

NBER

PRESS RELEASE

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FOR RELEASE: IMMEDIATELY

NBER COMMITTEE MEETS: NO PEAK ANNOUNCED

BOSTON, December 31 -- NBER's Committee on Business Cycle Dating met on December 29 to review data on the recent performance of the U.S. economy. Earlier indications of reduced production of goods but continuing strength in other sectors were confirmed. Although forecasters are now virtually unanimous in predicting a recession in early 1980, the Committee's judgments in identifying turning points are based only on actual data (not on forecasts). The Committee deferred identifying a peak in the current U.S. business cycle until additional data confirm current impressions that such a peak may have occurred during the summer of 1979.

Some of the considerations underlying the Committee's decision are the following: 1) early indications are that real GNP has risen in the fourth quarter relative to the third quarter; 2) reported declines in industrial production so far are quite small; 3) employment is continuing to rise and unemployment is still just above its recent low of 5.6%; 4) the only indication of substantial contraction is in real output of goods as measured by the deflated GNP accounts. The Committee plans to meet again in March or April.

December 31, 1979