

CONFIDENTIAL -- FR

February 1, 1967

**GROSS NATIONAL PRODUCT AND RELATED ITEMS**  
 (Expenditures and income figures are billions of dollars  
 seasonally adjusted annual rates)

	1965	1966p	1966				1967	
							Projected	
			I	II	III	IVp	I	II
Gross National Product	681.2	739.5	721.2	732.3	745.3	759.1	766.1	773.5
Final sales	672.1	728.1	712.3	720.0	735.4	744.7	757.1	769.1
Personal consumption expenditures	431.5	465.0	455.6	460.1	469.9	474.4	480.8	487.8
Durable goods	66.1	69.4	70.3	67.1	70.2	70.1	69.2	69.2
Nondurable goods	190.6	206.1	201.9	205.6	208.1	208.7	212.0	215.0
Services	174.8	189.5	183.4	187.4	191.5	195.6	199.6	203.6
Gross private domestic investment	106.6	116.5	114.5	118.5	115.0	118.0	113.1	108.3
Residential construction	27.8	25.8	28.6	28.0	24.8	21.9	21.8	21.9
Business fixed investment	69.7	79.3	77.0	78.2	80.3	81.7	82.3	82.0
Change in business inventories	9.1	11.4	8.9	12.3	9.9	14.4	9.0	4.4
Nonfarm	8.1	11.7	8.5	12.1	10.4	15.6	9.5	4.5
Net exports	7.0	4.9	6.0	4.7	4.2	4.8	5.9	6.8
Gov't purchases of goods & services	136.2	153.1	145.0	149.0	156.2	161.9	166.3	170.6
Federal	66.8	77.0	71.9	74.0	79.0	82.5	85.1	87.6
Defense	50.1	60.0	54.6	57.1	62.0	65.5	67.8	69.3
Other	16.7	17.0	17.4	16.9	17.0	17.0	17.3	18.3
State & local	69.4	76.2	73.1	75.0	77.2	79.4	81.2	83.0
Gross National Product in constant (1958) dollars	614.4	647.7	640.5	643.5	649.9	657.0	659.1	662.2
GNP Implicit deflator(1958=100)	110.9	114.2	112.6	113.8	114.7	115.6	116.2	116.8
Per cent change, annual rate								
GNP current dollars	7.8	8.6	9.5	6.2	7.1	7.4	3.7	3.9
GNP constant dollars	5.9	5.4	5.9	1.9	4.0	4.4	1.3	1.9
Implicit deflator	1.8	3.0	3.6	4.3	3.2	3.1	2.1	2.1
Personal income	535.1	580.4	564.6	573.5	585.2	598.1	607.4	615.1
Wage and salaries	358.4	392.3	380.0	387.4	396.7	405.0	410.7	416.5
Disposable income	469.1	505.3	495.1	499.9	507.8	518.2	526.9	534.1
Personal saving	25.7	26.9	26.7	26.6	24.5	29.9	31.8	31.7
Saving rate (per cent)	5.5	5.3	5.4	5.3	4.8	5.8	6.0	5.9
Total labor force (millions)	78.4	80.2	79.4	79.7	80.4	81.1	81.5	81.7
Armed forces "	2.7	3.1	2.9	3.1	3.2	3.3	3.4	3.5
Civilian labor force "	75.6	77.0	76.5	76.7	77.2	77.8	78.1	78.2
Unemployment rate (per cent)	4.6	3.9	3.8	3.9	3.9	3.8	3.9	4.0
Nonfarm payroll employment (millions)	60.8	63.9	62.8	63.6	64.1	64.8	65.2	65.5

p -- preliminary figures.

high October-November average -- advanced by 2 per cent from the third quarter to an annual rate of \$30.2 billion (estimated balance of payments basis).

A further increase in imports of machinery and motor vehicles in the fourth quarter was offset by declines in imports of industrial materials, food and consumer goods other than autos. The decline in imports of industrial materials included a fall-off in imports of steel and petroleum which had bulged high in the third quarter; but imports of other materials (constituting 30 per cent of total imports) also fell in the fourth quarter after having levelled off in the third quarter. The fourth quarter decline in imports of consumer goods other than autos was rather small, but it followed a 25 per cent annual rate of growth in purchases of these goods between early 1965 and mid-1966.

Agricultural exports declined from the third to the fourth quarters, while non-agricultural exports rose. However, strength in

U.S. EXPORTS  
(billions of dollars, seasonally adjusted annual rates)

	<u>1965</u>	<u>1966</u>	<u>1966</u>		
			1st Half	3rd Qtr.	4th Qtr.
Agricultural	6.3	7.1	6.8	7.4	7.1
Non-agricultural, excl. military grant aid	<u>20.1</u>	<u>22.4</u>	<u>21.9</u>	<u>22.6</u>	<u>23.2</u>
Total, Census basis	26.4	29.5	28.7	30.0	30.3
Total, Balance of Payments basis	26.3	29.3 <sup>e/</sup>	28.6	29.8	30.2 <sup>e/</sup>

<sup>e/</sup> Estimate.