

University of Pennsylvania
Current Quarter Model of the United States Economy

FORECAST SUMMARY

by Lawrence R. Klein and Wendy Mak

At the University of Pennsylvania, in cooperation with Global Insight, we have established statistical relationships between some 75 monthly economic and financial indicators and the main entries in the quarterly national income and product accounts (NIPA). This is a purely econometric system with no personal data adjustment. We update, on a weekly basis, partial information on the United States economy from high-frequency indicators, as they become available, and revise our current (and next) quarter forecasts, on a forward rolling basis.

In addition to economic forecasting at high-frequency intervals, our Current Quarter Model features the combination of GDP forecasts from three approaches -- from bridge equations of both the product (expenditure) side and the income side of the NIPA, and from regressions of GDP on the principal components of selected major indicators.

The Week's Economic Highlights

- The labor market report on the employment situation for early May was quite a set-back. The unemployment rate was estimated at 5.5%; payroll employment fell by 49,000, especially in construction and manufacturing. The service sector for leisure activity and hospitality was a favorable area of job expansion.
- The length of the workweek was unchanged from the previous month, and hourly earnings rose by 5 cents, but the number of hours worked declined.
- It is no surprise, but somewhat encouraging, to find that the reduced workforce was more productive, by the amount of increase of 2.6% for productivity.
- There were some gains in retail sales, but the automotive sector accounted for sales of fewer than 15 million units, at an annual rate.
- Construction and manufacturing indexes were both under critical index values of 50%. Non-manufacturing slipped, but reported an index value above 50.
- On a weekly basis, initial claims for unemployment insurance fell. This is good news.
- The use of consumer credit rose, but there was a downward revision of the report issued one month ago.
- Energy prices ended the week on significant increases, especially for the price of crude oil at more than \$138/barrel.
- It is possible to see favorable effects of the income tax rebates, that started on April 28th, but the Federal Reserve Governors are to be faced with difficult choices between providing protection from inflation, which is already above their target levels, and simultaneously protection from rising unemployment.
- The FOMC will have trouble in coming to the support of the level of real economic activity after the stimulative rebate checks have been fully distributed.

FORECAST UPDATE OVERVIEW

This forecast incorporates the following National Income and Product Accounts:

- MAY 29 GDP (based on Chain 2000 Weights) for 2008Q1: 0.9%
- MAY 30 Personal Income and Consumption for April: 0.2%, 0.2%

The latest CQM forecast incorporates new monthly economic indicators (marked in red) that were not included in the previous forecast

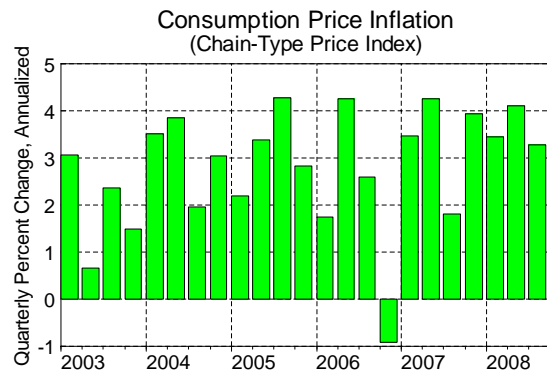
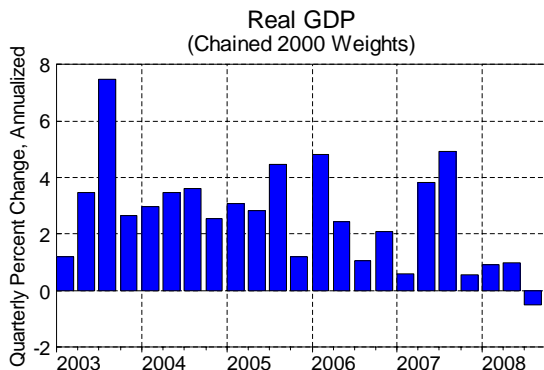
Date	Economic Indicator	for	Latest	Prior Month
Jun 02	Construction Spending	April	-0.4%	-0.6%
Jun 06	Nonfarm Payroll Employment	May	-49,000	-28,000
Jun 03	Auto Sales	May	14.3 Million	14.4 Million
Jun 06	Consumer Credit Outstanding	April	\$8.9 Billion	\$13.1 Billion
May 13	Export/Import Price Index	April	0.3%, 1.8%	1.5%, 2.9%
May 20	Producer Price Index, Total & Core	April	0.2%, 0.4%	1.1%, 0.2%
May 13	Retail Sales, Total & Ex-Auto	April	-0.2%, 0.5%	0.2%, 0.4%
May 15	Industrial Production	April	-0.7%	0.2%
May 13	Business Inventories	March	0.1%	0.5%
May 14	Consumer Price Index, Total & Core	April	0.2%, 0.1%	0.3%, 0.1%
May 16	Housing Starts	April	1,032,000	954,000
May 09	Trade Balance	April	-\$58.2 Billion	-\$61.7 Billion
May 29	Durable Goods Orders & Shipments	April	-0.6%, 1.6%	-0.2%, -0.9%
Jun 03	Manuf Ships, Inv, & Orders	April	2.2%, 0.0%, 1.1%	1.1%, 0.9%, 1.5%

Weekly forecasts of the quarterly percent change (SAAR) of Real GDP and quarterly percent change (SAAR) of the (Chain-Type) Price Index of Personal Consumption Expenditures:

	Real GDP					PCE Price Index				Official Release	
	07Q4	08Q1	08Q2	08Q3		07Q4	08Q1	08Q2	08Q3		
Feb 04	0.63	0.35	1.18		3.90	4.04	3.85		<=1 st	07Q4	
Feb 11	0.56	0.62	1.50		3.90	4.04	3.85				
Feb 18	0.72	0.67	1.48		3.90	4.19	4.01				
Feb 25	0.71	0.60	1.44		3.99	4.24	4.02				
Mar 03	0.62	0.84	1.14		4.08	4.21	4.03		<=2 nd	07Q4	
Mar 10	0.67	-0.18	1.02		4.17	4.08	4.21				
Mar 17	0.68	-0.12	1.26		4.16	3.56	3.30				
Mar 24	0.68	-0.13	1.34		4.16	3.56	3.30				
Mar 31	0.58	0.01	1.07		3.95	3.56	3.30		<=3 rd	07Q4	
Apr 07		-0.23	0.88			3.56	3.30				
Apr 14		-0.33	0.66			3.56	3.30				
Apr 21		-0.49	0.27			3.65	3.60				
Apr 28		-0.49	0.27			3.65	3.60				
May 05		0.60	-0.50	1.34		3.52	3.55	3.96	<=1 st	08Q1	
May 12		0.95	-0.45	1.45		3.63	3.55	3.96			
May 19		0.99	-0.44	1.57		3.63	3.16	3.80			
May 20		0.99	-0.38	1.59		3.63	3.16	3.80			
Jun 02		0.90	0.95	-0.51	*	3.46	4.11	3.29	<=2 nd	08Q1	
Jun 09		0.95	1.65	0.60	*	3.52	3.16	3.80			

Official figures released by the Department of Commerce are in blue.

*** See pages 10 and 11 for the assumption of effect of stimulus rebate checks on our CQM forecast.**

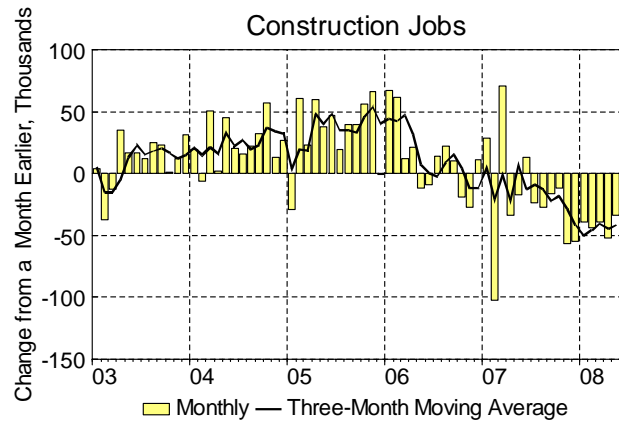


High Frequency Indicators

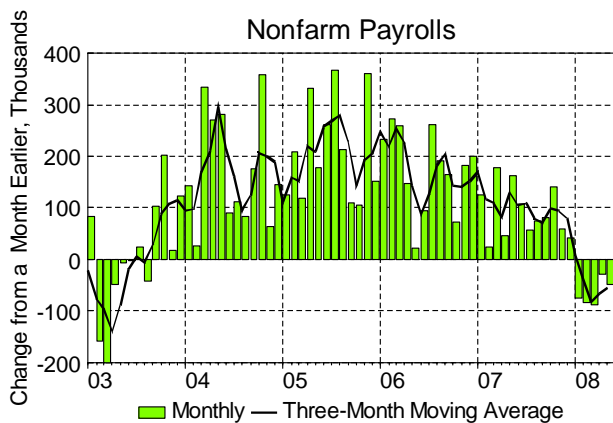
The Week in Review (June 2 - 9)

Employment Report

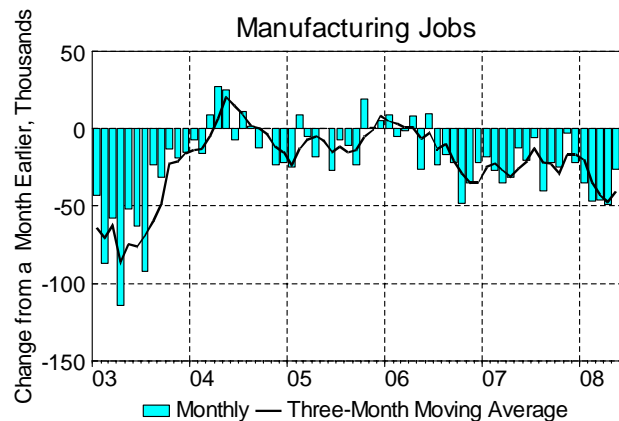
In May, the employment report continued to be disappointing. The headline unemployment rate rose from 5.0% in April to 5.5% in May, the highest since October 2004.



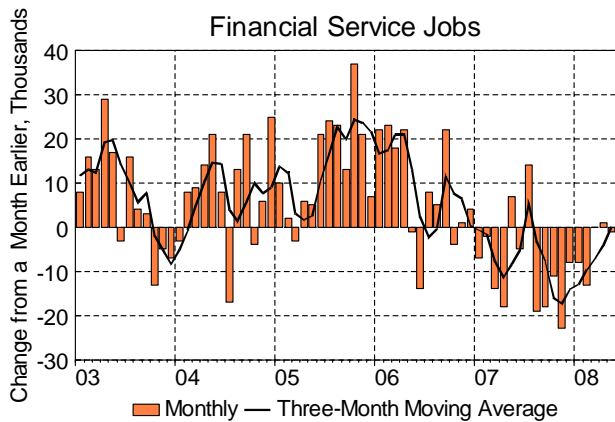
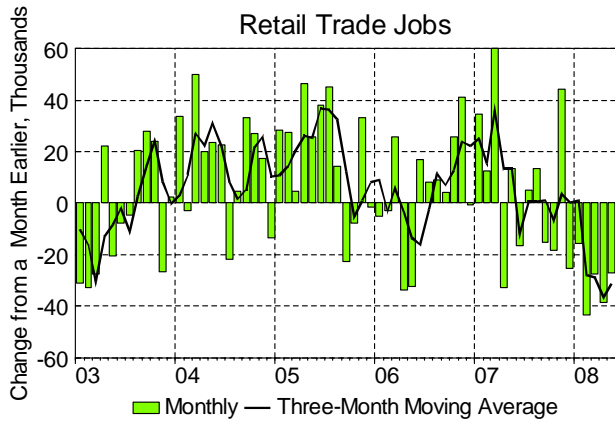
In May, construction jobs fell by 34,000, down for the 11th consecutive month. Jobs in the manufacturing sector have been shrinking month after month since mid-2006. In May, they were down by 26,000.



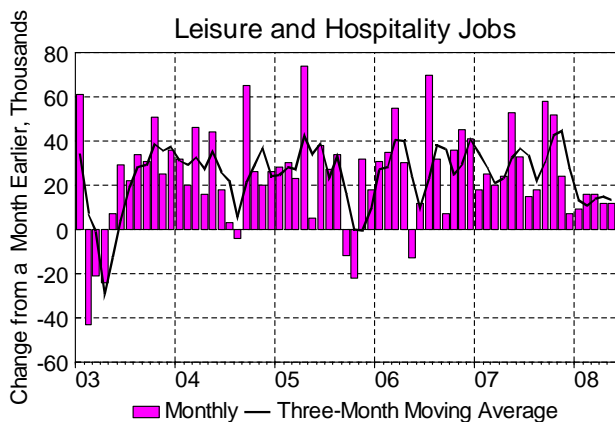
Nonfarm payrolls shrank for the fifth consecutive month. In May, nonfarm payrolls were down 49,000. So far this year, nonfarm payrolls fell a total of 324,000.



In the retail sector, jobs shrank 27,000, marking the 6th straight monthly decline. Meanwhile, temporary jobs fell 30,000. In the financial sector, jobs fell marginally, reversing April's temporary gain.

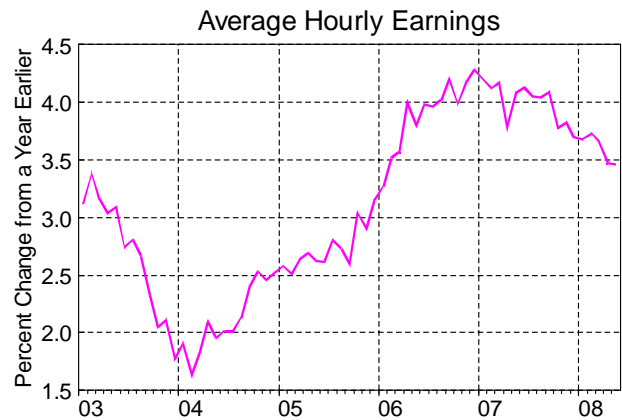


There were some bright spots in the job market in May. The healthcare sector, for example, added 34,000 jobs in May. Jobs in the government sector rose by 17,000. Jobs in the leisure and hospitality sector have been rising month after month, thanks to a weak US dollar. In May, the leisure and hospitality sector added 12,000 jobs.



The average workweek was unchanged in May, at 33.7 hours. The total hours worked, however, inched down 0.1%.

Average hourly earnings went up 0.3% (5 cents) in May, to \$17.94. Compared to a year ago, average hourly earnings increased 3.5%.

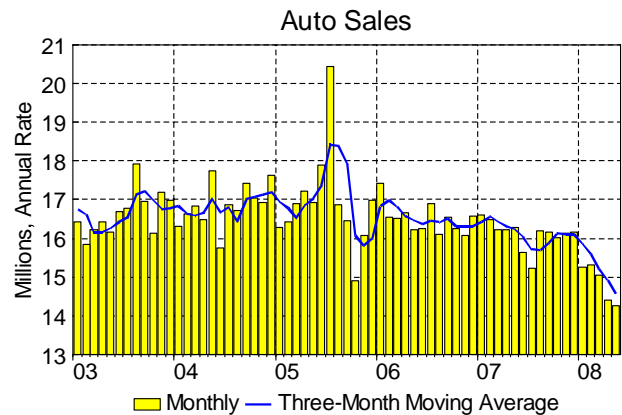


Auto Sales

Light vehicle sales remained disappointing in May. For the second consecutive month, auto sales remained below 15 million annual rate. In May, auto sales stood at 14.25 million (annual rate), down from 14.40 million in April.

Car sales rose 2.8% in May, but were offset by a 23.4% decline in sales for trucks. In May, car sales accounted for 56.9% of the US market.

The US automakers accounted for 45.4% of the market in May, down significantly from a 53.4% share in May 2006. GM's sales fell 26.6% in May, with truck sales down by 35.5% and car sales down by 13.8%. Ford's sales declined by 15.8% in May, also with a sharp decline in sales of light trucks. Meanwhile, Chrysler's sales fell by 25.4% in the same month.



The Japanese Big Three accounted for 37.7% of the US market in May. Toyota's sales continued to fall, although not as sharply as the US automakers. In May, Toyota's sales were down by 4.3%. Honda performed

well in May, up 15.6%, with car sales jumping 31.9%, offsetting a 8.8% decline in sales of light trucks. Sales of Honda Civic rose to a monthly record high for any Honda model. Meanwhile, Nissan's sales increased 8.4%.

Nonfarm Business Productivity

In the first quarter, productivity in the nonfarm business sector rose 2.6%, revised from 2.3%, estimated a month ago.

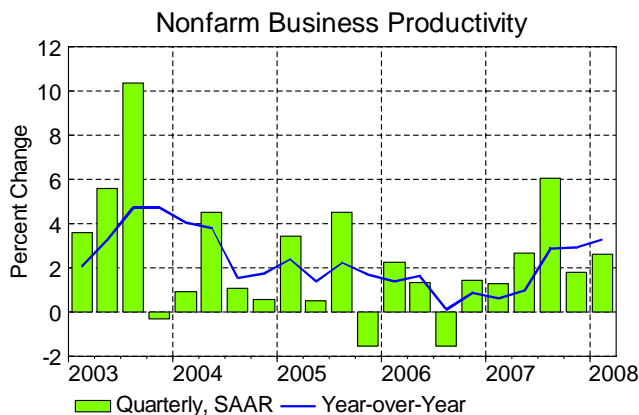
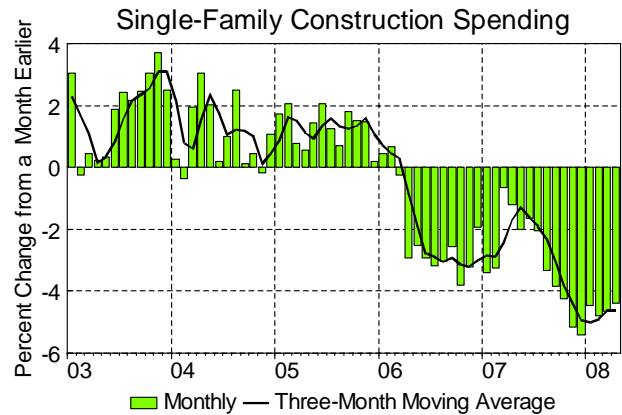
Compared to a year ago, productivity in the nonfarm business sector increased 3.3%, the strongest increase since the fourth quarter of 2005.

Unit labor costs rose 2.2% in the first quarter, down marginally from the previous estimate.

Output went up 0.7%. Hours worked fell 1.8%, but real hourly compensation increased 0.6%.

In the nonfinancial sector, productivity increased 4.6% in the first quarter. Unit labor costs rose 1.2%. Output was up 3.2%, but hours worked fell 1.4%.

Private nonresidential construction activities rose 1.6%, up for the third consecutive month. In contrast, private residential construction spending fell 2.3% in April, following a 3% drop in March. Compared to a year ago, private residential construction fell 21%. Public construction activities slipped 0.3% in April.



ISM Manufacturing Index

In May, the ISM manufacturing index inched up 1 index point to 49.6, marking the fourth consecutive monthly reading below 50.

A reading below 50 indicates contraction in manufacturing activities in the near term.

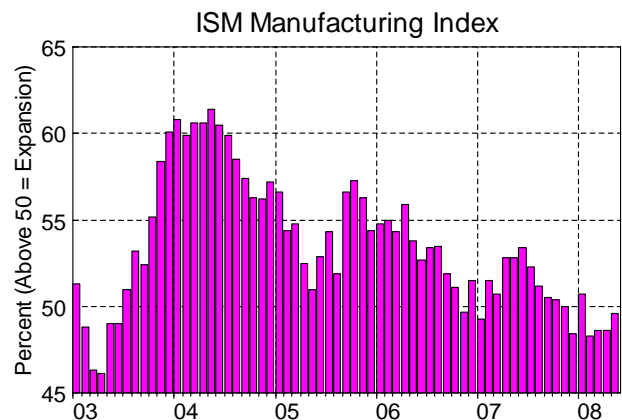
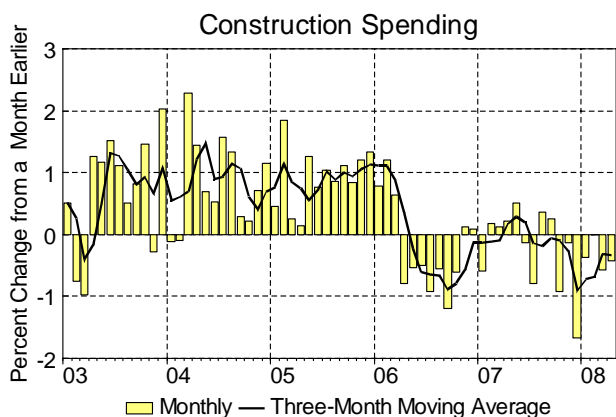
New orders gained 1.2 index points to 49.7, the strongest reading in the past six months. Production rose from 49.1 to 51.2, the highest since January.

Employment inched up 0.1 index point to 45.5. Inventories inched down 0.1 index point to 48.0.

Prices-paid remained a concern, up from 84.5 in April to 87.0 in May.

Construction Spending

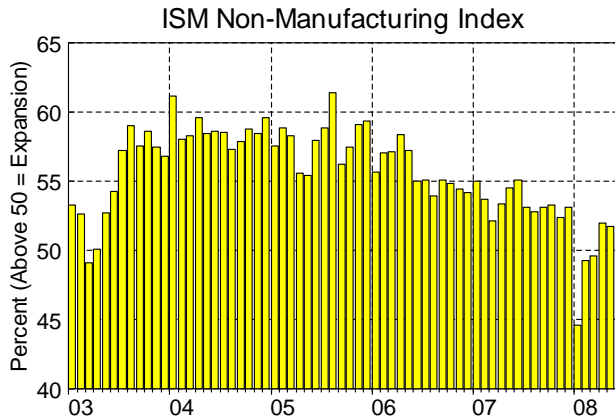
In April, construction spending fell 0.4%, following a revised 0.6% decline in March.



ISM Non-Manufacturing Index

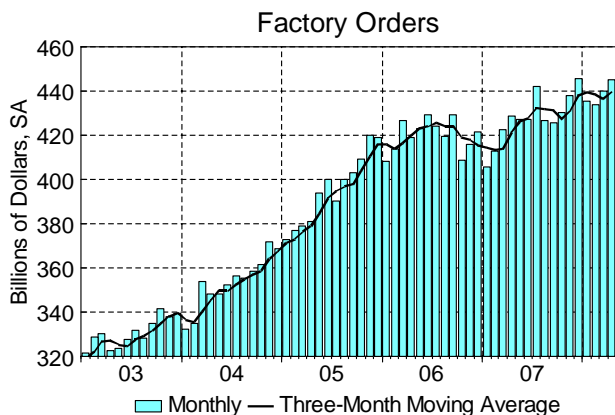
In May, the ISM Non-manufacturing Index slipped to 51.7, down 0.3 index point from a month ago.

New orders rose 1.5 index points to 53.6, the strongest in the past five months. Employment, however, slipped more than 2 index points to 48.7. Prices-paid were also worrisome, jumping to 77 in May, the highest in almost 3 years.



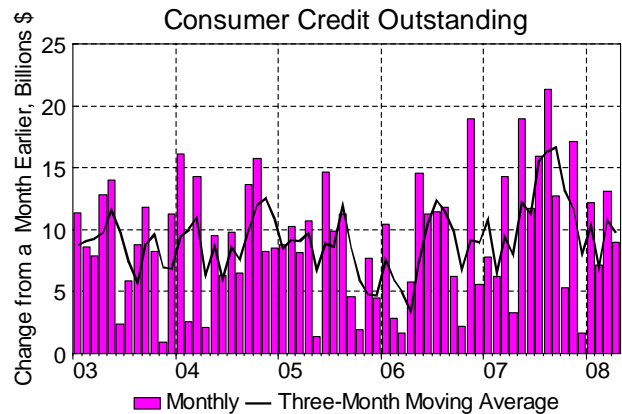
Factory Orders

In April, orders for manufactured goods rose 1.1%, stronger than expected. Orders for durable goods fell 0.6%, revised from a 0.5% decline estimated a week ago. Meanwhile, orders for nondurable goods increased 2.8%. The April increase was led by a 6.3% increase in orders for petroleum products. Transportation orders fell 7.9%. Orders for civilian aircraft plunged 24.4%. Excluding transportation, orders rose 2.6% in April. Orders for electrical equipment jumped 28.1%, a record monthly increase. Orders for machinery were up 4.1%. Orders for computers, however, fell 22.5%. Orders for motor vehicles were down by 4.2%. In April, shipments of manufactured goods rose 2.2%. Inventories were unchanged in the month.



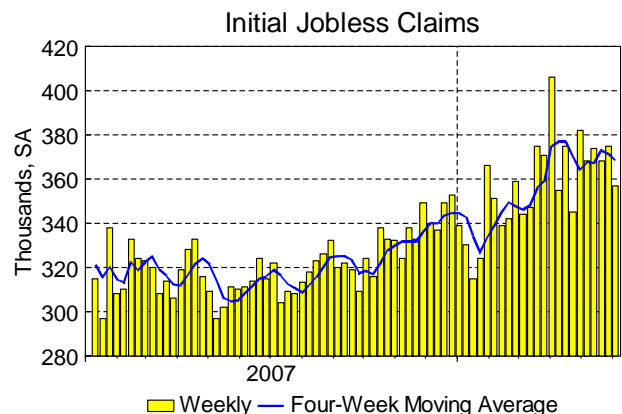
Consumer Credit Outstanding

In April, consumer credit outstanding rose \$8.9 billion (4.2%, annualized), following a downward-revised \$13.1 billion (6.2%) increase in March. Revolving debt rose \$300 million during April, the smallest monthly increase in three years. Non-revolving debt went up by \$8.6 billion in April, the strongest increase since August 2007.



Initial Jobless Claims

For the week ending May 31, initial jobless claims fell 18,000 to 357,000, the lowest since mid-April. The prior week's initial claims figure was revised up by 3,000. The four-week moving average of claims fell by 2,750 to 368,500. The number of insured unemployed fell by 16,000 to 3.09 million, for the week ending May 24. The insured unemployment rate was unchanged at 2.3%.

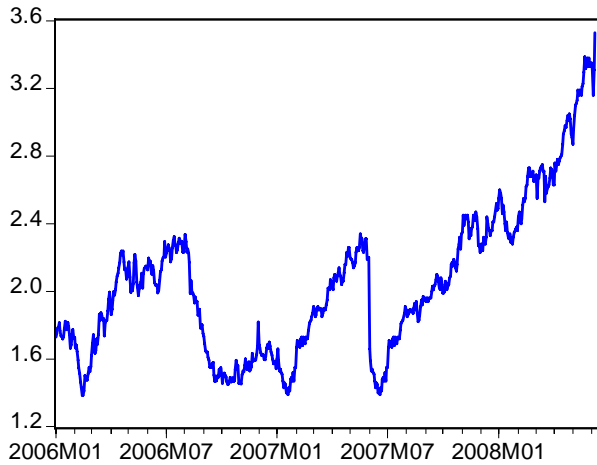


Energy Prices

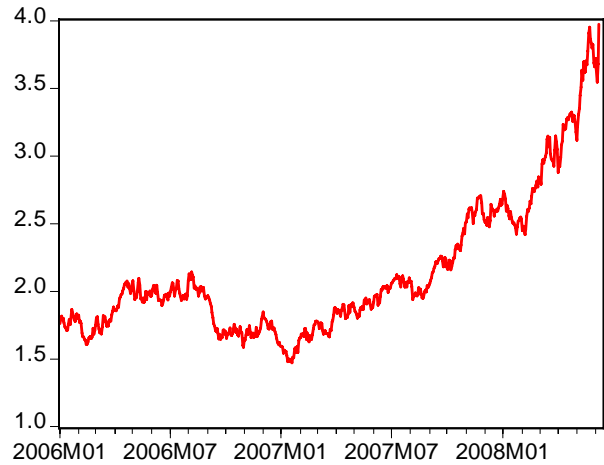
Following a temporary price decline in the previous week, oil prices, once again, jumped to a record high. By Friday's market close, crude oil prices traded at \$138.54 per barrel, gaining more than \$11 a barrel. In the past five weeks, oil prices have gained more than \$21 a barrel.

Prices of other energy commodities also rose this week. Prices of heating oil were up 30 cents to \$3.97 per gallon. Prices of gasoline increased 20 cents to \$3.55 per gallon. Finally, prices of natural gas rose 95 cents to \$12.65 per mmbtu.

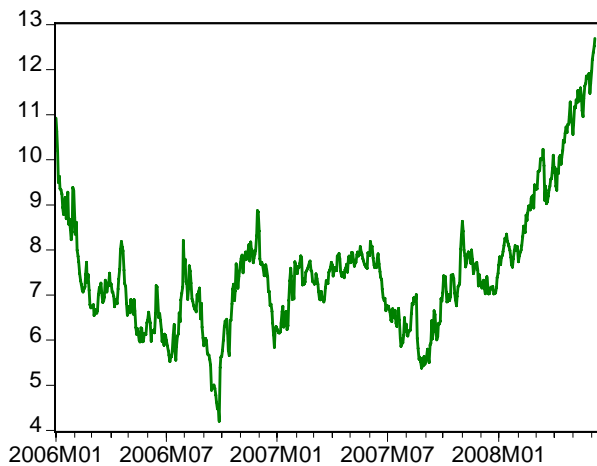
In the US retail market, average gasoline prices rose to a record high, at \$4 per gallon. Market watchers are monitoring closely whether the sharp increase in gasoline prices might deter consumers' gasoline consumption in the summer months.



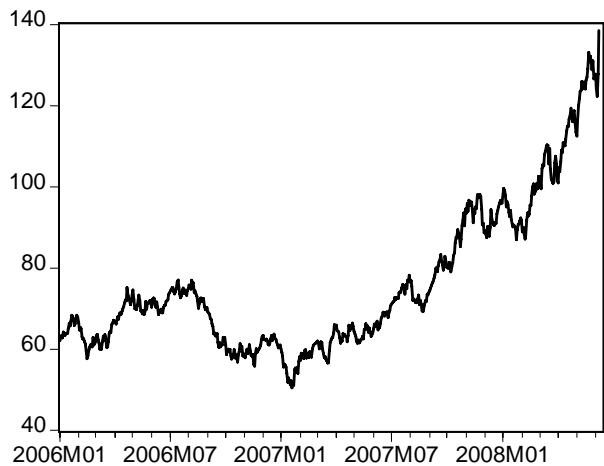
— Gasoline Futures Price, \$/Gallon



— Heating Oil Futures Price, \$/Gallon



— Natural Gas Futures Price, \$/MMBTU



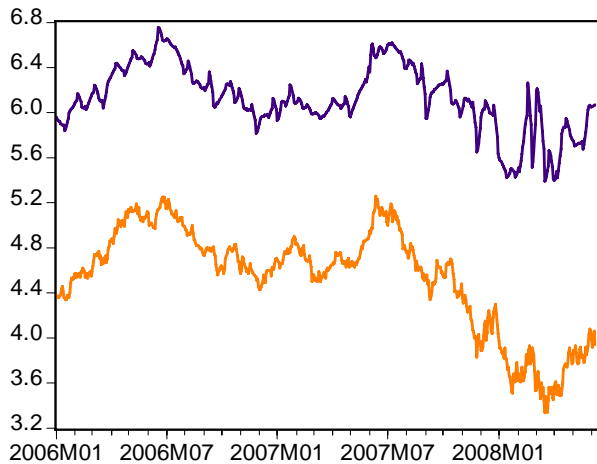
— Crude Oil (WTI) Futures Price, \$/Barrel

Interest Rates

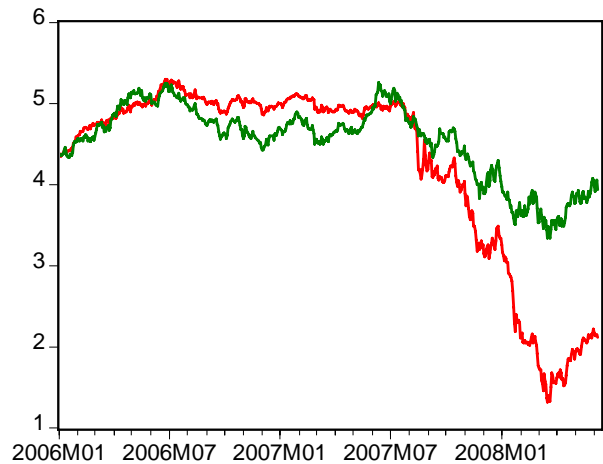
Although market movers continued to worry about inflation, a weak labor market report reignited concerns about the weak state of the US economy. Following prior weeks' increases, treasury yields fell, as their corresponding prices rose on investors' safe-haven demand.

By Friday's market close, the two-year treasury yield stood at 2.38%, down 26 basis points from a week ago. The ten-year treasury yield stood at 3.91% by the week's close, also down by 15 basis points from a week ago.

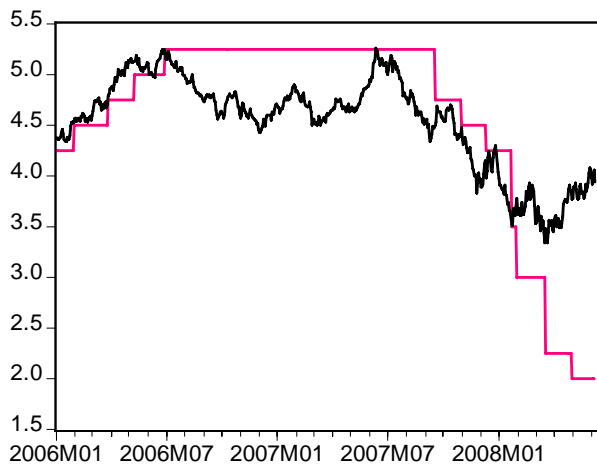
The upward pressure on daily inflation expectations (yield on unprotected minus yield on protected 10-year bonds) fell marginally. They currently stand at 2.49%, down 2 basis points from a week ago. FED officials indicate that they remain concerned about inflation, while trying to prevent the trend pattern of real GDP from significant decline.



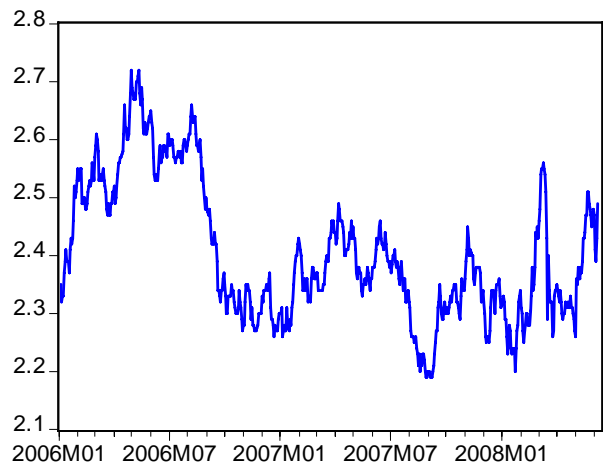
— 10-year treasury yield
— Average weekly yield of 30-year mortgages



— 1-year treasury bill
— 10-year treasury yield



— Federal funds rate
— 10-year treasury yield



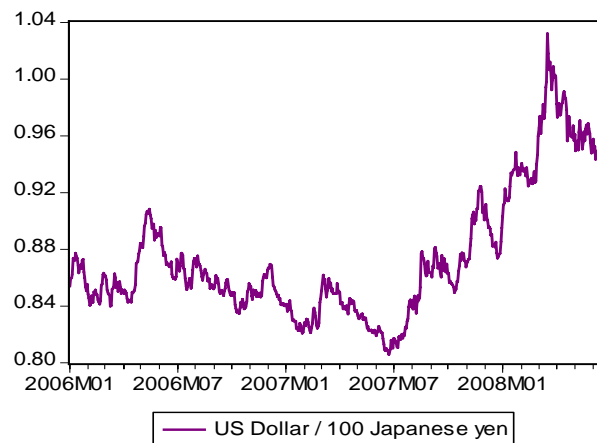
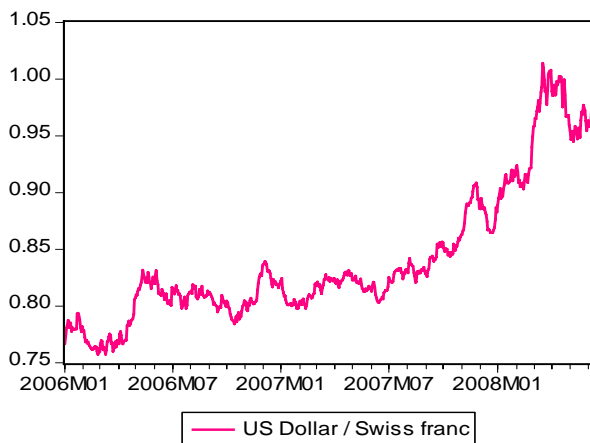
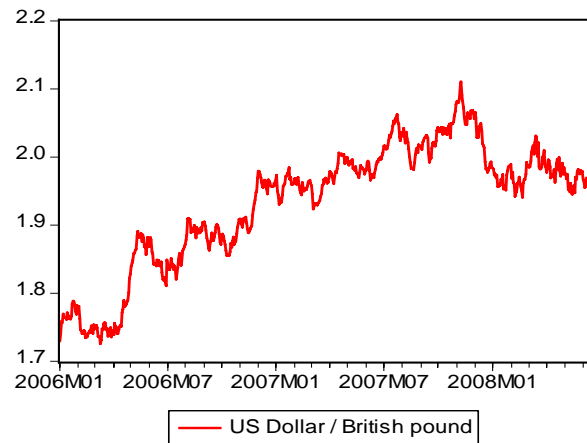
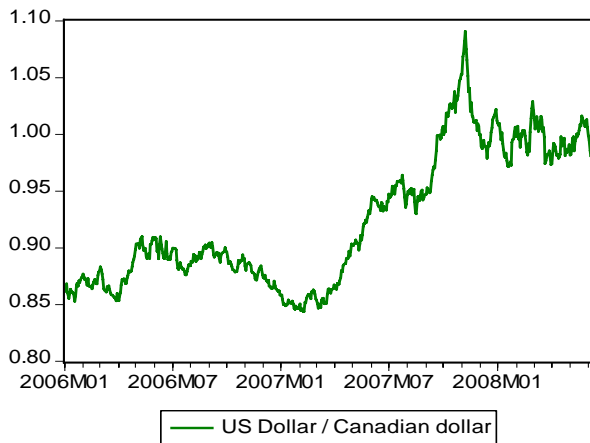
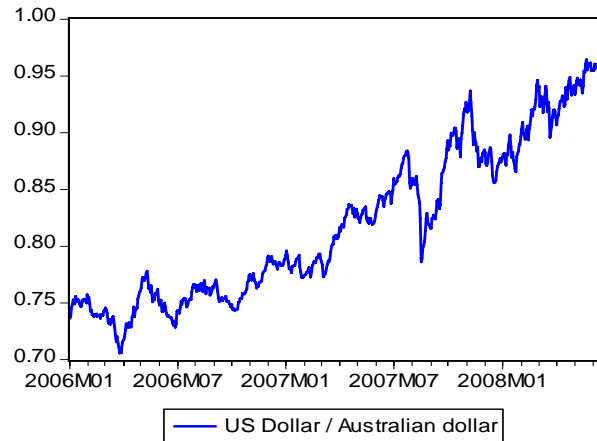
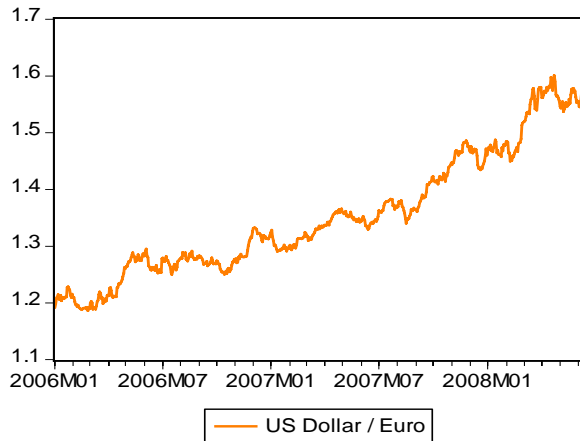
— Daily Inflation Expectations

Currency Markets

The US dollar was mixed, but still weak. The disappointing job market in May discouraged market movers on the US dollar outlook.

After gaining 1.3% in the previous week, the US dollar fell 1.4% against the euro, closing Friday at US\$1.5778 per euro. The US dollar also lost about 1.5 yen against the Japanese yen, closing the week at 104.92 yen per US dollar.

In contrast, the US dollar gained marginally against the British pound, trading at US\$1.9708 per British pound by market close on Friday. The US dollar also rose against the Canadian dollar. From US\$1.0067 per Canadian dollar, the greenback rose to 98.08 US cents per Canadian dollar. The Canadian economy unexpectedly fell 0.3% (annualized) in the first quarter, and worried market participants.



The Week in Preview (June 9 - 13)

Date	Economic Indicator	For	Market Consensus	Prior Month
Jun 10	Trade Balance	April	-\$59.5 billion	-\$58.2 billion
Jun 11	Treasury Budget Balance	May	-\$97.5 billion	-\$67.7 billion
Jun 12	Import Price Index, excluding petroleum	May	1.0%	1.1%
Jun 12	Retail Sales	May	0.6%	-0.2%
Jun 12	Retail Sales, excluding auto	May	0.7%	0.5%
Jun 12	Business Inventories	April	0.4%	0.1%
Jun 13	Consumer Price Index, total	April	0.5%	0.2%
Jun 13	Consumer Price Index, core	April	0.2%	0.1%
Jun 13	Consumer Sentiment Index, preliminary	June	57.5	59.8

Current Quarter Forecasts

In the second quarter, our forecast for real GDP is expected to increase 1.7% (SAAR), to be followed by a 0.6% increase in the third quarter of 2008.

The GDP deflator is projected to increase 2.88% in the second quarter (SAAR), and 2.9% in the third quarter of 2008.

Nominal GDP is forecasted to total US\$14.4 trillion in the second quarter, to be followed by US\$14.5 trillion in the third quarter of 2008. This amounts to 4.7% (SAAR) expansion in the second quarter and 3.5% increase in the third quarter of 2008.

CQM Forecast Assumption

On their website, the BEA noted that “rebates to individuals are expected to total \$106.7 billion for 2008”, with the majority sent between end-April and mid-July. These rebates will be “recorded as either an offset to personal current taxes or as a social benefit payment to persons”.

In our latest forecast, we have incorporated the rebates on the income side of our forecast, and assume a 0.9 marginal propensity to consume (MPC) on the expenditure side.

New Projections

A methodological concept for high-frequency forecasting is to revise forecasts by using new observations as soon as they are available. In the general pattern of BEA releases on NIPA sequences, there are 3 reports every quarter – advance, preliminary, and final. We are now making fresh estimates of GDP and consumer price rates of change by re-estimating quarterly values for the preliminary and final estimates prior to their official release dates. You will find our final projection values on page 2 of this report for the weeks of Feb 11th-25th, Mar 10th-24th, May 12th-26th, and Jun 9th.

If you have any questions, please contact Wendy Mak at (215) 564-6306 or wendymak@sas.upenn.edu

Note to Readers of the US Forecast

There is little doubt that the US economy slowed considerably in 2007. The latest quarterly estimates since 2004 are:

Year	2004			2005				2006				2007				2008
Quarter	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I
% Change	3.5	3.6	2.5	3.1	2.8	4.5	1.2	4.8	2.4	1.1	2.1	0.6	3.8	4.9	0.6	0.9

We prefer to judge by the numbers rather than by subjective opinions; therefore the numbers for 2008 Q2 are of significant importance, and will remain so for the remainder of 2008, if not longer. Interpretation of the fiscal stimulus and other policy measures must be watched with great care, especially since the US economy's activity path has worldwide effects. The fiscal stimulus, in particular, began on April 28th. This policy action is not built into our high-frequency model; so we must make some judgments in our forecasts, week-by-week.

In current prices (nominal values), the first quarter average propensity to consume is

$$\frac{C_1^{08}}{Y_1^{08}} = \frac{10046.2}{10502.3} = 0.95657$$

The statistical discrepancy, which we follow regularly, between the production (supply) side estimate of GDP and the expenditure (demand) side estimate is as large as \$132.9 billion in the first quarter of 2008 and was significantly negative in the first 2 quarters of 2007. In terms of the size of the fiscal stimulus, this discrepancy is very large and important in judging where the US economy stands.

In constant prices based on chained index values on a base of 2000, the average propensity to consume was estimated as

$$\frac{C_1^{08}}{Y_1^{08}} = \frac{8369.7}{8749.7} = 0.95657, \text{ the same value as in current prices.}$$

In order to judge the effect of the fiscal stimulus, we shall spread the total amount, to be distributed, \$106.7 billion, through mid July 2008, using a conservative average propensity to consume of 0.9. That is why our present forecast for real GDP growth in 2008 Q2 is now set at +1.65.

There is a fractional positive percentage change estimated for Q3, but we shall have to get more information about the success of the stimulus for Q3, during the coming weeks. We shall also have to monitor the well-known J-curve effects for the trade balance in the months ahead. For the past 4 quarters, the real balance has steadily decreased, thereby contributing to higher quarterly GDP estimates.

Followers of our forecast must be wary of journalistic interpretations of the stimulus that attach great importance of its effect, only if it goes immediately into retail sales. If the checks are not hoarded but placed in the economy, outside retail spending, they still will be effective if they enter elsewhere into the stream of economy activity.

FORECAST SUMMARY TABLE
Monthly Economic Indicators

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	2008Q1 Actual	2008Q2 Forecast
PRODUCTION								
Nonfarm Payroll Employment (Mil)	138.002	137.919	137.831	137.803	137.754	137.749	137.917	137.769
+ Difference	-0.076	-0.083	-0.088	-0.028	-0.049	-0.005	-0.113	-0.149
% Change, Annual Rate	-0.7	-0.7	-0.8	-0.2	-0.4	-0.0	-0.3	-0.4
% Change, Year Ago	0.7	0.6	0.4	0.3	0.2	0.1	0.5	0.2
DEMAND AND SPENDING								
Retail Sales (Bil\$)	342.38	340.60	341.25	340.22	375.13	377.09	341.41	342.81
% Change	0.6	-0.5	0.2	-0.3	10.3	0.5		
% Change, Annual Rate	8.1	-6.1	2.3	-3.6	222.9	6.4	0.3	1.7
% Change, Year Ago	3.9	2.5	1.9	1.8	10.4	12.4	2.8	1.9
PRICES								
PPI, Finished Goods (1982=100)	173.3	173.9	175.8	176.1	176.9	177.9	174.3	177.0
% Change	1.1	0.3	1.1	0.2	0.5	0.5		
% Change, Annual Rate	14.1	4.2	13.9	2.1	5.6	6.7	9.2	6.1
% Change, Year Ago	7.7	6.8	6.9	6.4	6.2	6.8	7.1	6.5
CPI, All-Urban (1982-84=100)	212.5	212.6	213.3	213.7	214.3	215.0	212.8	214.4
% Change	0.4	0.0	0.3	0.2	0.3	0.3		
% Change, Annual Rate	4.8	0.3	4.2	2.5	3.3	4.0	4.3	3.0
% Change, Year Ago	4.4	4.1	4.0	3.9	3.7	3.8	4.2	3.8
Housing Starts (Mil)	1.064	1.107	0.954	1.032	1.031	1.023	1.042	1.028
% Change	6.4	4.0	-13.8	8.2	-0.1	-0.8		
% Change, Annual Rate	110.5	60.9	-83.2	156.8	-1.4	-9.0	-33.0	-5.0
% Change, Year Ago	-23.0	-25.5	-36.1	-30.6	-28.2	-29.9	-28.3	-29.6
Industrial Production Index (2002=	112.60	111.79	111.98	111.18	111.00	111.12	112.12	111.10
% Change	0.1	-0.7	0.2	-0.7	-0.2	0.1		
% Change, Annual Rate	1.7	-8.3	2.1	-8.3	-1.9	1.3	-0.2	-3.6
% Change, Year Ago	2.6	1.1	1.4	0.2	0.0	-0.2	1.7	0.0
New Orders for Manufactured Goods	435.42	433.86	440.22	445.23	445.92	449.21	436.50	446.79
% Change	-2.4	-0.4	1.5	1.1	0.2	0.7		
% Change, Annual Rate	-24.9	-4.2	19.1	14.6	1.9	9.2	-1.4	9.8
% Change, Year Ago	7.3	5.1	4.2	3.8	4.4	5.1	5.5	4.4
Nondefense Capital Goods Shipments	68.95	66.46	66.68	67.40	67.09	67.18	67.36	67.22
% Change	1.7	-3.6	0.3	1.1	-0.5	0.1		
% Change, Annual Rate	22.3	-35.7	4.1	13.7	-5.3	1.6	-0.1	-0.8
% Change, Year Ago	7.7	2.0	1.8	2.2	0.8	1.3	5.5	4.4
Sales of Domestic Passenger Cars (5.07	5.02	4.94	4.89	5.33	5.26	5.01	5.16
% Change	-8.4	-1.0	-1.6	-1.1	9.0	-1.2		
% Change, Annual Rate	-65.3	-11.0	-17.1	-12.8	181.4	-13.6	-27.9	12.3
% Change, Year Ago	-3.2	-1.0	-3.1	-2.6	-3.5	0.3	-2.4	-2.0
Business Inventories (Bil\$)	1457.95	1464.50	1467.52	1474.76	1482.73	1488.92	1463.32	1482.14
% Change	1.0	0.4	0.2	0.5	0.5	0.4		
% Change, Year Ago	4.7	4.9	5.2	5.4	5.5	5.6	4.9	5.5
+ Difference, Annual Rate	169.4	78.5	36.2	87.0	95.6	74.3	106.3	75.3
EXTERNAL SECTOR								
Merchandise Trade Balance, Census	-67.84	-69.52	-66.51	-69.18	-67.25	-66.95	-815.50	-813.56
+ Difference	-1.7	-1.7	3.0	-2.7	1.9	0.3		
+ Difference, Annual Rate	-20.5	-20.1	36.1	-32.1	23.2	3.6	-7.01	1.94
+ Difference, year ago	-4.8	-5.3	1.7	-4.1	-0.9	-0.1		

FORECAST SUMMARY
GROSS DOMESTIC PRODUCT
 Billions of (Chained 2000) Dollars, S.A.A.R.

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
	< a c t u a l >			< forecast >	
Real GDP					
(i) Expenditure Side GDP	11658.9	11675.7	11701.9	11744.6	11769.4
% Previous Q, A.R.	4.91	0.58	0.90	1.47	0.85
% Year before	2.84	2.46	2.53	1.95	0.95
(ii) Income Side GDP	11658.9	11675.7	11701.9	11758.9	11721.2
% Previous Q, A.R.	4.91	0.58	0.90	1.96	-1.28
% Year before	2.84	2.46	2.53	2.07	0.53
(iii) Principal Components est. GDP	11658.9	11675.7	11701.9	11745.9	11811.2
% Previous Q, A.R.	4.91	0.58	0.90	1.51	2.24
% Year before	2.84	2.46	2.53	1.96	1.31
Average Real GDP	11658.9	11675.7	11701.9	11749.8	11767.2
% Previous Q, A.R.	4.91	0.58	0.90	1.65	0.60
% Year before	2.84	2.46	2.53	1.99	0.93
GDP Deflator (2000=100)					
(i) Expenditure Side PGDP	119.8	120.6	121.3	122.2	123.2
% Previous Q, A.R.	1.04	2.44	2.59	2.98	3.05
% Year before	2.40	2.58	2.18	2.26	2.77
(ii) Income Side PGDP: Same as (i)	119.8	120.6	121.3	122.2	123.2
% Previous Q, A.R.	1.04	2.44	2.59	2.98	3.05
% Year before	2.40	2.58	2.18	2.26	2.77
(iii) Principal Components est. PGDP	119.8	120.6	121.3	122.1	122.9
% Previous Q, A.R.	1.04	2.44	2.59	2.67	2.68
% Year before	2.40	2.58	2.18	2.18	2.59
Average GDP Deflator	119.8	120.6	121.3	122.2	123.1
% Previous Q, A.R.	1.04	2.44	2.59	2.88	2.93
% Year before	2.40	2.58	2.18	2.23	2.71
Nominal GDP					
(i) Expenditure Side GDP\$	13970.5	14074.2	14195.6	14355.3	14494.2
% Previous Q, A.R.	5.99	3.00	3.50	4.58	3.92
% Year before	5.30	5.09	4.75	4.26	3.75
(ii) Income Side GDP\$	13970.5	14074.2	14195.6	14372.7	14434.8
% Previous Q, A.R.	5.99	3.00	3.50	5.09	1.74
% Year before	5.30	5.09	4.75	4.39	3.32
(iii) Principal Components est. GDP\$	13970.5	14074.2	14195.6	14346.0	14521.4
% Previous Q, A.R.	5.99	3.00	3.50	4.31	4.98
% Year before	5.30	5.09	4.75	4.19	3.94
Average Nominal GDP	13970.5	14074.2	14195.6	14358.0	14483.4
% Previous Q, A.R.	5.99	3.00	3.50	4.66	3.54
% Year before	5.30	5.09	4.75	4.28	3.67

EXPENDITURE SIDE

Real Gross Domestic Product

2007Q3 2007Q4 2008Q1 2008Q2 2008Q3

Billions of Chained (2000) Dollars, SAAR

Gross Domestic Product	11658.90	11675.70	11701.90	11744.63	11769.37
Total Demand	13633.20	13643.00	13656.20	13697.44	13714.99
Domestic Demand	12188.30	12175.50	12178.20	12209.13	12205.19
Domestic Final Demand	12155.60	12194.60	12191.30	12220.91	12216.28
Final Demand	11626.40	11695.20	11715.30	11759.88	11789.58
Personal Consumption Expenditures	8302.20	8349.10	8369.70	8414.60	8404.00
Durable Goods	1241.90	1248.10	1228.20	1224.19	1222.30
Nondurable Goods	2396.80	2404.20	2402.20	2403.56	2392.20
Services	4689.50	4722.40	4757.40	4803.30	4807.51
Gross Private Domestic Investment	1859.90	1787.70	1757.90	1735.00	1735.41
Fixed Investment	1826.00	1807.50	1771.20	1746.74	1746.50
Nonresidential	1387.30	1407.80	1406.90	1408.67	1417.59
Equipment and Software	1073.50	1081.70	1079.30	1082.38	1094.11
Structures	311.10	320.30	321.20	320.62	320.05
Residential	463.30	430.90	400.30	378.04	370.98
Change In Business Inventories	30.60	-18.30	-14.40	-11.77	-11.08
Farm	4.10	2.20	-0.90	-1.35	-0.53
Nonfarm	26.00	-21.70	-13.60	-10.42	-10.55
Net Exports	-533.10	-503.20	-480.20	-461.08	-426.64
Exports	1441.20	1464.10	1474.10	1488.32	1509.83
Imports	1974.30	1967.30	1954.30	1949.40	1936.46
Government Purchases	2033.60	2043.40	2053.30	2059.62	2065.85
Federal	764.00	765.00	773.20	776.75	777.89
State and Local	1269.60	1278.30	1280.20	1282.87	1288.00

Percent Change, Annual Rate

Gross Domestic Product	4.91	0.58	0.90	1.47	0.85
Total Demand	4.83	0.29	0.39	1.21	0.51
Domestic Demand	3.33	-0.42	0.09	1.02	-0.13
Domestic Final Demand	2.48	1.29	-0.11	0.98	-0.15
Final Demand	4.01	2.39	0.69	1.53	1.01
Personal Consumption Expenditures	2.84	2.28	0.99	2.16	-0.50
Durable Goods	4.47	2.01	-6.23	-1.30	-0.62
Nondurable Goods	2.20	1.24	-0.33	0.23	-1.88
Services	2.85	2.84	3.00	3.92	0.35
Gross Private Domestic Investment					
Fixed Investment	-0.72	-3.99	-7.79	-5.41	-0.06
Nonresidential	9.36	6.04	-0.26	0.50	2.56
Equipment and Software	6.23	3.09	-0.88	1.15	4.41
Structures	16.42	12.36	1.13	-0.72	-0.70
Residential	-20.53	-25.17	-25.52	-20.46	-7.26
Exports	19.13	6.51	2.76	3.92	5.91
Imports	4.35	-1.41	-2.62	-1.00	-2.63
Government Purchases	3.78	1.94	1.95	1.24	1.22
Federal	7.11	0.52	4.36	1.85	0.59
State and Local	1.95	2.77	0.60	0.84	1.61

EXPENDITURE SIDE

Nominal Gross Domestic Product

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
Billions of Dollars, SAAR					
Gross Domestic Product	13970.50	14074.20	14195.60	14355.35	14494.17
Total Demand	16350.90	16520.80	16698.50	16911.13	17091.44
Domestic Demand	14665.10	14783.10	14912.20	15082.25	15217.52
Domestic Final Demand	14629.70	14810.50	14935.50	15096.63	15231.16
Final Demand	13935.00	14101.60	14218.80	14369.73	14507.81
Personal Consumption Expenditures	9785.70	9936.60	10046.20	10179.23	10261.55
Durable Goods	1081.60	1082.50	1064.70	1058.95	1056.88
Nondurable Goods	2846.30	2904.50	2948.80	2971.29	2990.67
Services	5857.80	5949.70	6032.70	6148.99	6214.00
Gross Private Domestic Investment	2162.90	2082.10	2041.30	2035.31	2049.21
Fixed Investment	2127.50	2109.50	2064.50	2049.69	2062.85
Nonresidential	1500.10	1526.50	1526.20	1536.47	1555.22
Equipment and Software	1017.10	1025.30	1021.10	1027.91	1042.90
Structures	483.10	501.30	505.10	508.56	512.32
Residential	627.30	582.90	538.40	513.22	507.63
Change In Business Inventories	35.40	-27.40	-23.30	-14.39	-13.64
Farm	3.80	0.30	-3.70	-1.65	-0.65
Nonfarm	31.60	-27.70	-19.60	-12.74	-12.99
Net Exports	-694.70	-708.90	-716.60	-726.90	-723.35
Exports	1685.70	1737.70	1786.30	1828.88	1873.92
Imports	2380.40	2446.60	2502.90	2555.78	2597.27
Government Purchases	2716.50	2764.40	2824.70	2867.71	2906.76
Federal	990.30	997.70	1023.40	1034.97	1046.90
State and Local	1726.20	1766.70	1801.30	1832.75	1859.86

Percent Change, Annual Rate

Gross Domestic Product	5.99	3.00	3.50	4.58	3.92
Total Demand	6.87	4.22	4.37	5.19	4.33
Domestic Demand	5.12	3.26	3.54	4.64	3.64
Domestic Final Demand	4.26	5.04	3.42	4.39	3.61
Final Demand	5.08	4.87	3.37	4.31	3.90
Personal Consumption Expenditures	4.70	6.31	4.49	5.40	3.27
Durable Goods	2.59	0.33	-6.42	-2.14	-0.78
Nondurable Goods	3.39	8.43	6.24	3.09	2.64
Services	5.75	6.42	5.70	7.94	4.30
Gross Private Domestic Investment	4.53	-14.13	-7.61	-1.17	2.76
Fixed Investment	-1.19	-3.34	-8.26	-2.84	2.59
Nonresidential	8.71	7.23	-0.08	2.72	4.97
Equipment and Software	5.11	3.26	-1.63	2.69	5.96
Structures	17.01	15.94	3.07	2.77	2.99
Residential	-20.72	-25.45	-27.21	-17.43	-4.29
Exports	23.61	12.92	11.67	9.88	10.22
Imports	12.19	11.60	9.53	8.72	6.65
Government Purchases	7.15	7.24	9.01	6.23	5.56
Federal	8.86	3.02	10.71	4.60	4.69
State and Local	6.18	9.72	8.07	7.17	6.05

EXPENDITURE SIDE

Gross Domestic Product Chain-Type Price Index

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
Index 2000=100					
Gross Domestic Product	119.84	120.56	121.33	122.23	123.15
Total Demand	119.93	121.09	122.28	123.46	124.62
Domestic Demand	120.33	121.43	122.47	123.53	124.68
Domestic Final Demand	120.36	121.45	122.51	123.53	124.68
Final Demand	119.86	120.58	121.37	122.19	123.06
Personal Consumption Expenditures	117.87	119.02	120.04	120.97	122.10
Durable Goods	87.09	86.73	86.68	86.50	86.47
Nondurable Goods	118.75	120.81	122.75	123.62	125.02
Services	124.92	126.00	126.81	128.02	129.26
Gross Private Domestic Investment	116.33	116.55	116.25	117.30	118.08
Fixed Investment	116.50	116.70	116.55	117.34	118.11
Nonresidential	108.14	108.44	108.48	109.07	109.71
Equipment and Software	94.75	94.78	94.61	94.97	95.32
Structures	155.39	156.61	157.37	158.62	160.07
Residential	135.37	135.24	134.45	135.76	136.84
Exports	116.99	118.70	121.20	122.88	124.11
Imports	120.57	124.36	128.07	131.11	134.12
Government Purchases	133.59	135.29	137.58	139.24	140.72
Federal	129.62	130.42	132.36	133.24	134.58
State and Local	135.97	138.21	140.71	142.86	144.41

Percent Change, Annual Rate

Gross Domestic Product	1.04	2.44	2.59	2.98	3.05
Total Demand	1.95	3.92	3.97	3.94	3.80
Domestic Demand	1.75	3.71	3.47	3.52	3.77
Domestic Final Demand	1.74	3.70	3.53	3.38	3.77
Final Demand	1.02	2.42	2.66	2.73	2.87
Personal Consumption Expenditures	1.81	3.95	3.46	3.16	3.80
Durable Goods	-1.80	-1.67	-0.21	-0.82	-0.16
Nondurable Goods	1.15	7.12	6.59	2.86	4.60
Services	2.82	3.49	2.62	3.85	3.93
Gross Private Domestic Investment	-0.35	0.77	-1.01	3.65	2.70
Fixed Investment	-0.47	0.68	-0.51	2.77	2.65
Nonresidential	-0.56	1.11	0.15	2.20	2.35
Equipment and Software	-1.05	0.14	-0.72	1.51	1.49
Structures	0.50	3.17	1.95	3.22	3.71
Residential	-0.27	-0.38	-2.30	3.94	3.21
Exports	3.78	5.98	8.68	5.67	4.07
Imports	7.51	13.17	12.48	9.82	9.53
Government Purchases	3.24	5.18	6.94	4.92	4.33
Federal	1.63	2.47	6.10	2.70	4.08
State and Local	4.17	6.75	7.42	6.28	4.39

INCOME SIDE

GDP, National Income and Personal Income

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
Billions of Current Dollars, SAAR					
Gross Domestic Product	13970.50	14074.20	14195.60	14372.73	14434.80
Plus:					
Receipts of Factor Income	855.60	848.10	796.80	816.80	837.15
Less:					
Payments of Factor Income	754.40	700.20	641.60	651.92	662.35
Equals: Gross National Product	14071.60	14222.10	14350.80	14537.60	14609.60
Less:					
Consumption of Fixed Capital	1690.90	1701.10	1710.70	1711.16	1717.57
Equals: Net National Product	12380.80	12520.90	12640.10	12826.44	12892.24
Indirect Business Taxes	1014.37	1024.76	1034.23	1044.59	1057.99
Business Transfers	94.40	97.90	101.10	100.53	99.99
Statistical Discrepancy	84.80	112.00	132.90	121.08	110.72
Net Subsidies	46.62	47.49	48.40	48.01	47.63
National Income	12296.00	12408.90	12507.20	12705.36	12781.52
Corporate Profits	1621.90	1569.00	1574.20	1587.84	1622.45
Net Interest	599.30	619.00	614.90	610.03	609.97
Contribution for Soc. Ins.	983.20	994.14	1015.93	1019.26	1024.75
Personal	505.94	511.75	523.77	524.90	524.90
Employer	477.26	482.40	492.16	494.36	499.85
Personal Interest Income	1171.10	1173.20	1169.30	1172.09	1178.72
Personal Dividend Income	805.00	826.60	843.30	857.98	868.13
Government Transfers	1714.35	1728.39	1758.02	1735.74	1779.39
Business Transfers (to persons)	28.00	28.10	28.10	27.82	27.65
Personal Income	11735.00	11880.90	12018.40	12195.32	12279.23
Percent Change, Annual Rate					
Gross Domestic Product	5.99	3.00	3.50	5.09	1.74
Plus:					
Receipts of Factor Income	21.94	-3.46	-22.09	10.42	10.35
Less:					
Payments of Factor Income	5.99	-25.79	-29.50	6.59	6.55
Equals: Gross National Product	6.88	4.35	3.67	5.31	2.00
Less:					
Consumption of Fixed Capital	1.79	2.43	2.28	0.11	1.51
Equals: Net National Product	7.60	4.60	3.86	6.03	2.07
Indirect Business Taxes	4.16	4.16	3.75	4.07	5.23
Business Transfers	7.08	15.68	13.73	-2.23	-2.13
National Income	3.29	3.72	3.21	6.49	2.42
Corporate Profits	-4.90	-12.42	1.33	3.51	9.01
Net Interest	4.74	13.81	-2.62	-3.13	-0.03
Contribution for Social Insurance	4.59	4.53	9.06	1.32	2.17
Personal	4.75	4.67	9.73	0.87	0.00
Employer	4.42	4.37	8.35	1.80	4.52
Personal Interest Income	8.14	0.72	-1.32	0.96	2.28
Personal Dividend Income	12.52	11.17	8.33	7.15	4.82
Government Transfers	6.05	3.31	7.04	-4.97	10.44
Business Transfers (to persons)	2.91	1.44	0.00	-3.97	-2.34
Personal Income	5.56	5.07	4.71	6.02	2.78

GDP, National Income and Personal Income
Components of Personal Income
2007Q3 2007Q4 2008Q1 2008Q2 2008Q3

Billions of Current Dollars, SAAR

Wages and Salaries	6382.70	6468.40	6560.30	6592.84	6652.37
Commod Prod Industries	1217.50	1230.30	1237.50	1232.76	1242.21
Manufacturing	754.70	760.50	765.30	763.45	767.11
Others	462.80	469.80	472.20	469.32	475.10
Distributive Industries*	1033.30	1046.80	1055.60	1058.05	1062.76
Service Industries	3059.00	3106.60	3163.30	3187.47	3222.25
Government	1072.90	1084.70	1103.90	1114.63	1125.31
Other Labor Income	1500.00	1516.60	1540.50	1556.15	1573.75
Proprietors Income	1048.70	1055.90	1055.90	1052.23	1062.92
Farm	38.60	43.80	37.40	30.73	29.61
Business and Profess.	1010.00	1012.10	1018.40	1021.46	1033.31
Rental Income of Persons	68.40	77.80	78.90	86.69	89.59
Interest Paid by Persons	275.80	272.50	253.60	257.53	268.36
Other Interest	895.30	900.70	915.70	914.56	910.36
Transfer Payments	1742.30	1756.50	1786.10	1754.51	1806.33
Contributions for Social In	505.94	511.75	523.77	524.90	524.90
Personal Tax & Nontax P.	1489.80	1512.71	1516.08	1526.20	1540.14
Disposable Income	10245.20	10368.20	10502.30	10669.13	10739.09
Addendum:					
Domestic Final Sales	14633.6	14810.8	14931.8	15114.0	15171.8

Percent Change, Annual Rate

Wages and Salaries	4.10	5.48	5.81	2.00	3.66
Commod Prod Industries	1.63	4.27	2.36	-1.52	3.10
Manufacturing	0.32	3.11	2.55	-0.97	1.93
Others	3.80	6.19	2.06	-2.42	5.02
Distributive Industries*	-0.15	5.33	3.41	0.93	1.79
Service Industries	6.59	6.37	7.50	3.09	4.44
Government	4.21	4.47	7.27	3.94	3.89
Other Labor Income	4.66	4.50	6.45	4.13	4.60
Proprietors Income	4.03	2.77	0.00	-1.38	4.13
Farm	84.94	65.79	-46.84	-54.43	-13.77
Business and Profess.	1.88	0.83	2.51	1.21	4.72
Rental Income of Persons	47.18	67.38	5.78	45.77	14.05
Interest Paid by Persons	27.59	-4.70	-24.99	6.34	17.92
Other Interest	2.91	2.43	6.83	-0.50	-1.82
Transfer Payments	6.00	3.30	6.91	-6.89	12.35
Contribution for Social Ins	4.75	4.67	9.73	0.87	0.00
Personal Tax & Nontax P.	3.33	6.29	0.90	2.69	3.70
Disposable Income	5.89	4.89	5.27	6.51	2.65
Addendum:					
Domestic Final Sales	4.26	4.93	3.31	4.97	1.54

*Distributive Industries are Transportation, Public Utilities excluding the U.S. Postal Service, and Wholesale and Retail Trade

MONTHLY ECONOMIC INDICATORS for PERSONAL CONSUMPTION EXPENDITURES, GOVERNMENT PURCHASES, and CONSTRUCTION INVESTMENT

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	JUL08	AUG08	SEP08
RETAIL SALES (RS), Billions of Current Dollars, SA									
RS, Total Retail Sales	342.38	340.60	341.25	340.22	375.13	377.09	357.30	359.17	361.03
RS, Durable Goods Stores	121.59	120.28	119.52	118.10	129.82	130.68	124.57	125.11	125.76
RS, Bldg Materials, Hardware	26.99	27.02	26.61	27.13	29.45	29.63	28.31	28.49	28.61
RS, Auto Dealers	75.75	74.42	74.04	71.96	80.10	80.63	76.36	76.85	77.47
RS, Furn, Home Furn & Equip	9.52	9.48	9.49	9.51	10.39	10.48	9.99	10.05	10.13
RS, Nondurable Goods Stores	215.11	214.97	216.26	217.07	236.27	237.43	226.24	227.44	228.25
RS, Food Stores	48.01	48.18	48.55	48.78	52.96	53.14	50.60	50.71	50.84
RS, Gas Service Stations	41.85	41.24	41.90	41.72	44.86	45.31	43.40	44.02	44.18
RS, Apparel and Accessories	18.91	18.75	18.89	19.02	20.75	20.85	19.89	19.99	20.09
RS, New Domestic Cars, SAA	5.07	5.02	4.94	4.89	5.33	5.26	5.11	5.08	5.08
RS, New Dom Light Trucks, SAA	6.68	6.66	6.21	5.68	5.11	5.07	5.02	4.84	4.64

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT, Billions of Current Dollars, NSA									
Federal Govt Total Outlays	244.45	270.29	200.97	239.69	251.80	232.75	248.87	245.64	221.54
Federal Govt Debt Outstanding	9160.76	9280.37	9362.87	9303.52	9351.12	9413.09	9448.89	9524.73	9569.65

HOUSING STARTS, Millions, SAAR									
Housing Starts, Total	1.0640	1.1070	0.9540	1.0320	1.0308	1.0227	1.0209	1.0320	1.0456

NEW CONSTRUCTION PUT IN PLACE, Billions of Current Dollars, SAAR									
New Const, Residential Bldgs	465.87	459.78	445.84	435.79	429.85	430.63	430.29	429.09	428.54
New Const, Nonresident Bldgs	373.24	377.47	381.83	388.01	391.02	394.32	398.43	400.69	403.62
New Const, Federal Government	20.39	20.28	19.97	20.29	20.47	20.51	20.51	20.71	20.60
New Const, State & Local Govt	272.87	274.79	278.13	276.80	278.11	279.52	280.67	281.92	283.04

Percent Change, Monthly Rate

RETAIL SALES (RS)									
RS, Total Retail Sales	0.65	-0.52	0.19	-0.30	10.26	0.52	-5.25	0.52	0.52
RS, Durable Goods Stores	-0.04	-1.07	-0.64	-1.19	9.92	0.66	-4.67	0.44	0.52
RS, Bldg Materials, Hardware	-0.66	0.10	-1.52	1.95	8.56	0.62	-4.46	0.65	0.42
RS, Auto Dealers	0.25	-1.76	-0.51	-2.81	11.32	0.66	-5.30	0.64	0.81
RS, Furn, Home Furn & Equip	-0.86	-0.41	0.19	0.12	9.30	0.86	-4.68	0.64	0.80
RS, Nondurable Goods Stores	0.87	-0.07	0.60	0.37	8.85	0.49	-4.71	0.53	0.36
RS, Food Stores	0.26	0.35	0.76	0.49	8.56	0.33	-4.78	0.23	0.26
RS, Gas Service Stations	3.10	-1.45	1.60	-0.44	7.54	0.99	-4.21	1.44	0.35
RS, Apparel and Accessories	2.40	-0.85	0.75	0.68	9.11	0.47	-4.58	0.50	0.50
RS, New Domestic Cars, SAAR	-8.44	-0.97	-1.55	-1.13	9.01	-1.21	-2.81	-0.70	0.02
RS, New Dom Light Trucks, SA	-2.98	-0.36	-6.76	-8.54	-9.95	-0.75	-1.06	-3.51	-4.21

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT									
Federal Govt Total Outlays	7.02	10.57	-25.64	19.26	5.06	-7.57	6.93	-1.30	-9.81
Federal Govt Debt Outstanding	0.12	1.31	0.89	-0.63	0.51	0.66	0.38	0.80	0.47

HOUSING STARTS									
Housing Starts, Total	6.40	4.04	-13.82	8.18	-0.12	-0.78	-0.17	1.09	1.31

NEW CONSTRUCTION PUT IN PLACE									
New Const, Residential Bldgs	-0.93	-1.31	-3.03	-2.25	-1.36	0.18	-0.08	-0.28	-0.13
New Const, Nonresidential Bldgs	-0.14	1.13	1.16	1.62	0.78	0.84	1.04	0.57	0.73
New Const, Federal Government	4.50	-0.51	-1.54	1.62	0.87	0.19	0.04	0.93	-0.52
New Const, State & Local Govt	-0.07	0.70	1.22	-0.48	0.47	0.51	0.41	0.44	0.40

MONTHLY ECONOMIC INDICATORS for GROSS PRIVATE DOMESTIC INVESTMENT and NET EXPORTS

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	JUL08	AUG08	SEP08
INDUSTRIAL PRODUCTION, Index 2002=100, SA									
Industrial Production, Total	112.60	111.79	111.98	111.18	111.00	111.12	111.16	111.32	111.53
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS, Billions of Current Dollars, SA									
Manufacturers' New Orders	435.42	433.86	440.22	445.23	445.92	449.21	449.50	450.92	453.33
Manufacturers' Shipments	437.64	429.53	434.38	443.94	444.12	447.60	449.31	450.99	452.90
Manufacturers' Unfilled Orders	777.86	786.86	797.11	804.39	811.91	820.49	827.45	834.70	841.89
MANUFACTURED DURABLE GOODS, Billions of Current Dollars, SA									
Nondefense Capital Goods Shipmt	68.95	66.46	66.68	67.40	67.09	67.18	67.37	67.03	67.42
BUSINESS INVENTORIES, Billions of Current Dollars, SA									
Inventories, Manufacturers	537.50	540.68	545.79	545.67	548.78	550.92	552.65	554.93	556.85
Inventories, Merchant Wholesale	417.14	421.08	421.70	427.36	430.74	433.55	436.78	439.18	441.51
Inventories, Retail Traders	503.31	502.74	500.02	501.73	503.21	504.45	506.14	507.68	509.44
U.S. MERCHANDISE TRADE, Millions of Current Dollars, SA									
Exports, FAS	105532	108183	105245	107264	108920	109849	111228	111628	112308
Imports, CIF	173376	177701	171758	176449	176172	176802	177970	179548	179588
Exports, Mach and Transp Equipm	39166	41411	38365	40048	39698	39693	40031	39974	40254
Imports, Mach and Transp Equipm	60893	64683	59850	61911	62975	63186	62906	63820	64619
Percent Change, Monthly Rate									
INDUSTRIAL PRODUCTION									
Industrial Production, Total	0.14	-0.72	0.18	-0.72	-0.16	0.11	0.03	0.14	0.19
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS									
Manufacturers' New Orders	-2.36	-0.36	1.46	1.14	0.15	0.74	0.06	0.32	0.53
Manufacturers' Shipments	1.06	-1.85	1.13	2.20	0.04	0.78	0.38	0.38	0.42
Manufacturers' Unfilled Orders	0.59	1.16	1.30	0.91	0.93	1.06	0.85	0.88	0.86
MANUFACTURED DURABLE GOODS									
Nondefense Capital Goods Shipmt	1.69	-3.61	0.34	1.08	-0.45	0.13	0.28	-0.51	0.58
BUSINESS INVENTORIES									
Inventories, Manufacturers	1.29	0.59	0.95	-0.02	0.57	0.39	0.31	0.41	0.35
Inventories, Merchant Wholesale	1.26	0.94	0.15	1.34	0.79	0.65	0.75	0.55	0.53
Inventories, Retail Traders	0.42	-0.11	-0.54	0.34	0.29	0.25	0.34	0.30	0.35
U.S. MERCHANDISE TRADE									
Exports, FAS	1.46	2.51	-2.72	1.92	1.54	0.85	1.26	0.36	0.61
Imports, CIF	1.90	2.49	-3.34	2.73	-0.16	0.36	0.66	0.89	0.02
Exports, Mach and Transp Equip	-1.50	5.73	-7.35	4.39	-0.87	-0.01	0.85	-0.14	0.70
Imports, Mach and Transp Equip	1.71	6.23	-7.47	3.44	1.72	0.34	-0.44	1.45	1.25

MONTHLY ECONOMIC INDICATORS for CHAIN PRICE INDEXES

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	JUL08	AUG08	SEP08
CONSUMER PRICE INDEX (CPI), 1982-1984=100, SA									
CPI, All Urban Consumers	212.52	212.57	213.30	213.74	214.32	215.02	215.69	216.46	217.14
CPI, Durables	112.02	111.76	111.80	111.42	111.26	111.16	111.10	111.05	111.05
CPI, Furniture	123.79	123.90	125.97	124.56	124.38	124.12	123.95	123.83	124.04
CPI, Housekeeping Supplies	171.19	172.34	173.63	174.83	175.78	176.72	177.64	178.55	179.44
CPI, Nondurables	202.48	202.38	203.73	204.71	204.38	204.46	204.44	205.26	205.86
CPI, Apparel and Upkeep	119.76	119.35	117.82	118.36	118.63	118.84	119.04	119.24	119.44
CPI, Food and Beverages	208.33	209.09	209.52	211.44	212.39	213.26	214.19	215.08	216.00
CPI, Motor Oil, Fuel,	283.01	277.45	282.00	276.57	270.74	271.06	273.41	276.35	277.14
CPI, Services	251.32	251.80	252.70	253.46	254.30	255.04	255.90	256.66	257.54
CPI, New cars	135.60	135.20	135.02	134.77	134.78	134.90	135.04	135.21	135.40
PRODUCER PRICE INDEX (PPI), 1982=100, SA									
PPI, Finished Goods	173.30	173.90	175.80	176.10	176.90	177.86	178.75	179.93	180.95
PPI, Capital Equipment	150.90	151.70	151.90	152.50	153.02	153.47	153.97	154.46	154.93
PPI, Intermediate Materials	179.20	180.60	184.80	186.50	188.02	190.14	191.56	193.15	194.50
PPI, Components for Construction	194.20	195.50	197.10	199.10	200.50	201.76	202.87	203.72	204.44
PRICES RECEIVED BY FARMERS, Index, 1910-14=100, SA									
Index of Prices Recvd by Farmer	905.70	909.54	915.35	921.22	929.03	930.94	934.26	935.03	936.41
U.S. EXPORT/IMPORT PRICES, Index, 1995=100, SA									
U.S. Export Price Index	120.79	121.89	123.42	123.72	124.41	125.19	125.74	126.32	127.03
U.S. Import Price Index	130.25	131.29	133.44	135.30	136.13	136.59	136.91	137.18	137.43
Percent Change, Monthly Rate									
CONSUMER PRICE INDEX (CPI)									
CPI, All Urban Consumers	0.39	0.03	0.34	0.21	0.27	0.33	0.31	0.36	0.32
CPI, Durables	-0.07	-0.24	0.04	-0.34	-0.14	-0.10	-0.05	-0.05	0.01
CPI, Furniture	0.23	0.09	1.67	-1.12	-0.14	-0.21	-0.14	-0.10	0.16
CPI, Housekeeping Supplies	0.26	0.67	0.75	0.69	0.54	0.53	0.52	0.51	0.50
CPI, Nondurables	0.83	-0.05	0.67	0.48	-0.16	0.04	-0.01	0.40	0.29
CPI, Apparel and Upkeep	0.44	-0.34	-1.28	0.46	0.23	0.18	0.17	0.17	0.17
CPI, Food and Beverages	0.68	0.37	0.21	0.92	0.45	0.41	0.44	0.41	0.43
CPI, Motor Oil, Fuel	1.10	-1.97	1.64	-1.92	-2.11	0.12	0.87	1.07	0.29
CPI, Services	0.31	0.19	0.36	0.30	0.33	0.29	0.34	0.30	0.34
CPI, New Cars	-0.26	-0.30	-0.13	-0.19	0.01	0.09	0.10	0.13	0.14
PRODUCER PRICE INDEX (PPI)									
PPI, Finished Goods	1.11	0.35	1.09	0.17	0.45	0.54	0.50	0.66	0.56
PPI, Capital Equipment	0.40	0.53	0.13	0.39	0.34	0.30	0.32	0.32	0.31
PPI, Intermediate Materials	1.13	0.78	2.33	0.92	0.82	1.12	0.75	0.83	0.70
PPI, Components for Construction	0.21	0.67	0.82	1.01	0.71	0.63	0.55	0.42	0.36
PRICES RECEIVED BY FARMERS									
Index of Prices Recvd by Farmer	0.52	0.42	0.64	0.64	0.85	0.21	0.36	0.08	0.15
U.S. EXPORT/IMPORT PRICES									
U.S. Export Price Index	0.87	0.91	1.25	0.25	0.55	0.63	0.44	0.46	0.57
U.S. Import Price Index	1.61	0.79	1.64	1.39	0.62	0.34	0.23	0.20	0.18

MONTHLY ECONOMIC INDICATORS for PERSONAL INCOME

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	JUL08	AUG08	SEP08
EMPLOYEES (EMP) on Nonfarm Payrolls, Millions, SA									
EMP, Total	138.002	137.919	137.831	137.803	137.754	137.749	137.748	137.764	137.786
EMP, Manufacturing	13.737	13.690	13.644	13.595	13.569	13.539	13.511	13.488	13.470
EMP, Services	116.095	116.103	116.094	116.166	116.174	116.279	116.386	116.509	116.661
EMP, Wholesale and Retail Trade	21.540	21.486	21.456	21.407	21.376	21.367	21.344	21.339	21.323
EMP, Government	22.336	22.362	22.377	22.389	22.406	22.427	22.450	22.470	22.493
EMP, Federal Government	1.977	1.983	1.987	1.992	1.994	1.995	1.995	1.995	1.996
EMP, State and Local Governme	21.907	21.816	21.737	21.637	21.580	21.526	21.477	21.438	21.402
Total Unemployed, Millions	7.576	7.381	7.815	7.626	8.487	8.513	8.666	8.822	8.920

AVERAGE WEEKLY HOURS (AWH) of Production Workers, SA

AWH, Total Private	33.70	33.70	33.80	33.70	33.70	33.70	33.69	33.68	33.67
AWH, Manufacturing	41.10	41.10	41.20	41.00	41.00	41.03	41.03	41.01	41.01
AWH, Services	30.20	30.10	30.20	30.20	30.10	30.14	30.12	30.11	30.11
AWH, Wholesale and Retail Trade	38.40	38.20	38.40	38.30	38.40	38.40	38.35	38.36	38.36

AVERAGE HOURLY EARNINGS (AHE) of Production Workers, Current Dollars, SA

AHE, Manufacturing	17.49	17.55	17.61	17.61	17.63	17.68	17.71	17.75	17.79
AHE, Services	12.80	12.84	12.86	12.86	12.89	12.90	12.92	12.93	12.95
AHE, Wholesale and Retail Trade	19.97	20.00	20.03	20.03	19.99	20.09	20.10	20.13	20.18

AVERAGE WEEKLY EARNINGS (AWE) of Production Workers, Current Dollars

AWE, Total Private	598.18	600.20	604.01	602.89	604.58	607.02	608.39	610.07	611.89
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Percent Change, Monthly Rate

EMPLOYEES (EMP) ON NONFARM PAYROLLS

EMP, Total	-0.055	-0.060	-0.064	-0.020	-0.036	-0.004	-0.001	0.012	0.016
EMP, Manufacturing	-0.254	-0.342	-0.336	-0.359	-0.191	-0.223	-0.202	-0.176	-0.131
EMP, Services	-0.006	0.007	-0.008	0.062	0.007	0.091	0.092	0.105	0.131
EMP, Wholesale and Retail Trade	-0.097	-0.251	-0.140	-0.228	-0.145	-0.043	-0.105	-0.026	-0.076
EMP, Government	0.013	0.116	0.067	0.054	0.076	0.092	0.102	0.093	0.103
EMP, Federal Government	0.254	0.303	0.202	0.252	0.100	0.046	-0.015	0.006	0.044
EMP, State and Local Governme	-0.314	-0.415	-0.362	-0.460	-0.263	-0.251	-0.226	-0.183	-0.166
Total Unemployed, Millions	-1.032	-2.574	5.880	-2.418	11.290	0.301	1.808	1.791	1.120

AVERAGE WEEKLY HOURS (AWH) OF PRODUCTION WORKERS

AWH, Total Private	-0.30	0.00	0.30	-0.30	0.00	0.01	-0.03	-0.04	-0.02
AWH, Manufacturing	0.00	0.00	0.24	-0.49	0.00	0.08	0.00	-0.05	-0.01
AWH, Services	0.33	-0.33	0.33	0.00	-0.33	0.15	-0.09	-0.03	-0.00
AWH, Wholesale and Retail Trade	0.26	-0.52	0.52	-0.26	0.26	0.01	-0.13	0.01	0.01

AVERAGE HOURLY EARNINGS (AHE) OF PRODUCTION WORKERS

AHE, Manufacturing	0.46	0.34	0.34	0.00	0.11	0.26	0.22	0.21	0.22
AHE, Services	-0.08	0.31	0.16	0.00	0.23	0.07	0.14	0.11	0.13
AHE, Wholesale and Retail Trade	0.20	0.15	0.15	0.00	-0.20	0.50	0.05	0.14	0.28

AVERAGE WEEKLY EARNINGS (AWE) OF PRODUCTION WORKERS

AWE, Total Private	-0.01	0.34	0.63	-0.19	0.28	0.40	0.23	0.28	0.30
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MONTHLY FINANCIAL INDICATORS

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	JUL08	AUG08	SEP08
MONEY SUPPLY, Billions of Dollars, SA									
Money Supply (M1)	1367.0	1370.3	1372.0	1367.7	1368.5	1370.7	1372.1	1374.9	1377.2
Money Supply (M2)	7477.4	7581.9	7661.6	7676.7	7710.4	7748.9	7788.0	7838.0	7884.8
Money Supply (M3)	7398.0	7428.0	7477.4	7581.8	7661.5	7739.1	7815.4	7891.2	7966.8

INTEREST RATES (IR), Percent Per Annum

IR, Treasury Bill, 6 Month	2.84	2.10	1.51	1.58	1.86	1.88	1.86	1.86	1.83
IR, Commercial Paper, 2 month	3.41	2.75	2.32	2.06	2.01	1.98	1.97	1.96	1.95
Yields, US Govt Bond, 1 year	2.71	2.05	1.54	1.74	2.05	2.24	2.17	2.17	2.35
Yields, US Govt Bond, 10 Year	3.74	3.74	3.51	3.68	3.88	3.86	3.81	3.82	3.83

FOREIGN EXCHANGE VALUE, March 1973=100

Weighted Average Value of US\$	98.48	97.67	95.77	95.48	95.83	95.31	95.17	95.03	94.89
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STOCK MARKET

New York Stock Exchange Index	9165.1	9041.5	8776.2	9174.1	9429.0	9477.1	9498.6	9516.7	9534.4
Dividend to (Stock) Price Ratio	2.11	2.10	2.17	2.09	2.07	2.07	2.07	2.07	2.06

CONSUMER INSTALLMENT CREDIT, Millions of Dollars, SA

Consumer Credit Outstanding	2535.79	2542.88	2556.00	2564.95	2576.45	2588.30	2600.24	2611.98	2624.01
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Percent Change, Monthly Rate

MONEY SUPPLY

Money Supply, (M1)	0.05	0.24	0.12	-0.31	0.06	0.16	0.10	0.21	0.17
Money Supply, (M2)	0.67	1.40	1.05	0.20	0.44	0.50	0.51	0.64	0.60
Money Supply, (M3)	0.38	0.41	0.67	1.40	1.05	1.01	0.99	0.97	0.96

INTEREST RATES (IR), Monthly Change

IR, Treasury Bill, 6 Month	-0.50	-0.74	-0.59	0.08	0.28	0.02	-0.02	0.00	-0.03
IR, Commercial Paper, 6 Month	-0.83	-0.67	-0.43	-0.26	-0.05	-0.03	-0.01	-0.01	-0.00
Yields, US Govt Bond, 1 Year	-0.55	-0.66	-0.51	0.19	0.31	0.19	-0.07	-0.00	0.18
Yields, US Govt Bond, 10 Year	-0.35	-0.01	-0.23	0.17	0.21	-0.02	-0.06	0.02	0.01

FOREIGN EXCHANGE VALUE

Weighted Average Value of US\$	-0.79	-0.82	-1.95	-0.30	0.37	-0.54	-0.14	-0.15	-0.15
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STOCK MARKET

New York Stock Exchange Index	-6.55	-1.35	-2.93	4.53	2.78	0.51	0.23	0.19	0.19
Dividend to (Stock) Price Ratio	9.33	-0.47	3.33	-3.69	-0.96	0.12	0.11	-0.33	-0.32

CONSUMER INSTALLMENT CREDIT

Consumer Credit Outstanding	0.48	0.28	0.52	0.35	0.45	0.46	0.46	0.45	0.46
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