

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

- An improved trade deficit for May provided another step towards being able to report better growth of real GDP during the first quarter; exchange rate adjustments should bring some continuing improvement in the net export position of the economy, especially in real terms.
- The Treasury's budget balance has worsened, and this piece of news is not good. The first 9 months of FY08 are worse than in the same period of FY07.
- The fiscal stimulus is working, but as Robert Shiller wrote in last week's New York Times, more fiscal stimulus could help the economy a great deal, but gets all too little attention from policy makers.
- Surveys of consumer confidence and sentiment are discouraging at the present time.
- Energy prices are still hurting economic performance, but there are some signs of consumer reaction, by trying to use more public transportation and organizing life styles away from excessive use of expenditure on energy products.
- More prudent activity from executives of Freddie Mac and Fannie Mae needs immediate attention.

FORECAST UPDATE OVERVIEW

This forecast incorporates the following National Income and Product Accounts:

- JUN 26 GDP (based on Chain 2000 Weights) for 2008Q1: 1.0%
- JUN 27 Personal Income and Consumption for May: 1.9%, 0.8%

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

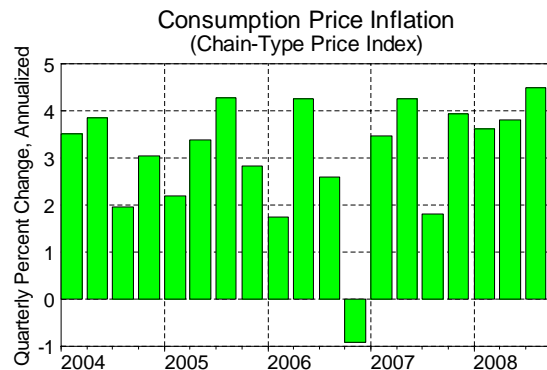
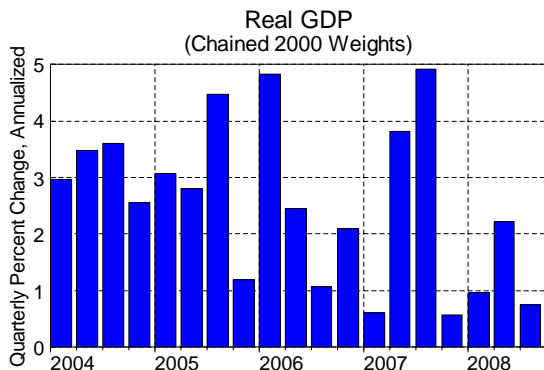
Date	Economic Indicator	for	Latest	Prior Month
Jul 01	Construction Spending	May	-0.4%	-0.1%
Jul 03	Nonfarm Payroll Employment	June	-62,000	-62,000
Jul 01	Auto Sales	June	13.6 Million	14.3 Million
Jul 08	Consumer Credit Outstanding	May	\$7.8 billion	\$7.8 Billion
Jul 12	Export/Import Price Index	June	1.0%, 2.6%	0.4%, 2.6%
Jun 17	Producer Price Index, Total & Core	May	1.4%, 0.2%	0.2%, 0.4%
Jun 12	Retail Sales, Total & Ex-Auto	May	1.0%, 1.2%	0.4%, 1.0%
Jun 17	Industrial Production	May	-0.2%	-0.7%
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%
Jun 17	Housing Starts	May	975,000	1,008,000
Jul 10	Trade Balance	May	-\$59.8 billion	-\$60.5 billion
Jun 25	Durable Goods Orders & Shipments	May	0.03%, -1.0%	-1.1%, 1.8%
Jul 02	Manuf Ships, Inv, & Orders	May	0.1%, 0.5%, 0.6%	2.7%, 0.0%, 1.3%

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		
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			
Jun 23		0.95	1.46	0.12	*	3.56	3.80	4.50			
Jun 30		0.96	2.07	0.88	*	3.61	3.80	4.50		<=3 rd	08Q1
Jul 07			2.32	0.95	*		3.80	4.50			
			2.22	0.74	*		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.**

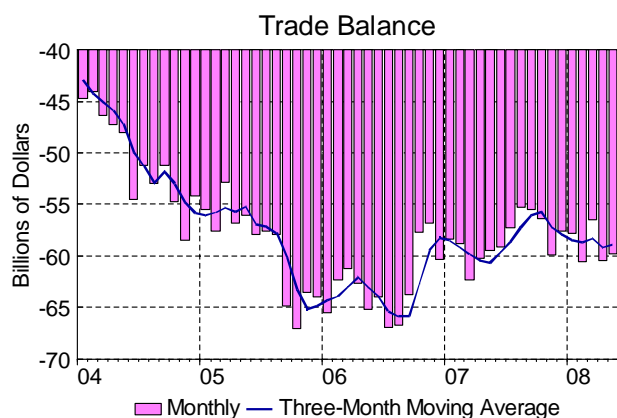


High Frequency Indicators

The Week in Review (July 7 - 11)

Trade Balance

The monthly trade deficit in May shrank to \$59.8 billion. This was largely unexpected, as economy watchers had anticipated the trade deficit to widen instead. The trade deficit in April was also revised down \$0.4 billion to \$60.5 billion.



In May, exports rose 0.9% to a record high, \$157.5 billion. Exports to the EU, Canada and South America all reached new highs. Exports to Japan were also at their strongest in more than a decade.

Exports of consumer goods rose to a record high, at \$13.4 billion. Auto exports went up 2% in May.

Exports of industrial supplies were up 3.8%, to a new high at \$34 billion.

Exports of services also stood at a record high in May, at \$46.7 billion, amounting to a 1.3% increase from a month ago.

Exports of foods and feeds were down by 1.6%.

Exports of capital goods dropped 1.6% to \$39.5 billion.

Meanwhile, in May, imports went up 0.3% to a record high, at \$217.3 billion.

Petroleum imports jumped 6.5% to \$31.2 billion.

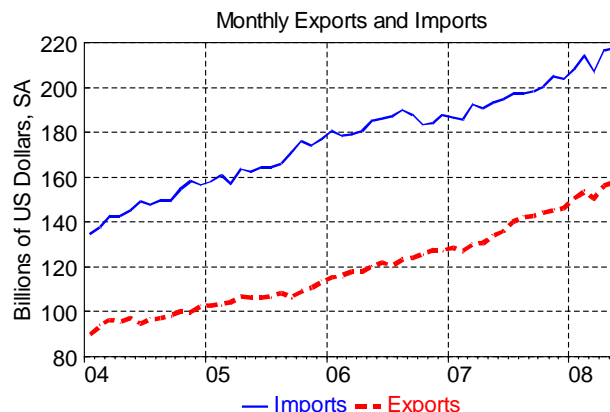
Imports of consumer goods rose 3.8%, to a record high at \$41.7 billion. Imports of toys, televisions and cotton clothing were particularly strong.

Imports of foods and feeds went up 3.6%, to \$7.6 billion (also a record high).

Imports of capital goods increased 1.8%, also a record high at \$39.8 billion.

Imports of services went up 1.1%, to another record high at \$34 billion.

In contrast, auto imports were down 3.9% to \$20.6 billion. Imports of industrial supplies fell 0.5% to \$67.2 billion.



Adjusted for inflation, real exports went up 0.7% in May, while real imports fell 1.8%. The real trade deficit now stood at its lowest in more than 6 years. The J-curve phenomenon of the trade deficit will support a higher GDP figure in the second quarter.

Treasury Budget Balance

In June, the monthly treasury budget surplus stood at \$50.7 billion, up from \$27.5 billion in June 2007.

The monthly treasury budget surplus was led by a one-time payment of \$19 billion from spectrum auctions. Meanwhile, the surplus was lowered by \$38 billion by the tax rebate checks.

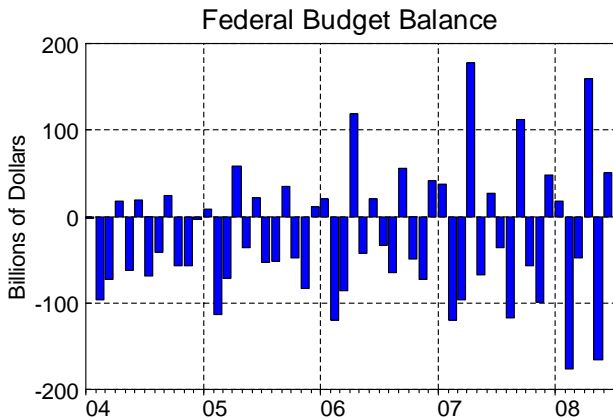
In June, receipts fell 6% from a year ago to \$259.9 billion.

Individual income tax receipts inched down 0.8% to \$877.8 billion. Corporate-income taxes dropped 15.4% to \$236.5 billion, marking the 12th consecutive monthly decline.

Outlays fell 16% in June to \$209 billion.

In the first nine months of FY2008, receipts were down 0.6% from a year ago to \$1.93 trillion. Outlays increased 7% to \$2.2 trillion. The budget deficit stood

at \$268.7 billion, up 122% from the first nine months of FY2007.



Consumer Sentiment Index

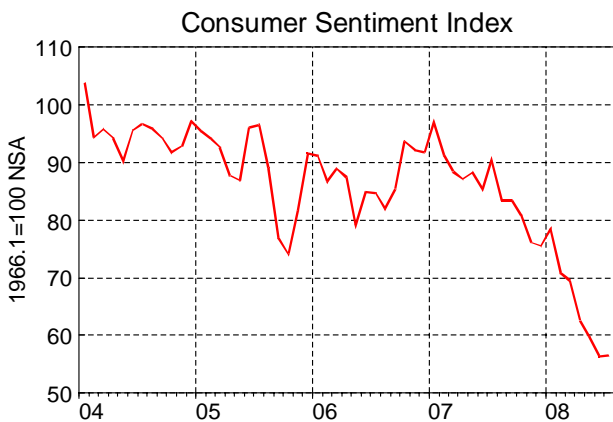
Consumers remained pessimistic in July, according to the latest survey from the University of Michigan and Reuters.

From 56.4 in June, the Consumer Sentiment Index inched up 0.2 index point to 56.6. With such a weak reading, the Consumer Sentiment Index remained close to a 28-year low.

The Consumer Expectations Index fell about 1 index point to 48.3, also a 28-year low. The Consumer Expectations Index has been down for the 6th consecutive month.

In contrast, the Current Conditions Index rose from 67.6 in June to 69.5 in July.

Inflation expectations for the year ahead rose 0.2 percentage point to 5.3%. Five-year inflation expectations remained unchanged at 3.4%.

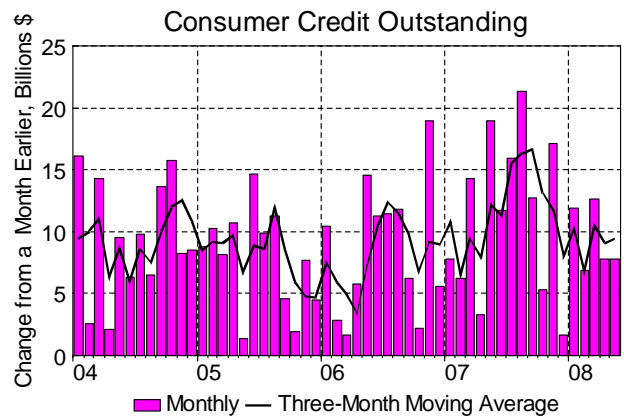


Consumer Credit Outstanding

In May, consumer credit outstanding rose \$7.8 billion (3.6%) to \$2.57 trillion. The increase was similar to that in April.

Revolving credit rose \$5.7 billion (7.1%) in May, following a 0.5% decrease in the previous month.

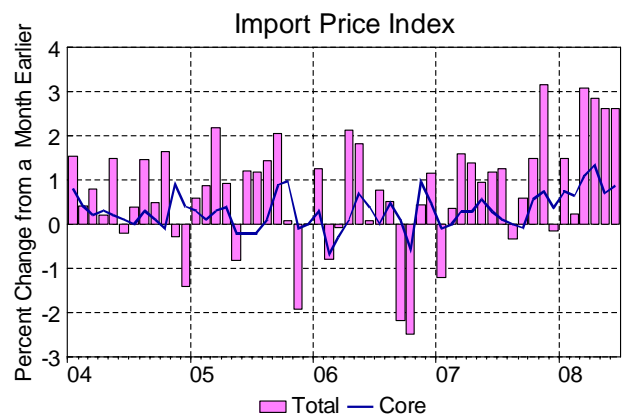
Non-revolving credit also rose in May, up \$2.1 billion (1.6%).



Import Price Index

In June, import prices rose 2.6%, following the same rate of increase in May.

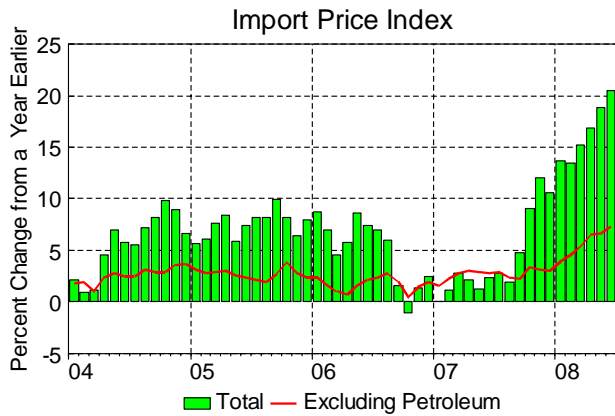
Prices for imported petroleum were up 7.4% in June. Compared to a year ago, prices for imported petroleum surged 78.6%.



Excluding petroleum, the import price index was up 0.8% from a month ago.

Prices for imported foods, feeds and beverages increased 1.9% in June. Prices for imported industrial supplies were up 5.8% in the same month.

Import prices for goods from Canada were up 3.4%. Import prices for goods from China inched up 0.6%. Compared to last June, the import price index was up 20.5%.



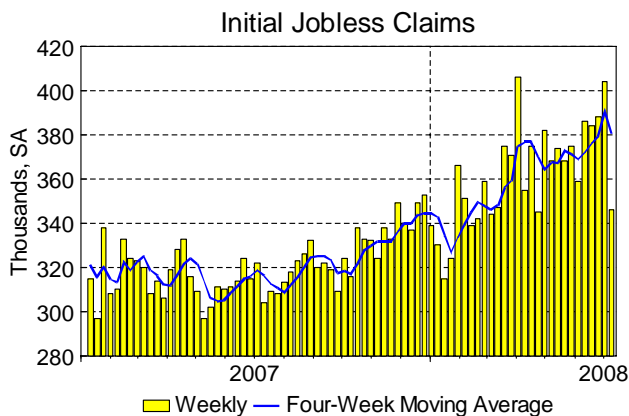
Initial Jobless Claims

For the week ending July 5, initial jobless claims fell 58,000 to 346,000, a sharp downturn following weeks of strong increases. The prior week’s initial claims figure was unchanged.

The four-week moving average of claims went up by 10,000 to 379,250.

The number of insured unemployed rose 91,000 to 3.2 million, for the week ending June 28. This was the highest since December 2003. Continuing claims have consistently remained above the 3-million level in the past two months.

The insured unemployment rate inched up to 2.4%.

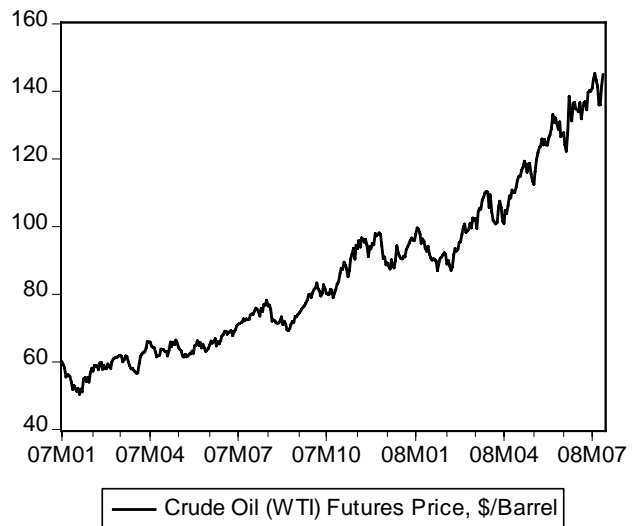
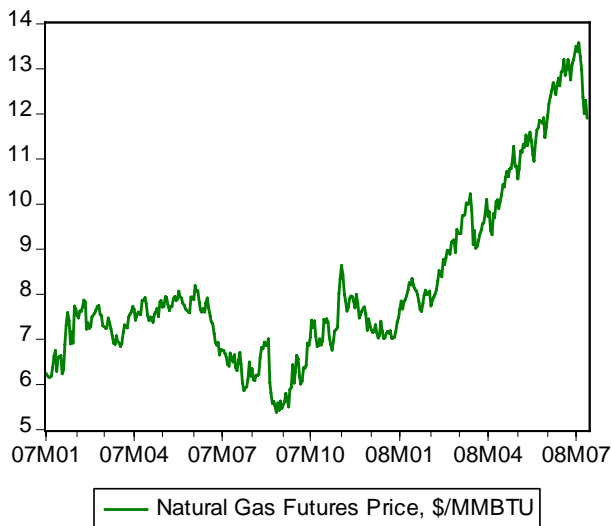
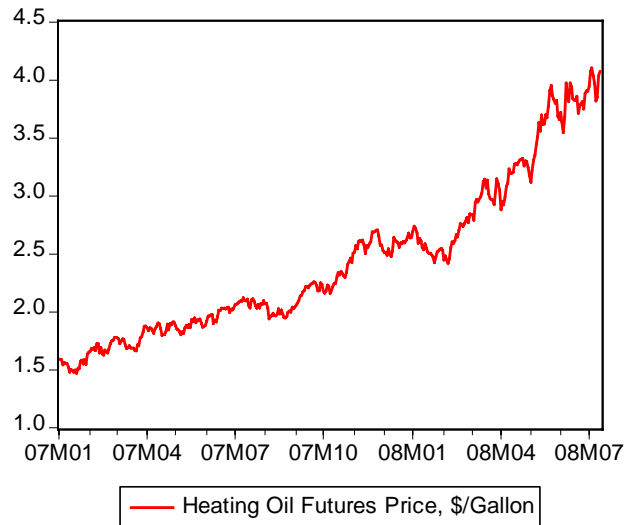
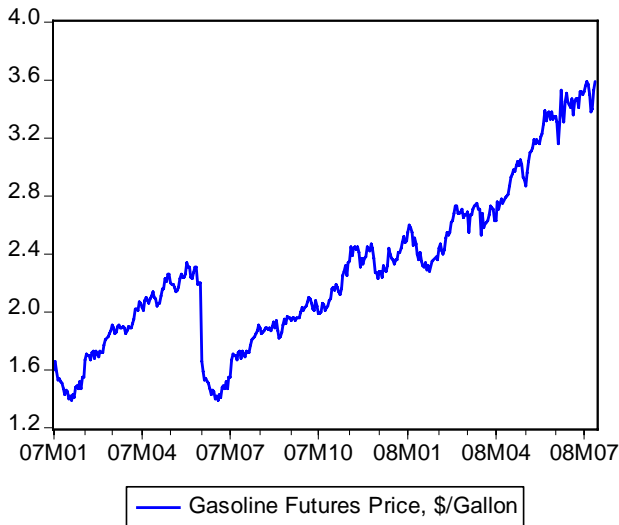


Energy Prices

Oil prices continued to remain close to the record highs. By Friday's market close, crude oil prices closed at \$145.08 a barrel, down only a few cents from week ago when it touched a record high.

A weak US dollar continued to put upward pressure on oil prices. At the same time, market movers worried about the possibility of an Israeli attack on Iran in the near future.

Prices of other commodities also held firm to the record highs from the prior week. Prices of heating oil traded at about \$4.08 a gallon, down only 4 cents from a week ago. Prices of gasoline closed the week at \$3.56 a gallon, down a penny. Prices of natural gas traded at \$11.99 per mmbtu, by the week's close, after last week's \$13.58 closing price.

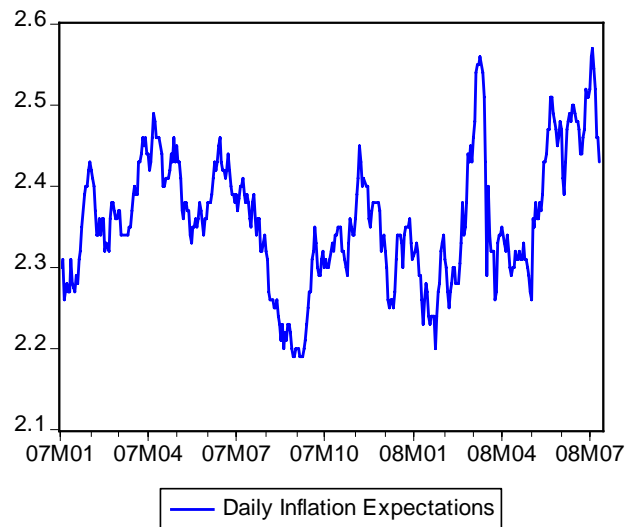
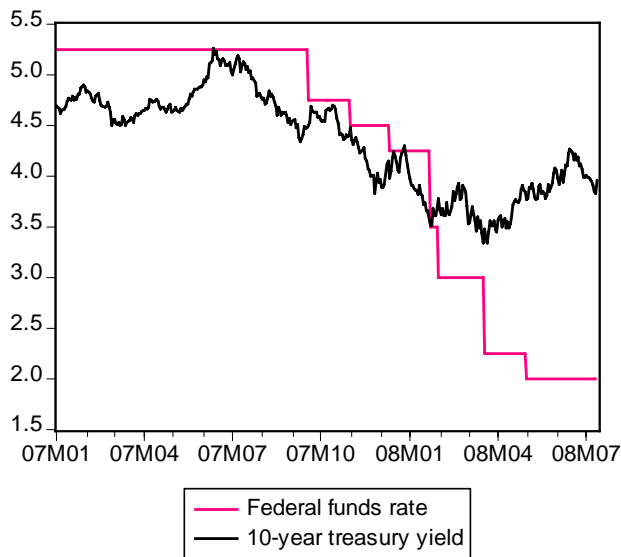
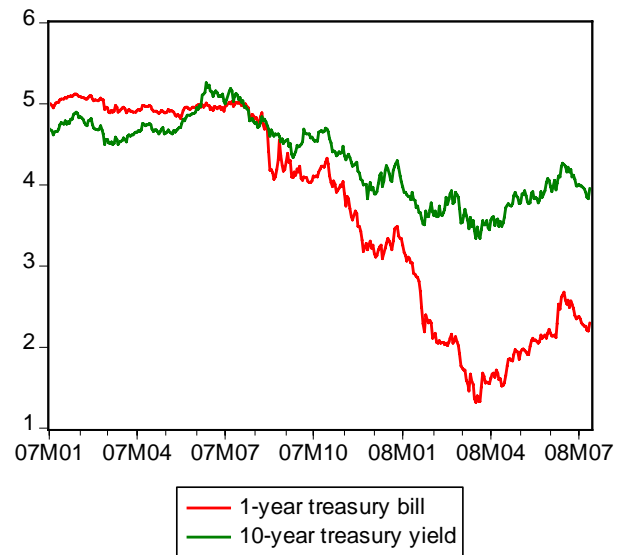
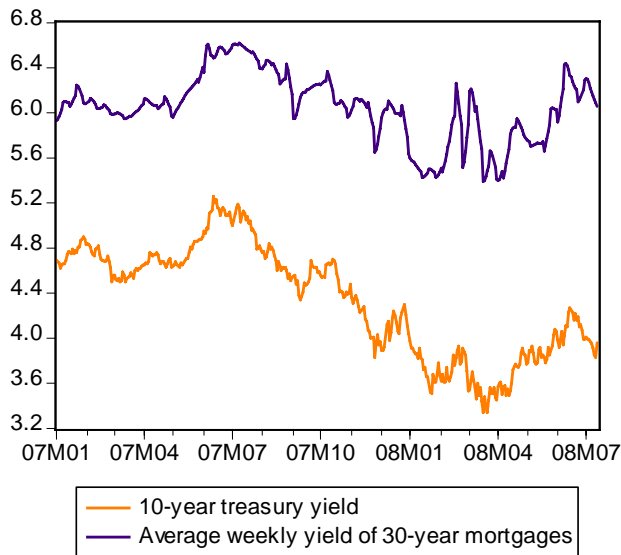


Interest Rates

For the first time in four weeks, prices of two-year treasuries fell, as investors speculated that the Fed might act to bail out Fannie Mae and Freddie Mac. From 2.53% a week ago, the two-year treasury yield rose to 2.60%.

In contrast, the ten-year treasury yield inched down 2 basis points to 3.96%. Inflationary pressure continued to support high yields for long-term government bonds.

The upward pressure on daily inflation expectations (yield on unprotected minus yield on protected 10-year bonds) fell marginally. They currently stand at 2.46%, down 15 basis points from a week ago. FED officials indicate that they are increasingly concerned about inflation.



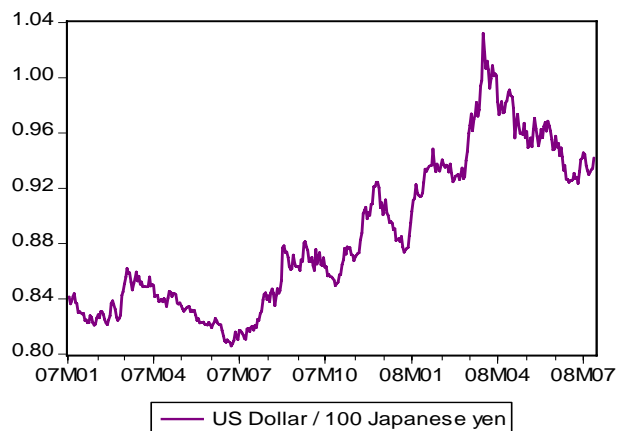
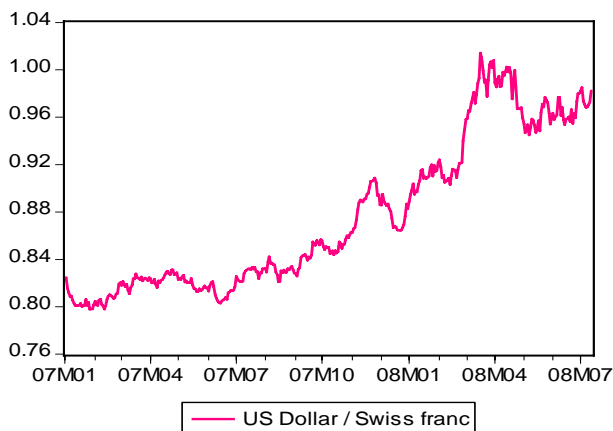
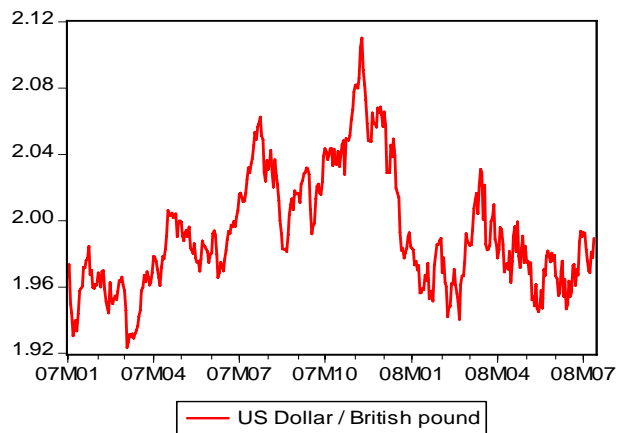
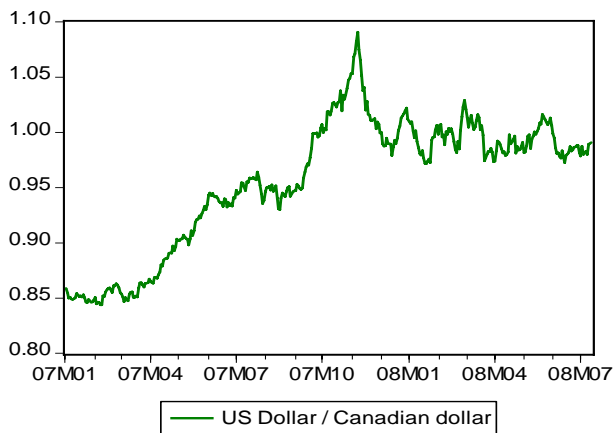
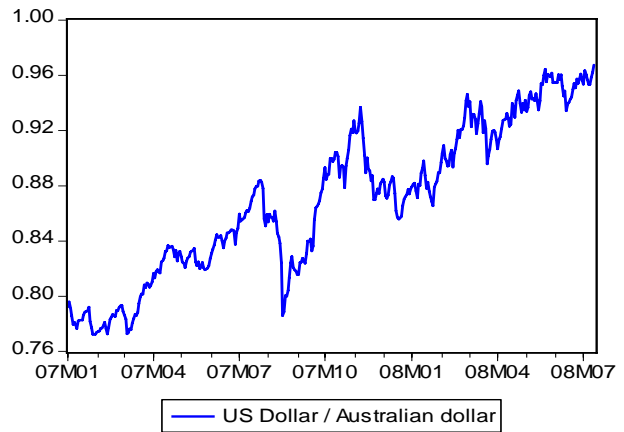
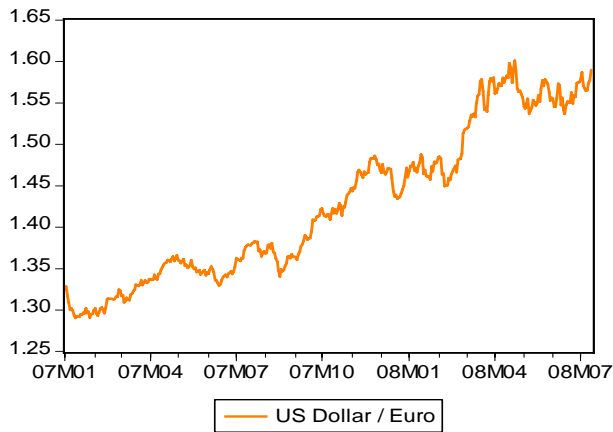
Currency Markets

Following the prior week's gain, the US dollar fell this week. From \$1.5706 per euro, the US dollar dropped to \$1.5937 per euro. The weakness of the US dollar stemmed from the discouraging news about Fannie Mae and Freddie Mac.

The US dollar also fell against other major currencies. From \$1.9822 per British pound, the US dollar was down to \$1.9887 per British pound by this week's close.

The US dollar traded at 106.27 yen per US dollar, relatively close to the prior week's closing value.

The US dollar traded at 99 cents per Canadian dollar, down 1 cent against the Canadian currency from a week ago.



The Week in Preview (July 14 - 18)

Date	Economic Indicator	For	Market Consensus	Prior Month
Jul 15	Producer Price Index, total	June	1.3%	1.4%
Jul 15	Producer Price index, core	June	0.3%	0.2%
Jul 15	Empire State Index	July	-4.0	-8.7
Jul 15	Retail Sales, total	June	0.3%	1.0%
Jul 15	Retail Sales, excluding autos	June	0.8%	1.2%
Jul 15	Business Inventories	May	0.5%	0.5%
Jul 16	Consumer Price Index, total	June	0.7%	0.6%
Jul 16	Consumer Price Index, core	June	0.2%	0.2%
Jul 16	Industrial Production	June	0.2%	-0.2%
Jul 16	Capacity Utilization	June	79.4%	79.4%
Jul 17	Housing Starts	June	968,000	975,000
Jul 17	Building Permits	June	970,000	969,000
Jul 17	Philadelphia Fed Index	July	-15.2	-17.1

Current Quarter Forecasts

In the second quarter, our forecast for real GDP is expected to increase 2.2% (SAAR), to be followed by a 0.7% increase in the third quarter of 2008.

The GDP deflator is projected to increase 3.2% in the second quarter (SAAR), and 3.4% 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 5.6% (SAAR) expansion in the second quarter and 4.2% 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 Mar 10th-24th May 12th-26th, and Jun 9th-23rd.

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	1.0

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 +2.22%.

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.

A revised estimate for this quarter is \$12.98 billion. This revised estimate should not change our procedures for choosing an average propensity to consumer of 0.9, but when the annual revisions of the GDP accounts are made available, we can reconsider our interpretation of the fiscal stimulus. This can be done in August, at the latest.

FORECAST SUMMARY TABLE

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	2008Q1 Actual	2008Q2 Forecast
PRODUCTION								
Nonfarm Payroll Employment (Mil)	138.002	137.919	137.831	137.764	137.702	137.640	137.917	137.702
+ Difference	-0.076	-0.083	-0.088	-0.067	-0.062	-0.062	-0.113	-0.215
% Change, Annual Rate	-0.7	-0.7	-0.8	-0.6	-0.5	-0.5	-0.3	-0.6
% Change, Year Ago	0.7	0.6	0.4	0.3	0.1	0.0	0.5	0.1
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)	173.4	173.9	175.8	176.1	178.5	179.6	174.4	178.1
% Change	1.2	0.3	1.1	0.2	1.4	0.6		
% Change, Annual Rate	14.9	3.5	13.9	2.1	17.6	7.7	9.3	8.8
% Change, Year Ago	7.8	6.8	6.9	6.4	7.2	7.8	7.1	7.1
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	0.988	1.008	0.975	0.984	1.053	0.989
% Change	6.4	4.0	-10.7	2.0	-3.3	0.9		
% Change, Annual Rate	110.5	60.9	-74.5	27.2	-32.9	11.7	-30.0	-22.2
% Change, Year Ago	-23.0	-25.5	-33.8	-32.2	-32.1	-32.5	-27.5	-32.3
Industrial Production Index (2002=	112.52	111.79	111.94	111.10	110.91	111.01	112.08	111.01
% Change	0.1	-0.6	0.1	-0.7	-0.2	0.1		
% Change, Annual Rate	1.4	-7.5	1.6	-8.6	-2.1	1.1	-0.3	-3.8
% Change, Year Ago	2.5	1.2	1.4	0.1	-0.1	-0.3	1.7	-0.1
New Orders for Manufactured Goods	435.42	433.86	440.22	445.92	448.68	451.40	436.50	448.66
% Change	-2.4	-0.4	1.5	1.3	0.6	0.6		
% Change, Annual Rate	-24.9	-4.2	19.1	16.7	7.7	7.5	-1.4	11.6
% Change, Year Ago	7.3	5.1	4.2	4.0	5.0	5.6	5.5	4.9
Nondefense Capital Goods Shipments	68.95	66.46	66.68	67.88	67.86	67.77	67.36	67.83
% Change	1.7	-3.6	0.3	1.8	-0.0	-0.1		
% Change, Annual Rate	22.3	-35.7	4.1	23.8	-0.4	-1.6	-0.1	2.8
% Change, Year Ago	7.7	2.0	1.8	2.9	1.9	2.2	5.5	4.9
Sales of Domestic Passenger Cars (5.07	5.02	4.94	4.89	5.33	4.88	5.01	5.03
% Change	-8.4	-1.0	-1.6	-1.1	9.0	-8.3		
% Change, Annual Rate	-65.3	-11.0	-17.1	-12.8	181.4	-64.7	-27.9	1.7
% Change, Year Ago	-3.2	-1.0	-3.1	-2.6	-3.5	-6.9	-2.4	-4.4
Business Inventories (Bil\$)	1457.95	1464.50	1467.46	1474.98	1482.66	1488.83	1463.30	1482.16
% 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	90.3	92.2	74.0	106.2	75.4
EXTERNAL SECTOR								
Merchandise Trade Balance, Census	-68.56	-69.92	-66.31	-70.58	-71.17	-69.60	-819.13	-845.42
+ Difference	-0.9	-1.4	3.6	-4.3	-0.6	1.6		
+ Difference, Annual Rate	-11.0	-16.3	43.3	-51.3	-7.1	18.9	-6.86	-26.28
+ Difference, year ago	-4.1	-5.0	1.6	-4.3	-5.1	-2.7		

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	11703.6	11805.4	11818.6
% Previous Q, A.R.	4.91	0.58	0.96	3.53	0.45
% Year before	2.84	2.46	2.55	2.48	1.37
(ii) Income Side GDP	11658.9	11675.7	11703.6	11743.8	11750.8
% Previous Q, A.R.	4.91	0.58	0.96	1.38	0.24
% Year before	2.84	2.46	2.55	1.94	0.79
(iii) Principal Components est. GDP	11658.9	11675.7	11703.6	11754.9	11800.3
% Previous Q, A.R.	4.91	0.58	0.96	1.77	1.55
% Year before	2.84	2.46	2.55	2.04	1.21
Average Real GDP	11658.9	11675.7	11703.6	11768.0	11789.9
% Previous Q, A.R.	4.91	0.58	0.96	2.22	0.74
% Year before	2.84	2.46	2.55	2.15	1.12
GDP Deflator (2000=100)					
(i) Expenditure Side PGDP	119.8	120.6	121.4	122.4	123.5
% Previous Q, A.R.	1.04	2.44	2.69	3.39	3.57
% Year before	2.40	2.58	2.20	2.39	3.02
(ii) Income Side PGDP: Same as (i)	119.8	120.6	121.4	122.4	123.5
% Previous Q, A.R.	1.04	2.44	2.69	3.39	3.57
% Year before	2.40	2.58	2.20	2.39	3.02
(iii) Principal Components est. PGDP	119.8	120.6	121.4	122.2	123.1
% Previous Q, A.R.	1.04	2.44	2.69	2.86	2.99
% Year before	2.40	2.58	2.20	2.25	2.74
Average GDP Deflator	119.8	120.6	121.4	122.3	123.3
% Previous Q, A.R.	1.04	2.44	2.69	3.22	3.38
% Year before	2.40	2.58	2.20	2.34	2.93
Nominal GDP					
(i) Expenditure Side GDP\$	13970.5	14074.2	14201.1	14447.5	14591.1
% Previous Q, A.R.	5.99	3.00	3.66	7.12	4.04
% Year before	5.30	5.09	4.79	4.93	4.44
(ii) Income Side GDP\$	13970.5	14074.2	14201.1	14372.0	14507.3
% Previous Q, A.R.	5.99	3.00	3.66	4.90	3.82
% Year before	5.30	5.09	4.79	4.38	3.84
(iii) Principal Components est. GDP\$	13970.5	14074.2	14201.1	14366.9	14529.0
% Previous Q, A.R.	5.99	3.00	3.66	4.75	4.59
% Year before	5.30	5.09	4.79	4.34	4.00
Average Nominal GDP	13970.5	14074.2	14201.1	14395.5	14542.5
% Previous Q, A.R.	5.99	3.00	3.66	5.59	4.15
% Year before	5.30	5.09	4.79	4.55	4.09

EXPENDITURE SIDE

Real Gross Domestic Product

2007Q3 2007Q4 2008Q1 2008Q2 2008Q3

Billions of Chained (2000) Dollars, SAAR

Gross Domestic Product	11658.90	11675.70	11703.60	11805.43	11818.62
Total Demand	13633.20	13643.00	13667.50	13782.20	13803.25
Domestic Demand	12188.30	12175.50	12180.40	12270.45	12257.08
Domestic Final Demand	12155.60	12194.60	12199.00	12280.06	12265.43
Final Demand	11626.40	11695.20	11722.50	11812.93	11822.75
Personal Consumption Expenditures	8302.20	8349.10	8372.90	8457.74	8444.10
Durable Goods	1241.90	1248.10	1229.10	1226.69	1231.63
Nondurable Goods	2396.80	2404.20	2403.20	2438.56	2420.40
Services	4689.50	4722.40	4758.90	4808.86	4812.58
Gross Private Domestic Investment	1859.90	1787.70	1756.10	1756.34	1755.50
Fixed Investment	1826.00	1807.50	1775.30	1765.94	1763.85
Nonresidential	1387.30	1407.80	1409.70	1424.82	1439.37
Equipment and Software	1073.50	1081.70	1082.30	1100.98	1121.01
Structures	311.10	320.30	321.30	320.61	319.10
Residential	463.30	430.90	401.60	381.84	368.96
Change In Business Inventories	30.60	-18.30	-19.60	-9.59	-8.35
Farm	4.10	2.20	-1.00	-1.39	-0.55
Nonfarm	26.02	-21.68	-18.87	-8.20	-7.80
Net Exports	-533.10	-503.20	-480.20	-467.26	-442.64
Exports	1441.20	1464.10	1483.70	1511.79	1546.22
Imports	1974.30	1967.30	1963.90	1979.05	1988.87
Government Purchases	2033.60	2043.40	2053.90	2056.51	2057.49
Federal	764.00	765.00	773.20	776.74	777.58
State and Local	1269.60	1278.30	1280.90	1279.77	1279.92

Percent Change, Annual Rate

Gross Domestic Product	4.91	0.58	0.96	3.53	0.45
Total Demand	4.83	0.29	0.72	3.40	0.61
Domestic Demand	3.33	-0.42	0.16	2.99	-0.44
Domestic Final Demand	2.48	1.29	0.14	2.68	-0.48
Final Demand	4.01	2.39	0.94	3.12	0.33
Personal Consumption Expenditures	2.84	2.28	1.15	4.12	-0.64
Durable Goods	4.47	2.01	-5.95	-0.78	1.62
Nondurable Goods	2.20	1.24	-0.17	6.02	-2.95
Services	2.85	2.84	3.13	4.27	0.31
Gross Private Domestic Investment					
Fixed Investment	-0.72	-3.99	-6.94	-2.09	-0.47
Nonresidential	9.36	6.04	0.54	4.36	4.15
Equipment and Software	6.23	3.09	0.22	7.09	7.48
Structures	16.42	12.36	1.25	-0.85	-1.87
Residential	-20.53	-25.17	-24.55	-18.28	-12.82
Exports	19.13	6.51	5.46	7.79	9.43
Imports	4.35	-1.41	-0.69	3.12	2.00
Government Purchases	3.78	1.94	2.07	0.51	0.19
Federal	7.11	0.52	4.36	1.84	0.44
State and Local	1.95	2.77	0.82	-0.35	0.05

EXPENDITURE SIDE

Nominal Gross Domestic Product

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
Billions of Dollars, SAAR					
Gross Domestic Product	13970.50	14074.20	14201.10	14447.48	14591.09
Total Demand	16350.90	16520.80	16717.00	17043.14	17260.28
Domestic Demand	14665.10	14783.10	14918.10	15184.37	15338.48
Domestic Final Demand	14629.70	14810.50	14948.40	15196.11	15348.79
Final Demand	13935.00	14101.60	14231.50	14459.22	14601.40
Personal Consumption Expenditures	9785.70	9936.60	10053.70	10251.17	10347.93
Durable Goods	1081.60	1082.50	1065.50	1060.96	1064.56
Nondurable Goods	2846.30	2904.50	2949.90	3027.10	3052.03
Services	5857.80	5949.70	6038.20	6163.11	6231.34
Gross Private Domestic Investment	2162.90	2082.10	2038.90	2062.44	2079.37
Fixed Investment	2127.50	2109.50	2069.20	2074.18	2089.68
Nonresidential	1500.10	1526.50	1529.10	1554.53	1581.54
Equipment and Software	1017.10	1025.30	1024.00	1045.38	1068.04
Structures	483.10	501.30	505.10	509.15	513.50
Residential	627.30	582.90	540.20	519.65	508.14
Change In Business Inventories	35.40	-27.40	-30.40	-11.74	-10.31
Farm	3.80	0.30	-3.80	-1.70	-0.68
Nonfarm	31.62	-27.72	-26.56	-10.04	-9.64
Net Exports	-694.70	-708.90	-717.00	-736.89	-747.40
Exports	1685.70	1737.70	1798.90	1858.77	1921.79
Imports	2380.40	2446.60	2515.90	2595.66	2669.19
Government Purchases	2716.50	2764.40	2825.50	2870.76	2911.19
Federal	990.30	997.70	1023.30	1036.58	1050.22
State and Local	1726.20	1766.70	1802.20	1834.18	1860.97
Percent Change, Annual Rate					
Gross Domestic Product	5.99	3.00	3.66	7.12	4.04
Total Demand	6.87	4.22	4.84	8.04	5.19
Domestic Demand	5.12	3.26	3.70	7.33	4.12
Domestic Final Demand	4.26	5.04	3.78	6.79	4.08
Final Demand	5.08	4.87	3.74	6.56	3.99
Personal Consumption Expenditures	4.70	6.31	4.80	8.09	3.83
Durable Goods	2.59	0.33	-6.14	-1.69	1.36
Nondurable Goods	3.39	8.43	6.40	10.89	3.33
Services	5.75	6.42	6.08	8.53	4.50
Gross Private Domestic Investment	4.53	-14.13	-8.04	4.70	3.32
Fixed Investment	-1.19	-3.34	-7.43	0.97	3.02
Nonresidential	8.71	7.23	0.68	6.82	7.13
Equipment and Software	5.11	3.26	-0.51	8.62	8.96
Structures	17.01	15.94	3.07	3.25	3.46
Residential	-20.72	-25.45	-26.24	-14.37	-8.57
Exports	23.61	12.92	14.85	13.99	14.27
Imports	12.19	11.60	11.82	13.30	11.82
Government Purchases	7.15	7.24	9.14	6.56	5.75
Federal	8.86	3.02	10.67	5.29	5.37
State and Local	6.18	9.72	8.28	7.29	5.97

EXPENDITURE SIDE

Gross Domestic Product Chain-Type Price Index

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
Index 2000=100					
Gross Domestic Product	119.84	120.56	121.36	122.38	123.46
Total Demand	119.93	121.09	122.31	123.67	125.05
Domestic Demand	120.33	121.43	122.50	123.75	125.14
Domestic Final Demand	120.36	121.45	122.54	123.75	125.14
Final Demand	119.86	120.58	121.41	122.40	123.50
Personal Consumption Expenditures	117.87	119.02	120.08	121.20	122.55
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	126.89	128.16	129.48
Gross Private Domestic Investment	116.33	116.55	116.22	117.43	118.45
Fixed Investment	116.50	116.70	116.54	117.46	118.47
Nonresidential	108.14	108.44	108.47	109.10	109.88
Equipment and Software	94.75	94.78	94.61	94.95	95.27
Structures	155.39	156.61	157.32	158.81	160.92
Residential	135.37	135.24	134.47	136.09	137.72
Exports	116.99	118.70	121.27	122.95	124.29
Imports	120.57	124.36	128.11	131.16	134.21
Government Purchases	133.59	135.29	137.57	139.59	141.50
Federal	129.62	130.42	132.36	133.45	135.06
State and Local	135.97	138.21	140.71	143.32	145.40

Percent Change, Annual Rate

Gross Domestic Product	1.04	2.44	2.69	3.39	3.57
Total Demand	1.95	3.92	4.09	4.51	4.54
Domestic Demand	1.75	3.71	3.55	4.17	4.56
Domestic Final Demand	1.74	3.70	3.63	4.01	4.56
Final Demand	1.02	2.42	2.77	3.32	3.65
Personal Consumption Expenditures	1.81	3.95	3.61	3.80	4.50
Durable Goods	-1.80	-1.67	-0.21	-0.88	-0.25
Nondurable Goods	1.15	7.12	6.58	4.59	6.47
Services	2.82	3.49	2.88	4.06	4.18
Gross Private Domestic Investment	-0.35	0.77	-1.11	4.21	3.52
Fixed Investment	-0.47	0.68	-0.53	3.17	3.51
Nonresidential	-0.56	1.11	0.11	2.36	2.87
Equipment and Software	-1.05	0.14	-0.72	1.43	1.38
Structures	0.50	3.17	1.83	3.84	5.44
Residential	-0.27	-0.38	-2.25	4.91	4.88
Exports	3.78	5.98	8.93	5.66	4.42
Imports	7.51	13.17	12.62	9.86	9.63
Government Purchases	3.24	5.18	6.94	6.01	5.57
Federal	1.63	2.47	6.08	3.36	4.91
State and Local	4.17	6.75	7.42	7.64	5.94

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	14201.10	14372.03	14507.31
Plus:					
Receipts of Factor Income	855.60	848.10	784.10	802.44	821.21
Less:					
Payments of Factor Income	754.40	700.20	663.30	674.78	686.62
Equals: Gross National Product	14071.60	14222.10	14321.90	14499.68	14641.90
Less:					
Consumption of Fixed Capital	1690.90	1701.10	1710.80	1712.20	1722.51
Equals: Net National Product	12380.80	12520.90	12611.10	12787.50	12919.73
Indirect Business Taxes	1014.37	1024.76	1030.34	1042.65	1055.94
Business Transfers	94.40	97.90	100.90	100.33	99.80
Statistical Discrepancy	84.80	112.00	129.80	118.28	108.19
Net Subsidies	46.62	47.49	48.40	48.01	47.63
National Income	12296.00	12408.90	12481.30	12669.22	12811.54
Corporate Profits	1621.90	1569.00	1563.80	1592.17	1626.57
Net Interest	599.30	619.00	601.60	590.82	590.04
Contribution for Soc. Ins.	983.20	994.14	1015.89	1021.03	1026.93
Personal	505.94	511.75	523.75	526.40	526.90
Employer	477.26	482.40	492.14	494.63	500.03
Personal Interest Income	1171.10	1173.20	1161.10	1150.81	1159.47
Personal Dividend Income	805.00	826.60	843.30	855.96	865.09
Government Transfers	1714.35	1728.39	1758.04	1848.95	1895.52
Business Transfers (to persons)	28.00	28.10	28.10	27.82	27.65
Personal Income	11735.00	11880.90	12012.10	12264.32	12418.95
Percent Change, Annual Rate					
Gross Domestic Product	5.99	3.00	3.66	4.90	3.82
Plus:					
Receipts of Factor Income	21.94	-3.46	-26.94	9.69	9.69
Less:					
Payments of Factor Income	5.99	-25.79	-19.47	7.11	7.20
Equals: Gross National Product	6.88	4.35	2.84	5.06	3.98
Less:					
Consumption of Fixed Capital	1.79	2.43	2.30	0.33	2.43
Equals: Net National Product	7.60	4.60	2.91	5.71	4.20
Indirect Business Taxes	4.16	4.16	2.20	4.87	5.20
Business Transfers	7.08	15.68	12.83	-2.23	-2.12
National Income	3.29	3.72	2.35	6.16	4.57
Corporate Profits	-4.90	-12.42	-1.32	7.46	8.92
Net Interest	4.74	13.81	-10.78	-6.98	-0.52
Contribution for Social Insurance	4.59	4.53	9.04	2.04	2.33
Personal	4.75	4.67	9.72	2.04	0.38
Employer	4.42	4.37	8.33	2.04	4.44
Personal Interest Income	8.14	0.72	-4.06	-3.50	3.04
Personal Dividend Income	12.52	11.17	8.33	6.14	4.34
Government Transfers	6.05	3.31	7.04	22.34	10.46
Business Transfers (to persons)	2.91	1.44	0.00	-3.97	-2.34
Personal Income	5.56	5.07	4.49	8.67	5.14

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	6560.20	6600.62	6657.75
Commod Prod Industries	1217.50	1230.30	1237.70	1236.74	1245.69
Manufacturing	754.70	760.50	765.50	765.86	769.24
Others	462.80	469.80	472.20	470.88	476.44
Distributive Industries*	1033.30	1046.80	1056.20	1056.52	1060.49
Service Industries	3059.00	3106.60	3162.40	3192.16	3225.88
Government	1072.90	1084.70	1103.90	1115.28	1125.85
Other Labor Income	1500.00	1516.60	1540.50	1555.44	1571.97
Proprietors Income	1048.70	1055.90	1055.90	1057.17	1064.15
Farm	38.60	43.80	37.30	34.21	30.04
Business and Profess.	1010.00	1012.10	1018.50	1022.97	1034.11
Rental Income of Persons	68.40	77.80	80.90	96.20	101.71
Interest Paid by Persons	275.80	272.50	258.40	265.83	277.61
Other Interest	895.30	900.70	902.70	884.98	881.86
Transfer Payments	1742.30	1756.50	1786.20	1897.83	1953.35
Contributions for Social In	505.94	511.75	523.75	526.40	526.90
Personal Tax & Nontax P.	1489.80	1512.71	1514.77	1274.64	1204.11
Disposable Income	10245.20	10368.20	10497.40	10989.65	11214.84
Addendum:					
Domestic Final Sales	14633.6	14810.8	14944.7	15120.7	15265.0

Percent Change, Annual Rate

Wages and Salaries	4.10	5.48	5.80	2.49	3.51
Commod Prod Industries	1.63	4.27	2.43	-0.31	2.92
Manufacturing	0.32	3.11	2.66	0.19	1.78
Others	3.80	6.19	2.06	-1.11	4.81
Distributive Industries*	-0.15	5.33	3.64	0.12	1.51
Service Industries	6.59	6.37	7.38	3.82	4.29
Government	4.21	4.47	7.27	4.19	3.85
Other Labor Income	4.66	4.50	6.45	3.94	4.32
Proprietors Income	4.03	2.77	0.00	0.48	2.67
Farm	84.94	65.79	-47.41	-29.26	-40.52
Business and Profess.	1.88	0.83	2.55	1.77	4.43
Rental Income of Persons	47.18	67.38	16.92	99.97	24.92
Interest Paid by Persons	27.59	-4.70	-19.15	12.01	18.93
Other Interest	2.91	2.43	0.89	-7.62	-1.40
Transfer Payments	6.00	3.30	6.94	27.44	12.23
Contribution for Social Ins	4.75	4.67	9.72	2.04	0.38
Personal Tax & Nontax P.	3.33	6.29	0.55	-49.86	-20.36
Disposable Income	5.89	4.89	5.08	20.12	8.45
Addendum:					
Domestic Final Sales	4.26	4.93	3.66	4.79	3.87

*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	4.88	4.87	4.95	4.96
RS, New Dom Light Trucks, SAA	6.68	6.66	6.21	5.68	5.12	4.99	5.26	5.34	5.36

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	0.9880	1.0080	0.9750	0.9841	0.9827	0.9865	0.9989

NEW CONSTRUCTION PUT IN PLACE, Billions of Current Dollars, SAAR									
New Const, Residential Bldgs	404.91	392.02	391.64	385.08	378.86	372.45	368.18	368.86	366.42
New Const, Nonresident Bldgs	389.69	391.64	397.99	404.33	405.31	409.37	413.52	415.69	419.44
New Const, Federal Government	22.32	22.19	22.27	23.00	22.61	22.86	22.90	23.13	22.98
New Const, State & Local Govt	268.47	269.45	278.58	276.88	278.45	279.55	280.44	281.60	282.62

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	-8.32	-0.26	1.68	0.12
RS, New Dom Light Trucks, SA	-2.98	-0.36	-6.76	-8.54	-9.90	-2.42	5.34	1.57	0.35

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	-10.75	2.02	-3.27	0.93	-0.13	0.38	1.26

NEW CONSTRUCTION PUT IN PLACE									
New Const, Residential Bldgs	-2.17	-3.18	-0.10	-1.68	-1.62	-1.69	-1.15	0.18	-0.66
New Const, Nonresidential Bldgs	1.57	0.50	1.62	1.59	0.24	1.00	1.01	0.53	0.90
New Const, Federal Government	2.14	-0.56	0.32	3.29	-1.67	1.11	0.17	0.97	-0.63
New Const, State & Local Govt	-2.06	0.36	3.39	-0.61	0.57	0.39	0.32	0.41	0.36

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	112.52	111.79	111.94	111.10	110.91	111.01	111.04	111.19	111.40
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS, Billions of Current Dollars, SA									
Manufacturers' New Orders	435.42	433.86	440.22	445.92	448.68	451.40	451.96	453.66	455.92
Manufacturers' Shipments	437.64	429.53	434.38	446.03	446.37	449.86	451.76	453.46	455.29
Manufacturers' Unfilled Orders	777.86	786.86	797.11	802.97	810.08	818.13	824.76	831.73	838.71
MANUFACTURED DURABLE GOODS, Billions of Current Dollars, SA									
Nondefense Capital Goods Shipmt	68.95	66.46	66.68	67.88	67.86	67.77	68.07	67.86	68.29
BUSINESS INVENTORIES, Billions of Current Dollars, SA									
Inventories, Manufacturers	537.50	540.68	545.79	545.63	548.44	550.57	552.21	554.41	556.30
Inventories, Merchant Wholesale	417.14	421.08	421.70	427.56	430.96	433.76	437.00	439.41	441.78
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	110835	111381	112382	114153	114737	115757
Imports, CIF	174039	178923	171848	181418	182555	181979	185381	185946	186744
Exports, Mach and Transp Equipm	39283	41565	38329	41784	41470	41093	41866	41890	42380
Imports, Mach and Transp Equipm	61059	64788	59627	65107	63167	64193	64469	65311	65493
Percent Change, Monthly Rate									
INDUSTRIAL PRODUCTION									
Industrial Production, Total	0.12	-0.64	0.13	-0.75	-0.18	0.09	0.03	0.14	0.19
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS									
Manufacturers' New Orders	-2.36	-0.36	1.46	1.29	0.62	0.61	0.13	0.38	0.50
Manufacturers' Shipments	1.06	-1.85	1.13	2.68	0.08	0.78	0.42	0.38	0.40
Manufacturers' Unfilled Orders	0.59	1.16	1.30	0.73	0.88	0.99	0.81	0.85	0.84
MANUFACTURED DURABLE GOODS									
Nondefense Capital Goods Shipmt	1.69	-3.61	0.34	1.80	-0.03	-0.14	0.45	-0.32	0.63
BUSINESS INVENTORIES									
Inventories, Manufacturers	1.29	0.59	0.95	-0.03	0.51	0.39	0.30	0.40	0.34
Inventories, Merchant Wholesale	1.26	0.94	0.15	1.39	0.79	0.65	0.75	0.55	0.54
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	5.02	0.49	0.90	1.58	0.51	0.89
Imports, CIF	2.05	2.81	-3.95	5.57	0.63	-0.32	1.87	0.30	0.43
Exports, Mach and Transp Equip	-1.22	5.81	-7.79	9.01	-0.75	-0.91	1.88	0.06	1.17
Imports, Mach and Transp Equip	1.96	6.11	-7.97	9.19	-2.98	1.62	0.43	1.31	0.28

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	173.40	173.90	175.80	176.10	178.50	179.61	180.66	181.99	183.17
PPI, Capital Equipment	151.00	151.70	151.90	152.50	152.70	153.09	153.48	153.83	154.20
PPI, Intermediate Materials	179.30	180.60	184.80	186.50	192.00	195.15	197.64	200.53	202.83
PPI, Components for Construction	194.50	195.50	197.10	199.10	203.20	206.24	208.64	210.23	211.28

PRICES RECEIVED BY FARMERS, Index, 1910-14=100, SA

Index of Prices Recvd by Farmer	915.35	921.22	929.03	930.80	936.14	937.72	940.73	942.26	944.12
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U.S. EXPORT/IMPORT PRICES, Index, 1995=100, SA

U.S. Export Price Index	120.70	121.80	123.80	124.30	124.80	126.00	126.76	127.36	128.26
U.S. Import Price Index	129.20	129.50	133.50	137.30	140.90	144.60	146.48	147.50	148.14

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	1.17	0.29	1.09	0.17	1.36	0.62	0.59	0.73	0.65
PPI, Capital Equipment	0.47	0.46	0.13	0.39	0.13	0.26	0.25	0.23	0.24
PPI, Intermediate Materials	1.19	0.73	2.33	0.92	2.95	1.64	1.28	1.46	1.15
PPI, Components for Construction	0.36	0.51	0.82	1.01	2.06	1.50	1.16	0.76	0.50

PRICES RECEIVED BY FARMERS

Index of Prices Recvd by Farmer	0.64	0.64	0.85	0.19	0.57	0.17	0.32	0.16	0.20
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U.S. EXPORT/IMPORT PRICES

U.S. Export Price Index	1.17	0.91	1.64	0.40	0.40	0.96	0.60	0.47	0.71
U.S. Import Price Index	1.49	0.23	3.09	2.85	2.62	2.63	1.30	0.70	0.43

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	137.764	137.702	137.640	137.614	137.603	137.600
EMP, Manufacturing	13.737	13.690	13.644	13.592	13.570	13.537	13.510	13.485	13.467
EMP, Services	116.095	116.103	116.094	116.136	116.128	116.135	116.227	116.308	116.425
EMP, Wholesale and Retail Trade	21.540	21.486	21.456	21.400	21.373	21.363	21.340	21.334	21.317
EMP, Government	22.336	22.362	22.377	22.401	22.430	22.459	22.484	22.507	22.532
EMP, Federal Government	1.977	1.983	1.987	1.996	2.008	2.014	2.015	2.016	2.016
EMP, State and Local Governme	21.907	21.816	21.737	21.628	21.574	21.505	21.451	21.407	21.367
Total Unemployed, Millions	7.576	7.381	7.815	7.626	8.487	8.499	8.653	8.805	8.902

AVERAGE WEEKLY HOURS (AWH) of Production Workers, SA

AWH, Total Private	33.70	33.70	33.80	33.80	33.70	33.70	33.72	33.69	33.68
AWH, Manufacturing	41.10	41.10	41.20	41.00	40.90	40.80	40.87	40.84	40.82
AWH, Services	30.20	30.10	30.20	30.20	30.10	30.10	30.09	30.09	30.08
AWH, Wholesale and Retail Trade	38.40	38.20	38.40	38.30	38.30	38.20	38.24	38.23	38.22

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

AHE, Manufacturing	17.49	17.55	17.61	17.62	17.66	17.73	17.77	17.81	17.85
AHE, Services	12.80	12.84	12.86	12.85	12.89	12.87	12.89	12.90	12.92
AHE, Wholesale and Retail Trade	19.97	20.00	20.03	20.05	20.06	20.09	20.13	20.17	20.21

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

AWE, Total Private	598.18	600.20	604.01	604.68	604.92	606.94	608.94	610.45	612.24
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Percent Change, Monthly Rate

EMPLOYEES (EMP) ON NONFARM PAYROLLS

EMP, Total	-0.055	-0.060	-0.064	-0.049	-0.045	-0.045	-0.019	-0.008	-0.002
EMP, Manufacturing	-0.254	-0.342	-0.336	-0.381	-0.162	-0.243	-0.202	-0.181	-0.132
EMP, Services	-0.006	0.007	-0.008	0.036	-0.007	0.006	0.079	0.070	0.100
EMP, Wholesale and Retail Trade	-0.097	-0.251	-0.140	-0.261	-0.126	-0.047	-0.106	-0.029	-0.078
EMP, Government	0.013	0.116	0.067	0.107	0.129	0.129	0.110	0.102	0.113
EMP, Federal Government	0.254	0.303	0.202	0.453	0.601	0.299	0.070	0.024	-0.004
EMP, State and Local Governme	-0.314	-0.415	-0.362	-0.501	-0.250	-0.320	-0.249	-0.206	-0.187
Total Unemployed, Millions	-1.032	-2.574	5.880	-2.418	11.290	0.141	1.809	1.762	1.098

AVERAGE WEEKLY HOURS (AWH) OF PRODUCTION WORKERS

AWH, Total Private	-0.30	0.00	0.30	0.00	-0.30	0.00	0.06	-0.07	-0.03
AWH, Manufacturing	0.00	0.00	0.24	-0.49	-0.24	-0.24	0.17	-0.07	-0.05
AWH, Services	0.33	-0.33	0.33	0.00	-0.33	0.00	-0.02	-0.02	-0.02
AWH, Wholesale and Retail Trade	0.26	-0.52	0.52	-0.26	0.00	-0.26	0.09	-0.02	-0.01

AVERAGE HOURLY EARNINGS (AHE) OF PRODUCTION WORKERS

AHE, Manufacturing	0.46	0.34	0.34	0.06	0.23	0.40	0.20	0.23	0.24
AHE, Services	-0.08	0.31	0.16	-0.08	0.31	-0.16	0.18	0.08	0.10
AHE, Wholesale and Retail Trade	0.20	0.15	0.15	0.10	0.05	0.15	0.21	0.20	0.17

AVERAGE WEEKLY EARNINGS (AWE) OF PRODUCTION WORKERS

AWE, Total Private	-0.01	0.34	0.63	0.11	0.04	0.33	0.33	0.25	0.29
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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	1372.6	1374.8	1370.8	1367.3	1386.1	1390.6	1395.2	1400.0
Money Supply (M2)	7480.1	7586.0	7664.3	7679.6	7688.2	7687.1	7703.9	7737.6	7771.1
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	2.19	2.30	2.30	2.31
IR, Commercial Paper, 2 month	3.41	2.75	2.32	2.06	2.01	2.15	2.25	2.27	2.30
Yields, US Govt Bond, 1 year	2.71	2.05	1.54	1.74	2.05	2.42	2.45	2.46	2.61
Yields, US Govt Bond, 10 Year	3.74	3.74	3.51	3.68	3.88	4.10	4.14	4.14	4.13

FOREIGN EXCHANGE VALUE, March 1973=100

Weighted Average Value of US\$	98.48	97.67	95.77	95.48	95.83	96.09	96.34	96.60	96.85
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STOCK MARKET

New York Stock Exchange Index	9165.1	9041.5	8776.2	9174.1	9429.0	8997.0	8962.7	8973.5	8989.4
Dividend to (Stock) Price Ratio	2.11	2.10	2.17	2.09	2.07	2.15	2.17	2.16	2.16

CONSUMER INSTALLMENT CREDIT, Millions of Dollars, SA

Consumer Credit Outstanding	2535.56	2542.43	2555.04	2562.80	2570.58	2581.03	2591.58	2601.90	2612.52
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Percent Change, Monthly Rate

MONEY SUPPLY

Money Supply, (M1)	0.07	0.41	0.16	-0.29	-0.26	1.37	0.32	0.33	0.35
Money Supply, (M2)	0.67	1.42	1.03	0.20	0.11	-0.01	0.22	0.44	0.43
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	0.32	0.12	0.00	0.01
IR, Commercial Paper, 6 Month	-0.83	-0.67	-0.43	-0.26	-0.05	0.15	0.10	0.02	0.03
Yields, US Govt Bond, 1 Year	-0.55	-0.66	-0.51	0.19	0.31	0.37	0.03	0.01	0.15
Yields, US Govt Bond, 10 Year	-0.35	-0.01	-0.23	0.17	0.21	0.22	0.04	-0.01	-0.01

FOREIGN EXCHANGE VALUE

Weighted Average Value of US\$	-0.79	-0.82	-1.95	-0.30	0.37	0.27	0.26	0.27	0.27
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STOCK MARKET

New York Stock Exchange Index	-6.55	-1.35	-2.93	4.53	2.78	-4.58	-0.38	0.12	0.18
Dividend to (Stock) Price Ratio	9.33	-0.47	3.33	-3.69	-0.96	3.86	1.08	-0.40	-0.39

CONSUMER INSTALLMENT CREDIT

Consumer Credit Outstanding	0.47	0.27	0.50	0.30	0.30	0.41	0.41	0.40	0.41
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