

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

- There will soon be a report on NIPA (National Income and Product Accounts) for this year's second quarter, but a significant improvement in the growth rate seems to be well founded.
- Our estimates have suggested sizable weakening in the third quarter, and our present estimates are extremely poor, registering only 0.01% (almost zero).
- If these calculations turn out to be accurate, our appraisal of Robert Shiller's suggestion of the need for an elongated stimulus looks more and more necessary.
- Retail sales, especially for cars, are weak and support the need for more fiscal and monetary support as soon as possible.
- Inflation movements remain a problem, even increasing in magnitude.
- The latest report on weekly jobless claims show the need for more stimulus to the macro-economy.
- Consumer and producer opinion in sample surveys continue to portray pessimism.

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

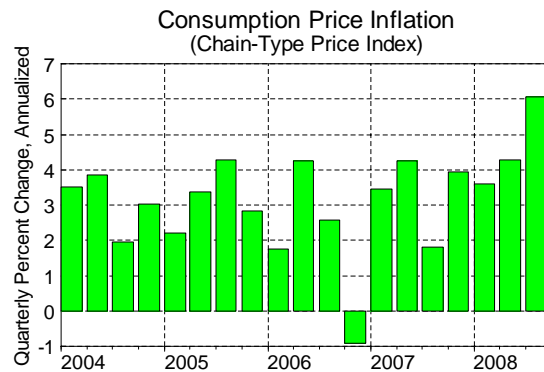
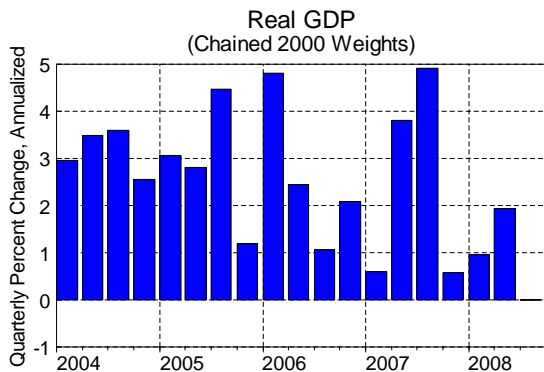
Date	Economic Indicator	for	Latest	Prior Month
Jul 01	Construction Spending	May	-0.4%	-0.1%
Jul 03	Nonfarm Payroll Employment	June	-62,000	-62,000
Jul 01	Auto Sales	June	13.6 Million	14.3 Million
Jul 08	Consumer Credit Outstanding	May	\$7.8 billion	\$7.8 Billion
Jul 12	Export/Import Price Index	June	1.0%, 2.6%	0.4%, 2.6%
Jul 15	Producer Price Index, Total & Core	June	1.8%, 0.2%	1.4%, 0.2%
Jul 15	Retail Sales, Total & Ex-Auto	June	0.1%, 0.8%	0.8%, 1.2%
Jul 16	Industrial Production	June	0.5%	-0.2%
Jul 15	Business Inventories	May	0.3%	0.5%
Jul 16	Consumer Price Index, Total & Core	June	1.1%, 0.3%	0.6%, 0.2%
Jul 17	Housing Starts	June	1,066,000	977,000
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 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			
Jul 14			2.22	0.74	*		3.80	4.50			
Jul 21			1.95	0.01	*		4.27	6.06			

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

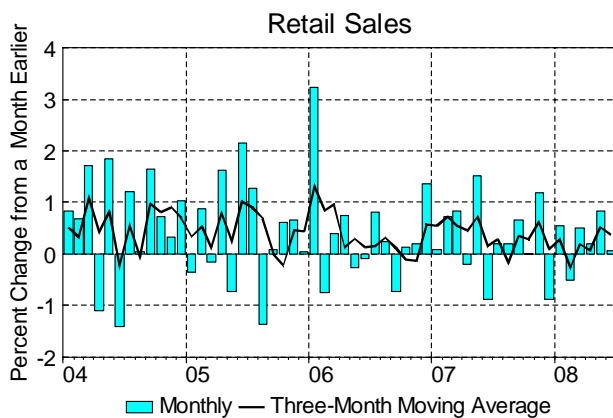
The Week in Review (July 14 - 18)

Retail Sales

Despite the government's fiscal stimulus package, retail sales inched up by only 0.1% in June. Retail sales in May were revised down to a 0.8% increase. The June performance was the weakest in the past four months.

Sales at food and beverage stores were up 0.7%. In contrast, sales at restaurant and bars fell 0.2%. Sales at personal care stores were up 0.6%. Sales at nonstore retailers increased 0.8%. Clothing sales increased 0.6%. Sales of sporting goods went up 0.7%.

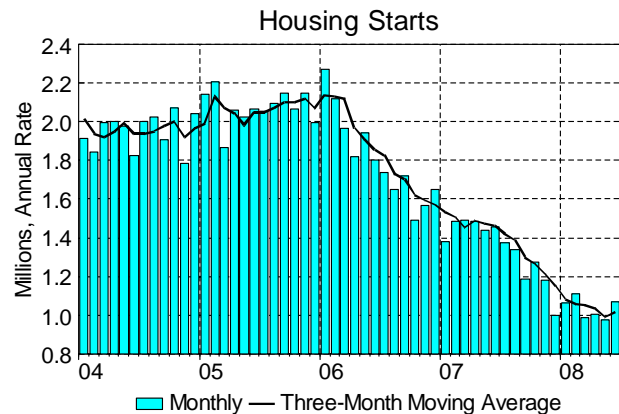
Compared to a year ago, retail sales were up 3%. In the second quarter, retail sales increased 2.6%.



Auto sales plummeted 3.3% in June, the biggest monthly decline in more than 2 years. Excluding autos, retail sales went up 0.8%, the weakest in three months. Gasoline sales jumped 4.6% in June. Home-related purchases were disappointing. Furniture sales fell 1.4%. Electronic sales were down 0.6%. Sales of building materials dropped 0.9%.

Housing Starts

Housing starts rose 9.1% to 1.066 million (annual rate). The increase was led by multi-family starts, which surged 42.5% in June. The sharp increase was due to a change in building permit rules for multi-family homes in New York City.



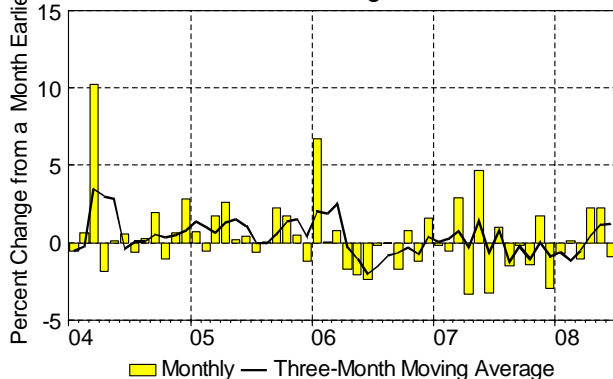
In contrast, starts of single-family homes remained weak. In June, starts of single-family homes fell 5.3% to 647,000 (annual rate), the lowest in 17 years.

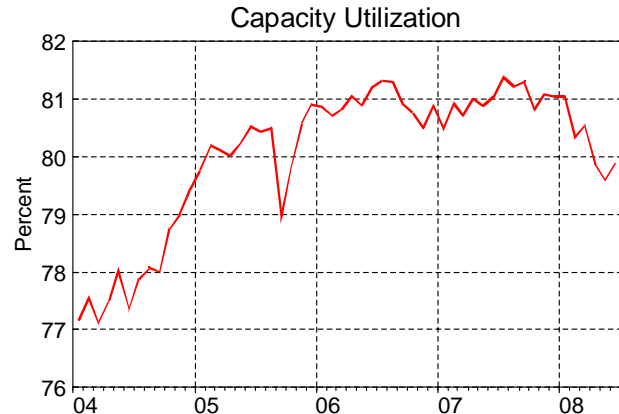
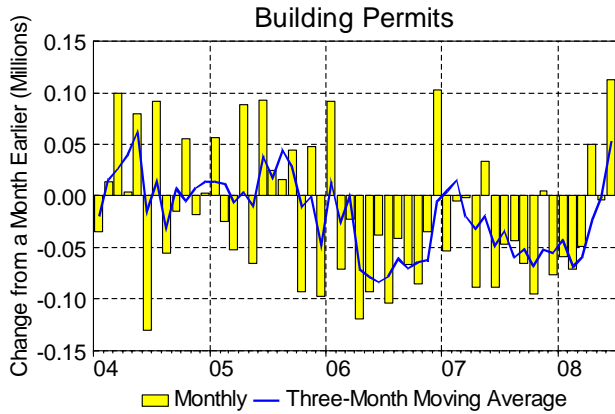
By region, starts soared 103% in the Northeast, and inched up 0.4% in the South. However, they fell 11% in the Midwest and 8.2% in the West.

Building permits were up 11.6% to 1.09 million (annual rate) in June. Similar to housing starts, the strong increase in building permits was due to regulation changes in New York City.

Permits for single-family homes were down 3.5%. Compared to a year ago, housing starts were down 27%, including a 43% drop in single-family starts and 24% decline in multi-family starts.

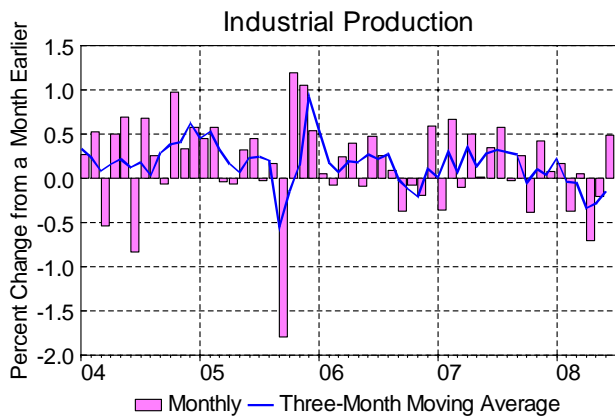
Retail Sales of Building Material Stores





Industrial Production

Industrial production rose 0.5% in June, stronger than the market consensus forecast. The June increase followed declines of 0.7% and 0.2%, respectively, in April and May.



For the second quarter, industrial production was down 3.1%.

Output in the manufacturing sector inched up 0.2%. Auto production jumped 5.4%, as production resumed after a three-month strike. Excluding autos, industrial production was up 0.3%.

Output of consumer goods increased 0.7% in June, after a 0.2% decline in May.

Output in the high-tech sector was up 1.8%. Business equipment production inched up 0.2%.

In the utility sector, output increased 2.1%, reversing the same percentage decline in the previous month.

Output in the mining sector was up 1.1% in June, after a 0.3% increase in May.

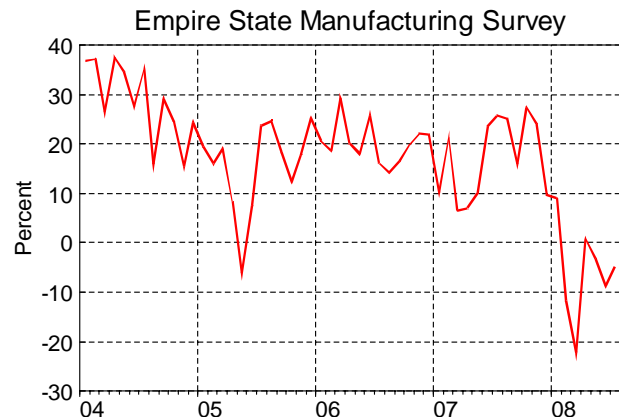
In June, the capacity utilization rate stood at 79.9%, up three-tenths from a month ago. Despite the increase, the June capacity utilization rate was below the 20-year average, at 81%.

Empire State Index

In July, the Empire State Index (from the Federal Reserve Bank of New York) improved from -8.7 to -4.9. Despite the improvement, the index remained negative, which indicates that manufacturing activities will likely continue contraction in the near term.

New orders gained 2.8 index points to -5.5. Shipments jumped from -6.5 to +13.5.

Prices paid continued to rise, up more than 11 index points to 77.9, a new high. Prices received gained more than 5 index points to 32.6, also a record high.

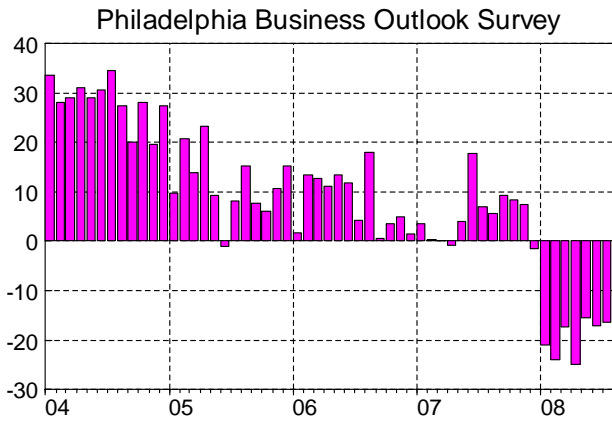


Philadelphia Fed Index

The Philadelphia Fed Index remained negative for the 8th consecutive month. From -17.1 in June, the Philadelphia Fed Index improved marginally to -16.3.

New orders inched up slightly to -12.1. Shipments fell 1.3 index points to -8.

Prices paid rose 6 index points to 75.6, the highest in more than 28 years. Prices received eased marginally, to 28.8.



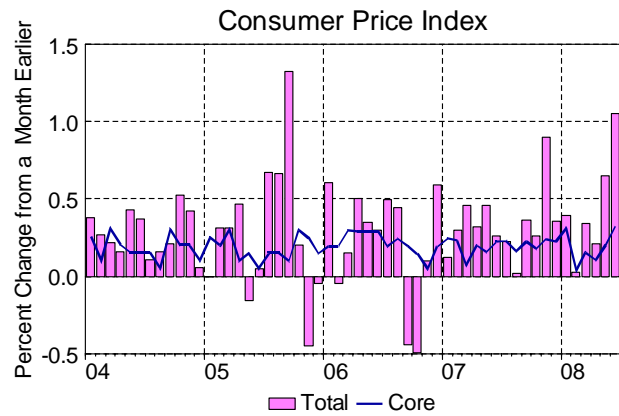
Business Inventories

In May, business inventories increased 0.3%, following a 0.5% gain in April.

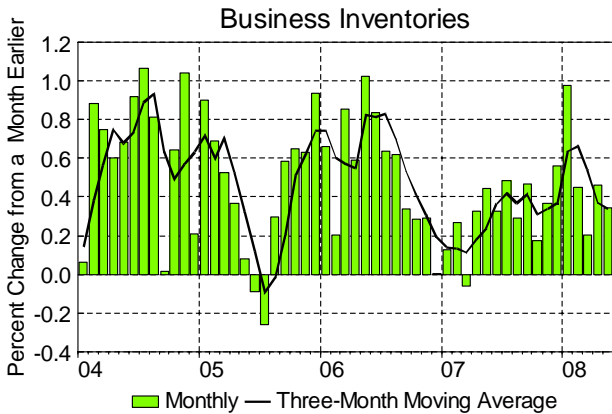
Meanwhile, business sales rose 0.8%, after a 1.5% increase in the previous month. The inventory-sales ratio fell to 1.24 in May, the lowest since November 2007.

Retail inventories fell 0.2% in May, reversing the prior month's 0.2% increase. Auto inventories fell 0.6% in May. Excluding autos, retail inventories fell 0.1% in May.

Excluding food and energy, the core CPI was up 0.3%, the strongest monthly increase since the beginning of the year.



Housing prices increased 0.5%. Owners equivalent rent went up 0.3%. Rental costs were up 0.4%. Prices of new cars inched up 0.2%, while airfare costs were up 4.5%. Medical care prices increased 0.2% as well. Costs of drugs were unchanged in the month. Compared to a year ago, the CPI was up 5%, while the core index increased 2.4%.

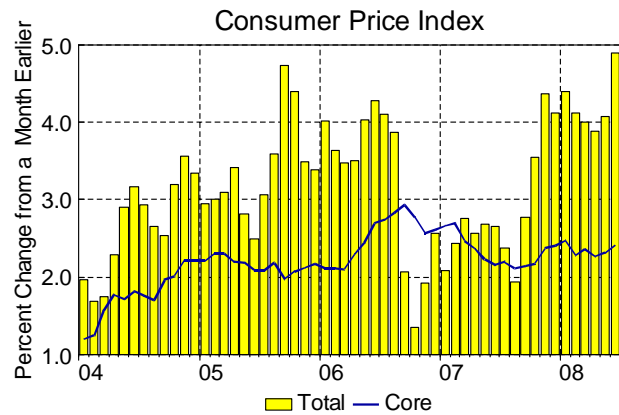


Consumer Price Index

In June, the consumer price index jumped 1.1%, the strongest increase in three years. This followed a 0.6% gain in May.

The magnitude of June increase was unexpected, and was mainly led by energy prices, which jumped 6.6% in the month. Gasoline prices went up 10.1% while costs of fuel oil increased 10.4%. Natural gas prices gained 4.9%.

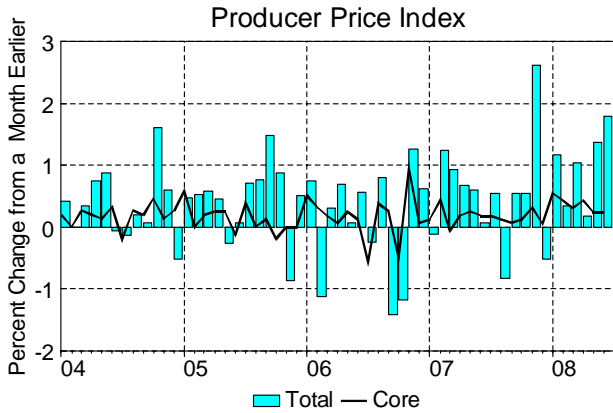
Food prices rose 0.8% in June. Prices of vegetables jumped 6.1%. Prices of dairy products increased 1.6%.



Producer Price Index

The producer price index went up 1.8% in June. Energy prices surged 6%, and food prices jumped 1.5%. Excluding food and energy, the core PPI went up 0.2%.

Gasoline prices increased 9% in June. In the food category, the PPI for vegetables soared 14.7%. Prices for eggs went up 11.6%.

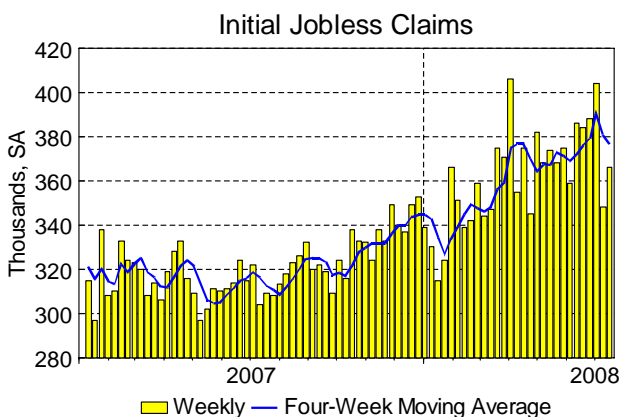
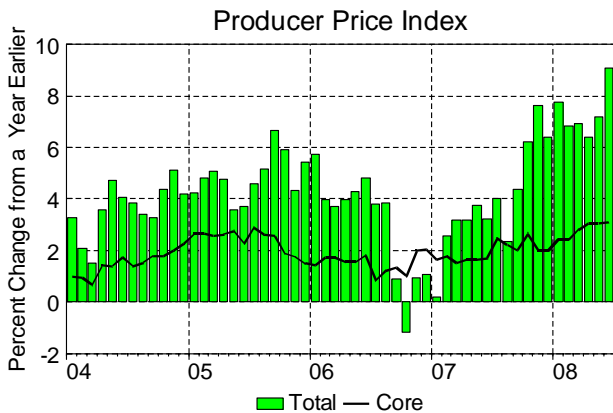


The four-week moving average of claims fell 4,500 to 376,500.

The number of insured unemployed fell 81,000 to 3.12 million, for the week ending July 5. Continuing claims have consistently remained above the 3-million level in the past two months.

The insured unemployment rate inched down to 2.3%.

Prices for intermediate goods rose 2.1% in June, while the core PPI for intermediate goods increased 1.3%. Compared to a year ago, the PPI was up 9.2%, the biggest year-over-year gain in 27 years.



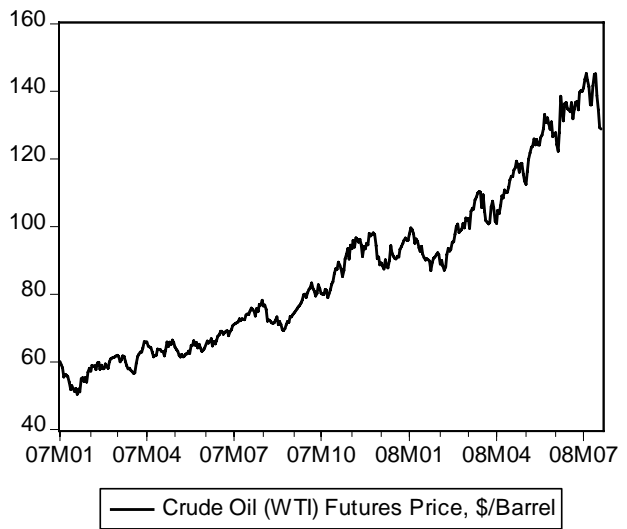
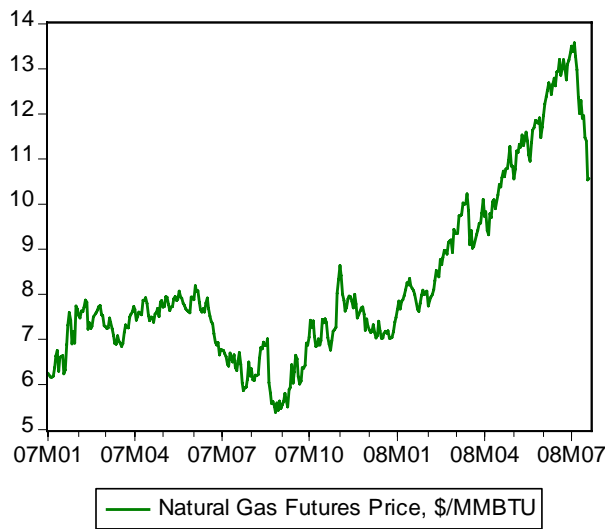
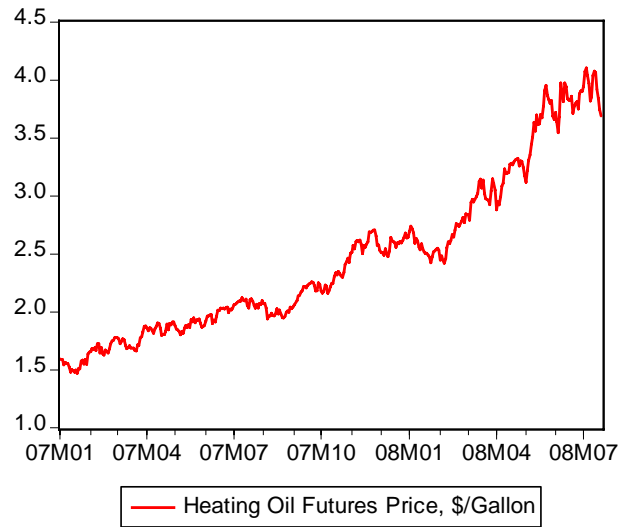
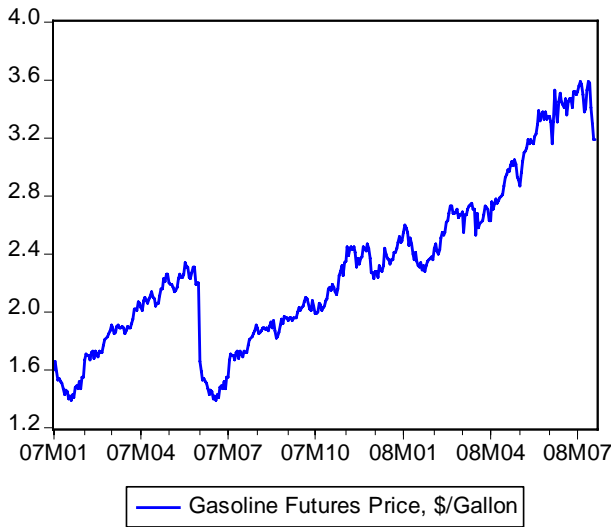
Initial Jobless Claims

For the week ending July 12, initial jobless claims rose 18,000 to 366,000, reversing the prior week's decline. The prior week's initial claims figure was revised up by 2,000.

Energy Prices

After closing the prior week at \$145.08 a barrel, crude oil prices retreated to end this Friday at \$128.88 a barrel, near a six-week low. The decline was mainly led by concerns of a weakening global economy, which will translate to weak energy demand. That said, the upward pressure on energy prices remained. Political tension heightened, as market movers speculated that Iran might not respond to United Nations demands to suspend nuclear research. Similar to crude oil prices, prices of other energy commodities also closed lower this week. Prices of heating oil were down by about 30 cents to \$3.72 a gallon. Prices of gasoline also fell about 30 cents to \$3.17 a gallon. Prices of natural gas fell \$1.4 to \$10.64 per mmbtu.

The trends in energy prices are still showing some increases, but short-period declines are evident.



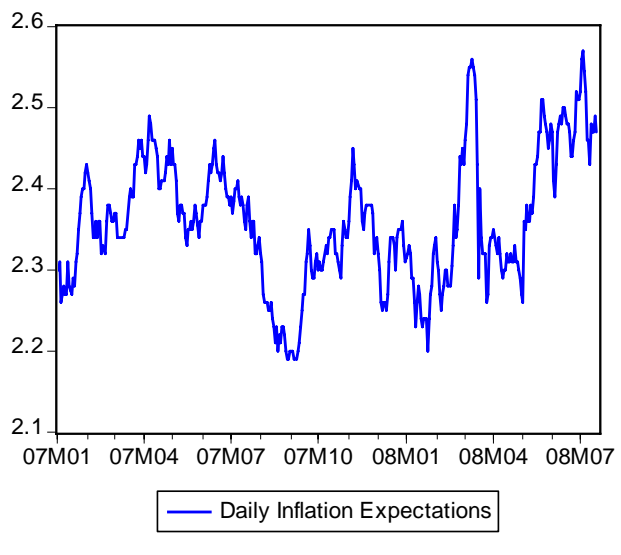
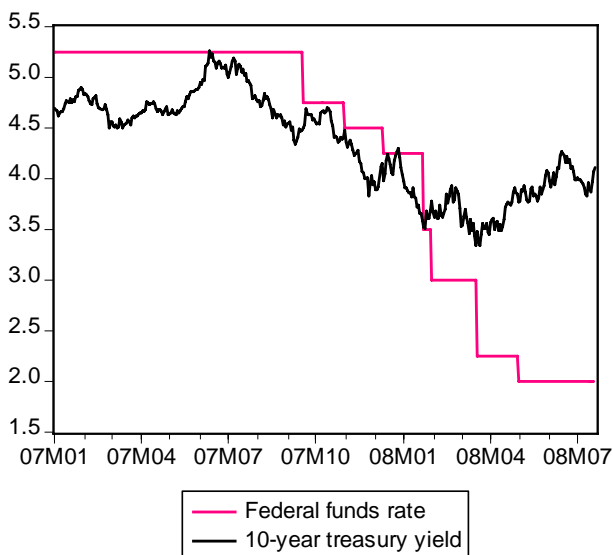
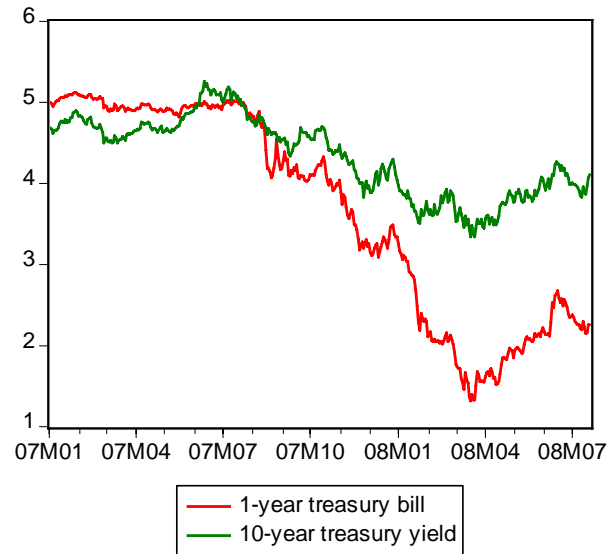
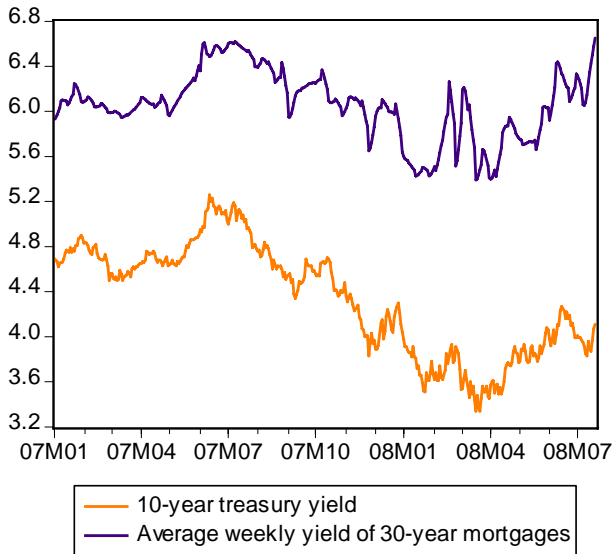
Interest Rates

Short-term interest rates rose for the second consecutive week, led by speculation about rising liquidity in the financial market upon the disappointing news from Fannie Mae and Freddie Mac.

From 2.60% a week ago, the two-year treasury yield rose to 2.64%. In the past two weeks, the two-year treasury yield gained 11 basis points.

The ten-year treasury yield closed Friday at 4.08%, up 12 basis points from a week ago. Oil prices corrected this week, which provided some short-term relief to long-term treasury bond prices.

The upward pressure on daily inflation expectations (yield on unprotected minus yield on protected 10-year bonds) fell marginally. They currently stand at 2.44%, down 2 basis points from a week ago. FED officials remain concerned about inflation.



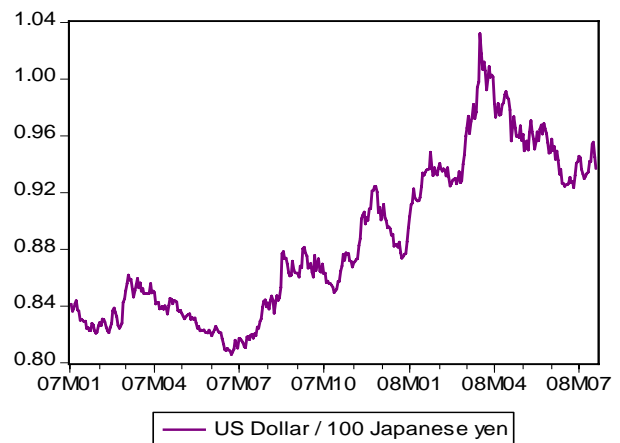
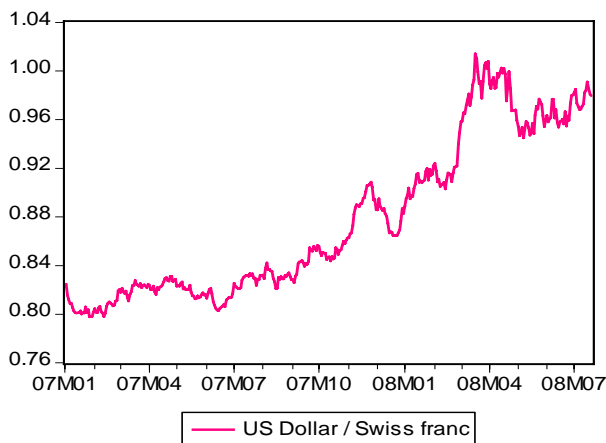
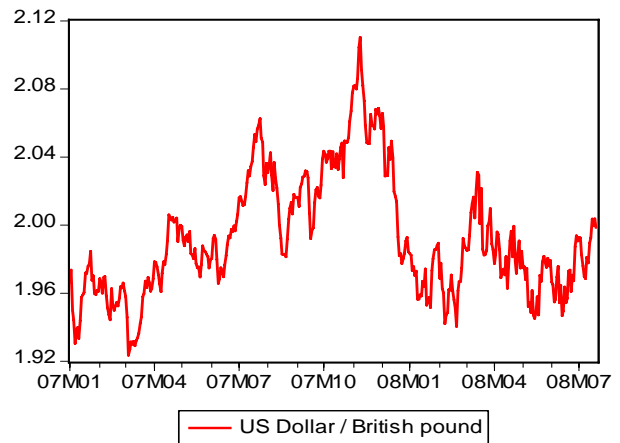
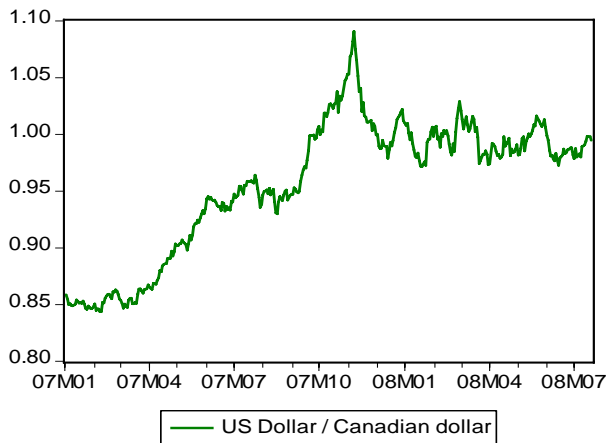
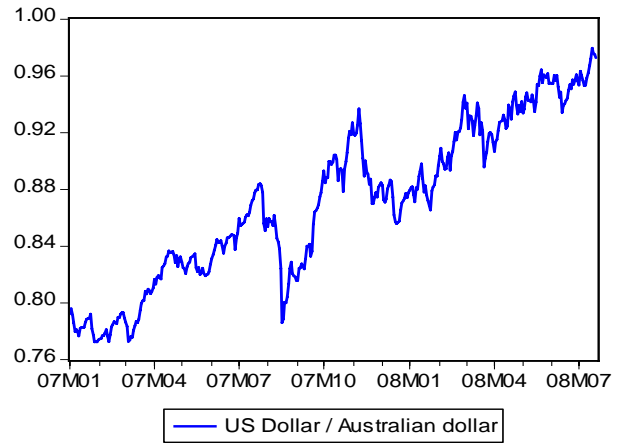
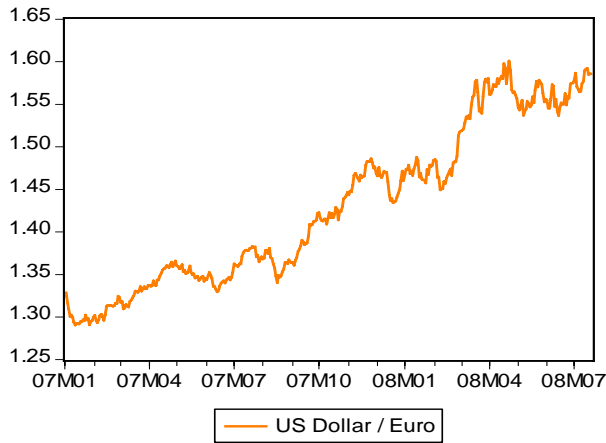
Currency Markets

The US dollar remained weak. In the prior week, the US dollar fell to a new low against the euro. By the prior Friday's market close, the US dollar traded at \$1.5937 per euro. This week, the US dollar rebounded slightly, closing the week at \$1.5857 per euro. The sentiment on the US dollar remained bearish.

Likewise, the US dollar recovered marginally against the Japanese yen. From 106.27 yen per dollar a week ago, the US dollar inched up to 106.843 yen per US dollar.

In contrast, the US dollar fell some more against the British pound. From \$1.9887 per British pound, the US dollar dropped to \$1.9938 per British pound.

Similarly, the US dollar weakened slightly against the Canadian dollar. From 99 cents per Canadian dollar, the US dollar inched down to 99.33 cents per Canadian dollar.



The Week in Preview (July 21 - 25)

Date	Economic Indicator	For	Market Consensus	Prior Month
Jul 21	Index of Leading Indicators	June	-0.1%	0.1%
Jul 24	Existing Home Sales	June	4.97 million	4.99 million
Jul 25	Durable Goods Orders	June	0.0%	0.0%
Jul 25	Consumer Sentiment Index	July	55.0	56.0
Jul 25	New Home Sales	June	505,000	512,000

Current Quarter Forecasts

In the second quarter, our forecast for real GDP is expected to increase 2.0% (SAAR), to be followed by a 0.01% increase in the third quarter of 2008.

The GDP deflator is projected to increase 3.4% in the second quarter (SAAR), and 4.0% 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 17th-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 \$129.8 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 +1.95%.

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	342.73	345.58	345.94	341.78	344.75
% Change	0.6	-0.5	0.5	0.1	0.8	0.1		
% Change, Annual Rate	8.1	-6.1	6.4	1.3	10.4	1.2	0.7	3.5
% Change, Year Ago	3.9	2.5	2.2	2.6	1.8	3.0	2.9	2.4
PRICES								
PPI, Finished Goods (1982=100)	173.4	174.0	175.8	176.1	178.5	181.7	174.4	178.8
% Change	1.2	0.3	1.0	0.2	1.4	1.8		
% Change, Annual Rate	14.9	4.2	13.1	2.1	17.6	23.8	9.4	10.4
% Change, Year Ago	7.8	6.8	6.9	6.4	7.2	9.1	7.2	7.6
CPI, All-Urban (1982-84=100)	212.5	212.6	213.3	213.7	215.1	217.4	212.8	215.4
% Change	0.4	0.0	0.3	0.2	0.6	1.1		
% Change, Annual Rate	4.8	0.3	4.2	2.5	8.1	13.4	4.3	5.0
% Change, Year Ago	4.4	4.1	4.0	3.9	4.1	4.9	4.2	4.3
Housing Starts (Mil)	1.064	1.107	0.988	1.004	0.977	1.066	1.053	1.016
% Change	6.4	4.0	-10.7	1.6	-2.7	9.1		
% Change, Annual Rate	110.5	60.9	-74.5	21.3	-27.9	184.7	-30.0	-13.4
% Change, Year Ago	-23.0	-25.5	-33.8	-32.5	-32.0	-26.9	-27.5	-30.4
Industrial Production Index (2002=	112.57	112.16	112.22	111.42	111.19	111.73	112.31	111.44
% Change	0.2	-0.4	0.1	-0.7	-0.2	0.5		
% Change, Annual Rate	2.0	-4.3	0.7	-8.2	-2.5	6.0	0.5	-3.1
% Change, Year Ago	2.5	1.5	1.6	0.4	0.2	0.3	1.9	0.3
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	1474.25	1479.33	1485.46	1463.30	1479.68
% Change	1.0	0.4	0.2	0.5	0.3	0.4		
% Change, Year Ago	4.7	4.9	5.2	5.3	5.2	5.3	4.9	5.3
+ Difference, Annual Rate	169.4	78.5	35.6	81.4	61.0	73.5	106.2	65.5
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	11796.8	11773.1
% Previous Q, A.R.	4.91	0.58	0.96	3.22	-0.80
% Year before	2.84	2.46	2.55	2.40	0.98
(ii) Income Side GDP	11658.9	11675.7	11703.6	11729.0	11708.4
% Previous Q, A.R.	4.91	0.58	0.96	0.87	-0.70
% Year before	2.84	2.46	2.55	1.81	0.42
(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	11760.2	11760.6
% Previous Q, A.R.	4.91	0.58	0.96	1.95	0.01
% Year before	2.84	2.46	2.55	2.08	0.87
GDP Deflator (2000=100)					
(i) Expenditure Side PGDP	119.8	120.6	121.4	122.5	123.8
% Previous Q, A.R.	1.04	2.44	2.69	3.66	4.47
% Year before	2.40	2.58	2.20	2.45	3.31
(ii) Income Side PGDP: Same as (i)	119.8	120.6	121.4	122.5	123.8
% Previous Q, A.R.	1.04	2.44	2.69	3.66	4.47
% Year before	2.40	2.58	2.20	2.45	3.31
(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	122.4	123.6
% Previous Q, A.R.	1.04	2.44	2.69	3.39	3.98
% Year before	2.40	2.58	2.20	2.39	3.12
Nominal GDP					
(i) Expenditure Side GDP\$	13970.5	14074.2	14201.1	14452.4	14606.8
% Previous Q, A.R.	5.99	3.00	3.66	7.27	4.34
% Year before	5.30	5.09	4.79	4.96	4.55
(ii) Income Side GDP\$	13970.5	14074.2	14201.1	14363.2	14495.7
% Previous Q, A.R.	5.99	3.00	3.66	4.64	3.74
% Year before	5.30	5.09	4.79	4.32	3.76
(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	14394.2	14543.8
% Previous Q, A.R.	5.99	3.00	3.66	5.55	4.22
% Year before	5.30	5.09	4.79	4.54	4.10

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	11796.76	11773.09
Total Demand	13633.20	13643.00	13667.50	13773.03	13758.86
Domestic Demand	12188.30	12175.50	12180.40	12261.28	12212.70
Domestic Final Demand	12155.60	12194.60	12199.00	12270.88	12221.01
Final Demand	11626.40	11695.20	11722.50	11803.73	11778.33
Personal Consumption Expenditures	8302.20	8349.10	8372.90	8452.58	8417.50
Durable Goods	1241.90	1248.10	1229.10	1221.25	1224.57
Nondurable Goods	2396.80	2404.20	2403.20	2429.10	2407.11
Services	4689.50	4722.40	4758.90	4792.04	4805.95
Gross Private Domestic Investment	1859.90	1787.70	1756.10	1756.63	1756.18
Fixed Investment	1826.00	1807.50	1775.30	1766.21	1764.49
Nonresidential	1387.30	1407.80	1409.70	1424.83	1439.43
Equipment and Software	1073.50	1081.70	1082.30	1100.95	1120.96
Structures	311.10	320.30	321.30	320.64	319.16
Residential	463.30	430.90	401.60	382.05	369.45
Change In Business Inventories	30.60	-18.30	-19.60	-9.58	-8.31
Farm	4.10	2.20	-1.00	-1.39	-0.54
Nonfarm	26.02	-21.68	-18.87	-8.19	-7.76
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	2052.21	2038.82
Federal	764.00	765.00	773.20	775.35	771.80
State and Local	1269.60	1278.30	1280.90	1276.86	1266.95

Percent Change, Annual Rate

Gross Domestic Product	4.91	0.58	0.96	3.22	-0.80
Total Demand	4.83	0.29	0.72	3.12	-0.41
Domestic Demand	3.33	-0.42	0.16	2.68	-1.58
Domestic Final Demand	2.48	1.29	0.14	2.38	-1.62
Final Demand	4.01	2.39	0.94	2.80	-0.86
Personal Consumption Expenditures	2.84	2.28	1.15	3.86	-1.65
Durable Goods	4.47	2.01	-5.95	-2.53	1.09
Nondurable Goods	2.20	1.24	-0.17	4.38	-3.57
Services	2.85	2.84	3.13	2.81	1.17
Gross Private Domestic Investment					
Fixed Investment	-0.72	-3.99	-6.94	-2.03	-0.39
Nonresidential	9.36	6.04	0.54	4.36	4.16
Equipment and Software	6.23	3.09	0.22	7.07	7.47
Structures	16.42	12.36	1.25	-0.82	-1.83
Residential	-20.53	-25.17	-24.55	-18.09	-12.56
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	-0.33	-2.58
Federal	7.11	0.52	4.36	1.12	-1.82
State and Local	1.95	2.77	0.82	-1.26	-3.07

EXPENDITURE SIDE

Nominal Gross Domestic Product

	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3
Billions of Dollars, SAAR					
Gross Domestic Product	13970.50	14074.20	14201.10	14452.36	14606.75
Total Demand	16350.90	16520.80	16717.00	17048.02	17275.94
Domestic Demand	14665.10	14783.10	14918.10	15189.24	15354.15
Domestic Final Demand	14629.70	14810.50	14948.40	15200.98	15364.46
Final Demand	13935.00	14101.60	14231.50	14464.10	14617.06
Personal Consumption Expenditures	9785.70	9936.60	10053.70	10256.45	10365.31
Durable Goods	1081.60	1082.50	1065.50	1056.51	1059.91
Nondurable Goods	2846.30	2904.50	2949.90	3024.08	3074.09
Services	5857.80	5949.70	6038.20	6143.86	6231.31
Gross Private Domestic Investment	2162.90	2082.10	2038.90	2062.67	2079.93
Fixed Investment	2127.50	2109.50	2069.20	2074.41	2090.24
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	519.88	508.70
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	2870.13	2908.92
Federal	990.30	997.70	1023.30	1035.95	1047.95
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	7.27	4.34
Total Demand	6.87	4.22	4.84	8.16	5.46
Domestic Demand	5.12	3.26	3.70	7.47	4.41
Domestic Final Demand	4.26	5.04	3.78	6.93	4.37
Final Demand	5.08	4.87	3.74	6.70	4.30
Personal Consumption Expenditures	4.70	6.31	4.80	8.31	4.31
Durable Goods	2.59	0.33	-6.14	-3.33	1.30
Nondurable Goods	3.39	8.43	6.40	10.44	6.78
Services	5.75	6.42	6.08	7.19	5.82
Gross Private Domestic Investment	4.53	-14.13	-8.04	4.75	3.39
Fixed Investment	-1.19	-3.34	-7.43	1.01	3.09
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	-14.22	-8.33
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	6.47	5.52
Federal	8.86	3.02	10.67	5.04	4.71
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	122.46	123.81
Total Demand	119.93	121.09	122.31	123.78	125.56
Domestic Demand	120.33	121.43	122.50	123.88	125.71
Domestic Final Demand	120.36	121.45	122.54	123.88	125.71
Final Demand	119.86	120.58	121.41	122.54	124.09
Personal Consumption Expenditures	117.87	119.02	120.08	121.34	123.14
Durable Goods	87.09	86.73	86.68	86.51	86.55
Nondurable Goods	118.75	120.81	122.75	124.49	127.71
Services	124.92	126.00	126.89	128.21	129.66
Gross Private Domestic Investment	116.33	116.55	116.22	117.42	118.43
Fixed Investment	116.50	116.70	116.54	117.45	118.46
Nonresidential	108.14	108.44	108.47	109.10	109.87
Equipment and Software	94.75	94.78	94.61	94.95	95.28
Structures	155.39	156.61	157.32	158.79	160.89
Residential	135.37	135.24	134.47	136.08	137.69
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	139.86	142.65
Federal	129.62	130.42	132.36	133.61	135.77
State and Local	135.97	138.21	140.71	143.65	146.88

Percent Change, Annual Rate

Gross Domestic Product	1.04	2.44	2.69	3.66	4.47
Total Demand	1.95	3.92	4.09	4.90	5.85
Domestic Demand	1.75	3.71	3.55	4.61	6.04
Domestic Final Demand	1.74	3.70	3.63	4.46	6.04
Final Demand	1.02	2.42	2.77	3.78	5.18
Personal Consumption Expenditures	1.81	3.95	3.61	4.27	6.06
Durable Goods	-1.80	-1.67	-0.21	-0.78	0.20
Nondurable Goods	1.15	7.12	6.58	5.80	10.74
Services	2.82	3.49	2.88	4.22	4.60
Gross Private Domestic Investment	-0.35	0.77	-1.11	4.19	3.49
Fixed Investment	-0.47	0.68	-0.53	3.15	3.49
Nonresidential	-0.56	1.11	0.11	2.35	2.85
Equipment and Software	-1.05	0.14	-0.72	1.44	1.38
Structures	0.50	3.17	1.83	3.80	5.39
Residential	-0.27	-0.38	-2.25	4.86	4.84
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	6.80	8.25
Federal	1.63	2.47	6.08	3.85	6.61
State and Local	4.17	6.75	7.42	8.63	9.32

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	14363.21	14495.72
Plus:					
Receipts of Factor Income	855.60	848.10	784.10	802.44	821.22
Less:					
Payments of Factor Income	754.40	700.20	663.30	674.78	686.64
Equals: Gross National Product	14071.60	14222.10	14321.90	14490.87	14630.30
Less:					
Consumption of Fixed Capital	1690.90	1701.10	1710.80	1712.20	1722.56
Equals: Net National Product	12380.80	12520.90	12611.10	12778.68	12908.08
Indirect Business Taxes	1014.37	1024.76	1030.34	1041.56	1054.49
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	12660.40	12799.89
Corporate Profits	1621.90	1569.00	1563.80	1584.72	1616.66
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	12264.06	12418.66
Percent Change, Annual Rate					
Gross Domestic Product	5.99	3.00	3.66	4.64	3.74
Plus:					
Receipts of Factor Income	21.94	-3.46	-26.94	9.69	9.70
Less:					
Payments of Factor Income	5.99	-25.79	-19.47	7.11	7.21
Equals: Gross National Product	6.88	4.35	2.84	4.80	3.90
Less:					
Consumption of Fixed Capital	1.79	2.43	2.30	0.33	2.44
Equals: Net National Product	7.60	4.60	2.91	5.42	4.11
Indirect Business Taxes	4.16	4.16	2.20	4.43	5.06
Business Transfers	7.08	15.68	12.83	-2.23	-2.12
National Income	3.29	3.72	2.35	5.86	4.48
Corporate Profits	-4.90	-12.42	-1.32	5.46	8.31
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	8.66	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	1056.91	1063.87
Farm	38.60	43.80	37.30	34.21	30.04
Business and Profess.	1010.00	1012.10	1018.50	1022.70	1033.83
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	10989.38	11214.55
Addendum:					
Domestic Final Sales	14633.6	14810.8	14944.7	15111.8	15253.4

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	0.38	2.66
Farm	84.94	65.79	-47.41	-29.26	-40.52
Business and Profess.	1.88	0.83	2.55	1.66	4.42
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	20.11	8.45
Addendum:					
Domestic Final Sales	4.26	4.93	3.66	4.55	3.80

*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	342.73	345.58	345.94	362.70	364.71	366.43
RS, Durable Goods Stores	121.59	120.28	119.63	118.06	118.45	115.62	122.01	122.98	123.47
RS, Bldg Materials, Hardware	26.99	27.02	26.74	27.34	27.96	27.71	29.07	29.25	29.39
RS, Auto Dealers	75.75	74.42	74.04	71.76	71.33	68.96	73.83	74.82	74.95
RS, Furn, Home Furn & Equip	9.52	9.48	9.48	9.46	9.49	9.35	9.81	9.89	9.96
RS, Nondurable Goods Stores	215.11	214.97	216.97	218.56	221.04	223.77	233.17	234.55	235.34
RS, Food Stores	48.01	48.18	48.59	48.96	48.96	49.24	51.31	51.44	51.58
RS, Gas Service Stations	41.85	41.24	42.30	42.55	43.96	45.97	48.55	49.30	49.50
RS, Apparel and Accessories	18.91	18.75	18.87	18.97	19.12	19.24	20.10	20.20	20.30
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	244.91	266.38	200.36	252.13	288.74	195.98	271.04	247.34	221.76
Federal Govt Debt Outstanding	9160.76	9280.37	9362.87	9303.52	9328.80	9432.27	9468.26	9540.02	9593.06

HOUSING STARTS, Millions, SAAR

Housing Starts, Total	1.0640	1.1070	0.9880	1.0040	0.9770	1.0660	1.0363	1.0409	1.0574
-----------------------	--------	--------	--------	--------	--------	--------	--------	--------	--------

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	0.11	0.83	0.10	4.84	0.55	0.47
RS, Durable Goods Stores	-0.04	-1.07	-0.54	-1.32	0.33	-2.39	5.52	0.80	0.40
RS, Bldg Materials, Hardware	-0.66	0.10	-1.04	2.24	2.28	-0.91	4.92	0.62	0.50
RS, Auto Dealers	0.25	-1.76	-0.50	-3.09	-0.59	-3.33	7.06	1.34	0.16
RS, Furn, Home Furn & Equip	-0.86	-0.41	0.01	-0.23	0.34	-1.44	4.87	0.83	0.72
RS, Nondurable Goods Stores	0.87	-0.07	0.93	0.73	1.13	1.24	4.20	0.59	0.34
RS, Food Stores	0.26	0.35	0.86	0.76	-0.13	0.71	4.21	0.25	0.27
RS, Gas Service Stations	3.10	-1.45	2.55	0.61	3.30	4.58	5.61	1.55	0.41
RS, Apparel and Accessories	2.40	-0.85	0.64	0.54	0.76	0.64	4.47	0.49	0.50
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	7.03	8.77	-24.78	25.84	14.52	-32.13	38.30	-8.74	-10.34
Federal Govt Debt Outstanding	0.12	1.31	0.89	-0.63	0.27	1.11	0.38	0.76	0.56

HOUSING STARTS

Housing Starts, Total	6.40	4.04	-10.75	1.62	-2.69	9.11	-2.79	0.45	1.58
-----------------------	------	------	--------	------	-------	------	-------	------	------

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	112.57	112.16	112.22	111.42	111.19	111.73	111.89	112.07	112.36
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	540.67	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	501.05	499.94	501.13	502.68	503.83	505.49
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	0.16	-0.37	0.06	-0.71	-0.21	0.48	0.14	0.17	0.25
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	0.22	-0.22	0.24	0.31	0.23	0.33
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	217.40	218.67	219.85	220.93
CPI, Durables	112.02	111.76	111.80	111.42	111.23	111.26	111.27	111.28	111.32
CPI, Furniture	123.79	123.90	125.97	124.56	123.49	124.00	123.84	123.72	123.92
CPI, Housekeeping Supplies	171.19	172.34	173.63	174.83	175.43	175.60	176.22	176.85	177.48
CPI, Nondurables	202.48	202.38	203.73	204.71	207.83	212.72	214.43	215.86	216.70
CPI, Apparel and Upkeep	119.76	119.35	117.82	118.36	118.04	118.11	118.27	118.46	118.66
CPI, Food and Beverages	208.33	209.09	209.52	211.44	212.09	213.61	214.65	215.56	216.56
CPI, Motor Oil, Fuel,	283.01	277.45	282.00	276.57	292.24	321.62	331.94	332.31	332.53
CPI, Services	251.32	251.80	252.70	253.46	254.64	255.87	256.85	257.78	258.78
CPI, New cars	135.60	135.20	135.02	134.77	134.69	134.99	135.19	135.37	135.58
PRODUCER PRICE INDEX (PPI), 1982=100, SA									
PPI, Finished Goods	173.40	174.00	175.80	176.10	178.50	181.70	182.98	184.50	185.88
PPI, Capital Equipment	151.00	151.60	151.90	152.50	152.70	153.10	153.50	153.85	154.23
PPI, Intermediate Materials	179.30	180.90	184.80	186.50	192.00	196.10	198.84	201.99	204.60
PPI, Components for Construction	194.50	195.70	197.10	199.10	203.20	206.20	208.59	210.16	211.20
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
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	1.06	0.58	0.54	0.49
CPI, Durables	-0.07	-0.24	0.04	-0.34	-0.17	0.03	0.01	0.00	0.04
CPI, Furniture	0.23	0.09	1.67	-1.12	-0.86	0.42	-0.13	-0.09	0.17
CPI, Housekeeping Supplies	0.26	0.67	0.75	0.69	0.34	0.10	0.36	0.36	0.35
CPI, Nondurables	0.83	-0.05	0.67	0.48	1.53	2.35	0.81	0.66	0.39
CPI, Apparel and Upkeep	0.44	-0.34	-1.28	0.46	-0.27	0.05	0.14	0.16	0.16
CPI, Food and Beverages	0.68	0.37	0.21	0.92	0.31	0.72	0.49	0.42	0.47
CPI, Motor Oil, Fuel	1.10	-1.97	1.64	-1.92	5.67	10.05	3.21	0.11	0.07
CPI, Services	0.31	0.19	0.36	0.30	0.47	0.48	0.38	0.36	0.39
CPI, New Cars	-0.26	-0.30	-0.13	-0.19	-0.06	0.22	0.15	0.13	0.16
PRODUCER PRICE INDEX (PPI)									
PPI, Finished Goods	1.17	0.35	1.03	0.17	1.36	1.79	0.70	0.83	0.75
PPI, Capital Equipment	0.47	0.40	0.20	0.39	0.13	0.26	0.26	0.23	0.25
PPI, Intermediate Materials	1.19	0.89	2.16	0.92	2.95	2.14	1.40	1.59	1.29
PPI, Components for Construction	0.36	0.62	0.72	1.01	2.06	1.48	1.16	0.75	0.49
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
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
--------------------	--------	--------	--------	--------	--------	--------	--------	--------	--------

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
--------------------	-------	------	------	------	------	------	------	------	------

MONTHLY FINANCIAL INDICATORS

	JAN08	FEB08	MAR08	APR08	MAY08	JUN08	JUL08	AUG08	SEP08
MONEY SUPPLY, Billions of Dollars, SA									
Money Supply (M1)	1367.0	1372.5	1374.7	1370.7	1367.1	1385.7	1390.1	1394.7	1399.5
Money Supply (M2)	7480.1	7586.0	7664.4	7679.7	7688.1	7686.7	7703.3	7736.9	7770.3
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

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

Percent Change, Monthly Rate

MONEY SUPPLY									
Money Supply, (M1)	0.07	0.40	0.16	-0.29	-0.26	1.36	0.32	0.33	0.34
Money Supply, (M2)	0.67	1.42	1.03	0.20	0.11	-0.02	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

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