

CONFIDENTIAL (FR)

CURRENT ECONOMIC and FINANCIAL CONDITIONS

**Prepared for the
Federal Open Market Committee**

By the Staff

**BOARD OF GOVERNORS
OF THE FEDERAL RESERVE SYSTEM**

September 27, 1967

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GROSS NATIONAL PRODUCT AND RELATED ITEMS
 (Quarterly figures are seasonally adjusted. Expenditures and income
 figures are billions of dollars, with quarterly figures at annual rates)

	1966	1967 Proj.	1966		1967			
			III	IV	I	II	Projected	
							III	IV
Gross National Product	743.3	785.4	748.8	762.1	766.3	775.1	790.0	810.0
Final sales	729.9	783.2	737.4	743.6	759.2	774.6	790.3	808.5
Private	575.6	605.4	579.7	581.9	588.8	599.6	610.5	622.5
Personal consumption expenditures	465.9	493.8	470.1	473.8	480.2	489.7	497.7	507.7
Durable goods	70.3	72.4	70.9	70.6	69.4	72.5	72.5	75.0
Nondurable goods	207.5	219.7	209.5	210.3	214.2	217.2	221.7	225.7
Services	188.1	201.7	189.8	192.9	196.6	200.0	203.5	207.0
Gross private domestic investment	118.0	108.6	116.4	122.2	110.4	105.1	107.5	111.3
Residential construction	24.4	24.2	23.7	20.9	21.4	23.1	25.4	26.8
Business fixed investment	80.2	82.2	81.2	82.8	81.9	81.5	82.4	83.0
Change in business inventories	13.4	2.2	11.4	18.5	7.1	.5	-.3	1.5
Nonfarm	13.7	2.1	12.0	19.0	7.3	.6	-.5	1.0
Net Exports	5.1	5.2	4.6	4.3	5.3	5.3	5.0	5.0
Gov't. purchases of goods & services	154.3	177.8	157.7	161.7	170.4	175.0	179.8	186.0
Federal	77.0	91.2	79.5	81.5	87.1	89.5	92.1	96.0
Defense	60.5	73.6	63.0	65.6	70.2	72.5	74.5	77.0
Other	16.5	17.6	16.6	15.9	16.8	17.0	17.6	19.0
State & local	77.2	86.6	78.1	80.2	83.3	85.4	87.7	90.0
Gross National product in constant (1958) dollars	652.6	670.5	654.8	661.1	660.7	664.7	672.8	683.6
GNP Implicit deflator (1958=100)	113.9	117.1	114.4	115.3	116.0	116.6	117.4	118.5*
Personal income	584.0	623.0	589.3	601.6	612.9	619.1	631.0	645.0
Wage and salaries	394.6	424.1	399.6	407.4	414.7	418.3	426.5	437.0
Disposable income	508.8	545.2	512.4	522.0	532.7	540.0	548.5	559.5
Personal saving	29.8	37.2	29.2	34.6	38.8	36.0	36.5	37.4
Saving rate (per cent)	5.9	6.8	5.7	6.6	7.3	6.7	6.7	6.7
Corporate profits before tax	83.8	80.7	84.0	83.9	79.0	78.9	80.5	84.5
Federal government receipts and expenditures (N.I.A. basis)								
Receipts	143.2	151.7	145.6	148.6	149.1	148.1	152.4	157.3
Expenditures	142.9	165.1	146.3	151.9	160.9	162.8	166.0	170.7
Surplus or deficit (-)	.3	-13.4	-.7	-3.3	-11.9	-14.7	-13.6	-13.4
Total labor force (millions)	78.9	80.8	79.1	79.8	80.3	80.2	81.1	81.6
Armed forces "	3.1	3.5	3.2	3.3	3.4	3.5	3.5	3.5
Civilian labor force "	75.8	77.3	76.0	76.5	76.9	76.7	77.6	78.1
Unemployment rate (per cent)	3.8	3.7	3.8	3.7	3.7	3.8	3.8	3.6
Nonfarm payroll employment (millions)	64.0	66.2	64.3	65.0	65.7	65.7	66.2	67.0
Manufacturing	19.2	19.3	19.3	19.5	19.5	19.3	19.3	19.6
Industrial production (1957-59=100)	156.3	157.7	157.6	158.8	157.0	155.7	157.3	160.7
Capacity utilization, manufacturing (per cent)	90.5	85.3	90.6	89.8	87.0	85.0	84.2	84.8
Housing starts, private (millions A. R.)	1.17	1.27	1.08	.92	1.12	1.21	1.35	1.39
Sales new U.S.-made autos (millions, A. R.)	8.38	7.70	8.47	8.13	7.33	7.83	7.37	8.25

* 118.3 without Federal pay increase.