

**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***

- Concerns about inflation estimates, leading to price instability, make it difficult for Chairman Bernanke to stay with a broader policy mix that combines growth with moderate price increases. The "inflation hawks" are out of line with measures of inflation expectations. Our estimates of inflation expectations have not turned upward in August, and it is reported that Mr. Trichet of the European Central Bank supports the Bernanke view.
- Leading Economic Indicators fell in July.
- The readings from the Philadelphia Fed Survey for August improved over the July report, but the index values was not yet in positive territory.
- Housing starts provided weak estimates for July, and building permits were also weak.
- It is to be hoped that some support for the economy will come from this week's Democratic convention.
- The Olympic games appear to have been extremely successful in China and should contribute to on-going economic progress there.
- Initial claims for unemployment insurance fell by 13,000 in the week ending August 16. For the previous week, there was a downward revision of 5,000.

**FORECAST UPDATE OVERVIEW**

This forecast incorporates the following National Income and Product Accounts:

JUL 31 GDP (based on Chain 2000 Weights) for 2008Q2: 1.9%  
 AUG 04 Personal Income and Consumption for June: 0.1%, 0.6%

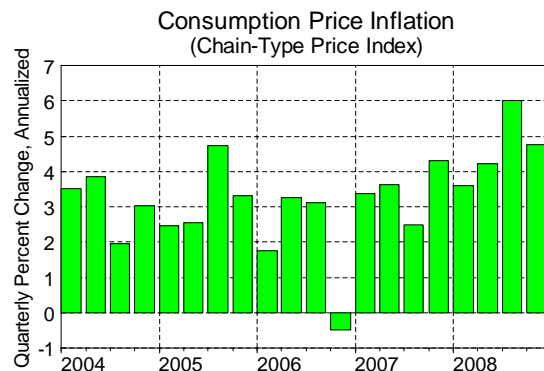
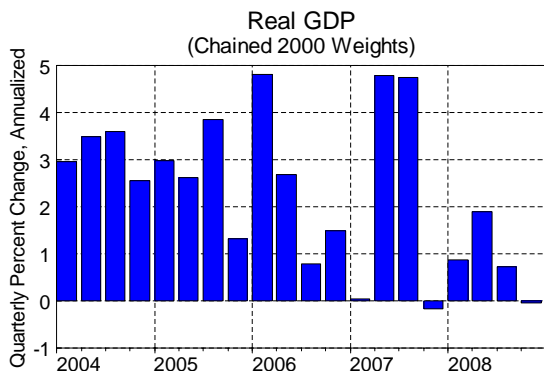
The latest CQM forecast incorporates new monthly economic indicators (marked in red) that were not included in the previous forecast

Date	Economic Indicator	for	Latest	Prior Month
Aug 01	Construction Spending	June	-0.4%	0.0%
Aug 01	Nonfarm Payroll Employment	July	-51,000	-51,000
Aug 01	Auto Sales	July	12.5 Million	13.6 Million
Aug 07	Consumer Credit Outstanding	June	\$14.3 billion	\$7.8 billion
Aug 13	Export/Import Price Index	July	1.0%, 2.6%	1.0%, 2.6%
<b>Aug 19</b>	<b>Producer Price Index, Total &amp; Core</b>	<b>July</b>	<b>1.2%, 0.7%</b>	<b>1.8%, 0.2%</b>
Aug 13	Retail Sales, Total & Ex-Auto	July	-0.1%, 0.4%	0.1%, 0.8%
Aug 15	Industrial Production	July	0.2%	0.4%
Aug 13	Business Inventories	June	0.7%	0.3%
Aug 14	Consumer Price Index, Total & Core	July	0.8%, 0.3%	1.1%, 0.3%
<b>Aug 19</b>	<b>Housing Starts</b>	<b>July</b>	<b>965,000</b>	<b>1,084,000</b>
Aug 12	Trade Balance	June	-\$56.8 billion	-\$59.2 billion
Jul 25	Durable Goods Orders & Shipments	June	0.8%, 0.6%	0.1%, -1.2%
Aug 04	Manuf Ships, Inv, & Orders	June	1.6%, 1.0%, 1.7%	0.3%, 0.6%, 0.9%

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	
	08Q1	08Q2	08Q3	08Q4		08Q1	08Q2	08Q3	08Q4		
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	<b>0.60</b>	-0.50	1.34		<b>3.52</b>	3.55	3.96			<=1 <sup>st</sup>	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	<b>0.90</b>	0.95	-0.51		<b>3.46</b>	4.11	3.29			<=2 <sup>nd</sup>	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	<b>0.96</b>	2.07	0.88		<b>3.61</b>	3.80	4.50			<=3 <sup>rd</sup>	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				
Jul 28		1.95	0.01			4.27	6.06				
Aug 11	<b>0.87</b>	<b>1.89</b>	1.30	0.15	<b>3.61</b>	<b>4.21</b>	5.28	4.45		<=1 <sup>st</sup>	08Q2
Aug 18		2.78	0.72	-0.05		4.35	6.01	4.77			
Aug 25		2.77	0.68	-0.07		4.35	6.01	4.77			

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



# High Frequency Indicators

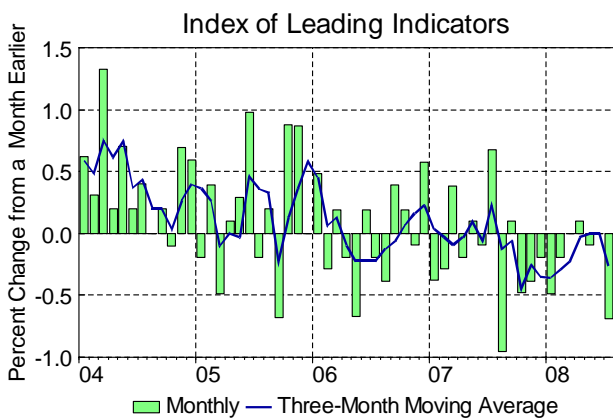
## The Week in Review (August 18 - 22)

### Index of Leading Indicators

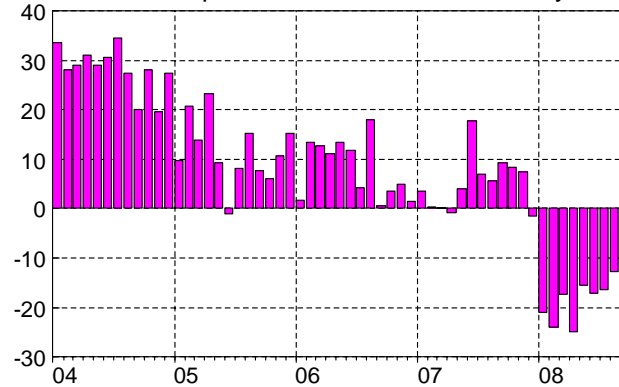
In July, the Index of Leading Indicators fell 0.7%, after being flat in June.

Among the 10 components of the Index, five fell in July. The biggest three negative contributors were building permits, stock prices and initial jobless claims.

Price pressures eased. The price-paid index was down 18 index points to 57.5 in August.



### Philadelphia Business Outlook Survey

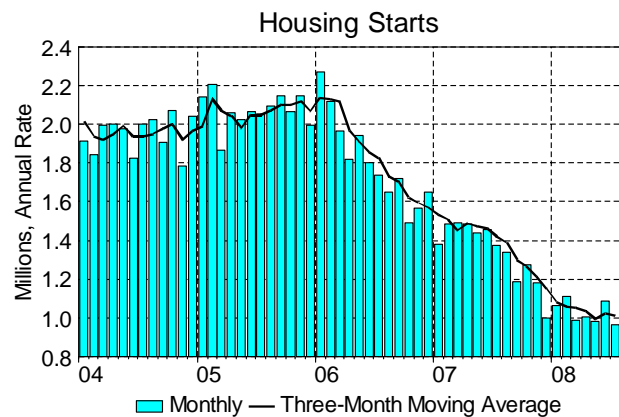
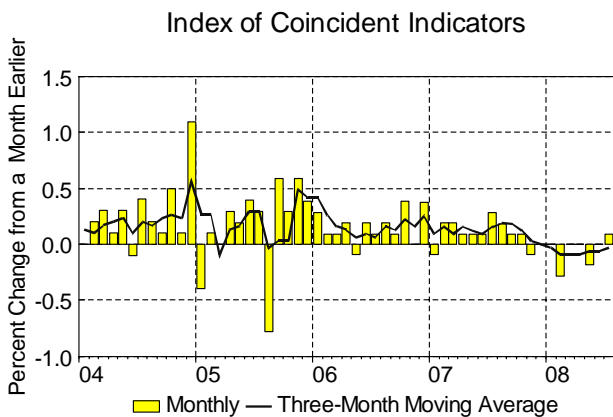


The Index of Coincident Indicators was up 0.1% in July, while the Index of Lagging Indicators fell 0.4%.

### Housing Starts

In July, housing starts plunged 11% to 965,000 (annual rate). This was the lowest level of housing starts in more than 15 years.

Housing starts in June were revised up to 1.084 million (annual rate).



### Philadelphia Fed Index

In August, the Philadelphia Fed Index improved from a month ago, but remained negative. The Index was up a few index points to -12.7.

Both new orders and shipments rose, but remained negative.

Compared to a year ago, July housing starts were down 29.6%.

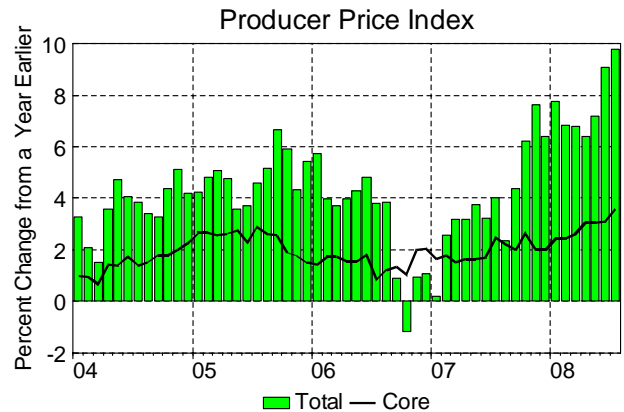
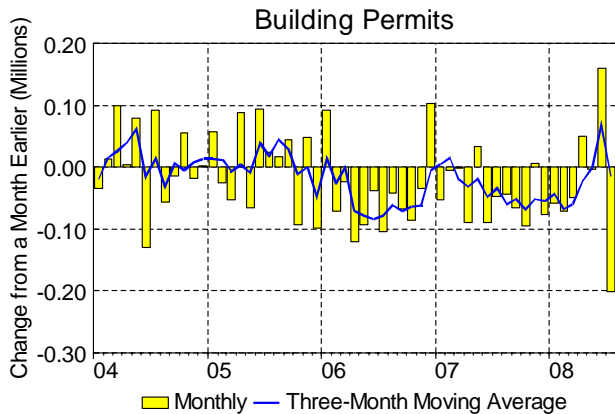
Starts of single-family homes fell 2.9% to 641,000 (annual rate), the weakest since 1991. Starts of multi-family homes were down 24% from a month ago, to 324,000 (annual rate).

Housing starts fell in all regions except the Midwest, with a 10% increase.

Building permits fell 17.7% to 937,000 (annual rate) in July. Compared to a year ago, building permits fell 32.4%.

Permits for single-family homes went down 5.2% to 584,000, the lowest since 1982.

Compared to a year ago, the PPI was up 9.8%, and the core PPI gained 3.6%.



**Producer Price Index**

In July, the producer price index was up 1.2%, following a 1.8% increase in June.

Energy prices were up 3.1% in July, including a 8.8% increase in natural gas prices. Gasoline prices, however, were down 0.2% in July.

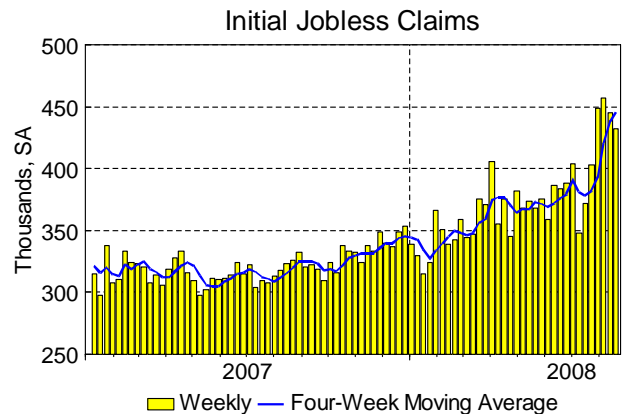
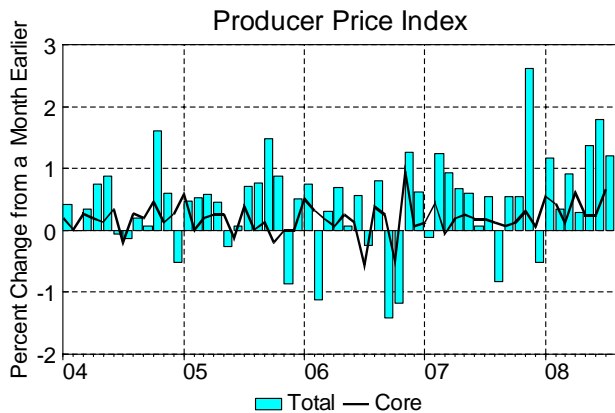
Food prices gained 0.3% in July. Prices for beef and veal jumped 7.4%, the strongest increase in almost five years. Prices for milk products went up 5%.

**Initial Jobless Claims**

For the week ending August 16, initial jobless claims fell by 13,000 to 432,000. The previous week's claims figure was revised down by 5,000.

The four-week moving average of claims rose 7,250 to 445,750, the highest level since 2001.

The number of insured unemployed fell 17,000 to 3.36 million, for the week ending August 9. Continuing claims have consistently remained above the 3-million level since mid-April.



Excluding food and energy, the core PPI was up 0.7%, stronger than expected.

Prices of passenger cars went up 1.4%, while prices of light trucks increased 0.8%.

Prices for intermediate goods gained 2.7%. The core PPI for intermediate goods went up 2% in July.

**Energy Prices**

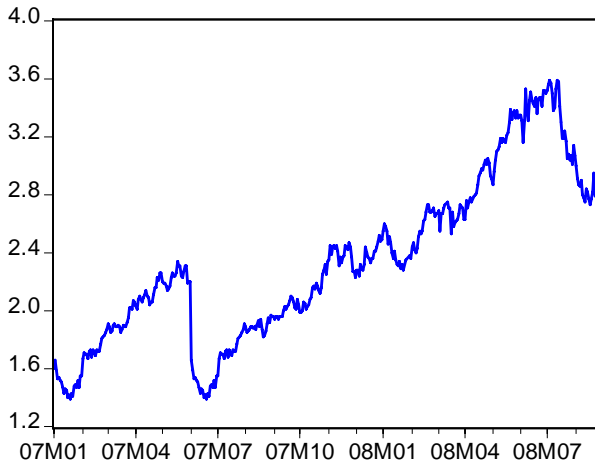
Crude oil prices have been extremely volatile in recent trading. It surged in one day, then fell another. By the week's close, prices rose about 80 cents from a week ago, to \$114.59 a barrel.

The gyrations of oil prices is driven by several factors: the political tension between Russia and the West, the uncertainty on the US economic outlook, renewed worries on the US dollar.

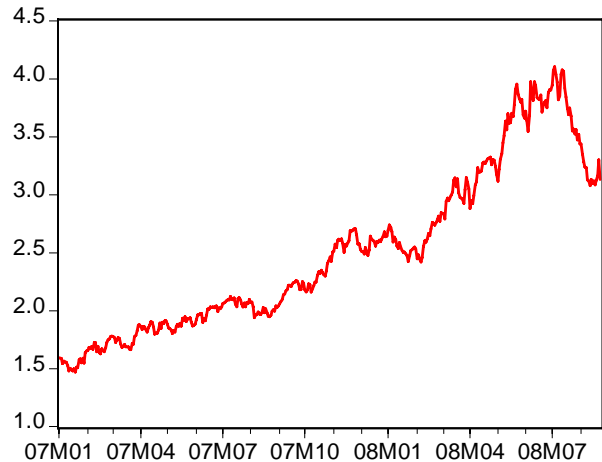
Prices of other energy commodities also realized some fluctuations over the week. The week's closing price, however, was close to the prior week's close.

Prices of heating oil stood at \$3.16 a gallon by Friday's market close. Prices of gasoline traded at \$2.87 per gallon. Prices of natural gas were 4 cents below \$8 per mmbtu.

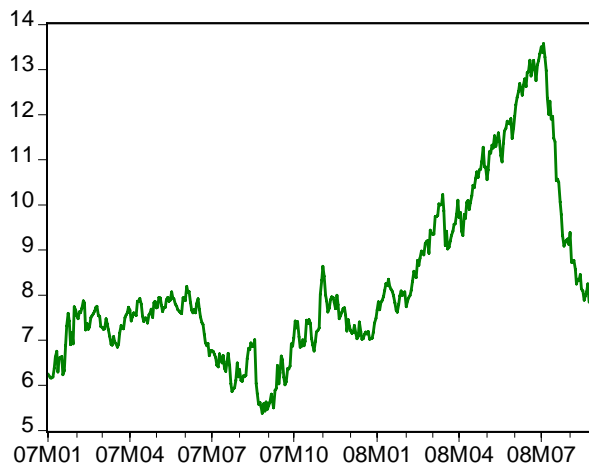
The slight rebound in energy prices this week was small compared to the price declines in the prior weeks.



— Gasoline Futures Price, \$/Gallon



— Heating Oil Futures Price, \$/Gallon



— Natural Gas Futures Price, \$/MMBTU



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

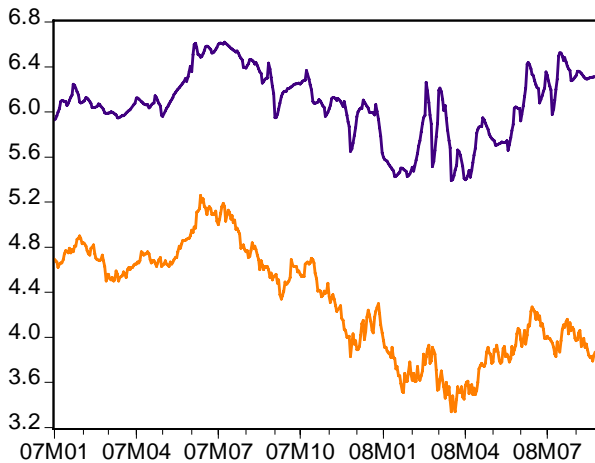
**Interest Rates**

Market movers were unsure of the direction of interest rates. Oil prices rebounded slightly, and heightened political uncertainty between Russia and the US re-ignited fears of inflation. The US economic outlook, however, remained weak, based on the latest Leading Indicator report from the Conference Board and the disappointing housing starts figure for July.

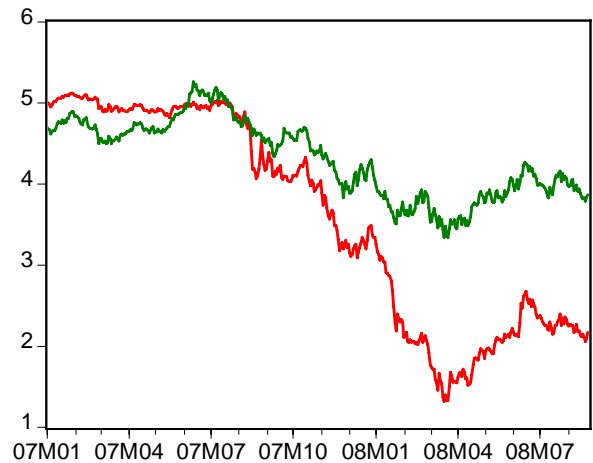
The two-year treasury yield traded at 2.4% during Friday's market close, similar to the prior week's close.

The ten-year treasury yield closed Friday at 3.87%, up only a few points from the week before.

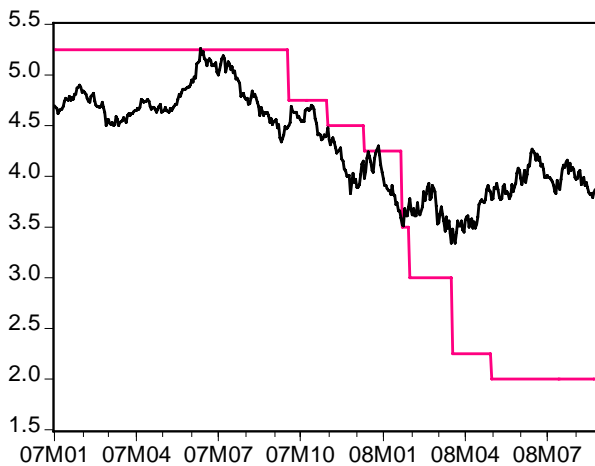
The upward pressure on daily inflation expectations (yield on unprotected minus yield on protected 10-year bonds) has rebounded this week, to 2.19%. FED officials remain concerned about inflation, especially after the jump in June wholesale prices. Anti-inflation protection will get more support. Federal Reserve governors and board members are paying more attention to inflation tendency.



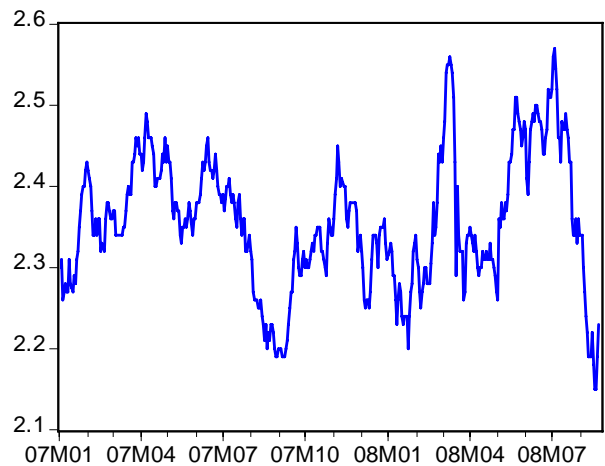
— 10-year treasury yield  
— Average weekly yield of 30-year mortgages



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



— Federal funds rate  
— 10-year treasury yield



— Daily Inflation Expectations

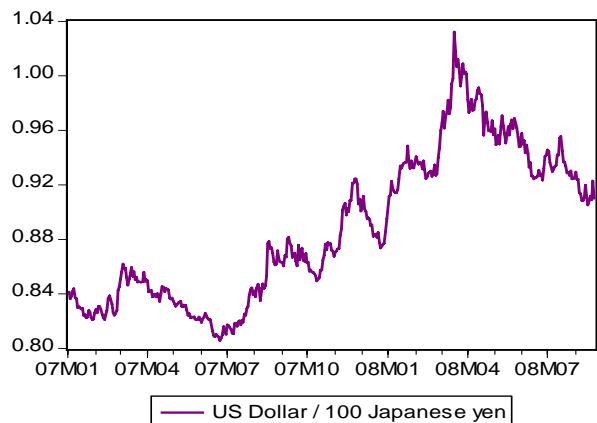
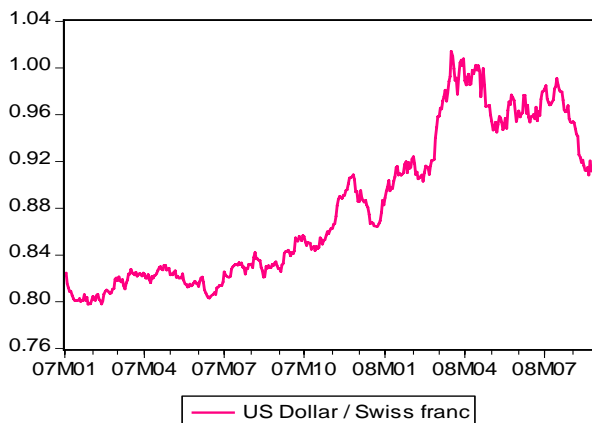
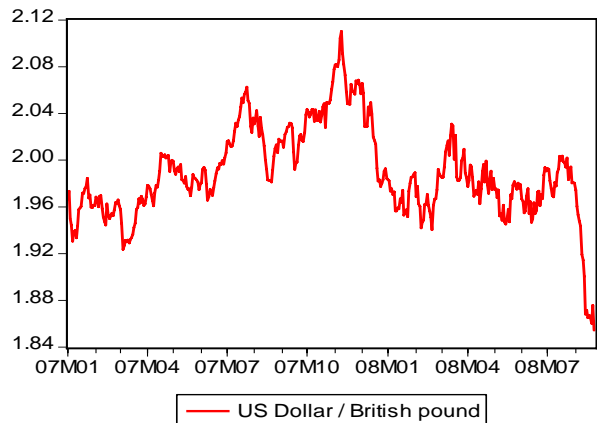
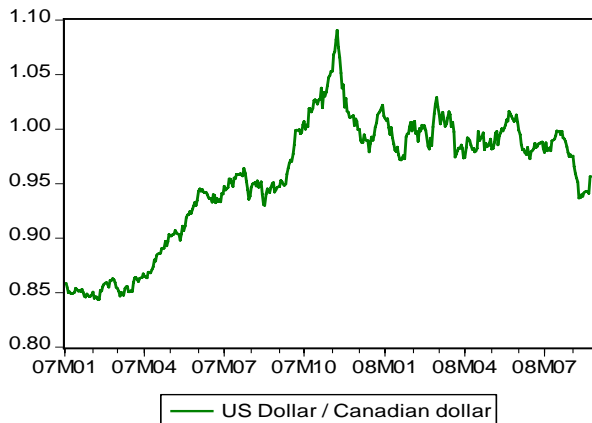
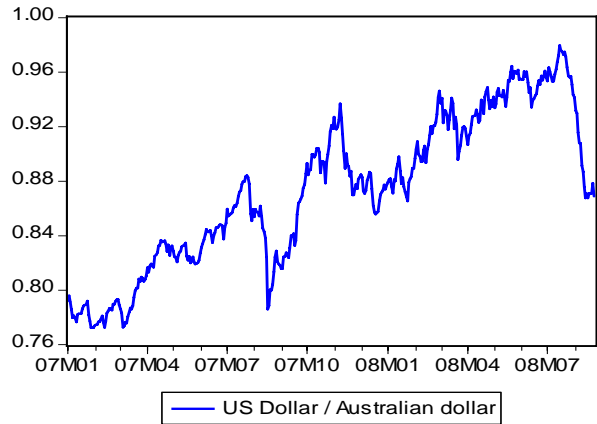
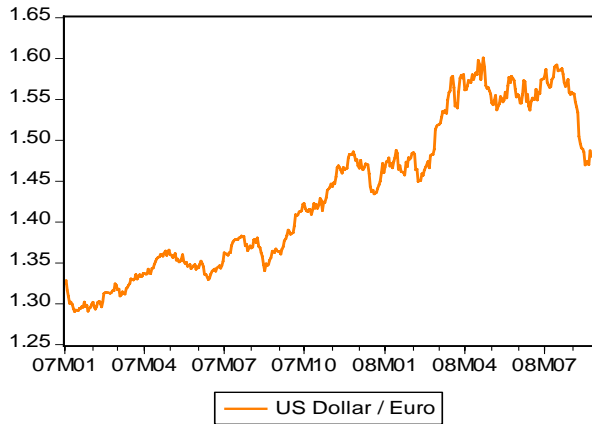
**Currency Markets**

The US dollar fluctuated greatly on a day-to-day basis, similar to the oil price movements in recent days. By the week's close, prices were largely unchanged from the prior week's.

The US dollar traded at US\$1.4792 per euro, down 1 cent from a week ago. This followed a 2.2% increase of the US dollar against the euro in the prior week.

The US dollar traded at US\$1.8528 per British pound, by this Friday's close. Similarly, the US dollar traded at 110.08 yen per US dollar, up marginally from a week ago.

The rebound of oil prices pushed the Canadian dollar higher, closing Friday at 95.5 US cents per Canadian dollar.



## The Week in Preview (August 25 - 29)

Date	Economic Indicator	For	Market Consensus	Prior Month
Aug 25	Existing Home Sales	July	4.90 million	4.86 million
Aug 26	Consumer Confidence Index	August	53.0	51.9
Aug 26	New Home Sales	July	523,000	530,000
Aug 27	Durable Goods Orders	July	0.1%	0.8%
Aug 28	GDP Deflator	Q2	1.1%	1.1%
Aug 28	Gross Domestic Product, preliminary	Q2	2.7%	1.9%
Aug 29	Personal Income	July	-0.1%	0.1%
Aug 29	Consumer Spending	July	0.3%	0.6%
Aug 29	Chicago Purchasing Managers Index	August	49.9	50.8
Aug 29	Consumer Sentiment Index	August	62.3	61.2

### Current Quarter Forecasts

In the third quarter, our forecast for real GDP is expected to increase 0.7% (SAAR), to be followed by a -0.07% increase in the fourth quarter of 2008.

The GDP deflator is projected to increase 4.0% in the third quarter (SAAR), and 3.5% in the fourth quarter of 2008.

Nominal GDP is forecasted to total US\$14.4 trillion in the third quarter, to be followed by US\$14.6 trillion in the fourth quarter of 2008. This amounts to 5.5% (SAAR) expansion in the third quarter and 3.6% increase in the fourth quarter of 2008.

### 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 May 12<sup>th</sup>-26<sup>th</sup>, Jun 9<sup>th</sup>-23<sup>rd</sup> and Aug 18<sup>th</sup>-25<sup>th</sup>.

If you have any questions, please contact Wendy Mak at (202) 955-5520 or [wendymak@sas.upenn.edu](mailto:wendymak@sas.upenn.edu)

## FORECAST SUMMARY TABLE

	APR08	MAY08	JUN08	JUL08	AUG08	SEP08	2008Q2 Actual	2008Q3 Forecast
<b>PRODUCTION</b>								
Nonfarm Payroll Employment (Mil)	137.764	137.717	137.666	137.615	137.604	137.595	137.716	137.605
+ Difference	-0.067	-0.047	-0.051	-0.051	-0.011	-0.008	-0.202	-0.111
% Change, Annual Rate	-0.6	-0.4	-0.4	-0.4	-0.1	-0.1	-0.6	-0.3
% Change, Year Ago	0.3	0.1	0.0	-0.0	-0.1	-0.2	0.2	-0.1
<b>DEMAND AND SPENDING</b>								
Retail Sales (Bil\$)	342.73	345.43	346.65	360.90	363.56	365.53	344.93	348.67
% Change	0.1	0.8	0.4	4.1	0.7	0.5		
% Change, Annual Rate	1.3	9.8	4.3	62.2	9.2	6.7	3.7	4.4
% Change, Year Ago	2.6	1.7	3.2	6.9	7.8	7.7	2.5	3.1
<b>PRICES</b>								
PPI, Finished Goods (1982=100)	176.1	178.5	181.7	183.9	185.5	187.0	178.8	185.5
% Change	0.3	1.4	1.8	1.2	0.9	0.8		
% Change, Annual Rate	3.5	17.6	23.8	15.5	11.2	9.9	10.6	15.9
% Change, Year Ago	6.4	7.2	9.1	9.8	11.7	12.0	7.6	11.2
CPI, All-Urban (1982-84=100)	213.7	215.1	217.4	219.2	220.5	221.7	215.4	220.5
% Change	0.2	0.6	1.1	0.8	0.6	0.5		
% Change, Annual Rate	2.5	8.1	13.4	10.3	7.7	6.7	5.0	9.7
% Change, Year Ago	3.9	4.1	4.9	5.5	6.2	6.3	4.3	6.0
Housing Starts (Mil)	1.004	0.982	1.084	0.965	0.997	1.013	1.023	0.992
% Change	1.6	-2.2	10.4	-11.0	3.4	1.5		
% Change, Annual Rate	21.3	-23.3	227.4	-75.2	48.7	20.3	-10.8	-11.8
% Change, Year Ago	-32.5	-31.6	-25.7	-29.6	-25.4	-14.5	-29.9	-23.6
Industrial Production Index (2002=	111.34	111.15	111.59	111.84	112.06	112.34	111.36	112.08
% Change	-0.6	-0.2	0.4	0.2	0.2	0.2		
% Change, Annual Rate	-6.6	-2.1	4.9	2.7	2.4	3.0	-3.2	2.6
% Change, Year Ago	0.4	0.2	0.2	-0.1	0.1	0.1	0.2	0.0
New Orders for Manufactured Goods	445.92	450.03	457.63	456.80	459.15	462.06	451.19	459.34
% Change	1.3	0.9	1.7	-0.2	0.5	0.6		
% Change, Annual Rate	16.7	11.7	22.2	-2.2	6.3	7.9	14.2	7.4
% Change, Year Ago	4.0	5.4	7.1	3.3	7.7	8.6	5.5	6.5
Nondefense Capital Goods Shipments	67.88	67.71	68.01	68.20	67.94	68.45	67.87	68.19
% Change	1.8	-0.2	0.4	0.3	-0.4	0.8		
% Change, Annual Rate	23.8	-2.9	5.4	3.3	-4.5	9.5	3.0	1.9
% Change, Year Ago	2.9	1.7	2.6	2.9	0.6	0.9	5.5	6.5
Sales of Domestic Passenger Cars (	4.95	5.27	4.88	4.44	4.67	4.81	5.03	4.64
% Change	-0.8	6.6	-7.5	-9.0	5.1	3.2		
% Change, Annual Rate	-9.7	114.2	-60.6	-67.6	82.0	45.5	-1.4	-27.6
% Change, Year Ago	-2.8	-3.8	-7.0	-11.1	-9.7	-7.2	-4.5	-9.3
Business Inventories (Bil\$)	1474.25	1479.77	1489.54	1496.21	1503.15	1510.31	1481.19	1503.22
% Change	0.5	0.4	0.7	0.4	0.5	0.5		
% Change, Year Ago	5.3	5.3	5.6	5.6	5.7	5.8	5.4	5.7
+ Difference, Annual Rate	81.4	66.2	117.3	79.9	83.3	86.0	71.5	88.1
<b>EXTERNAL SECTOR</b>								
Merchandise Trade Balance, Census	-70.58	-70.81	-68.56	-70.21	-70.70	-70.51	-839.82	-845.65
+ Difference	-4.3	-0.2	2.3	-1.7	-0.5	0.2		
+ Difference, Annual Rate	-51.3	-2.7	27.0	-19.8	-5.8	2.3	-20.68	-5.84
+ Difference, year ago	-4.3	-4.7	-1.6	-4.7	-6.1	-5.8		

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

	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4
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Real GDP					
(i) Expenditure Side GDP	11620.7	11646.0	11700.6	11732.8	11742.7
% Previous Q, A.R.	-0.17	0.87	1.89	1.11	0.34
% Year before	2.33	2.54	1.82	0.92	1.05
(ii) Income Side GDP	11620.7	11646.0	11700.6	11698.2	11633.7
% Previous Q, A.R.	-0.17	0.87	1.89	-0.08	-2.19
% Year before	2.33	2.54	1.82	0.62	0.11
(iii) Principal Components est. GDP	11620.7	11646.0	11700.6	11730.4	11778.6
% Previous Q, A.R.	-0.17	0.87	1.89	1.02	1.65
% Year before	2.33	2.54	1.82	0.90	1.36
Average Real GDP	11620.7	11646.0	11700.6	11720.5	11718.3
% Previous Q, A.R.	-0.17	0.87	1.89	0.68	-0.07
% Year before	2.33	2.54	1.82	0.82	0.84
GDP Deflator (2000=100)					
(i) Expenditure Side PGDP	120.8	121.6	121.9	123.2	124.3
% Previous Q, A.R.	2.84	2.63	1.06	4.25	3.65
% Year before	2.62	2.25	2.01	2.69	2.89
(ii) Income Side PGDP: Same as (i)	120.8	121.6	121.9	123.2	124.3
% Previous Q, A.R.	2.84	2.63	1.06	4.25	3.65
% Year before	2.62	2.25	2.01	2.69	2.89
(iii) Principal Components est. PGDP	120.8	121.6	121.9	123.0	123.9
% Previous Q, A.R.	2.84	2.63	1.06	3.40	3.22
% Year before	2.62	2.25	2.01	2.48	2.57
Average GDP Deflator	120.8	121.6	121.9	123.1	124.2
% Previous Q, A.R.	2.84	2.63	1.06	3.97	3.51
% Year before	2.62	2.25	2.01	2.62	2.79
Nominal GDP					
(i) Expenditure Side GDP\$	14031.2	14150.8	14256.5	14505.2	14665.5
% Previous Q, A.R.	2.33	3.45	3.02	7.16	4.50
% Year before	4.94	4.74	3.78	3.98	4.52
(ii) Income Side GDP\$	14031.2	14150.8	14256.5	14413.2	14463.0
% Previous Q, A.R.	2.33	3.45	3.02	4.47	1.39
% Year before	4.94	4.74	3.78	3.32	3.08
(iii) Principal Components est. GDP\$	14031.2	14150.8	14256.5	14423.5	14598.0
% Previous Q, A.R.	2.33	3.45	3.02	4.77	4.93
% Year before	4.94	4.74	3.78	3.39	4.04
Average Nominal GDP	14031.2	14150.8	14256.5	14447.3	14575.5
% Previous Q, A.R.	2.33	3.45	3.02	5.46	3.60
% Year before	4.94	4.74	3.78	3.56	3.88

## EXPENDITURE SIDE

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## Real Gross Domestic Product

2007Q4 2008Q1 2008Q2 2008Q3 2008Q4

Billions of Chained (2000) Dollars, SAAR

Gross Domestic Product	11620.70	11646.00	11700.60	11735.37	11746.40
Total Demand	13587.20	13608.60	13629.80	13684.26	13713.42
Domestic Demand	12103.20	12105.80	12090.30	12113.59	12099.61
Domestic Final Demand	12109.80	12113.30	12153.00	12146.52	12136.63
Final Demand	11628.00	11653.70	11764.40	11765.41	11780.56
Personal Consumption Expenditures	8298.20	8316.06	8347.53	8332.75	8318.25
Durable Goods	1250.58	1237.01	1227.68	1214.46	1225.98
Nondurable Goods	2400.16	2397.94	2421.73	2402.30	2383.55
Services	4676.10	4704.35	4717.39	4733.94	4733.27
Gross Private Domestic Investment	1781.30	1754.70	1686.00	1729.99	1738.21
Fixed Investment	1788.20	1762.40	1751.60	1762.95	1775.24
Nonresidential	1414.70	1423.10	1431.30	1451.54	1469.20
Equipment and Software	1090.13	1088.61	1079.16	1092.50	1106.53
Structures	319.69	326.36	337.53	343.63	347.59
Residential	411.60	383.00	367.10	359.75	355.52
Change In Business Inventories	-8.10	-10.20	-62.20	-32.89	-37.03
Farm	10.50	6.00	2.00	-1.92	-0.84
Nonfarm	-20.59	-17.93	-66.64	-30.97	-36.19
Net Exports	-484.50	-462.00	-395.20	-381.10	-356.06
Exports	1482.10	1500.60	1534.10	1570.73	1613.82
Imports	1966.50	1962.60	1929.20	1951.83	1969.89
Government Purchases	2029.40	2039.10	2056.30	2050.80	2043.11
Federal	761.70	772.60	785.20	785.73	784.03
State and Local	1267.50	1266.70	1271.70	1265.07	1259.07

## Percent Change, Annual Rate

Gross Domestic Product	-0.17	0.87	1.89	1.19	0.38
Total Demand	-0.48	0.63	0.62	1.61	0.85
Domestic Demand	-1.05	0.09	-0.51	0.77	-0.46
Domestic Final Demand	-0.14	0.12	1.32	-0.21	-0.33
Final Demand	0.80	0.89	3.85	0.03	0.52
Personal Consumption Expenditures	0.95	0.86	1.52	-0.71	-0.69
Durable Goods	0.38	-4.27	-2.98	-4.24	3.85
Nondurable Goods	0.26	-0.37	4.03	-3.17	-3.09
Services	1.41	2.44	1.11	1.41	-0.06
Gross Private Domestic Investment					
Fixed Investment	-6.19	-5.65	-2.43	2.62	2.82
Nonresidential	3.41	2.40	2.32	5.78	4.96
Equipment and Software	0.98	-0.56	-3.43	5.03	5.24
Structures	8.54	8.61	14.41	7.43	4.69
Residential	-27.01	-25.03	-15.60	-7.77	-4.62
Exports	4.41	5.09	9.23	9.90	11.43
Imports	-2.31	-0.79	-6.64	4.77	3.75
Government Purchases	0.81	1.93	3.42	-1.06	-1.49
Federal	-0.52	5.85	6.68	0.27	-0.86
State and Local	1.56	-0.25	1.59	-2.07	-1.89

## EXPENDITURE SIDE

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## Nominal Gross Domestic Product

	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4
Billions of Dollars, SAAR					
Gross Domestic Product	14031.20	14150.80	14256.50	14505.74	14666.24
Total Demand	16487.70	16677.30	16901.30	17241.00	17486.48
Domestic Demand	14728.00	14856.60	14993.70	15247.83	15409.64
Domestic Final Demand	14749.00	14882.20	15088.70	15288.49	15455.88
Final Demand	14052.30	14176.40	14351.50	14546.40	14712.48
Personal Consumption Expenditures	9892.72	10002.33	10144.30	10275.68	10378.00
Durable Goods	1083.01	1071.05	1058.75	1048.86	1060.29
Nondurable Goods	2906.24	2950.73	3027.83	3072.45	3095.99
Services	5903.47	5980.56	6057.72	6154.36	6221.72
Gross Private Domestic Investment	2092.30	2056.10	1979.90	2056.94	2076.99
Fixed Investment	2113.40	2081.70	2074.90	2097.60	2123.24
Nonresidential	1542.10	1553.60	1571.50	1605.25	1636.33
Equipment and Software	1033.41	1030.90	1026.10	1043.40	1061.23
Structures	508.71	522.73	545.42	561.85	575.10
Residential	571.30	528.10	503.40	492.35	486.90
Change In Business Inventories	-21.10	-25.60	-95.00	-40.66	-46.24
Farm	5.70	0.20	-5.10	-2.37	-1.05
Nonfarm	-26.73	-25.83	-89.94	-38.29	-45.20
Net Exports	-696.70	-705.70	-737.30	-742.09	-743.40
Exports	1759.70	1820.80	1907.50	1993.17	2076.85
Imports	2456.50	2526.50	2644.80	2735.27	2820.25
Government Purchases	2742.90	2798.10	2869.60	2915.21	2954.64
Federal	998.30	1026.50	1056.00	1068.39	1080.71
State and Local	1744.60	1771.60	1813.60	1846.82	1873.94

## Percent Change, Annual Rate

Gross Domestic Product	2.33	3.45	3.02	7.18	4.50
Total Demand	3.46	4.68	5.48	8.29	5.82
Domestic Demand	2.62	3.54	3.74	6.95	4.31
Domestic Final Demand	3.86	3.66	5.67	5.40	4.45
Final Demand	3.63	3.58	5.03	5.54	4.65
Personal Consumption Expenditures	5.31	4.51	5.80	5.28	4.04
Durable Goods	-1.18	-4.35	-4.51	-3.68	4.43
Nondurable Goods	8.65	6.27	10.87	6.03	3.10
Services	4.93	5.33	5.26	6.54	4.45
Gross Private Domestic Investment	-12.61	-6.74	-14.02	16.50	3.96
Fixed Investment	-5.06	-5.87	-1.30	4.45	4.98
Nonresidential	5.14	3.02	4.69	8.87	7.97
Equipment and Software	1.34	-0.97	-1.85	6.92	7.01
Structures	13.44	11.49	18.52	12.61	9.77
Residential	-27.02	-26.99	-17.44	-8.49	-4.35
Exports	10.87	14.63	20.45	19.21	17.88
Imports	10.21	11.89	20.09	14.40	13.02
Government Purchases	5.96	8.30	10.62	6.51	5.52
Federal	1.74	11.79	12.00	4.78	4.69
State and Local	8.47	6.34	9.83	7.53	6.00

## EXPENDITURE SIDE

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## Gross Domestic Product Chain-Type Price Index

	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4
Index 2000=100					
Gross Domestic Product	120.83	121.61	121.93	123.20	124.30
Total Demand	121.35	122.55	124.00	125.99	127.51
Domestic Demand	121.77	122.82	124.10	125.88	127.36
Domestic Final Demand	121.80	122.86	124.16	125.87	127.35
Final Demand	120.86	121.65	122.00	123.64	124.89
Personal Consumption Expenditures	119.22	120.28	121.53	123.32	124.76
Durable Goods	86.60	86.58	86.24	86.36	86.48
Nondurable Goods	121.09	123.06	125.03	127.90	129.89
Services	126.25	127.13	128.42	130.01	131.45
Gross Private Domestic Investment	117.96	117.82	117.99	118.92	119.49
Fixed Investment	118.19	118.12	118.46	118.98	119.60
Nonresidential	109.02	109.18	109.80	110.59	111.38
Equipment and Software	94.80	94.70	95.08	95.51	95.91
Structures	159.14	160.18	161.60	163.50	165.45
Residential	138.80	137.90	137.14	136.86	136.95
Exports	118.79	121.40	124.41	126.89	128.69
Imports	124.91	128.72	137.08	140.14	143.17
Government Purchases	135.17	137.24	139.56	142.15	144.61
Federal	131.07	132.88	134.49	135.97	137.84
State and Local	137.65	139.87	142.63	145.99	148.84

## Percent Change, Annual Rate

Gross Domestic Product	2.84	2.63	1.06	4.21	3.62
Total Demand	3.96	4.02	4.83	6.58	4.91
Domestic Demand	4.02	3.51	4.22	5.85	4.79
Domestic Final Demand	4.00	3.54	4.29	5.61	4.79
Final Demand	2.82	2.66	1.13	5.49	4.11
Personal Consumption Expenditures	4.31	3.61	4.21	6.01	4.77
Durable Goods	-1.56	-0.08	-1.58	0.59	0.56
Nondurable Goods	8.37	6.66	6.58	9.48	6.38
Services	3.48	2.82	4.10	5.04	4.51
Gross Private Domestic Investment	1.35	-0.49	0.59	3.19	1.94
Fixed Investment	1.20	-0.24	1.16	1.78	2.10
Nonresidential	1.69	0.60	2.30	2.91	2.87
Equipment and Software	0.36	-0.41	1.63	1.79	1.69
Structures	4.49	2.65	3.59	4.79	4.85
Residential	-0.05	-2.58	-2.19	-0.82	0.28
Exports	6.21	9.06	10.29	8.25	5.78
Imports	12.81	12.79	28.61	9.23	8.93
Government Purchases	5.12	6.25	6.95	7.63	7.11
Federal	2.25	5.64	4.95	4.48	5.59
State and Local	6.81	6.60	8.13	9.76	8.04

## INCOME SIDE

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GDP, National Income and Personal Income

	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4
Billions of Current Dollars, SAAR					
Gross Domestic Product	14031.20	14150.80	14256.50	14413.20	14463.05
Plus:					
Receipts of Factor Income	907.40	843.20	802.44	818.99	835.94
Less:					
Payments of Factor Income	742.00	705.10	674.78	686.12	697.83
Equals: Gross National Product	14196.60	14289.00	14384.16	14546.07	14601.16
Less:					
Consumption of Fixed Capital	1758.60	1778.00	1804.20	1813.81	1828.23
Equals: Net National Product	12438.00	12511.10	12579.96	12732.57	12773.03
Indirect Business Taxes	1027.66	1025.76	1034.10	1045.43	1058.49
Business Transfers	103.10	103.20	103.00	103.12	103.23
Statistical Discrepancy	13.90	43.60	118.28	109.32	101.23
Net Subsidies	52.34	50.64	50.84	50.62	50.36
National Income	12424.10	12467.50	12471.47	12623.25	12671.79
Corporate Profits	1611.10	1593.50	1576.09	1600.95	1635.23
Net Interest	688.10	662.30	590.82	555.05	537.76
Contribution for Soc. Ins.	975.26	991.31	996.60	1001.83	1006.06
Personal	505.70	515.24	517.98	518.90	518.90
Employer	469.56	476.08	478.62	482.93	487.16
Personal Interest Income	1242.70	1224.60	1199.40	1186.46	1196.21
Personal Dividend Income	813.50	829.50	843.60	852.15	860.45
Government Transfers	1704.73	1745.82	1890.99	1920.35	1970.56
Business Transfers (to persons)	33.10	32.20	32.40	32.12	32.02
Personal Income	11872.10	11981.20	12195.70	12364.17	12446.98
Percent Change, Annual Rate					
Gross Domestic Product	2.33	3.45	3.02	4.47	1.39
Plus:					
Receipts of Factor Income	4.02	-25.44	-17.98	8.51	8.54
Less:					
Payments of Factor Income	-20.70	-18.46	-16.12	6.89	7.00
Equals: Gross National Product	3.86	2.63	2.69	4.58	1.52
Less:					
Consumption of Fixed Capital	6.31	4.49	6.03	2.15	3.22
Equals: Net National Product	3.52	2.37	2.22	4.94	1.28
Indirect Business Taxes	3.35	-0.74	3.29	4.45	5.09
Business Transfers	3.57	0.39	-0.77	0.45	0.43
National Income	2.80	1.40	0.13	4.96	1.55
Corporate Profits	-13.03	-4.30	-4.30	6.46	8.84
Net Interest	16.03	-14.18	-36.67	-22.11	-11.89
Contribution for Social Insurance	3.87	6.75	2.15	2.11	1.70
Personal	3.87	7.76	2.15	0.71	0.00
Employer	3.87	5.67	2.15	3.65	3.55
Personal Interest Income	2.12	-5.70	-7.98	-4.24	3.33
Personal Dividend Income	9.80	8.10	6.97	4.11	3.96
Government Transfers	4.01	9.99	37.65	6.36	10.88
Business Transfers (to persons)	7.59	-10.44	2.51	-3.46	-1.19
Personal Income	4.92	3.73	7.36	5.64	2.71

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

Billions of Current Dollars, SAAR

Wages and Salaries	6465.50	6538.20	6592.20	6646.07	6704.98
Commod Prod Industries	1218.20	1224.20	1222.60	1230.47	1239.77
Manufacturing	750.20	754.10	754.80	758.06	761.71
Others	468.00	470.10	467.80	472.41	478.06
Distributive Industries*	1048.30	1057.90	1057.90	1063.20	1069.22
Service Industries	3106.90	3146.40	3188.80	3219.63	3251.53
Government	1092.10	1109.70	1122.90	1132.92	1144.61
Other Labor Income	1475.50	1491.40	1502.10	1513.30	1525.02
Proprietors Income	1073.80	1071.70	1077.30	1080.26	1092.26
Farm	47.10	41.60	41.00	32.33	32.41
Business and Profess.	1026.70	1030.10	1036.20	1047.93	1059.85
Rental Income of Persons	38.60	39.10	54.30	61.69	65.37
Interest Paid by Persons	276.70	261.70	262.30	267.91	268.67
Other Interest	966.00	962.90	937.10	918.56	927.54
Transfer Payments	1737.80	1778.10	1923.40	1954.67	2009.17
Contributions for Social In	505.70	515.24	517.98	518.90	518.90
Personal Tax & Nontax P.	1520.55	1541.21	1362.27	1410.09	1446.78
Disposable Income	10351.50	10440.00	10833.40	10954.08	11000.20
Addendum:					
Domestic Final Sales	14754.7	14882.3	15083.7	15196.0	15252.7

Percent Change, Annual Rate

Wages and Salaries	5.62	4.57	3.34	3.31	3.59
Commod Prod Industries	4.70	1.98	-0.52	2.60	3.06
Manufacturing	3.71	2.10	0.37	1.74	1.94
Others	6.31	1.81	-1.94	4.00	4.87
Distributive Industries*	5.12	3.71	0.00	2.02	2.28
Service Industries	6.64	5.18	5.50	3.92	4.02
Government	4.25	6.60	4.84	3.62	4.19
Other Labor Income	3.86	4.38	2.90	3.02	3.14
Proprietors Income	3.81	-0.78	2.11	1.10	4.52
Farm	-2.51	-39.15	-5.65	-61.35	0.97
Business and Profess.	4.12	1.33	2.39	4.61	4.63
Rental Income of Persons	-27.28	5.28	271.96	66.54	26.14
Interest Paid by Persons	-2.14	-19.98	0.92	8.83	1.14
Other Interest	3.38	-1.28	-10.29	-7.68	3.97
Transfer Payments	4.06	9.60	36.92	6.66	11.63
Contribution for Social Ins	3.87	7.76	2.15	0.71	0.00
Personal Tax & Nontax P.	5.15	5.55	-38.96	14.80	10.82
Disposable Income	4.89	3.46	15.95	4.53	1.69
Addendum:					
Domestic Final Sales	4.02	3.50	5.52	3.01	1.50

\*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

	APR08	MAY08	JUN08	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08
RETAIL SALES (RS), Billions of Current Dollars, SA									
RS, Total Retail Sales	342.73	345.43	346.65	360.90	363.56	365.53	352.50	354.39	356.27
RS, Durable Goods Stores	118.06	118.29	116.51	119.75	121.34	122.18	117.93	118.45	119.08
RS, Bldg Materials, Hardware	27.34	28.02	27.92	29.15	29.34	29.47	28.50	28.61	28.84
RS, Auto Dealers	71.76	71.12	69.61	70.69	72.50	73.16	70.41	70.54	70.45
RS, Furn, Home Furn & Equip	9.46	9.50	9.39	9.87	9.94	10.01	9.69	9.75	9.82
RS, Nondurable Goods Stores	218.56	220.99	223.72	233.52	234.74	235.57	227.47	228.08	229.35
RS, Food Stores	48.96	48.89	49.37	51.60	51.61	51.78	49.94	50.06	50.20
RS, Gas Service Stations	42.55	43.95	45.69	47.92	48.52	48.68	46.91	46.30	46.72
RS, Apparel and Accessories	18.97	19.09	19.08	19.90	20.06	20.15	19.48	19.58	19.68
RS, New Domestic Cars, SAA	4.95	5.27	4.88	4.44	4.67	4.81	4.81	4.80	4.74
RS, New Dom Light Trucks, SAA	5.74	5.19	5.06	4.61	4.76	4.83	4.84	4.82	4.86

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT, Billions of Current Dollars, NSA									
Federal Govt Total Outlays	253.85	287.72	194.75	288.82	240.54	224.50	276.40	240.18	238.99
Federal Govt Debt Outstanding	9303.52	9328.80	9432.27	9524.05	9596.53	9649.71	9707.68	9774.44	9852.90

HOUSING STARTS, Millions, SAAR									
Housing Starts, Total	1.0040	0.9770	1.0660	1.0363	1.0409	1.0574	1.0471	1.0573	1.0798

NEW CONSTRUCTION PUT IN PLACE, Billions of Current Dollars, SAAR									
New Const, Residential Bldgs	383.49	379.14	372.47	368.52	368.55	366.03	364.36	361.82	360.64
New Const, Nonresident Bldgs	400.19	404.75	408.10	411.62	414.42	417.94	419.80	422.88	425.78
New Const, Federal Government	22.62	22.44	22.97	22.84	23.06	22.93	23.25	23.27	23.37
New Const, State & Local Govt	278.87	279.34	278.33	279.58	280.96	282.09	283.33	284.45	285.63

## Percent Change, Monthly Rate

RETAIL SALES (RS)									
RS, Total Retail Sales	0.11	0.79	0.35	4.11	0.74	0.54	-3.57	0.54	0.53
RS, Durable Goods Stores	-1.32	0.20	-1.51	2.79	1.33	0.69	-3.49	0.45	0.53
RS, Bldg Materials, Hardware	2.24	2.48	-0.34	4.38	0.67	0.45	-3.30	0.36	0.82
RS, Auto Dealers	-3.09	-0.90	-2.12	1.55	2.56	0.91	-3.77	0.19	-0.14
RS, Furn, Home Furn & Equip	-0.23	0.50	-1.18	5.08	0.75	0.71	-3.24	0.63	0.78
RS, Nondurable Goods Stores	0.73	1.11	1.23	4.38	0.52	0.35	-3.44	0.27	0.56
RS, Food Stores	0.76	-0.14	0.98	4.51	0.01	0.33	-3.54	0.24	0.27
RS, Gas Service Stations	0.61	3.28	3.96	4.88	1.25	0.34	-3.65	-1.29	0.89
RS, Apparel and Accessories	0.54	0.64	-0.07	4.31	0.77	0.49	-3.36	0.51	0.51
RS, New Domestic Cars, SAAR	-0.84	6.55	-7.46	-8.96	5.11	3.18	0.00	-0.40	-1.05
RS, New Dom Light Trucks, SA	-7.61	-9.58	-2.45	-8.85	3.25	1.49	0.11	-0.34	0.73

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT									
Federal Govt Total Outlays	26.83	13.34	-32.31	48.31	-16.72	-6.67	23.12	-13.10	-0.50
Federal Govt Debt Outstanding	-0.63	0.27	1.11	0.97	0.76	0.55	0.60	0.69	0.80

HOUSING STARTS									
Housing Starts, Total	1.62	-2.69	9.11	-2.79	0.45	1.58	-0.97	0.97	2.13

NEW CONSTRUCTION PUT IN PLACE									
New Const, Residential Bldgs	-2.08	-1.13	-1.76	-1.06	0.01	-0.68	-0.46	-0.70	-0.33
New Const, Nonresidential Bldgs	0.55	1.14	0.83	0.86	0.68	0.85	0.45	0.73	0.69
New Const, Federal Government	1.61	-0.79	2.36	-0.59	0.96	-0.55	1.37	0.11	0.44
New Const, State & Local Govt	0.11	0.17	-0.36	0.45	0.49	0.40	0.44	0.39	0.42

## MONTHLY ECONOMIC INDICATORS for GROSS PRIVATE DOMESTIC INVESTMENT and NET EXPORTS

	APR08	MAY08	JUN08	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08
INDUSTRIAL PRODUCTION, Index 2002=100, SA									
Industrial Production, Total	111.34	111.15	111.59	111.84	112.06	112.34	112.67	112.93	113.22
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS, Billions of Current Dollars, SA									
Manufacturers' New Orders	445.92	450.03	457.63	456.80	459.15	462.06	463.37	465.47	467.84
Manufacturers' Shipments	446.03	447.41	454.57	455.98	457.89	460.01	461.26	462.18	464.53
Manufacturers' Unfilled Orders	802.97	810.29	817.38	823.64	830.22	836.93	843.08	849.26	855.28
MANUFACTURED DURABLE GOODS, Billions of Current Dollars, SA									
Nondefense Capital Goods Shipmt	67.88	67.71	68.01	68.20	67.94	68.45	68.79	68.75	69.04
BUSINESS INVENTORIES, Billions of Current Dollars, SA									
Inventories, Manufacturers	545.63	548.83	554.34	556.09	559.35	562.15	564.42	566.94	569.21
Inventories, Merchant Wholesale	427.56	431.27	435.85	439.23	441.84	444.76	448.05	450.93	452.97
Inventories, Retail Traders	501.05	499.67	499.35	500.88	501.96	503.40	504.84	506.42	508.06
U.S. MERCHANDISE TRADE, Millions of Current Dollars, SA									
Exports, FAS	110835	111544	117459	117653	118375	120083	121417	122973	123847
Imports, CIF	181418	182355	186019	187864	189071	190589	191986	192467	194538
Exports, Mach and Transp Equipm	41845	41476	41810	42119	42327	42869	43120	43368	43614
Imports, Mach and Transp Equipm	65118	62991	61899	63526	64187	63873	64961	64662	65971
Percent Change, Monthly Rate									
INDUSTRIAL PRODUCTION									
Industrial Production, Total	-0.57	-0.17	0.40	0.23	0.20	0.25	0.29	0.23	0.25
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS									
Manufacturers' New Orders	1.29	0.92	1.69	-0.18	0.51	0.63	0.28	0.45	0.51
Manufacturers' Shipments	2.68	0.31	1.60	0.31	0.42	0.46	0.27	0.20	0.51
Manufacturers' Unfilled Orders	0.73	0.91	0.87	0.77	0.80	0.81	0.73	0.73	0.71
MANUFACTURED DURABLE GOODS									
Nondefense Capital Goods Shipmt	1.80	-0.25	0.44	0.27	-0.38	0.76	0.50	-0.06	0.41
BUSINESS INVENTORIES									
Inventories, Manufacturers	-0.03	0.59	1.00	0.32	0.58	0.50	0.40	0.45	0.40
Inventories, Merchant Wholesale	1.39	0.87	1.06	0.77	0.59	0.66	0.74	0.64	0.45
Inventories, Retail Traders	0.22	-0.28	-0.06	0.31	0.22	0.29	0.29	0.31	0.32
U.S. MERCHANDISE TRADE									
Exports, FAS	5.02	0.64	5.30	0.17	0.61	1.44	1.11	1.28	0.71
Imports, CIF	5.57	0.52	2.01	0.99	0.64	0.80	0.73	0.25	1.08
Exports, Mach and Transp Equip	9.20	-0.88	0.81	0.74	0.49	1.28	0.59	0.58	0.57
Imports, Mach and Transp Equip	9.32	-3.27	-1.73	2.63	1.04	-0.49	1.70	-0.46	2.02

## MONTHLY ECONOMIC INDICATORS for CHAIN PRICE INDEXES

	APR08	MAY08	JUN08	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08
CONSUMER PRICE INDEX (CPI), 1982-1984=100, SA									
CPI, All Urban Consumers	213.74	215.13	217.40	219.18	220.55	221.73	223.02	224.14	225.44
CPI, Durables	111.42	111.23	111.26	111.43	111.51	111.62	111.67	111.71	111.78
CPI, Furniture	124.56	123.49	124.00	124.62	124.46	124.63	124.57	124.37	124.29
CPI, Housekeeping Supplies	174.83	175.43	175.60	176.20	176.82	177.45	178.07	178.69	179.32
CPI, Nondurables	204.71	207.83	212.72	215.07	216.74	217.68	219.51	218.94	219.37
CPI, Apparel and Upkeep	118.36	118.04	118.11	119.57	120.04	120.30	120.51	120.71	120.91
CPI, Food and Beverages	211.44	212.09	213.61	215.54	216.62	217.72	218.79	219.87	220.94
CPI, Motor Oil, Fuel,	276.57	292.24	321.62	334.73	336.47	336.52	338.24	334.25	331.80
CPI, Services	253.46	254.64	255.87	257.27	258.20	259.33	260.28	261.42	262.38
CPI, New cars	134.77	134.69	134.99	135.30	135.52	135.74	135.97	136.20	136.42
PRODUCER PRICE INDEX (PPI), 1982=100, SA									
PPI, Finished Goods	176.10	178.50	181.70	182.98	184.50	185.88	187.33	188.44	190.24
PPI, Capital Equipment	152.50	152.70	153.10	153.50	153.85	154.23	154.62	155.00	155.38
PPI, Intermediate Materials	186.50	192.00	196.10	198.84	201.99	204.60	207.17	209.64	211.84
PPI, Components for Construction	199.10	203.20	206.20	208.59	210.16	211.20	212.28	213.43	214.31
PRICES RECEIVED BY FARMERS, Index, 1910-14=100, SA									
Index of Prices Recvd by Farmer	930.80	936.14	937.72	940.73	942.26	944.12	947.44	949.99	952.67
U.S. EXPORT/IMPORT PRICES, Index, 1995=100, SA									
U.S. Export Price Index	124.40	124.80	126.10	127.90	128.83	129.93	130.96	131.77	132.67
U.S. Import Price Index	137.30	141.20	145.30	147.80	149.14	149.94	150.49	150.92	151.29
Percent Change, Monthly Rate									
CONSUMER PRICE INDEX (CPI)									
CPI, All Urban Consumers	0.21	0.65	1.06	0.82	0.62	0.54	0.58	0.50	0.58
CPI, Durables	-0.34	-0.17	0.03	0.15	0.08	0.10	0.04	0.04	0.06
CPI, Furniture	-1.12	-0.86	0.42	0.50	-0.13	0.13	-0.05	-0.16	-0.07
CPI, Housekeeping Supplies	0.69	0.34	0.10	0.35	0.35	0.35	0.35	0.35	0.35
CPI, Nondurables	0.48	1.53	2.35	1.10	0.78	0.43	0.84	-0.26	0.20
CPI, Apparel and Upkeep	0.46	-0.27	0.05	1.24	0.39	0.21	0.18	0.17	0.17
CPI, Food and Beverages	0.92	0.31	0.72	0.90	0.50	0.50	0.49	0.49	0.49
CPI, Motor Oil, Fuel	-1.92	5.67	10.05	4.08	0.52	0.02	0.51	-1.18	-0.73
CPI, Services	0.30	0.47	0.48	0.55	0.36	0.44	0.36	0.44	0.37
CPI, New Cars	-0.19	-0.06	0.22	0.23	0.16	0.17	0.17	0.16	0.16
PRODUCER PRICE INDEX (PPI)									
PPI, Finished Goods	0.17	1.36	1.79	0.70	0.83	0.75	0.78	0.59	0.96
PPI, Capital Equipment	0.39	0.13	0.26	0.26	0.23	0.25	0.25	0.25	0.25
PPI, Intermediate Materials	0.92	2.95	2.14	1.40	1.59	1.29	1.26	1.19	1.05
PPI, Components for Construction	1.01	2.06	1.48	1.16	0.75	0.49	0.51	0.54	0.41
PRICES RECEIVED BY FARMERS									
Index of Prices Recvd by Farmer	0.19	0.57	0.17	0.32	0.16	0.20	0.35	0.27	0.28
U.S. EXPORT/IMPORT PRICES									
U.S. Export Price Index	0.48	0.32	1.04	1.43	0.73	0.85	0.80	0.62	0.68
U.S. Import Price Index	2.85	2.84	2.90	1.72	0.91	0.54	0.36	0.29	0.25

## MONTHLY ECONOMIC INDICATORS for PERSONAL INCOME

	APR08	MAY08	JUN08	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08
EMPLOYEES (EMP) on Nonfarm Payrolls, Millions, SA									
EMP, Total	137.764	137.717	137.666	137.615	137.604	137.595	137.600	137.616	137.642
EMP, Manufacturing	13.592	13.571	13.536	13.501	13.474	13.453	13.437	13.425	13.413
EMP, Services	116.136	116.140	116.166	116.161	116.253	116.340	116.453	116.594	116.742
EMP, Wholesale and Retail Trade	21.400	21.370	21.361	21.327	21.319	21.299	21.297	21.281	21.280
EMP, Government	22.401	22.453	22.496	22.521	22.547	22.574	22.600	22.628	22.655
EMP, Federal Government	1.996	2.007	2.011	2.011	2.011	2.011	2.011	2.012	2.012
EMP, State and Local Governme	21.628	21.577	21.500	21.454	21.411	21.372	21.340	21.313	21.293
Total Unemployed, Millions	7.626	8.487	8.499	8.784	8.938	9.062	9.210	9.341	9.393

## AVERAGE WEEKLY HOURS (AWH) of Production Workers, SA

AWH, Total Private	33.80	33.70	33.70	33.60	33.63	33.63	33.60	33.60	33.59
AWH, Manufacturing	41.00	41.00	41.00	41.00	40.99	40.98	40.99	41.00	40.99
AWH, Services	30.20	30.10	30.10	30.00	30.04	30.03	30.00	30.00	29.98
AWH, Wholesale and Retail Trade	38.30	38.30	38.30	38.40	38.33	38.32	38.35	38.34	38.32

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

AHE, Manufacturing	17.62	17.65	17.72	17.78	17.82	17.86	17.90	17.95	17.99
AHE, Services	12.85	12.90	12.88	12.90	12.91	12.93	12.94	12.95	12.97
AHE, Wholesale and Retail Trade	20.05	20.06	20.11	20.15	20.19	20.23	20.28	20.32	20.37

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

AWE, Total Private	604.68	604.92	606.60	606.82	608.93	610.75	612.13	613.87	615.52
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## Percent Change, Monthly Rate

## EMPLOYEES (EMP) ON NONFARM PAYROLLS

EMP, Total	-0.049	-0.034	-0.037	-0.037	-0.008	-0.006	0.004	0.011	0.019
EMP, Manufacturing	-0.381	-0.155	-0.258	-0.259	-0.203	-0.156	-0.113	-0.097	-0.087
EMP, Services	0.036	0.003	0.022	-0.004	0.079	0.075	0.097	0.121	0.127
EMP, Wholesale and Retail Trade	-0.261	-0.140	-0.042	-0.159	-0.039	-0.091	-0.011	-0.077	-0.001
EMP, Government	0.107	0.232	0.192	0.111	0.114	0.123	0.115	0.123	0.117
EMP, Federal Government	0.453	0.551	0.199	0.000	0.007	-0.010	0.024	0.034	0.010
EMP, State and Local Governme	-0.501	-0.236	-0.357	-0.214	-0.201	-0.181	-0.152	-0.126	-0.094
Total Unemployed, Millions	-2.418	11.290	0.141	3.353	1.752	1.384	1.631	1.423	0.565

## AVERAGE WEEKLY HOURS (AWH) OF PRODUCTION WORKERS

AWH, Total Private	0.00	-0.30	0.00	-0.30	0.09	-0.01	-0.07	-0.01	-0.02
AWH, Manufacturing	-0.49	0.00	0.00	0.00	-0.03	-0.02	0.03	0.02	-0.01
AWH, Services	0.00	-0.33	0.00	-0.33	0.13	-0.01	-0.12	0.02	-0.08
AWH, Wholesale and Retail Trade	-0.26	0.00	0.00	0.26	-0.19	-0.02	0.08	-0.04	-0.04

## AVERAGE HOURLY EARNINGS (AHE) OF PRODUCTION WORKERS

AHE, Manufacturing	0.06	0.17	0.40	0.34	0.21	0.24	0.25	0.24	0.25
AHE, Services	-0.08	0.39	-0.16	0.16	0.10	0.10	0.12	0.10	0.12
AHE, Wholesale and Retail Trade	0.10	0.05	0.25	0.20	0.21	0.21	0.21	0.23	0.24

## AVERAGE WEEKLY EARNINGS (AWE) OF PRODUCTION WORKERS

AWE, Total Private	0.11	0.04	0.28	0.04	0.35	0.30	0.22	0.29	0.27
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## MONTHLY FINANCIAL INDICATORS

	APR08	MAY08	JUN08	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08
MONEY SUPPLY, Billions of Dollars, SA									
Money Supply (M1)	1370.7	1367.1	1385.5	1400.9	1407.7	1413.7	1419.0	1424.2	1431.8
Money Supply (M2)	7679.8	7688.2	7687.0	7725.9	7772.7	7813.4	7855.1	7892.2	7928.6
Money Supply (M3)	7581.8	7661.5	7739.1	7815.4	7891.2	7966.8	8042.5	8118.4	8194.8

INTEREST RATES (IR), Percent Per Annum									
IR, Treasury Bill, 6 Month	1.58	1.86	2.19	1.98	1.83	1.83	1.78	1.73	1.70
IR, Commercial Paper, 2 month	2.06	2.01	2.15	2.13	2.08	2.09	2.07	2.07	2.06
Yields, US Govt Bond, 1 year	1.74	2.05	2.42	2.28	2.19	2.34	2.28	2.27	2.29
Yields, US Govt Bond, 10 Year	3.68	3.88	4.10	4.01	3.95	3.95	3.96	3.99	3.97

FOREIGN EXCHANGE VALUE, March 1973=100									
Weighted Average Value of US\$	95.48	95.83	96.09	95.42	95.32	95.49	95.72	95.96	96.21

STOCK MARKET									
New York Stock Exchange Index	9174.1	9429.0	8997.0	8427.4	8358.7	8361.9	8375.5	8390.6	8405.8
Dividend to (Stock) Price Ratio	2.09	2.07	2.15	2.28	2.30	2.29	2.28	2.28	2.27

CONSUMER INSTALLMENT CREDIT, Millions of Dollars, SA									
Consumer Credit Outstanding	2563.95	2572.00	2586.33	2598.17	2609.81	2621.74	2634.39	2647.10	2660.75

Percent Change, Monthly Rate

MONEY SUPPLY									
Money Supply, (M1)	-0.29	-0.26	1.35	1.11	0.48	0.43	0.37	0.37	0.54
Money Supply, (M2)	0.20	0.11	-0.02	0.51	0.61	0.52	0.53	0.47	0.46
Money Supply, (M3)	1.40	1.05	1.01	0.99	0.97	0.96	0.95	0.94	0.94

INTEREST RATES (IR), Monthly Change									
IR, Treasury Bill, 6 Month	0.08	0.28	0.32	-0.21	-0.15	0.00	-0.05	-0.05	-0.03
IR, Commercial Paper, 6 Month	-0.26	-0.05	0.15	-0.03	-0.04	0.00	-0.02	0.01	-0.01
Yields, US Govt Bond, 1 Year	0.19	0.31	0.37	-0.14	-0.09	0.15	-0.06	-0.01	0.02
Yields, US Govt Bond, 10 Year	0.17	0.21	0.22	-0.09	-0.06	0.01	0.01	0.03	-0.02

FOREIGN EXCHANGE VALUE									
Weighted Average Value of US\$	-0.30	0.37	0.27	-0.69	-0.11	0.19	0.23	0.26	0.26

STOCK MARKET									
New York Stock Exchange Index	4.53	2.78	-4.58	-6.33	-0.82	0.04	0.16	0.18	0.18
Dividend to (Stock) Price Ratio	-3.69	-0.96	3.86	6.05	0.88	-0.48	-0.23	-0.31	-0.28

CONSUMER INSTALLMENT CREDIT									
Consumer Credit Outstanding	0.35	0.31	0.56	0.46	0.45	0.46	0.48	0.48	0.52