Tobacco production may be about 5 per cent higher than the year-earlier level. Output of cotton, oats, and rice may be somewhat lower than last year.

With larger harvests in prospect, crop prices are likely to average a little lower than in 1966. Because of government price supports, however, the price declines will not be great. Hence, increased cash receipts are in prospect as the larger volume of marketings plus government payments will probably more than offset the lower prices. The price received by farmers for wheat (plus marketing certificate payments) is estimated at \$2.23 per bushel for participating producers, or about 30 per cent above that for the 1965-66 crop. Accordingly, cash receipts for the wheat crop may exceed that for any year since 1947-48. The larger corn crop in prospect may cause prices to decline to about the loan level, which was increased 5 cents per bushel this year to \$1.05. In addition, the 30 cent per bushel

price support payment to cooperating farmers has been retained.

Soybean prices may average somewhat below the \$2.70 - \$2.80 per bushel received during the last marketing season. With a record crop in prospect and record farm stocks on hand, totaling 219 million bushels on April 1, soybean prices may be near the loan rate of \$2.50 per bushel.

The loan rate for cotton declined somewhat, but the support payment increased, more than offsetting the loan reduction. The burley tobacco loan rate of 61.8 cents per pound is slightly above the 1966 level. The rice loan rate of \$4.55 per cwt. is also slightly above the year-ago level.

Crops in the Central Mississippi Valley

Crop production estimates in the states of the Central Mississippi Valley generally follow the national pattern.² Corn production estimates are substantially higher for three states than last year's output (Table IV). Indicated output is up 11 per cent in Missouri, 26 per cent in Kentucky, and 15 per cent in Tennessee. On the basis of acreage planted, cotton production will be even less than the depressed level of last year. Output of cotton in the area may total less than two-thirds the 1961-65 average as crop conditions have generally been poor this year in the upper portion of the Central Belt.

Soybeans continue to replace cotton as a source of farm income in the southern portion of the region. Production may exceed 1966 levels by 8 and 21 per cent in Arkansas and Mississippi, respectively, and Arkansas may for the first time become the leading soybean producing state of the Mississippi Valley group. In contrast to the rapid growth of soybean output in Arkansas, Mississippi, and Tennessee, the size of the crop has tended to stabilize in the northern portion of the region and in Illinois and Indiana.

Burley tobacco production in the region is likely to decline this year, whereas it will remain about the same as last year nationally. Total tobacco production in the nation, however, is expected to increase about 5 per cent. A cold, wet spring, however, retarded plantbed development in Kentucky and resulted in later-than-normal transplanting. Rice production, primarily in Arkansas, is expected to be about the same as in 1966.

²The Central Mississippi Valley comprises five states: Arkansas, Kentucky, Mississippi, Missouri and Tennessee.

Table IV

INDICATED CROP PRODUCTION

	Arkansas	Kentucky	Mississippi	Missouri	Tennessee	Central Mississippi Valley	Illinois	Indiana	United States
Corn									
1967, mil bu.	2.1	82.1	14.7	196.0	42.3	337.2	996.3	473.6	4,508.5
Per Cent Change									
1966 to 1967	-12.0	26.3	- 6.4	11.1	14.7	13.8	19.3	19.6	9.9
1961-65 to 1967	-63.7	24.8	-39.2	11.8	1.5	7.9	31.8	33.6	20.0
Wheat									
1967, mil bu.	19.2	8.3	15.0	55.0	9.1	106.6	75.9	52.7	1,596.1
Per Cent Change									
1966 to 1967	63.2	43.9	100.1	33.6	103.4	50.9	30.0	25.1	21.8
1961-65 to 1967	164.2	81.0	541.4	45.9	144.4	91.6	22.7	19.6	31.5
Oats									
1967, mil bu.	4.1	1.0	3.1	9.0	1.9	19.1	47.6	12.8	774.2
Per Cent Change									
1966 to 1967	-31.0	9.1	- 8.8	- 8.1	-12.1	-14.0	-12.6	-30.3	- 3.0
1961-65 to 1967	2.3	-15.4	-27.0	-20.6	-27.2	-18.4	-33.7	-48.5	-18.8
Soybeans									
1967, mil bu.	90.6	9.9	52.2	87.1	27.3	267.1	157.7	73.9	10,191.2
Per Cent Change									
1966 to 1967	8.0	27.1	21.0	2.0	28.0	10.6	- 1.0	1.0	9.5
1961-65 to 1967	29.3	64.9	75.3	27.1	101.3	42.1	2.8	4.1	35.1
Rice									
1967, mil. cwt.	21.0	-	2.3	0.2	-	23.5	-	-	84.8
Per Cent Change									
1966 to 1967	-0-	-	- 4.7	-0-	-	- 0.5	-	-	- 0.3
1961-65 to 1967	23.0	-	30.4	22.5	-	23.7	-	-	24.8
Tobacco									
1967, mil. lbs.	-	429.6	-	4.8	128.6	563.0	-	14.2	1,983.4
Per Cent Change									
1966 to 1967	-	- 2.7	-	- 8.2	1.1	- 1.9	-	- 4.8	4.9
1961-65 to 1967	-	- 8.7	-	-13.8	-12.5	- 9.6	-	- 9.5	- 8.2
Cotton									
1967, mil. bales	0.7	-	1.3	0.4	0.3	2.7	-	-	9.3
Per Cent Change									
1966 to 1967	- 5.8	-	- 4.1	-11.0	-18.3	- 7.5	-	-	- 6.0
1961-65 to 1967	-33.8	-	-36.2	-40.2	-38.6	-36.5	-	-	-36.6

Source: USDA, 1967 data based on July 1 estimates. Soybean and cotton production estimated on the basis of acreage planted and 1966 yields.



Publications of This Bank Include:

Weekly	U. S. FINANCIAL DATA
Monthly	REVIEW MONETARY TRENDS NATIONAL ECONOMIC TRENDS SELECTED ECONOMIC INDICATORS – CENTRAL MISSISSIPPI VALLEY
Quarterly	FEDERAL BUDGET TRENDS U. S. BALANCE OF PAYMENTS TRENDS TRIANGLES OF U. S. ECONOMIC DATA GROSS NATIONAL PRODUCT
Annually	TRIANGLES OF U. S. ECONOMIC DATA RATES OF CHANGE IN ECONOMIC DATA FOR TEN INDUSTRIAL COUNTRIES (QUARTERLY SUPPLEMENT)

Copies of these publications are available to the public without charge, including bulk mailings to banks, business organizations, educational institutions, and others. For information write: Research Department, Federal Reserve Bank of St. Louis, P. O. Box 442, St. Louis, Missouri 63166.