

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**

August 17, 1966

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

	1964	1965	1966	1965	1966			
							Projected	
			Proj.	IV	I	II	III	IV
Gross National Product	631.7	681.2	739.9	704.4	721.2	732.3	746.0	759.9
Final sales	627.0	672.1	730.1	694.0	712.3	720.0	736.5	751.4
Personal consumption expenditures	401.4	431.5	466.1	445.2	455.6	460.1	469.7	479.1
Durable goods	59.4	66.1	68.8	68.0	70.3	67.1	68.5	69.3
Nondurable goods	178.9	190.6	207.4	197.0	201.9	205.6	209.2	212.8
Services	163.1	174.8	190.0	180.2	183.4	187.4	192.0	197.0
Gross private domestic investment	93.0	106.6	116.9	111.9	114.5	118.5	117.2	117.5
Residential construction	27.6	27.8	27.4	27.6	28.6	28.0	27.0	26.0
Business fixed investment	60.7	69.7	79.7	73.9	77.0	78.2	80.7	83.0
Changes in business inventories	4.7	9.1	9.8	10.4	8.9	12.3	9.5	8.5
Nonfarm	5.3	8.1	9.7	9.0	8.5	12.1	9.5	8.5
Net exports	8.5	7.0	5.0	6.1	6.0	4.7	4.7	4.7
Gov. purchases of goods & services	128.9	136.2	151.8	141.2	145.0	149.0	154.4	158.6
Federal	65.2	66.8	76.1	69.8	71.9	74.0	77.9	80.6
Defense	50.0	50.1	58.4	52.5	54.6	57.1	59.6	62.1
Other	15.2	16.7	17.8	17.3	17.4	16.9	18.3	18.5
State and local	63.7	69.4	75.7	71.4	73.1	75.0	76.5	78.0
Gross National Product in constant (1958) dollars	580.0	614.4	647.5	631.2	640.5	643.5	649.8	656.2
GNP Implicit deflator (1958=100)	108.9	110.9	114.3	111.6	112.6	113.8	114.8	115.8
Personal income	496.0	535.1	580.3	552.8	564.6	573.5	585.7	597.2
Wage and salaries	333.6	358.4	391.9	370.8	380.0	387.4	395.7	404.5
Personal contributions for social insurance (deduction)	12.5	13.2	17.5	13.5	16.9	17.1	17.9	18.0
Personal tax and nontax payments	59.4	66.0	74.2	66.7	69.5	73.6	75.8	77.8
Disposable personal income	436.6	469.1	506.1	486.1	495.1	499.9	509.9	519.4
Personal saving	24.5	25.7	26.6	28.5	26.9	26.6	26.6	26.3
Saving rate (per cent)	5.6	5.5	5.3	5.9	5.4	5.3	5.2	5.1
Total labor force (millions)	77.0	78.4	80.0	79.0	79.4	79.7	80.2	80.7
Armed forces	2.7	2.7	3.1	2.8	2.9	3.1	3.2	3.3
Civilian labor force	74.2	75.6	71.9	76.2	76.5	76.7	77.0	77.4
Employed	70.4	72.2	74.0	73.0	73.6	73.7	74.1	74.6
Unemployed	3.9	3.5	2.9	3.2	2.9	3.0	2.9	2.8
Unemployment rate (per cent)	5.2	4.6	3.8	4.2	3.8	3.9	3.8	3.7