

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 trade deficit widened, but that should not be examined, by itself, in current prices. In constant dollars, which is fundamental as a component of real GDP and its growth rate, the value of net exports has been rising for the last four quarters and continued to be on a favorable path on a monthly basis, hitting a significant gain in April. For studying real GDP growth, one must monitor the real trade deficit, which has been getting better for some time, as a result of market movements. The federal government budget deficit widened in May, which should be helpful in its role in the fiscal stimulus. The deficit in May was \$165.9 billion, versus \$67.7 billion a year ago.
- Retail sales, accordingly improved by 1% in May.
- The Federal Reserve's Beige Book presented a weak view of the US economy, but there were some signs of possible recovery. April's business inventories grew, but the inventory-sales ratio fell. These were, evidently, some decent selling activity.
- The Consumer Price Index rose by 0.6% in May, due to strong increases of food and energy products. The core CPI rate was +0.2%.
- Initial claims for unemployment insurance payments rose in the week ending June 7, and claims were revised up for the preceding week. The labor market has not improved.
- The FED's Open Market Committee will have difficult choices to make in 2 weeks, in order to respond to inflation pressures and also to the employment situation.

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

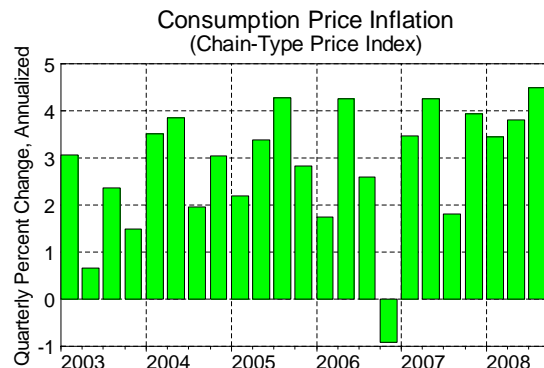
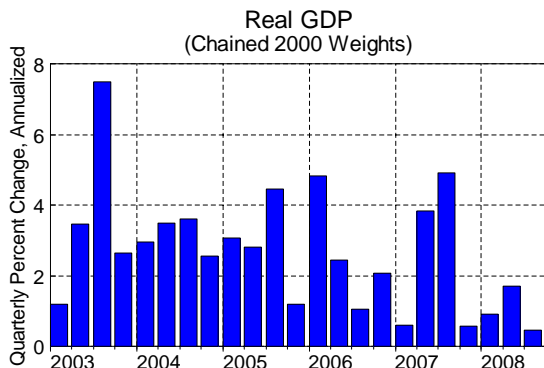
Date	Economic Indicator	for	Latest	Prior Month
Jun 02	Construction Spending	April	-0.4%	-0.6%
Jun 06	Nonfarm Payroll Employment	May	-49,000	-28,000
Jun 03	Auto Sales	May	14.3 Million	14.4 Million
Jun 06	Consumer Credit Outstanding	April	\$8.9 Billion	\$13.1 Billion
Jun 12	Export/Import Price Index	May	0.3%, 2.3%	0.5%, 2.4%
May 20	Producer Price Index, Total & Core	April	0.2%, 0.4%	1.1%, 0.2%
Jun 12	Retail Sales, Total & Ex-Auto	May	1.0%, 1.2%	0.4%, 1.0%
May 15	Industrial Production	April	-0.7%	0.2%
Jun 12	Business Inventories	April	0.5%	0.2%
Jun 13	Consumer Price Index, Total & Core	May	0.6%, 0.2%	0.2%, 0.1%
May 16	Housing Starts	April	1,032,000	954,000
Jun 10	Trade Balance	May	-\$60.9 Billion	-\$56.5 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 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			
Jun 16		0.95	1.72	0.46	*	3.52	3.80	4.50			

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 9- 13)

International Trade Balance

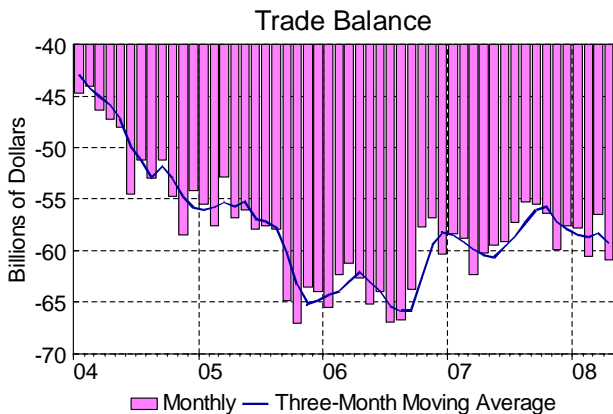
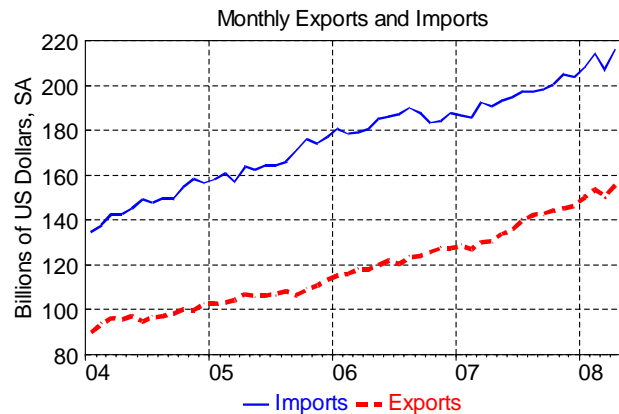
In April, the monthly trade deficit widened to \$60.9 billion. March's trade deficit, however, was revised down by \$1.7 billion to \$56.5 billion.

The April trade deficit was the highest in 13 months, and was mainly attributed to higher prices for crude oil and other commodities.

In April, both exports and imports soared to record highs. Imports went up 4.5% to \$216.4 billion, while exports rose 3.3% to \$155.5 billion.

On the import side, imports of industrial materials and supplies soared 9.1% to \$67.1 billion, a record high. Since the beginning of this year, imports of industrial supplies rose more than 32%. Imports of petroleum totaled a record \$29.4 billion.

Although the nominal trade deficit rose to a 13-month high in April, the real trade deficit shrank 0.1% in April, hitting the smallest real trade deficit in more than 4 years. Real imports fell 0.5% in April, while real exports soared 11.3%,



Federal Budget Balance

In May, the treasury budget deficit widened to \$165.9 billion, due to the federal government's tax rebate stimulus measures. This compared to a \$67.7 billion deficit in May 2007. According to the Treasury, the government sent out about \$48 billion tax rebate checks in May.

Imports of capital goods went up 3.3% to \$39.1 billion, also a new high.

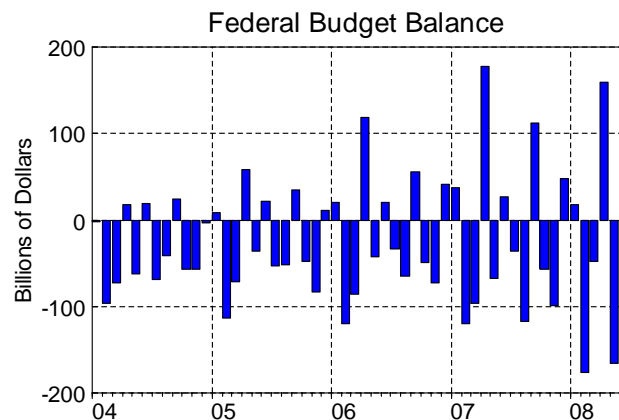
Imports of foods and feeds increased 3.9% to \$7.4 billion, another record high.

Imports of motor vehicles rose 4.9% to \$21.3 billion.

On the export side, aircraft exports jumped 24%. Exports of capital goods were up 5.9% to \$40.1 billion (a record high as well).

Exports of industrial supplies and foods both soared to new highs. Exports of industrial supplies increased 3.4% to \$32.6 billion. Exports of foods and feeds rose 1.4% to \$9.7 billion.

Auto exports rose 6.8% to \$10.1 billion.



In May alone, budget receipts fell 24% from a year ago to \$124.3 billion. Individual income-tax receipts inched

up 0.5% to \$769.2 billion. Corporate income taxes dropped 15.5% to \$178.2 billion, down for the 11th consecutive month. Meanwhile, budget outlays were up 25% to \$290.2 billion.

For the first eight months in FY2008, the budget deficit totaled \$319.4 billion, the highest in four years. The White House projects that the deficit for the current fiscal year will total \$410 billion, compared to \$148.5 billion in 2007.

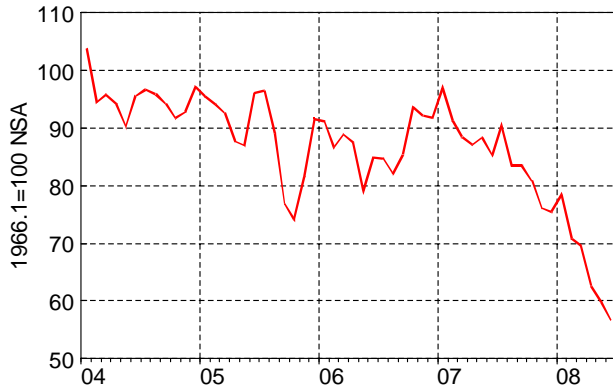
Consumer Sentiment Index

In the preliminary June survey from the University of Michigan and Reuters, the Consumer Sentiment Index stood at 56.7, down 3 index points from a month ago. This was the lowest reading in 28 years.

The Current Conditions Index fell to 68.7 in June, from 73.3 a month ago. The Consumer Expectations Index fell to 49.0 from 51.1.

Inflation expectations for the next 12 months inched down one-tenth to 5.1%. Five-year inflation expectations were unchanged at 3.4%.

Consumer Sentiment Index



Retail Sales

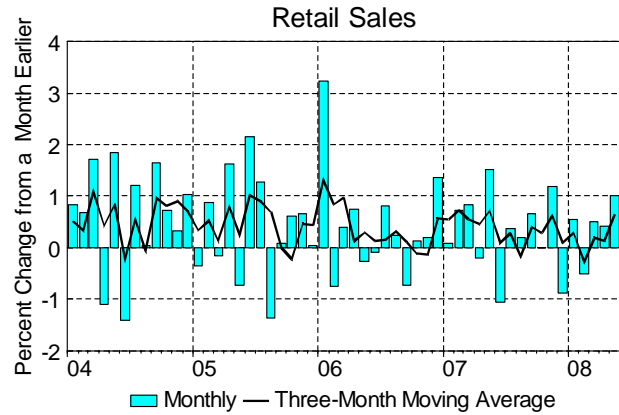
In May, retail sales jumped 1.0%, the strongest monthly increase in six months. April's retail sales increase was also revised up to 0.4%.

Auto sales went up 0.3% in May. Excluding auto sales, retail sales rose 1.2%.

Retail sales in other businesses also performed well in May.

Sales at gasoline stations increased 2.6%, largely related to rising gasoline prices.

Sales at furniture stores went up 0.4%, the strongest increase in 10 months. Sales of electronics and appliances rose 0.7%. Sales of building supplies increased 2.4%.



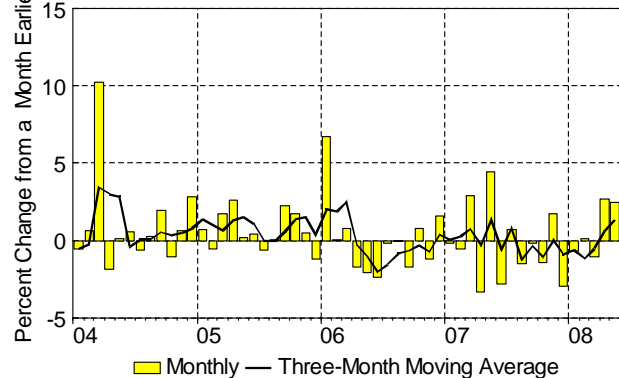
Sales at general merchandise stores gained 1.2%., the strongest in more than a year. Department stores sales were up 0.8%.

Sales at health and drug stores rose 0.8%, while sales at leisure-goods stores increased 0.7%. Clothing store sales were up 0.5%

Sales at nonstore retailers rose 1.6%.

Compared to a year ago, retail sales increased 2.5%. Excluding autos, retail sales were up 4.9% from a year ago.

Retail Sales of Building Material Stores



Beige Book

According to the latest Beige Book from the Federal Reserve, the economy was “generally weak in late April and May”. In three Districts, economic activity was softer. In another four Districts, economic growth was sluggish. The remaining five Districts described activity as stable in recent weeks.

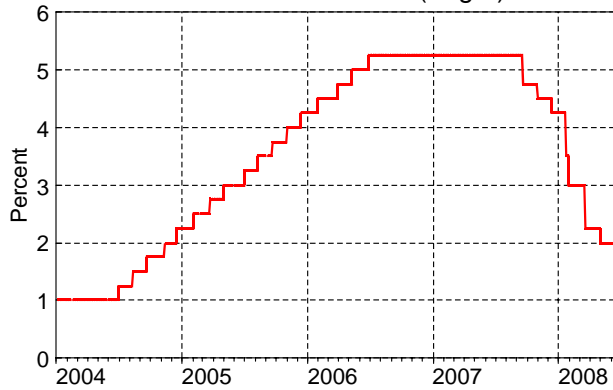
“Consumer spending slowed since the last report as incomes were pinched by rising energy and food prices.” Domestic tourism also slowed.

Manufacturing activities were weak in the past few weeks.

Residential real estate markets continued to be soft in most Districts, but commercial real estate conditions were mixed across district.

The Federal Open Market Committee is scheduled to meet on June 24th for a two-day meeting. Fed watchers were uncertain what the Fed might do. Economic conditions remain weak, but the Committee members are constrained by soaring prices in the economy.

Federal Funds Rate (target)

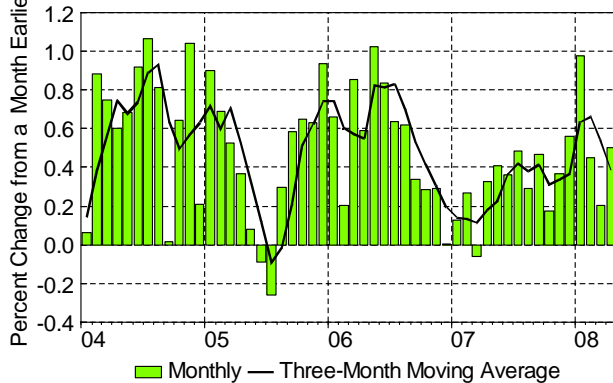


Business Inventories

In April, business inventories rose 0.5%, while business sales were up 1.4%. The inventory-sales ratio fell to 1.25, very close to the record low of 1.24 in November 2007.

Retail inventories were up 0.4%. Auto inventories fell 0.3%. Manufacturers' inventories rose 0.5%, while wholesale inventories went up 1.3%.

Business Inventories



Consumer Price Index

In May, the consumer price index rose 0.6%, stronger than the market consensus forecast. The monthly increase was largely led by continued surge in both food and energy prices.

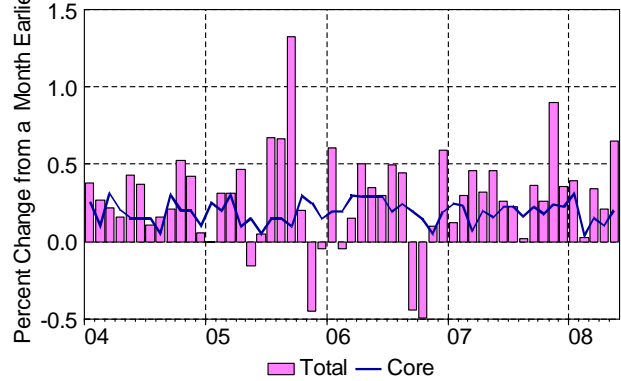
Energy prices were up 4.4%, the biggest monthly gain since November 2007. Gasoline prices increased

5.7%, and natural gas prices were up 5.5%. Fuel oil prices rose 10.4%.

Food prices rose 0.3% in May. Prices for bread and cereal increased 1.6%. Beef prices went up 1.5%. Prices of dairy and fruit fell in the month.

Excluding food and energy, the core CPI was up 0.2%.

Consumer Price Index



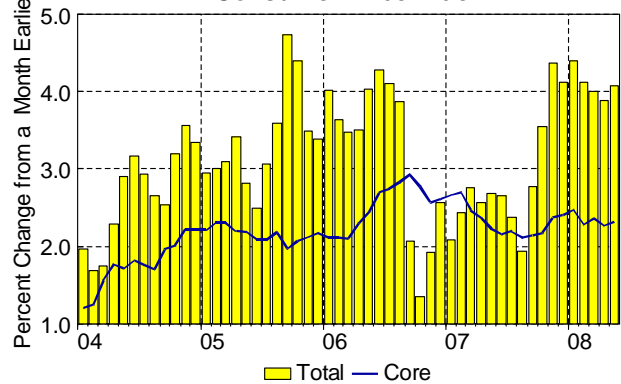
Prices for medical care rose 0.2% in May. Drug prices fell 0.7%.

Prices of motor vehicles inched down 0.1%, but airfares jumped 3.2%, the strongest monthly increase in many years.

Apparel prices fell 0.3%.

Compared to a year ago, the CPI rose 4.2% in aggregate, and 2.3% in core.

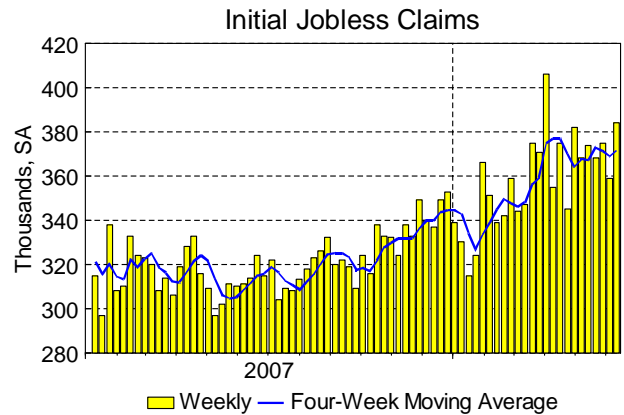
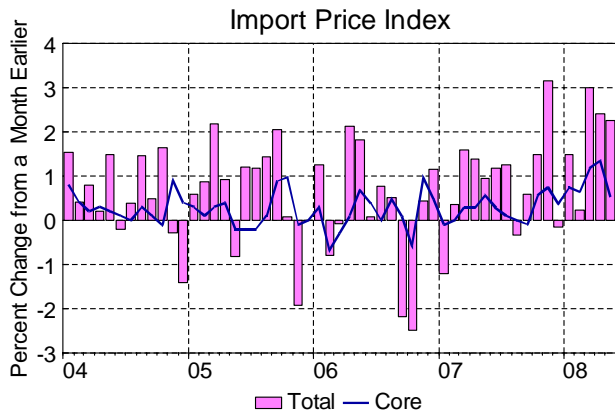
Consumer Price Index



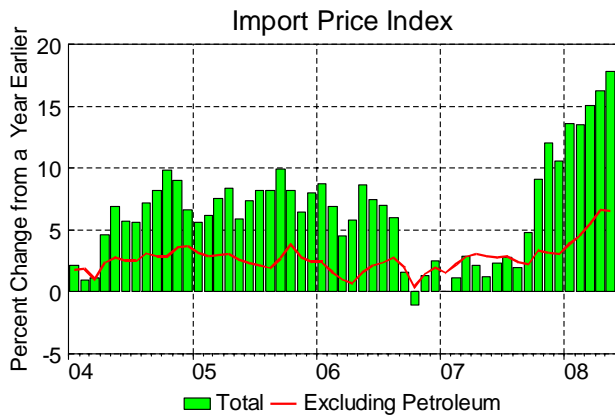
Import Price Index

In May, the import price index jumped 2.3%. Import prices in April were revised upward, to 2.4%.

Prices for imported petroleum went up 7.8% in May. Prices for imported natural gas increased 5.4%, up for the 8th straight month. Excluding petroleum, the import price index rose 0.5%.



Compared to a year ago, import prices rose 18%. The import price index, on a year-over-year basis, has been trending higher, one month after another (see graph below).



Export prices increased 0.3% in May, the smallest monthly increase in eight months.

Initial Jobless Claims

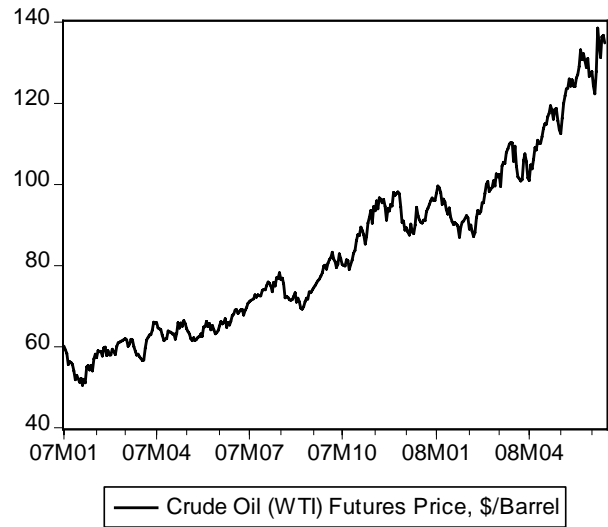
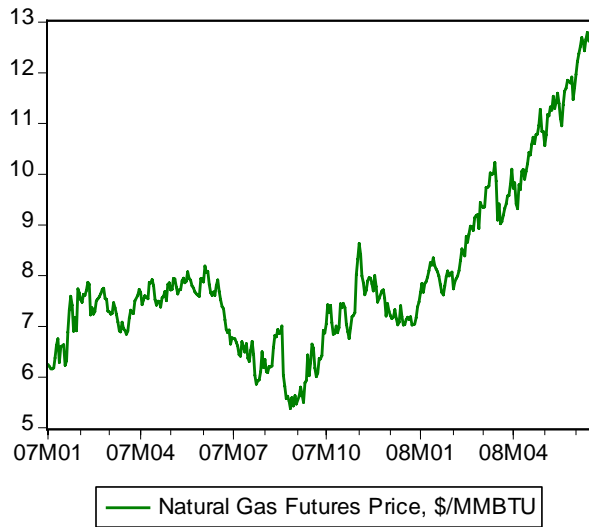
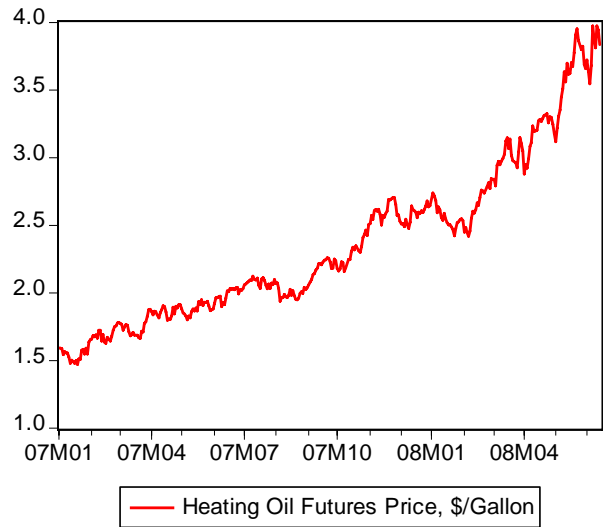
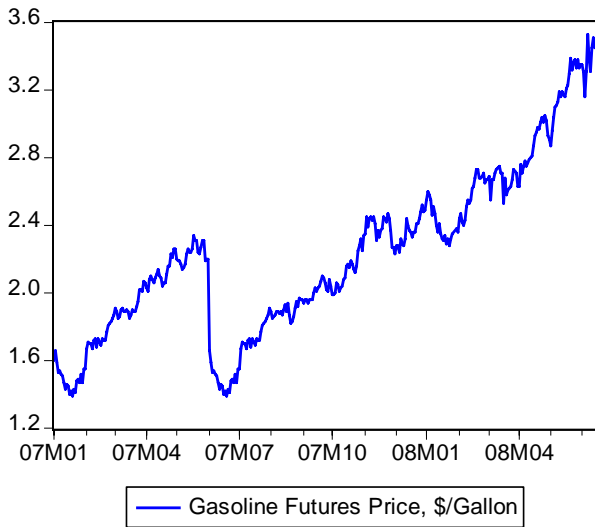
For the week ending June 7, initial jobless claims jumped 25,000 to 384,000, the highest since end-March.

The prior week’s initial claims figure was revised up by 2,000. The four-week moving average of claims, however, inched down to 371,500.

The number of insured unemployed rose by 58,000 to 3.14 million, for the week ending May 31. The insured unemployment rate inched up to 2.4%.

Energy Prices

Energy prices jumped to a record high of \$139.12 a barrel, before retreating to \$134.86 by Friday's market close. The significant increase was worrisome to market movers. A weak US dollar and strong and growing demand from US, China and India continued to support sharp increases in oil prices. At the same time, recent oil supply disruptions in Nigeria and Iraq put additional upward pressure on oil prices. Oil production also fell in Russia. Compared to a week ago, oil prices were down by about \$4 to \$134.86 a barrel. Prices of heating oil eased 13 cents to \$3.84 a gallon. Prices of gasoline inched down 9 cents to \$3.46 a gallon. Finally, prices of natural gas were down a mere 2 cents to \$12.63 per mmbtu.



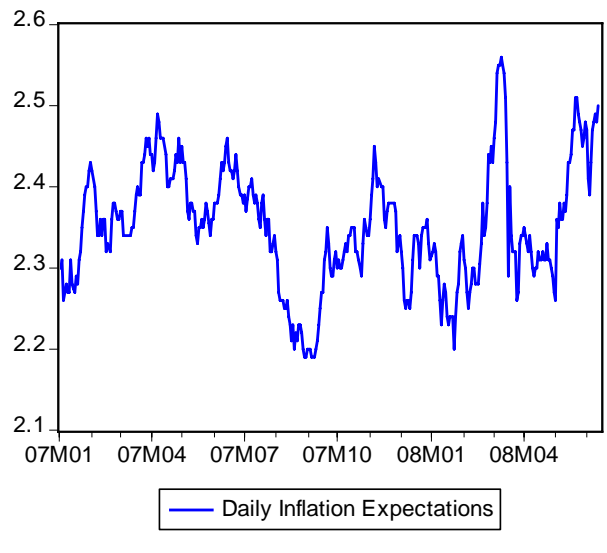
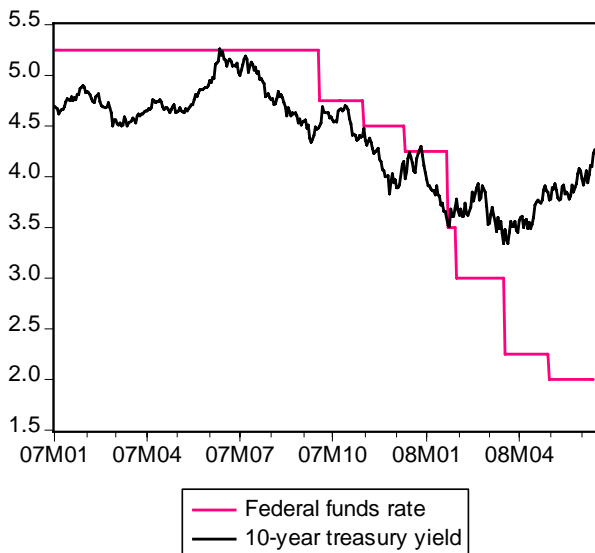
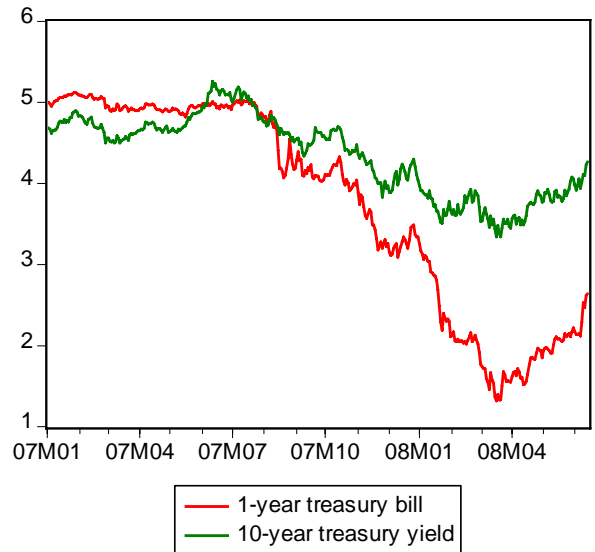
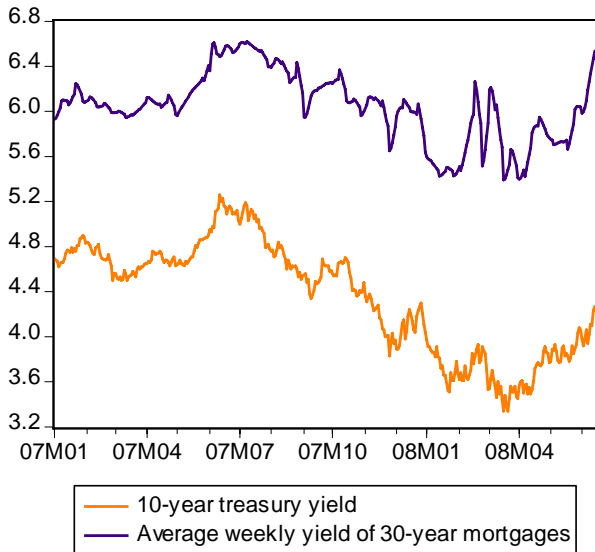
Interest Rates

Worries about inflation and speculation that the Fed Committee might raise interest rates in two weeks prompted a sharp decline in demand for US treasuries, especially for short-term T-bills. The corresponding yields jumped in the week.

The two-year treasury yield surged 64 basis points from a week ago, closing Friday at 3.02%. This was the strongest weekly increase in 26 years.

The ten-year treasury yield stood at 4.26%, up 25 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 2.53%, up 4 basis points from a week ago. FED officials indicate that they are increasingly concerned about inflation.

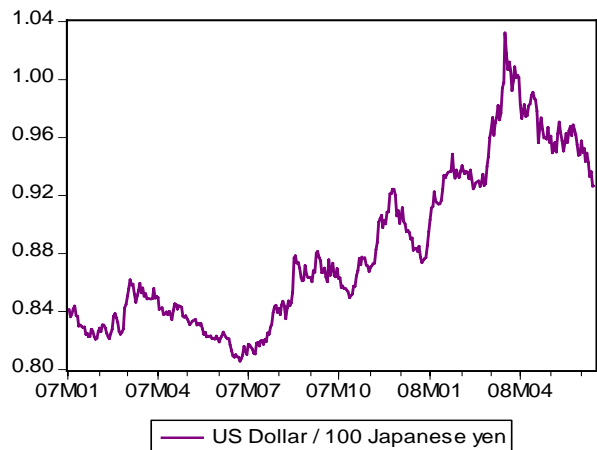
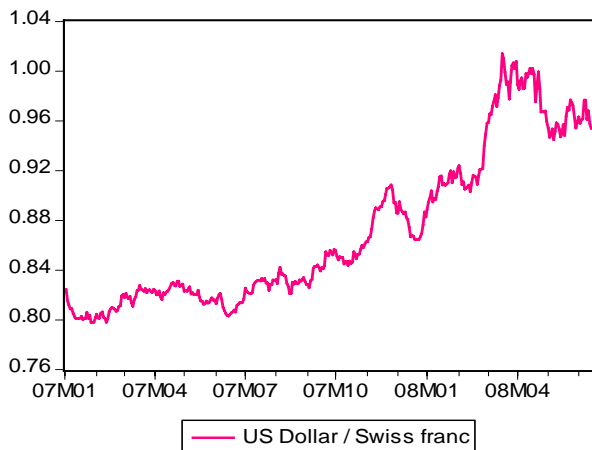
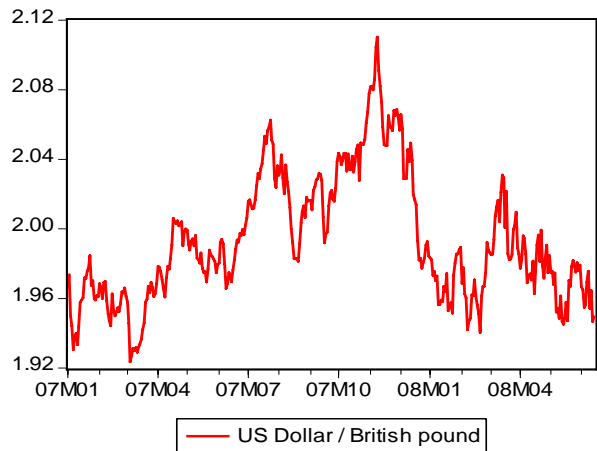
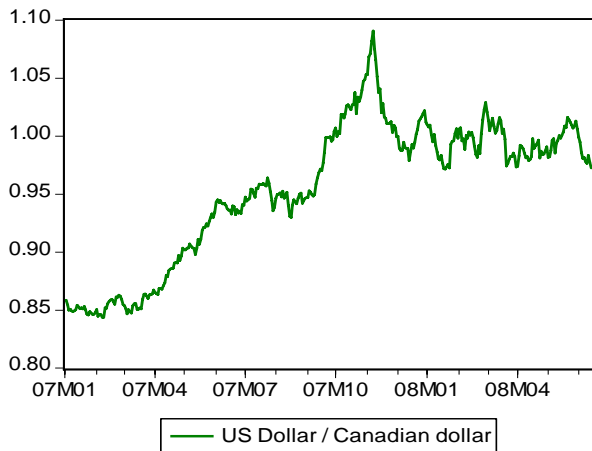
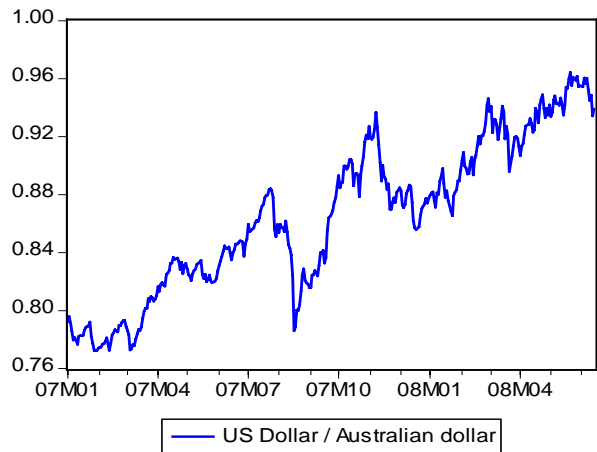
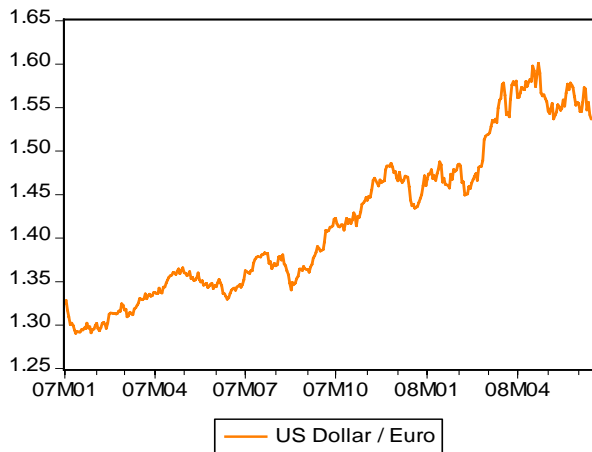


Currency Markets

The US dollar gained strongly this week, following prior weeks' weak momentum. The strength of the US dollar was mainly due to market movers' speculation that the Fed will tighten interest rates soon, prompting a stronger dollar this week. Nevertheless, market movers remained somewhat pessimistic about the overall dollar outlook.

By Friday's market close, the US dollar traded at US\$1.5381 per euro, up from US\$1.5778 per euro a week ago. This was the highest for the US dollar against the euro in the past month. Likewise, the US dollar rose to US\$1.9476 per British pound, up from US\$1.9708 per British pound a week ago.

The US dollar also gained more than 3 yen to close Friday at 108.185 Japanese yen per US dollar. The US dollar also rose against the Canadian dollar, ending the week at 97.14 US cents per Canadian dollar.



The Week in Preview (June 16 - 20)

Date	Economic Indicator	For	Market Consensus	Prior Month
Jun 16	Empire State Index	June	-2.4	-3.2
Jun 17	Building Permits	May	950,000	978,000
Jun 17	Housing Starts	May	980,000	1,032,000
Jun 17	Producer Price Index, total	May	1.0%	0.2%
Jun 17	Producer Price Index, core	May	0.2%	0.4%
Jun 17	Industrial Production	May	0.1%	-0.7%
Jun 17	Capacity Utilization	May	79.7%	79.7%
Jun 19	Index of Leading Indicators	May	0.0%	0.1%
Jun 19	Philadelphia Fed Index	June	-12.0	-15.6

Current Quarter Forecasts

In the second quarter, our forecast for real GDP is expected to increase 1.7% (SAAR), to be followed by a 0.5% increase in the third quarter of 2008.

The GDP deflator is projected to increase 3.2% in the second quarter (SAAR), and 3.3% 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 5.0% (SAAR) expansion in the second quarter and 3.8% 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-16th.

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 +1.72%.

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	342.37	343.44	347.02	364.40	341.78	346.29
% Change	0.6	-0.5	0.5	0.3	1.0	5.0		
% Change, Annual Rate	8.1	-6.1	6.4	3.8	13.2	79.8	0.7	5.4
% Change, Year Ago	3.9	2.5	2.2	2.8	2.2	8.7	2.9	2.9
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	215.1	216.1	212.8	215.0
% Change	0.4	0.0	0.3	0.2	0.6	0.4		
% Change, Annual Rate	4.8	0.3	4.2	2.5	8.1	5.5	4.3	4.2
% Change, Year Ago	4.4	4.1	4.0	3.9	4.1	4.3	4.2	4.1
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	1467.46	1474.82	1482.79	1488.97	1463.30	1482.19
% 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	35.6	88.3	95.6	74.2	106.2	75.6
EXTERNAL SECTOR								
Merchandise Trade Balance, Census	-68.56	-69.92	-66.31	-70.57	-68.52	-67.87	-819.13	-827.87
+ Difference	-0.9	-1.4	3.6	-4.3	2.1	0.6		
+ Difference, Annual Rate	-11.0	-16.3	43.3	-51.2	24.6	7.8	-6.86	-8.74
+ Difference, year ago	-4.1	-5.0	1.6	-4.3	-2.4	-0.9		

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	11746.9	11775.7
% Previous Q, A.R.	4.91	0.58	0.90	1.55	0.98
% Year before	2.84	2.46	2.53	1.97	1.00
(ii) Income Side GDP	11658.9	11675.7	11701.9	11762.6	11714.1
% Previous Q, A.R.	4.91	0.58	0.90	2.09	-1.64
% Year before	2.84	2.46	2.53	2.11	0.47
(iii) Principal Components est. GDP	11658.9	11675.7	11701.9	11746.2	11806.8
% Previous Q, A.R.	4.91	0.58	0.90	1.52	2.08
% Year before	2.84	2.46	2.53	1.96	1.27
Average Real GDP	11658.9	11675.7	11701.9	11751.9	11765.5
% Previous Q, A.R.	4.91	0.58	0.90	1.72	0.46
% Year before	2.84	2.46	2.53	2.01	0.91
GDP Deflator (2000=100)					
(i) Expenditure Side PGDP	119.8	120.6	121.3	122.3	123.4
% Previous Q, A.R.	1.04	2.44	2.59	3.34	3.44
% Year before	2.40	2.58	2.18	2.35	2.95
(ii) Income Side PGDP: Same as (i)	119.8	120.6	121.3	122.3	123.4
% Previous Q, A.R.	1.04	2.44	2.59	3.34	3.44
% Year before	2.40	2.58	2.18	2.35	2.95
(iii) Principal Components est. PGDP	119.8	120.6	121.3	122.2	123.1
% Previous Q, A.R.	1.04	2.44	2.59	2.76	2.95
% Year before	2.40	2.58	2.18	2.20	2.68
Average GDP Deflator	119.8	120.6	121.3	122.3	123.3
% Previous Q, A.R.	1.04	2.44	2.59	3.15	3.27
% Year before	2.40	2.58	2.18	2.30	2.86
Nominal GDP					
(i) Expenditure Side GDP\$	13970.5	14074.2	14195.6	14370.7	14528.2
% Previous Q, A.R.	5.99	3.00	3.50	5.03	4.46
% Year before	5.30	5.09	4.75	4.37	3.99
(ii) Income Side GDP\$	13970.5	14074.2	14195.6	14390.0	14452.1
% Previous Q, A.R.	5.99	3.00	3.50	5.59	1.74
% Year before	5.30	5.09	4.75	4.51	3.45
(iii) Principal Components est. GDP\$	13970.5	14074.2	14195.6	14349.4	14528.5
% Previous Q, A.R.	5.99	3.00	3.50	4.40	5.09
% Year before	5.30	5.09	4.75	4.22	3.99
Average Nominal GDP	13970.5	14074.2	14195.6	14370.0	14502.9
% Previous Q, A.R.	5.99	3.00	3.50	5.01	3.75
% Year before	5.30	5.09	4.75	4.37	3.81

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	11746.90	11775.71
Total Demand	13633.20	13643.00	13656.20	13706.84	13736.20
Domestic Demand	12188.30	12175.50	12178.20	12206.00	12200.03
Domestic Final Demand	12155.60	12194.60	12191.30	12217.76	12211.08
Final Demand	11626.40	11695.20	11715.30	11755.67	11783.37
Personal Consumption Expenditures	8302.20	8349.10	8369.70	8415.90	8408.65
Durable Goods	1241.90	1248.10	1228.20	1226.85	1235.78
Nondurable Goods	2396.80	2404.20	2402.20	2405.96	2393.85
Services	4689.50	4722.40	4757.40	4800.77	4802.13
Gross Private Domestic Investment	1859.90	1787.70	1757.90	1735.08	1735.50
Fixed Investment	1826.00	1807.50	1771.20	1746.80	1746.55
Nonresidential	1387.30	1407.80	1406.90	1408.74	1417.65
Equipment and Software	1073.50	1081.70	1079.30	1082.46	1094.18
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	-11.76	-11.05
Farm	4.10	2.20	-0.90	-1.35	-0.53
Nonfarm	26.00	-21.70	-13.60	-10.41	-10.52
Net Exports	-533.10	-503.20	-480.20	-462.13	-427.65
Exports	1441.20	1464.10	1474.10	1500.88	1536.23
Imports	1974.30	1967.30	1954.30	1963.01	1963.88
Government Purchases	2033.60	2043.40	2053.30	2055.10	2055.88
Federal	764.00	765.00	773.20	776.43	777.03
State and Local	1269.60	1278.30	1280.20	1278.67	1278.86

Percent Change, Annual Rate

Gross Domestic Product	4.91	0.58	0.90	1.55	0.98
Total Demand	4.83	0.29	0.39	1.49	0.86
Domestic Demand	3.33	-0.42	0.09	0.92	-0.20
Domestic Final Demand	2.48	1.29	-0.11	0.87	-0.22
Final Demand	4.01	2.39	0.69	1.39	0.95
Personal Consumption Expenditures	2.84	2.28	0.99	2.23	-0.34
Durable Goods	4.47	2.01	-6.23	-0.44	2.95
Nondurable Goods	2.20	1.24	-0.33	0.63	-2.00
Services	2.85	2.84	3.00	3.70	0.11
Gross Private Domestic Investment					
Fixed Investment	-0.72	-3.99	-7.79	-5.40	-0.06
Nonresidential	9.36	6.04	-0.26	0.52	2.56
Equipment and Software	6.23	3.09	-0.88	1.17	4.40
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	7.47	9.76
Imports	4.35	-1.41	-2.62	1.80	0.18
Government Purchases	3.78	1.94	1.95	0.35	0.15
Federal	7.11	0.52	4.36	1.68	0.31
State and Local	1.95	2.77	0.60	-0.48	0.06

EXPENDITURE SIDE

Nominal Gross Domestic Product

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
Billions of Dollars, SAAR					
Gross Domestic Product	13970.50	14074.20	14195.60	14370.70	14528.16
Total Demand	16350.90	16520.80	16698.50	16944.47	17162.67
Domestic Demand	14665.10	14783.10	14912.20	15101.20	15259.63
Domestic Final Demand	14629.70	14810.50	14935.50	15115.59	15273.26
Final Demand	13935.00	14101.60	14218.80	14385.09	14541.80
Personal Consumption Expenditures	9785.70	9936.60	10046.20	10196.68	10300.66
Durable Goods	1081.60	1082.50	1064.70	1061.10	1068.15
Nondurable Goods	2846.30	2904.50	2948.80	2986.66	3018.58
Services	5857.80	5949.70	6032.70	6148.92	6213.92
Gross Private Domestic Investment	2162.90	2082.10	2041.30	2035.38	2049.28
Fixed Investment	2127.50	2109.50	2064.50	2049.77	2062.92
Nonresidential	1500.10	1526.50	1526.20	1536.54	1555.29
Equipment and Software	1017.10	1025.30	1021.10	1027.98	1042.97
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	-730.50	-731.46
Exports	1685.70	1737.70	1786.30	1843.27	1903.04
Imports	2380.40	2446.60	2502.90	2573.77	2634.51
Government Purchases	2716.50	2764.40	2824.70	2869.14	2909.69
Federal	990.30	997.70	1023.40	1036.39	1049.83
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	5.03	4.46
Total Demand	6.87	4.22	4.37	6.02	5.25
Domestic Demand	5.12	3.26	3.54	5.17	4.26
Domestic Final Demand	4.26	5.04	3.42	4.91	4.24
Final Demand	5.08	4.87	3.37	4.76	4.43
Personal Consumption Expenditures	4.70	6.31	4.49	6.13	4.14
Durable Goods	2.59	0.33	-6.42	-1.35	2.69
Nondurable Goods	3.39	8.43	6.24	5.23	4.35
Services	5.75	6.42	5.70	7.93	4.30
Gross Private Domestic Investment	4.53	-14.13	-7.61	-1.16	2.76
Fixed Investment	-1.19	-3.34	-8.26	-2.82	2.59
Nonresidential	8.71	7.23	-0.08	2.74	4.97
Equipment and Software	5.11	3.26	-1.63	2.72	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	13.38	13.62
Imports	12.19	11.60	9.53	11.82	9.78
Government Purchases	7.15	7.24	9.01	6.44	5.77
Federal	8.86	3.02	10.71	5.18	5.29
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	122.34	123.37
Total Demand	119.93	121.09	122.28	123.62	124.95
Domestic Demand	120.33	121.43	122.47	123.72	125.08
Domestic Final Demand	120.36	121.45	122.51	123.72	125.08
Final Demand	119.86	120.58	121.37	122.37	123.41
Personal Consumption Expenditures	117.87	119.02	120.04	121.16	122.50
Durable Goods	87.09	86.73	86.68	86.49	86.44
Nondurable Goods	118.75	120.81	122.75	124.14	126.10
Services	124.92	126.00	126.81	128.08	129.40
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	122.81	123.88
Imports	120.57	124.36	128.07	131.11	134.15
Government Purchases	133.59	135.29	137.58	139.61	141.53
Federal	129.62	130.42	132.36	133.48	135.11
State and Local	135.97	138.21	140.71	143.33	145.44

Percent Change, Annual Rate

Gross Domestic Product	1.04	2.44	2.59	3.34	3.44
Total Demand	1.95	3.92	3.97	4.48	4.35
Domestic Demand	1.75	3.71	3.47	4.15	4.46
Domestic Final Demand	1.74	3.70	3.53	4.01	4.46
Final Demand	1.02	2.42	2.66	3.31	3.46
Personal Consumption Expenditures	1.81	3.95	3.46	3.80	4.50
Durable Goods	-1.80	-1.67	-0.21	-0.88	-0.25
Nondurable Goods	1.15	7.12	6.59	4.59	6.47
Services	2.82	3.49	2.62	4.06	4.18
Gross Private Domestic Investment	-0.35	0.77	-1.01	3.64	2.69
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	5.43	3.51
Imports	7.51	13.17	12.48	9.84	9.59
Government Purchases	3.24	5.18	6.94	6.05	5.63
Federal	1.63	2.47	6.10	3.43	4.96
State and Local	4.17	6.75	7.42	7.68	6.00

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	14389.96	14452.12
Plus:					
Receipts of Factor Income	855.60	848.10	796.80	816.80	837.17
Less:					
Payments of Factor Income	754.40	700.20	641.60	651.92	662.39
Equals: Gross National Product	14071.60	14222.10	14350.80	14554.83	14626.90
Less:					
Consumption of Fixed Capital	1690.90	1701.10	1710.70	1711.16	1717.59
Equals: Net National Product	12380.80	12520.90	12640.10	12843.68	12909.52
Indirect Business Taxes	1014.37	1024.76	1034.23	1046.71	1060.11
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	12722.59	12798.80
Corporate Profits	1621.90	1569.00	1574.20	1602.85	1637.52
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	12195.43	12279.32
Percent Change, Annual Rate					
Gross Domestic Product	5.99	3.00	3.50	5.59	1.74
Plus:					
Receipts of Factor Income	21.94	-3.46	-22.09	10.42	10.36
Less:					
Payments of Factor Income	5.99	-25.79	-29.50	6.59	6.58
Equals: Gross National Product	6.88	4.35	3.67	5.81	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	6.60	2.07
Indirect Business Taxes	4.16	4.16	3.75	4.92	5.22
Business Transfers	7.08	15.68	13.73	-2.23	-2.13
National Income	3.29	3.72	3.21	7.07	2.42
Corporate Profits	-4.90	-12.42	1.33	7.48	8.94
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	1052.33	1063.01
Farm	38.60	43.80	37.40	30.73	29.61
Business and Profess.	1010.00	1012.10	1018.40	1021.57	1033.40
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	10669.23	10739.18
Addendum:					
Domestic Final Sales	14633.6	14810.8	14931.8	15134.8	15197.2

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	-1.35	4.12
Farm	84.94	65.79	-46.84	-54.43	-13.77
Business and Profess.	1.88	0.83	2.51	1.25	4.71
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	5.55	1.66

*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	342.37	343.44	347.02	364.40	364.71	366.69	368.53
RS, Durable Goods Stores	121.59	120.28	119.63	118.92	119.95	126.08	126.22	126.78	127.42
RS, Bldg Materials, Hardware	26.99	27.02	26.74	27.45	28.12	29.40	29.49	29.70	29.84
RS, Auto Dealers	75.75	74.42	74.04	72.51	72.76	76.89	76.72	77.15	77.86
RS, Furn, Home Furn & Equip	9.52	9.48	9.48	9.49	9.53	10.04	10.05	10.11	10.19
RS, Nondurable Goods Stores	215.11	214.97	216.97	218.30	220.74	231.05	231.29	232.44	233.28
RS, Food Stores	48.01	48.18	48.59	48.97	49.16	51.37	51.38	51.52	51.64
RS, Gas Service Stations	41.85	41.24	42.30	42.38	43.46	46.19	46.52	47.19	47.37
RS, Apparel and Accessories	18.91	18.75	18.87	18.89	18.98	19.95	19.98	20.08	20.18
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	5.47	5.62	5.64	5.64

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT, Billions of Current Dollars, NSA									
Federal Govt Total Outlays	244.60	267.05	199.79	257.02	285.97	219.42	259.19	253.35	228.83
Federal Govt Debt Outstanding	9160.76	9280.37	9362.87	9303.52	9328.80	9390.51	9426.33	9497.69	9542.32

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	0.52	0.31	1.04	5.01	0.08	0.54	0.50
RS, Durable Goods Stores	-0.04	-1.07	-0.54	-0.60	0.86	5.11	0.11	0.45	0.50
RS, Bldg Materials, Hardware	-0.66	0.10	-1.04	2.65	2.43	4.57	0.30	0.70	0.49
RS, Auto Dealers	0.25	-1.76	-0.50	-2.08	0.35	5.68	-0.22	0.56	0.92
RS, Furn, Home Furn & Equip	-0.86	-0.41	0.01	0.15	0.39	5.35	0.09	0.63	0.79
RS, Nondurable Goods Stores	0.87	-0.07	0.93	0.61	1.12	4.67	0.10	0.50	0.36
RS, Food Stores	0.26	0.35	0.86	0.78	0.39	4.49	0.03	0.26	0.23
RS, Gas Service Stations	3.10	-1.45	2.55	0.19	2.57	6.26	0.72	1.45	0.38
RS, Apparel and Accessories	2.40	-0.85	0.64	0.07	0.48	5.12	0.16	0.49	0.49
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	7.07	2.67	0.42	-0.07

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT									
Federal Govt Total Outlays	7.21	9.18	-25.19	28.65	11.26	-23.27	18.12	-2.25	-9.68
Federal Govt Debt Outstanding	0.12	1.31	0.89	-0.63	0.27	0.66	0.38	0.76	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	499.97	501.79	503.27	504.50	506.21	507.74	509.51
U.S. MERCHANDISE TRADE, Millions of Current Dollars, SA									
Exports, FAS	105482	109004	105541	110339	111055	112043	113743	114303	115264
Imports, CIF	174039	178923	171848	180912	179577	179916	182788	182981	184071
Exports, Mach and Transp Equipm	39259	41434	38245	42151	40315	40849	41328	41278	41793
Imports, Mach and Transp Equipm	61072	64765	59580	65138	64067	64504	64897	65920	66110
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	-0.55	0.36	0.29	0.24	0.34	0.30	0.35
U.S. MERCHANDISE TRADE									
Exports, FAS	2.50	3.34	-3.18	4.55	0.65	0.89	1.52	0.49	0.84
Imports, CIF	2.05	2.81	-3.95	5.27	-0.74	0.19	1.60	0.11	0.60
Exports, Mach and Transp Equip	-1.29	5.54	-7.70	10.21	-4.36	1.32	1.17	-0.12	1.25
Imports, Mach and Transp Equip	1.93	6.05	-8.01	9.33	-1.64	0.68	0.61	1.58	0.29

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	215.13	216.09	216.92	217.84	218.67
CPI, Durables	112.02	111.76	111.80	111.42	111.23	111.10	111.03	110.97	110.97
CPI, Furniture	123.79	123.90	125.97	124.56	123.49	123.27	123.15	123.06	123.30
CPI, Housekeeping Supplies	171.19	172.34	173.63	174.83	175.43	176.26	177.08	177.89	178.70
CPI, Nondurables	202.48	202.38	203.73	204.71	207.83	209.00	209.34	210.24	210.88
CPI, Apparel and Upkeep	119.76	119.35	117.82	118.36	118.04	118.13	118.30	118.49	118.68
CPI, Food and Beverages	208.33	209.09	209.52	211.44	212.09	212.91	213.81	214.65	215.54
CPI, Motor Oil, Fuel,	283.01	277.45	282.00	276.57	292.24	303.26	304.40	305.88	307.40
CPI, Services	251.32	251.80	252.70	253.46	254.64	255.38	256.36	257.12	258.11
CPI, New cars	135.60	135.20	135.02	134.77	134.69	134.78	134.91	135.07	135.26
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	120.70	121.80	123.70	124.30	124.70	125.44	126.08	126.62	127.38
U.S. Import Price Index	129.20	129.50	133.40	136.60	139.70	141.21	142.02	142.53	142.91
Percent Change, Monthly Rate									
CONSUMER PRICE INDEX (CPI)									
CPI, All Urban Consumers	0.39	0.03	0.34	0.21	0.65	0.45	0.38	0.42	0.38
CPI, Durables	-0.07	-0.24	0.04	-0.34	-0.17	-0.11	-0.06	-0.06	-0.00
CPI, Furniture	0.23	0.09	1.67	-1.12	-0.86	-0.17	-0.10	-0.07	0.19
CPI, Housekeeping Supplies	0.26	0.67	0.75	0.69	0.34	0.47	0.47	0.46	0.45
CPI, Nondurables	0.83	-0.05	0.67	0.48	1.53	0.56	0.16	0.43	0.30
CPI, Apparel and Upkeep	0.44	-0.34	-1.28	0.46	-0.27	0.07	0.15	0.16	0.16
CPI, Food and Beverages	0.68	0.37	0.21	0.92	0.31	0.39	0.42	0.39	0.41
CPI, Motor Oil, Fuel	1.10	-1.97	1.64	-1.92	5.67	3.77	0.37	0.49	0.50
CPI, Services	0.31	0.19	0.36	0.30	0.47	0.29	0.38	0.30	0.39
CPI, New Cars	-0.26	-0.30	-0.13	-0.19	-0.06	0.07	0.10	0.12	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	1.17	0.91	1.56	0.49	0.32	0.59	0.52	0.43	0.60
U.S. Import Price Index	1.49	0.23	3.01	2.40	2.27	1.08	0.57	0.36	0.27

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	1363.6	1364.9	1365.7	1367.8	1369.7
Money Supply (M2)	7477.4	7581.9	7661.6	7676.7	7684.0	7707.0	7737.8	7778.9	7820.7
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	96.11	96.37	96.63	96.89

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
Percent Change, Monthly Rate									

MONEY SUPPLY									
Money Supply, (M1)	0.05	0.24	0.12	-0.31	-0.30	0.09	0.06	0.16	0.14
Money Supply, (M2)	0.67	1.40	1.05	0.20	0.10	0.30	0.40	0.53	0.54
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	0.29	0.27	0.27	0.27

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