

March 25, 1981

CONFIDENTIAL - FR
CLASS II FOMCGROSS NATIONAL PRODUCT AND RELATED ITEMS
(Quarterly figures are seasonally adjusted. Expenditures and income
figures are billions of current dollars at annual rates.)

	1981				1982			
	Q1	Q2	Q3	Q4	Projected Q1	Q2	Q3	Q4
Gross national product	2830.8	2892.3	2958.6	3026.9	3088.3	3148.6	3211.4	3286.5
Final purchases	2830.5	2885.3	2952.6	3022.9	3084.8	3144.6	3206.9	3282.0
Private	2259.4	2305.2	2358.1	2411.2	2461.6	2509.5	2560.3	2615.5
Excluding net exports	2235.7	2278.8	2331.9	2381.7	2429.5	2476.9	2527.8	2580.3
Personal consumption expenditures	1810.4	1856.9	1906.5	1950.9	1992.6	2032.2	2073.2	2114.5
Goods	964.0	986.4	1012.0	1034.4	1054.1	1072.7	1091.7	1110.5
Services	846.4	870.5	894.5	916.5	938.5	959.5	981.5	1004.0
Gross private domestic investment	425.6	428.9	431.4	434.8	440.4	448.7	459.1	470.3
Residential construction	114.0	107.0	107.0	108.5	110.0	112.0	115.5	120.0
Business fixed investment	311.3	314.9	318.4	322.3	326.9	332.7	339.1	345.8
Change in business inventories	.3	7.0	6.0	4.0	3.5	4.0	4.5	4.5
Nonfarm	.2	7.0	6.0	4.0	3.5	4.0	4.5	4.5
Net exports of goods and services ^{1/}	23.7	26.4	26.2	29.5	32.1	32.6	32.5	35.2
Exports	370.0	380.4	389.2	400.4	410.1	417.6	425.2	434.4
Imports	346.2	354.0	363.0	370.9	378.0	385.1	392.6	399.3
Gov't. purchases of goods and services	571.1	580.1	594.5	611.7	623.2	635.1	646.6	666.5
Federal ^{2/}	217.6	220.0	228.0	238.8	244.6	250.6	256.4	270.6
State and local	353.5	360.1	366.5	372.9	378.6	384.5	390.2	395.9
Gross national product in constant (1972) dollars	1506.8	1506.9	1509.8	1511.6	1512.7	1513.9	1516.2	1520.8
Personal income	2318.0	2376.2	2446.1	2499.8	2551.2	2606.1	2669.2	2724.8
Wage and salary disbursements	1440.6	1467.4	1497.9	1527.4	1554.9	1582.3	1606.7	1639.9
Disposable personal income	1944.6	1989.8	2072.7	2113.8	2156.5	2199.3	2251.3	2293.9
Saving rate (percent)	4.3	4.1	5.5	5.1	5.0	5.0	5.4	5.3
Corporate profits with I.V.A. and C.C. Adj.	184.3	182.2	185.8	187.5	181.9	178.9	186.0	197.6
Corporate profits before tax	251.0	242.5	245.5	246.7	240.6	237.8	244.7	256.3
Federal government surplus or deficit (-) (N.I.A. basis)	-34.6	-37.5	-83.1	-81.4	-77.3	-77.9	-91.4	-96.0
High employment surplus or deficit (-) ^{3/}	17.1	22.3	-19.4	-11.5	-1.0	4.6	-2.2	-3
State and local government surplus or deficit (-) (N.I.A. basis)	34.6	33.9	36.4	34.7	33.7	33.2	33.2	34.0
Excluding social insurance funds	5.0	3.7	5.6	3.3	1.5	.3	-.5	-.5
Civilian labor force (millions)	105.7	106.0	106.3	106.5	106.8	107.1	107.4	107.6
Unemployment rate (percent)	7.4	7.5	7.7	7.9	8.1	8.3	8.5	8.6
Nonfarm payroll employment (millions)	91.6	91.6	91.7	91.6	91.6	91.7	91.7	91.7
Manufacturing	20.4	20.3	20.3	20.2	20.2	20.1	20.1	20.2
Industrial production (1967=100)	151.0	151.0	151.5	151.8	152.0	152.2	152.5	153.1
Capacity utilization: all mfg. (percent)	79.6	79.0	78.7	78.3	77.9	77.4	77.0	76.8
Materials (percent)	81.2	80.6	80.1	79.7	79.2	78.7	78.2	77.9
Housing starts, private (million units, A.R.)	1.35	1.25	1.25	1.25	1.30	1.30	1.35	1.35
New autos sales, (millions, A.R.)	10.10	8.90	8.80	8.70	8.75	8.80	8.70	8.65
Domestic models	7.40	6.40	6.40	6.30	6.40	6.50	6.40	6.35
Foreign models	2.70	2.50	2.40	2.40	2.35	2.30	2.30	2.30

^{1/} Balance of payments data and details underlying these estimates are shown in the International Developments section of this part of the Greenbook.^{2/} Components of purchases and total receipts and total expenditures are shown in the Federal Sector Accounts table which follows.^{3/} Estimates in table are evaluated at a 5.1 percent high employment unemployment rate. Evaluated at a 6.1 percent unemployment rate, the high employment budget would show a deficit of \$37.2 billion in 1980-Q4 and a deficit of \$37.1 billion in 1981-Q4, and a deficit of \$27.4 billion in 1982-Q4.

March 25, 1981

CONFIDENTIAL - FR
CLASS II FOMCPERCENT CHANGES IN GROSS NATIONAL PRODUCT
AND RELATED ITEMS
(Annual rates compounded quarterly)

	1981				1982			
	Q1	Q2	Q3	Projected Q4	Q1	Q2	Q3	Q4
<u>Constant (1972) dollars</u>								
Gross national product	5.8	.0	.8	.5	.3	.3	.6	1.2
Final purchases	3.8	-.8	.9	.7	.4	.3	.5	1.2
Private	4.1	-.7	.9	.7	.2	.2	.6	1.3
Excluding net exports	3.9	-1.1	.6	.3	.3	.3	.8	1.2
Personal consumption expenditures	4.1	.8	1.5	.7	.5	.3	.5	.8
Goods	8.0	.2	.3	-.2	-.1	.2	.4	.8
Services	1.6	1.8	2.0	1.5	1.2	.8	1.1	1.8
Gross private domestic investment	19.3	-3.3	-4.3	-3.7	-1.5	.8	2.4	2.8
Residential structures	-4.4	-28.5	-7.6	-2.3	-2.4	-.7	4.5	7.7
Business fixed investment	6.0	-2.7	-2.1	-1.7	-.7	.6	1.2	1.5
Gov't. purchases of goods and services	2.5	-1.6	.7	1.1	.9	.4	.3	1.2
Federal	7.2	-3.3	2.9	4.3	4.8	3.3	3.2	5.7
State and local	-.3	-.5	-.6	-.8	-1.4	-1.3	-1.5	-1.6
Disposable personal income	.5	-.1	7.5	-.6	.1	.3	1.9	.4
<u>Current dollars</u>								
Gross national product	15.5	9.0	9.5	9.6	8.4	8.0	8.2	9.7
Final purchases	12.6	8.0	9.7	9.9	8.4	8.0	8.2	9.7
Private	13.4	8.4	9.5	9.3	8.6	8.0	8.4	8.9
Excluding net exports	13.5	7.9	9.7	8.8	8.3	8.0	8.5	8.6
Personal consumption expenditures	14.3	10.7	11.1	9.6	8.8	8.2	8.3	8.2
Goods	17.0	9.6	10.8	9.2	7.8	7.2	7.3	7.1
Services	11.2	11.9	11.5	10.2	10.0	9.3	9.5	9.5
Gross private domestic investment	31.2	3.1	2.4	3.2	5.3	7.8	9.6	10.1
Residential structures	3.7	-22.4	.0	5.7	5.6	7.5	13.1	16.5
Business fixed investment	12.7	4.7	4.5	5.0	5.8	7.3	7.9	8.1
Gov't. purchases of goods and services	9.3	6.5	10.3	12.1	7.7	7.9	7.4	12.9
Federal	11.0	4.5	15.4	20.3	10.1	10.2	9.6	24.1
State and local	8.2	7.7	7.3	7.2	6.3	6.4	6.1	6.0
Disposable personal income	10.4	9.6	17.7	8.2	8.3	8.2	9.8	7.8
Personal income	11.4	10.4	12.3	9.1	8.5	8.9	10.0	8.6
Wage and salary disbursements	12.8	7.7	8.6	8.1	7.4	7.2	6.3	8.5
Corporate profits with IVA & C.C. Adj.	2.9	-3.9	8.1	3.0	-11.4	-6.4	16.8	27.4
Corporate profits before tax	3.0	-12.9	4.9	2.1	-9.5	-4.7	12.1	20.4
Nonfarm payroll employment	2.8	.3	.1	.0	.0	.0	.0	.4
Manufacturing	2.4	-1.3	-.8	-.8	-.8	-.8	-.4	.8
Nonfarm business sector								
Output per hour	3.3	-.4	.7	.3	.3	.5	.4	.9
Compensation per hour	12.1	9.1	8.8	8.4	9.2	7.9	7.7	7.7
Unit labor costs	8.5	9.5	8.0	8.1	8.9	7.4	7.3	6.7
GNP implicit deflator ^{1/}	9.1	8.9	8.7	9.0	8.0	7.7	7.6	8.3
Gross domestic business product								
fixed-weighted price index ^{2/}	10.5	9.6	9.3	8.9	8.3	7.9	7.8	7.5
Excluding food and energy	8.3	8.6	8.1	7.9	7.7	7.4	7.3	7.1
Consumer price index (all urban)	11.5	11.6	11.9	10.5	8.6	8.0	7.8	7.5
Industrial production	5.2	.0	1.3	.8	.5	.5	.8	1.6

^{1/} Excluding Federal pay increases, the rates of change are: 1981-Q1, 9.1 percent; 1981-Q4, 8.3 percent; 1982-Q1, 8.0 percent; 1982-Q4, 7.4 percent.

^{2/} Uses expenditures in 1972 as weights.