

Table 1.—Gross National Product or Expenditure, Seasonally Adjusted Quarterly Totals at Annual Rates, 1957–58, and First Three Quarters 1959*

[Billions of dollars]

	1957	1958	1958				1959		
			I	II	III	IV	I	II	III
Gross national product	442.5	441.7	431.0	434.5	444.0	457.1	470.2	484.5	478.6
Personal consumption expenditures	284.8	293.0	287.3	290.9	294.4	299.1	303.9	311.2	313.3
Durable goods.....	40.3	37.6	36.9	36.7	37.1	39.8	41.3	44.1	43.6
Nondurable goods.....	137.7	141.9	139.5	141.5	143.1	143.6	145.3	147.7	148.0
Services.....	106.7	113.4	111.0	112.7	114.2	115.7	117.4	119.4	121.6
Gross private domestic investment	66.6	54.9	52.4	51.3	54.2	61.3	69.8	77.5	67.0
New construction.....	36.1	35.8	35.5	34.6	35.4	37.3	39.7	41.0	41.0
Residential nonfarm.....	17.0	18.0	17.1	16.9	18.0	19.9	21.9	23.1	22.6
Other.....	19.0	17.7	18.4	17.7	17.4	17.4	17.8	17.9	18.3
Producers' durable equipment.....	28.5	22.9	23.8	22.6	22.2	23.2	23.9	26.0	27.0
Change in business inventories.....	2.0	-3.8	-6.9	-5.8	-3.4	.8	6.1	10.4	-1.0
Nontarm.....	1.2	-4.9	-8.1	-7.0	-4.5	-1.1	5.4	9.8	-1.8
Net exports of goods and services (GNP basis)	4.9	1.2	2.0	1.2	1.6	.2	-0.9	-1.8	.0
Exports.....	26.2	22.6	22.2	22.3	23.1	22.7	21.5	22.1	24.1
Imports.....	21.3	21.3	20.2	21.1	21.5	22.5	22.4	23.9	24.1
Government purchases of goods and services	86.2	92.6	89.3	91.1	93.8	96.5	97.4	97.7	98.4
Federal.....	49.4	52.2	50.1	51.3	53.1	54.2	53.8	53.9	53.6
National defense.....	44.3	44.5	44.0	44.3	44.5	45.3	45.8	46.2	45.9
Other.....	5.5	8.1	6.6	7.5	8.9	9.4	8.3	8.0	8.1
Less: Government sales.....	.4	.5	.5	.5	.3	.6	.3	.3	.4
State and local.....	36.8	40.5	39.2	39.7	40.8	42.2	43.6	43.8	44.8

*For back data see Table I-3 in the July 1959 Survey and, for years prior to 1956, in U.S. INCOME AND OUTPUT.

but also the special sensitivity of the latter to changes in general credit conditions.

The contraction in residential building 4 years ago, like the advance which preceded it, had been largely confined to activity under Government insurance or guarantee. The rise of 1958–59 was concentrated to a much lesser degree in such Government-backed housing, and the decline last summer was apparently no more pronounced in FHA and VA than in conventional starts. Applications for Federal backing, which have generally led the movement of “starts” in this category, have tapered more than seasonally since midyear. The decline is still apparent after allowance is made for the distortion due to a bulge in FHA applications just before the July 1 effective date of that agency's new minimum property standards.

Business fixed investment

As in other recent periods, the larger part of the summer increase in business fixed investment demand was in equipment, but a rise was also scheduled in industrial and other nonresidential construction activity.

Total capital outlays are up about one-tenth in real terms from their mid-1958 low, though still under the prerecession peak by a similar fraction. In current-dollar terms a somewhat larger measure of recovery has been achieved, owing to the advance of prices.

The pattern of change at midyear tended with few exceptions to mirror in reverse that of the 1957–58 downswing, which had centered in manufacturing, mining and railroads and had a more limited impact on the utilities.

Table 2.—Gross National Product or Expenditure, Seasonally Adjusted Quarterly Totals at Annual Rates, in Constant Dollars, 1957–58, and First Three Quarters 1959*

[Billions of 1954 dollars]

	1957	1958	1958				1959		
			I	II	III	IV	I	II	III
Gross national product	408.3	399.0	391.0	393.1	400.9	410.8	420.6	431.8	424.3
Personal consumption expenditures	270.8	273.3	268.7	271.1	275.0	278.4	282.3	288.3	288.8
Durable goods.....	38.5	35.7	35.2	35.0	35.3	37.5	38.8	41.2	40.6
Nondurable goods.....	132.6	133.7	131.3	132.7	135.3	135.9	137.3	139.7	139.4
Services.....	99.8	103.8	102.2	103.4	104.4	105.3	106.2	107.4	108.8
Gross private domestic investment	58.5	47.3	45.0	44.2	46.6	53.0	59.7	65.7	56.4
New construction.....	31.9	31.5	31.3	30.5	31.2	32.6	34.3	35.1	34.9
Residential nonfarm.....	15.4	16.2	15.4	15.3	16.3	17.8	19.3	20.2	19.7
Other.....	16.5	15.2	15.9	15.1	15.0	14.8	15.0	14.9	15.2
Producers' durable equipment.....	24.6	19.3	20.1	19.0	18.6	19.3	19.8	21.3	22.1
Change in business inventories.....	2.0	-3.5	-6.4	-5.3	-3.2	1.1	5.6	9.2	-6
Nonfarm.....	1.1	-4.4	-7.2	-6.1	-4.2	.0	4.7	8.6	-1.4
Net exports of goods and services (GNP basis)	3.8	.0	.8	.1	.5	-1.4	-2.7	-3.5	-1.9
Government purchases of goods and services	75.1	78.4	76.5	77.7	78.9	80.8	81.3	81.4	81.0
Federal.....	42.8	44.1	42.8	43.9	44.3	45.2	44.9	45.0	44.1
State and local.....	32.3	34.4	33.7	33.8	34.6	35.5	36.4	36.4	36.9

*For back data see Table I-5 in the July 1959 Survey and, for years prior to 1956, in U.S. INCOME AND OUTPUT.

The course of demand for business plant and equipment last summer appears to have been relatively little influenced by the current stringency in financial conditions. For corporate business as a whole, internal funds becoming available during the quarter were less than last spring but in line with most other recent quarters; the total of funds needed for the financing of fixed capital investment and inventory-building dropped as inventories were reduced.

Inventory liquidation in metals

Curtailed by work stoppages, national output fell short of final purchases in the summer quarter, as business inventories were drawn down. This movement was a sharp reversal of the spring inventory buildup. Most of the swing occurred in metal and metal-products manufacturing, which was af-

Table 3.—Personal Consumption Expenditures by Major Type, Seasonally Adjusted Quarterly Totals at Annual Rates, 1957–58 and First Three Quarters 1959*

[Billions of dollars]

	1957	1958	1958				1959		
			I	II	III	IV	I	II	III
Goods and services, total	284.8	293.0	287.3	290.9	294.4	299.1	303.9	311.2	313.3
Durable goods, total	40.3	37.6	36.9	36.7	37.1	39.8	41.3	44.1	43.6
Automobiles and parts.....	17.0	14.0	13.5	13.6	13.2	15.7	17.2	18.8	18.2
Furniture and household equipment.....	17.4	17.4	17.2	17.0	17.6	17.8	17.7	18.8	18.9
Other.....	5.8	6.2	6.1	6.1	6.3	6.3	6.4	6.4	6.5
Nondurable goods, total	137.7	141.9	139.5	141.5	143.1	143.6	145.3	147.7	148.0
Food and beverages.....	74.3	76.6	75.8	77.0	76.6	77.0	77.8	79.0	78.8
Clothing and shoes.....	25.4	26.1	25.3	25.7	26.7	26.6	26.7	27.8	27.8
Gasoline and oil.....	10.4	10.5	10.3	10.4	10.7	10.7	11.0	11.1	11.3
Other.....	27.6	28.7	28.1	28.3	29.1	29.3	29.8	29.8	30.1
Services, total	106.7	113.4	111.0	112.7	114.2	115.7	117.4	119.4	121.6
Housing.....	35.2	38.0	37.0	37.7	38.4	39.0	39.6	40.3	41.0
Household operation.....	15.8	16.9	16.5	16.8	17.0	17.2	17.3	17.6	17.8
Transportation.....	8.9	9.1	8.9	9.0	9.1	9.2	9.3	9.3	9.5
Other.....	46.8	49.4	48.6	49.2	49.7	50.3	51.1	52.1	53.4

*For back data see Table II-6 in the July 1959 Survey and, for years prior to 1956, in U.S. INCOME AND OUTPUT.

Monthly BUSINESS STATISTICS



THE STATISTICS here are a continuation of the data published in the 1959 edition of BUSINESS STATISTICS, biennial Statistical Supplement to the SURVEY OF CURRENT BUSINESS. That volume (price \$2.25) contains monthly (or quarterly) data for the years 1955 through 1958 and monthly averages for all years back to 1929 insofar as available; it also provides a description of each series and references to sources of monthly figures prior to 1955. Series added or significantly revised since publication of the 1959 BUSINESS STATISTICS are indicated by an asterisk (*) and a dagger (†), respectively; certain revisions for 1958 issued too late for inclusion in the aforementioned volume appear in the monthly SURVEY beginning with the July 1959 issue. Except as otherwise stated, the terms "unadjusted" and "adjusted" refer to adjustment for seasonal variation.

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Unless otherwise stated, statistics through 1958 and descriptive notes are shown in the 1959 edition of BUSINESS STATISTICS	1958				1959									
	September	October	November	December	January	February	March	April	May	June	July	August	September	October

GENERAL BUSINESS INDICATORS

NATIONAL INCOME AND PRODUCT														
Seasonally adjusted quarterly totals at annual rates:														
National income, total..... bil. of dol.	369.5			380.4			389.4			403.9				
Compensation of employees, total..... do.....	258.5			262.9			269.9			278.9				279.3
Wages and salaries, total..... do.....	241.1			245.1			250.9			259.4				259.5
Private..... do.....	197.1			200.8			206.2			214.0				213.5
Military..... do.....	10.0			9.9			9.8			9.8				9.8
Government civilian..... do.....	34.0			34.4			34.8			35.6				36.3
Supplements to wages and salaries..... do.....	17.5			17.8			19.0			19.6				19.8
Proprietors' income, total ^o do.....	46.8			47.4			46.9			46.6				45.1
Business and professional ^o do.....	32.6			33.2			33.7			34.5				34.8
Farm..... do.....	14.2			14.1			13.2			12.1				10.3
Rental income of persons..... do.....	11.9			11.9			12.0			12.0				12.0
Corporate profits and inventory valuation adjustment, total..... bil. of dol.	38.0			43.5			45.5			51.0				
Corporate profits before tax, total..... do.....	38.3			44.6			46.5			52.6				
Corporate profits tax liability..... do.....	18.8			21.9			22.6			25.6				
Corporate profits after tax..... do.....	19.5			22.7			23.8			27.0				
Inventory valuation adjustment..... do.....	-3			-1.1			-9			-1.6				
Net interest..... do.....	14.4			14.7			15.1			15.4				15.8
Gross national product, total..... do.....	444.0			457.1			470.2			484.5				478.6
Personal consumption expenditures, total..... do.....	294.4			299.1			303.9			311.2				313.3
Durable goods..... do.....	37.1			39.8			41.3			44.1				43.6
Nondurable goods..... do.....	143.1			143.6			145.3			147.7				148.0
Services..... do.....	114.2			115.7			117.4			119.4				121.6
Gross private domestic investment, total..... do.....	54.2			61.3			69.8			77.5				67.0
New construction..... do.....	35.4			37.3			39.7			41.0				41.0
Producers' durable equipment..... do.....	22.2			23.2			23.9			26.0				27.0
Change in business inventories..... do.....	-3.4			.8			6.1			10.4				-1.0
Net exports of goods and services..... do.....	1.6			.2			-.9			-1.8				.0
Exports..... do.....	23.1			22.7			21.5			22.1				24.1
Imports..... do.....	21.5			22.5			22.4			23.9				24.1
Government purchases of goods and services, total..... bil. of dol.	93.8			96.5			97.4			97.7				98.4
Federal (less Government sales)..... do.....	53.1			54.2			53.8			53.9				53.6
National defense ^o do.....	44.5			45.3			45.8			46.2				45.9
State and local..... do.....	40.8			42.2			43.6			43.8				44.8
Personal income, total..... do.....	363.4			366.3			371.8			381.1				381.0
Less: Personal tax and nontax payments..... do.....	42.9			43.4			44.4			45.8				45.9
Equals: Disposable personal income..... do.....	320.4			322.9			327.4			335.3				335.1
Personal saving [§] do.....	26.0			23.7			23.5			24.1				21.9
GNP in constant (1954) dollars														
Gross national product, total..... bil. of dol.	400.9			410.8			420.6			431.8				424.3
Personal consumption expenditures, total..... do.....	275.0			278.4			282.3			288.3				288.8
Durable goods..... do.....	35.3			37.5			38.8			41.2				40.6
Nondurable goods..... do.....	135.3			135.6			137.3			139.7				139.1
Services..... do.....	104.4			105.3			106.2			107.4				108.8
Gross private domestic investment, total..... do.....	46.6			53.0			59.7			65.7				56.4
New construction..... do.....	31.2			32.6			34.3			35.1				34.9
Producers' durable equipment..... do.....	18.6			19.3			19.8			21.3				22.1
Change in business inventories..... do.....	-3.2			1.1			5.6			9.2				-6
Net exports of goods and services..... do.....	.5			-1.4			-2.7			-3.5				-1.9
Government purchases of goods and services, total..... bil. of dol.	78.9			80.8			81.3			81.4				81.0
Federal..... do.....	44.3			45.2			44.9			45.0				44.1
State and local..... do.....	34.6			35.5			36.4			36.4				36.9

* Revised. ^oIncludes inventory valuation adjustment. ^oGovernment sales are not deducted. [§]Personal saving is excess of disposable income over personal consumption expenditures shown as a component of gross national product above.