

GNP AND RELATED ITEMS, 1971
(Changes in seasonally adjusted totals at annual rates)

| | QIII | QIV | |
|---------------------------|-------------------------------|-------------------|-------------------|
| | OBE | Proj. of | |
| | Prel. | 10/13/71 | Current |
| | -----Billions of dollars----- | | |
| GNP | 15.9 | 25.5 | 22.0 |
| Final Sales | 20.0 | 23.7 | 20.1 |
| Personal consumption | 11.2 | 14.9 | 12.9 |
| Residential construction | 2.0 | 1.1 | .9 |
| Business fixed investment | 2.7 | .0 | .5 |
| Net exports | .0 | 1.0 | - .5 |
| Federal purchases | 1.9 | 3.7 | 3.6 |
| State & local purchases | 2.3 | 3.0 | 2.7 |
| Inventory change | -4.1 | 1.8 | 1.9 |
| | -----Per Cent Per Year----- | | |
| Real GNP | 2.9 ^{3/} | 7.1 | 5.8 ^{2/} |
| GNP deflator | 3.3 ^{3/} | 2.5 ^{1/} | 2.4 ^{2/} |

1/ Excluding the first \$1.2 billion, annual rate, of voluntary army pay increase, 2.1 per cent per year.

2/ Excluding the first \$1.2 billion, annual rate, of voluntary army pay increase, 2.0 per cent per year.

3/ At compound rates.

consumer income and purchases should be supported during both quarters by a series of stimuli: larger employment gains, increased Federal payments to the military in furtherance of a volunteer army, lower withholding taxes, and appreciable tax refunds resulting from retroactive tax concessions which we assume will be enacted shortly by Congress.