

**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***

- When the Administration refused to carry one stimulus packages after mid 2008, it was stimulus packages after mid 2008, It was too late to introduce moderation in the US and other major power economic fluctuations.
- Our scenarios calculation, spreading \$150 billion (export) in stimuli, starting in mid 2008 and covering three quarters, does not change all negative movement into positive values, but it does appear to be capable of reducing the economic damage that we are having now.
- A rapid recall of troops from the Middle East has not been worked into the scenario calculations, but that might have been successful in boosting US production and employment, once again.

**FORECAST UPDATE OVERVIEW**

This forecast incorporates the following National Income and Product Accounts:

OCT 30 GDP (based on Chain 2000 Weights) for 2008Q3: -0.3%  
 OCT 31 Personal Income and Consumption for September: 0.2%, -0.3%

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

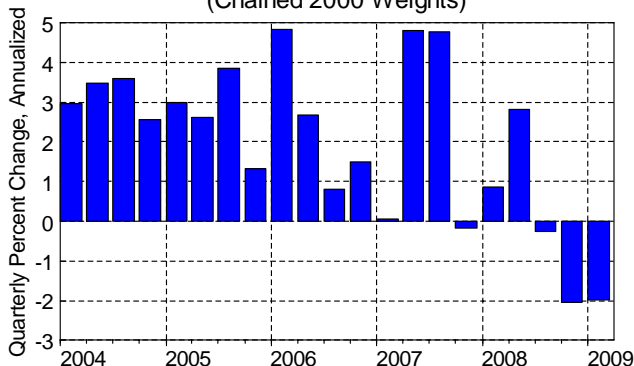
Date	Economic Indicator	for	Latest	Prior Month
<b>Nov 03</b>	<b>Construction Spending</b>	<b>September</b>	<b>-0.3%</b>	<b>0.3%</b>
<b>Nov 07</b>	<b>Nonfarm Payroll Employment</b>	<b>October</b>	<b>-240,000</b>	<b>-284,000</b>
<b>Nov 04</b>	<b>Auto Sales</b>	<b>October</b>	<b>10.5 Million</b>	<b>12.5 Million</b>
<b>Nov 07</b>	<b>Consumer Credit Outstanding</b>	<b>September</b>	<b>\$6.9 billion</b>	<b>-\$6.3 billion</b>
Oct 10	Export/Import Price Index	September	-1.0%, -3.0%	-1.7%, -2.6%
Oct 15	Producer Price Index, Total & Core	September	-0.4%, 0.4%	-0.9%, 0.2%
Oct 15	Retail Sales, Total & Ex-Auto	September	-1.2%, -0.6%	-0.4%, -0.9%
Oct 16	Industrial Production	September	-2.8%	-1.1%
Oct 15	Business Inventories	August	0.3%	1.1%
Oct 16	Consumer Price Index, Total & Core	September	0.0%, 0.1%	-0.1%, 0.2%
Oct 17	Housing Starts	August	817,000	872,000
Oct 10	Trade Balance	August	-\$59.1 billion	-\$61.3 billion
Oct 29	Durable Goods Orders & Shipments	September	0.9%, 0.3%	-5.5%, -4.2%
<b>Nov 02</b>	<b>Manuf Ships, Inv, &amp; Orders</b>	<b>September</b>	<b>-2.8%, -2.5%, -0.7%</b>	<b>-3.7%, -4.3%, 0.7%</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:

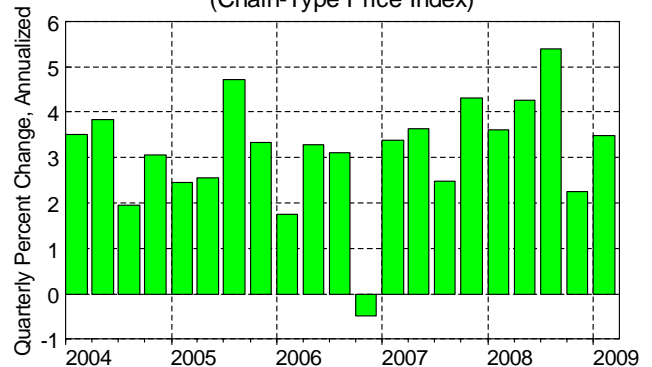
	Real GDP				PCE Price Index				Official Release	
	08Q2	08Q3	08Q4	09Q1	08Q2	08Q3	08Q4	09Q1		
Jul 07	2.32	0.95			3.80	4.50				
Jul 14	2.22	0.74			3.80	4.50				
Jul 21	1.95	0.01			4.27	6.06				
Jul 28	1.95	0.01			4.27	6.06				
Aug 11	<b>1.89</b>	1.30	0.15		<b>4.21</b>	5.28	4.45		<=1 <sup>st</sup>	08Q2
Aug 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 08	3.27	0.62	0.12		4.25	6.01	4.77			
Sep 15	3.25	0.58	0.56		4.25	6.01	4.77			
Sep 22	3.36	1.18	1.22		4.25	4.92	3.47			
Sep 29	<b>2.83</b>	0.24	0.41		<b>4.26</b>	4.92	3.47		<=3 <sup>rd</sup>	08Q2
Oct 06		-0.25	0.32			4.95	3.47			
Oct 13		-0.18	0.31			4.92	3.47			
Oct 20		-0.54	0.57			4.53	2.29			
Oct 27		-0.75	-0.32			4.53	2.26			
Nov 03		<b>-0.25</b>	-1.86	-1.88		<b>5.40</b>	2.25	3.47	<=1 <sup>st</sup>	08Q3
Nov 10		-0.31	-2.05	-1.99		5.31	2.25	3.47		

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

**Real GDP**  
(Chained 2000 Weights)



**Consumption Price Inflation**  
(Chain-Type Price Index)

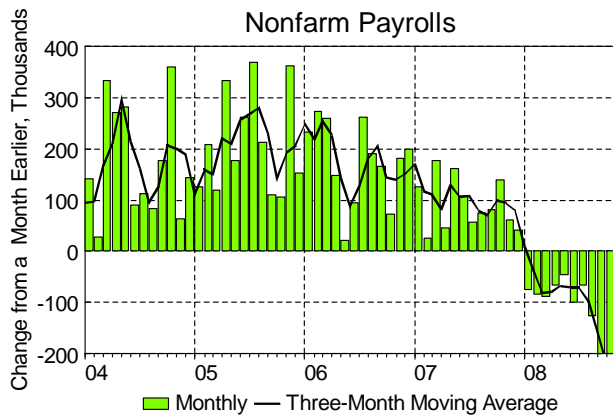


# High Frequency Indicators

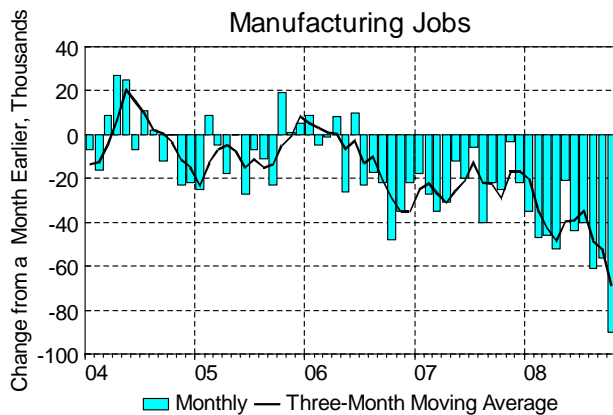
## The Week in Review (November 3 - 7)

### Employment Report

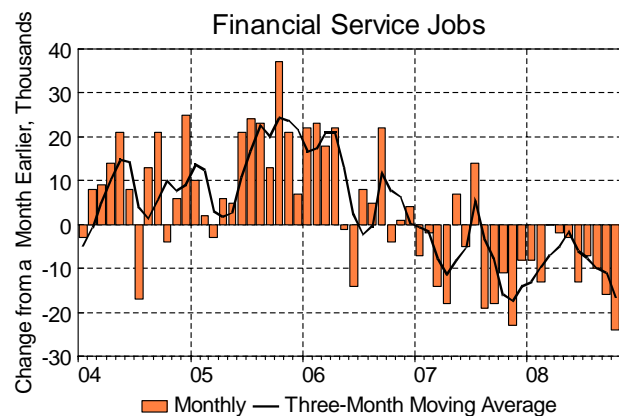
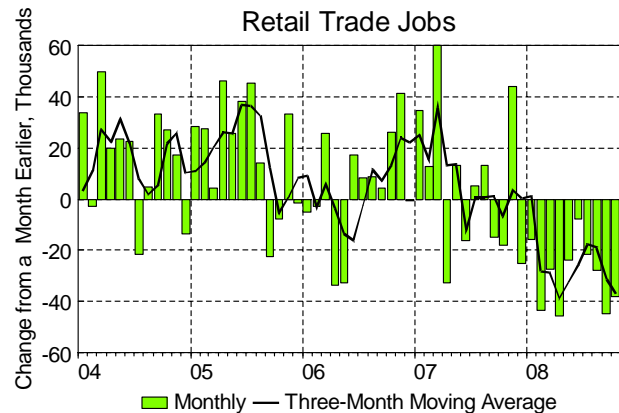
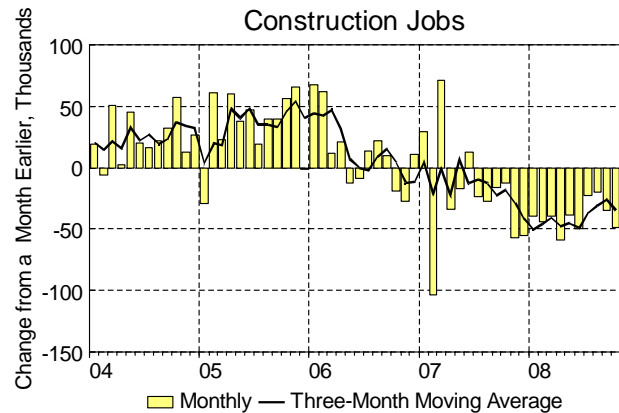
The latest employment report was discouraging. In October, nonfarm payrolls fell by 240,000, much worse than the market consensus forecast. Payroll declines in September were revised sharply to 284,000, from the previous estimate of 159,000. The September payroll decline was the strongest job loss since 2001. So far in 2008, job losses totaled 1.18 million.



Among the 274 industries surveyed, only 37.6% reported hiring activities in October, the worst since 2003.



The goods-producing sector cut 132,000 jobs in October. Manufacturing jobs were down by 90,000, while the construction sector cut 49,000 jobs.

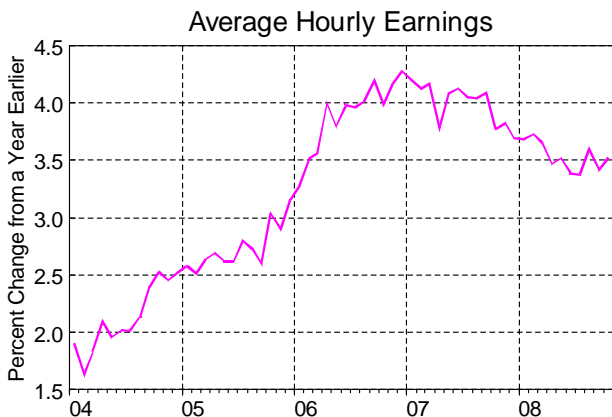


In the service sector, payrolls fell by 108,000 in October. Retail jobs were down by 38,000. The retail auto sector cut 20,300 jobs in October. The financial

service sector cut 24,000 jobs. Temporary-help jobs fell by 51,000. One bright spot was the healthcare sector, which added 26,000 jobs in October. The government sector added 23,000 jobs, following a 41,000 job cut in September.



Meanwhile, the unemployment rate surged to 6.5% in October, the highest in 14 years. Since April, the unemployment rate has risen 1.5 percentage points. The number of unemployed rose by 603,000 in October, to 10.1 million, the worst in 25 years. Hours worked in October fell 0.3% in October. Compared to a year ago, hours worked were down 1.7%. The average workweek remained unchanged at 33.6 hours, a record low. Average hourly earnings rose 0.2% (4 cents) to \$18.21. Compared to a year ago, average hourly earnings were up 3.5%.



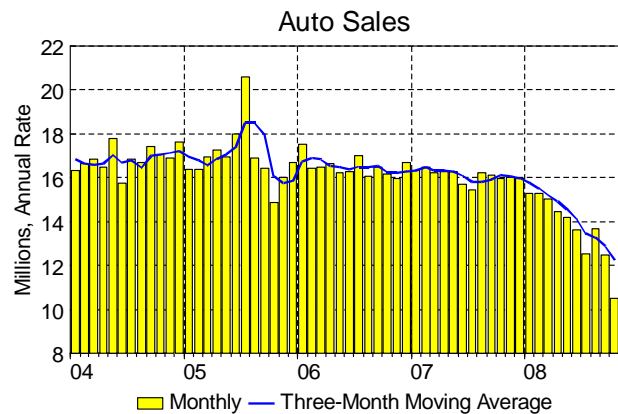
**Auto Sales**

Sales of light vehicles fell to 10.5 million (annual rate), from 12.5 million a month ago. The October sales level was the weakest in 26 years. Compared to a year ago, sales were down 32%.

Car sales fell 23.3% from a year ago, while light truck sales plunged 39.2%. In October, cars accounted for 51.4% of the market.

Both the Detroit Big Three and the Asian Big Three reported double-digit declines in sales in October. Among the Detroit Big Three, GM's sales plummeted 45.1%. In October, GM accounted for 20.1% of the market, down sharply from 29.3% in September. Ford's sales fell 30.2%, while Chrysler's sales were down 34.9%.

Among the Asian Big Three, Toyota's sales fell 23.0%, while Honda's sales were down 25.2%. Nissan's sales dropped 33.0%.

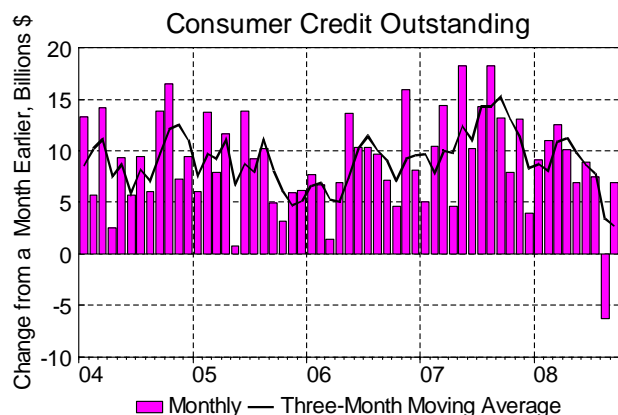


**Consumer Credit Outstanding**

In September, consumer credit outstanding rose 3.2% (\$6.9 billion) to \$2.59 trillion, after being down 3.9% in the previous month.

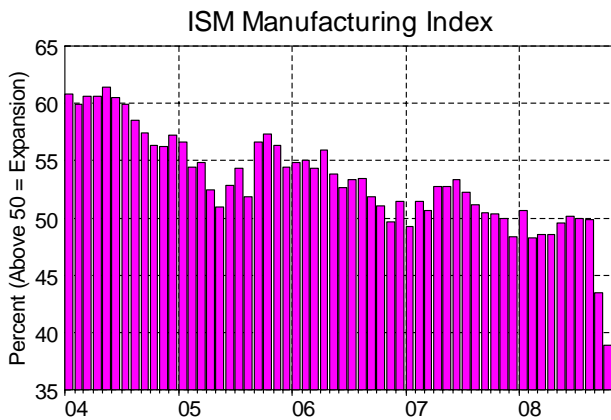
Revolving credit was up 1.2% (\$900 million) to \$971.4 billion in September. This followed a 0.4% increase in August.

Non-revolving credit rose 4.4% (\$5.91 billion) to \$1.62 trillion, after a 4.9% decline in the previous month.



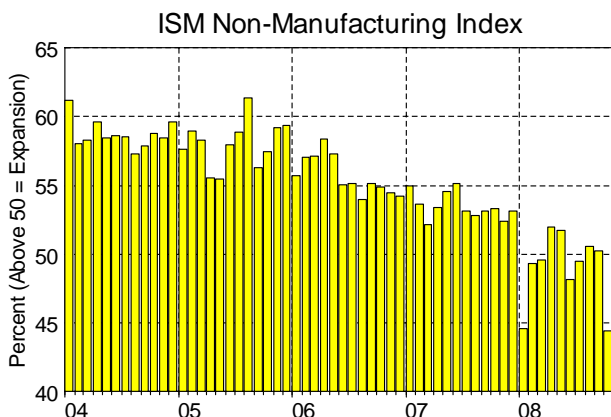
**ISM Manufacturing Index**

In October, the ISM Manufacturing Index plunged to 38.9, from 43.5 in September, and 49.9 in August. The October reading was the weakest in 26 years. Among the components of the survey, new orders dropped to 32.2, down more than 6 index points. Production fell to 34.1, from 40.8 in September. Both new orders and production were at their worst readings since 1980. Employment fell to 34.6, from 41.8 a month ago. Exports fell to 41, down 11 index points. Prices paid fell to 37.0, down more than 16 index points.



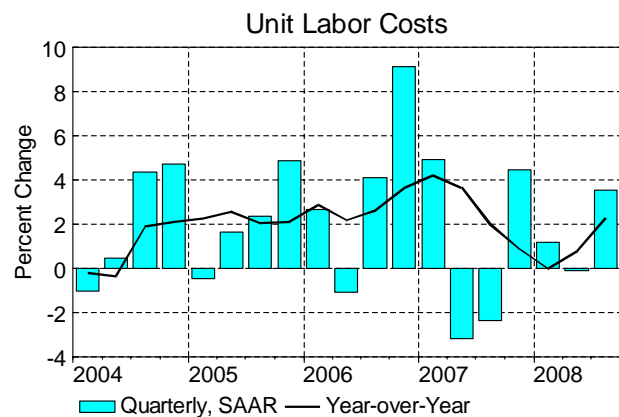
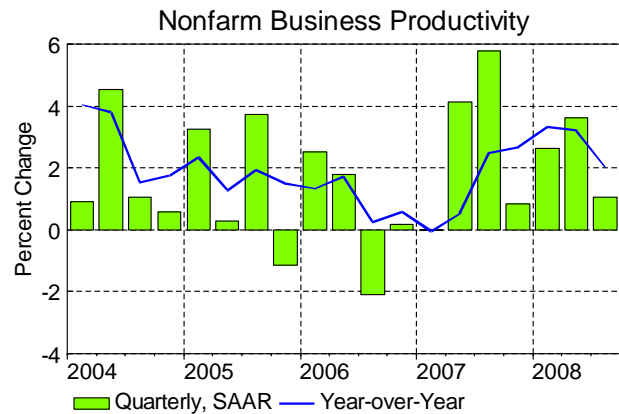
**ISM Non-Manufacturing Index**

The ISM Non-manufacturing Index fell to 44.4 in October, down about 6 index points. The October reading was the weakest on record. Among the 18 industries surveyed, only 3 were expanding in October. Among the components of the survey, new orders were down 6 index points to 44 in October. Employment fell 3 index points to 41.5. Prices-paid fell to 53.4 in October, from 70 in September.



**Nonfarm Business Productivity**

In the third quarter, productivity in the nonfarm business sector rose 1.1% (annualized). Output, however, fell 1.7%, while hours worked were down 2.7%. Unit labor costs rose 3.6%. Real hourly compensation, however, were down 1.9% in the third quarter. Compared to a year ago, productivity in the nonfarm business sector rose 2%, while unit labor costs were up 2.3%. In the manufacturing sector, productivity dropped 1% (annualized). While output fell 5.8%, the worst since 2001, hours worked were down by 4.9%. Unit labor costs jumped 6.1% in the manufacturing sector, but real hourly compensation dropped 1.6%.

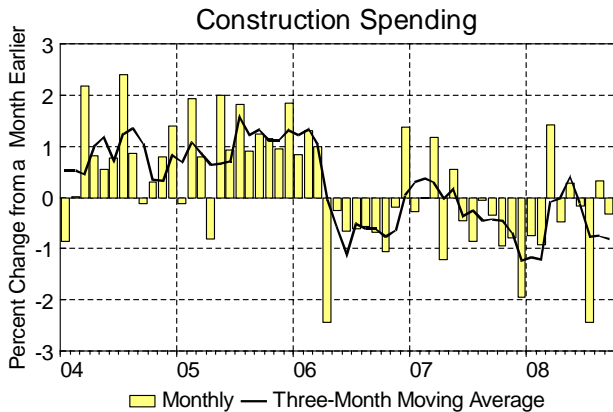


**Construction Spending**

Construction spending was down 0.3% in September, reversing a 0.3% increase in August. In July, construction spending plunged 2.4%. In September, private residential construction activities went down 1.3%. Compared to a year ago, residential construction activities were down 27.7%.

Meanwhile, private nonresidential construction spending was up 1.2% in September, following two straight months of declines.

Public construction fell 1.3% in September, the largest monthly decline since the beginning of the year. Federal construction spending fell 7%, while state and local construction spending was down 0.8%.

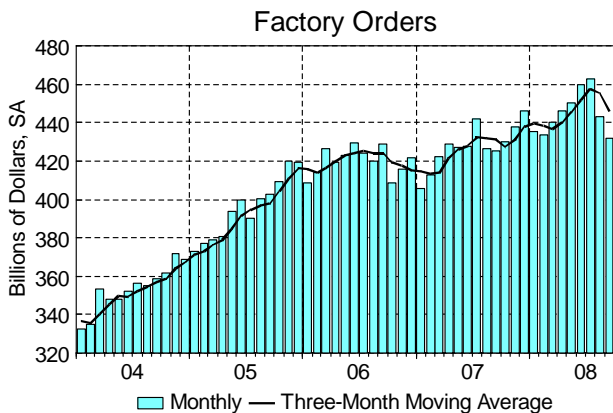


**Factory Orders**

In September, factory orders fell 2.5%, following a 4.3% drop in August. The September decline was bigger than the market consensus forecast.

Orders for durable goods rose 0.9%, revised up one-tenth from a week ago. Meanwhile, orders for nondurable goods fell 5.5%, the worst in two years.

Orders for civilian aircraft increased 29.7% in September, which led to a 6.5% increase in transportation orders. Excluding transportation, factory orders were down 3.7%, the strongest monthly decline on record.



Non-defense orders were down 3.3% in September. Orders for computers and electronics were down 1.8%.

Orders for petroleum and coal products were down a sharp 17%. Orders for chemical products went down 4.2%.

Core factory orders (i.e. orders for non-defense capital goods excluding aircraft) went down 1.5% in September.

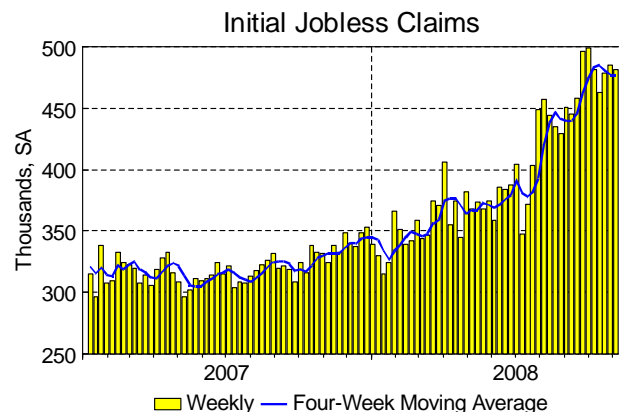
Meanwhile, shipments of factory orders fell 2.8%, down for the second straight month. Inventories dropped 0.7%. Unfilled orders were up 0.4%.

**Initial Jobless Claims**

For the week ending November 1, initial jobless claims fell 4,000 to 481,000. However, the prior week's claims figure was revised up by 6,000 to 485,000.

The four-week moving average of initial claims was unchanged at 477,000, down from a peak of 485,000 three weeks ago.

The number of insured unemployment jumped 122,000 to 3.84 million, for the week ending October 25. This was the highest level of continuing claims in 25 years. Meanwhile, the insured unemployment rate rose to 2.9%, a five-year high.

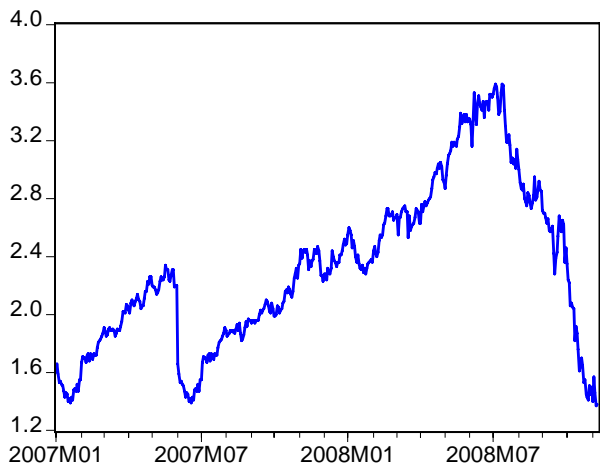


### Energy Prices

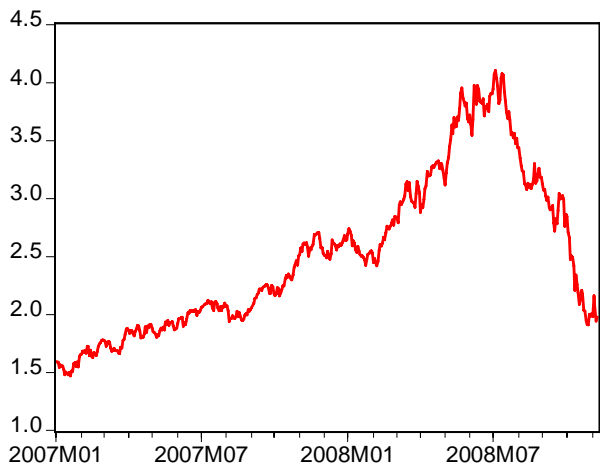
After one brief week of slight rebound, energy prices sank some more this week. Similar to prior weeks, economic concerns continued to drive down oil prices. With difficult times ahead, the question that market participants had in mind was how long the economy would stay at its current trough. In addition, although the election results are out, between now and January 20, it is unclear to market participants whether the current government administration will introduce another stimulus package to boost the economic momentum.

By Friday's market close, oil prices traded at \$67,81 a barrel, down about \$6 from a week ago.

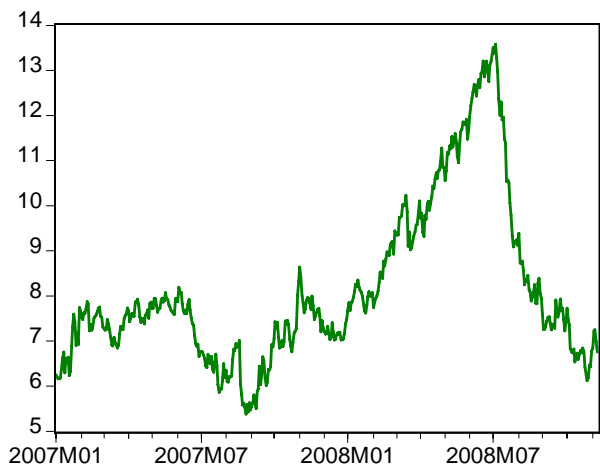
Prices of other energy commodities were also lower this week. Prices of heating oil were down about 10 cents to \$1.98 per gallon. Prices of gasoline fell 15 cents to \$1.35 per gallon. Prices of natural gas inched down 8 cents to \$6.97 per mmbtu.



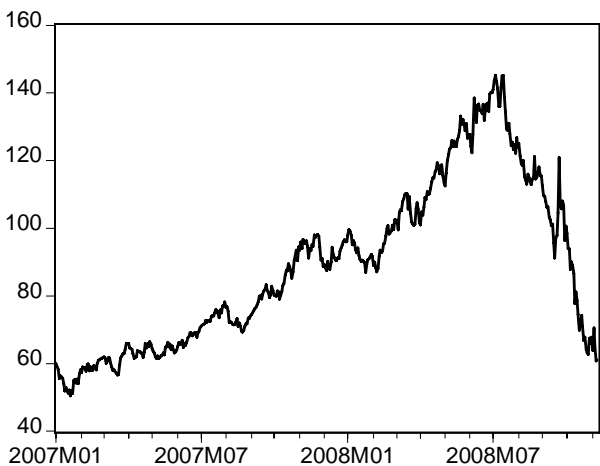
Gasoline Futures Price, \$/Gallon



Heating Oil Futures Price, \$/Gallon



Natural Gas Futures Price, \$/MMBTU



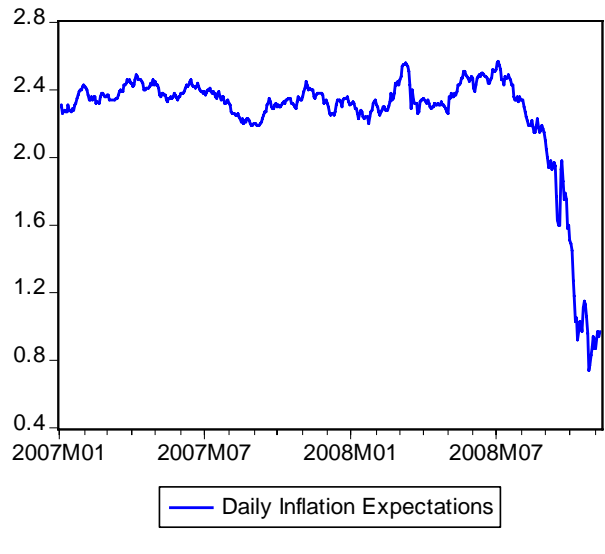
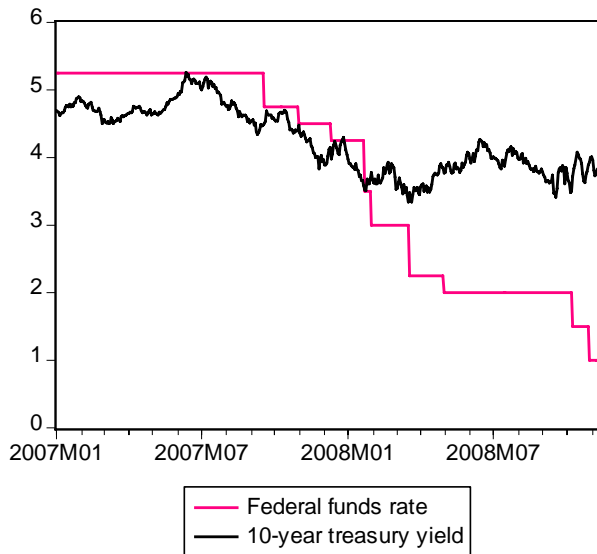
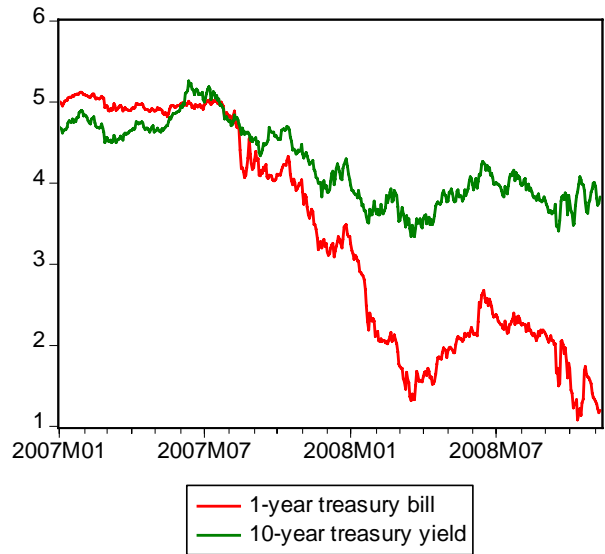
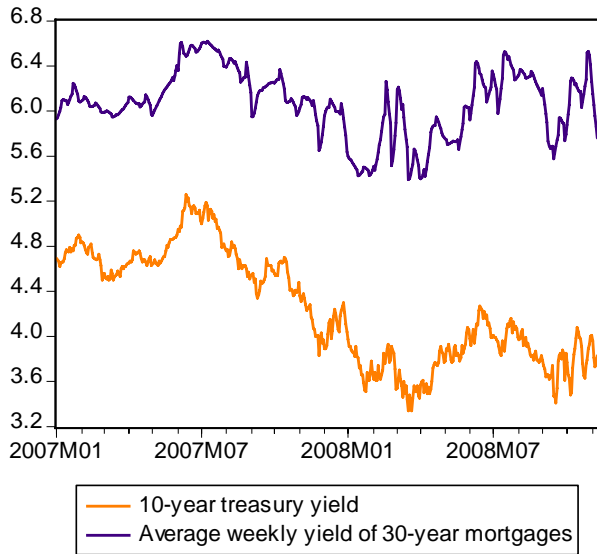
Crude Oil (WTI) Futures Price, \$/Barrel

**Interest Rates**

Demand for US treasuries remained strong, as uncertainty on the economy continued to loom.

By the week's close, the two-year treasury closed at 1.32%, down almost 20 basis points from a week ago. Meanwhile, the ten-year treasury traded at 3.79%, by the week's close, down about 12 basis points from a week earlier.

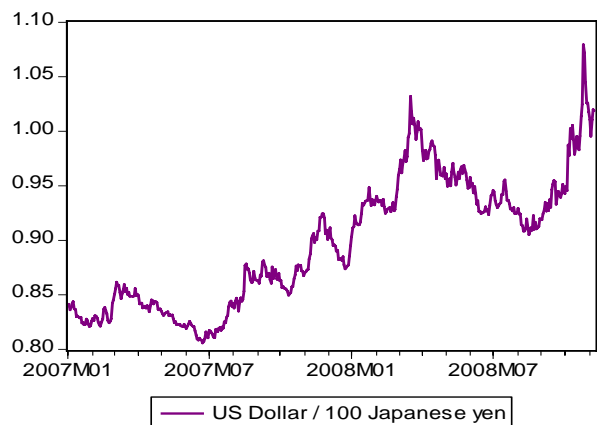
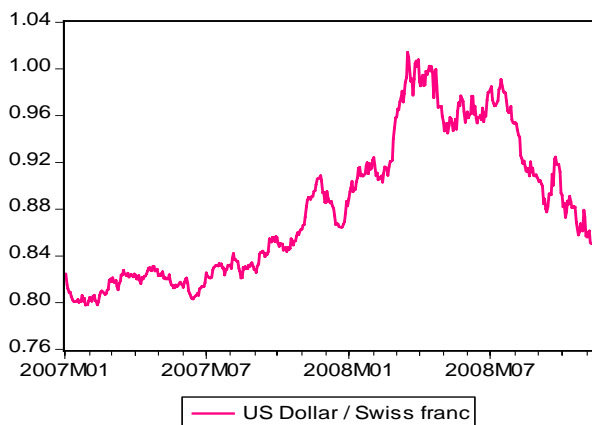
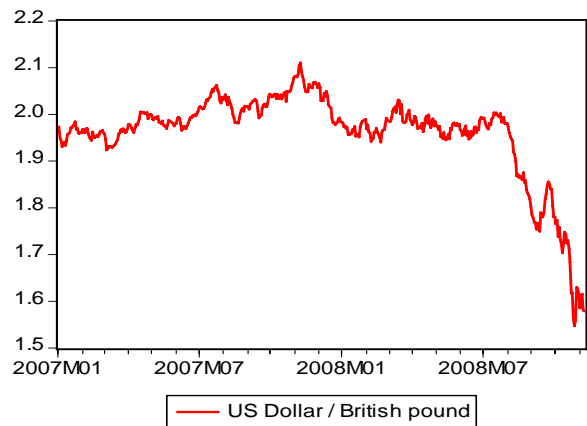
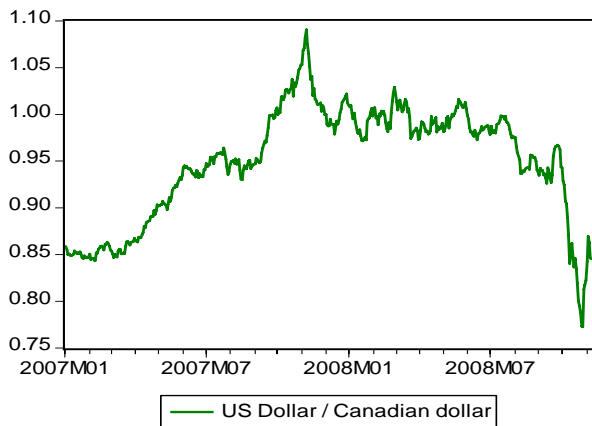
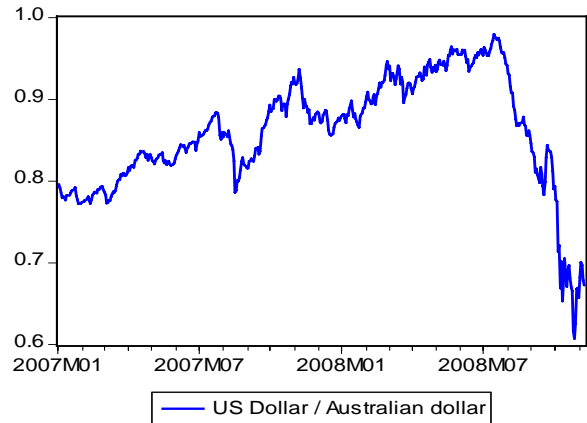
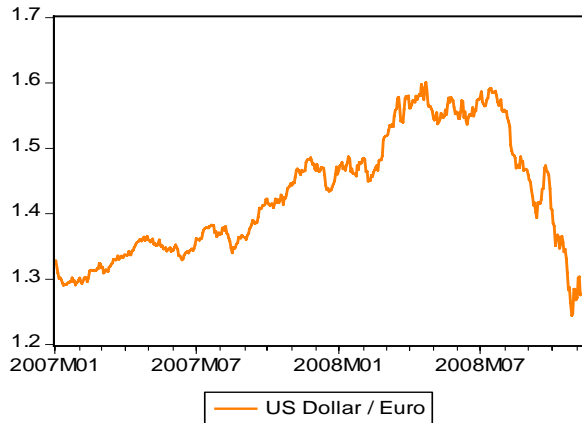
The upward pressure on daily inflation expectations (yield on unprotected minus yield on protected 10-year bonds) stood at about 0.97%, up slightly from a week ago.



**Currency Markets**

The US dollar see-sawed its way through recent trading, up one day and down for the next day. Market participants were unsure about the direction of the US dollar. On one hand, the global economic slowdown has led market movers to hold onto the US dollar. On the other hand, some market participants expect that, the US dollar should retrieve slightly following weeks of appreciation.

By Friday's market close, the US dollar traded at US\$1.2718 per euro, up 0.5% from a week ago, following a 1.2% drop. The US dollar rose 2.4% against the British pound, trading at \$1.5642 per pound by the week's close. Likewise, the US dollar was down 1 cent against the Canadian dollar, at 84.09 US cents per Canadian dollar. After gaining against the Japanese yen temporarily the previous week, the US dollar fell again, to close Friday at 98.235 yen per US dollar.



## The Week in Preview (November 3 - 7)

Date	Economic Indicator	For	Market Consensus	Prior Month
Nov 13	International Trade Balance	September	-\$56.0 billion	-\$59.1 billion
Nov 13	Treasury Budget Balance	October	-\$134.0 billion	-\$55.6 billion (Oct 07)
Nov 14	Import Price Index	October	-4.8%	-3.0%
Nov 14	Retail Sales, total	October	-2.1%	-1.2%
Nov 14	Retail Sales, excluding autos	October	-1.2%	-0.6%
Nov 14	Business Inventories	September	-0.1%	0.3%
Nov 14	Consumer Sentiment Index	November	57.0	57.6

### Current Quarter Forecasts

In the fourth quarter, our forecast for real GDP is expected to decrease 2.05% (SAAR), to be followed by a 1.99% decline in the first quarter of 2009.

The GDP deflator is projected to increase 1.24% in the fourth quarter (SAAR), and 2.97% in the first quarter of 2009.

Nominal GDP is forecasted to total US\$14.4 trillion in the fourth quarter, to be followed by US\$14.4 trillion in the first quarter of 2009. This amounts to a 0.56% (SAAR) decline in the fourth quarter and a 0.92% increase in the first quarter of 2009.

### 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 Jun 9<sup>th</sup>-23<sup>rd</sup>, Aug 18<sup>th</sup>-25<sup>th</sup>, and Sep 8<sup>th</sup>-29<sup>th</sup>.

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

## FORECAST SUMMARY TABLE

	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08	2008Q3 Actual	2008Q4 Forecast
<b>PRODUCTION</b>								
Nonfarm Payroll Employment (Mil)	137.550	137.423	137.139	136.899	136.204	136.162	137.371	136.421
+ Difference	-0.067	-0.127	-0.284	-0.240	-0.695	-0.042	-0.329	-0.949
% Change, Annual Rate	-0.6	-1.1	-2.5	-2.1	-5.9	-0.4	-1.0	-2.7
% Change, Year Ago	-0.1	-0.2	-0.5	-0.8	-1.3	-1.4	-0.3	-1.2
<b>DEMAND AND SPENDING</b>								
Retail Sales (Bil\$)	343.10	341.42	337.22	341.48	336.00	334.75	340.58	337.41
% Change	-0.7	-0.5	-1.2	1.3	-1.6	-0.4		
% Change, Annual Rate	-8.5	-5.7	-13.8	16.3	-17.6	-4.4	-4.6	-3.7
% Change, Year Ago	1.8	1.3	-1.4	0.6	-2.3	-1.6	0.5	-1.1
<b>PRICES</b>								
PPI, Finished Goods (1982=100)	183.9	182.2	181.5	182.6	183.3	184.7	182.5	183.5
% Change	1.2	-0.9	-0.4	0.6	0.4	0.8		
% Change, Annual Rate	15.5	-10.5	-4.5	7.2	5.0	9.5	8.6	2.2
% Change, Year Ago	9.8	9.7	8.7	8.7	6.4	7.8	9.4	7.6
CPI, All-Urban (1982-84=100)	219.2	218.9	218.8	219.5	220.2	221.0	219.0	220.2
% Change	0.8	-0.1	-0.0	0.3	0.3	0.4		
% Change, Annual Rate	10.3	-1.6	-0.4	3.9	3.7	4.7	6.7	2.4
% Change, Year Ago	5.5	5.4	4.9	5.0	4.4	4.4	5.3	4.6
Housing Starts (Mil)	0.949	0.872	0.817	0.840	0.806	0.816	0.879	0.821
% Change	-12.9	-8.1	-6.3	2.8	-4.1	1.3		
% Change, Annual Rate	-80.8	-63.8	-54.2	40.1	-39.8	17.1	-45.8	-24.1
% Change, Year Ago	-30.8	-34.8	-31.1	-34.1	-31.7	-18.4	-32.2	-28.7
Industrial Production Index (2002=	111.44	110.36	107.25	106.52	106.26	105.89	109.68	106.22
% Change	-0.0	-1.0	-2.8	-0.7	-0.2	-0.4		
% Change, Annual Rate	-0.2	-11.0	-29.0	-7.9	-2.8	-4.1	-6.0	-12.0
% Change, Year Ago	-0.5	-1.4	-4.5	-4.7	-5.4	-5.8	-2.1	-5.3
New Orders for Manufactured Goods	462.99	443.20	431.99	437.61	432.57	426.95	446.06	432.37
% Change	0.7	-4.3	-2.5	1.3	-1.2	-1.3		
% Change, Annual Rate	9.3	-40.8	-26.5	16.8	-13.0	-14.5	-5.0	-11.7
% Change, Year Ago	4.7	3.9	1.5	1.7	-1.2	-4.3	3.4	-1.3
Nondefense Capital Goods Shipments	69.05	66.80	67.80	68.42	67.96	66.75	67.88	67.71
% Change	1.2	-3.3	1.5	0.9	-0.7	-1.8		
% Change, Annual Rate	16.0	-32.8	19.7	11.5	-7.8	-19.4	-0.3	-1.0
% Change, Year Ago	4.2	-1.1	-0.1	1.9	1.2	-1.5	3.4	-1.3
Sales of Domestic Passenger Cars (	4.44	4.49	4.32	3.69	3.60	3.45	4.42	3.58
% Change	-9.0	1.2	-3.8	-14.7	-2.2	-4.2		
% Change, Annual Rate	-67.6	15.3	-37.2	-85.2	-23.3	-40.2	-40.5	-56.8
% Change, Year Ago	-11.1	-13.1	-16.7	-28.7	-34.6	-36.1	-13.7	-33.2
Business Inventories (Bil\$)	1507.76	1511.26	1508.41	1517.13	1536.43	1543.97	1509.14	1532.51
% Change	1.1	0.2	-0.2	0.6	1.3	0.5		
% Change, Year Ago	6.5	6.4	5.6	6.0	7.0	6.9	6.1	6.7
+ Difference, Annual Rate	202.6	42.1	-34.2	104.7	231.5	90.5	110.1	93.5
<b>EXTERNAL SECTOR</b>								
Merchandise Trade Balance, Census	-72.26	-69.19	-71.15	-70.69	-68.19	-70.03	-850.40	-835.63
+ Difference	-2.5	3.1	-2.0	0.5	2.5	-1.8		
+ Difference, Annual Rate	-29.5	36.8	-23.5	5.5	30.0	-22.1	-5.61	14.76
+ Difference, year ago	-6.7	-4.6	-6.4	-4.9	1.4	-2.4		

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

	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
	< a c t u a l >			< forecast >	
Real GDP					
(i) Expenditure Side GDP	11646.0	11727.4	11720.0	11630.1	11591.8
% Previous Q, A.R.	0.87	2.83	-0.25	-3.03	-1.31
% Year before	2.54	2.05	0.81	0.08	-0.47
(ii) Income Side GDP	11646.0	11727.4	11720.0	11628.6	11500.2
% Previous Q, A.R.	0.87	2.83	-0.25	-3.08	-4.34
% Year before	2.54	2.05	0.81	0.07	-1.25
(iii) Principal Components est. GDP	11646.0	11727.4	11720.0	11720.0	11711.1
% Previous Q, A.R.	0.87	2.83	-0.25	0.00	-0.30
% Year before	2.54	2.05	0.81	0.85	0.56
Average Real GDP	11646.0	11727.4	11720.0	11659.6	11601.0
% Previous Q, A.R.	0.87	2.83	-0.25	-2.05	-1.99
% Year before	2.54	2.05	0.81	0.33	-0.39
GDP Deflator (2000=100)					
(i) Expenditure Side PGDP	121.6	122.0	123.2	123.8	124.6
% Previous Q, A.R.	2.63	1.12	4.17	1.86	2.69
% Year before	2.25	2.02	2.68	2.44	2.45
(ii) Income Side PGDP: Same as (i)	121.6	122.0	123.2	123.8	124.6
% Previous Q, A.R.	2.63	1.12	4.17	1.86	2.69
% Year before	2.25	2.02	2.68	2.44	2.45
(iii) Principal Components est. PGDP	121.6	122.0	123.2	123.2	124.3
% Previous Q, A.R.	2.63	1.12	4.17	0.00	3.53
% Year before	2.25	2.02	2.68	1.97	2.19
Average GDP Deflator	121.6	122.0	123.2	123.6	124.5
% Previous Q, A.R.	2.63	1.12	4.17	1.24	2.97
% Year before	2.25	2.02	2.68	2.28	2.37
Nominal GDP					
(i) Expenditure Side GDP\$	14150.8	14294.5	14429.2	14394.7	14443.0
% Previous Q, A.R.	3.45	4.12	3.82	-0.95	1.35
% Year before	4.74	4.05	3.43	2.59	2.06
(ii) Income Side GDP\$	14150.8	14294.5	14429.2	14392.9	14328.8
% Previous Q, A.R.	3.45	4.12	3.82	-1.00	-1.77
% Year before	4.74	4.05	3.43	2.58	1.26
(iii) Principal Components est. GDP\$	14150.8	14294.5	14429.2	14439.4	14554.0
% Previous Q, A.R.	3.45	4.12	3.82	0.28	3.21
% Year before	4.74	4.05	3.43	2.91	2.85
Average Nominal GDP	14150.8	14294.5	14429.2	14409.0	14441.9
% Previous Q, A.R.	3.45	4.12	3.82	-0.56	0.92
% Year before	4.74	4.05	3.43	2.69	2.06

## EXPENDITURE SIDE

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## Real Gross Domestic Product

2008Q1 2008Q2 2008Q3 2008Q4 2009Q1

Billions of Chained (2000) Dollars, SAAR

Gross Domestic Product	11646.00	11727.40	11720.00	11630.09	11591.80
Total Demand	13608.60	13653.40	13636.90	13577.87	13556.68
Domestic Demand	12105.80	12102.60	12063.00	11935.08	11852.25
Domestic Final Demand	12113.30	12153.00	12097.50	11961.24	11874.82
Final Demand	11653.70	11778.80	11755.20	11668.23	11641.75
Personal Consumption Expenditures	8316.06	8341.33	8275.22	8203.97	8147.14
Durable Goods	1237.01	1228.29	1182.53	113.60	112.93
Nondurable Goods	2397.94	2420.72	2380.73	2310.14	2240.79
Services	4704.35	4712.13	4719.24	4749.36	4765.82
Gross Private Domestic Investment	1754.70	1702.00	1693.70	1623.01	1595.03
Fixed Investment	1762.40	1754.90	1729.80	1649.14	1617.59
Nonresidential	1423.10	1431.80	1428.30	1367.29	1353.19
Equipment and Software	1088.61	1074.74	1059.55	992.88	984.75
Structures	326.36	340.48	347.02	344.53	339.72
Residential	383.00	369.60	350.50	328.60	311.70
Change In Business Inventories	-10.20	-50.60	-38.50	-26.15	-22.57
Farm	6.00	2.40	-0.60	-3.39	-1.59
Nonfarm	-17.93	-55.10	-38.59	-22.76	-20.98
Net Exports	-462.00	-381.30	-350.00	-292.96	-233.05
Exports	1500.60	1544.70	1567.00	1642.81	1704.44
Imports	1962.60	1926.00	1916.90	1935.77	1937.50
Government Purchases	2039.10	2058.90	2088.30	2108.08	2110.07
Federal	772.60	785.00	810.80	816.62	816.80
State and Local	1266.70	1274.40	1278.90	1291.46	1293.27

## Percent Change, Annual Rate

Gross Domestic Product	0.87	2.83	-0.25	-3.03	-1.31
Total Demand	0.63	1.32	-0.48	-1.72	-0.62
Domestic Demand	0.09	-0.11	-1.30	-4.17	-2.75
Domestic Final Demand	0.12	1.32	-1.81	-4.43	-2.86
Final Demand	0.89	4.36	-0.80	-2.93	-0.90
Personal Consumption Expenditures	0.86	1.22	-3.13	-3.40	-2.74
Durable Goods	-4.27	-2.79	-14.09	-99.99	-2.34
Nondurable Goods	-0.37	3.85	-6.45	-11.34	-11.48
Services	2.44	0.66	0.61	2.58	1.39
Gross Private Domestic Investment					
Fixed Investment	-5.65	-1.69	-5.60	-17.39	-7.44
Nonresidential	2.40	2.47	-0.97	-16.02	-4.06
Equipment and Software	-0.56	-5.00	-5.53	-22.89	-3.24
Structures	8.61	18.47	7.91	-2.83	-5.47
Residential	-25.03	-13.28	-19.12	-22.74	-19.04
Exports	5.09	12.28	5.90	20.80	15.87
Imports	-0.79	-7.25	-1.88	4.00	0.36
Government Purchases	1.93	3.94	5.84	3.84	0.38
Federal	5.85	6.58	13.81	2.90	0.09
State and Local	-0.25	2.45	1.42	3.99	0.56

## EXPENDITURE SIDE

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## Nominal Gross Domestic Product

	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
Billions of Dollars, SAAR					
Gross Domestic Product	14150.80	14294.50	14429.20	14394.71	14442.96
Total Demand	16677.30	16935.90	17117.00	17166.55	17274.90
Domestic Demand	14856.60	15012.70	15135.80	15097.73	15133.33
Domestic Final Demand	14882.20	15088.70	15198.20	15130.07	15161.38
Final Demand	14176.40	14370.50	14491.50	14427.05	14471.01
Personal Consumption Expenditures	10002.33	10138.01	10190.70	10159.67	10175.73
Durable Goods	1071.05	1059.27	1018.31	97.35	96.66
Nondurable Goods	2950.73	3026.25	3050.36	2971.29	2908.95
Services	5980.56	6052.50	6122.04	6209.99	6290.39
Gross Private Domestic Investment	2056.10	2000.90	1999.40	1946.06	1925.71
Fixed Investment	2081.70	2077.00	2061.70	1978.39	1953.76
Nonresidential	1553.60	1571.90	1584.10	1530.71	1528.20
Equipment and Software	1030.90	1022.07	1013.93	954.68	951.05
Structures	522.73	549.83	570.21	576.03	577.15
Residential	528.10	505.00	477.60	447.68	425.56
Change In Business Inventories	-25.60	-76.00	-62.30	-32.34	-28.05
Farm	0.20	-4.10	-8.70	-4.19	-1.98
Nonfarm	-25.83	-71.89	-53.66	-28.15	-26.07
Net Exports	-705.70	-718.20	-706.70	-703.02	-690.37
Exports	1820.80	1923.20	1981.10	2068.82	2141.57
Imports	2526.50	2641.40	2687.80	2771.84	2831.94
Government Purchases	2798.10	2873.70	2945.80	2992.00	3031.89
Federal	1026.50	1056.10	1097.80	1110.75	1123.56
State and Local	1771.60	1817.60	1848.00	1881.25	1908.32

## Percent Change, Annual Rate

Gross Domestic Product	3.45	4.12	3.82	-0.95	1.35
Total Demand	4.68	6.35	4.35	1.16	2.55
Domestic Demand	3.54	4.27	3.32	-1.00	0.95
Domestic Final Demand	3.66	5.67	2.93	-1.78	0.83
Final Demand	3.58	5.59	3.41	-1.77	1.22
Personal Consumption Expenditures	4.51	5.54	2.10	-1.21	0.63
Durable Goods	-4.35	-4.33	-14.59	-99.99	-2.79
Nondurable Goods	6.27	10.64	3.23	-9.97	-8.13
Services	5.33	4.90	4.68	5.87	5.28
Gross Private Domestic Investment	-6.74	-10.31	-0.30	-10.25	-4.12
Fixed Investment	-5.87	-0.90	-2.91	-15.21	-4.89
Nonresidential	3.02	4.80	3.14	-12.82	-0.65
Equipment and Software	-0.97	-3.38	-3.15	-21.40	-1.51
Structures	11.49	22.40	15.67	4.14	0.78
Residential	-26.99	-16.38	-20.00	-22.80	-18.35
Exports	14.63	24.47	12.60	18.92	14.83
Imports	11.89	19.47	7.21	13.11	8.96
Government Purchases	8.30	11.25	10.42	6.42	5.44
Federal	11.79	12.04	16.75	4.80	4.69
State and Local	6.34	10.80	6.86	7.39	5.88

## EXPENDITURE SIDE

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## Gross Domestic Product Chain-Type Price Index

	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
	Index 2000=100				
Gross Domestic Product	121.61	121.95	123.20	123.77	124.60
Total Demand	122.55	124.04	125.52	126.43	127.43
Domestic Demand	122.82	124.10	125.56	126.50	127.68
Domestic Final Demand	122.86	124.16	125.64	126.49	127.68
Final Demand	121.65	122.01	123.28	123.64	124.30
Personal Consumption Expenditures	120.28	121.54	123.15	123.84	124.90
Durable Goods	86.58	86.24	86.11	85.70	85.60
Nondurable Goods	123.06	125.02	128.13	128.62	129.82
Services	127.13	128.45	129.73	130.75	131.99
Gross Private Domestic Investment	117.82	117.93	118.59	119.90	120.73
Fixed Investment	118.12	118.35	119.19	119.97	120.78
Nonresidential	109.18	109.79	110.91	111.95	112.93
Equipment and Software	94.70	95.10	95.70	96.15	96.58
Structures	160.18	161.50	164.33	167.19	169.89
Residential	137.90	136.69	136.26	136.24	136.53
Exports	121.40	124.56	126.50	125.93	125.65
Imports	128.72	137.14	140.21	143.19	146.17
Government Purchases	137.24	139.59	141.07	141.93	143.69
Federal	132.88	134.55	135.41	136.02	137.55
State and Local	139.87	142.63	144.51	145.67	147.56

## Percent Change, Annual Rate

Gross Domestic Product	2.63	1.12	4.17	1.86	2.69
Total Demand	4.02	4.96	4.85	2.93	3.19
Domestic Demand	3.51	4.24	4.77	3.03	3.80
Domestic Final Demand	3.54	4.29	4.84	2.75	3.80
Final Demand	2.66	1.17	4.25	1.17	2.15
Personal Consumption Expenditures	3.61	4.26	5.40	2.25	3.47
Durable Goods	-0.08	-1.58	-0.59	-1.91	-0.47
Nondurable Goods	6.66	6.53	10.34	1.52	3.78
Services	2.82	4.21	4.05	3.19	3.83
Gross Private Domestic Investment	-0.49	0.38	2.28	4.47	2.80
Fixed Investment	-0.24	0.80	2.85	2.63	2.75
Nonresidential	0.60	2.26	4.15	3.81	3.55
Equipment and Software	-0.41	1.70	2.53	1.92	1.78
Structures	2.65	3.32	7.19	7.16	6.62
Residential	-2.58	-3.47	-1.23	-0.07	0.86
Exports	9.06	10.84	6.36	-1.77	-0.90
Imports	12.79	28.82	9.26	8.79	8.57
Government Purchases	6.25	7.03	4.33	2.45	5.04
Federal	5.64	5.14	2.58	1.81	4.59
State and Local	6.60	8.15	5.37	3.25	5.29

## INCOME SIDE

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GDP, National Income and Personal Income

	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
Billions of Current Dollars, SAAR					
Gross Domestic Product	14150.80	14294.50	14429.20	14392.86	14328.79
Plus:					
Receipts of Factor Income	843.20	822.80	802.44	818.19	833.65
Less:					
Payments of Factor Income	705.10	708.90	710.17	722.84	735.11
Equals: Gross National Product	14289.00	14408.30	14521.47	14488.21	14427.34
Less:					
Consumption of Fixed Capital	1778.00	1803.10	1900.20	1909.97	1911.54
Equals: Net National Product	12511.10	12605.20	12621.27	12578.56	12515.84
Indirect Business Taxes	1025.76	1039.35	1037.97	1043.11	1047.54
Business Transfers	103.20	102.10	92.80	88.67	85.06
Statistical Discrepancy	63.40	98.40	91.18	84.66	78.78
Net Subsidies	50.64	50.81	50.42	50.17	49.86
National Income	12447.60	12506.90	12568.90	12493.90	12437.07
Corporate Profits	1593.50	1533.30	1521.67	1514.02	1502.77
Net Interest	662.30	683.40	695.01	702.16	709.00
Contribution for Soc. Ins.	992.20	997.00	1002.18	1002.32	1004.37
Personal	515.75	518.30	521.05	521.60	521.60
Employer	476.45	478.70	481.13	480.72	482.77
Personal Interest Income	1224.60	1208.70	1232.30	1210.51	1158.42
Personal Dividend Income	829.50	843.60	838.30	805.76	803.63
Government Transfers	1745.82	1893.86	1830.10	1865.44	1882.86
Business Transfers (to persons)	32.20	32.40	41.50	38.65	40.02
Personal Income	11960.50	12188.90	12219.90	12120.16	12029.86
Percent Change, Annual Rate					
Gross Domestic Product	3.45	4.12	3.82	-1.00	-1.77
Plus:					
Receipts of Factor Income	-25.44	-9.33	-9.54	8.08	7.78
Less:					
Payments of Factor Income	-18.46	2.17	0.72	7.33	6.96
Equals: Gross National Product	2.63	3.38	3.18	-0.91	-1.67
Less:					
Consumption of Fixed Capital	4.49	5.77	23.34	2.07	0.33
Equals: Net National Product	2.37	3.04	0.51	-1.35	-1.98
Indirect Business Taxes	-0.74	5.41	-0.53	2.00	1.71
Business Transfers	0.39	-4.20	-31.75	-16.64	-15.34
National Income	0.76	1.92	2.00	-2.37	-1.81
Corporate Profits	-4.30	-14.28	-3.00	-2.00	-2.94
Net Interest	-14.18	13.37	6.97	4.18	3.96
Contribution for Social Insurance	7.13	1.95	2.09	0.06	0.82
Personal	8.19	1.99	2.14	0.42	0.00
Employer	6.00	1.91	2.04	-0.34	1.72
Personal Interest Income	-5.70	-5.09	8.04	-6.89	-16.13
Personal Dividend Income	8.10	6.97	-2.49	-14.65	-1.05
Government Transfers	9.99	38.48	-12.80	7.95	3.79
Business Transfers (to persons)	-10.44	2.51	169.16	-24.80	15.02
Personal Income	3.01	7.86	1.02	-3.22	-2.95

GDP, National Income and Personal Income  
Components of Personal Income  
2008Q1 2008Q2 2008Q3 2008Q4 2009Q1

Billions of Current Dollars, SAAR

Wages and Salaries	6518.00	6568.60	6623.20	6535.16	6464.96
Commod Prod Industries	1217.70	1216.30	1223.70	1108.90	1017.62
Manufacturing	748.40	748.50	749.20	655.81	604.93
Others	469.30	467.80	474.50	453.10	412.69
Distributive Industries*	1050.40	1049.30	1051.30	1037.58	1016.08
Service Industries	3140.20	3179.70	3210.10	3240.17	3271.90
Government	1109.70	1123.40	1138.20	1148.39	1159.20
Other Labor Income	1491.70	1503.10	1512.40	1521.25	1531.32
Proprietors Income	1071.70	1076.90	1080.00	1083.70	1090.33
Farm	41.60	38.00	31.20	30.60	30.74
Business and Profess.	1030.10	1039.00	1048.80	1053.10	1059.59
Rental Income of Persons	39.10	58.60	64.30	60.42	62.66
Interest Paid by Persons	261.70	253.80	255.10	256.98	259.83
Other Interest	962.90	954.90	977.20	953.52	898.59
Transfer Payments	1778.10	1926.30	1871.60	1908.95	1926.94
Contributions for Social In	515.75	518.30	521.05	521.60	521.60
Personal Tax & Nontax P.	1534.98	1354.09	1487.52	1536.24	1530.57
Disposable Income	10425.50	10834.80	10732.40	10583.93	10499.29
Addendum:					
Domestic Final Sales	14882.3	15084.6	15189.6	15128.2	15047.2

Percent Change, Annual Rate

Wages and Salaries	3.29	3.14	3.37	-5.21	-4.23
Commod Prod Industries	-0.16	-0.46	2.46	-32.57	-29.08
Manufacturing	-0.96	0.05	0.37	-41.29	-27.60
Others	1.12	-1.27	5.85	-16.86	-31.18
Distributive Industries*	0.80	-0.42	0.76	-5.12	-8.04
Service Industries	4.36	5.13	3.88	3.80	3.97
Government	6.60	5.03	5.37	3.63	3.82
Other Labor Income	4.46	3.09	2.50	2.36	2.68
Proprietors Income	-0.78	1.96	1.16	1.38	2.47
Farm	-39.15	-30.38	-54.56	-7.47	1.87
Business and Profess.	1.33	3.50	3.83	1.65	2.49
Rental Income of Persons	5.28	404.53	44.96	-22.03	15.63
Interest Paid by Persons	-19.98	-11.54	2.06	2.99	4.50
Other Interest	-1.28	-3.28	9.67	-9.34	-21.13
Transfer Payments	9.60	37.74	-10.88	8.22	3.82
Contribution for Social Ins	8.19	1.99	2.14	0.42	0.00
Personal Tax & Nontax P.	3.85	-39.44	45.63	13.76	-1.47
Disposable Income	2.89	16.65	-3.73	-5.42	-3.16
Addendum:					
Domestic Final Sales	3.50	5.55	2.81	-1.61	-2.12

\*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

	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08	JAN09	FEB09	MAR09
RETAIL SALES (RS), Billions of Current Dollars, SA									
RS, Total Retail Sales	343.10	341.42	337.22	341.48	336.00	334.75	334.16	333.51	332.77
RS, Durable Goods Stores	112.99	113.19	110.14	110.14	110.74	110.18	109.64	109.23	108.81
RS, Bldg Materials, Hardware	27.94	27.37	27.20	27.20	25.52	24.73	23.92	23.02	22.15
RS, Auto Dealers	66.30	67.46	64.93	64.93	63.79	62.62	61.53	60.56	59.38
RS, Furn, Home Furn & Equip	9.25	9.05	8.84	8.84	8.34	8.20	8.06	7.92	7.77
RS, Nondurable Goods Stores	223.60	222.43	221.43	221.43	219.39	218.68	217.44	216.57	215.37
RS, Food Stores	49.53	49.84	49.60	49.60	48.05	47.16	46.30	45.46	44.59
RS, Gas Service Stations	45.35	43.98	44.01	44.01	41.60	40.98	40.06	39.49	38.63
RS, Apparel and Accessories	19.15	19.24	18.80	19.18	17.78	17.38	16.97	16.57	16.17
RS, New Domestic Cars, SAA	4.44	4.49	4.32	3.69	3.60	3.45	3.29	3.18	3.07
RS, New Dom Light Trucks, SAA	4.62	5.93	5.21	4.04	4.04	3.88	3.80	3.62	3.44

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT, Billions of Current Dollars, NSA									
Federal Govt Total Outlays	285.70	268.57	243.72	271.59	258.13	251.26	278.04	257.98	255.99
Federal Govt Debt Outstanding	9524.05	9584.09	9960.59	*****	*****	*****	*****	*****	*****

HOUSING STARTS, Millions, SAAR									
Housing Starts, Total	0.9490	0.8720	0.8170	0.8403	0.8055	0.8162	0.7999	0.7906	0.7935

NEW CONSTRUCTION PUT IN PLACE, Billions of Current Dollars, SAAR									
New Const, Residential Bldgs	334.49	340.81	336.50	336.31	336.93	334.45	335.20	333.59	335.30
New Const, Nonresident Bldgs	417.03	410.28	415.15	415.09	413.02	413.13	412.01	411.68	410.53
New Const, Federal Government	23.87	24.48	22.76	23.74	24.10	24.20	24.30	24.37	24.48
New Const, State & Local Govt	284.62	287.95	285.67	286.80	290.16	291.20	292.26	293.40	294.55

## Percent Change, Monthly Rate

RETAIL SALES (RS)									
RS, Total Retail Sales	-0.73	-0.49	-1.23	1.26	-1.60	-0.37	-0.18	-0.19	-0.22
RS, Durable Goods Stores	-2.52	0.17	-2.69	0.00	0.55	-0.51	-0.48	-0.38	-0.39
RS, Bldg Materials, Hardware	0.35	-2.05	-0.62	0.00	-6.16	-3.09	-3.27	-3.78	-3.78
RS, Auto Dealers	-4.19	1.75	-3.75	0.00	-1.75	-1.85	-1.73	-1.58	-1.96
RS, Furn, Home Furn & Equip	-0.67	-2.15	-2.33	0.00	-5.72	-1.68	-1.70	-1.76	-1.84
RS, Nondurable Goods Stores	0.12	-0.52	-0.45	0.00	-0.92	-0.32	-0.57	-0.40	-0.55
RS, Food Stores	0.25	0.64	-0.49	0.00	-3.12	-1.84	-1.83	-1.82	-1.92
RS, Gas Service Stations	0.04	-3.02	0.07	0.00	-5.49	-1.48	-2.25	-1.42	-2.18
RS, Apparel and Accessories	0.42	0.49	-2.30	2.04	-7.33	-2.25	-2.32	-2.36	-2.42
RS, New Domestic Cars, SAAR	-8.96	1.19	-3.81	-14.72	-2.19	-4.19	-4.64	-3.55	-3.26
RS, New Dom Light Trucks, SA	-8.77	28.43	-12.16	-22.44	-0.09	-3.86	-2.06	-4.86	-5.01

RECEIPTS AND OUTLAYS OF THE FEDERAL GOVERNMENT									
Federal Govt Total Outlays	35.95	-6.00	-9.25	11.43	-4.96	-2.66	10.66	-7.21	-0.77
Federal Govt Debt Outstanding	0.97	0.63	3.93	0.60	0.67	1.46	0.52	0.91	1.42

HOUSING STARTS									
Housing Starts, Total	-12.86	-8.11	-6.31	2.85	-4.13	1.32	-2.00	-1.17	0.37

NEW CONSTRUCTION PUT IN PLACE									
New Const, Residential Bldgs	-6.16	1.89	-1.27	-0.06	0.19	-0.74	0.23	-0.48	0.51
New Const, Nonresidential Bldgs	-1.63	-1.62	1.19	-0.02	-0.50	0.03	-0.27	-0.08	-0.28
New Const, Federal Government	4.28	2.58	-7.04	4.30	1.53	0.41	0.42	0.28	0.43
New Const, State & Local Govt	0.46	1.17	-0.79	0.40	1.17	0.36	0.37	0.39	0.39

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

	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08	JAN09	FEB09	MAR09
INDUSTRIAL PRODUCTION, Index 2002=100, SA									
Industrial Production, Total	111.44	110.36	107.25	106.52	106.26	105.89	105.81	105.92	106.07
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS, Billions of Current Dollars, SA									
Manufacturers' New Orders	462.99	443.20	431.99	437.61	432.57	426.95	417.66	406.83	400.38
Manufacturers' Shipments	462.38	445.46	432.94	436.55	430.98	423.38	416.29	408.41	399.05
Manufacturers' Unfilled Orders	824.23	826.53	829.51	833.02	842.10	847.38	852.62	857.36	862.23
MANUFACTURED DURABLE GOODS, Billions of Current Dollars, SA									
Nondefense Capital Goods Shipmt	69.05	66.80	67.80	68.42	67.96	66.75	66.49	65.71	65.75
BUSINESS INVENTORIES, Billions of Current Dollars, SA									
Inventories, Manufacturers	559.07	562.78	558.69	561.47	571.62	574.24	576.66	579.04	581.33
Inventories, Merchant Wholesale	441.82	444.55	444.18	447.99	456.00	458.88	460.95	462.76	465.45
Inventories, Retail Traders	506.86	503.93	505.54	507.67	508.81	510.86	512.43	514.37	516.17
U.S. MERCHANDISE TRADE, Millions of Current Dollars, SA									
Exports, FAS	121662	118716	121190	123019	124527	125879	126611	128164	128626
Imports, CIF	193922	187908	192336	193709	192714	195911	195569	196885	198768
Exports, Mach and Transp Equipm	42534	42097	42995	43172	43402	43685	43868	44158	44405
Imports, Mach and Transp Equipm	65366	59118	62637	63452	61990	63056	64497	63648	64539
Percent Change, Monthly Rate									
INDUSTRIAL PRODUCTION									
Industrial Production, Total	-0.02	-0.96	-2.81	-0.69	-0.24	-0.35	-0.08	0.11	0.14
MANUFACTURERS' SHIPMENTS/INVENTORIES/ORDERS									
Manufacturers' New Orders	0.74	-4.28	-2.53	1.30	-1.15	-1.30	-2.17	-2.60	-1.58
Manufacturers' Shipments	1.43	-3.66	-2.81	0.83	-1.27	-1.76	-1.68	-1.89	-2.29
Manufacturers' Unfilled Orders	0.76	0.28	0.36	0.42	1.09	0.63	0.62	0.56	0.57
MANUFACTURED DURABLE GOODS									
Nondefense Capital Goods Shipmt	1.25	-3.26	1.51	0.91	-0.67	-1.78	-0.39	-1.17	0.06
BUSINESS INVENTORIES									
Inventories, Manufacturers	0.62	0.66	-0.73	0.50	1.81	0.46	0.42	0.41	0.39
Inventories, Merchant Wholesale	1.53	0.62	-0.08	0.86	1.79	0.63	0.45	0.39	0.58
Inventories, Retail Traders	1.35	-0.58	0.32	0.42	0.22	0.40	0.31	0.38	0.35
U.S. MERCHANDISE TRADE									
Exports, FAS	3.97	-2.42	2.08	1.51	1.23	1.09	0.58	1.23	0.36
Imports, CIF	3.80	-3.10	2.36	0.71	-0.51	1.66	-0.17	0.67	0.96
Exports, Mach and Transp Equip	1.75	-1.03	2.13	0.41	0.53	0.65	0.42	0.66	0.56
Imports, Mach and Transp Equip	5.69	-9.56	5.95	1.30	-2.30	1.72	2.29	-1.32	1.40

## MONTHLY ECONOMIC INDICATORS for CHAIN PRICE INDEXES

	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08	JAN09	FEB09	MAR09
CONSUMER PRICE INDEX (CPI), 1982-1984=100, SA									
CPI, All Urban Consumers	219.18	218.88	218.81	219.52	220.18	221.03	221.74	222.65	223.40
CPI, Durables	111.43	111.14	110.51	110.11	109.82	109.65	109.58	109.51	109.39
CPI, Furniture	124.62	124.78	125.50	125.40	125.16	125.04	125.05	125.08	125.22
CPI, Housekeeping Supplies	176.20	176.51	178.53	179.51	180.47	181.41	182.34	183.26	184.16
CPI, Nondurables	215.07	213.12	212.58	213.83	213.08	213.43	213.11	213.64	213.92
CPI, Apparel and Upkeep	119.57	120.16	120.01	120.13	120.32	120.51	120.71	120.91	121.11
CPI, Food and Beverages	215.54	216.78	218.00	219.11	220.22	221.33	222.43	223.52	224.61
CPI, Motor Oil, Fuel,	334.73	320.65	317.96	322.88	320.19	317.18	317.84	321.31	323.06
CPI, Services	257.27	257.64	257.66	258.42	259.18	259.96	260.75	261.55	262.37
CPI, New cars	135.30	134.55	133.57	133.42	133.44	133.46	133.58	133.74	133.92
PRODUCER PRICE INDEX (PPI), 1982=100, SA									
PPI, Finished Goods	183.90	182.20	181.50	182.55	183.29	184.69	185.54	186.60	187.23
PPI, Capital Equipment	154.30	154.50	155.20	155.84	156.37	156.95	157.52	158.07	158.62
PPI, Intermediate Materials	201.40	199.40	197.10	197.70	197.95	198.19	198.69	199.13	199.87
PPI, Components for Construction	209.80	213.00	214.40	215.73	216.85	217.69	218.53	219.47	220.35
PRICES RECEIVED BY FARMERS, Index, 1910-14=100, SA									
Index of Prices Recvd by Farmer	1012.00	992.00	980.00	919.00	920.88	927.29	933.05	947.81	950.57
U.S. EXPORT/IMPORT PRICES, Index, 1995=100, SA									
U.S. Export Price Index	128.00	125.80	124.60	124.95	124.83	124.80	125.32	125.44	125.70
U.S. Import Price Index	147.60	143.80	139.50	137.68	136.97	136.77	136.81	136.95	137.15
Percent Change, Monthly Rate									
CONSUMER PRICE INDEX (CPI)									
CPI, All Urban Consumers	0.82	-0.14	-0.03	0.32	0.30	0.39	0.32	0.41	0.34
CPI, Durables	0.15	-0.26	-0.56	-0.36	-0.27	-0.16	-0.06	-0.07	-0.11
CPI, Furniture	0.50	0.12	0.58	-0.08	-0.19	-0.09	0.00	0.02	0.11
CPI, Housekeeping Supplies	0.35	0.17	1.15	0.55	0.53	0.52	0.51	0.50	0.49
CPI, Nondurables	1.10	-0.90	-0.25	0.59	-0.35	0.17	-0.15	0.25	0.13
CPI, Apparel and Upkeep	1.24	0.49	-0.13	0.11	0.15	0.16	0.17	0.17	0.17
CPI, Food and Beverages	0.90	0.57	0.56	0.51	0.51	0.50	0.50	0.49	0.49
CPI, Motor Oil, Fuel	4.08	-4.21	-0.84	1.55	-0.83	-0.94	0.21	1.09	0.54
CPI, Services	0.55	0.14	0.01	0.29	0.30	0.30	0.30	0.31	0.31
CPI, New Cars	0.23	-0.56	-0.73	-0.11	0.01	0.02	0.09	0.12	0.13
PRODUCER PRICE INDEX (PPI)									
PPI, Finished Goods	1.21	-0.92	-0.38	0.58	0.41	0.76	0.46	0.57	0.34
PPI, Capital Equipment	0.78	0.13	0.45	0.41	0.34	0.37	0.37	0.35	0.35
PPI, Intermediate Materials	2.70	-0.99	-1.15	0.30	0.13	0.12	0.25	0.22	0.37
PPI, Components for Construction	1.75	1.53	0.66	0.62	0.52	0.39	0.38	0.43	0.40
PRICES RECEIVED BY FARMERS									
Index of Prices Recvd by Farmer	0.80	-1.98	-1.21	-6.22	0.20	0.70	0.62	1.58	0.29
U.S. EXPORT/IMPORT PRICES									
U.S. Export Price Index	1.51	-1.72	-0.95	0.28	-0.10	-0.02	0.42	0.09	0.21
U.S. Import Price Index	1.44	-2.57	-2.99	-1.31	-0.51	-0.15	0.03	0.11	0.14

MONTHLY ECONOMIC INDICATORS for PERSONAL INCOME

	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08	JAN09	FEB09	MAR09
EMPLOYEES (EMP) on Nonfarm Payrolls, Millions, SA									
EMP, Total	137.550	137.423	137.139	136.899	136.204	136.162	136.143	136.138	136.150
EMP, Manufacturing	13.487	13.426	13.370	13.280	13.215	13.187	13.161	13.141	13.129
EMP, Services	116.113	116.056	115.855	115.747	115.130	114.710	114.327	113.949	113.596
EMP, Wholesale and Retail Trade	21.320	21.282	21.235	21.176	21.102	21.090	21.071	21.066	21.055
EMP, Government	22.502	22.514	22.473	22.496	22.593	22.618	22.644	22.669	22.696
EMP, Federal Government	2.019	2.025	2.031	2.039	2.034	2.034	2.034	2.035	2.035
EMP, State and Local Governme	21.437	21.367	21.284	21.152	21.112	21.078	21.050	21.030	21.015
Total Unemployed, Millions	8.784	9.376	9.477	10.080	9.922	10.034	10.233	10.381	10.469

AVERAGE WEEKLY HOURS (AWH) of Production Workers, SA									
AWH, Total Private	33.70	33.70	33.60	33.60	33.63	33.60	33.61	33.60	33.58
AWH, Manufacturing	41.00	40.90	40.60	40.60	40.60	40.58	40.56	40.57	40.59
AWH, Services	30.00	30.00	30.10	29.90	29.56	29.53	29.53	29.53	29.51
AWH, Wholesale and Retail Trade	38.40	38.30	38.10	38.30	38.02	37.97	38.00	38.00	37.98

AVERAGE HOURLY EARNINGS (AHE) of Production Workers, Current Dollars, SA									
AHE, Manufacturing	17.78	17.76	17.80	17.85	17.07	16.81	16.55	16.29	16.03
AHE, Services	12.90	12.93	12.91	12.89	12.27	12.08	11.90	11.71	11.53
AHE, Wholesale and Retail Trade	20.16	20.29	20.23	20.23	20.20	20.22	20.29	20.35	20.37

AVERAGE WEEKLY EARNINGS (AWE) of Production Workers, Current Dollars									
AWE, Total Private	608.62	611.32	610.51	611.86	609.99	609.25	609.09	608.81	608.55

Percent Change, Monthly Rate

EMPLOYEES (EMP) ON NONFARM PAYROLLS									
EMP, Total	-0.049	-0.092	-0.207	-0.175	-0.508	-0.031	-0.014	-0.003	0.009
EMP, Manufacturing	-0.296	-0.452	-0.417	-0.673	-0.489	-0.215	-0.194	-0.149	-0.098
EMP, Services	-0.011	-0.049	-0.173	-0.093	-0.533	-0.365	-0.334	-0.330	-0.310
EMP, Wholesale and Retail Trade	-0.183	-0.178	-0.221	-0.278	-0.351	-0.054	-0.093	-0.023	-0.050
EMP, Government	0.174	0.053	-0.182	0.102	0.433	0.110	0.115	0.112	0.116
EMP, Federal Government	0.298	0.297	0.296	0.394	-0.225	-0.009	-0.007	0.032	0.034
EMP, State and Local Governme	-0.251	-0.327	-0.388	-0.620	-0.188	-0.161	-0.133	-0.094	-0.071
Total Unemployed, Millions	3.353	6.740	1.077	6.363	-1.568	1.133	1.975	1.453	0.844

AVERAGE WEEKLY HOURS (AWH) OF PRODUCTION WORKERS									
AWH, Total Private	0.00	0.00	-0.30	0.00	0.08	-0.07	0.01	-0.04	-0.06
AWH, Manufacturing	0.00	-0.24	-0.73	0.00	-0.00	-0.06	-0.04	0.04	0.04
AWH, Services	-0.33	0.00	0.33	-0.66	-1.14	-0.09	-0.00	-0.02	-0.07
AWH, Wholesale and Retail Trade	0.26	-0.26	-0.52	0.52	-0.73	-0.12	0.08	-0.02	-0.05

AVERAGE HOURLY EARNINGS (AHE) OF PRODUCTION WORKERS									
AHE, Manufacturing	0.40	-0.11	0.23	0.28	-4.35	-1.53	-1.55	-1.57	-1.59
AHE, Services	0.00	0.23	-0.15	-0.15	-4.82	-1.53	-1.50	-1.57	-1.55
AHE, Wholesale and Retail Trade	0.20	0.64	-0.30	0.00	-0.13	0.09	0.33	0.31	0.11

AVERAGE WEEKLY EARNINGS (AWE) OF PRODUCTION WORKERS									
AWE, Total Private	0.33	0.44	-0.13	0.22	-0.31	-0.12	-0.03	-0.05	-0.04

## MONTHLY FINANCIAL INDICATORS

	JUL08	AUG08	SEP08	OCT08	NOV08	DEC08	JAN09	FEB09	MAR09
MONEY SUPPLY, Billions of Dollars, SA									
Money Supply (M1)	1403.4	1394.0	1453.9	1468.3	1477.6	1492.4	1503.0	1514.2	1531.5
Money Supply (M2)	7679.5	7669.9	7769.0	7843.1	7889.1	7945.7	7991.3	8036.5	8089.4
Money Supply (M3)	7679.5	7669.9	7769.0	7843.1	7889.1	7945.7	7991.3	8036.5	8089.4
INTEREST RATES (IR), Percent Per Annum									
IR, Treasury Bill, 6 Month	1.98	1.97	1.64	1.23	1.11	1.04	0.96	0.92	0.88
IR, Commercial Paper, 2 month	2.13	2.08	2.11	1.82	2.12	2.12	2.12	2.12	2.12
Yields, US Govt Bond, 1 year	2.28	2.18	1.91	1.42	1.29	1.35	1.47	1.58	1.58
Yields, US Govt Bond, 10 Year	4.01	3.89	3.69	3.81	3.94	3.92	3.89	3.89	3.89
FOREIGN EXCHANGE VALUE, March 1973=100									
Weighted Average Value of US\$	95.40	97.93	100.30	106.94	101.66	101.99	102.28	102.57	102.85
STOCK MARKET									
New York Stock Exchange Index	8427.4	8362.2	7886.3	6130.4	5706.1	5609.2	5592.7	5596.1	5604.3
Dividend to (Stock) Price Ratio	2.28	2.23	2.36	2.83	2.39	2.38	2.36	2.35	2.33
CONSUMER INSTALLMENT CREDIT, Millions of Dollars, SA									
Consumer Credit Outstanding	2587.50	2581.21	2588.07	2594.47	2592.31	2598.39	2604.95	2611.87	2619.07
Percent Change, Monthly Rate									
MONEY SUPPLY									
Money Supply, (M1)	1.24	-0.67	4.30	0.99	0.63	1.00	0.71	0.74	1.15
Money Supply, (M2)	0.53	-0.13	1.29	0.95	0.59	0.72	0.57	0.57	0.66
Money Supply, (M3)	0.53	-0.13	1.29	0.95	0.59	0.72	0.57	0.57	0.66
INTEREST RATES (IR), Monthly Change									
IR, Treasury Bill, 6 Month	-0.21	-0.01	-0.33	-0.42	-0.12	-0.07	-0.08	-0.05	-0.04
IR, Commercial Paper, 6 Month	-0.03	-0.05	0.04	-0.29	0.30	-0.01	0.00	-0.01	0.00
Yields, US Govt Bond, 1 Year	-0.14	-0.11	-0.26	-0.49	-0.13	0.06	0.12	0.11	-0.00
Yields, US Govt Bond, 10 Year	-0.09	-0.12	-0.20	0.13	0.13	-0.03	-0.02	0.00	0.00
FOREIGN EXCHANGE VALUE									
Weighted Average Value of US\$	-0.71	2.65	2.42	6.61	-4.94	0.32	0.29	0.28	0.28
STOCK MARKET									
New York Stock Exchange Index	-6.33	-0.77	-5.69	-22.27	-6.92	-1.70	-0.29	0.06	0.15
Dividend to (Stock) Price Ratio	6.05	-2.19	5.83	19.92	-15.54	-0.43	-0.65	-0.61	-0.69
CONSUMER INSTALLMENT CREDIT									
Consumer Credit Outstanding	0.29	-0.24	0.27	0.25	-0.08	0.23	0.25	0.27	0.28

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

Assumption: The government introduced a \$150 billion stimulus package, to be distributed in the third quarter of 2008 to the first quarter of 2009.

	2008Q1 < a c t u a l >	2008Q2	2008Q3	2008Q4 < forecast >	2009Q1 < forecast >
<b>Real GDP</b>					
(i) Expenditure Side GDP	11646.0	11727.4	11747.0	11684.1	11645.8
% Previous Q, A.R.	0.87	2.83	0.67	-2.13	-1.30
% Year before	2.54	2.05	1.04	0.55	-0.00
(ii) Income Side GDP	11646.0	11727.4	11747.0	11677.1	11548.3
% Previous Q, A.R.	0.87	2.83	0.67	-2.36	-4.34
% Year before	2.54	2.05	1.04	0.49	-0.84
(iii) Principal Components est. GDP	11646.0	11727.4	11747.0	11720.0	11711.1
% Previous Q, A.R.	0.87	2.83	0.67	-0.92	-0.30
% Year before	2.54	2.05	1.04	0.85	0.56
Average Real GDP	11646.0	11727.4	11747.0	11693.7	11635.1
% Previous Q, A.R.	0.87	2.83	0.67	-1.80	-1.99
% Year before	2.54	2.05	1.04	0.63	-0.09
<b>GDP Deflator (2000=100)</b>					
(i) Expenditure Side PGDP	121.6	122.0	123.2	123.8	124.6
% Previous Q, A.R.	2.63	1.12	4.17	1.86	2.69
% Year before	2.25	2.02	2.68	2.44	2.45
(ii) Income Side PGDP: Same as (i)	121.6	122.0	123.2	123.8	124.6
% Previous Q, A.R.	2.63	1.12	4.17	1.86	2.69
% Year before	2.25	2.02	2.68	2.44	2.45
(iii) Principal Components est. PGDP	121.6	122.0	123.2	123.2	124.3
% Previous Q, A.R.	2.63	1.12	4.17	0.00	3.53
% Year before	2.25	2.02	2.68	1.97	2.19
Average GDP Deflator	121.6	122.0	123.2	123.6	124.5
% Previous Q, A.R.	2.63	1.12	4.17	1.24	2.97
% Year before	2.25	2.02	2.68	2.28	2.37
<b>Nominal GDP</b>					
(i) Expenditure Side GDP\$	14150.8	14294.5	14456.2	14448.7	14497.0
% Previous Q, A.R.	3.45	4.12	4.60	-0.21	1.34
% Year before	4.74	4.05	3.62	2.98	2.45
(ii) Income Side GDP\$	14150.8	14294.5	14459.2	14452.9	14388.8
% Previous Q, A.R.	3.45	4.12	4.69	-0.18	-1.76
% Year before	4.74	4.05	3.65	3.01	1.68
(iii) Principal Components est. GDP\$	14150.8	14294.5	14456.2	14439.4	14554.0
% Previous Q, A.R.	3.45	4.12	4.60	-0.46	3.21
% Year before	4.74	4.05	3.62	2.91	2.85
Average Nominal GDP	14150.8	14294.5	14457.2	14447.0	14479.9
% Previous Q, A.R.	3.45	4.12	4.63	-0.28	0.91
% Year before	4.74	4.05	3.63	2.96	2.33

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

Assumption: The government introduced a \$150 billion stimulus package, to be distributed in the fourth quarter of 2008 to the first quarter of 2009.

	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
	< a c t u a l >			< forecast >	
<b>Real GDP</b>					
(i) Expenditure Side GDP	11646.0	11727.4	11720.0	11684.1	11645.8
% Previous Q, A.R.	0.87	2.83	-0.25	-1.22	-1.30
% Year before	2.54	2.05	0.81	0.55	-0.00
(ii) Income Side GDP	11646.0	11727.4	11720.0	11677.1	11548.3
% Previous Q, A.R.	0.87	2.83	-0.25	-1.46	-4.34
% Year before	2.54	2.05	0.81	0.49	-0.84
(iii) Principal Components est. GDP	11646.0	11727.4	11720.0	11720.0	11711.1
% Previous Q, A.R.	0.87	2.83	-0.25	0.00	-0.30
% Year before	2.54	2.05	0.81	0.85	0.56
Average Real GDP	11646.0	11727.4	11720.0	11693.7	11635.1
% Previous Q, A.R.	0.87	2.83	-0.25	-0.89	-1.99
% Year before	2.54	2.05	0.81	0.63	-0.09
<b>GDP Deflator (2000=100)</b>					
(i) Expenditure Side PGDP	121.6	122.0	123.2	123.8	124.6
% Previous Q, A.R.	2.63	1.12	4.17	1.86	2.69
% Year before	2.25	2.02	2.68	2.44	2.45
(ii) Income Side PGDP: Same as (i)	121.6	122.0	123.2	123.8	124.6
% Previous Q, A.R.	2.63	1.12	4.17	1.86	2.69
% Year before	2.25	2.02	2.68	2.44	2.45
(iii) Principal Components est. PGDP	121.6	122.0	123.2	123.2	124.3
% Previous Q, A.R.	2.63	1.12	4.17	0.00	3.53
% Year before	2.25	2.02	2.68	1.97	2.19
Average GDP Deflator	121.6	122.0	123.2	123.6	124.5
% Previous Q, A.R.	2.63	1.12	4.17	1.24	2.97
% Year before	2.25	2.02	2.68	2.28	2.37
<b>Nominal GDP</b>					
(i) Expenditure Side GDP\$	14150.8	14294.5	14429.2	14448.7	14497.0
% Previous Q, A.R.	3.45	4.12	3.82	0.54	1.34
% Year before	4.74	4.05	3.43	2.98	2.45
(ii) Income Side GDP\$	14150.8	14294.5	14429.2	14452.9	14388.8
% Previous Q, A.R.	3.45	4.12	3.82	0.66	-1.76
% Year before	4.74	4.05	3.43	3.01	1.68
(iii) Principal Components est. GDP\$	14150.8	14294.5	14429.2	14439.4	14554.0
% Previous Q, A.R.	3.45	4.12	3.82	0.28	3.21
% Year before	4.74	4.05	3.43	2.91	2.85
Average Nominal GDP	14150.8	14294.5	14429.2	14447.0	14479.9
% Previous Q, A.R.	3.45	4.12	3.82	0.49	0.91
% Year before	4.74	4.05	3.43	2.96	2.33