

**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***

- After a decent response to the fiscal stimulus, bringing this year's second quarter growth well above +3%, the next two quarters look quite weak – at less than 1.0% growth and even raising the possibility of small declines.
- This has led to proposals for a second fiscal stimulus, but not getting a favorable response from the Administration.
- The labor market and construction activity reports have been unfavorable, and car sales are only marginally better in August than in July.
- The inflation rate has been disturbing, at more than 4% in this second half-year.
- The Beige Book reports from Federal Reserve Districts have been quite pessimistic. Surveys of the ISM, manufacturing and non-manufacturing, show few favorable recovery signs.
- One noteworthy development of this year has been the rise in productivity. As the employment outlook turned in an unfavorable direction, gains in output per worker input have been favorable.

**FORECAST UPDATE OVERVIEW**

This forecast incorporates the following National Income and Product Accounts:

AUG 28 GDP (based on Chain 2000 Weights) for 2008Q2: 3.3%  
 AUG 29 Personal Income and Consumption for July: -0.7%, 0.2%

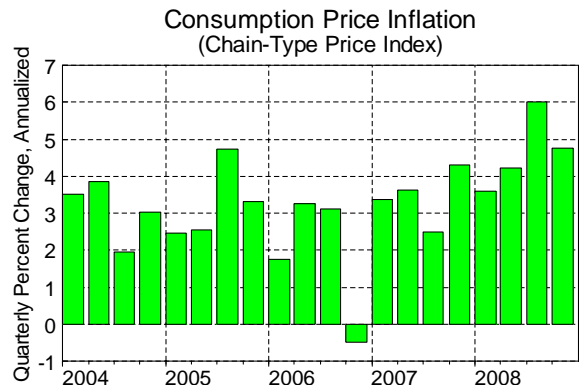
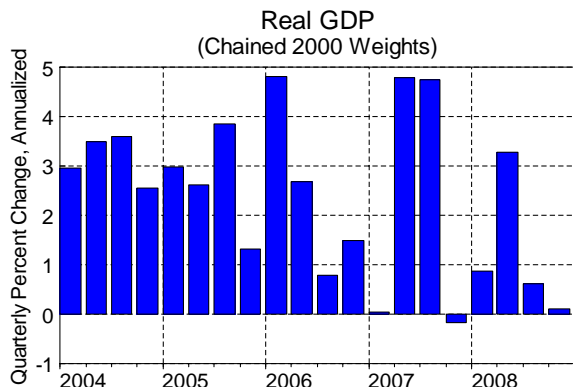
The latest CQM forecast incorporates new monthly economic indicators (marked in red) that were not included in the previous forecast

Date	Economic Indicator	for	Latest	Prior Month
<b>Sep 02</b>	<b>Construction Spending</b>	<b>July</b>	<b>-0.6%</b>	<b>0.3%</b>
<b>Sep 05</b>	<b>Nonfarm Payroll Employment</b>	<b>August</b>	<b>-84,000</b>	<b>-60,000</b>
<b>Sep 03</b>	<b>Auto Sales</b>	<b>August</b>	<b>13.7 Million</b>	<b>12.5 Million</b>
Aug 07	Consumer Credit Outstanding	June	\$14.3 billion	\$7.8 billion
Aug 13	Export/Import Price Index	July	1.4%, 1.7%	1.0%, 2.9%
Aug 19	Producer Price Index, Total & Core	July	1.2%, 0.7%	1.8%, 0.2%
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%
Aug 19	Housing Starts	July	965,000	1,084,000
Aug 12	Trade Balance	June	-\$56.8 billion	-\$59.2 billion
Aug 27	Durable Goods Orders & Shipments	July	1.3%, 3.0%	1.3%, 0.9%
<b>Sep 03</b>	<b>Manuf Ships, Inv, &amp; Orders</b>	<b>July</b>	<b>2.1%, 0.5%, 1.3%</b>	<b>1.9%, 1.2%, 2.1%</b>

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		
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			
Sep 01		<b>3.28</b>	0.28	-0.05		<b>4.21</b>	6.01	4.77	<=2 <sup>nd</sup>	08Q2	
Sep 09		3.27	0.62	0.12		4.25	6.01	4.77			

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

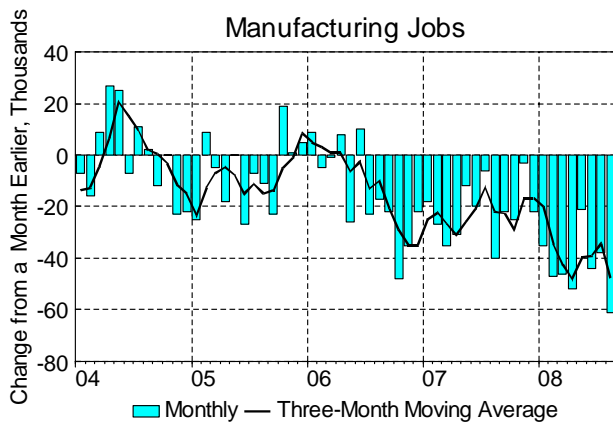
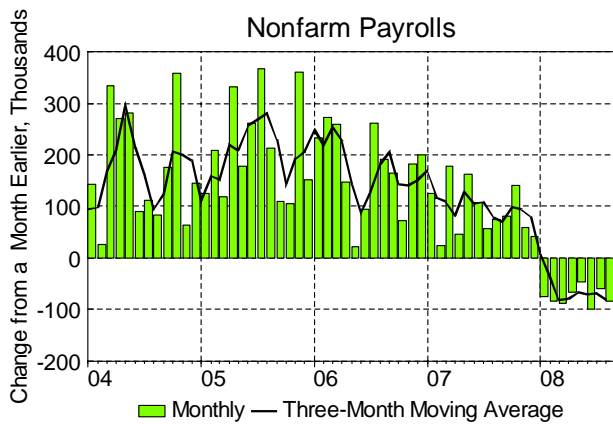


# High Frequency Indicators

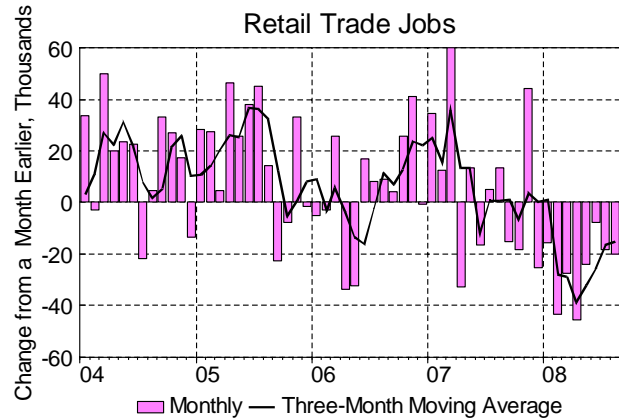
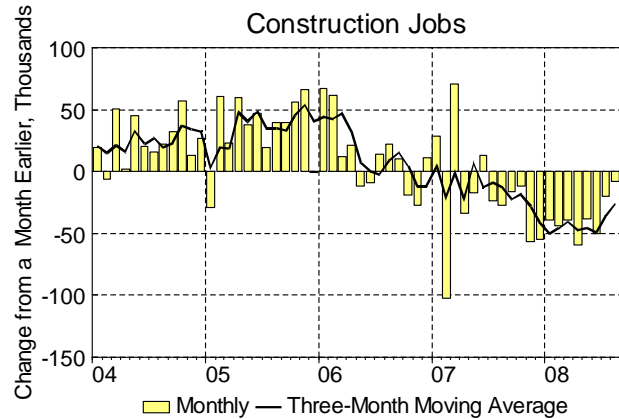
## The Week in Review (September 1 - 5)

### Employment Report

The employment report in August proved to be another disappointing one. Nonfarm payrolls fell by 84,000, down for the eighth consecutive month. Payroll declines in June and July were also bigger than the previous estimates (by 58,000).

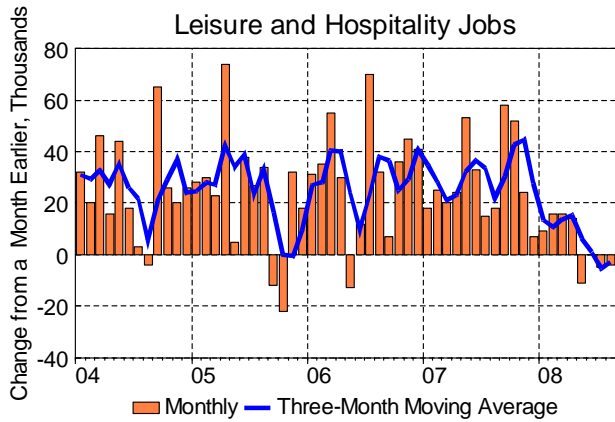


In the manufacturing sector, jobs fell by 61,000, also down for the eighth straight month. Payrolls in the construction sector fell by 8,000 in the same month, the smallest decline since March 2007.



The service sector slashed 27,000 jobs in August. The retail sector cut 20,000 jobs, including a 14,000 job decline in motor vehicle and parts dealers. The leisure and hospitality sector cut 4,000 jobs in August. Since May, jobs either fell or were unchanged in the leisure and hospitality sector. Job declines were seen in transportation and financial services.

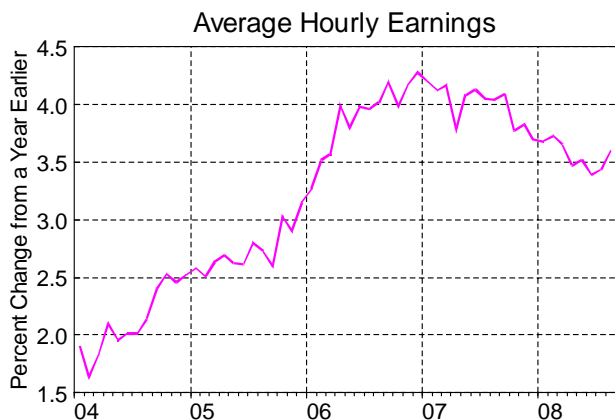
The professional and business service sector cut 53,000 jobs in August. Over two-third of the decline was led by temporary help services (down 37,000). One bright spot was the healthcare sector, which went up 27,000 in August. In the past 12 months, the health care sector added 367,000 jobs.



The unemployment rate in August jumped to 6.1%, the highest in five years.



Hours worked slipped 0.1% in August, down for the fifth consecutive month. Average hourly earnings went up 0.4% (7 cents). Compared to a year ago, average hourly earnings were up 3.6%.



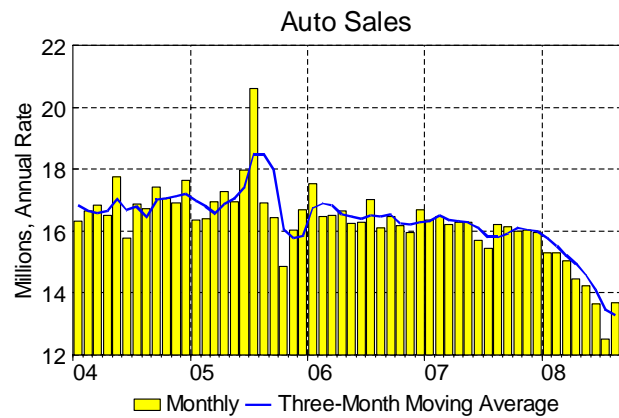
**Auto Sales**

In August, light vehicle sales stood at 13.7 million units (annual rate). This was stronger than July's 12.5

million, but still weak compared to 16.1 million in August 2007. Passenger car sales accounted for slightly more than 50% of the August market.

The Detroit Big Three continued to register year-over-year decline in sales. Chrysler's sales fell 34.0%, while Ford and GMs' sales went down by 26.6% and 19.9%, respectively. Together, they accounted for 46% of the August market.

The Asian Big Three's sales were mixed in August. Sales fell for Toyota and Honda, by 9.4% and 7.3%, respectively. Toyota's sales have been down for the fourth straight month. Nissan's sales rose 13.6%, year-over-year, in August. In addition, Subaru's sales rose 14.2% in the same month.



**Beige Book**

In the latest Beige Book, most Federal Reserve Districts reported that economy activity has been slow. "Many described business conditions as "weak," "soft," or "subdued.""

Consumer spending continued to be weak in most Districts. Auto sales were either "falling or steady at low levels".

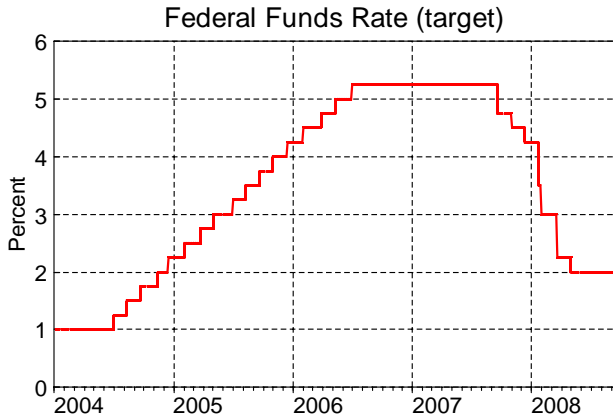
Despite a weaker dollar, the tourism sector was mixed across districts. Districts such as Boston and New York benefited from international visitors, while other districts suffered from the decline in domestic vacationers.

Rising fuel costs have adversely affected the transportation industry. The manufacturing sector continued to post a decline in activities.

In most Districts, both commercial and residential real estate activities were lackluster.

Inflationary pressure was mainly attributed to rising food and energy costs.

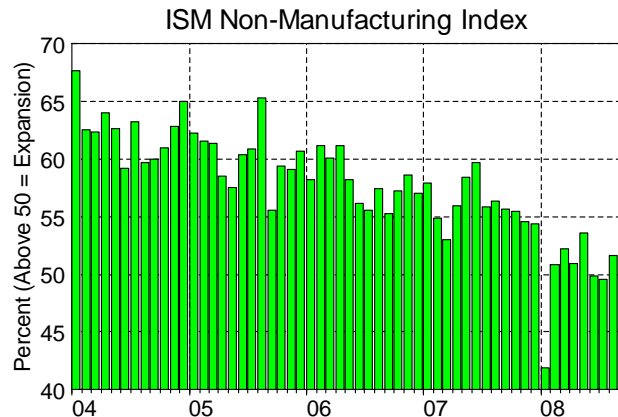
The Federal Open Market Committee is scheduled to meet on September 16<sup>th</sup>. Fed watchers anticipate that the Committee will maintain short-term interest rates unchanged.



**ISM Manufacturing Survey**

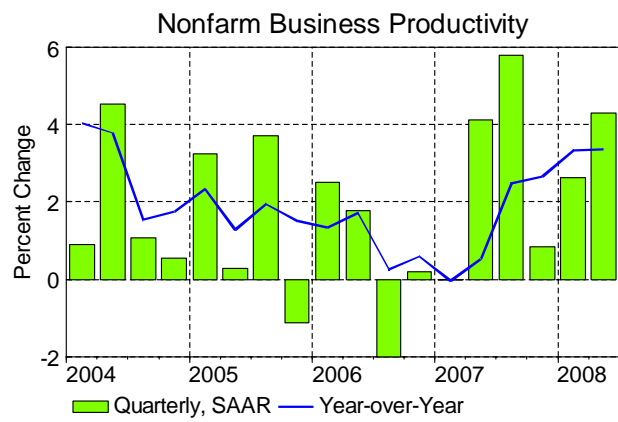
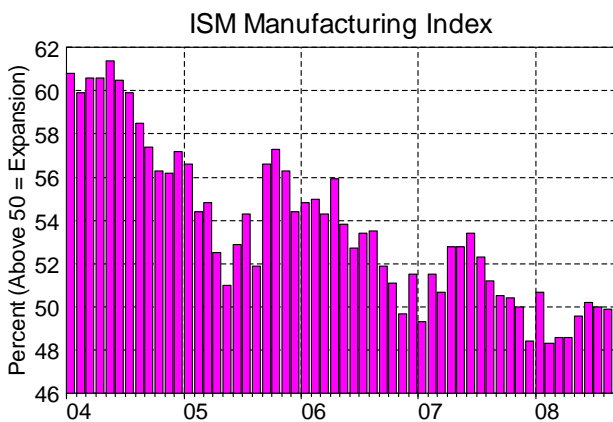
The ISM Manufacturing Index slipped 0.1 index point to 49.9 in August. This was in contrast to the market consensus forecast of an above-50 reading. Among the components of the index, employment fell 2.2 index points to 49.7, reversing the prior month's gains. Production slipped 0.8 index points, to 52.1. New orders, in contrast, gained 3.3 index points to 48.3. Despite the monthly improvement, new orders remained below 50 for the 9<sup>th</sup> consecutive month. Exports went up 3 index points, to 57.0. Prices paid eased. In August, this component fell 11.5 index points to 77.

Employment, however, fell 1.7 index points to 45.4 in the same month.



**Productivity**

Productivity in the nonfarm business sector was revised up to a 4.3% (annualized) increase in the second quarter, from 2.2% in the previous estimate. Unit labor costs fell 0.5% in the second quarter, in contrast to a 1.5% gain estimated a month ago. The 0.5% decline was the biggest drop since the third quarter of 2007. Output rose 3.4%, while hours worked dropped 0.8%. Real hourly compensation was down 1.3%. Compared to a year ago, productivity was up 3.4%, while unit labor costs rose 2.8%.

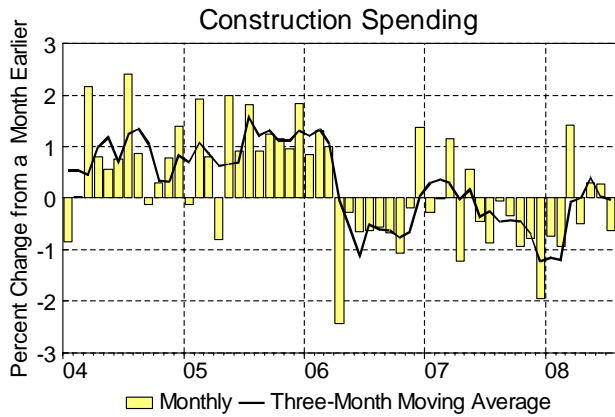


**ISM Non-manufacturing Survey**

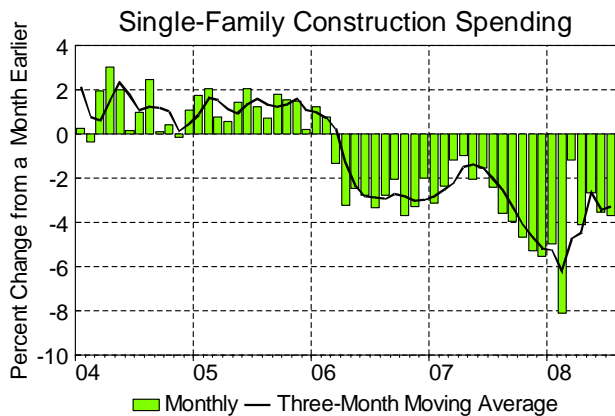
The ISM Non-manufacturing index improved slightly more than 1 index point to 50.6. Among the 18 industries surveyed, 10 reported improvement in activities in August. New orders gained about 2 index points to 49.7, but remained below the expansion threshold. Production rose 2 index points to 51.6.

**Construction Spending**

In July, construction spending fell 0.6%, after being up for 0.3% in both June and May. Construction spending in private spending fell 1.4% to the weakest in more than four years.



Private non-residential construction fell 0.7%, the first decline in the past seven months. Private residential construction dropped 2.3% in the same month.

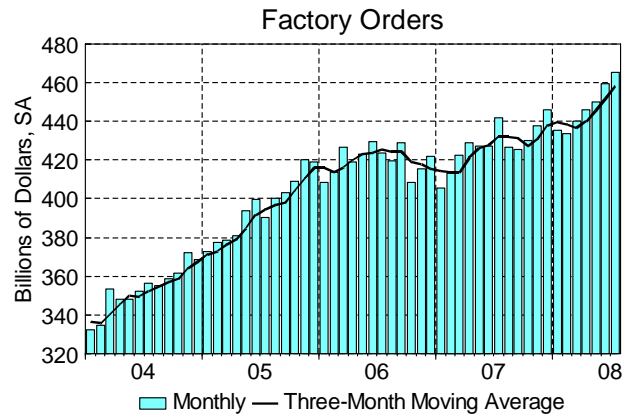


In contrast, construction activities by the federal government rose 3.9%, to a record high. Similarly, construction activities by state and local government were up 1.2%, also to a record high.

**Factory Orders**

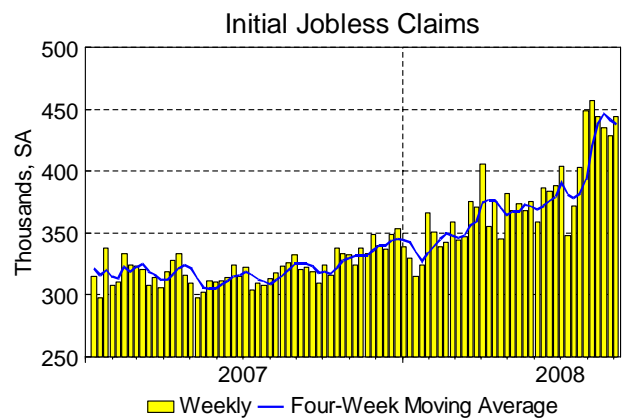
In July, orders for manufactured goods went up 1.3%, following a 2.1% increase in the previous months. The July increase was stronger than expected. Orders for durable goods increased 1.3%, down one-tenth from last week's estimate. Meanwhile, orders for nondurable goods went up 1.2%. Orders for transportation equipment rose 3.2%, reversing a 1.8% decline in the previous month. Orders for machinery rose 4.1% in August. Orders for primary metals went up 2.4%. Orders for food products rose 2.2%. In contrast, orders for electrical equipment and appliances fell 5.9%. Orders for computers and electronics were also down 1.4%.

Overall, orders for core capital equipment gained 2.5%. Shipments rose 2.1% in August, while unfilled orders increased 0.7%. Inventories went up 0.5% in the same month.



**Initial Jobless Claims**

For the week ending August 30, initial jobless claims jumped 15,000 to 444,000, the highest level since the beginning of the month. The previous week's claims figure was revised down by 6,000 to 429,000. The four-week moving average of claims dropped 3,250 to 438,000. The number of insured unemployed went up 6,000 to 3.44 million, for the week ending August 23, the highest in five years.

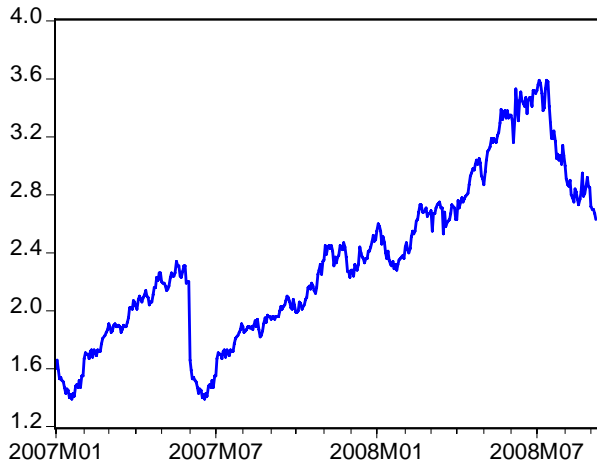


**Energy Prices**

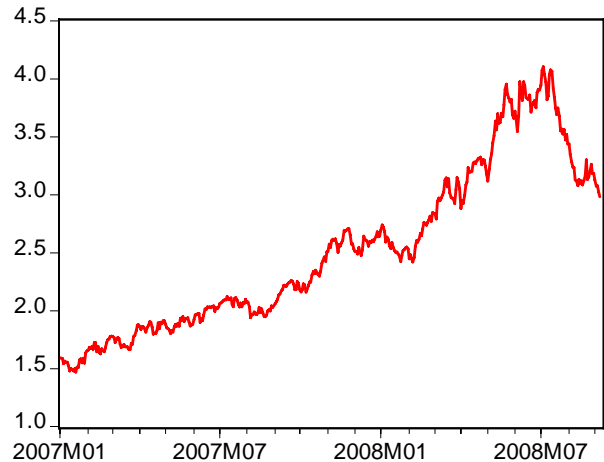
Prices of crude oil fell some more this week, closing Friday at \$106.23 per barrel, down more than \$9 from a week ago. Since they last peaked in July at \$147.27, oil prices have since fallen 28%.

The retreat in oil prices could be attributed to several factors: a strengthening US dollar, weaker global economic outlook, and OPEC production increase. Last week's temporary price increase was mainly due to concerns about the impact of Hurricane Gustav. However, as market watchers realized that the Hurricane did not cause major damages to the oil refineries, oil prices quickly retreated.

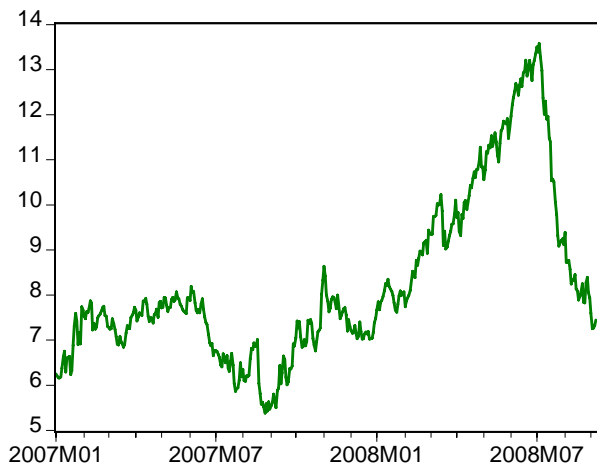
Prices of other energy commodities also eased this week. Prices of heating oil were down 21 cents to \$2.98 per gallon. Prices of gasoline traded at \$2.69 per gallon, down 16 cents from a week ago. Prices of natural gas also slipped 49 cents to \$7.45 per mmbtu.



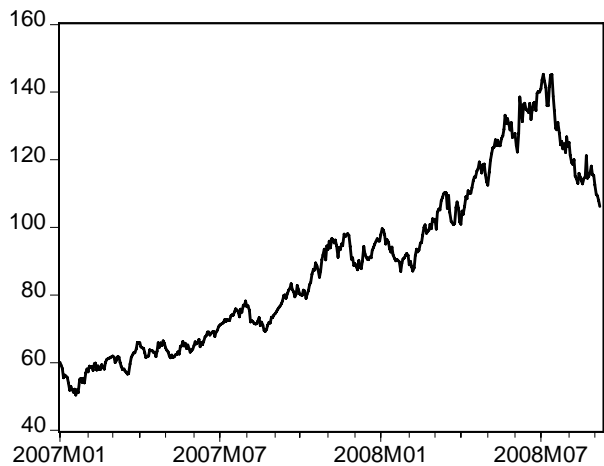
— Gasoline Futures Price, \$/Gallon



— Heating Oil Futures Price, \$/Gallon



— Natural Gas Futures Price, \$/MMBTU



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

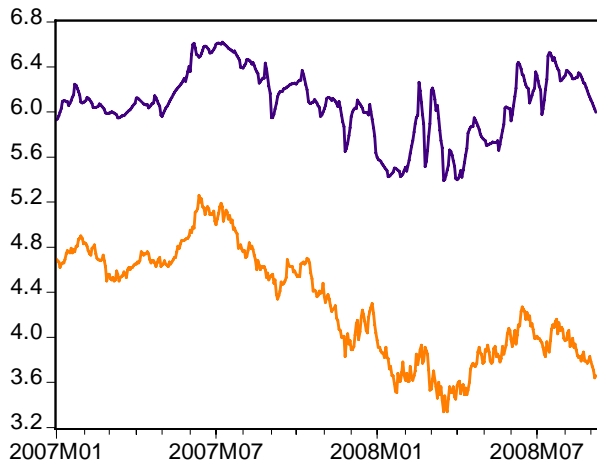
**Interest Rates**

Prices of US treasuries fell earlier in the week, mainly due to concerns about the US economy, especially after a weak employment report. The two-year treasury yield traded at 2.3% by Friday's market close, down 7 basis points from a week ago.

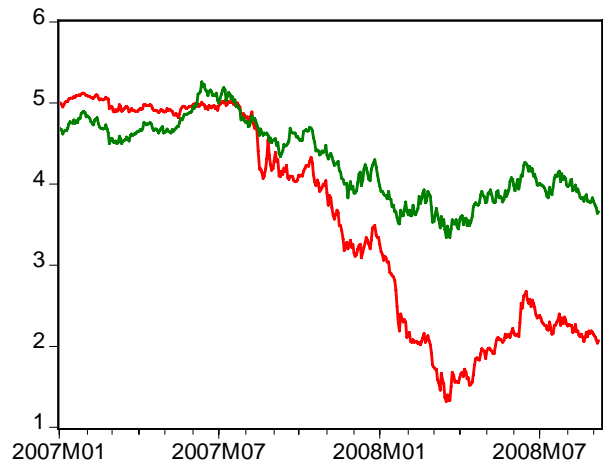
The ten-year treasury yield closed Friday at 3.70%, down 11 basis points from the week before.

The upward pressure on daily inflation expectations (yield on unprotected minus yield on protected 10-year bonds) has eased marginally, to 1.98%. FED officials remain concerned about inflation. Anti-inflation protection will get more support. Federal Reserve governors and board members are paying more attention to inflation tendencies.

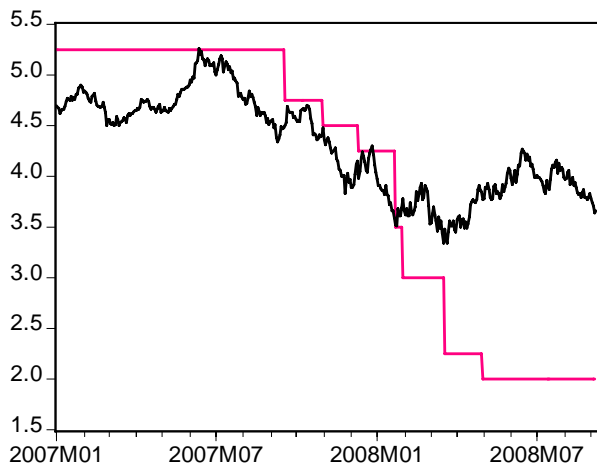
On Sunday, however, the US government announced their plans to take over Fannie Mae and Freddie Mac has given market participants support to buy high-risk assets. During early trading in Toyko, the ten-year treasury yield jumped more than 10 basis points.



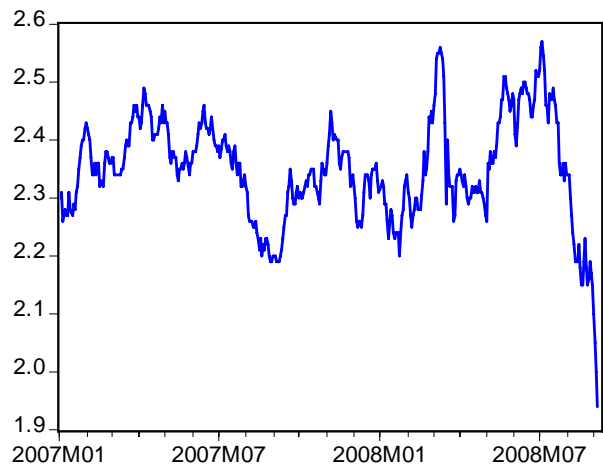
— 10-year treasury yield  
— Average weekly yield of 30-year mortgages



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



— Federal funds rate  
— 10-year treasury yield



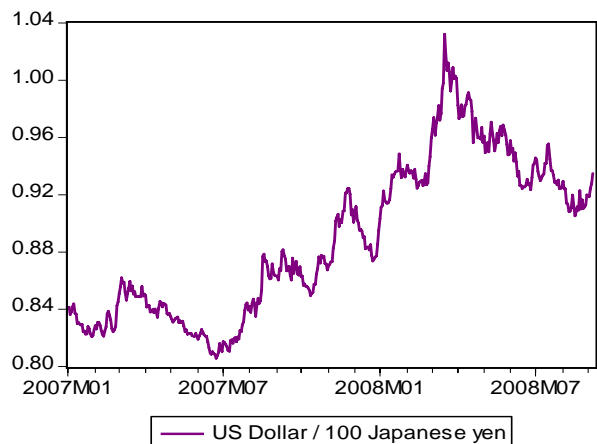
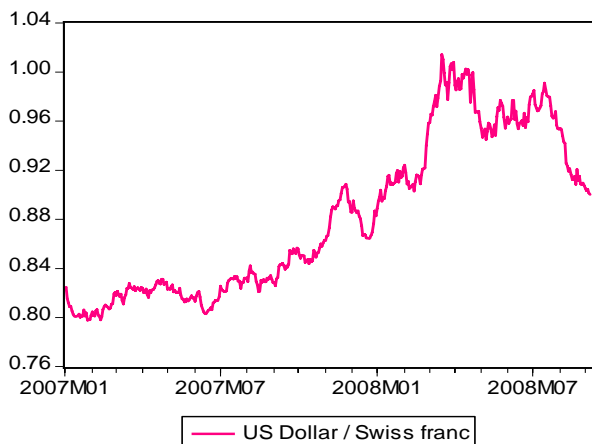
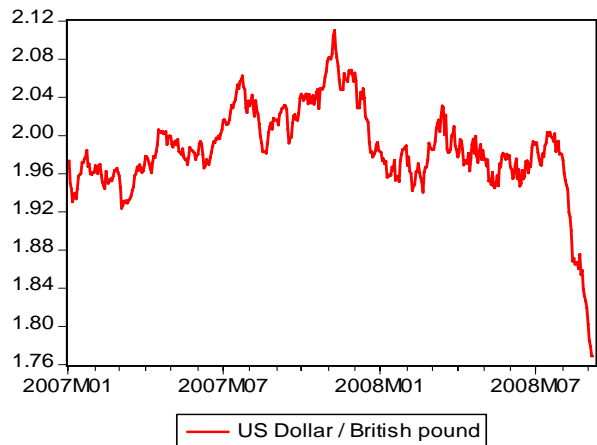
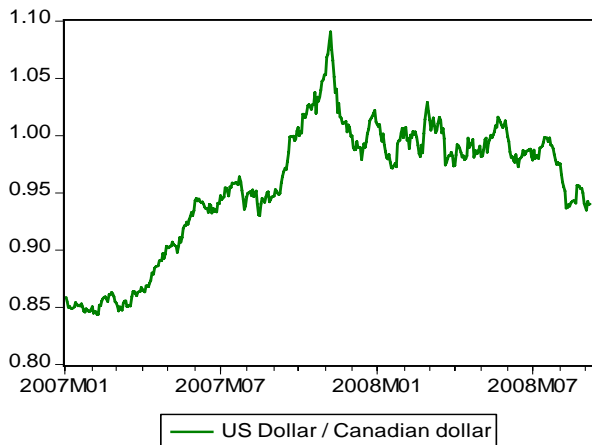
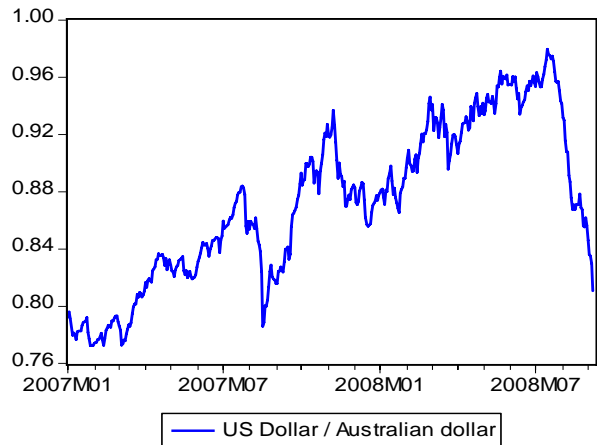
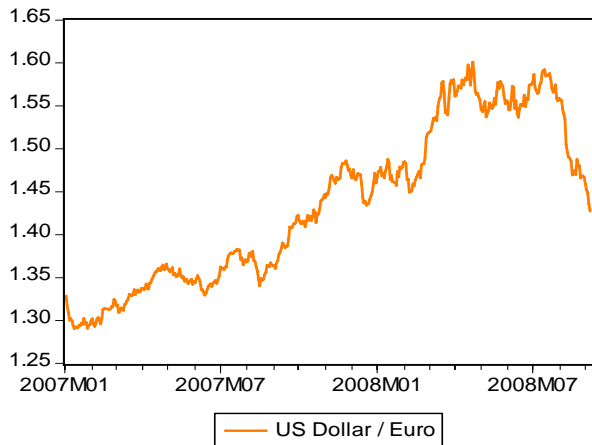
— Daily Inflation Expectations

**Currency Markets**

The US dollar continued to fluctuate on a day-to-day basis. On one hand, market participants were encouraged by the decline in oil prices. On the other hand, the weak US economic prospects remained a concern. By the week's close, the US dollar closed higher against most industrial currencies.

The US dollar traded at \$1.4267 per euro, gaining close to 3% from a week ago. Similarly, the US dollar rose to \$1.7662 per British pound, from the prior week's \$1.8112 value.

Similarly, the US dollar gained about 1 yen against the Japanese currency, closing Friday at 107.73 yen per US dollar. The US dollar was unchanged against the Canadian dollar, trading at 94.13 US cents per Canadian dollar by the week's close.



## The Week in Preview (September 8 - 12)

Date	Economic Indicator	For	Market Consensus	Prior Month
Sep 08	Consumer Credit Outstanding	July	\$8.5 billion	\$14.3 billion
Sep 11	Import Price Index, excluding Petroleum	August	0.8%	0.9%
Sep 11	Trade Balance	July	-\$58.0 billion	-\$56.8 billion
Sep 11	Treasury Budget Balance	August	-\$105.0 billion	
Sep 12	Producer Price Index, total	August	-0.3%	1.2%
Sep 12	Producer Price Index, core	August	0.1%	0.7%
Sep 12	Retail Sales, total	August	0.7%	-0.1%
Sep 12	Retail Sales, excluding autos	August	0.2%	0.4%
Sep 12	Business Inventories	July	0.5%	0.7%
Sep 12	Consumer Sentiment Index, preliminary	September	63.9	63.0

### Current Quarter Forecasts

In the third quarter, our forecast for real GDP is expected to increase 0.6% (SAAR), to be followed by a 0.1% 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\$14.5 trillion in the third quarter, to be followed by US\$14.6 trillion in the fourth quarter of 2008. This amounts to 5.3% (SAAR) expansion in the third quarter and 3.8% 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>, Aug 18<sup>th</sup>-25<sup>th</sup>, and Sep 9<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	137.617	137.557	137.473	137.435	137.699	137.488
+ Difference	-0.067	-0.047	-0.100	-0.060	-0.084	-0.038	-0.218	-0.211
% Change, Annual Rate	-0.6	-0.4	-0.9	-0.5	-0.7	-0.3	-0.6	-0.6
% Change, Year Ago	0.3	0.1	-0.0	-0.1	-0.2	-0.3	0.1	-0.2
<b>DEMAND AND SPENDING</b>								
Retail Sales (Bil\$)	342.73	345.43	346.65	346.24	363.56	365.53	344.93	348.67
% Change	0.1	0.8	0.4	-0.1	5.0	0.5		
% Change, Annual Rate	1.3	9.8	4.3	-1.4	79.6	6.7	3.7	4.4
% Change, Year Ago	2.6	1.7	3.2	2.6	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	459.58	465.43	465.92	469.76	451.84	467.03
% Change	1.3	0.9	2.1	1.3	0.1	0.8		
% Change, Annual Rate	16.7	11.7	28.6	16.4	1.3	10.3	14.8	14.1
% Change, Year Ago	4.0	5.4	7.5	5.3	9.2	10.4	5.6	8.3
Nondefense Capital Goods Shipments	67.88	67.71	68.19	69.87	69.02	69.57	67.93	69.49
% Change	1.8	-0.2	0.7	2.5	-1.2	0.8		
% Change, Annual Rate	23.8	-2.9	8.9	33.8	-13.6	10.0	3.4	9.5
% Change, Year Ago	2.9	1.7	2.9	5.4	2.2	2.5	5.6	8.3
Sales of Domestic Passenger Cars (	4.95	5.27	4.88	4.44	4.49	4.70	5.03	4.54
% Change	-0.8	6.6	-7.5	-9.0	1.2	4.5		
% Change, Annual Rate	-9.7	114.2	-60.6	-67.6	15.3	70.4	-1.4	-33.5
% Change, Year Ago	-2.8	-3.8	-7.0	-11.1	-13.1	-9.5	-4.5	-11.2
Business Inventories (Bil\$)	1474.25	1479.77	1490.83	1498.32	1505.63	1513.37	1481.61	1505.78
% Change	0.5	0.4	0.7	0.5	0.5	0.5		
% Change, Year Ago	5.3	5.3	5.7	5.7	5.9	6.0	5.4	5.9
+ Difference, Annual Rate	81.4	66.2	132.8	89.9	87.8	92.9	73.2	96.6
<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 < a c t u a l >	2008Q1	2008Q2	2008Q3 < forecast >	2008Q4
Real GDP					
(i) Expenditure Side GDP	11620.7	11646.0	11740.3	11794.3	11803.5
% Previous Q, A.R.	-0.17	0.87	3.28	1.85	0.31
% Year before	2.33	2.54	2.17	1.45	1.57
(ii) Income Side GDP	11620.7	11646.0	11740.3	11741.5	11709.4
% Previous Q, A.R.	-0.17	0.87	3.28	0.04	-1.09
% Year before	2.33	2.54	2.17	1.00	0.76
(iii) Principal Components est. GDP	11620.7	11646.0	11740.3	11739.2	11772.8
% Previous Q, A.R.	-0.17	0.87	3.28	-0.04	1.15
% Year before	2.33	2.54	2.17	0.98	1.31
Average Real GDP	11620.7	11646.0	11740.3	11758.3	11761.9
% Previous Q, A.R.	-0.17	0.87	3.28	0.62	0.12
% Year before	2.33	2.54	2.17	1.14	1.22
GDP Deflator (2000=100)					
(i) Expenditure Side PGDP	120.8	121.6	122.0	123.3	124.4
% Previous Q, A.R.	2.84	2.63	1.19	4.26	3.66
% Year before	2.62	2.25	2.04	2.72	2.93
(ii) Income Side PGDP: Same as (i)	120.8	121.6	122.0	123.3	124.4
% Previous Q, A.R.	2.84	2.63	1.19	4.26	3.66
% Year before	2.62	2.25	2.04	2.72	2.93
(iii) Principal Components est. PGDP	120.8	121.6	122.0	123.0	124.0
% Previous Q, A.R.	2.84	2.63	1.19	3.57	3.28
% Year before	2.62	2.25	2.04	2.55	2.66
Average GDP Deflator	120.8	121.6	122.0	123.2	124.3
% Previous Q, A.R.	2.84	2.63	1.19	4.03	3.53
% Year before	2.62	2.25	2.04	2.67	2.84
Nominal GDP					
(i) Expenditure Side GDP\$	14031.2	14150.8	14312.5	14583.6	14743.9
% Previous Q, A.R.	2.33	3.45	4.65	7.79	4.47
% Year before	4.94	4.74	4.19	4.54	5.08
(ii) Income Side GDP\$	14031.2	14150.8	14312.5	14471.6	14562.2
% Previous Q, A.R.	2.33	3.45	4.65	4.52	2.53
% Year before	4.94	4.74	4.19	3.73	3.78
(iii) Principal Components est. GDP\$	14031.2	14150.8	14312.5	14444.7	14603.3
% Previous Q, A.R.	2.33	3.45	4.65	3.75	4.46
% Year before	4.94	4.74	4.19	3.54	4.08
Average Nominal GDP	14031.2	14150.8	14312.5	14500.0	14636.5
% Previous Q, A.R.	2.33	3.45	4.65	5.34	3.82
% Year before	4.94	4.74	4.19	3.94	4.31

## 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	11740.30	11794.34	11803.51
Total Demand	13587.20	13608.60	13664.80	13735.29	13761.21
Domestic Demand	12103.20	12105.80	12110.50	12149.37	12130.76
Domestic Final Demand	12109.80	12113.30	12159.50	12173.33	12155.85
Final Demand	11628.00	11653.70	11790.30	11812.66	11821.93
Personal Consumption Expenditures	8298.20	8316.06	8352.18	8349.68	8328.38
Durable Goods	1250.58	1237.01	1229.14	1220.79	1234.31
Nondurable Goods	2400.16	2397.94	2422.65	2408.68	2381.87
Services	4676.10	4704.35	4719.91	4739.50	4739.06
Gross Private Domestic Investment	1781.30	1754.70	1699.80	1744.64	1755.86
Fixed Investment	1788.20	1762.40	1751.10	1768.63	1780.95
Nonresidential	1414.70	1423.10	1431.00	1463.85	1484.10
Equipment and Software	1090.13	1088.61	1079.70	1108.13	1124.98
Structures	319.69	326.36	337.00	342.78	346.86
Residential	411.60	383.00	366.90	354.67	348.21
Change In Business Inventories	-8.10	-10.20	-49.40	-23.92	-25.09
Farm	10.50	6.00	1.70	-2.00	-0.88
Nonfarm	-20.59	-17.93	-52.88	-21.93	-24.22
Net Exports	-484.50	-462.00	-376.60	-360.69	-333.91
Exports	1482.10	1500.60	1547.90	1585.97	1630.47
Imports	1966.50	1962.60	1924.50	1946.66	1964.38
Government Purchases	2029.40	2039.10	2058.50	2055.05	2046.48
Federal	761.70	772.60	785.50	785.84	783.99
State and Local	1267.50	1266.70	1273.60	1269.21	1262.47

## Percent Change, Annual Rate

Gross Domestic Product	-0.17	0.87	3.28	1.85	0.31
Total Demand	-0.48	0.63	1.66	2.08	0.76
Domestic Demand	-1.05	0.09	0.16	1.29	-0.61
Domestic Final Demand	-0.14	0.12	1.53	0.46	-0.57
Final Demand	0.80	0.89	4.77	0.76	0.31
Personal Consumption Expenditures	0.95	0.86	1.75	-0.12	-1.02
Durable Goods	0.38	-4.27	-2.52	-2.69	4.50
Nondurable Goods	0.26	-0.37	4.19	-2.29	-4.38
Services	1.41	2.44	1.33	1.67	-0.04
Gross Private Domestic Investment					
Fixed Investment	-6.19	-5.65	-2.54	4.07	2.82
Nonresidential	3.41	2.40	2.24	9.50	5.65
Equipment and Software	0.98	-0.56	-3.24	10.96	6.22
Structures	8.54	8.61	13.70	7.04	4.84
Residential	-27.01	-25.03	-15.78	-12.68	-7.09
Exports	4.41	5.09	13.22	10.21	11.70
Imports	-2.31	-0.79	-7.54	4.69	3.69
Government Purchases	0.81	1.93	3.86	-0.67	-1.66
Federal	-0.52	5.85	6.85	0.17	-0.94
State and Local	1.56	-0.25	2.20	-1.37	-2.11

## 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	14312.50	14583.61	14743.94
Total Demand	16487.70	16677.30	16950.10	17310.97	17555.63
Domestic Demand	14728.00	14856.60	15022.50	15295.19	15453.73
Domestic Final Demand	14749.00	14882.20	15097.00	15324.78	15485.09
Final Demand	14052.30	14176.40	14386.90	14613.20	14775.30
Personal Consumption Expenditures	9892.72	10002.33	10150.01	10296.55	10390.64
Durable Goods	1083.01	1071.05	1060.01	1054.32	1067.47
Nondurable Goods	2906.24	2950.73	3028.91	3080.54	3093.75
Services	5903.47	5980.56	6061.09	6161.69	6229.42
Gross Private Domestic Investment	2092.30	2056.10	1999.90	2076.17	2101.53
Fixed Investment	2113.40	2081.70	2074.40	2105.76	2132.89
Nonresidential	1542.10	1553.60	1571.20	1620.15	1655.72
Equipment and Software	1033.41	1030.90	1026.58	1059.03	1080.26
Structures	508.71	522.73	544.59	561.12	575.46
Residential	571.30	528.10	503.20	485.61	477.17
Change In Business Inventories	-21.10	-25.60	-74.50	-29.60	-31.36
Farm	5.70	0.20	-5.30	-2.47	-1.09
Nonfarm	-26.73	-25.83	-69.20	-27.13	-30.26
Net Exports	-696.70	-705.70	-710.00	-711.58	-709.79
Exports	1759.70	1820.80	1927.60	2015.78	2101.90
Imports	2456.50	2526.50	2637.60	2727.36	2811.69
Government Purchases	2742.90	2798.10	2872.50	2922.47	2961.56
Federal	998.30	1026.50	1056.50	1069.08	1081.53
State and Local	1744.60	1771.60	1816.00	1853.40	1880.02

## Percent Change, Annual Rate

Gross Domestic Product	2.33	3.45	4.65	7.79	4.47
Total Demand	3.46	4.68	6.71	8.79	5.77
Domestic Demand	2.62	3.54	4.54	7.46	4.21
Domestic Final Demand	3.86	3.66	5.90	6.17	4.25
Final Demand	3.63	3.58	6.07	6.44	4.51
Personal Consumption Expenditures	5.31	4.51	6.04	5.90	3.71
Durable Goods	-1.18	-4.35	-4.06	-2.13	5.09
Nondurable Goods	8.65	6.27	11.03	6.99	1.73
Services	4.93	5.33	5.50	6.81	4.47
Gross Private Domestic Investment	-12.61	-6.74	-10.49	16.15	4.98
Fixed Investment	-5.06	-5.87	-1.40	6.19	5.25
Nonresidential	5.14	3.02	4.61	13.06	9.07
Equipment and Software	1.34	-0.97	-1.67	13.26	8.26
Structures	13.44	11.49	17.80	12.71	10.62
Residential	-27.02	-26.99	-17.57	-13.27	-6.77
Exports	10.87	14.63	25.61	19.59	18.21
Imports	10.21	11.89	18.78	14.32	12.95
Government Purchases	5.96	8.30	11.07	7.14	5.46
Federal	1.74	11.79	12.21	4.85	4.74
State and Local	8.47	6.34	10.41	8.50	5.87

## 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	121.97	123.25	124.36
Total Demand	121.35	122.55	124.04	126.04	127.57
Domestic Demand	121.77	122.82	124.11	125.90	127.39
Domestic Final Demand	121.80	122.86	124.16	125.89	127.39
Final Demand	120.86	121.65	122.03	123.71	124.98
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	127.89	129.89
Services	126.25	127.13	128.42	130.01	131.45
Gross Private Domestic Investment	117.96	117.82	118.04	119.02	119.69
Fixed Investment	118.19	118.12	118.47	119.06	119.76
Nonresidential	109.02	109.18	109.80	110.68	111.56
Equipment and Software	94.80	94.70	95.08	95.57	96.03
Structures	159.14	160.18	161.61	163.70	165.91
Residential	138.80	137.90	137.17	136.92	137.04
Exports	118.79	121.40	124.59	127.10	128.91
Imports	124.91	128.72	137.05	140.10	143.13
Government Purchases	135.17	137.24	139.56	142.21	144.71
Federal	131.07	132.88	134.52	136.04	137.95
State and Local	137.65	139.87	142.61	146.03	148.92

## Percent Change, Annual Rate

Gross Domestic Product	2.84	2.63	1.19	4.26	3.66
Total Demand	3.96	4.02	4.96	6.59	4.96
Domestic Demand	4.02	3.51	4.25	5.90	4.84
Domestic Final Demand	4.00	3.54	4.30	5.68	4.84
Final Demand	2.82	2.66	1.25	5.61	4.18
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	6.57	9.48	6.38
Services	3.48	2.82	4.11	5.04	4.51
Gross Private Domestic Investment	1.35	-0.49	0.76	3.37	2.26
Fixed Investment	1.20	-0.24	1.19	2.03	2.37
Nonresidential	1.69	0.60	2.29	3.24	3.24
Equipment and Software	0.36	-0.41	1.62	2.07	1.92
Structures	4.49	2.65	3.61	5.27	5.51
Residential	-0.05	-2.58	-2.09	-0.74	0.35
Exports	6.21	9.06	10.94	8.31	5.83
Imports	12.81	12.79	28.49	9.23	8.93
Government Purchases	5.12	6.25	6.95	7.81	7.22
Federal	2.25	5.64	5.04	4.59	5.72
State and Local	6.81	6.60	8.07	9.95	8.15

## 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	14312.50	14471.62	14562.21
Plus:					
Receipts of Factor Income	907.40	843.20	825.40	844.10	863.30
Less:					
Payments of Factor Income	742.00	705.10	710.20	723.59	737.41
Equals: Gross National Product	14196.60	14289.00	14427.70	14592.13	14688.10
Less:					
Consumption of Fixed Capital	1758.60	1778.00	1804.40	1813.81	1829.60
Equals: Net National Product	12438.00	12511.10	12623.20	12778.62	12858.59
Indirect Business Taxes	1027.66	1025.76	1032.04	1043.28	1056.28
Business Transfers	103.10	103.20	103.00	97.81	93.25
Statistical Discrepancy	13.90	63.40	111.80	103.47	95.95
Net Subsidies	52.34	50.64	50.84	50.62	50.36
National Income	12424.10	12447.60	12511.50	12675.15	12762.64
Corporate Profits	1611.10	1593.50	1555.70	1580.06	1613.76
Net Interest	688.10	662.30	677.20	686.47	693.11
Contribution for Soc. Ins.	975.26	992.20	996.92	1002.69	1006.91
Personal	505.70	515.75	518.26	519.90	519.90
Employer	469.56	476.45	478.66	482.79	487.01
Personal Interest Income	1242.70	1224.60	1199.40	1217.21	1241.60
Personal Dividend Income	813.50	829.50	843.60	851.72	858.24
Government Transfers	1704.73	1745.82	1893.77	1814.92	1858.90
Business Transfers (to persons)	33.10	32.20	32.40	32.61	32.82
Personal Income	11872.10	11960.50	12174.20	12237.55	12347.65
Percent Change, Annual Rate					
Gross Domestic Product	2.33	3.45	4.65	4.52	2.53
Plus:					
Receipts of Factor Income	4.02	-25.44	-8.18	9.38	9.41
Less:					
Payments of Factor Income	-20.70	-18.46	2.92	7.76	7.86
Equals: Gross National Product	3.86	2.63	3.94	4.64	2.66
Less:					
Consumption of Fixed Capital	6.31	4.49	6.07	2.10	3.53
Equals: Net National Product	3.52	2.37	3.63	5.02	2.53
Indirect Business Taxes	3.35	-0.74	2.47	4.43	5.08
Business Transfers	3.57	0.39	-0.77	-18.68	-17.39
National Income	2.80	0.76	2.07	5.34	2.79
Corporate Profits	-13.03	-4.30	-9.16	6.41	8.81
Net Interest	16.03	-14.18	9.31	5.59	3.93
Contribution for Social Insurance	3.87	7.13	1.92	2.33	1.69
Personal	3.87	8.19	1.96	1.27	0.00
Employer	3.87	6.00	1.87	3.49	3.54
Personal Interest Income	2.12	-5.70	-7.98	6.07	8.26
Personal Dividend Income	9.80	8.10	6.97	3.91	3.09
Government Transfers	4.01	9.99	38.46	-15.64	10.05
Business Transfers (to persons)	7.59	-10.44	2.51	2.68	2.60
Personal Income	4.92	3.01	7.34	2.10	3.65

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	6518.00	6568.00	6615.80	6673.98
Commod Prod Industries	1218.20	1217.70	1216.30	1222.76	1230.55
Manufacturing	750.20	748.40	748.80	749.44	751.55
Others	468.00	469.30	467.50	473.32	479.00
Distributive Industries*	1048.30	1050.40	1049.00	1050.88	1057.07
Service Industries	3106.90	3140.20	3179.00	3206.95	3239.05
Government	1092.10	1109.70	1123.80	1135.29	1147.46
Other Labor Income	1475.50	1491.70	1503.00	1514.06	1525.91
Proprietors Income	1073.80	1071.70	1077.30	1090.18	1100.79
Farm	47.10	41.60	38.70	32.81	31.83
Business and Profess.	1026.70	1030.10	1038.60	1057.37	1068.97
Rental Income of Persons	38.60	39.10	53.60	65.56	68.72
Interest Paid by Persons	276.70	261.70	250.30	248.44	251.77
Other Interest	966.00	962.90	949.10	968.77	989.83
Transfer Payments	1737.80	1778.10	1926.20	1837.10	1884.59
Contributions for Social In	505.70	515.75	518.26	519.90	519.90
Personal Tax & Nontax P.	1520.55	1534.98	1351.97	1407.45	1442.89
Disposable Income	10351.50	10425.50	10822.20	10830.10	10904.76
Addendum:					
Domestic Final Sales	14754.7	14882.3	15091.7	15212.8	15303.4

Percent Change, Annual Rate

Wages and Salaries	5.62	3.29	3.10	2.94	3.56
Commod Prod Industries	4.70	-0.16	-0.46	2.14	2.57
Manufacturing	3.71	-0.96	0.21	0.34	1.13
Others	6.31	1.12	-1.53	5.07	4.89
Distributive Industries*	5.12	0.80	-0.53	0.72	2.38
Service Industries	6.64	4.36	5.03	3.56	4.06
Government	4.25	6.60	5.18	4.15	4.35
Other Labor Income	3.86	4.46	3.06	2.98	3.17
Proprietors Income	3.81	-0.78	2.11	4.87	3.95
Farm	-2.51	-39.15	-25.10	-48.35	-11.44
Business and Profess.	4.12	1.33	3.34	7.43	4.46
Rental Income of Persons	-27.28	5.28	253.14	123.85	20.73
Interest Paid by Persons	-2.14	-19.98	-16.32	-2.94	5.47
Other Interest	3.38	-1.28	-5.61	8.55	8.98
Transfer Payments	4.06	9.60	37.71	-17.26	10.75
Contribution for Social Ins	3.87	8.19	1.96	1.27	0.00
Personal Tax & Nontax P.	5.15	3.85	-39.82	17.45	10.46
Disposable Income	4.89	2.89	16.11	0.29	2.79
Addendum:					
Domestic Final Sales	4.02	3.50	5.75	3.25	2.40

\*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	346.24	363.56	365.53	352.50	354.39	356.27
RS, Durable Goods Stores	118.06	118.29	116.51	115.08	121.34	122.18	117.93	118.45	119.08
RS, Bldg Materials, Hardware	27.34	28.02	27.92	28.01	29.34	29.47	28.50	28.61	28.84
RS, Auto Dealers	71.76	71.12	69.61	67.93	72.50	73.16	70.41	70.54	70.45
RS, Furn, Home Furn & Equip	9.46	9.50	9.39	9.48	9.94	10.01	9.69	9.75	9.82
RS, Nondurable Goods Stores	218.56	220.99	223.72	224.40	234.74	235.57	227.47	228.08	229.35
RS, Food Stores	48.96	48.89	49.37	49.58	51.61	51.78	49.94	50.06	50.20
RS, Gas Service Stations	42.55	43.95	45.69	46.05	48.52	48.68	46.91	46.30	46.72
RS, Apparel and Accessories	18.97	19.09	19.08	19.13	20.06	20.15	19.48	19.58	19.68
RS, New Domestic Cars, SAA	4.95	5.27	4.88	4.44	4.49	4.70	4.75	4.74	4.68
RS, New Dom Light Trucks, SAA	5.74	5.19	5.06	4.62	5.92	5.72	5.64	5.59	5.61

## 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	0.9820	1.0840	0.9650	0.9975	1.0129	1.0014	1.0035	1.0299
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## NEW CONSTRUCTION PUT IN PLACE, Billions of Current Dollars, SAAR

New Const, Residential Bldgs	383.49	371.39	366.07	357.82	357.62	353.08	350.74	348.69	346.57
New Const, Nonresident Bldgs	400.19	412.76	419.82	416.81	422.12	426.35	427.49	431.48	434.81
New Const, Federal Government	22.62	22.61	23.15	24.05	23.67	23.59	23.94	24.00	24.08
New Const, State & Local Govt	278.87	281.54	282.23	285.68	286.11	286.65	287.62	288.56	289.69

Percent Change, Monthly Rate

## RETAIL SALES (RS)

RS, Total Retail Sales	0.11	0.79	0.35	-0.12	5.00	0.54	-3.57	0.54	0.53
RS, Durable Goods Stores	-1.32	0.20	-1.51	-1.23	5.45	0.69	-3.49	0.45	0.53
RS, Bldg Materials, Hardware	2.24	2.48	-0.34	0.30	4.76	0.45	-3.30	0.36	0.82
RS, Auto Dealers	-3.09	-0.90	-2.12	-2.41	6.73	0.91	-3.77	0.19	-0.14
RS, Furn, Home Furn & Equip	-0.23	0.50	-1.18	0.98	4.84	0.71	-3.24	0.63	0.78
RS, Nondurable Goods Stores	0.73	1.11	1.23	0.31	4.61	0.35	-3.44	0.27	0.56
RS, Food Stores	0.76	-0.14	0.98	0.43	4.08	0.33	-3.54	0.24	0.27
RS, Gas Service Stations	0.61	3.28	3.96	0.78	5.37	0.34	-3.65	-1.29	0.89
RS, Apparel and Accessories	0.54	0.64	-0.07	0.24	4.86	0.49	-3.36	0.51	0.51
RS, New Domestic Cars, SAAR	-0.84	6.55	-7.46	-8.96	1.19	4.54	1.22	-0.36	-1.22
RS, New Dom Light Trucks, SA	-7.61	-9.58	-2.45	-8.77	28.26	-3.38	-1.50	-0.87	0.35

## 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	-2.19	10.39	-10.98	3.36	1.55	-1.13	0.21	2.63
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## NEW CONSTRUCTION PUT IN PLACE

New Const, Residential Bldgs	-2.08	-3.16	-1.43	-2.25	-0.06	-1.27	-0.66	-0.58	-0.61
New Const, Nonresidential Bldgs	0.55	3.14	1.71	-0.72	1.27	1.00	0.27	0.93	0.77
New Const, Federal Government	1.61	-0.06	2.37	3.89	-1.58	-0.32	1.47	0.28	0.30
New Const, State & Local Govt	0.11	0.95	0.25	1.22	0.15	0.19	0.34	0.33	0.39

## 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	459.58	465.43	465.92	469.76	471.94	473.54	476.47
Manufacturers' Shipments	446.03	447.41	455.87	465.28	466.04	468.72	470.63	471.34	473.42
Manufacturers' Unfilled Orders	802.97	810.29	818.02	824.06	830.69	837.38	843.53	849.70	855.83
MANUFACTURED DURABLE GOODS, Billions of Current Dollars, SA									
Nondefense Capital Goods Shipmt	67.88	67.71	68.19	69.87	69.02	69.57	70.33	70.32	70.72
BUSINESS INVENTORIES, Billions of Current Dollars, SA									
Inventories, Manufacturers	545.63	548.83	555.63	558.21	561.83	565.21	567.80	570.59	573.10
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	2.12	1.27	0.11	0.82	0.47	0.34	0.62
Manufacturers' Shipments	2.68	0.31	1.89	2.06	0.16	0.57	0.41	0.15	0.44
Manufacturers' Unfilled Orders	0.73	0.91	0.95	0.74	0.81	0.81	0.73	0.73	0.72
MANUFACTURED DURABLE GOODS									
Nondefense Capital Goods Shipmt	1.80	-0.25	0.71	2.46	-1.21	0.80	1.08	-0.01	0.58
BUSINESS INVENTORIES									
Inventories, Manufacturers	-0.03	0.59	1.24	0.46	0.65	0.60	0.46	0.49	0.44
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	183.90	185.53	187.00	188.56	189.77	191.69
PPI, Capital Equipment	152.50	152.70	153.10	154.30	154.81	155.46	156.20	156.84	157.48
PPI, Intermediate Materials	186.50	192.00	196.10	201.40	205.31	208.72	212.24	215.41	218.38
PPI, Components for Construction	199.10	203.20	206.20	209.80	212.19	213.80	215.22	216.54	217.56
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	0.28	1.36	1.79	1.21	0.89	0.79	0.84	0.64	1.01
PPI, Capital Equipment	0.59	0.13	0.26	0.78	0.33	0.42	0.48	0.41	0.41
PPI, Intermediate Materials	0.70	2.95	2.14	2.70	1.94	1.66	1.69	1.49	1.38
PPI, Components for Construction	0.96	2.06	1.48	1.75	1.14	0.76	0.66	0.61	0.47
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	137.617	137.557	137.473	137.435	137.407	137.392	137.390
EMP, Manufacturing	13.592	13.571	13.527	13.489	13.428	13.395	13.365	13.340	13.316
EMP, Services	116.136	116.140	116.126	116.114	116.087	116.159	116.226	116.324	116.451
EMP, Wholesale and Retail Trade	21.400	21.370	21.359	21.324	21.294	21.270	21.263	21.242	21.236
EMP, Government	22.401	22.453	22.463	22.469	22.486	22.510	22.532	22.556	22.579
EMP, Federal Government	1.996	2.007	2.013	2.018	2.024	2.025	2.026	2.026	2.026
EMP, State and Local Governme	21.628	21.577	21.491	21.443	21.386	21.342	21.304	21.272	21.247
Total Unemployed, Millions	7.626	8.487	8.499	8.784	9.376	9.504	9.746	9.956	10.073
AVERAGE WEEKLY HOURS (AWH) of Production Workers, SA									
AWH, Total Private	33.80	33.70	33.70	33.70	33.70	33.68	33.68	33.67	33.66
AWH, Manufacturing	41.00	41.00	41.00	41.00	40.90	40.93	40.94	40.94	40.93
AWH, Services	30.20	30.10	30.10	30.00	30.10	30.07	30.03	30.04	30.01
AWH, Wholesale and Retail Trade	38.30	38.30	38.30	38.40	38.30	38.31	38.34	38.32	38.31
AVERAGE HOURLY EARNINGS (AHE) of Production Workers, Current Dollars, SA									
AHE, Manufacturing	17.62	17.65	17.71	17.79	17.75	17.80	17.85	17.88	17.92
AHE, Services	12.85	12.90	12.90	12.90	12.95	12.96	12.98	12.99	13.01
AHE, Wholesale and Retail Trade	20.05	20.06	20.12	20.16	20.27	20.29	20.34	20.41	20.45
AVERAGE WEEKLY EARNINGS (AWE) of Production Workers, Current Dollars									
AWE, Total Private	604.68	604.92	606.60	608.96	611.32	612.74	614.52	616.45	618.20
Percent Change, Monthly Rate									
EMPLOYEES (EMP) ON NONFARM PAYROLLS									
EMP, Total	-0.049	-0.034	-0.073	-0.044	-0.061	-0.028	-0.020	-0.011	-0.001
EMP, Manufacturing	-0.381	-0.155	-0.324	-0.281	-0.452	-0.247	-0.221	-0.186	-0.180
EMP, Services	0.036	0.003	-0.012	-0.010	-0.023	0.062	0.058	0.084	0.109
EMP, Wholesale and Retail Trade	-0.261	-0.140	-0.051	-0.164	-0.141	-0.110	-0.035	-0.099	-0.027
EMP, Government	0.107	0.232	0.045	0.027	0.076	0.106	0.099	0.105	0.101
EMP, Federal Government	0.453	0.551	0.299	0.248	0.297	0.033	0.061	0.011	-0.010
EMP, State and Local Governme	-0.501	-0.236	-0.399	-0.223	-0.266	-0.208	-0.178	-0.149	-0.116
Total Unemployed, Millions	-2.418	11.290	0.141	3.353	6.740	1.366	2.547	2.148	1.178
AVERAGE WEEKLY HOURS (AWH) OF PRODUCTION WORKERS									
AWH, Total Private	0.00	-0.30	0.00	0.00	0.00	-0.05	-0.02	-0.02	-0.03
AWH, Manufacturing	-0.49	0.00	0.00	0.00	-0.24	0.07	0.02	0.01	-0.02
AWH, Services	0.00	-0.33	0.00	-0.33	0.33	-0.11	-0.13	0.05	-0.10
AWH, Wholesale and Retail Trade	-0.26	0.00	0.00	0.26	-0.26	0.02	0.08	-0.05	-0.03
AVERAGE HOURLY EARNINGS (AHE) OF PRODUCTION WORKERS									
AHE, Manufacturing	0.06	0.17	0.34	0.45	-0.22	0.29	0.25	0.21	0.22
AHE, Services	-0.08	0.39	0.00	0.00	0.39	0.05	0.15	0.14	0.12
AHE, Wholesale and Retail Trade	0.10	0.05	0.30	0.20	0.55	0.09	0.25	0.36	0.21
AVERAGE WEEKLY EARNINGS (AWE) OF PRODUCTION WORKERS									
AWE, Total Private	0.11	0.04	0.28	0.39	0.39	0.23	0.29	0.32	0.28

## 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	1401.0	1407.8	1413.8	1419.1	1424.3	1432.0
Money Supply (M2)	7679.8	7688.2	7687.1	7725.9	7772.7	7813.3	7854.9	7892.1	7928.5
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	1.97	2.03	1.98	1.95	1.92
IR, Commercial Paper, 2 month	2.06	2.01	2.15	2.13	2.08	2.08	2.06	2.06	2.05
Yields, US Govt Bond, 1 year	1.74	2.05	2.42	2.28	2.18	2.32	2.26	2.25	2.27
Yields, US Govt Bond, 10 Year	3.68	3.88	4.10	4.01	3.89	3.87	3.88	3.91	3.89
FOREIGN EXCHANGE VALUE, March 1973=100									
Weighted Average Value of US\$	95.48	95.83	96.09	95.40	97.93	99.15	99.60	99.95	100.23
STOCK MARKET									
New York Stock Exchange Index	9174.1	9429.0	8997.0	8427.4	8362.2	8366.0	8379.7	8394.8	8410.1
Dividend to (Stock) Price Ratio	2.09	2.07	2.15	2.28	2.23	2.20	2.20	2.19	2.18
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	1.12	0.49	0.43	0.37	0.37	0.54
Money Supply, (M2)	0.20	0.11	-0.01	0.50	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	-0.01	0.07	-0.05	-0.03	-0.02
IR, Commercial Paper, 6 Month	-0.26	-0.05	0.15	-0.03	-0.05	0.00	-0.02	0.01	-0.01
Yields, US Govt Bond, 1 Year	0.19	0.31	0.37	-0.14	-0.11	0.14	-0.06	-0.01	0.02
Yields, US Govt Bond, 10 Year	0.17	0.21	0.22	-0.09	-0.12	-0.02	0.01	0.03	-0.02
FOREIGN EXCHANGE VALUE									
Weighted Average Value of US\$	-0.30	0.37	0.27	-0.71	2.65	1.24	0.46	0.35	0.29
STOCK MARKET									
New York Stock Exchange Index	4.53	2.78	-4.58	-6.33	-0.77	0.05	0.16	0.18	0.18
Dividend to (Stock) Price Ratio	-3.69	-0.96	3.86	6.05	-2.19	-1.34	-0.16	-0.24	-0.31
CONSUMER INSTALLMENT CREDIT									
Consumer Credit Outstanding	0.35	0.31	0.56	0.46	0.45	0.46	0.48	0.48	0.52