

CONFIDENTIAL - FR
CLASS II FOMC

PERCENT CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS
(Annual rates compounded quarterly)

	Projected							
	1984				1985			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<u>Constant (1972) Dollars</u>								
Gross national product	4.7	4.4	4.3	3.8	3.4	3.4	3.1	2.9
Final sales	1.2	6.4	4.4	3.8	3.4	3.4	3.2	3.0
Private	3.6	3.6	3.5	3.6	3.5	3.4	3.2	2.9
Domestic final purchases	4.9	4.4	3.3	3.2	3.2	3.1	2.8	2.4
Personal consumption expenditures	3.9	3.4	2.6	2.5	2.5	2.7	2.3	2.2
Goods	3.9	3.6	2.4	2.4	1.9	2.3	2.2	2.0
Services	4.0	3.3	2.8	2.7	3.2	3.0	2.4	2.4
Gross private domestic investment	35.1	-3.0	6.1	5.9	5.8	4.8	4.4	3.3
Residential structures	1.7	4.1	-1.1	-2.3	.2	-.7	.4	-1.2
Business fixed investment	12.1	10.1	9.2	8.9	7.9	6.6	6.2	4.7
Gov't. purchases of goods and services	-8.8	19.5	8.3	4.8	3.2	3.2	3.3	3.3
Federal	-24.7	51.9	17.2	8.1	4.4	4.4	4.9	4.9
National defense	10.3	9.7	8.6	6.4	5.7	5.5	6.5	6.3
State and local	3.0	2.4	2.5	2.4	2.4	2.4	2.2	2.2
Disposable personal income	6.2	1.0	2.9	2.5	3.7	2.6	2.2	2.0
<u>Current Dollars</u>								
Gross national product	10.1	8.8	8.8	8.6	8.8	8.4	8.4	8.4
Final sales	6.8	10.7	8.9	8.6	8.8	8.4	8.5	8.4
Private	8.4	7.8	7.8	8.2	8.5	8.4	8.4	8.3
Domestic final purchases	9.6	9.4	8.8	8.7	8.4	8.3	8.1	7.9
Personal consumption expenditures	9.1	8.8	8.4	8.2	7.8	8.0	7.7	7.7
Goods	8.5	8.2	7.6	7.4	6.4	6.8	6.7	6.4
Services	9.7	9.5	9.2	9.0	9.3	9.1	8.7	9.0
Gross private domestic investment	35.0	.6	10.0	10.3	10.4	9.4	9.3	8.5
Residential structures	6.3	9.0	3.9	2.7	5.5	4.6	5.9	4.5
Business fixed investment	14.0	13.3	13.1	13.4	12.4	11.3	11.2	10.1
Gov't. purchases of goods and services	1.1	22.5	12.9	9.8	10.3	8.6	8.7	8.7
Federal	-10.4	48.4	20.2	12.1	13.4	9.2	9.9	9.7
National defense	20.4	14.6	14.1	11.6	14.7	10.7	12.1	11.7
State and local	9.1	8.3	8.3	8.3	8.2	8.2	7.9	7.9
Disposable personal income	11.5	6.3	8.8	8.2	9.1	8.0	7.7	7.5
Personal income	12.1	6.2	9.1	8.4	9.2	8.4	8.1	8.0
Wage and salary disbursements	9.5	8.4	8.6	8.5	9.0	8.4	8.3	8.1
Corporate profits with I.V.A. and C.C. Adj.	2.2	10.9	2.0	6.4	.8	11.0	13.1	15.2
Corporate profits before tax	-1.5	7.1	-5.6	-.6	-5.3	6.9	11.8	13.6
Nonfarm payroll employment	3.7	3.1	3.2	3.2	3.0	2.9	2.7	2.6
Manufacturing	7.6	6.5	5.5	4.4	3.2	2.2	1.4	.9
Nonfarm business sector								
Output per hour	1.1	1.5	1.1	.8	.5	.7	.8	.8
Compensation per hour	7.1	5.3	5.4	5.5	6.1	5.7	5.9	6.0
Unit labor costs	5.9	3.8	4.2	4.7	5.5	5.0	5.1	5.2
GNP implicit deflator <1>	5.2	4.1	4.3	4.6	5.3	4.9	5.1	5.3
Gross domestic business product								
fixed-weighted price index <2>	4.8	4.8	4.8	4.9	5.0	5.2	5.3	5.4
Excluding food and energy	4.6	4.9	4.6	4.8	5.2	5.3	5.6	5.9
Consumer price index (all urban)	4.9	5.1	5.3	5.3	5.2	5.2	5.3	5.4
Industrial production	6.6	6.2	5.6	4.7	3.4	2.9	2.9	2.6

<1> Excluding Federal pay increases, the rate of change in 1984-Q1 is 4.8 percent and in 1985-Q1 is 4.9 percent.

<2> Uses expenditures in 1972 as weights.