## CONFIDENTIAL (FR)

CURRENT ECONOMIC AND FINANCIAL CONDITIONS

By the Staff
Board of Governors
of the Federal Reserve System

April 29, 1970

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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.)

Gross National Product Final purchases Private Excluding net exports  Personal consumption expenditures Durable goods Nondurable goods Services  Gross private domestic investment Residential construction Business fixed investment Change in business inventories Nonfarm  Net exports of goods and services  Federal Defense Other State & local  Gross national product in constant (1958) dollars GNP implicit deflator (1958 = 100)  Personal income Wages and salaries Disposable income Personal saving Saving rate (per cent)  Federal government receipts and expenditures Expenditures Surplus or deficit (-)  Total labor force (millions) Armed forces  ""  865.7  9658.1  766.5  767.6  768.0  769.7  76	1969 32.1 209.5 07.4 76.0 89.8 43.6 42.6 39.2 99.2 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1 47.2	1970 Proj. 984.6 981.7 758.9 755.2 618.3 91.7 262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5 802.3 547.6	924.8 917.9 705.0 703.4 572.8 90.6 242.1 240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	942.8 932.0 715.0 712.3 579.8 89.8 245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	952.2 944.5 726.2 723.5 589.5 90.4 248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	1p  960.4 957.5 738.7 735.0  600.6 89.7 255.3 255.6  137.3 30.1 104.3 2.9 2.6 3.7  218.8 100.2 77.3 22.9 118.6	975.4 974.4 751.1 748.1 612.6 90.7 260.8 261.1 136.5 29.0 106.5 1.0 1.0 3.0 223.3 101.9 78.5 23.4 121.4	992.4 989.4 766.1 762.1 624.9 92.7 265.6 266.6 140.2 29.2 108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	1010.0 1005.6 779.7 775.7 634.9 93.7 269.0 272.2 145.2 32.1 108.7 4.4 4.0 225.9 97.5 73.0 24.5 128.4
Final purchases     Private	24.1 09.5 07.4 76.0 89.8 43.6 42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	981.7 758.9 755.2 618.3 91.7 262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3	917.9 705.0 703.4 572.8 90.6 242.1 240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	932.0 715.0 712.3 579.8 89.8 245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	944.5 726.2 723.5 589.5 90.4 248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	957.5 738.7 735.0 600.6 89.7 255.3 255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	974.4 751.1 748.1 612.6 90.7 260.8 261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	989.4 766.1 762.1 624.9 92.7 265.6 266.6 140.2 29.2 108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	1005.6 779.7 775.7 634.9 93.7 269.0 272.2 145.2 32.1 108.7 4.4 4.4 4.0 225.9 97.5 73.0 24.5
Final purchases     Private	24.1 09.5 07.4 76.0 89.8 43.6 42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	981.7 758.9 755.2 618.3 91.7 262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3	917.9 705.0 703.4 572.8 90.6 242.1 240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	932.0 715.0 712.3 579.8 89.8 245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	944.5 726.2 723.5 589.5 90.4 248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	957.5 738.7 735.0 600.6 89.7 255.3 255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	974.4 751.1 748.1 612.6 90.7 260.8 261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	989.4 766.1 762.1 624.9 92.7 265.6 266.6 140.2 29.2 108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	1005.6 779.7 775.7 634.9 93.7 269.0 272.2 145.2 32.1 108.7 4.4 4.4 4.0 225.9 97.5 73.0 24.5
Private         658.1         7           Excluding net exports         655.6         7           Personal consumption expenditures         536.6         5           Durable goods         230.6         2           Services         222.8         2           Gross private domestic investment         126.3         1           Residential construction         30.2         8           Business fixed investment         88.8         8           Change in business inventories         7.3         Nonfarm         7.4           Net exports of goods and services         2.5         5           Gov't. purchases of goods & services         200.3         2           Federal         99.5         1           Defense         78.0         1           Other         21.5         1           State & local         100.7         1           Gross national product in constant (1958) dollars         707.6         7           GNP implicit deflator (1958 = 100)         122.3         1           Personal income         687.9         7           Wages and salaries         465.0         5           Disposable income         590.0         6           <	09.5 07.4 76.0 89.8 43.6 42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	758.9 755.2 618.3 91.7 262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3	705.0 703.4 572.8 90.6 242.1 240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	715.0 712.3 579.8 89.8 245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	726.2 723.5 589.5 90.4 248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	738.7 735.0 600.6 89.7 255.3 255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	751.1 748.1 612.6 90.7 260.8 261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	766.1 762.1 624.9 92.7 265.6 266.6 140.2 29.2 108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	779.7 775.7 634.9 93.7 269.0 272.2 145.2 32.1 108.7 4.4 4.0 225.9 97.5 73.0 24.5 128.4
Excluding net exports 655.6 7  Personal consumption expenditures 536.6 5 Durable goods 83.3 Nondurable goods 230.6 2 Services 222.8 2  Gross private domestic investment 126.3 1 Residential construction 30.2 Business fixed investment 88.8 Change in business inventories 7.3 Nonfarm 7.4  Net exports of goods and services 2.5  Gov't. purchases of goods & services 200.3 2 Federal 99.5 1 Defense 78.0 Other 21.5 State & local 100.7 1  Gross national product in constant (1958) dollars 707.6 7 GNP implicit deflator (1958 = 100) 122.3 1  Personal income 687.9 7 Wages and salaries 465.0 5 Disposable income 990.0 6 Personal saving 38.4 Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis) Receipts 176.3 2 Expenditures Surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	07.4 76.0 89.8 43.6 42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	755.2 618.3 91.7 262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3	703.4  572.8 90.6 242.1 240.1  137.4 32.7 97.8 6.9 6.7 1.6  212.9 100.6 78.5 22.1 112.3	712.3 579.8 89.8 245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	723.5 589.5 90.4 248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	735.0 600.6 89.7 255.3 255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	748.1 612.6 90.7 260.8 261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	762.1 624.9 92.7 265.6 266.6 140.2 29.2 108.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	775.7 634.9 93.7 269.0 272.2 145.2 32.1 108.7 4.4 4.0 225.9 97.5 73.0 24.5
Durable goods	89.8 43.6 42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	91.7 262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3	90.6 242.1 240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	89.8 245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	90.4 248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	89.7 255.3 255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	90.7 260.8 261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	92.7 265.6 266.6 140.2 29.2 108.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	93.7 269.0 272.2 145.2 32.1 108.7 4.4 4.4 4.0 225.9 97.5 73.0 24.5
Durable goods Nondurable goods Services  220.8  Gross private domestic investment Residential construction Business fixed investment Change in business inventories Nonfarm  Net exports of goods and services  Gov't. purchases of goods & services Federal Defense Other State & local  Gross national product in constant (1958) dollars GNP implicit deflator (1958 = 100)  Personal income Wages and salaries Disposable income Personal saving Saving rate (per cent)  Government receipts and expenditures Surplus or deficit (-) High employment surplus or deficit (-)  Total labor force (millions) Armed forces  ""  126.3 126.3 126.3 126.3 126.3 127.6 220.3 126.3 126.3 127.6 127.6 127.6 128.3 128.	89.8 43.6 42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	91.7 262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3	90.6 242.1 240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	89.8 245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	90.4 248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	89.7 255.3 255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	90.7 260.8 261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	92.7 265.6 266.6 140.2 29.2 108.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	93.7 269.0 272.2 145.2 32.1 108.7 4.4 4.4 4.0 225.9 97.5 73.0 24.5
Nondurable goods   Services   222.8   2   2   2   2   2   2   2   2   2	43.6 42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	262.7 263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	242.1 240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	245.1 244.9 143.3 31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	248.7 250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	255.3 255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	260.8 261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	265.6 266.6 140.2 29.2 108.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	269.0 272.2 145.2 32.1 108.7 4.4 4.4 4.0 225.9 97.5 73.0 24.5
Services   222.8   2   Gross private domestic investment   126.3   1   Residential construction   30.2   1   1   1   1   1   1   1   1   1	42.6 39.4 32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	263.9 139.8 30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	240.1 137.4 32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	244.9  143.3 31.4 101.1 10.7 10.3  2.7  217.0 103.2 80.3 22.9 113.8	250.3 141.8 31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	255.6 137.3 30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	261.1 136.5 29.0 106.5 1.0 3.0 223.3 101.9 78.5 23.4 121.4	266.6 140.2 29.2 108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	272.2 145.2 32.1 108.7 4.4 4.0 225.9 97.5 73.0 24.5 128.4
Residential construction Business fixed investment Change in business inventories Nonfarm 7.4  Net exports of goods and services  Gov't. purchases of goods & services Federal Pefense Other State & local  Gross national product in constant (1958) dollars GNP implicit deflator (1958 = 100)  Personal income Wages and salaries Disposable income Personal saving Saving rate (per cent)  Corporate profits before tax  Federal government receipts and expenditures Surplus or deficit (-)  High employment surplus or deficit (-)  Total labor force (millions)  Armed forces  ""  30.2  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  7.3  7.4  88.8  8.8  7.3  7.4  88.8  8.8  7.3  7.4  88.8  8.8  7.3  7.4  88.8  8.8  7.3  7.4  88.8  8.8  7.3  7.4  88.8  8.8  8.8  7.3  7.4  88.8  88.8  7.3  7.4  88.8  88.8  7.3  7.4  88.8  88.8  7.3  7.4  88.8  88.8  7.3  7.4  88.8  88.8  7.3  88.8  70.4  70.6	32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	29.0 106.5 1.0 1.0 3.0 223.3 101.9 78.5 23.4 121.4	29.2 108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	32.1 108.7 4.4 4.4 4.0 225.9 97.5 73.5 128.4
Residential construction       30.2         Business fixed investment       88.8         Change in business inventories       7.3         Nonfarm       7.4         Net exports of goods and services       2.5         Gov't. purchases of goods & services       200.3       2         Federal       99.5       1         Defense       78.0       0         Other       21.5       State & local       100.7         Gross national product in constant (1958) dollars       707.6       7         GNP implicit deflator (1958 = 100)       122.3       1         Personal income       687.9       7         Wages and salaries       465.0       5         Disposable income       590.0       6         Personal saving Saving rate (per cent)       38.4       6.5         Corporate profits before tax       91.1         Federal government receipts and expenditures (N.I.A. basis)       176.3       2         Receipts Expenditures       181.5       1         Surplus or deficit (-)       -5.2         High employment surplus or deficit (-)       -10.0         Total labor force (millions)       82.3         Armed forces       "       3.5	32.2 99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	30.1 106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	32.7 97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	31.4 101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	31.6 102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	30.1 104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	29.0 106.5 1.0 1.0 3.0 223.3 101.9 78.5 23.4 121.4	29.2 108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	32.1 108.7 4.4 4.4 4.0 225.9 97.5 73.0 24.5 128.4
Business fixed investment Change in business inventories Nonfarm 7.4  Net exports of goods and services 2.5  Gov't. purchases of goods & services Federal Defense Other State & local  Gross national product in constant (1958) dollars GNP implicit deflator (1958 = 100)  Personal income Wages and salaries Disposable income Personal saving Saving rate (per cent)  Gorporate profits before tax  Federal government receipts and expenditures Surplus or deficit (-)  High employment surplus or deficit (-)  Total labor force (millions)  Armed forces  ""  2.5  2.5  2.5  2.5  2.5  2.5  2.5	99.2 8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	106.9 2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	97.8 6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	101.1 10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	102.5 7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	104.3 2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	106.5 1.0 1.0 3.0 223.3 101.9 78.5 23.4 121.4	108.0 3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	108.7 4.4 4.4 4.0 225.9 97.5 73.0 24.5 128.4
Change in business inventories 7.3 Nonfarm 7.4  Net exports of goods and services 2.5  Gov't. purchases of goods & services 200.3 2 Federal 99.5 1 Defense 78.0 Other 21.5 State & local 100.7 1  Gross national product in constant (1958) dollars 707.6 7 GNP implicit deflator (1958 = 100) 122.3 1  Personal income 687.9 7 Wages and salaries 465.0 5 Disposable income 590.0 6 Personal saving 38.4 Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis) Receipts 176.3 2 Expenditures Surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	8.0 7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	2.8 2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	6.9 6.7 1.6 212.9 100.6 78.5 22.1 112.3	10.7 10.3 2.7 217.0 103.2 80.3 22.9 113.8	7.7 7.4 2.7 218.3 102.3 79.2 23.1 116.0	2.9 2.6 3.7 218.8 100.2 77.3 22.9 118.6	1.0 1.0 3.0 223.3 101.9 78.5 23.4 121.4	3.0 3.0 4.0 223.3 98.4 74.7 23.7 124.9	4.4 4.4 4.0 225.9 97.5 73.0 24.5 128.4
Nonfarm 7.4  Net exports of goods and services 2.5  Gov't. purchases of goods & services 200.3 2  Federal 99.5 1  Defense 78.0  Other 21.5  State & local 100.7 1  Gross national product in constant (1958) dollars 707.6 7  GNP implicit deflator (1958 ≈ 100) 122.3 1  Personal income 687.9 7  Wages and salaries 465.0 5  Disposable income 590.0 6  Personal saving 38.4  Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis)  Receipts 176.3 2  Expenditures 181.5 1  Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3  Armed forces " 3.5	7.8 2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	2.8 3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	6.7 1.6 212.9 100.6 78.5 22.1 112.3	10.3 2.7 217.0 103.2 80.3 22.9 113.8	7.4 2.7 218.3 102.3 79.2 23.1 116.0	2.6 3.7 218.8 100.2 77.3 22.9 118.6	1.0 3.0 223.3 101.9 78.5 23.4 121.4	3.0 4.0 223.3 98.4 74.7 23.7 124.9	4.4 4.0 225.9 97.5 73.0 24.5 128.4
Net exports of goods and services  Gov't. purchases of goods & services  Federal  Defense  Other  State & local  Gross national product in  constant (1958) dollars  GNP implicit deflator (1958 = 100)  Personal income  Wages and salaries  Disposable income  Personal saving Saving rate (per cent)  Corporate profits before tax  Prederal government receipts and  expenditures Surplus or deficit (-)  High employment surplus or deficit (-) -10.0  Total labor force (millions)  Armed forces  ""  2.5  2.5  200.3  2  200.3  2  200.3  2  200.3  2  200.3  2  200.3  2  200.3  2  200.3  2  200.3  2  200.3  2  21.5  707.6  708  707.6  708  707.6  709  707.6  709  707.6  709  707.6  707.6  707.6  707.6  707.6  709  707.6  708  707.6  707.6  707.6  707.6  707.6  709  707  707  707  707	2.1 14.6 01.9 79.2 22.7 12.7 27.5 28.1	3.7 222.8 99.5 75.9 23.6 123.3 731.8 134.5	1.6 212.9 100.6 78.5 22.1 112.3 726.7 127.3	2.7 217.0 103.2 80.3 22.9 113.8	2.7 218.3 102.3 79.2 23.1 116.0	3.7 218.8 100.2 77.3 22.9 118.6	3.0 223.3 101.9 78.5 23.4 121.4	4.0 223.3 98.4 74.7 23.7 124.9	4.0 225.9 97.5 73.0 24.5 128.4
Gov't. purchases of goods & services	14.6 01.9 79.2 22.7 12.7 27.5 28.1	222.8 99.5 75.9 23.6 123.3 731.8 134.5	212.9 100.6 78.5 22.1 112.3 726.7 127.3	217.0 103.2 80.3 22.9 113.8	218.3 102.3 79.2 23.1 116.0	218.8 100.2 77.3 22.9 118.6	223.3 101.9 78.5 23.4 121.4	223.3 98.4 74.7 23.7 124.9	225.9 97.5 73.0 24.5 128.4
Federal 99.5 1 Defense 78.0 Other 21.5 State & local 100.7 1  Gross national product in	01.9 79.2 22.7 12.7 27.5 28.1	99.5 75.9 23.6 123.3 731.8 134.5	100.6 78.5 22.1 112.3 726.7 127.3	103.2 80.3 22.9 113.8	102.3 79.2 23.1 116.0	100.2 77.3 22.9 118.6	101.9 78.5 23.4 121.4	98.4 74.7 23.7 124.9	97.5 73.0 24.5 128.4
Defense	79.2 22.7 12.7 27.5 28.1 47.2	75.9 23.6 123.3 731.8 134.5 802.3	78.5 22.1 112.3 726.7 127.3	80.3 22.9 113.8	79.2 23.1 116.0	77.3 22.9 118.6	78.5 23.4 121.4	74.7 23.7 124.9	73.0 24.5 128.4
Other State & local  Gross national product in constant (1958) dollars GNP implicit deflator (1958 ≈ 100)  Personal income Wages and salaries Disposable income Personal saving Saving rate (per cent)  GOPP implicit deflator (1958 ≈ 100)  Fersonal income Personal income Personal saving Sav	22.7 12.7 27.5 28.1 47.2	23.6 123.3 731.8 134.5 802.3	22.1 112.3 726.7 127.3	22.9 113.8 730.6	23.1 116.0 729.8	22.9 118.6 726.9	23.4 121.4 726.6	23.7 124.9	24.5 128.4
Other State & local  Gross national product in constant (1958) dollars GNP implicit deflator (1958 ≈ 100)  Personal income Wages and salaries Disposable income Personal saving Saving rate (per cent)  GOPP implicit deflator (1958 ≈ 100)  Fersonal income Personal income Personal saving Sav	22.7 12.7 27.5 28.1 47.2	731.8 134.5 802.3	112.3 726.7 127.3	730.6	116.0 729.8	118.6 726.9	726.6	124.9	128.4
State & local   100.7   1	12.7 27.5 28.1 47.2	731.8 134.5 802.3	112.3 726.7 127.3	730.6	116.0 729.8	118.6 726.9	726.6		
constant (1958) dollars       707.6       7         GNP implicit deflator (1958 ≈ 100)       122.3       1         Personal income       687.9       7         Wages and salaries       465.0       5         Disposable income       590.0       6         Personal saving       38.4       38.4         Saving rate (per cent)       6.5         Corporate profits before tax       91.1         Federal government receipts and expenditures (N.I.A. basis)       176.3       2         Expenditures       181.5       1         Surplus or deficit (-)       -5.2       1         High employment surplus or deficit (-)       -10.0         Total labor force (millions)       82.3         Armed forces       "       3.5	28.1 47.2	134.5 802.3	127.3	-	-		-	733.8	740.0
GNP implicit deflator (1958 = 100)  Personal income  Wages and salaries  Disposable income  Personal saving  Saving rate (per cent)  Corporate profits before tax  Federal government receipts and expenditures (N.I.A. basis)  Receipts Expenditures Surplus or deficit (-)  High employment surplus or deficit (-) -10.0  Total labor force (millions)  Armed forces  122.3  465.0  590.0  687.9  7687.9  798.0  799.0	28.1 47.2	134.5 802.3	127.3	-	-		-	733.8	740 0
Personal income 687.9 7 Wages and salaries 465.0 5 Disposable income 590.0 6 Personal saving 38.4 Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis) Receipts 176.3 2 Expenditures 181.5 1 Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	47.2	802.3		129.0	130,5	132 1	40/ -		
Wages and salaries 465.0 5 Disposable income 590.0 6 Personal saving 38.4 Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis) Receipts 176.3 2 Expenditures 181.5 1 Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	-	-	740 5			132.1	134.2	135.2	136.5
Disposable income 590.0 6 Personal saving 38.4 Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis) Receipts 176.3 2 Expenditures 181.5 1 Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	00 0	547.6	740.5	756.5	767.4	778.5	800.9	808.3	821.5
Personal saving 38.4 Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis) Receipts 176.3 2 Expenditures 181.5 1 Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	09.9		504.3	516.9	525,0	532.4	544.3	551.6	562.0
Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis)  Receipts 176.3 2  Expenditures 181.5 1  Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3  Armed forces " 3.5	29.7	681.7	622.0	639.0	647.5	659.9	679.1	688.8	699.1
Saving rate (per cent) 6.5  Corporate profits before tax 91.1  Federal government receipts and expenditures (N.I.A. basis)  Receipts 176.3 2  Expenditures 181.5 1  Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3  Armed forces " 3.5	37.6	46.7	33.3	43.1	41.7	42.8	49.9	47.1	47.1
Federal government receipts and expenditures (N.I.A. basis) Receipts 176.3 2 Expenditures 181.5 1 Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	6.0	6.8	5.3	6.7	6.4	6.5	7.3	6.8	6.7
expenditures (N.I.A. basis)  Receipts 176.3 2  Expenditures 181.5 1  Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3  Armed forces " 3.5	93.8	86.6	95.4	92.5	91.4	86.5	84.5	87.0	88.5
Receipts 176.3 2 Expenditures 181.5 1 Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5									
Expenditures 181.5 1 Surplus or deficit (-) -5.2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3 Armed forces " 3.5	01 E	100.2	202 0	201.2	203.3	197.5	199.7	198.3	201.6
Surplus or deficit (-) -5,2  High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3  Armed forces " 3.5	01.5 92.0	199.3	202.8 189.3	201.3 193.6	196.7	197.7		204.5	205.3
High employment surplus or deficit (-) -10.0  Total labor force (millions) 82.3  Armed forces " 3.5		204.5 -5.2	13.5	_ 7.7	-		210.6 -10.9	-6.2	-3.7
Total labor force (millions) 82.3 Armed forces " 3.5	9.5	-5,2	13.5		6.7	-0.2	-10.9	-0.2	-5.7
Armed forces " 3.5	5.3	4.8	7.8	3.9	5.6	5.8	-1.0	4.9	9.6
	84.2	86.2	83.9	84.6	85.0	85.8	86.1	86.3	86.6
0::1: 1-1 f !! 70.7	3.4	3.2	3.5	3.5	3.5	3.3	3.3	3.2	3.1
Civilian labor force " 78.7	80.7	83.0	80.4	81.0	81.5	82.4	82.8	83.1	83,5
Unemployment rate (per cent) 3.6	3.5	4.6	3.5	3.6	3.6	4.1	4.6	4.7	4.8
Nonfarm payroll employment (millions) 67.9	70.1	71,2	70.0	70.4	70.6	70.9	71.1	71.2	71.6
	20.1	19.8	20.1	20.2	20.1	19.9	19.7	19.7	19.8
Industrial production (1957-59=100) 165.5 1		171.6	172,6	174.3	171.9	170.1	170.1	172.0	174.0
Capacity utilization, manufacturing	72.8							•	
(per cent) 84.6	72.8		84.5	84.2	81.7	79.4	78.5	78.5	78.5
Housing starts, private (millions A.R.) l.51 Sales new domestic autos (millions,	72.8 83.7	78.7				_			
A.R.) 8.62		78.7 1.32	1.52	1.43	1.36	1.25	1,20	1.35	1.50

<sup>\*</sup> Assumes 6 per cent pay raise for all Federal civil service, military, and postal employees in 70-II retroactive to December 27, 1969 and in 70-III for postal workers additional 8 per cent increase in pay rates and a 2 per cent increase in postal payrolls because of compaction of grade schedules; assumes \$450 million absorption in fiscal 1971 by lower employment.

## CHANGES IN GROSS NATIONAL PRODUCT AND RELATED ITEMS

				_	1969_		1970			
	1968	1969	1970 Proj.	II	III	IV	Ιp	— II	Projected III	IV
				In H	3illions	of Dolla	ars			
Gross National Product	72.2	66.4	52.5	16.1	18.0	9.4	8.2	15.0	17.0	17.6
Inventory change	-0.1	0.7	-5.2	0.3	3.8	-3.0	-4.8	-1.9	2.0	1.4
Final purchases	72.2	65.7	57.6	15.8	14.1	12.5	13.0	16.9	15.0	16.2
Private	52.0	51.4	49.4	12.9	10.0	11.2	12.5	12.4	15.0	13.6
Excluding net exports	54.7	51.8	47.8	12.8	8.9	11.2	11.5	13.1	14.0	13.6
Net Exports	-2.7	-0.4	1.6	0.1	1.1	0.0	1.0	-0.7	1.0	0.0
Government	20.2	14.3	8.2	2.9	4.1	1.3	0.5	4.5	0.0	2.6
GNP in constant (1958) dollars	33.0	19.9	4.3	3.6	3.9	-0.8	-2.9	-0.3	7.2	6.2
Final purchases	33.0	19.6	8.8	3.5	0.6	1.8	1.3	1.4	5.3	5.0
Private	24.9	18.3	12.6	3.9	1.4	2.8	3.0	3.0	4.8	4.5
				In	Per Cent	Per Ye	ar			
Gross National Product	9.1	7.7	5.6	7.1	7.8	4.0	3.4	6.2	7.0	7.1
Final purchases	9.2	7.7	6.2	7.0	6.1	5.4	5.5	7.1	6.2	6.5
Private	8.5	7.8	7.0	7.5	5.7	6.3	6.9	6.7	8.0	7.1
Personal consumption expenditures	9.0	7.3	7.3	7.7	4.9	6.7	7.5	8.0	8.0	6.4
Durable goods	14.1	7.8	2.1	10.0	<del>-</del> 3.5	2.7	-3.1	4.5	8.8	4.3
Nondurable goods	7.2	5.6	7.8	5.9	5.0	5.9	10.6	8.6	7.4	5.1
Services	9.1	8.9	8.8	8.7	8.0	8.8	8.5	8.6	8.4	8.4
Gross private domestic investment	8.9	10.4	0.3	6.5	17.2	-4.2	-12.7	-2.3	10.8	14.3
Residential construction	20.8	6.6	-6.5	-7.2	-15.9	2.5	-19.0	-14.6	2.8	39.7
Bysiness fixed investment	6.1	11.7	7.8	10.5	13.5	5.5	7.0	8.4	5.6	2.6
Gov't. purchases of goods & services	11.2	7.1	3.8	5.5	7.7	2.4	0.9	8.2	0.0	4.7
Federal Pederal	9.7	2.4	-2.4	<b>-3.</b> 9	10.3	-3.5	-8.2	6.8	-13.7	-3.7
Defense	7.7	1.5	<b>-4.</b> 2	<b>-2.</b> 5	9.2	<b>-</b> 5.5	-9.6	6.2	-19.4	-9.1
Other	16.8	5.6	4.0	-8.9	14.5	3.5	<del>-</del> 3.5	8.7	5.1	13.5
State & local	12.8	11.9	9.4	14.0	5.3	7.7	9.0	9.4	11.5	11.2
GNP in constant (1958) dollars	4.9	2.8	0.6	2.0	2.1	-0.4	-1.6	-0.2	3.9	3.4
Final purchases	5.0	2.8	1.2	2.0	0.3	1.0	0.7	0.8	2.9	2.7
Private	4.7	3.3	2.2	2.8	0.3 1.0 5.6	2.0	2.1	2.1 6.4	2.9 2/ 3.3 <u>2</u> 3.0 <u>2</u>	3.1
GNP implicit deflator *	4.0	4.7	5.0	5.1	5.6	4.5	5.0	6.4	= 3.0 =	- 3.7
Personal income	9.3	8.6	7.4	8.9	8.6	5.8	5.8	11.5	3.7	6.5
Wages and salaries	9.8	9.7	7.4	8.9	10.0	6.3	5.6	8.9	5.4	7.5
Disposable income	8.0	6.7	8.3	7.7	10.9	5.3	7.7	11.6	5.7	6.0
Corporate profits before tax	13.4	3.0	-7.7	0.4	-12.2	-4.8	-21.4	-9.2	11.8	6.9
Federal government receipts and expenditures (N.I.A. basis)										
Receipts	16.7	14.3	-1.1	8.5	-3.0	4.0	-11.4	4.5	-2.8	6.7
Expenditures	10.8	5.8	6.5	1.7	9.1	6.4	2.0	26.1	-11.6	1.6
Nonfarm payroll employment	3.0	3.4	1.6	3.3	2.0	1.5	1.7	1.1	0.6	2.2
Manufacturing	2.1	1.8	-1.5	1.6	1.8	-3.4	-4.0	-4.0	0.0	2.0
Industrial production	4.7	4.4	-0.8	5.6	3.9	-5.5	-4.2	0.0	4.4	4.4
Housing starts, private	16.7	-2.7	-9.7	-31.4	-22.7	-20.2	-32.1	-16.0	5.0	44.4
Sales new domestic autos	14.0	-1.9	-7.3	8.4	-4.2	-15.1	-38.2	24.5	10.3	10.0

Based on deflators calculated to three decimals.

Excluding effects of Federal pay increase, 4.3 per cent per year.

Excluding effects of Federal pay increase, 4.5 per cent per year in 70-II and 4.2 per cent per year in 70-III.  $\frac{1}{2}$ 

be possible depending on the terms of the waiver. In 1969, net imports of all meats amounted to 8.5 pounds per person (carcass weight), and quota meats, mostly beef, amounted to 5.5 pounds per person. Quota beef competes principally with lower grades of domestic beef.

POUNDS OF MEAT AND POULTRY CONSUMED PER PERSON (Quarterly 1969 and 1970)

	TOTAL**		]	BEEF	1	PORK	POULTRY		
	1969 Actual	19702/ Prospects	1969 Actual	1970 Prospects	1969 Actual	1970 Prospects	1969 Actual	1970 Prospects	
lst Q	55.9	5	27.2	+ .7	16.9	-1.7	10.0	+ .8	
2nd Q 3rd Q	55.4 57.8	+1.2 + .8	26.5 28.7	+1.6 2	16.0 15.4	-1.1 1	11.4 12.0	+ .5 +1.3	
4th Q	60.2	+1.8	28.3	+ .3	16.5	+ .8	13.7	+ .8	
Year	229.4	+3.2	110.7	+2.4	64.8	-2.1	47.1	+3.4	

<sup>1/</sup> Reported data through 1st Q 1970 and projections through rest of period.

Farmland prices. Prices of U.S. farmland advanced 4 per cent in the year ending March 1, the same as the annual advance reported in November but slower than the March 1968-69 increase of 5 per cent. Annual increases have been slowing since the 7 per cent rise of 1965-66 when strong demands for grains associated with world food shortages boosted land prices. Annual rates of increase in the past decade have averaged 5.3 per cent. Values this March averaged 2 per cent higher than in November. Some quickening in the pace of increase was evident in the Richmond District and in some of the midwestern Districts this spring.

<sup>\*\*</sup> Total includes veal and lamb.

<sup>2/</sup> Net increases or decreases in pounds consumed from a year earlier.

continued to be a major support of the bond market. On April 24, corporate bond rates had returned to the levels previaling in the congested markets of late March, only 10 basis points below the record highs of December.

CORPORATE SECURITY OFFERINGS  $\frac{1}{}$  (Monthly or monthly averages in millions of dollars)

	Bone	Bonds						
Pub	lic	<del>-</del>		Sto	ocks	Total		
Offer	rings							
1969	1970	1969	1970	1969	1970	1969	1970	
886	1,518e	513	395e	674	690e	2,073	2,604e	
1,137	2,366e	558	433e	756	667e	2,451	3,466e	
1,268	2,000e	649	400e	830	600e	2,748	3,000e	
871	3,300e	510	400e	694	700e	2,076	4,400e	
1,272	1,800e	514	500e	744	700e	2,530	3,000e	
<u>2</u> / 1,070	2,650e	580	400e	762	650e	2,412	3,700e	
	0ffer 1969 886 1,137 1,268 871 1,272	Public Offerings 1969 1970  886 1,518e 1,137 2,366e 1,268 2,000e 871 3,300e 1,272 1,800e	Public         Privale           0fferings         1969           1969         1970           886         1,518e           1,137         2,366e           1,268         2,000e           871         3,300e           1,272         1,800e           514	Public Offerings         Private Placements           1969         1970         1969         1970           886         1,518e         513         395e           1,137         2,366e         558         433e           1,268         2,000e         649         400e           871         3,300e         510         400e           1,272         1,800e         514         500e	Public Offerings         Private Placements         Street           1969         1970         1969         1970         1969           886         1,518e         513         395e         674           1,137         2,366e         558         433e         756           1,268         2,000e         649         400e         830           871         3,300e         510         400e         694           1,272         1,800e         514         500e         744	Public Offerings         Private Placements         Stocks           1969         1970         1969         1970         1969         1970           886         1,518e         513         395e         674         690e           1,137         2,366e         558         433e         756         667e           1,268         2,000e         649         400e         830         600e           871         3,300e         510         400e         694         700e           1,272         1,800e         514         500e         744         700e	Public Offerings         Placements         Stocks         Total           1969         1970         1969         2,073         1969         1970         1969         1970         1969         2,073         1	

<sup>1/</sup> Data are gross proceeds.

The staff estimates that the total of public bond issues in May will be about \$3.3 billion including, or \$1.7 billion excluding, AT&T. June volume, tentatively projected at \$1.8 billion, represents only a moderate decline from the high levels of March and April. Announcements of prospective new filings by industrial and financial firms have been frequent, and the total of scheduled utility offerings in June is equal to the April high.

<sup>7</sup> The two-month average distributes the impact of the \$1.569 billion AT&T bond subscription offering, which is large enough to distort month-to-month changes substantially. The terms of the offering were set in mid-April, and the rights will expire on May 18.
e/ Estimated.

New commitments for privately placed bonds by life insurance companies are sharply below year-ago levels, but figures for January takedowns of private placements just released by the SEC indicate that take-downs by all institutional investors were maintained at levels higher than previously estimated by Board staff. Although the extended decline in the stock market during the four months of the year has probably dampened the growth of new issue volume to some extent, new issue volume has remained large. Offerings of common and preferred stock in April amounted to \$600 million, and the staff estimates that volume will rise slightly in May and June, to a monthly average of about \$700 million. The staff now estimates the monthly average gross proceeds from all new corporate security issues will be about \$3.5 billion in the second quarter, two-thirds above the previous record of \$2.1 billion.

STATE AND LOCAL GOVERNMENT OFFERINGS (Monthly or monthly averages in millions of dollars)

	1969	1970
Year	990	
QI	927	1,317e
QII	1,216	1,500e
April	1,801	1,650e
May	1,110	1,300e
June	737	1,500e

e/ Estimated.

PROJECTION OF TREASURY CASH OUTLOOK
(In billions of dollars)

	Apr.	May	June	July
Borrowing operations				
New cash raised				
Unspecified new borrowing		2.0		4.0
Weekly and monthly bills	.7	.4	.4	
Tax bills				
Coupon issues				
Other (agency, debt repayment, etc.)	-4.9	-1.3	-4.5	
Total net borrowing from public	-4.2	1.1	-4.1	4.0
Plus: Other net financial sources a/	9	•5	6	.3
Plus: Budget surplus or deficit (-)	5.6	-4.4	8.0	-5.4
Equals: Change in cash balance	.5	-2.8	3.3	-1.1
Memoranda: Level of cash balance end of period	7.4	4.6	7.9	6.8
Derivation of budget surplus or deficit				
Budget receipts	23.8	13.7	24.0	12,5
Budget outlays	18.2	18.1	16.0	17.9

a/ Checks issued less checks paid and other accrual items.

## FEDERAL BUDGET AND FEDERAL SECTOR IN NATIONAL INCOME ACCOUNTS (In billions of dollars)

	Fiscal	1970 e/	Fiscal	1971 e/	Calend	ar Years	Ca	lendar Q	uarters
	Jan.	F.R.	Jan.	F.R.	<u> </u>				
	Budget	Board	Budget	Board	1969	1970 1/	I IIe/	IIIe/	IVe/
Federal Budget									
(Quarterly data, unadjusted)									
Surplus/deficit	1.5	-2.5	1.3	-2.7	5.3	-6.0	-3.5 9.2	-5.1	-6.6
Receipts	199.4	196.5	202.1	201.0	195.6	196.1	44.3 61.5	47.7	42.6
Outlays	197.9	199.0	200.8	203.7	190.3	202.1	47.8 52.3	52.8	49.2
Means of financing:									
Net borrowing from the public	-2.6	3.1	-1.2		-4.1	4.7	2.0 -7.2	4.1	5.8
Decrease in cash operating bal	ance	-2.0			6		-1.6 -1.0	1.0	1.6
0ther <u>3</u> /	n.a.	1.3	n.a.	n.a.	7	1.3	3.1 -1.0		8
Cash operating balance, end of per	iod	7.9			5.3	5.3	6.9 7.9	6.9	5.3
National Income Sector									
(Seasonally adjusted annual rate)									
Surplus/deficit	3.6	.8	1.6	-2.4	9.5	-5.3	2-10.9	-6.2	-3.7
Receipts	201.7	200.5	205.4	204.3	201.5	199.3	197.5199.7	198.3	201.6
Expenditures	198.1	199.7	203.8	206.7	192.0	204.5	197.7210.6	204.5	205.3
Righ employment budget surplus/									
deficit 1/	n.a.	3.6	n.a.	11.5	5.3	4.8	5.8 -1.0	4.9	9.6

e--Projected

n.a. -- Not available

<sup>1/</sup> Estimated by Federal Reserve Board Staff.
2/ Excludes effect of reclassification of \$1.6 billion of CCC certificates of interest, as of July 1, 1969. This reclassification increased Federal debt, but is not treated as borrowing from the public.

<sup>3/</sup> Includes such items as deposit fund accounts and clearing accounts.