



Bureau of Economic Analysis

Survey of Current Business

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In 1997, the States with the fastest growth in real gross state product (GSP) were Oregon, New Hampshire, Texas, Arizona, and Colorado; Hawaii was the only State in which real GSP declined. The new and revised GSP estimates are consistent with the most recent estimates of gross product by industry for the Nation, and they incorporate the most recent annual revisions of State personal income and of the national income and product accounts.

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B U S I N E S S S I T U A T I O N

This article was prepared by Larry R. Moran, Daniel Larkins, Ralph W. Morris, and Florence H. Campi.

REAL GROSS domestic product (GDP) increased 4.1 percent in the first quarter of 1999, according to the “preliminary” estimates of the national income and product accounts (NIPAs), after increasing 6.0 percent in the fourth quarter of 1998 (table 1 and chart 1); the “advance” first-quarter estimate of real GDP, reported in the May “Business Situation,” had shown a 4.5-percent increase.¹ The downward revision to real GDP reflected an upward revision to

1. Quarterly estimates in the NIPAs are expressed at seasonally adjusted annual rates. Quarter-to-quarter dollar changes are the differences between the published estimates. Quarter-to-quarter percent changes are annualized and are calculated from unrounded data unless otherwise specified.

Real estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarters except those for the most recent year, which are calculated using quarterly weights; real estimates are expressed both as index numbers (1992=100) and as chained (1992) dollars. Price indexes (1992=100) are also calculated using a chain-type Fisher formula.

Table 1.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

[Seasonally adjusted at annual rates]

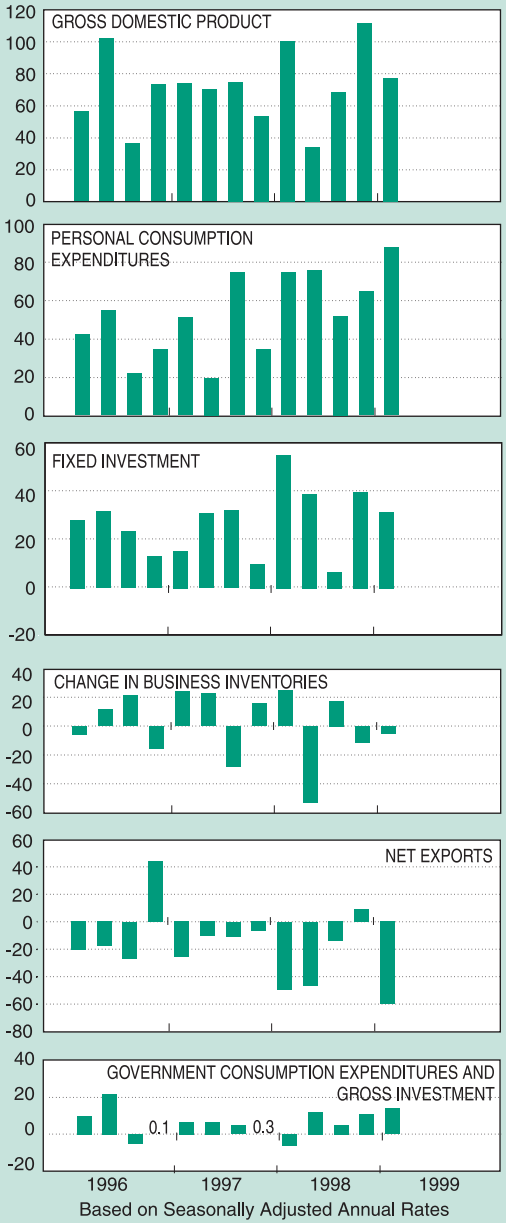
	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
		1998				II	III	IV	I
	1999	I	II	III	IV				
Gross domestic product	7,754.7	33.9	67.9	111.2	77.0	1.8	3.7	6.0	4.1
Less: Exports of goods and services	992.0	-19.8	-6.8	44.3	-17.6	-7.7	-2.8	19.7	-6.8
Plus: Imports of goods and services	1,302.1	26.9	7.0	35.3	42.5	9.3	2.3	12.0	14.2
Equals: Gross domestic purchases	8,028.3	73.7	80.2	102.5	127.0	3.9	4.2	5.4	6.6
Less: Change in business inventories	39.0	-53.2	17.5	-11.5	-5.2				
Nonfarm	34.7	-56.0	17.1	-9.5	-2.8				
Farm	4.4	3.4	.4	-1.9	-2.8				
Equals: Final sales to domestic purchasers	7,983.8	124.2	63.4	112.7	131.3	6.7	3.3	6.0	6.9
Personal consumption expenditures	5,333.1	75.1	51.6	64.2	87.1	6.1	4.1	5.0	6.8
Durable goods	798.8	19.1	4.3	41.3	23.8	11.2	2.4	24.5	12.9
Nondurable goods	1,600.6	19.7	8.2	16.0	35.5	5.3	2.1	4.2	9.4
Services	2,948.2	37.5	38.0	12.4	31.0	5.4	5.4	1.7	4.3
Gross private domestic fixed investment	1,342.7	39.2	6.8	40.1	31.7	13.4	2.2	13.2	10.0
Nonresidential fixed investment	1,010.8	28.5	-1.7	33.2	18.9	12.8	-7	14.6	7.9
Structures	206.4	-1.2	.1	3.0	1.4	-2.3	.2	6.0	2.9
Producers' durable equipment	820.3	32.5	-2.0	32.2	18.8	18.8	-1.0	17.8	9.7
Residential investment	335.9	10.6	7.4	7.6	11.8	15.0	9.9	10.0	15.4
Government consumption expenditures and gross investment	1,324.2	11.8	4.8	10.7	13.9	3.7	1.5	3.3	4.3
Federal	458.6	8.0	-1.6	8.1	-2.0	7.3	-1.4	7.3	-1.7
National defense	299.4	7.0	3.2	1.1	-5.2	9.9	4.3	1.3	-6.6
Nondefense	158.3	1.0	-4.5	6.8	3.1	2.6	-11.5	19.8	8.1
State and local	865.9	3.8	6.4	2.7	15.9	1.8	3.1	1.3	7.7
Addendum: Final sales of domestic product	7,710.2	83.9	51.2	121.3	81.3	4.6	2.8	6.6	4.3

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates usually are not additive. Chained (1992) dollar levels and residuals, which measure the extent of nonadditivity in each table, are in NIPA tables 1.2, 1.4, and 1.6. Percent changes are calculated from unrounded data. Percent changes in major aggregates are in NIPA table 8.1.

CHART 1

**Real Product:
Change from Preceding Quarter**

Billion chained (1992) \$



Based on Seasonally Adjusted Annual Rates
U.S. Department of Commerce, Bureau of Economic Analysis

imports, which are subtracted in the calculation of GDP, and a downward revision to inventory investment; these revisions were partly offset by upward revisions to exports and to consumer spending. (The sources of the revisions are discussed in the section “Revisions.”)

The 4.1-percent increase in the first quarter was above the 3.2-percent average annual growth rate for real GDP over the current expansion, which began in the second quarter of 1991.

The picture of the economy in the first quarter presented by the preliminary estimates is little changed from that presented by the advance estimates. Like the advance estimates, the preliminary estimates showed the following:

- Real GDP growth decelerated in the first quarter. The deceleration was more than accounted for by a downturn in exports.
- Motor vehicle output decreased in the first quarter, following a fourth-quarter increase that largely reflected a rebound from a midsummer strike at a major manufacturer.
- Real final sales of domestic product decelerated slightly more than GDP, as inventory investment decreased less in the first quarter than in the fourth.²
- Real gross domestic purchases accelerated; consumer spending accounted for most

2. Final sales of domestic product is calculated as GDP less change in business inventories.

Table 2.—Contributions to Percent Change in Real Gross Domestic Product

[Seasonally adjusted at annual rates]

	1998			1999
	II	III	IV	I
Percent change at annual rate:				
Gross domestic product	1.8	3.7	6.0	4.1
Percentage points at annual rates:				
Personal consumption expenditures	4.09	2.78	3.48	4.58
Durable goods .....	.91	.20	1.90	1.07
Nondurable goods	1.01	.42	.84	1.78
Services	2.14	2.15	.74	1.73
Gross private domestic investment	-.75	1.22	1.42	1.28
Fixed investment	1.95	.33	1.95	1.51
Nonresidential	1.35	-.08	1.52	.85
Structures	-.07	.01	.17	.08
Producers' durable equipment	1.42	-.09	1.35	.76
Residential .....	.60	.41	.43	.66
Change in business inventories	-2.66	.89	-.53	-.23
Net exports of goods and services	-2.08	-.62	.52	-2.53
Exports	-.92	-.32	2.02	-.78
Goods	-.98	.04	1.76	-.95
Services .....	.06	-.36	.26	.18
Imports	-1.18	-.30	-1.50	-1.76
Goods	-1.19	-.32	-1.46	-1.58
Services .....	.01	.01	-.04	-.18
Government consumption expenditures and gross investment .....	.64	.27	.60	.75
Federal .....	.44	-.09	.44	-.10
National defense .....	.38	.17	.06	-.27
Nondefense .....	.06	-.26	.38	.17
State and local .....	.20	.35	.16	.85

NOTE.—NIPA table 8.2 also shows contributions for 1997:IV and 1998:I.

of the acceleration, but imports, private residential investment, and government spending and investment also contributed.³

- The largest contributors to the first-quarter increase in real GDP were consumer spending and private fixed investment (table 2). The increase in GDP was moderated by an increase in imports and by a decrease in exports.

The price index for gross domestic purchases increased 1.1 percent in the first quarter after increasing 0.9 percent in the fourth (table 3). This index had decreased slightly in the first quarter of 1998 and then increased at modestly accelerating rates in each quarter thereafter; however, the increase in the first quarter was considerably below the quarterly increases in the first 6 years of the current expansion. The step-up in the first quarter of 1999 was more than accounted for by a Federal pay increase for civilian and military personnel.

GDP prices increased 1.5 percent in the first quarter after increasing 0.8 percent in the fourth. The step-up in GDP prices was larger than that in gross domestic purchases prices primarily because import prices—which are subtracted in the calculation of GDP prices—decreased more in the

3. Gross domestic purchases—a measure of purchases by U.S. residents regardless of where the purchased goods and services were produced—is calculated as GDP less exports of goods and services plus imports of goods and services.

Table 3.—Percent Changes in Prices

[Annual rates; based on seasonally adjusted index numbers (1992=100)]

	1998			1999
	II	III	IV	I
Gross domestic product	0.9	1.0	0.8	1.5
Less: Exports of goods and services	-1.8	-2.8	-9	-7
Plus: Imports of goods and services	-4.5	-4.8	-2	-3.4
Equals: Gross domestic purchases .....	.4	.7	.9	1.1
Less: Change in business inventories				
Equals: Final sales to domestic purchasers .....	.5	.7	.9	1.1
Personal consumption expenditures .....	.9	1.0	1.1	1.1
Food	1.3	2.8	2.0	1.8
Energy	-7.5	-5.8	-6.8	-2.4
Other personal consumption expenditures	1.3	1.1	1.3	1.1
Private nonresidential fixed investment	-3.1	-3.6	-2.5	-2.1
Structures	3.1	1.2	1.8	.8
Producers' durable equipment	-5.2	-5.3	-4.0	-3.1
Private residential investment	1.7	3.7	4.2	2.0
Government consumption expenditures and gross investment .....	.8	1.5	1.5	3.0
Federal	0	.4	1.5	6.5
National defense .....	.3	.4	1.8	6.0
Nondefense	-.6	.5	1.1	7.4
State and local	1.2	2.1	1.5	1.2
Addendum: Gross domestic purchases less food and energy .....	.7	.7	1.1	1.1

NOTE.—Percent changes in major aggregates are in NIPA table 8.1. Index number levels are in tables 7.1, 7.2, and 7.4.

first quarter than in the fourth, largely reflecting petroleum prices.

Real disposable personal income (DPI) increased 4.3 percent in the first quarter, the same rate of increase as in the fourth quarter; these increases were the largest in more than 2 years. The personal saving rate—personal savings as a percentage of current-dollar DPI—decreased to negative 0.6 percent, the first negative rate since the quarterly series began in 1946; in the fourth quarter, the rate was 0.0 percent. (For additional information, see “[Note on the Personal Saving Rate](#)” on page 8 of the February 1999 SURVEY OF CURRENT BUSINESS.)

Personal consumption expenditures

Real personal consumption expenditures (PCE) increased 6.8 percent in the first quarter after increasing 5.0 percent in the fourth (table 4). Expenditures for nondurable goods and for services increased more than twice as much as in the fourth quarter; expenditures for durable goods increased strongly but only about half as much as in the fourth quarter.

Many of the factors usually considered in analyses of PCE remained strong in the first quarter (chart 2). As mentioned earlier, real DPI increased at the same high rate as in the fourth quarter. The unemployment rate edged down to 4.3 percent from 4.4 percent. The Index of

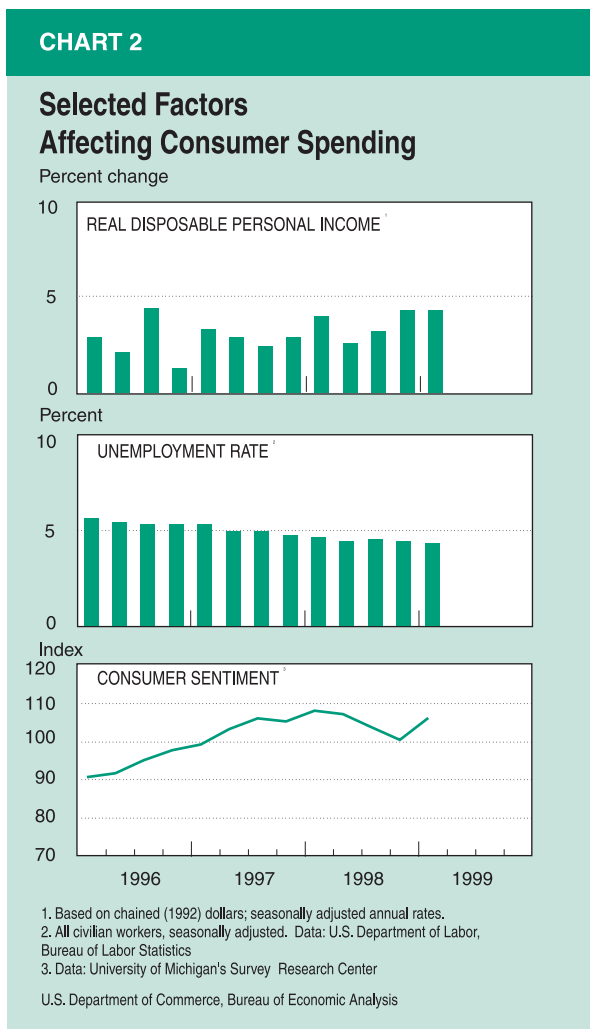


Table 4.—Real Personal Consumption Expenditures

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
		1999	1998			I	II	III	IV
			I	II	III					IV
Personal consumption expenditures	5,333.1	75.1	51.6	64.2	87.1	6.1	4.1	5.0	6.8
Durable goods	798.8	19.1	4.3	41.3	23.8	11.2	2.4	24.5	12.9
Motor vehicles and parts	278.8	11.1	-6.3	26.7	-5	19.1	-9.3	49.6	-8
Of which: New autos	85.1	5.3	-6.5	6.8	-9	29.1	-27.2	38.9	-3.8
New trucks	76.3	6.7	-4.4	11.2	-1.6	48.4	-22.5	86.1	-7.9
Furniture and household equipment	381.8	3.5	12.7	10.1	19.7	4.3	15.7	12.1	23.5
Other	148.6	3.5	.5	1.9	7.6	10.5	1.6	5.6	23.4
Nondurable goods	1,600.6	19.7	8.2	16.0	35.5	5.3	2.1	4.2	9.4
Food	733.6	9.5	2.6	11.2	3.5	5.5	1.4	6.4	1.9
Clothing and shoes	333.0	4.0	-1.6	2.7	20.5	5.3	-2.0	3.5	29.0
Gasoline and oil	122.2	-1	2.7	.4	.7	-3	9.3	1.4	2.4
Fuel oil and coal	10.7	.5	.2	-4	1.2	23.6	9.4	-17.5	63.0
Other	407.1	5.7	4.2	1.8	11.9	6.0	4.4	1.9	12.6
Services	2,948.2	37.5	38.0	12.4	31.0	5.4	5.4	1.7	4.3
Housing	746.8	4.0	4.4	4.4	5.3	2.2	2.4	2.4	2.9
Household operation	326.7	10.2	9.8	-8.1	8.5	14.0	13.1	-9.6	11.1
Electricity and gas	118.1	6.9	6.4	-10.9	5.2	27.4	24.0	-30.8	19.5
Other household operation	208.4	3.3	3.5	2.6	3.4	7.1	7.2	5.1	6.8
Transportation	223.7	3.5	-9	1.3	1.9	6.7	-1.7	2.5	3.4
Medical care	734.6	6.7	3.7	5.5	3.8	3.9	2.1	3.1	2.1
Other	918.6	13.8	21.5	8.1	12.3	6.5	10.2	3.6	5.6

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA tables 2.3, 8.5 (autos), and 8.7 (trucks). Percent changes in major aggregates are in NIPA table 8.1.

Consumer Sentiment (prepared by the University of Michigan's Survey Research Center as a measure of consumer attitudes and expectations) increased to 105.9 from 100.2; the increase followed three consecutive decreases from the record of 107.8 in the first quarter of 1998.

Expenditures for nondurable goods increased 9.4 percent after increasing 4.2 percent. The acceleration reflected sharp step-ups in clothing and shoes and in "other" nondurable goods.⁴ In contrast, food increased substantially less than in the fourth quarter.

Expenditures for services increased 4.3 percent after increasing 1.7 percent. The step-up mainly reflected an upturn in electricity and gas. "Other" services increased somewhat more than in the fourth quarter; the step-up was more than accounted for by net foreign travel—as expenditures by U.S. residents traveling abroad turned up and as expenditures by foreigners traveling in the United States slowed—and by brokerage commissions and investment counseling.⁵

Expenditures for durable goods increased 12.9 percent after jumping 24.5 percent. The deceleration was more than accounted for by motor vehicles and parts, which slipped slightly after a sharp increase. In contrast, furniture and

household equipment increased more than in the fourth quarter; most of the acceleration was accounted for by a step-up in consumer electronics.⁶ "Other" durable goods also stepped up.⁷

Nonresidential fixed investment

Real private nonresidential fixed investment increased 7.9 percent in the first quarter after jumping 14.6 percent in the fourth (table 5). Spending on both equipment and structures slowed.

Over the past four quarters, nonresidential fixed investment has increased at an average annual rate of 8.5 percent. The strength in recent quarters partly reflected strength in some of the factors that affect investment spending (chart 3). Over the past four quarters, real final sales of domestic product increased 4.6 percent, and long-term interest rates decreased; for example, the yield on high-grade corporate bonds decreased to 6.33 percent from 6.64 percent. In contrast, the capacity utilization rate declined to 80.3 percent from 82.7 percent, and domestic corporate profits increased at a modest annual rate of 3.2 percent.

4. "Other" nondurable goods includes tobacco, toilet articles, stationery and writing supplies, toys, film, flowers, cleaning preparations and paper products, and magazines and newspapers.

5. "Other" services includes personal care, personal business, recreational, education and research, religious and welfare activities, and net foreign travel.

6. Consumer electronics includes goods such as computers; televisions; video and audio equipment; records, tapes, and disks; and musical instruments.

7. "Other" durable goods includes jewelry and watches, ophthalmic products and orthopedic equipment, books and maps, bicycles and motorcycles, guns and sporting equipment, photographic equipment, boats, and pleasure aircraft.

Table 5.—Real Gross Private Domestic Fixed Investment

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
	1999	1998			1999				
	I	II	III	IV	I	II	III	IV	I
Gross private domestic fixed investment	1,342.7	39.2	6.8	40.1	31.7	13.4	2.2	13.2	10.0
Nonresidential	1,010.8	28.5	-1.7	33.2	18.9	12.8	-7	14.6	7.9
Structures	206.4	-1.2	.1	3.0	1.4	-2.3	.2	6.0	2.9
Nonresidential buildings, including farm	157.3	-3	.3	3.7	3.5	-9	.8	10.4	9.2
Utilities	29.8	.3	.2	0	.1	4.2	2.1	.2	1.1
Mining exploration, shafts, and wells	13.8	-9	-6	-1.1	-1.5	-19.3	-12.3	-23.9	-34.2
Other	5.4	-1	.3	.2	-6	-9.2	21.0	18.6	-34.5
Producers' durable equipment	820.3	32.5	-2.0	32.2	18.8	18.8	-1.0	17.8	9.7
Information processing and related equipment	447.4	23.4	22.8	22.9	24.9	29.2	26.4	25.0	25.7
Computers and peripheral equipment	450.3	39.3	39.0	42.5	37.3	65.7	56.1	54.4	41.4
Other	151.1	3.0	3.1	2.8	5.5	8.9	9.3	8.1	16.0
Industrial equipment	131.1	1.0	.6	.4	-2.4	3.0	1.7	1.4	-7.0
Transportation and related equipment	167.0	8.3	-16.2	17.0	-1.7	22.4	-33.4	53.0	-4.1
Of which: Motor vehicles	135.7	6.3	-11.3	11.6	3.2	21.3	-29.9	43.9	10.1
Other	129.0	4.4	1.2	-3.3	6.5	15.3	3.6	-9.5	22.3
Residential	335.9	10.6	7.4	7.6	11.8	15.0	9.9	10.0	15.4
Single-family structures	167.3	6.1	4.3	4.1	7.6	17.8	11.8	10.9	20.4
Multifamily structures	23.0	-1.4	.1	.9	1.3	-23.6	1.6	19.6	25.2
Other ¹	146.2	6.0	3.0	2.5	2.9	19.4	8.9	7.4	8.2

1. "Other" residential investment includes home improvements, new mobile home sales, brokers' commissions on home sales, residential equipment, and other residential structures (which consists primarily of dormitories and fraternity and sorority houses).

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA tables 5.5, 8.5 (autos), and 8.7 (trucks). Percent changes in major aggregates are in NIPA table 8.1.

Producers' durable equipment (PDE) increased 9.7 percent after jumping 17.8 percent. The slow-down was mostly accounted for by a downturn in transportation and related equipment, but industrial equipment also turned down; within transportation and related equipment, autos and aircraft each turned down, and trucks, buses, and trailers slowed. "Other" PDE turned up.⁸ Information processing and related equipment increased a little more than in the fourth quarter; a step-up in communications equipment more than offset a slowdown in computers and peripheral equipment.

8. "Other" PDE includes construction and agricultural equipment, mining and oilfield equipment, electrical equipment not included in other categories, furniture and fixtures, and service industry machinery.

Structures increased 2.9 percent after increasing 6.0 percent; in the preceding four quarters, structures had either increased less than 1.0 percent or decreased. In the first quarter, "other" structures turned down; mining exploration, shafts, and wells decreased more than in the fourth quarter.⁹ Utilities edged up.

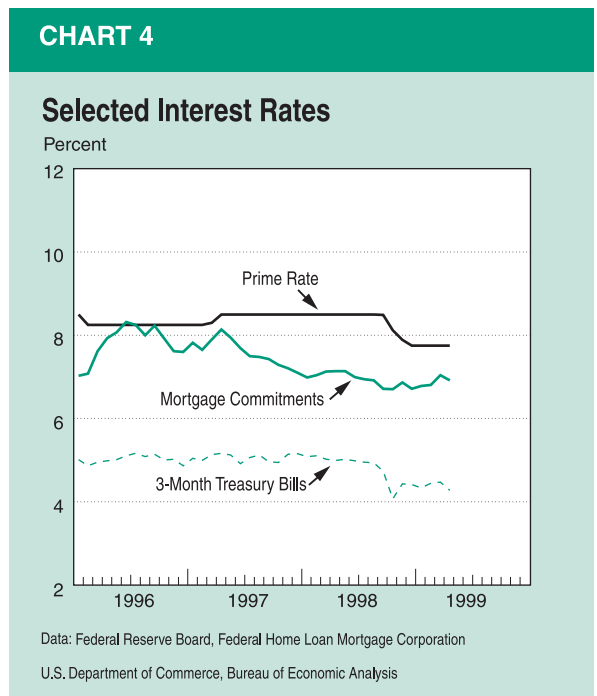
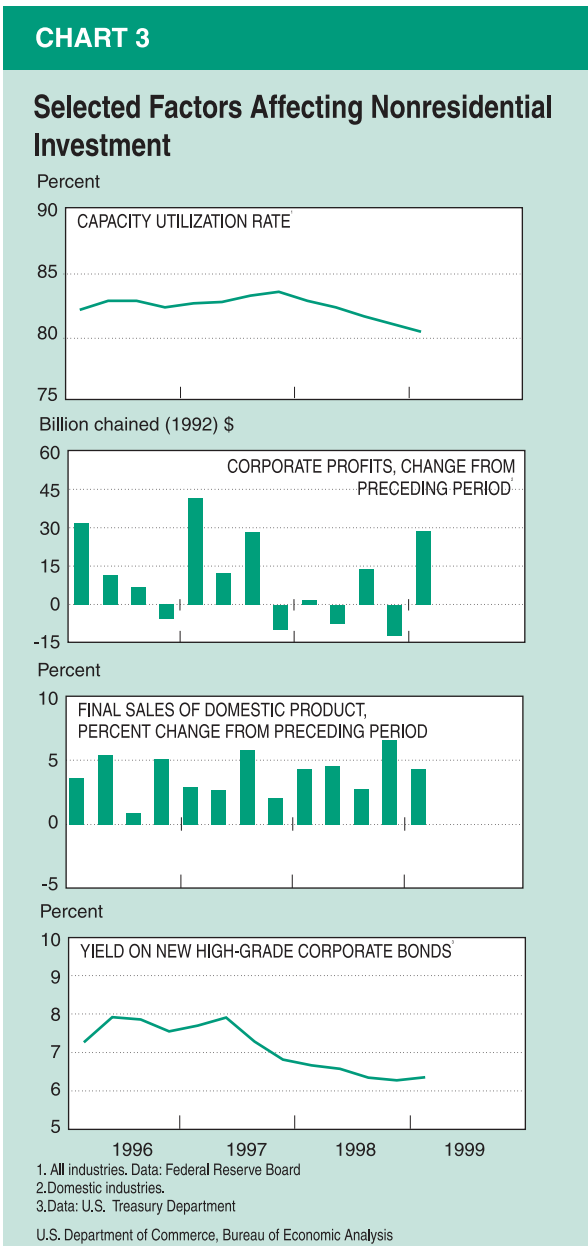
Residential investment

Real private residential investment jumped 15.4 percent in the first quarter after increasing 10.0 percent in the fourth (table 5). The acceleration was mostly accounted for by a step-up in single-family structures, but multifamily structures and "other" residential investment also increased more than in the fourth quarter.¹⁰

Investment in single-family structures jumped 20.4 percent after increasing 10.9 percent. Over the past four quarters, single-family structures have increased at an annual rate of 15.2 percent. This increase partly reflected the strength in some of the factors usually considered in analyses of consumer spending. These factors include strong increases in real disposable personal income, low unemployment rates, and substantial increases in consumer wealth that were bolstered by large

9. "Other" structures includes streets, dams and reservoirs, sewer and water facilities, parks, airfields, brokerage commissions on the sale of structures, and net purchases of used structures.

10. "Other" residential investment includes investment such as home improvements, new mobile home sales, brokers' commissions on home sales, residential equipment, net purchases of used structures, and other residential structures (which consists primarily of dormitories and fraternity and sorority houses).



increases in stock market prices. In addition, the commitment rate on 30-year, fixed-rate mortgages has declined over the past four quarters, though it edged up in the first quarter to 6.9 percent from 6.8 percent (chart 4).

Investment in multifamily structures jumped 25.2 percent after jumping 19.6 percent. "Other" residential investment increased 8.2 percent after increasing 7.4 percent; the acceleration was accounted for by a step-up in home improvements.

Inventory investment

Real inventory investment—that is, the change in business inventories—decreased \$5.2 billion in the first quarter, as inventory accumulation slowed to \$39.0 billion from \$44.2 billion; inventory investment had decreased \$11.5 billion in the fourth quarter (table 6). The small first-quarter slowdown in inventory accumulation mainly reflected a swing from accumulation to liquidation in manufacturing inventories, but a slowdown in wholesale trade inventories also contributed.

Manufacturing inventories decreased \$4.9 billion after increasing \$6.2 billion. Inventories of both durable goods and nondurable goods industries turned down. The downturn in the durable goods industries was accounted for by transportation equipment and by primary metals; in contrast, inventories in the industrial machinery and electronic machinery industries increased more than in the fourth quarter. In the non-

durable goods industries, the downturn mainly reflected inventories of apparel and tobacco industries; food industries inventories increased more than in the fourth quarter.

Wholesale trade inventories increased \$10.4 billion after increasing \$13.7 billion. The slowdown was more than accounted for by durable goods industries; a downturn in the metals and minerals industry and a slowdown in the motor vehicles industry more than offset an upturn in the professional and commercial equipment industry (which includes computers).¹¹

Retail trade inventories increased \$18.8 billion after increasing \$10.9 billion. Inventories of nondurable goods industries increased after a slight decrease; department stores accounted for about half of the upturn. Inventories of durable goods industries increased less than in the fourth quarter.

"Other" nonfarm inventories increased more than in the fourth quarter.¹²

Farm inventories increased \$4.4 billion after increasing \$7.2 billion. Crop and livestock inventories both contributed to the slowdown.

The ratio of real nonfarm inventories to real final sales of domestic businesses decreased to 2.24

11. In contrast to the preliminary estimate of a slowdown in wholesale inventories, the advance estimate showed a slight step-up; according to the preliminary estimates, the downturn in the metals and minerals industry is more pronounced, and the upturn in the professional and commercial equipment industry is less pronounced.

12. "Other" nonfarm inventories includes inventories held by the following industries: Mining; construction; public utilities; transportation; communication; finance, insurance, and real estate; and services.

Table 6.—Real Change in Business Inventories

[Billions of chained (1992) dollars; seasonally adjusted at annual rates]

	Level					Change from preceding quarter				
	1998				1999	1998				1999
	I	II	III	IV	I	II	III	IV	I	
Change in business inventories	91.4	38.2	55.7	44.2	39.0	-53.2	17.5	-11.5	-5.2	
Farm	5.3	8.7	9.1	7.2	4.4	3.4	.4	-1.9	-2.8	
Nonfarm	85.9	29.9	47.0	37.5	34.7	-56.0	17.1	-9.5	-2.8	
Manufacturing	30.2	23.9	19.2	6.2	-4.9	-6.3	-4.7	-13.0	-11.1	
Durable goods	21.0	19.1	12.0	3.8	-2.4	-1.9	-7.1	-8.2	-6.2	
Nondurable goods	9.2	4.9	7.2	2.4	-2.6	-4.3	2.3	-4.8	-5.0	
Wholesale trade	27.0	7.6	29.6	13.7	10.4	-19.4	22.0	-15.9	-3.3	
Durable goods	25.1	1.6	15.2	12.3	8.4	-23.5	13.6	-2.9	-3.9	
Nondurable goods	2.3	5.9	14.3	1.5	2.1	3.6	8.4	-12.8	.6	
Retail trade	17.3	-11.9	-5.3	10.9	18.8	-29.2	6.6	16.2	7.9	
Durable goods	1.6	-16.3	-7.7	11.4	7.9	-17.9	8.6	19.1	-3.5	
Of which: Motor vehicle dealers	-3.7	-13.8	-9.1	3.3	2.5	-10.1	4.7	12.4	-8	
Nondurable goods	16.1	4.9	2.6	-7	10.9	-11.2	-2.3	-3.3	11.6	
Other	11.5	10.4	4.0	6.6	9.9	-1.1	-6.4	2.6	3.3	
Durable goods .....	.4	.7	-.1	-1.7	2.9	.3	-.8	-1.6	4.6
Nondurable goods	11.5	10.0	4.3	8.8	7.0	-1.5	-5.7	4.5	-1.8	
Addenda:										
Motor vehicles	2.6	-22.6	-9.2	7.0	1.9	-25.2	13.4	16.2	-5.1	
Autos	-.1	-12.3	-3.0	1.9	-3.4	-12.2	9.3	4.9	-5.3	
Trucks	2.5	-10.2	-6.0	4.9	4.9	-12.7	4.2	10.9	0	

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels for most series are in NIPA table 5.11; chained (1992) dollar levels for autos (new and used) and trucks (new only) are in NIPA tables 8.5 and 8.7, respectively.

in the first quarter from 2.25 in the fourth; the first-quarter level was close to the average level of the ratio in the past few years. The inventory-sales ratio that includes only final sales of goods and structures decreased to 3.94—the lowest in more than 25 years—from 3.97.¹³

Exports and imports

Real exports of goods and services decreased 6.8 percent in the first quarter after jumping 19.7 percent in the fourth (table 7). Real imports of goods and services increased 14.2 percent after increasing 12.0 percent.

Real exports of goods fell 11.5 percent after jumping 24.6 percent. Most major categories of exports contributed to the downturn; the largest contributor was capital goods, primarily civilian aircraft, engines, and parts.

Real exports of services increased 5.5 percent after increasing 8.3 percent. A slowdown in travel accounted for most of the slowdown, but other transportation and royalties and license fees also contributed, changing little after increasing.

Real imports of goods increased 15.2 percent after increasing 14.1 percent. Imports of consumer goods except automobiles, of “other” capital goods, of computers, peripherals, and parts, and of foods, feeds, and beverages increased more in the first quarter than in the fourth; in addition, imports of industrial supplies and materials and of petroleum and products decreased less than in the fourth quarter. In contrast, automotive vehicles, engines, and parts increased less than in the

13. The use of the ratio that includes all final sales of domestic businesses in the denominator implies that the production of services results in a demand for inventories that is similar to that generated in the production of goods and structures. In contrast, the use of the “goods and structures” ratio implies that the production of services does not generate demand for inventories. Both implications are extreme. The production of some services (for example, utilities and transportation) may require substantial inventories, while the production of others (such as legal and counseling services) may not.

Table 7.—Real Exports and Imports of Goods and Services

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
	1999	1998				1998			1999
	I	II	III	IV	I	II	III	IV	I
Exports of goods and services	992.0	-19.8	-6.8	44.3	-17.6	-7.7	-2.8	19.7	-6.8
Goods	745.4	-22.2	1.0	41.1	-23.0	-11.3	.6	24.6	-11.5
Agricultural goods	47.0	-3.3	-1.8	5.8	-4.6	-23.4	-14.5	61.3	-31.1
Nonagricultural goods	703.0	-18.6	3.2	35.0	-18.1	-10.2	1.9	22.0	-9.7
Services	250.3	1.0	-6.7	4.9	3.3	1.7	-10.4	8.3	5.5
Imports of goods and services	1,302.1	26.9	7.0	35.3	42.5	9.3	2.3	12.0	14.2
Goods	1,131.0	27.8	7.5	35.4	39.3	11.4	2.9	14.1	15.2
Petroleum and products	69.9	6.2	-1.1	-2.6	-9	41.4	-5.7	-13.2	-5.1
Nonpetroleum products	1,058.6	22.4	8.2	36.6	39.2	9.7	3.4	15.7	16.3
Services	175.3	-3	-2	.8	3.7	-6	-6	2.0	8.9
Addendum: Net exports of goods and services	-310.1	-46.7	-13.8	9.0	-60.1				

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA table 4.4. Percent changes in major aggregates are in NIPA table 8.1.

Table 8.—Real Government Consumption Expenditures and Real Gross Investment by Type

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
	1999	1998				1998			1999
	I	II	III	IV	I	II	III	IV	I
Government consumption expenditures and gross investment	1,324.2	11.8	4.8	10.7	13.9	3.7	1.5	3.3	4.3
Federal	458.6	8.0	-1.6	8.1	-2.0	7.3	-1.4	7.3	-1.7
National defense	299.4	7.0	3.2	1.1	-5.2	9.9	4.3	1.3	-6.6
Consumption expenditures	261.0	8.2	-1.0	2.2	-6.3	13.3	-1.4	3.3	-9.0
Gross investment	38.5	-1.3	4.4	-1.3	1.3	-13.7	62.4	-12.4	13.7
Nondefense	158.3	1.0	-4.5	6.8	3.1	2.6	-11.5	19.8	8.1
Consumption expenditures	135.3	2.9	-4.5	6.2	.7	9.1	-12.8	20.8	2.0
Gross investment	23.4	-2.3	0	.6	2.9	-35.1	-2	12.3	68.8
State and local	865.9	3.8	6.4	2.7	15.9	1.8	3.1	1.3	7.7
Consumption expenditures	701.2	4.5	4.3	4.0	5.6	2.7	2.6	2.3	3.3
Gross investment	164.6	-7	2.1	-1.3	10.3	-1.9	5.6	-3.3	29.3

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA table 3.8. Percent changes in major aggregates are in NIPA table 8.1.

fourth quarter, and imports of civilian aircraft, engines, and parts turned down.

Real imports of services increased 8.9 percent after increasing 2.0 percent. Most of the step-up was accounted for by an upturn in travel.

Government spending

Real government consumption expenditures and gross investment increased 4.3 percent in the first quarter after increasing 3.3 percent in the fourth (table 8). An acceleration in State and local gov-

ernment spending more than offset a downturn in Federal Government spending.

State and local government spending and investment increased 7.7 percent after increasing 1.3 percent. Investment turned up, reflecting an upturn in investment in structures. Consumption expenditures increased more than in the fourth quarter, largely reflecting an acceleration in compensation of employees.

Federal defense spending decreased 6.6 percent after increasing 1.3 percent. Consumption expenditures turned down, largely reflecting a downturn in spending for research and development and for personnel support. Investment spending increased after decreasing; equipment accounted for most of the upturn, but structures also contributed.

Federal nondefense spending increased 8.1 percent after jumping 19.8 percent. The slowdown was more than accounted for by consumption expenditures. Investment increased more than in the fourth quarter; the acceleration was primarily accounted for by equipment.

Table 9.—Revisions to Change in Real Gross Domestic Product and Prices, First Quarter 1999

[Seasonally adjusted at annual rates]

	Percent change from preceding quarter		Preliminary estimate minus advance estimate		
	Advance estimate	Preliminary estimate	Change in real GDP		Contribution to percent change in real GDP
			Percentage points	Billions of chained (1992) dollars		Percentage points
Gross domestic product	4.5	4.1	-0.4	-7.8	-0.4
Less: Exports of goods and services	-7.7	-6.8	.9	2.5	.11
Goods	-12.0	-11.5	.5	1.0	.05
Services	3.4	5.5	2.1	1.3	.07
Plus: Imports of goods and services	11.7	14.2	2.5	7.1	-.30
Goods	12.7	15.2	2.5	6.3	-.25
Services	6.8	8.9	2.1	.8	-.04
Equals: Gross domestic purchases	6.8	6.6	-.2	-4.5	.....
Less: Change in business inventories .....	.....	.....	.....	-6.2	-.29
Nonfarm .....	.....	.....	.....	-5.5	.....
Farm .....	.....	.....	.....	-.8	.....
Equals: Final sales to domestic purchasers	6.8	6.9	.1	1.1	.....
Personal consumption expenditures	6.7	6.8	.1	1.2	.06
Durable goods	11.5	12.9	1.4	2.4	.11
Nondurable goods	9.2	9.4	.2	.7	.03
Services	4.5	4.3	-.2	-1.5	-.09
Fixed investment	9.9	10.0	.1	.3	.02
Nonresidential	7.6	7.9	.3	.5	.03
Structures	-1	2.9	3.0	1.5	.08
Producers' durable equipment	10.5	9.7	-.8	-1.4	-.07
Residential	15.6	15.4	-.2	-.2	-.01
Government consumption expenditures and gross investment	4.4	4.3	-.1	-.4	-.02
Federal	-7	-1.7	-1.0	-1.2	-.06
National defense	-4.2	-6.6	-2.4	-1.9	-.10
Nondefense	6.3	8.1	1.8	.7	.04
State and local	7.3	7.7	.4	.9	.04
Addenda:					
Final sales of domestic product	4.5	4.3	-.2	-2.3	.....
Gross domestic purchases price index ¹	1.0	1.1	.1	.....	.....
GDP price index ¹	1.4	1.5	.1	.....	.....

1. Based on chained-type annual (1992) weights.

NOTE.—The preliminary estimates for the first quarter of 1999 incorporate the following revised or additional major source data that were not available when the advance estimates were prepared.

Personal consumption expenditures: Retail sales for February and March (revised), consumers' share of new-car purchases for March, average unit value for domestic new autos for March (revised), and consumers' share of new-truck purchases for March.

Nonresidential fixed investment: Construction put in place for January and February (revised) and March, manufacturers' shipments of machinery and equipment for February and March (revised), and exports and imports of machinery and equipment for February (revised) and March.

Residential fixed investment: Construction put in place for January and February (revised) and March.

Change in business inventories: Manufacturing, retail trade, and wholesale trade inventories for February (revised) and March.

Exports and imports of goods and services: Exports and imports of goods for February (revised) and March.

Government consumption expenditures and gross investment: State and local government construction put in place for January and February (revised) and March.

Wages and salaries: Employment, average hourly earnings, and average weekly hours for February and March (revised).

GDP prices: Detailed merchandise export and import price indexes for January through March (revised), unit-value index for petroleum imports for February (revised) and March, and housing prices for the first quarter.

Revisions

As noted earlier, the preliminary estimate of a 4.1-percent increase in real GDP in the first quarter is 0.4 percentage point lower than the advance estimate (table 9); for 1978–98, the average revision, without regard to sign, from the advance estimate to the preliminary estimate was 0.5 percentage point.

The downward revision to real GDP reflected an upward revision to imports, which are subtracted in the calculation of GDP, and a downward revision to inventory investment; these revisions were partly offset by upward revisions to exports and to consumer spending.

The revisions to imports and to exports were mostly in goods and reflected the incorporation of newly available Census Bureau data on international trade in goods for March.

The revision to inventory investment reflected the incorporation of revised February and newly available March data on change in inventories for manufacturing and trade from the Census Bureau.

The revision to PCE was mostly in durable goods and mainly reflected the incorporation of revised Census Bureau data on retail sales for March.

The preliminary estimates of the increases in the price indexes for gross domestic purchases (1.1 percent) and for GDP (1.5 percent) were

0.1 percentage point higher than the advance estimates.

The preliminary estimate of the increase in real DPI was 4.3 percent, 0.3 percentage point lower than the advance estimate. Current-dollar DPI increased 5.4 percent, 0.2 percentage point lower than the advance estimate. The downward revision to DPI was more than accounted for by a downward revision to current-dollar personal income, which, in turn, was accounted for by downward revisions to farm proprietors' income and to wages and salaries; about half of the downward revision to farm proprietors' income was accounted for by a downward revision to live-stock output. The downward revision to personal income was partly offset by a downward revision to personal tax and nontax payments, which are subtracted in the calculation of DPI. The preliminary estimate of the personal saving rate was -0.6 percent, 0.1 percentage point lower than the advance estimate.

Corporate Profits

In the first quarter of 1999, profits from current production increased \$31.8 billion (or 3.9 percent at a quarterly rate) after decreasing \$5.3 billion

(0.6 percent) in the fourth quarter (table 10).¹⁴ Profits of domestic nonfinancial corporations increased \$19.7 billion (3.3 percent) after decreasing \$12.7 billion (2.1 percent); in the first quarter, unit profits increased, reflecting an increase in unit prices and a decrease in unit costs. (Related information on nonfinancial corporations is discussed in "Note on Rates of Return for Domestic Nonfinancial Corporations, 1960-98," beginning on page 13.) Profits of domestic financial corporations increased \$9.1 billion (6.9 percent) after increasing \$0.6 billion (0.5 percent). Profits from the rest of the world increased \$3.0 billion (3.1 percent) after increasing \$6.9 billion (7.6 percent); the first-quarter increase was more than accounted for by receipts of earnings from foreign affiliates.¹⁵

14. Profits from current production is estimated as the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment; it is shown in NIPA tables 1.9, 1.14, 1.16, and 6.16C (see "Selected NIPA Tables," which begins on page D-2 of this issue) as corporate profits with inventory valuation and capital consumption adjustments.

Percent changes in profits are shown at quarterly, not annual, rates.

15. Profits from the rest of the world is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. These estimates include capital consumption adjustments (but not inventory valuation adjustments) and are derived from BEA'S international transactions accounts.

Table 10.—Corporate Profits

[Seasonally adjusted]

	Billions of dollars (annual rate)					Percent change (quarterly rate)				
	Level	Change from preceding quarter				1998			1999	
	1999	1998			1999	II	III	IV	I	
	I	II	III	IV	I					
Profits from current production	853.5	-8.6	6.4	-5.3	31.8	-1.0	0.8	-0.6	3.9	
Domestic industries	753.7	-7.3	13.7	-12.1	28.8	-1.0	1.9	-1.6	4.0	
Financial	139.2	-1.2	-6	.6	9.1	-1.0	-4	.5	6.9	
Nonfinancial	614.5	-6.1	14.3	-12.7	19.7	-1.0	2.4	-2.1	3.3	
Rest of the world	99.8	-1.3	-7.4	6.9	3.0	-1.3	-7.6	7.6	3.1	
Receipts (inflows)	157.5	-1	-5.5	10.1	6.9	-1	-3.8	7.2	4.6	
Payments (outflows)	57.7	1.2	1.8	3.3	3.9	2.4	3.9	6.4	7.3	
IVA	10.4	-17.5	3.9	1.7	-3.0					
CCAadj	104.7	4.5	5.4	5.4	4.5					
Profits before tax	738.4	4.4	-3.0	-12.4	30.3	.6	-4	-1.7	4.3	
Profits tax liability	245.8	1.7	1.6	-7.6	10.2	.7	.6	-3.1	4.4	
Profits after tax	492.6	2.6	-4.5	-4.8	20.1	.6	-1.0	-1.0	4.3	
Cash flow from current production	837.0	-5.8	9.2	4.9	24.2	-7	1.2	.6	3.0	
Domestic industry profits:										
Corporate profits of domestic industries with IVA	649.0	-11.9	8.3	-17.5	24.3	-1.8	1.3	-2.7	3.9	
Financial	141.8	-1.9	-1.2	-2	8.8	-1.4	-9	-1	6.6	
Nonfinancial	507.2	-9.9	9.5	-17.3	15.5	-1.9	1.9	-3.4	3.2	
		Dollars								
Unit price, costs, and profits of nonfinancial corporations:										
Unit price	1.061	0	0.001	-0.002	0.001					
Unit labor cost .....	.701	.002	0	.001	.001				
Unit nonlabor cost .....	.225	.000	-.001	.003	-.003				
Unit profits from current production .....	.135	-.003	.002	-.005	.002				

NOTE.—Levels of these and other profits series are in NIPA tables 1.14, 1.16, 6.16C, and 7.15.
 IVA inventory valuation adjustment
 CCAadj Capital consumption adjustment

Cash flow from current production, a profits-related measure of internally generated funds available for investment, increased \$24.2 billion after increasing \$4.9 billion.¹⁶ The ratio of cash flow to nonresidential fixed investment, an indicator of the share of the current level of investment that could be financed by internally generated funds, increased to 86.2 percent from 84.9 percent but remains below its average level of 91.9 percent for 1991–97.

Domestic industry profits and related measures.—Domestic industry profits increased \$24.3 billion after decreasing \$17.5 billion.¹⁷ Profits of domestic nonfinancial corporations increased \$15.5 billion after decreasing \$17.3 billion. The upturn in domestic nonfinancial profits reflected the pattern of payments by tobacco companies to States under the terms of various settlement agreements. To reflect these payments, a downward adjustment of \$13.5 billion (annual rate) was made to profits in the fourth quarter; in the first quarter, the adjustment was much smaller—\$0.9 billion. (For more information, see the box “[State Tobacco Settlements](#)” on page 12 of the April 1999 SURVEY.) Profits of domestic financial corporations increased \$8.8 billion after decreasing \$0.2 billion.

Profits before tax (PBT) increased \$30.3 billion after decreasing \$12.4 billion. The small difference between the \$30.3 billion increase in PBT and the \$31.8 billion increase in profits from current production reflected nearly offsetting changes in the inventory valuation adjustment and the capital consumption adjustment.¹⁸ In the first quarter, inventory losses decreased \$3.0 billion, and

the capital consumption adjustment increased \$4.5 billion.

Government Sector

The combined current surplus of the Federal Government and of State and local governments—the NIPA measure of net saving by government—increased \$43.2 billion, to \$279.5 billion, in the first quarter after decreasing \$4.4 billion in the fourth (table 11).¹⁹ The upturn was attributable to an upturn in the Federal Government current surplus. The State and local government current surplus turned down.²⁰

Federal

The Federal Government current surplus increased \$45.6 billion, to \$111.4 billion, in the first quarter after decreasing \$26.2 billion in the fourth. The upturn resulted from a sharp acceleration in receipts and a downturn in current expenditures.

Receipts.—Federal receipts increased \$31.8 billion in the first quarter after increasing \$11.6 billion in the fourth. The acceleration was more than accounted for by an upturn in corporate profits tax accruals and by an acceleration in contributions for social insurance.

Corporate profits tax accruals increased \$8.6 billion after decreasing \$6.5 billion, reflecting an upturn in domestic corporate profits before tax. The settlement payments to the States by tobacco companies had dampened corporate profits and thus corporate profits tax accruals in the fourth quarter.

Contributions for social insurance increased \$16.2 billion after increasing \$8.3 billion. The acceleration primarily reflected an increase in the social security taxable wage base that boosted contributions by employers, employees, and the self-employed to the old-age, survivors, and disability insurance trust funds.

Indirect business tax and nontax accruals decreased \$0.3 billion after decreasing \$2.3 billion. The smaller decrease was partly accounted for by customs duties, which decreased \$0.1 billion after decreasing \$1.5 billion, and by nontaxes, which decreased \$0.2 billion after decreasing \$0.9 billion.

16. Cash flow from current production is undistributed profits with inventory valuation and capital consumption adjustments plus the consumption of fixed capital.

17. Domestic industry profits are estimated as the sum of corporate profits before tax and the inventory valuation adjustment; they are shown in NIPA table 6.16c (on page D–16 of this issue). Estimates of the capital consumption adjustment do not exist at a detailed industry level; they are available only for total financial and total nonfinancial industries.

18. The inventory valuation adjustment removes inventory profits and losses from business income; as prices change, companies that value inventory withdrawals at original acquisition (historical) costs may realize inventory profits or losses. Inventory profits—a capital-gains-like element in profits—result from an increase in inventory prices, and inventory losses—a capital-loss-like element in profits—result from a decrease in inventory prices. In the NIPA's, inventory profits or losses are removed from business incomes by the inventory valuation adjustment (IVA); a negative IVA removes inventory profits, and a positive IVA removes inventory losses.

The capital consumption adjustment converts depreciation that is valued at historical cost and that is based on service lives and on the depreciation patterns specified in the tax code to depreciation that is valued at replacement cost and that is based on empirical evidence on the prices of used equipment and structures in resale markets. For information on depreciation in the NIPA's, see Arnold J. Katz and Shelby W. Herman, “Improved Estimates of Fixed Reproducible Tangible Wealth, 1929–95,” SURVEY 77 (May 1997): 69–92 and Barbara M. Fraumeni, “The Measurement of Depreciation in the U.S. National Income and Product Accounts,” SURVEY 77 (July 1997): 7–23.

19. Net saving equals gross saving less consumption of fixed capital (CFC); the estimates of government gross saving, CFC, and net saving are shown in NIPA table 5.1.

20. The NIPA estimates for the government sector are based on financial statements for the Federal Government and for State and local governments, but they differ from them in several respects. For the major differences, see NIPA tables 3.18B on page 10 and 3.19 on page 11 of the October 1998 SURVEY.

Personal tax and nontax receipts increased \$7.3 billion after increasing \$12.1 billion. The deceleration was accounted for by estate and gift taxes, which increased \$0.3 billion after increasing \$3.0 billion, and by income taxes, which increased \$7.0 billion after increasing \$9.2 billion, reflecting a deceleration in withheld income taxes.

Current expenditures.—Current expenditures decreased \$13.8 billion in the first quarter after increasing \$37.9 billion in the fourth.²¹ The downturn reflected downturns in subsidies less the current surplus of government enterprises and in transfer payments (net) and a deceleration in consumption expenditures.

Subsidies less current surplus of government enterprises decreased \$11.0 billion after increasing \$11.4 billion. The downturn was mainly accounted for by subsidies, which decreased \$8.0 billion after increasing \$11.8 billion. Within subsidies, agricultural subsidies decreased \$8.0 billion after increasing \$11.8 billion; subsidies were boosted in the fourth quarter by special payments to farmers after the enactment of the 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act that provided two forms of relief to the farmers who were already enrolled in the Federal farm program.

Transfer payments (net) decreased \$0.3 billion after increasing \$12.8 billion. A sharp downturn in transfer payments to the rest of the world more than offset an acceleration in transfer payments to persons. Transfer payments to the rest of the world fell \$13.6 billion after increasing \$11.4 billion; the fourth-quarter increase was attributable to the yearly payment to Israel of \$3.0 billion—\$12.0 billion at an annual rate—for economic support and other payments. Transfer payments to persons increased \$13.3 billion after increasing \$1.4 billion. The step-up mainly reflected a 1.3-percent cost-of-living adjustment in January that boosted social security (old-age, survivors, and disability insurance), Federal employee pension benefits, veterans pension benefits, and supplemental security income benefits by \$6.3 billion. In addition, payments for the Earned Income Tax Credit and the Child Tax Credit boosted transfer payments \$3.4 billion.

Consumption expenditures increased \$1.4 billion after increasing \$11.9 billion.²² The deceleration was partly accounted for by national defense

consumption expenditures, which decreased \$3.0 billion after increasing \$3.8 billion. The downturn in defense spending was primarily accounted for by services, which decreased \$1.9 billion after increasing \$4.6 billion. Within services, “other services” decreased \$4.3 billion after increasing \$5.8 billion, primarily reflecting downturns in expenditures for research and development and for personnel support. The downturn in “other services” was partly offset by an upturn in compensation of employees, which increased \$3.0 billion after decreasing \$1.4 billion; compensation

Table 11.—Government Sector Receipts and Current Expenditures
(Billions of dollars, seasonally adjusted at annual rates)

	Level	Change from preceding quarter				
	1999	1998				1999
	I	I	II	III	IV	I
Receipts	2853.4	53.3	41.6	34.5	36.5	37.2
Current expenditures	2574.0	-2.1	24.9	9.4	40.9	-5.8
Current surplus or deficit(-)	279.5	55.4	16.7	25.0	-4.4	43.2
Social insurance funds	182.7	3.5	6.3	5.5	9.5	9.4
Other	96.7	51.9	10.4	19.5	-13.9	33.7
Federal Government						
Receipts	1902.2	43.6	29.2	20.5	11.6	31.8
Personal tax and nontax receipts	883.2	37.9	19.2	8.1	12.1	7.3
Corporate profits tax accruals	209.6	-8.0	1.4	1.3	-6.5	8.6
Indirect business tax and nontax accruals	95.7	.1	1.3	3.1	-2.3	-3
Contributions for social insurance	713.7	13.6	7.3	8.0	8.3	16.2
Current expenditures	1790.8	-13.1	13.6	2.8	37.9	-13.8
Consumption expenditures	472.0	-9.2	13.1	-5.3	11.9	1.4
National defense	303.7	-11.5	9.7	-1	3.8	-3.0
Nondefense	168.2	2.3	3.3	-5.1	8.2	4.2
Transfer payments (net)	829.5	2.6	2.6	5.9	12.8	-3
To persons	820.5	14.2	3.5	3.7	1.4	13.3
To the rest of the world	9.0	-11.6	-9	2.2	11.4	-13.6
Grants-in-aid to State and local governments	241.1	-3.1	-1.8	4.5	6.0	3.7
Net interest paid	213.9	-3.0	-5	-2.6	-4.3	-7.5
Subsidies less current surplus of government enterprises	34.4	-3	.1	.5	11.4	-11.0
Subsidies	34.4	-9	-5	-4	11.8	-8.0
Of which: Agricultural subsidies	11.4	-2	-1	-1	11.8	-8.0
Less: Current surplus of government enterprises	0	-5	-6	-9	4	3.0
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	111.4	56.6	15.6	17.6	-26.2	45.6
Social insurance funds	114.9	3.6	6.1	5.8	9.0	9.5
Other	-3.5	53.0	9.5	11.8	-35.2	36.1
State and local governments						
Receipts	1192.3	6.8	10.5	18.5	30.8	9.2
Personal tax and nontax receipts	252.7	3.5	6.8	7.4	4.3	3.8
Corporate profits tax accruals	36.2	-1.4	.3	.3	-1.2	1.7
Indirect business tax and nontax accruals	578.1	7.3	4.5	5.7	20.9	-1.0
Contributions for social insurance	84.2	.5	.6	.7	.8	1.0
Federal grants-in-aid	241.1	-3.1	-1.8	4.5	6.0	3.7
Current expenditures	1024.2	7.9	9.5	11.1	9.0	11.6
Consumption expenditures	810.6	5.2	8.0	9.2	7.3	9.4
Transfer payments to persons	326.2	4.0	3.0	3.2	3.7	3.7
Net interest paid	-86.9	-1.2	-1.5	-1.5	-1.6	-1.6
Less: Dividends received by government	16.7	.5	.3	0	.6	.1
Subsidies less current surplus of government enterprises	-9.0	4	.3	.2	.3	.1
Subsidies .....	.4	0	0	0	0	0
Less: Current surplus of government enterprises	9.4	-4	-3	-2	-3	-1
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	168.1	-1.2	1.1	7.4	21.8	-2.4
Social insurance funds	67.9	-1	.2	-3	.5	0
Other	100.2	-1.1	.9	7.7	21.3	-2.4

NOTE.—Levels of these series are in NIPA tables 3.1–3.3.

21. For information on the definition of current expenditures and other major NIPA components, see Eugene P. Seskin and Robert P. Parker, “A Guide to the NIPA’s,” SURVEY 78 (March 1998): 26–36.

22. This discussion of consumption expenditures covers the current-dollar estimates; the earlier discussion of consumption expenditures and gross investment covered the chained (1992) dollar estimates.

was boosted \$3.3 billion by the January 1999 pay raise. Durable goods decreased \$0.6 billion after decreasing \$0.2 billion; a downturn in aircraft was mostly offset by upturns in missiles, other durable goods, and electronics. Nondurable goods decreased \$0.4 billion after decreasing \$0.7 billion.

Nondefense consumption expenditures increased \$4.2 billion after increasing \$8.2 billion. The deceleration was more than accounted for by durable goods, which remained unchanged after increasing \$5.9 billion; the fourth-quarter increase followed the sale of the United States Enrichment Corporation in the third quarter.²³ The deceleration in durable goods was partly offset by an acceleration in services, which increased \$4.0 billion after increasing \$2.0 billion. The acceleration was primarily attributable to compensation of employees, which increased \$3.7 billion after increasing \$1.7 billion; compensation was boosted \$2.4 billion by the January 1999 pay raise.

Net interest paid decreased \$7.5 billion after decreasing \$4.3 billion. Gross interest paid decreased \$7.8 billion after decreasing \$3.8 billion.

Grants-in-aid to State and local governments increased \$3.7 billion after increasing \$6.0 billion. The deceleration was more than accounted for by a deceleration in grants for medicaid and by a downturn in grants for highways and for other programs. In contrast, grants for cash assistance and for education turned up.

State and local

The State and local government current surplus decreased \$2.4 billion, to \$168.1 billion, in the first quarter after increasing \$21.8 billion in the fourth. The downturn was accounted for by a deceleration in receipts.

23. Sales except those by government enterprises for goods and services that are similar to those provided by the private sector are subtracted in the calculation of government consumption expenditures.


Receipts.—State and local government receipts increased \$9.2 billion after increasing \$30.8 billion. The deceleration was accounted for by a downturn in indirect business tax and nontax accruals.

Indirect business tax and nontax accruals decreased \$1.0 billion after increasing \$20.9 billion. The downturn was more than accounted for by State nontax accruals, which decreased \$12.5 billion after increasing \$12.0 billion. In the fourth quarter, nontaxes were boosted by the settlement payments to the States by tobacco companies: These payments amounted to \$3.4 billion (\$13.5 billion at an annual rate), including up-front payments to 46 States of \$2.4 billion (\$9.6 billion at an annual rate).²⁴ Sales taxes increased \$7.4 billion after increasing \$5.5 billion; the acceleration was mostly attributable to general retail sales taxes.

Personal tax and nontax receipts increased \$3.8 billion after increasing \$4.3 billion. The deceleration was accounted for by personal income taxes, which increased \$2.7 billion after increasing \$3.2 billion.

Corporate profits tax accruals increased \$1.7 billion after decreasing \$1.2 billion.

Current expenditures.—Current expenditures increased \$11.6 billion after increasing \$9.0 billion, primarily reflecting an acceleration in consumption expenditures.

Consumption expenditures increased \$9.4 billion after increasing \$7.3 billion. The acceleration was mainly attributable to an acceleration in services and to an upturn in nondurable goods. Within services, compensation of employees increased \$7.5 billion after increasing \$6.1 billion, reflecting an acceleration in compensation for education workers as a result of a step-up in education employment. 

24. For more information, see the box "State Tobacco Settlements" on page 12 in the April 1999 SURVEY.

B U S I N E S S S I T U A T I O N

This article was prepared by Larry R. Moran, Daniel Larkins, Ralph W. Morris, and Florence H. Campi.

REAL GROSS domestic product (GDP) increased 4.1 percent in the first quarter of 1999, according to the “preliminary” estimates of the national income and product accounts (NIPAs), after increasing 6.0 percent in the fourth quarter of 1998 (table 1 and chart 1); the “advance” first-quarter estimate of real GDP, reported in the May “Business Situation,” had shown a 4.5-percent increase.¹ The downward revision to real GDP reflected an upward revision to

1. Quarterly estimates in the NIPAs are expressed at seasonally adjusted annual rates. Quarter-to-quarter dollar changes are the differences between the published estimates. Quarter-to-quarter percent changes are annualized and are calculated from unrounded data unless otherwise specified.

Real estimates are calculated using a chain-type Fisher formula with annual weights for all years and quarters except those for the most recent year, which are calculated using quarterly weights; real estimates are expressed both as index numbers (1992=100) and as chained (1992) dollars. Price indexes (1992=100) are also calculated using a chain-type Fisher formula.

Table 1.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

[Seasonally adjusted at annual rates]

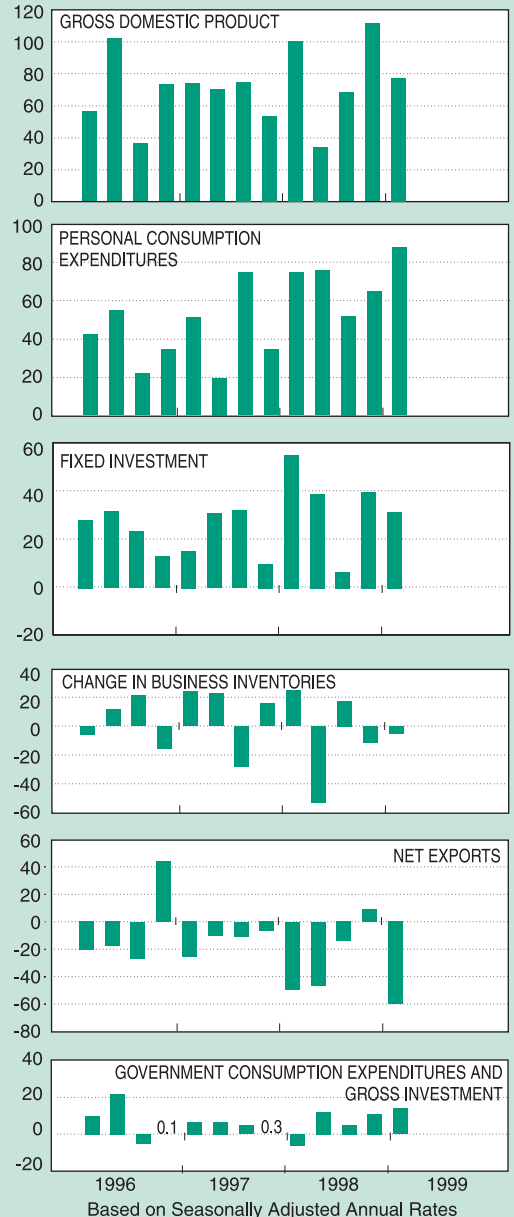
	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
		1998				II	III	IV	I
	1999	I	II	III	IV				
Gross domestic product	7,754.7	33.9	67.9	111.2	77.0	1.8	3.7	6.0	4.1
Less: Exports of goods and services	992.0	-19.8	-6.8	44.3	-17.6	-7.7	-2.8	19.7	-6.8
Plus: Imports of goods and services	1,302.1	26.9	7.0	35.3	42.5	9.3	2.3	12.0	14.2
Equals: Gross domestic purchases	8,028.3	73.7	80.2	102.5	127.0	3.9	4.2	5.4	6.6
Less: Change in business inventories	39.0	-53.2	17.5	-11.5	-5.2				
Nonfarm	34.7	-56.0	17.1	-9.5	-2.8				
Farm	4.4	3.4	.4	-1.9	-2.8				
Equals: Final sales to domestic purchasers	7,983.8	124.2	63.4	112.7	131.3	6.7	3.3	6.0	6.9
Personal consumption expenditures	5,333.1	75.1	51.6	64.2	87.1	6.1	4.1	5.0	6.8
Durable goods	798.8	19.1	4.3	41.3	23.8	11.2	2.4	24.5	12.9
Nondurable goods	1,600.6	19.7	8.2	16.0	35.5	5.3	2.1	4.2	9.4
Services	2,948.2	37.5	38.0	12.4	31.0	5.4	5.4	1.7	4.3
Gross private domestic fixed investment	1,342.7	39.2	6.8	40.1	31.7	13.4	2.2	13.2	10.0
Nonresidential fixed investment	1,010.8	28.5	-1.7	33.2	18.9	12.8	-7	14.6	7.9
Structures	206.4	-1.2	.1	3.0	1.4	-2.3	.2	6.0	2.9
Producers' durable equipment	820.3	32.5	-2.0	32.2	18.8	18.8	-1.0	17.8	9.7
Residential investment	335.9	10.6	7.4	7.6	11.8	15.0	9.9	10.0	15.4
Government consumption expenditures and gross investment	1,324.2	11.8	4.8	10.7	13.9	3.7	1.5	3.3	4.3
Federal	458.6	8.0	-1.6	8.1	-2.0	7.3	-1.4	7.3	-1.7
National defense	299.4	7.0	3.2	1.1	-5.2	9.9	4.3	1.3	-6.6
Nondefense	158.3	1.0	-4.5	6.8	3.1	2.6	-11.5	19.8	8.1
State and local	865.9	3.8	6.4	2.7	15.9	1.8	3.1	1.3	7.7
Addendum: Final sales of domestic product	7,710.2	83.9	51.2	121.3	81.3	4.6	2.8	6.6	4.3

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates usually are not additive. Chained (1992) dollar levels and residuals, which measure the extent of nonadditivity in each table, are in NIPA tables 1.2, 1.4, and 1.6. Percent changes are calculated from unrounded data. Percent changes in major aggregates are in NIPA table 8.1.

CHART 1

**Real Product:
Change from Preceding Quarter**

Billion chained (1992) \$



Based on Seasonally Adjusted Annual Rates
U.S. Department of Commerce, Bureau of Economic Analysis

imports, which are subtracted in the calculation of GDP, and a downward revision to inventory investment; these revisions were partly offset by upward revisions to exports and to consumer spending. (The sources of the revisions are discussed in the section "Revisions.")

The 4.1-percent increase in the first quarter was above the 3.2-percent average annual growth rate for real GDP over the current expansion, which began in the second quarter of 1991.

The picture of the economy in the first quarter presented by the preliminary estimates is little changed from that presented by the advance estimates. Like the advance estimates, the preliminary estimates showed the following:

- Real GDP growth decelerated in the first quarter. The deceleration was more than accounted for by a downturn in exports.
- Motor vehicle output decreased in the first quarter, following a fourth-quarter increase that largely reflected a rebound from a midsummer strike at a major manufacturer.
- Real final sales of domestic product decelerated slightly more than GDP, as inventory investment decreased less in the first quarter than in the fourth.²
- Real gross domestic purchases accelerated; consumer spending accounted for most

2. Final sales of domestic product is calculated as GDP less change in business inventories.

Table 2.—Contributions to Percent Change in Real Gross Domestic Product

[Seasonally adjusted at annual rates]

	1998			1999
	II	III	IV	I
Percent change at annual rate:				
Gross domestic product	1.8	3.7	6.0	4.1
Percentage points at annual rates:				
Personal consumption expenditures	4.09	2.78	3.48	4.58
Durable goods .....	.91	.20	1.90	1.07
Nondurable goods	1.01	.42	.84	1.78
Services	2.14	2.15	.74	1.73
Gross private domestic investment	-.75	1.22	1.42	1.28
Fixed investment	1.95	.33	1.95	1.51
Nonresidential	1.35	-.08	1.52	.85
Structures	-.07	.01	.17	.08
Producers' durable equipment	1.42	-.09	1.35	.76
Residential .....	.60	.41	.43	.66
Change in business inventories	-2.66	.89	-.53	-.23
Net exports of goods and services	-2.08	-.62	.52	-2.53
Exports	-.92	-.32	2.02	-.78
Goods	-.98	.04	1.76	-.95
Services .....	.06	-.36	.26	.18
Imports	-1.18	-.30	-1.50	-1.76
Goods	-1.19	-.32	-1.46	-1.58
Services .....	.01	.01	-.04	-.18
Government consumption expenditures and gross investment .....	.64	.27	.60	.75
Federal .....	.44	-.09	.44	-.10
National defense .....	.38	.17	.06	-.27
Nondefense .....	.06	-.26	.38	.17
State and local .....	.20	.35	.16	.85

NOTE.—NIPA table 8.2 also shows contributions for 1997:IV and 1998:I.

of the acceleration, but imports, private residential investment, and government spending and investment also contributed.³

- The largest contributors to the first-quarter increase in real GDP were consumer spending and private fixed investment (table 2). The increase in GDP was moderated by an increase in imports and by a decrease in exports.

The price index for gross domestic purchases increased 1.1 percent in the first quarter after increasing 0.9 percent in the fourth (table 3). This index had decreased slightly in the first quarter of 1998 and then increased at modestly accelerating rates in each quarter thereafter; however, the increase in the first quarter was considerably below the quarterly increases in the first 6 years of the current expansion. The step-up in the first quarter of 1999 was more than accounted for by a Federal pay increase for civilian and military personnel.

GDP prices increased 1.5 percent in the first quarter after increasing 0.8 percent in the fourth. The step-up in GDP prices was larger than that in gross domestic purchases prices primarily because import prices—which are subtracted in the calculation of GDP prices—decreased more in the

3. Gross domestic purchases—a measure of purchases by U.S. residents regardless of where the purchased goods and services were produced—is calculated as GDP less exports of goods and services plus imports of goods and services.

Table 3.—Percent Changes in Prices

[Annual rates; based on seasonally adjusted index numbers (1992=100)]

	1998			1999
	II	III	IV	I
Gross domestic product	0.9	1.0	0.8	1.5
Less: Exports of goods and services	-1.8	-2.8	-.9	-.7
Plus: Imports of goods and services	-4.5	-4.8	-.2	-3.4
Equals: Gross domestic purchases .....	.4	.7	.9	1.1
Less: Change in business inventories				
Equals: Final sales to domestic purchasers .....	.5	.7	.9	1.1
Personal consumption expenditures .....	.9	1.0	1.1	1.1
Food	1.3	2.8	2.0	1.8
Energy	-7.5	-5.8	-6.8	-2.4
Other personal consumption expenditures	1.3	1.1	1.3	1.1
Private nonresidential fixed investment	-3.1	-3.6	-2.5	-2.1
Structures	3.1	1.2	1.8	.8
Producers' durable equipment	-5.2	-5.3	-4.0	-3.1
Private residential investment	1.7	3.7	4.2	2.0
Government consumption expenditures and gross investment .....	.8	1.5	1.5	3.0
Federal	0	.4	1.5	6.5
National defense .....	.3	.4	1.8	6.0
Nondefense	-.6	.5	1.1	7.4
State and local	1.2	2.1	1.5	1.2
Addendum: Gross domestic purchases less food and energy .....	.7	.7	1.1	1.1

NOTE.—Percent changes in major aggregates are in NIPA table 8.1. Index number levels are in tables 7.1, 7.2, and 7.4.

first quarter than in the fourth, largely reflecting petroleum prices.

Real disposable personal income (DPI) increased 4.3 percent in the first quarter, the same rate of increase as in the fourth quarter; these increases were the largest in more than 2 years. The personal saving rate—personal savings as a percentage of current-dollar DPI—decreased to negative 0.6 percent, the first negative rate since the quarterly series began in 1946; in the fourth quarter, the rate was 0.0 percent. (For additional information, see “[Note on the Personal Saving Rate](#)” on page 8 of the February 1999 SURVEY OF CURRENT BUSINESS.)

Personal consumption expenditures

Real personal consumption expenditures (PCE) increased 6.8 percent in the first quarter after increasing 5.0 percent in the fourth (table 4). Expenditures for nondurable goods and for services increased more than twice as much as in the fourth quarter; expenditures for durable goods increased strongly but only about half as much as in the fourth quarter.

Many of the factors usually considered in analyses of PCE remained strong in the first quarter (chart 2). As mentioned earlier, real DPI increased at the same high rate as in the fourth quarter. The unemployment rate edged down to 4.3 percent from 4.4 percent. The Index of

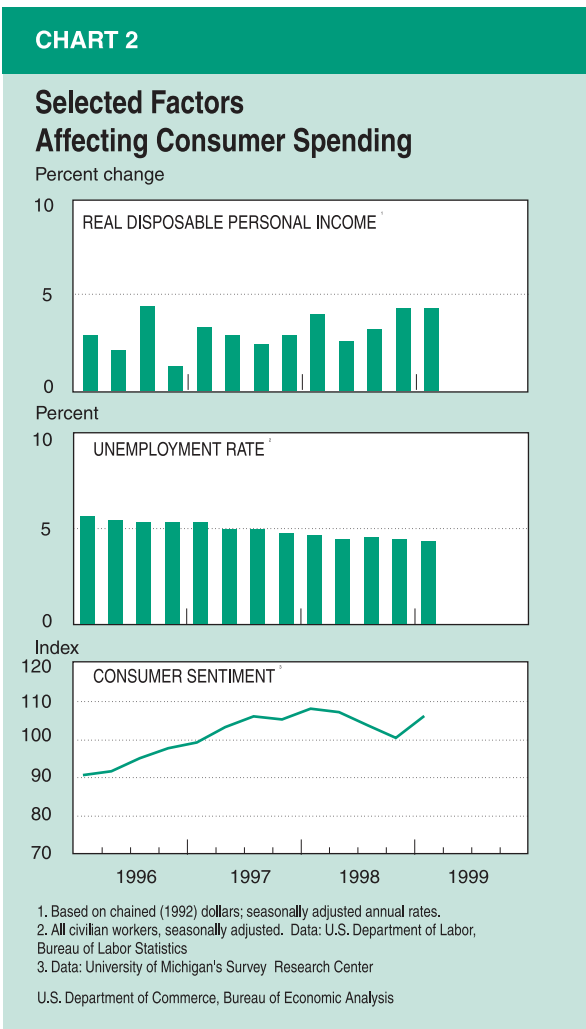


Table 4.—Real Personal Consumption Expenditures

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
		1999	1998			I	II	III	IV
		I	II	III	IV	I	II	III	IV
Personal consumption expenditures	5,333.1	75.1	51.6	64.2	87.1	6.1	4.1	5.0	6.8
Durable goods	798.8	19.1	4.3	41.3	23.8	11.2	2.4	24.5	12.9
Motor vehicles and parts	278.8	11.1	-6.3	26.7	-5	19.1	-9.3	49.6	-8
Of which: New autos	85.1	5.3	-6.5	6.8	-9	29.1	-27.2	38.9	-3.8
New trucks	76.3	6.7	-4.4	11.2	-1.6	48.4	-22.5	86.1	-7.9
Furniture and household equipment	381.8	3.5	12.7	10.1	19.7	4.3	15.7	12.1	23.5
Other	148.6	3.5	.5	1.9	7.6	10.5	1.6	5.6	23.4
Nondurable goods	1,600.6	19.7	8.2	16.0	35.5	5.3	2.1	4.2	9.4
Food	733.6	9.5	2.6	11.2	3.5	5.5	1.4	6.4	1.9
Clothing and shoes	333.0	4.0	-1.6	2.7	20.5	5.3	-2.0	3.5	29.0
Gasoline and oil	122.2	-1	2.7	.4	.7	-3	9.3	1.4	2.4
Fuel oil and coal	10.7	.5	.2	-4	1.2	23.6	9.4	-17.5	63.0
Other	407.1	5.7	4.2	1.8	11.9	6.0	4.4	1.9	12.6
Services	2,948.2	37.5	38.0	12.4	31.0	5.4	5.4	1.7	4.3
Housing	746.8	4.0	4.4	4.4	5.3	2.2	2.4	2.4	2.9
Household operation	326.7	10.2	9.8	-8.1	8.5	14.0	13.1	-9.6	11.1
Electricity and gas	118.1	6.9	6.4	-10.9	5.2	27.4	24.0	-30.8	19.5
Other household operation	208.4	3.3	3.5	2.6	3.4	7.1	7.2	5.1	6.8
Transportation	223.7	3.5	-9	1.3	1.9	6.7	-1.7	2.5	3.4
Medical care	734.6	6.7	3.7	5.5	3.8	3.9	2.1	3.1	2.1
Other	918.6	13.8	21.5	8.1	12.3	6.5	10.2	3.6	5.6

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA tables 2.3, 8.5 (autos), and 8.7 (trucks). Percent changes in major aggregates are in NIPA table 8.1.

Consumer Sentiment (prepared by the University of Michigan's Survey Research Center as a measure of consumer attitudes and expectations) increased to 105.9 from 100.2; the increase followed three consecutive decreases from the record of 107.8 in the first quarter of 1998.

Expenditures for nondurable goods increased 9.4 percent after increasing 4.2 percent. The acceleration reflected sharp step-ups in clothing and shoes and in "other" nondurable goods.⁴ In contrast, food increased substantially less than in the fourth quarter.

Expenditures for services increased 4.3 percent after increasing 1.7 percent. The step-up mainly reflected an upturn in electricity and gas. "Other" services increased somewhat more than in the fourth quarter; the step-up was more than accounted for by net foreign travel—as expenditures by U.S. residents traveling abroad turned up and as expenditures by foreigners traveling in the United States slowed—and by brokerage commissions and investment counseling.⁵

Expenditures for durable goods increased 12.9 percent after jumping 24.5 percent. The deceleration was more than accounted for by motor vehicles and parts, which slipped slightly after a sharp increase. In contrast, furniture and

household equipment increased more than in the fourth quarter; most of the acceleration was accounted for by a step-up in consumer electronics.⁶ "Other" durable goods also stepped up.⁷

Nonresidential fixed investment

Real private nonresidential fixed investment increased 7.9 percent in the first quarter after jumping 14.6 percent in the fourth (table 5). Spending on both equipment and structures slowed.

Over the past four quarters, nonresidential fixed investment has increased at an average annual rate of 8.5 percent. The strength in recent quarters partly reflected strength in some of the factors that affect investment spending (chart 3). Over the past four quarters, real final sales of domestic product increased 4.6 percent, and long-term interest rates decreased; for example, the yield on high-grade corporate bonds decreased to 6.33 percent from 6.64 percent. In contrast, the capacity utilization rate declined to 80.3 percent from 82.7 percent, and domestic corporate profits increased at a modest annual rate of 3.2 percent.

4. "Other" nondurable goods includes tobacco, toilet articles, stationery and writing supplies, toys, film, flowers, cleaning preparations and paper products, and magazines and newspapers.

5. "Other" services includes personal care, personal business, recreational, education and research, religious and welfare activities, and net foreign travel.

6. Consumer electronics includes goods such as computers; televisions; video and audio equipment; records, tapes, and disks; and musical instruments.

7. "Other" durable goods includes jewelry and watches, ophthalmic products and orthopedic equipment, books and maps, bicycles and motorcycles, guns and sporting equipment, photographic equipment, boats, and pleasure aircraft.

Table 5.—Real Gross Private Domestic Fixed Investment

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
	1999	1998			1999				
	I	II	III	IV	I	II	III	IV	I
Gross private domestic fixed investment	1,342.7	39.2	6.8	40.1	31.7	13.4	2.2	13.2	10.0
Nonresidential	1,010.8	28.5	-1.7	33.2	18.9	12.8	-7	14.6	7.9
Structures	206.4	-1.2	.1	3.0	1.4	-2.3	.2	6.0	2.9
Nonresidential buildings, including farm	157.3	-3	.3	3.7	3.5	-9	.8	10.4	9.2
Utilities	29.8	.3	.2	0	.1	4.2	2.1	.2	1.1
Mining exploration, shafts, and wells	13.8	-9	-6	-1.1	-1.5	-19.3	-12.3	-23.9	-34.2
Other	5.4	-1	.3	.2	-6	-9.2	21.0	18.6	-34.5
Producers' durable equipment	820.3	32.5	-2.0	32.2	18.8	18.8	-1.0	17.8	9.7
Information processing and related equipment	447.4	23.4	22.8	22.9	24.9	29.2	26.4	25.0	25.7
Computers and peripheral equipment	450.3	39.3	39.0	42.5	37.3	65.7	56.1	54.4	41.4
Other	151.1	3.0	3.1	2.8	5.5	8.9	9.3	8.1	16.0
Industrial equipment	131.1	1.0	.6	.4	-2.4	3.0	1.7	1.4	-7.0
Transportation and related equipment	167.0	8.3	-16.2	17.0	-1.7	22.4	-33.4	53.0	-4.1
Of which: Motor vehicles	135.7	6.3	-11.3	11.6	3.2	21.3	-29.9	43.9	10.1
Other	129.0	4.4	1.2	-3.3	6.5	15.3	3.6	-9.5	22.3
Residential	335.9	10.6	7.4	7.6	11.8	15.0	9.9	10.0	15.4
Single-family structures	167.3	6.1	4.3	4.1	7.6	17.8	11.8	10.9	20.4
Multifamily structures	23.0	-1.4	.1	.9	1.3	-23.6	1.6	19.6	25.2
Other ¹	146.2	6.0	3.0	2.5	2.9	19.4	8.9	7.4	8.2

1. "Other" residential investment includes home improvements, new mobile home sales, brokers' commissions on home sales, residential equipment, and other residential structures (which consists primarily of dormitories and fraternity and sorority houses).

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA tables 5.5, 8.5 (autos), and 8.7 (trucks). Percent changes in major aggregates are in NIPA table 8.1.

Producers' durable equipment (PDE) increased 9.7 percent after jumping 17.8 percent. The slow-down was mostly accounted for by a downturn in transportation and related equipment, but industrial equipment also turned down; within transportation and related equipment, autos and aircraft each turned down, and trucks, buses, and trailers slowed. "Other" PDE turned up.⁸ Information processing and related equipment increased a little more than in the fourth quarter; a step-up in communications equipment more than offset a slowdown in computers and peripheral equipment.

8. "Other" PDE includes construction and agricultural equipment, mining and oilfield equipment, electrical equipment not included in other categories, furniture and fixtures, and service industry machinery.

Structures increased 2.9 percent after increasing 6.0 percent; in the preceding four quarters, structures had either increased less than 1.0 percent or decreased. In the first quarter, "other" structures turned down; mining exploration, shafts, and wells decreased more than in the fourth quarter.⁹ Utilities edged up.

Residential investment

Real private residential investment jumped 15.4 percent in the first quarter after increasing 10.0 percent in the fourth (table 5). The acceleration was mostly accounted for by a step-up in single-family structures, but multifamily structures and "other" residential investment also increased more than in the fourth quarter.¹⁰

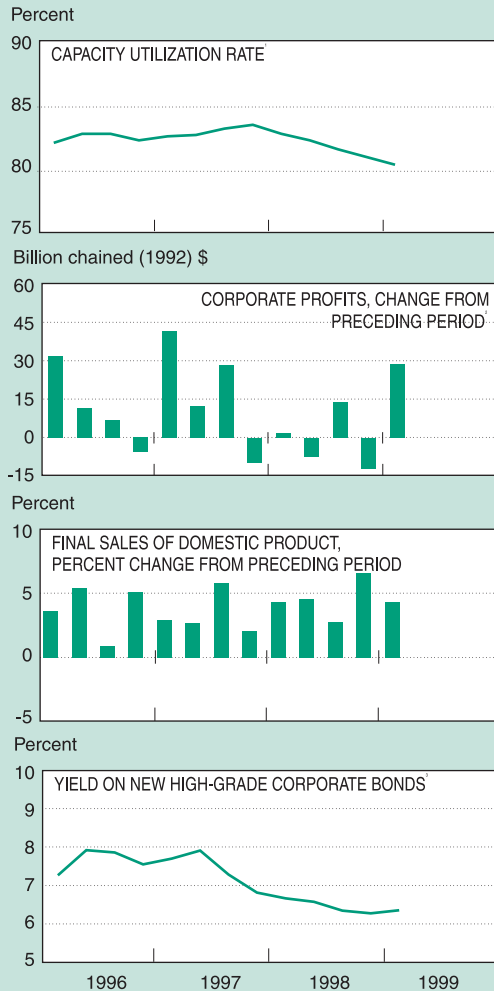
Investment in single-family structures jumped 20.4 percent after increasing 10.9 percent. Over the past four quarters, single-family structures have increased at an annual rate of 15.2 percent. This increase partly reflected the strength in some of the factors usually considered in analyses of consumer spending. These factors include strong increases in real disposable personal income, low unemployment rates, and substantial increases in consumer wealth that were bolstered by large

9. "Other" structures includes streets, dams and reservoirs, sewer and water facilities, parks, airfields, brokerage commissions on the sale of structures, and net purchases of used structures.

10. "Other" residential investment includes investment such as home improvements, new mobile home sales, brokers' commissions on home sales, residential equipment, net purchases of used structures, and other residential structures (which consists primarily of dormitories and fraternity and sorority houses).

CHART 3

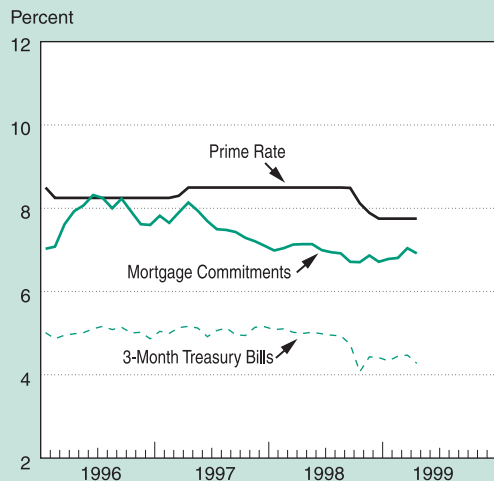
Selected Factors Affecting Nonresidential Investment



1. All industries. Data: Federal Reserve Board
 2. Domestic industries.
 3. Data: U.S. Treasury Department

CHART 4

Selected Interest Rates



Data: Federal Reserve Board, Federal Home Loan Mortgage Corporation
 U.S. Department of Commerce, Bureau of Economic Analysis

increases in stock market prices. In addition, the commitment rate on 30-year, fixed-rate mortgages has declined over the past four quarters, though it edged up in the first quarter to 6.9 percent from 6.8 percent (chart 4).

Investment in multifamily structures jumped 25.2 percent after jumping 19.6 percent. "Other" residential investment increased 8.2 percent after increasing 7.4 percent; the acceleration was accounted for by a step-up in home improvements.

Inventory investment

Real inventory investment—that is, the change in business inventories—decreased \$5.2 billion in the first quarter, as inventory accumulation slowed to \$39.0 billion from \$44.2 billion; inventory investment had decreased \$11.5 billion in the fourth quarter (table 6). The small first-quarter slowdown in inventory accumulation mainly reflected a swing from accumulation to liquidation in manufacturing inventories, but a slowdown in wholesale trade inventories also contributed.

Manufacturing inventories decreased \$4.9 billion after increasing \$6.2 billion. Inventories of both durable goods and nondurable goods industries turned down. The downturn in the durable goods industries was accounted for by transportation equipment and by primary metals; in contrast, inventories in the industrial machinery and electronic machinery industries increased more than in the fourth quarter. In the non-

durable goods industries, the downturn mainly reflected inventories of apparel and tobacco industries; food industries inventories increased more than in the fourth quarter.

Wholesale trade inventories increased \$10.4 billion after increasing \$13.7 billion. The slowdown was more than accounted for by durable goods industries; a downturn in the metals and minerals industry and a slowdown in the motor vehicles industry more than offset an upturn in the professional and commercial equipment industry (which includes computers).¹¹

Retail trade inventories increased \$18.8 billion after increasing \$10.9 billion. Inventories of nondurable goods industries increased after a slight decrease; department stores accounted for about half of the upturn. Inventories of durable goods industries increased less than in the fourth quarter.

"Other" nonfarm inventories increased more than in the fourth quarter.¹²

Farm inventories increased \$4.4 billion after increasing \$7.2 billion. Crop and livestock inventories both contributed to the slowdown.

The ratio of real nonfarm inventories to real final sales of domestic businesses decreased to 2.24

11. In contrast to the preliminary estimate of a slowdown in wholesale inventories, the advance estimate showed a slight step-up; according to the preliminary estimates, the downturn in the metals and minerals industry is more pronounced, and the upturn in the professional and commercial equipment industry is less pronounced.

12. "Other" nonfarm inventories includes inventories held by the following industries: Mining; construction; public utilities; transportation; communication; finance, insurance, and real estate; and services.

Table 6.—Real Change in Business Inventories

[Billions of chained (1992) dollars; seasonally adjusted at annual rates]

	Level					Change from preceding quarter				
	1998				1999	1998				1999
	I	II	III	IV	I	II	III	IV	I	
Change in business inventories	91.4	38.2	55.7	44.2	39.0	-53.2	17.5	-11.5	-5.2	
Farm	5.3	8.7	9.1	7.2	4.4	3.4	.4	-1.9	-2.8	
Nonfarm	85.9	29.9	47.0	37.5	34.7	-56.0	17.1	-9.5	-2.8	
Manufacturing	30.2	23.9	19.2	6.2	-4.9	-6.3	-4.7	-13.0	-11.1	
Durable goods	21.0	19.1	12.0	3.8	-2.4	-1.9	-7.1	-8.2	-6.2	
Nondurable goods	9.2	4.9	7.2	2.4	-2.6	-4.3	2.3	-4.8	-5.0	
Wholesale trade	27.0	7.6	29.6	13.7	10.4	-19.4	22.0	-15.9	-3.3	
Durable goods	25.1	1.6	15.2	12.3	8.4	-23.5	13.6	-2.9	-3.9	
Nondurable goods	2.3	5.9	14.3	1.5	2.1	3.6	8.4	-12.8	.6	
Retail trade	17.3	-11.9	-5.3	10.9	18.8	-29.2	6.6	16.2	7.9	
Durable goods	1.6	-16.3	-7.7	11.4	7.9	-17.9	8.6	19.1	-3.5	
Of which: Motor vehicle dealers	-3.7	-13.8	-9.1	3.3	2.5	-10.1	4.7	12.4	-8	
Nondurable goods	16.1	4.9	2.6	-7	10.9	-11.2	-2.3	-3.3	11.6	
Other	11.5	10.4	4.0	6.6	9.9	-1.1	-6.4	2.6	3.3	
Durable goods .....	.4	.7	-.1	-1.7	2.9	.3	-.8	-1.6	4.6
Nondurable goods	11.5	10.0	4.3	8.8	7.0	-1.5	-5.7	4.5	-1.8	
Addenda:										
Motor vehicles	2.6	-22.6	-9.2	7.0	1.9	-25.2	13.4	16.2	-5.1	
Autos	-1	-12.3	-3.0	1.9	-3.4	-12.2	9.3	4.9	-5.3	
Trucks	2.5	-10.2	-6.0	4.9	4.9	-12.7	4.2	10.9	0	

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels for most series are in NIPA table 5.11; chained (1992) dollar levels for autos (new and used) and trucks (new only) are in NIPA tables 8.5 and 8.7, respectively.

in the first quarter from 2.25 in the fourth; the first-quarter level was close to the average level of the ratio in the past few years. The inventory-sales ratio that includes only final sales of goods and structures decreased to 3.94—the lowest in more than 25 years—from 3.97.¹³

Exports and imports

Real exports of goods and services decreased 6.8 percent in the first quarter after jumping 19.7 percent in the fourth (table 7). Real imports of goods and services increased 14.2 percent after increasing 12.0 percent.

Real exports of goods fell 11.5 percent after jumping 24.6 percent. Most major categories of exports contributed to the downturn; the largest contributor was capital goods, primarily civilian aircraft, engines, and parts.

Real exports of services increased 5.5 percent after increasing 8.3 percent. A slowdown in travel accounted for most of the slowdown, but other transportation and royalties and license fees also contributed, changing little after increasing.

Real imports of goods increased 15.2 percent after increasing 14.1 percent. Imports of consumer goods except automobiles, of “other” capital goods, of computers, peripherals, and parts, and of foods, feeds, and beverages increased more in the first quarter than in the fourth; in addition, imports of industrial supplies and materials and of petroleum and products decreased less than in the fourth quarter. In contrast, automotive vehicles, engines, and parts increased less than in the

13. The use of the ratio that includes all final sales of domestic businesses in the denominator implies that the production of services results in a demand for inventories that is similar to that generated in the production of goods and structures. In contrast, the use of the “goods and structures” ratio implies that the production of services does not generate demand for inventories. Both implications are extreme. The production of some services (for example, utilities and transportation) may require substantial inventories, while the production of others (such as legal and counseling services) may not.

Table 7.—Real Exports and Imports of Goods and Services

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
	1999	1998				1998			1999
	I	II	III	IV	I	II	III	IV	I
Exports of goods and services	992.0	-19.8	-6.8	44.3	-17.6	-7.7	-2.8	19.7	-6.8
Goods	745.4	-22.2	1.0	41.1	-23.0	-11.3	.6	24.6	-11.5
Agricultural goods	47.0	-3.3	-1.8	5.8	-4.6	-23.4	-14.5	61.3	-31.1
Nonagricultural goods	703.0	-18.6	3.2	35.0	-18.1	-10.2	1.9	22.0	-9.7
Services	250.3	1.0	-6.7	4.9	3.3	1.7	-10.4	8.3	5.5
Imports of goods and services	1,302.1	26.9	7.0	35.3	42.5	9.3	2.3	12.0	14.2
Goods	1,131.0	27.8	7.5	35.4	39.3	11.4	2.9	14.1	15.2
Petroleum and products	69.9	6.2	-1.1	-2.6	-9	41.4	-5.7	-13.2	-5.1
Nonpetroleum products	1,058.6	22.4	8.2	36.6	39.2	9.7	3.4	15.7	16.3
Services	175.3	-3	-2	.8	3.7	-6	-6	2.0	8.9
Addendum: Net exports of goods and services	-310.1	-46.7	-13.8	9.0	-60.1				

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA table 4.4. Percent changes in major aggregates are in NIPA table 8.1.

Table 8.—Real Government Consumption Expenditures and Real Gross Investment by Type

[Seasonally adjusted at annual rates]

	Billions of chained (1992) dollars					Percent change from preceding quarter			
	Level	Change from preceding quarter				1998			1999
	1999	1998				1998			1999
	I	II	III	IV	I	II	III	IV	I
Government consumption expenditures and gross investment	1,324.2	11.8	4.8	10.7	13.9	3.7	1.5	3.3	4.3
Federal	458.6	8.0	-1.6	8.1	-2.0	7.3	-1.4	7.3	-1.7
National defense	299.4	7.0	3.2	1.1	-5.2	9.9	4.3	1.3	-6.6
Consumption expenditures	261.0	8.2	-1.0	2.2	-6.3	13.3	-1.4	3.3	-9.0
Gross investment	38.5	-1.3	4.4	-1.3	1.3	-13.7	62.4	-12.4	13.7
Nondefense	158.3	1.0	-4.5	6.8	3.1	2.6	-11.5	19.8	8.1
Consumption expenditures	135.3	2.9	-4.5	6.2	.7	9.1	-12.8	20.8	2.0
Gross investment	23.4	-2.3	0	.6	2.9	-35.1	-2	12.3	68.8
State and local	865.9	3.8	6.4	2.7	15.9	1.8	3.1	1.3	7.7
Consumption expenditures	701.2	4.5	4.3	4.0	5.6	2.7	2.6	2.3	3.3
Gross investment	164.6	-7	2.1	-1.3	10.3	-1.9	5.6	-3.3	29.3

NOTE.—See note to table 1 for an explanation of chained (1992) dollar series. Chained (1992) dollar levels and residuals are in NIPA table 3.8. Percent changes in major aggregates are in NIPA table 8.1.

fourth quarter, and imports of civilian aircraft, engines, and parts turned down.

Real imports of services increased 8.9 percent after increasing 2.0 percent. Most of the step-up was accounted for by an upturn in travel.

Government spending

Real government consumption expenditures and gross investment increased 4.3 percent in the first quarter after increasing 3.3 percent in the fourth (table 8). An acceleration in State and local gov-

ernment spending more than offset a downturn in Federal Government spending.

State and local government spending and investment increased 7.7 percent after increasing 1.3 percent. Investment turned up, reflecting an upturn in investment in structures. Consumption expenditures increased more than in the fourth quarter, largely reflecting an acceleration in compensation of employees.

Federal defense spending decreased 6.6 percent after increasing 1.3 percent. Consumption expenditures turned down, largely reflecting a downturn in spending for research and development and for personnel support. Investment spending increased after decreasing; equipment accounted for most of the upturn, but structures also contributed.

Federal nondefense spending increased 8.1 percent after jumping 19.8 percent. The slowdown was more than accounted for by consumption expenditures. Investment increased more than in the fourth quarter; the acceleration was primarily accounted for by equipment.

Table 9.—Revisions to Change in Real Gross Domestic Product and Prices, First Quarter 1999

[Seasonally adjusted at annual rates]

	Percent change from preceding quarter		Preliminary estimate minus advance estimate		
	Advance estimate	Preliminary estimate	Change in real GDP		Contribution to percent change in real GDP
			Percentage points	Billions of chained (1992) dollars		Percentage points
Gross domestic product	4.5	4.1	-0.4	-7.8	-0.4
Less: Exports of goods and services	-7.7	-6.8	.9	2.5	.11
Goods	-12.0	-11.5	.5	1.0	.05
Services	3.4	5.5	2.1	1.3	.07
Plus: Imports of goods and services	11.7	14.2	2.5	7.1	-.30
Goods	12.7	15.2	2.5	6.3	-.25
Services	6.8	8.9	2.1	.8	-.04
Equals: Gross domestic purchases	6.8	6.6	-.2	-4.5	.....
Less: Change in business inventories .....	.....	.....	.....	-6.2	-.29
Nonfarm .....	.....	.....	.....	-5.5	.....
Farm .....	.....	.....	.....	-.8	.....
Equals: Final sales to domestic purchasers	6.8	6.9	.1	1.1	.....
Personal consumption expenditures	6.7	6.8	.1	1.2	.06
Durable goods	11.5	12.9	1.4	2.4	.11
Nondurable goods	9.2	9.4	.2	.7	.03
Services	4.5	4.3	-.2	-1.5	-.09
Fixed investment	9.9	10.0	.1	.3	.02
Nonresidential	7.6	7.9	.3	.5	.03
Structures	-1	2.9	3.0	1.5	.08
Producers' durable equipment	10.5	9.7	-.8	-1.4	-.07
Residential	15.6	15.4	-.2	-.2	-.01
Government consumption expenditures and gross investment	4.4	4.3	-.1	-.4	-.02
Federal	-7	-1.7	-1.0	-1.2	-.06
National defense	-4.2	-6.6	-2.4	-1.9	-.10
Nondefense	6.3	8.1	1.8	.7	.04
State and local	7.3	7.7	.4	.9	.04
Addenda:					
Final sales of domestic product	4.5	4.3	-.2	-2.3	.....
Gross domestic purchases price index ¹	1.0	1.1	.1	.....	.....
GDP price index ¹	1.4	1.5	.1	.....	.....

1. Based on chained-type annual (1992) weights.

NOTE.—The preliminary estimates for the first quarter of 1999 incorporate the following revised or additional major source data that were not available when the advance estimates were prepared.

Personal consumption expenditures: Retail sales for February and March (revised), consumers' share of new-car purchases for March, average unit value for domestic new autos for March (revised), and consumers' share of new-truck purchases for March.

Nonresidential fixed investment: Construction put in place for January and February (revised) and March, manufacturers' shipments of machinery and equipment for February and March (revised), and exports and imports of machinery and equipment for February (revised) and March.

Residential fixed investment: Construction put in place for January and February (revised) and March.

Change in business inventories: Manufacturing, retail trade, and wholesale trade inventories for February (revised) and March.

Exports and imports of goods and services: Exports and imports of goods for February (revised) and March.

Government consumption expenditures and gross investment: State and local government construction put in place for January and February (revised) and March.

Wages and salaries: Employment, average hourly earnings, and average weekly hours for February and March (revised).

GDP prices: Detailed merchandise export and import price indexes for January through March (revised), unit-value index for petroleum imports for February (revised) and March, and housing prices for the first quarter.

Revisions

As noted earlier, the preliminary estimate of a 4.1-percent increase in real GDP in the first quarter is 0.4 percentage point lower than the advance estimate (table 9); for 1978–98, the average revision, without regard to sign, from the advance estimate to the preliminary estimate was 0.5 percentage point.

The downward revision to real GDP reflected an upward revision to imports, which are subtracted in the calculation of GDP, and a downward revision to inventory investment; these revisions were partly offset by upward revisions to exports and to consumer spending.

The revisions to imports and to exports were mostly in goods and reflected the incorporation of newly available Census Bureau data on international trade in goods for March.

The revision to inventory investment reflected the incorporation of revised February and newly available March data on change in inventories for manufacturing and trade from the Census Bureau.

The revision to PCE was mostly in durable goods and mainly reflected the incorporation of revised Census Bureau data on retail sales for March.

The preliminary estimates of the increases in the price indexes for gross domestic purchases (1.1 percent) and for GDP (1.5 percent) were

0.1 percentage point higher than the advance estimates.

The preliminary estimate of the increase in real DPI was 4.3 percent, 0.3 percentage point lower than the advance estimate. Current-dollar DPI increased 5.4 percent, 0.2 percentage point lower than the advance estimate. The downward revision to DPI was more than accounted for by a downward revision to current-dollar personal income, which, in turn, was accounted for by downward revisions to farm proprietors' income and to wages and salaries; about half of the downward revision to farm proprietors' income was accounted for by a downward revision to live-stock output. The downward revision to personal income was partly offset by a downward revision to personal tax and nontax payments, which are subtracted in the calculation of DPI. The preliminary estimate of the personal saving rate was -0.6 percent, 0.1 percentage point lower than the advance estimate.

Corporate Profits

In the first quarter of 1999, profits from current production increased \$31.8 billion (or 3.9 percent at a quarterly rate) after decreasing \$5.3 billion

(0.6 percent) in the fourth quarter (table 10).¹⁴ Profits of domestic nonfinancial corporations increased \$19.7 billion (3.3 percent) after decreasing \$12.7 billion (2.1 percent); in the first quarter, unit profits increased, reflecting an increase in unit prices and a decrease in unit costs. (Related information on nonfinancial corporations is discussed in "Note on Rates of Return for Domestic Nonfinancial Corporations, 1960-98," beginning on page 13.) Profits of domestic financial corporations increased \$9.1 billion (6.9 percent) after increasing \$0.6 billion (0.5 percent). Profits from the rest of the world increased \$3.0 billion (3.1 percent) after increasing \$6.9 billion (7.6 percent); the first-quarter increase was more than accounted for by receipts of earnings from foreign affiliates.¹⁵

14. Profits from current production is estimated as the sum of profits before tax, the inventory valuation adjustment, and the capital consumption adjustment; it is shown in NIPA tables 1.9, 1.14, 1.16, and 6.16C (see "Selected NIPA Tables," which begins on page D-2 of this issue) as corporate profits with inventory valuation and capital consumption adjustments.

Percent changes in profits are shown at quarterly, not annual, rates.

15. Profits from the rest of the world is calculated as (1) receipts by U.S. residents of earnings from their foreign affiliates plus dividends received by U.S. residents from unaffiliated foreign corporations minus (2) payments by U.S. affiliates of earnings to their foreign parents plus dividends paid by U.S. corporations to unaffiliated foreign residents. These estimates include capital consumption adjustments (but not inventory valuation adjustments) and are derived from BEA'S international transactions accounts.

Table 10.—Corporate Profits

[Seasonally adjusted]

	Billions of dollars (annual rate)					Percent change (quarterly rate)			
	Level	Change from preceding quarter				1998			1999
	1999	1998			1999	II	III	IV	I
	I	II	III	IV	I				
Profits from current production	853.5	-8.6	6.4	-5.3	31.8	-1.0	0.8	-0.6	3.9
Domestic industries	753.7	-7.3	13.7	-12.1	28.8	-1.0	1.9	-1.6	4.0
Financial	139.2	-1.2	-6	.6	9.1	-1.0	-4	.5	6.9
Nonfinancial	614.5	-6.1	14.3	-12.7	19.7	-1.0	2.4	-2.1	3.3
Rest of the world	99.8	-1.3	-7.4	6.9	3.0	-1.3	-7.6	7.6	3.1
Receipts (inflows)	157.5	-1	-5.5	10.1	6.9	-1	-3.8	7.2	4.6
Payments (outflows)	57.7	1.2	1.8	3.3	3.9	2.4	3.9	6.4	7.3
IVA	10.4	-17.5	3.9	1.7	-3.0				
CCAadj	104.7	4.5	5.4	5.4	4.5				
Profits before tax	738.4	4.4	-3.0	-12.4	30.3	.6	-4	-1.7	4.3
Profits tax liability	245.8	1.7	1.6	-7.6	10.2	.7	.6	-3.1	4.4
Profits after tax	492.6	2.6	-4.5	-4.8	20.1	.6	-1.0	-1.0	4.3
Cash flow from current production	837.0	-5.8	9.2	4.9	24.2	-7	1.2	.6	3.0
Domestic industry profits:									
Corporate profits of domestic industries with IVA	649.0	-11.9	8.3	-17.5	24.3	-1.8	1.3	-2.7	3.9
Financial	141.8	-1.9	-1.2	-2	8.8	-1.4	-9	-1	6.6
Nonfinancial	507.2	-9.9	9.5	-17.3	15.5	-1.9	1.9	-3.4	3.2
		Dollars							
Unit price, costs, and profits of nonfinancial corporations:									
Unit price	1.061	0	0.001	-0.002	0.001				
Unit labor cost .....	.701	.002	0	.001	.001				
Unit nonlabor cost .....	.225	.000	-.001	.003	-.003				
Unit profits from current production .....	.135	-.003	.002	-.005	.002				

NOTE.—Levels of these and other profits series are in NIPA tables 1.14, 1.16, 6.16C, and 7.15.
 IVA inventory valuation adjustment
 CCAadj Capital consumption adjustment

Cash flow from current production, a profits-related measure of internally generated funds available for investment, increased \$24.2 billion after increasing \$4.9 billion.¹⁶ The ratio of cash flow to nonresidential fixed investment, an indicator of the share of the current level of investment that could be financed by internally generated funds, increased to 86.2 percent from 84.9 percent but remains below its average level of 91.9 percent for 1991–97.

Domestic industry profits and related measures.—Domestic industry profits increased \$24.3 billion after decreasing \$17.5 billion.¹⁷ Profits of domestic nonfinancial corporations increased \$15.5 billion after decreasing \$17.3 billion. The upturn in domestic nonfinancial profits reflected the pattern of payments by tobacco companies to States under the terms of various settlement agreements. To reflect these payments, a downward adjustment of \$13.5 billion (annual rate) was made to profits in the fourth quarter; in the first quarter, the adjustment was much smaller—\$0.9 billion. (For more information, see the box “[State Tobacco Settlements](#)” on page 12 of the April 1999 SURVEY.) Profits of domestic financial corporations increased \$8.8 billion after decreasing \$0.2 billion.

Profits before tax (PBT) increased \$30.3 billion after decreasing \$12.4 billion. The small difference between the \$30.3 billion increase in PBT and the \$31.8 billion increase in profits from current production reflected nearly offsetting changes in the inventory valuation adjustment and the capital consumption adjustment.¹⁸ In the first quarter, inventory losses decreased \$3.0 billion, and

the capital consumption adjustment increased \$4.5 billion.

Government Sector

The combined current surplus of the Federal Government and of State and local governments—the NIPA measure of net saving by government—increased \$43.2 billion, to \$279.5 billion, in the first quarter after decreasing \$4.4 billion in the fourth (table 11).¹⁹ The upturn was attributable to an upturn in the Federal Government current surplus. The State and local government current surplus turned down.²⁰

Federal

The Federal Government current surplus increased \$45.6 billion, to \$111.4 billion, in the first quarter after decreasing \$26.2 billion in the fourth. The upturn resulted from a sharp acceleration in receipts and a downturn in current expenditures.

Receipts.—Federal receipts increased \$31.8 billion in the first quarter after increasing \$11.6 billion in the fourth. The acceleration was more than accounted for by an upturn in corporate profits tax accruals and by an acceleration in contributions for social insurance.

Corporate profits tax accruals increased \$8.6 billion after decreasing \$6.5 billion, reflecting an upturn in domestic corporate profits before tax. The settlement payments to the States by tobacco companies had dampened corporate profits and thus corporate profits tax accruals in the fourth quarter.

Contributions for social insurance increased \$16.2 billion after increasing \$8.3 billion. The acceleration primarily reflected an increase in the social security taxable wage base that boosted contributions by employers, employees, and the self-employed to the old-age, survivors, and disability insurance trust funds.

Indirect business tax and nontax accruals decreased \$0.3 billion after decreasing \$2.3 billion. The smaller decrease was partly accounted for by customs duties, which decreased \$0.1 billion after decreasing \$1.5 billion, and by nontaxes, which decreased \$0.2 billion after decreasing \$0.9 billion.

16. Cash flow from current production is undistributed profits with inventory valuation and capital consumption adjustments plus the consumption of fixed capital.

17. Domestic industry profits are estimated as the sum of corporate profits before tax and the inventory valuation adjustment; they are shown in NIPA table 6.16c (on page D–16 of this issue). Estimates of the capital consumption adjustment do not exist at a detailed industry level; they are available only for total financial and total nonfinancial industries.

18. The inventory valuation adjustment removes inventory profits and losses from business income; as prices change, companies that value inventory withdrawals at original acquisition (historical) costs may realize inventory profits or losses. Inventory profits—a capital-gains-like element in profits—result from an increase in inventory prices, and inventory losses—a capital-loss-like element in profits—result from a decrease in inventory prices. In the NIPA's, inventory profits or losses are removed from business incomes by the inventory valuation adjustment (IVA); a negative IVA removes inventory profits, and a positive IVA removes inventory losses.

The capital consumption adjustment converts depreciation that is valued at historical cost and that is based on service lives and on the depreciation patterns specified in the tax code to depreciation that is valued at replacement cost and that is based on empirical evidence on the prices of used equipment and structures in resale markets. For information on depreciation in the NIPA's, see Arnold J. Katz and Shelby W. Herman, “Improved Estimates of Fixed Reproducible Tangible Wealth, 1929–95,” SURVEY 77 (May 1997): 69–92 and Barbara M. Fraumeni, “The Measurement of Depreciation in the U.S. National Income and Product Accounts,” SURVEY 77 (July 1997): 7–23.

19. Net saving equals gross saving less consumption of fixed capital (CFC); the estimates of government gross saving, CFC, and net saving are shown in NIPA table 5.1.

20. The NIPA estimates for the government sector are based on financial statements for the Federal Government and for State and local governments, but they differ from them in several respects. For the major differences, see NIPA tables 3.18B on page 10 and 3.19 on page 11 of the October 1998 SURVEY.

Personal tax and nontax receipts increased \$7.3 billion after increasing \$12.1 billion. The deceleration was accounted for by estate and gift taxes, which increased \$0.3 billion after increasing \$3.0 billion, and by income taxes, which increased \$7.0 billion after increasing \$9.2 billion, reflecting a deceleration in withheld income taxes.

Current expenditures.—Current expenditures decreased \$13.8 billion in the first quarter after increasing \$37.9 billion in the fourth.²¹ The downturn reflected downturns in subsidies less the current surplus of government enterprises and in transfer payments (net) and a deceleration in consumption expenditures.

Subsidies less current surplus of government enterprises decreased \$11.0 billion after increasing \$11.4 billion. The downturn was mainly accounted for by subsidies, which decreased \$8.0 billion after increasing \$11.8 billion. Within subsidies, agricultural subsidies decreased \$8.0 billion after increasing \$11.8 billion; subsidies were boosted in the fourth quarter by special payments to farmers after the enactment of the 1999 Omnibus Consolidated and Emergency Supplemental Appropriations Act that provided two forms of relief to the farmers who were already enrolled in the Federal farm program.

Transfer payments (net) decreased \$0.3 billion after increasing \$12.8 billion. A sharp downturn in transfer payments to the rest of the world more than offset an acceleration in transfer payments to persons. Transfer payments to the rest of the world fell \$13.6 billion after increasing \$11.4 billion; the fourth-quarter increase was attributable to the yearly payment to Israel of \$3.0 billion—\$12.0 billion at an annual rate—for economic support and other payments. Transfer payments to persons increased \$13.3 billion after increasing \$1.4 billion. The step-up mainly reflected a 1.3-percent cost-of-living adjustment in January that boosted social security (old-age, survivors, and disability insurance), Federal employee pension benefits, veterans pension benefits, and supplemental security income benefits by \$6.3 billion. In addition, payments for the Earned Income Tax Credit and the Child Tax Credit boosted transfer payments \$3.4 billion.

Consumption expenditures increased \$1.4 billion after increasing \$11.9 billion.²² The deceleration was partly accounted for by national defense

consumption expenditures, which decreased \$3.0 billion after increasing \$3.8 billion. The downturn in defense spending was primarily accounted for by services, which decreased \$1.9 billion after increasing \$4.6 billion. Within services, “other services” decreased \$4.3 billion after increasing \$5.8 billion, primarily reflecting downturns in expenditures for research and development and for personnel support. The downturn in “other services” was partly offset by an upturn in compensation of employees, which increased \$3.0 billion after decreasing \$1.4 billion; compensation

Table 11.—Government Sector Receipts and Current Expenditures
(Billions of dollars, seasonally adjusted at annual rates)

	Level	Change from preceding quarter				
	1999	1998				1999
	I	I	II	III	IV	I
Receipts	2853.4	53.3	41.6	34.5	36.5	37.2
Current expenditures	2574.0	-2.1	24.9	9.4	40.9	-5.8
Current surplus or deficit(-)	279.5	55.4	16.7	25.0	-4.4	43.2
Social insurance funds	182.7	3.5	6.3	5.5	9.5	9.4
Other	96.7	51.9	10.4	19.5	-13.9	33.7
Federal Government						
Receipts	1902.2	43.6	29.2	20.5	11.6	31.8
Personal tax and nontax receipts	883.2	37.9	19.2	8.1	12.1	7.3
Corporate profits tax accruals	209.6	-8.0	1.4	1.3	-6.5	8.6
Indirect business tax and nontax accruals	95.7	.1	1.3	3.1	-2.3	-3
Contributions for social insurance	713.7	13.6	7.3	8.0	8.3	16.2
Current expenditures	1790.8	-13.1	13.6	2.8	37.9	-13.8
Consumption expenditures	472.0	-9.2	13.1	-5.3	11.9	1.4
National defense	303.7	-11.5	9.7	-1	3.8	-3.0
Nondefense	168.2	2.3	3.3	-5.1	8.2	4.2
Transfer payments (net)	829.5	2.6	2.6	5.9	12.8	-3
To persons	820.5	14.2	3.5	3.7	1.4	13.3
To the rest of the world	9.0	-11.6	-9	2.2	11.4	-13.6
Grants-in-aid to State and local governments	241.1	-3.1	-1.8	4.5	6.0	3.7
Net interest paid	213.9	-3.0	-5	-2.6	-4.3	-7.5
Subsidies less current surplus of government enterprises	34.4	-3	.1	.5	11.4	-11.0
Subsidies	34.4	-9	-5	-4	11.8	-8.0
Of which: Agricultural subsidies	11.4	-2	-1	-1	11.8	-8.0
Less: Current surplus of government enterprises	0	-5	-6	-9	.4	3.0
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	111.4	56.6	15.6	17.6	-26.2	45.6
Social insurance funds	114.9	3.6	6.1	5.8	9.0	9.5
Other	-3.5	53.0	9.5	11.8	-35.2	36.1
State and local governments						
Receipts	1192.3	6.8	10.5	18.5	30.8	9.2
Personal tax and nontax receipts	252.7	3.5	6.8	7.4	4.3	3.8
Corporate profits tax accruals	36.2	-1.4	.3	.3	-1.2	1.7
Indirect business tax and nontax accruals	578.1	7.3	4.5	5.7	20.9	-1.0
Contributions for social insurance	84.2	.5	.6	.7	.8	1.0
Federal grants-in-aid	241.1	-3.1	-1.8	4.5	6.0	3.7
Current expenditures	1024.2	7.9	9.5	11.1	9.0	11.6
Consumption expenditures	810.6	5.2	8.0	9.2	7.3	9.4
Transfer payments to persons	326.2	4.0	3.0	3.2	3.7	3.7
Net interest paid	-86.9	-1.2	-1.5	-1.5	-1.6	-1.6
Less: Dividends received by government	16.7	.5	.3	0	.6	.1
Subsidies less current surplus of government enterprises	-9.0	.4	.3	.2	.3	.1
Subsidies .....	.4	0	0	0	0	0
Less: Current surplus of government enterprises	9.4	-4	-3	-2	-3	-1
Less: Wage accruals less disbursements	0	0	0	0	0	0
Current surplus or deficit (-)	168.1	-1.2	1.1	7.4	21.8	-2.4
Social insurance funds	67.9	-1	.2	-3	.5	0
Other	100.2	-1.1	.9	7.7	21.3	-2.4

NOTE.—Levels of these series are in NIPA tables 3.1–3.3.

21. For information on the definition of current expenditures and other major NIPA components, see Eugene P. Seskin and Robert P. Parker, “A Guide to the NIPA’s,” SURVEY 78 (March 1998): 26–36.

22. This discussion of consumption expenditures covers the current-dollar estimates; the earlier discussion of consumption expenditures and gross investment covered the chained (1992) dollar estimates.

was boosted \$3.3 billion by the January 1999 pay raise. Durable goods decreased \$0.6 billion after decreasing \$0.2 billion; a downturn in aircraft was mostly offset by upturns in missiles, other durable goods, and electronics. Nondurable goods decreased \$0.4 billion after decreasing \$0.7 billion.

Nondefense consumption expenditures increased \$4.2 billion after increasing \$8.2 billion. The deceleration was more than accounted for by durable goods, which remained unchanged after increasing \$5.9 billion; the fourth-quarter increase followed the sale of the United States Enrichment Corporation in the third quarter.²³ The deceleration in durable goods was partly offset by an acceleration in services, which increased \$4.0 billion after increasing \$2.0 billion. The acceleration was primarily attributable to compensation of employees, which increased \$3.7 billion after increasing \$1.7 billion; compensation was boosted \$2.4 billion by the January 1999 pay raise.

Net interest paid decreased \$7.5 billion after decreasing \$4.3 billion. Gross interest paid decreased \$7.8 billion after decreasing \$3.8 billion.

Grants-in-aid to State and local governments increased \$3.7 billion after increasing \$6.0 billion. The deceleration was more than accounted for by a deceleration in grants for medicaid and by a downturn in grants for highways and for other programs. In contrast, grants for cash assistance and for education turned up.

State and local

The State and local government current surplus decreased \$2.4 billion, to \$168.1 billion, in the first quarter after increasing \$21.8 billion in the fourth. The downturn was accounted for by a deceleration in receipts.

23. Sales except those by government enterprises for goods and services that are similar to those provided by the private sector are subtracted in the calculation of government consumption expenditures.


Receipts.—State and local government receipts increased \$9.2 billion after increasing \$30.8 billion. The deceleration was accounted for by a downturn in indirect business tax and nontax accruals.

Indirect business tax and nontax accruals decreased \$1.0 billion after increasing \$20.9 billion. The downturn was more than accounted for by State nontax accruals, which decreased \$12.5 billion after increasing \$12.0 billion. In the fourth quarter, nontaxes were boosted by the settlement payments to the States by tobacco companies: These payments amounted to \$3.4 billion (\$13.5 billion at an annual rate), including up-front payments to 46 States of \$2.4 billion (\$9.6 billion at an annual rate).²⁴ Sales taxes increased \$7.4 billion after increasing \$5.5 billion; the acceleration was mostly attributable to general retail sales taxes.

Personal tax and nontax receipts increased \$3.8 billion after increasing \$4.3 billion. The deceleration was accounted for by personal income taxes, which increased \$2.7 billion after increasing \$3.2 billion.

Corporate profits tax accruals increased \$1.7 billion after decreasing \$1.2 billion.

Current expenditures.—Current expenditures increased \$11.6 billion after increasing \$9.0 billion, primarily reflecting an acceleration in consumption expenditures.

Consumption expenditures increased \$9.4 billion after increasing \$7.3 billion. The acceleration was mainly attributable to an acceleration in services and to an upturn in nondurable goods. Within services, compensation of employees increased \$7.5 billion after increasing \$6.1 billion, reflecting an acceleration in compensation for education workers as a result of a step-up in education employment. 

24. For more information, see the box "State Tobacco Settlements" on page 12 in the April 1999 SURVEY.

Note on Rates of Return for Domestic Nonfinancial Corporations, 1960–98

FOR DOMESTIC NONFINANCIAL corporations, property income's rate of return decreased to 9.6 percent in 1998 from 9.9 percent in 1997 (chart 1 and table 1). Though lower than in 1997 and in 1996, the rate of return was higher than in any other year since 1969. Property income's share of domestic income dropped to 18.5 percent from 19.4 percent; nevertheless, the share was well above its average level for the past quarter century.

The rate of return is defined here as the ratio of profits and interest payments to the value of structures, equipment, and inventories. For pur-

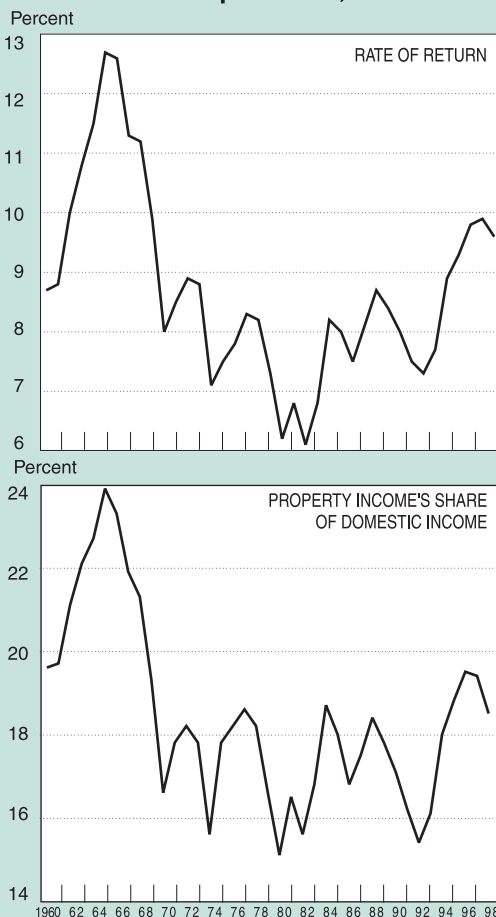
poses of this note, the numerator—corporate profits with inventory valuation and capital consumption adjustments plus net interest—is termed “property income” (table 2).¹ In addition, the denominator—the

1. Corporate profits and net interest are based on tabulations of “company” data rather than “establishment” data. As a result, property income for domestic nonfinancial corporations may include income earned by financial

NOTE.—This note was prepared by Daniel Larkins.

CHART 1

Rate of Return and Property Income's Share of Domestic Income, Domestic Nonfinancial Corporations, 1960–98



U.S. Department of Commerce, Bureau of Economic Analysis

Table 1.—Rate of Return and Income Share, Domestic Nonfinancial Corporations, 1960–98

[Percent]

Year	Rate of return					Share of domestic income		
	Property income					Property income		
	Total	Profits from current production			Net interest	Total	Profits from current production	Net interest
		Total	Profits tax liability	Profits after tax				
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1960	8.7	8.0	3.8	4.2	0.7	19.6	18.1	1.5
1961	8.8	8.0	3.8	4.3	0.8	19.7	18.0	1.7
1962	10.0	9.2	3.9	5.3	0.9	21.1	19.3	1.8
1963	10.8	9.9	4.1	5.8	0.9	22.1	20.3	1.8
1964	11.5	10.6	4.2	6.5	0.9	22.7	20.9	1.8
1965	12.7	11.7	4.4	7.2	1.0	23.9	22.0	1.9
1966	12.6	11.5	4.5	7.0	1.1	23.3	21.3	2.1
1967	11.3	10.1	3.9	6.3	1.2	21.9	19.5	2.3
1968	11.2	9.9	4.3	5.6	1.3	21.3	18.9	2.5
1969	9.9	8.4	3.9	4.5	1.5	19.3	16.3	3.0
1970	8.0	6.2	2.9	3.3	1.8	16.6	12.8	3.8
1971	8.5	6.7	2.9	3.8	1.8	17.8	14.1	3.7
1972	8.9	7.2	3.0	4.2	1.7	18.2	14.7	3.5
1973	8.8	7.0	3.2	3.8	1.8	17.8	14.2	3.7
1974	7.1	5.1	2.9	2.2	1.9	15.6	11.3	4.3
1975	7.5	5.8	2.5	3.3	1.7	17.8	13.8	4.1
1976	7.8	6.4	2.8	3.5	1.5	18.2	14.7	3.4
1977	8.3	6.8	2.9	3.9	1.5	18.6	15.3	3.4
1978	8.2	6.7	2.9	3.8	1.6	18.2	14.8	3.5
1979	7.3	5.6	2.6	2.9	1.7	16.6	12.7	3.9
1980	6.2	4.3	2.2	2.1	1.9	15.1	10.4	4.7
1981	6.8	4.7	1.9	2.8	2.1	16.5	11.4	5.1
1982	6.1	3.9	1.3	2.6	2.2	15.6	9.9	5.7
1983	6.8	4.8	1.6	3.2	2.0	16.8	11.8	5.0
1984	8.2	6.0	1.9	4.2	2.2	18.7	13.7	5.0
1985	8.0	5.8	1.7	4.2	2.2	18.0	13.1	4.9
1986	7.5	5.2	1.7	3.5	2.3	16.8	11.7	5.1
1987	8.1	5.7	2.1	3.7	2.3	17.5	12.4	5.1
1988	8.7	6.2	2.1	4.0	2.5	18.4	13.0	5.4
1989	8.4	5.5	2.0	3.5	2.9	17.8	11.7	6.2
1990	8.0	5.2	1.8	3.4	2.8	17.1	11.1	6.0
1991	7.5	5.0	1.6	3.4	2.5	16.2	10.8	5.4
1992	7.3	5.4	1.7	3.7	1.9	15.4	11.4	4.0
1993	7.7	6.1	1.8	4.2	1.7	16.1	12.7	3.5
1994	8.9	7.3	2.1	5.1	1.6	18.0	14.8	3.3
1995	9.3	7.7	2.2	5.5	1.6	18.8	15.5	3.3
1996	9.8	8.2	2.3	6.0	1.5	19.5	16.5	3.0
1997	9.9	8.5	2.4	6.1	1.4	19.4	16.7	2.7
1998	9.6	8.3	2.2	6.0	1.3	18.5	15.9	2.5
Average:								
1960–69	10.8	9.7	4.1	5.7	1.0	21.5	19.5	2.0
1970–79	8.0	6.4	2.9	3.5	1.7	17.5	13.8	3.7
1980–89	7.5	5.2	1.9	3.4	2.3	17.1	11.9	5.2
1990–98	8.7	6.9	2.0	4.8	1.8	17.7	13.9	3.7

Source: Table 2.

NOTE.—Columns 1–5 are percentages of the net stock of reproducible tangible wealth (averages of end-of-year values for adjacent years) valued at current cost. Columns 6–8 are percentages of domestic income.

current-cost value for domestic nonfinancial corporations of the net stock of structures and equipment plus the replacement-cost value of inventories—is termed “reproducible tangible wealth.” (In other contexts, different definitions of property income and reproducible tangible wealth may be appropriate.)

establishments of those corporations; similarly, it may exclude income earned by nonfinancial units of financial corporations.

For a discussion of the industrial distribution of NIPA series, see Eugene P. Seskin and Robert P. Parker, “A Guide to the NIPA’s,” SURVEY 78 (March 1998): 42–43. For a discussion of definitions and classifications underlying the NIPA’s, see U.S. Department of Commerce, Bureau of Economic Analysis, *National Income and Product Accounts of the United States, 1929–94*, vol. 1 (Washington, DC: U.S. Government Printing Office, April 1998). For a discussion of the wealth estimates, which are on an establishment basis, see Arnold J. Katz and Shelby W. Herman, “Improved Estimates of Fixed Reproducible Tangible Wealth, 1929–95,” SURVEY OF CURRENT BUSINESS 77 (May 1997).

Table 2.—Property Income of Domestic Nonfinancial Corporations and Related Series, 1960–98

(Billions of dollars)

Year	Property income					Domestic income	Reproducible tangible wealth ¹
	Total	Profits from current production			Net interest		
		Total	Profits tax liability	Profits after tax			
1960	44.1	40.7	19.2	21.5	3.5	225.3	512.8
1961	45.6	41.6	19.5	22.2	4.0	230.9	524.6
1962	53.6	49.1	20.6	28.4	4.5	253.7	542.5
1963	59.7	54.9	22.8	32.1	4.8	270.8	561.2
1964	66.5	61.2	24.0	37.2	5.3	293.2	590.5
1965	77.5	71.4	27.2	44.2	6.1	324.0	632.2
1966	83.4	76.1	29.5	46.6	7.4	357.4	692.0
1967	81.8	73.0	27.8	45.2	8.8	374.1	750.6
1968	87.6	77.5	33.6	43.9	10.1	410.8	819.6
1969	85.6	72.5	33.3	39.1	13.2	444.5	902.8
1970	75.4	58.3	27.2	31.1	17.1	454.0	983.7
1971	86.9	68.8	29.9	38.8	18.1	488.9	1,067.8
1972	99.5	80.4	33.8	46.6	19.2	546.6	1,164.7
1973	109.6	87.1	40.2	46.9	22.5	615.5	1,327.6
1974	103.1	74.8	42.2	32.6	28.3	659.9	1,597.4
1975	126.0	97.3	41.5	55.8	28.7	706.3	1,772.7
1976	145.9	118.4	53.0	65.4	27.5	803.3	1,950.1
1977	170.1	139.4	59.9	79.5	30.6	912.6	2,170.7
1978	190.3	154.0	67.1	86.9	36.3	1,043.2	2,457.9
1979	192.3	147.2	69.6	77.6	45.1	1,160.4	2,825.3
1980	188.3	130.1	67.0	63.1	58.2	1,246.8	3,223.9
1981	232.3	160.3	63.9	96.4	71.9	1,403.7	3,589.1
1982	224.6	142.1	46.3	95.8	82.5	1,441.6	3,764.8
1983	258.1	181.5	59.4	122.0	76.6	1,538.6	3,860.3
1984	326.9	239.0	73.7	165.4	87.8	1,748.6	4,085.0
1985	334.1	243.5	69.9	173.6	90.6	1,856.0	4,264.1
1986	324.1	226.0	75.6	150.5	98.1	1,927.3	4,388.8
1987	363.8	258.6	93.5	165.1	105.3	2,079.3	4,619.9
1988	415.3	294.3	101.7	192.6	121.0	2,262.0	4,902.6
1989	422.7	276.7	98.8	178.0	145.9	2,372.7	5,149.6
1990	422.8	275.3	95.7	179.6	147.5	2,478.8	5,377.0
1991	403.4	269.7	85.4	184.3	133.7	2,493.9	5,439.4
1992	399.8	295.6	91.1	204.5	104.2	2,595.1	5,574.7
1993	441.0	346.4	105.0	241.4	94.5	2,731.6	5,845.2
1994	533.4	437.1	128.8	308.3	96.3	2,960.1	6,178.6
1995	591.5	487.4	136.7	350.6	104.2	3,147.5	6,505.8
1996	649.7	548.5	151.5	397.0	101.2	3,329.4	6,791.8
1997	691.1	594.2	169.8	424.4	96.9	3,562.3	7,122.8
1998	694.2	598.7	160.4	438.2	95.6	3,760.8	7,387.0

1. Structures, equipment, and inventories, valued at current cost at end of year. Structures and equipment are from U.S. Department of Commerce, Bureau of Economic Analysis, *Fixed Reproducible Tangible Wealth of the United States, 1925–96*, CD-ROM (Washington, DC: Bureau of Economic Analysis, 1998) and from unpublished BEA data. Inventories are from legal-form and industry detail underlying NIPA table 5.13.

NOTE.—Property income is profits from current production plus net interest. Profits from current production is corporate profits with inventory valuation adjustment and capital consumption adjustment. Profits after tax is also shown with inventory valuation adjustment and capital consumption adjustment.

The measure of rate of return used here has several useful features. First, it captures the return to investment, regardless of the mix of equity and debt used to finance the investment. Second, the numerator is not affected by inventory profits or by depreciation schedules used in preparing the underlying tax returns. Third, because the components of the denominator are measured at current cost, the ratio is an estimate of the current average profitability of investment. (See the box “Alternative Measures of Rates of Return” on page 10 of the June 1997 SURVEY.)

The ratio of property income to domestic income is property income’s “share” of domestic income—that is, the portion of domestic income that is not labor income.

Q-type ratios

Another ratio of analytical interest is “Tobin’s-Q,” or simply “Q,” which compares the valuation of assets in financial markets with the current replacement cost of assets.² A value of Q above 1 indicates that newly produced physical assets may be purchased more cheaply than (the ownership claims to) existing assets. Such a situation may induce businesses to purchase newly produced physical assets instead of acquiring existing assets; alternatively, it may induce financial investors to reduce the prices they will offer for financial assets. A value of Q below 1 indicates that existing physical assets may be acquired more cheaply than newly produced assets. Such a situation may induce businesses to purchase existing assets instead of newly produced physical assets; alternatively, it may induce financial investors to raise the prices they will offer for financial assets.

Q may be calculated in a variety of ways, but the general pattern of the ratio over time is relatively insensitive to the precise formula used to calculate it. In the numerator, all analysts would include the market value of equities outstanding. Many analysts would also include the value of corporate bond obligations, thereby making the ratio invariant to shifts in the mix of equity and debt used to finance investment. Further, the numerator could include all corporate debt, not just bonds.³

The denominator of Q should certainly include the net stock of reproducible tangible wealth valued at current cost; estimates for this series were used in calculating the rate of return. The denominator might also include other assets, such as land and financial assets; it might also include intellectual property (including software) that may not be capitalized. (All of these items are reflected in the market value of equities outstanding.)

2. See William C. Brainard and James Tobin, “Pitfalls in Financial Model Building,” *American Economic Review* 58 (May 1968): 99–122. For additional references, see footnote 13 on page 10 of the June 1998 SURVEY.

3. Financial assets and liabilities mentioned in this paragraph are available from the Federal Reserve Board, *Flow of Funds Accounts of the United States*, Federal Reserve Statistical Release Z.1 (Washington, DC: Board of Governors of the Federal Reserve System).

It should be noted that the market value of equities outstanding reflects domestic and foreign assets owned by domestic nonfinancial corporations, while the net stock of reproducible tangible wealth includes the domestic wealth of domestic and foreign corporations.

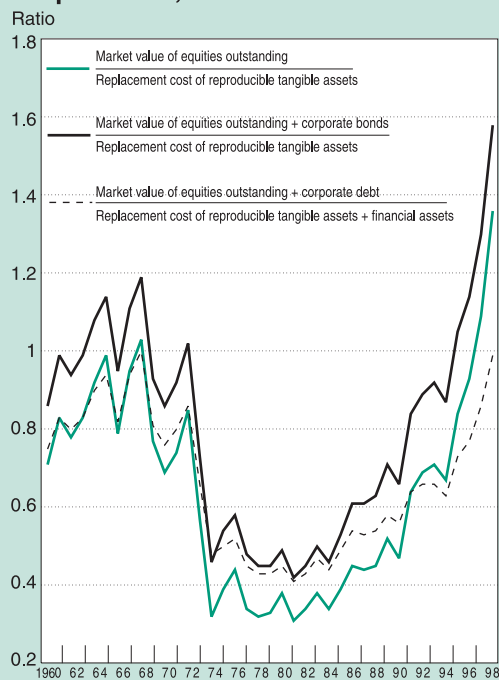
Moreover, the other series that have been suggested for inclusion in the numerator and denominator (such

as corporate bonds and land) generally are either not available or are available on a historical-cost basis. The use of historical-cost estimates is inconsistent with the underlying rationale for Q—a comparison of market valuation and replacement costs.⁴ Analysts may differ on whether it is preferable to use some historical-cost components or to omit them and to thereby exclude some potentially important variables.

Fortunately, ratios constructed from various definitions all display quite similar patterns over time, and in light of the difficulties involved in measuring both the numerators and the denominators, the patterns of movement may be more important than the levels of the ratios. Three variants of the measure for domestic nonfinancial corporations are shown in **chart 2**; other variants would show much the same overall picture.⁵ All the ratios drop sharply in the early 1970's, stay relatively low until the early 1980's, and then increase more or less rapidly through 1998. In recent years, the increases have been particularly dramatic. Two of the ratios reached record highs in 1998. The narrowest measure—the market value of equities outstanding divided by the replacement cost of reproducible tangible wealth—increased to 1.36 from 1.09. A broader measure that includes corporate bonds in the numerator increased to 1.58 from 1.30. The broadest measure, which includes corporate debt in the numerator and financial assets in the denominator, increased to 0.99 from 0.85.

CHART 2

Q-type Ratios, Domestic Nonfinancial Corporations, 1960–98



U.S. Department of Commerce, Bureau of Economic Analysis

4. Some data are available to shed light on the difference between historic values and market values of corporate bonds. According to the *Merril Lynch Bond Indices: December 1998 Results* 20 (January 19, 1999), the market value of investment grade domestic corporate bonds at the end of 1998 was approximately 8 percent higher than par value.

5. For example, a variant incorporating a rough adjustment to convert corporate bonds to market valuation has very little effect on either the shape or the level of the ratios.

Foreign Direct Investment in the United States

New Investment in 1998

By Mahnaz Fahim-Nader

The survey, from which the data presented in this article were drawn, was conducted under the supervision of Joseph F. Cherry III and Dorrett E. Williams, with contributions by Nicole L. Donegan, Erik A. Kasari, Edward J. Kozerka, and Ronald McNeil. Karen Poffel programmed the tables.

LAST YEAR, outlays by foreign direct investors to acquire or establish businesses in the United States surged to \$201.0 billion, 2½ times the previous record of \$79.9 billion set in 1996 and almost triple the 1997 level of \$69.7 billion (table 1 and chart 1).¹ The 1998 outlays were boosted by two exceptionally large acquisitions, each of which significantly exceeded the size of any previous single investment. However, even without these two investments, outlays were still about 40 percent higher than those in 1996.

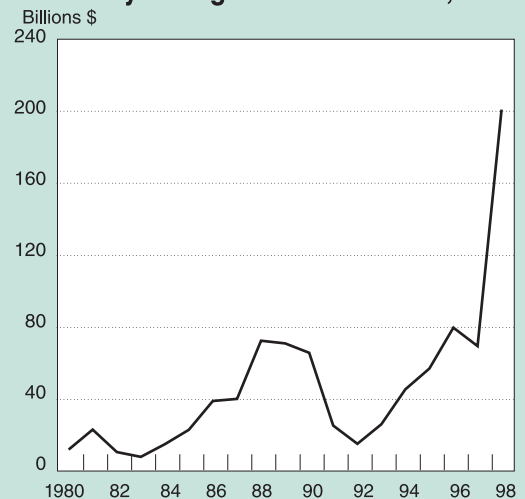
The surge in outlays by foreign direct investors coincides with a sharp increase in overall merger and acquisition activity in the United States to a level that substantially exceeds the 1997 record.² Both these increases are a part of a global increase in mergers and acquisitions. The record outlays reflected the continuing strength and stability of the U.S. economy that provided foreign investors with strong incentives to invest in the United

States. In addition, a desire to gain access to the advanced and growing technological capability and large markets in the United States may have led a number of foreign companies to acquire information-related businesses in manufacturing and services.

The two large investments were acquisitions of a petroleum company and a motor vehicle

CHART 1

Outlays for New Investment in the United States by Foreign Direct Investors, 1980–98



U.S. Department of Commerce, Bureau of Economic Analysis

1. The estimates of outlays for 1998 are preliminary. The 1997 estimate of total outlays has been revised down 2 percent from the preliminary estimate published last year. For the preliminary 1997 estimates, see Mahnaz Fahim-Nader and William J. Zeile, "Foreign Direct Investment in the United States: New Investment in 1997 and Affiliate Operations in 1996," *SURVEY OF CURRENT BUSINESS* 78 (June 1998): 39–67.

2. The data on overall merger and acquisition activity in the United States in 1998 were reported by the Securities Data Company in a news release on January 6, 1999.

Table 1.—Outlays and Employment of Newly Acquired or Established U.S. Businesses, 1980–98

	Outlays (billions of dollars)	Employment (thousands of employees)
1980	12.2	292.5
1981	23.2	442.8
1982	10.8	233.8
1983	8.1	108.1
1984	15.2	172.5
1985	23.1	275.5
1986	39.2	438.0
1987	40.3	394.1
1988	72.7	736.3
1989	71.2	722.0
1990	65.9	474.3
1991	25.5	249.0
1992	15.3	141.5
1993	26.2	289.1
1994	45.6	289.3
1995	57.2	312.9
1996	79.9	436.9
1997 ^r	69.7	288.5
1998 ^p	201.0	596.8

^p Preliminary.
^r Revised.

NOTE.—In recent years, the annual article on foreign direct investment in the United States (FDIUS) has covered both new investment and the operations of nonbank U.S. affiliates of foreign companies. The data on new investment are collected in BEA's survey of new FDIUS, and the data on the overall operations of U.S. affiliates are collected in BEA's annual and benchmark surveys of FDIUS. This year, the data on the operations of nonbank U.S. affiliates in 1997 will be published in an article in a later issue, so that the results of the most recent benchmark survey of FDIUS can be incorporated.

manufacturing company.³ They were accomplished by exchanging stock; the shareholders in the acquired U.S. companies received stock in the new foreign firms that were created when the U.S. companies were combined with the foreign companies that made the acquisitions. Some of the other large investments were also structured as exchanges of stock, a technique that is increasingly used for financing mergers and acquisitions both in the United States and abroad. Taken together, these exchanges resulted in large, but almost entirely offsetting, capital flows in the U.S. balance of payments: The large inflows that resulted from the foreign direct investors' acquisitions of stock in the acquired U.S. companies were offset by the outflows that resulted from the distributions to U.S. stockholders of the stock in the newly established foreign parent companies.

The large investment in the petroleum industry illustrates a trend toward greater consolidation within the industry that was also reflected by

3. The International Investment and Trade in Services Survey Act prohibits BEA from disclosing information from its direct investment surveys in a manner that allows the data supplied by an individual respondent to be identified. The act also provides that with the prior written consent of the respondent, information supplied by the respondent may be disclosed. For these two large investments, BEA obtained consent for limited disclosure in order to present useful results from the survey.

a number of other substantial petroleum-related investments, particularly in oil refining, distribution, oilfield machinery manufacturing, and oil and gas field services. In response to weak growth in the demand for fuels, excess capacity, and low oil prices, companies have been more aggressive in seeking out opportunities to reduce per unit costs in areas such as administration, refining, and marketing. A longer term factor behind the consolidations is the intensification of the worldwide competition to secure large, new oil reserves. In the United States, oil production, though declining since 1970, continues to exceed new discoveries. Generally, excluding production in the OPEC countries, production is leveling off, if not already declining. Large, new oilfields are becoming increasingly hard to find, and oil companies must explore more remote regions, often under inhospitable conditions, and deal with political, as well as geological, uncertainties. Given these circumstances, only companies with the size and financial strength to assume high costs and risks will remain profitable.

Although cost cutting and overcapacity have spurred consolidations in the motor vehicle industry worldwide, the main impetus for the

BEA Data on New Foreign Direct Investments

The estimates of new foreign direct investments cover U.S. business enterprises that were acquired or established by foreign direct investors during the year and that had total assets of more than \$1 million or that owned at least 200 acres of U.S. land in the year they were acquired or established. For 1997, U.S. enterprises that met these criteria were required to file full reports on the survey that the Bureau of Economic Analysis used to collect the data.

U.S. enterprises that were acquired or established by foreign direct investors and that had total assets of \$1 million or less were required to file partial reports, mainly for identification purposes; the data from the partial reports for 1997 are not included in the estimates. The total assets of the U.S. enterprises that filed partial reports for 1997 were \$166.0 million, only about 0.1 percent of the total assets of \$170.6 billion of the U.S. enterprises that filed complete reports.

For 1998, the criterion for filing full reports was raised to total assets of more than \$3 million, in order to reduce the reporting burden on small enterprises. To maintain comparability between the estimates for 1997 and 1998, the 1998 estimates incorporate the data from the partial reports filed by enterprises with assets between \$1 million and \$3 million. In 1998, the total assets of U.S. enterprises with assets of \$1 million or less that filed partial reports

were \$257.4 million, only about 0.1 percent of the total assets of \$249.4 billion of the U.S. enterprises with assets of more than \$1 million.

A U.S. business enterprise is categorized as "established" if the foreign parent or its existing U.S. affiliate (a) creates a new legal entity that is organized and begins operating as a new U.S. business enterprise or (b) directly purchases U.S. real estate. A U.S. business enterprise is categorized as "acquired" if the foreign parent or its existing U.S. affiliate (a) obtains a voting equity interest in an existing U.S. business enterprise and continues to operate it as a separate legal entity, (b) purchases a business segment or an operating unit of an existing U.S. business enterprise that it organizes as a new separate legal entity, or (c) purchases through the existing U.S. affiliate a U.S. business enterprise or a business segment or an operating unit of a U.S. business enterprise and merges it into the affiliate's operations.

The data on new investments do not cover a foreign parent's acquisition of additional equity in its U.S. affiliate or its acquisition of an existing U.S. affiliate from another foreign investor. They also do not cover expansions in the operations of existing U.S. affiliates, and selloffs or other disinvestment are not netted against the new investments.

large foreign investment in the United States in this industry was the complementary strengths—mainly in terms of product lines—of the two manufacturers of motor vehicles. The merger also presented opportunities to take advantage of economies of scale in engineering, purchasing, manufacturing, and distribution.

Factors that are specific to particular industries also motivated a number of other large new investments. In manufacturing (particularly machinery) and in services (particularly computer and data processing services), a desire to gain access to the advanced and growing technological capability in the United States, to integrate operations vertically, and to enter new markets led a number of foreign companies to acquire telecommunication- and information-related businesses. In “other industries” (particularly communication and electric, gas, and sanitary services), investments were spurred by global deregulation and by a need to seek strength through size.

As in the past, outlays to acquire existing U.S. companies rather than to establish new U.S. companies accounted for most of total outlays. In 1998, they accounted for 90 percent of total outlays (table 2).

Outlays in 1998 were dominated by large investments. There were 12 investments of \$2 billion or more, and these investments accounted for almost two-thirds of total outlays (table 3). The

number of such investments was up from three in 1997 and eight in 1996. To some extent, the increase in the number of large investments in 1998 reflects the sharp increases in U.S. stock prices in recent years; these increases have raised the size of the outlays needed to acquire individual U.S. companies. The size of an investment can also be measured by the number of employees in the acquired company: In 1998, there were seven

Data Availability

This article presents summary estimates of outlays by foreign direct investors to acquire or establish businesses in the United States.

A set of supplementary tables that present detail on the number of investments and investors for 1992–97 and on investment outlays and selected operating data for the newly acquired or established businesses for 1992–98 is available in compressed text files on BEA's Web site at <www.bea.doc.gov>. To access the files, click on the *Catalog of Products*, look under “International Accounts Products,” “Foreign Direct Investment in the United States,” and scroll down the page to “U.S. Business Enterprises Acquired or Established by Foreign Direct Investors.” A set of tables for 1980–91 is also available.

The supplementary tables are also available on diskettes. To order, call the BEA Order Desk at 1-800-704-0415 (outside the United States, call 202-606-9666), and specify product number IDN-0235 for the 1992–98 estimates and product number IDN-0078 for the 1980–91 estimates.

Table 2.—Investment Outlays, Investments, and Investors, 1992–98

	Outlays (millions of dollars)							Number						
	1992	1993	1994	1995	1996	1997 ^r	1998 ^p	1992	1993	1994	1995	1996	1997 ^r	1998 ^p
Investments, total	15,333	26,229	45,626	57,195	79,929	69,708	201,027	941	980	1,036	1,124	1,155	1,112	1,087
U.S. businesses acquired	10,616	21,761	38,753	47,179	68,733	60,733	180,697	463	554	605	644	686	640	673
U.S. businesses established	4,718	4,468	6,873	10,016	11,196	8,974	20,330	478	426	431	480	469	472	414
Investors, total	15,333	26,229	45,626	57,195	79,929	69,708	201,027	1,019	1,094	1,144	1,213	1,302	1,265	1,187
Foreign direct investors	4,058	6,720	13,628	11,927	32,230	13,899	119,724	350	368	345	345	374	366	279
U.S. affiliates	11,275	19,509	31,999	45,268	47,699	55,809	81,303	669	726	799	868	928	899	908

^p Preliminary.

^r Revised.

Table 3.—Number of Investments by Size of Outlays, 1992–98

	1992	1993	1994	1995	1996	1997 ^r	1998 ^p
Total	941	980	1,036	1,124	1,155	1,112	1,087
\$2 billion or more	0	1	4	5	8	3	12
\$1 billion – \$1.9 billion	0	1	4	4	10	12	10
\$100 million – \$99 million	28	47	71	79	103	93	111
\$10 million – \$9 million	252	252	273	329	366	383	390
Less than \$10 million	661	679	684	707	668	621	564
Addenda:							
Percent of total outlays:							
Investments of \$2 billion or more	0	(^p)	27	30	29	12	65
Investments of \$1 billion or more	0	19	39	41	48	37	73
Investments of \$100 million or more	42	64	78	78	83	79	91

^p Suppressed to avoid disclosure of data of individual companies.

^r Preliminary.

^r Revised.

acquisitions of U.S. companies with more than 10,000 employees, the same as in 1996.

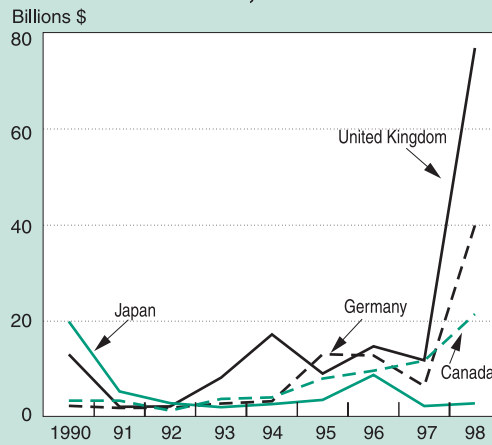
By industry, outlays increased sharply in the manufacturing and petroleum industries (table 4). Within manufacturing, the largest increases were in "other manufacturing" (particularly in motor vehicles and in printing and publishing) and in machinery (particularly industrial machinery and equipment). Outlays also increased in retail trade and in real estate. Outlays decreased in all other industries; the decreases were largest in the insurance industry.

By country of ultimate beneficial owner (UBO), the United Kingdom and Germany had the largest increase in outlays in 1998 (table 4).⁴ Investments from France, Canada, and the Netherlands also increased substantially. Outlays by Japanese investors, at \$2.9 billion, remained flat and were only a fraction of the peak—\$19.9 billion—in 1990 (chart 2).

The portion of outlays financed by foreign parents (including those by exchanging stock), rather than by existing U.S. affiliates, increased from 54 percent to a record 77 percent. The unusually high share mainly resulted from the two exceptionally large investments. Excluding

CHART 2

Outlays for New Investment in the United States by Foreign Direct Investors from Selected Countries, 1990–98



U.S. Department of Commerce, Bureau of Economic Analysis

4. The UBO is that person, proceeding up a U.S. affiliate's ownership chain, beginning with and including the foreign parent, that is not owned more than 50 percent by another person. The foreign parent is the first foreign person in the affiliate's ownership chain. Unlike the foreign parent, the UBO of an affiliate may be located in the United States. The UBO of each U.S. affiliate is identified to ascertain the person that ultimately owns or controls the U.S. affiliate and that therefore ultimately derives the benefits from ownership or control.

Table 4.—Investment Outlays by Industry of U.S. Business Enterprise and by Country of Ultimate Beneficial Owner, 1992–98

[Millions of dollars]

	1992	1993	1994	1995	1996	1997 ^r	1998 ^r
Total	15,333	26,229	45,626	57,195	79,929	69,708	201,027
By industry:							
Petroleum	463	882	469	1,520	1,059	762	72,136
Manufacturing	6,014	11,090	21,218	26,643	27,835	19,603	89,679
Food and kindred products	404	1,294	4,567	3,802	1,145	1,949	1,556
Chemicals and allied products	1,644	5,035	6,905	12,511	3,961	4,539	4,168
Primary and fabricated metals	1,187	1,297	1,485	547	3,222	1,327	1,877
Machinery	1,002	1,778	1,867	4,489	4,355	4,788	21,951
Other manufacturing	1,778	1,686	6,393	5,293	15,151	7,000	60,127
Wholesale trade	698	837	2,156	1,168	4,746	2,612	907
Retail trade	256	1,495	1,542	2,838	2,988	435	1,963
Depository institutions	529	958	2,026	2,301	1,944	3,547	1,104
Finance, except depository institutions	797	1,599	2,195	7,837	8,676	7,019	6,195
Insurance	291	1,105	450	654	4,688	8,526	4,325
Real estate	2,161	1,883	2,647	2,996	4,175	4,119	5,272
Services	2,023	4,162	7,163	5,881	15,292	12,187	9,951
Other industries	2,101	2,218	5,760	5,359	8,528	10,898	9,496
By country¹:							
Canada	1,351	3,797	4,128	8,029	9,700	11,755	21,480
Europe	8,344	16,845	31,920	38,195	49,427	44,014	160,612
France	406	1,249	1,404	1,129	6,021	2,578	14,129
Germany	1,964	2,841	3,328	13,117	12,858	6,464	39,949
Netherlands	1,331	2,074	1,537	1,061	6,476	10,244	19,446
Switzerland	1,259	804	5,044	7,533	4,910	6,745	3,637
United Kingdom	2,255	8,238	17,261	9,094	14,757	11,834	76,881
Other Europe	1,129	1,639	3,346	6,261	4,405	6,149	6,570
Latin America and Other Western Hemisphere	1,438	874	1,352	1,550	1,790	924	10,457
South and Central America	1,152	527	(^D)	1,283	(^D)	166	813
Other Western Hemisphere	286	347	(^D)	267	(^D)	758	9,644
Africa	(^D)	(^D)	(^D)	(^D)	(^D)	(^D)	145
Middle East	238	1,308	(^D)	447	(^D)	847	2,968
Asia and Pacific	3,716	3,004	5,263	8,688	12,751	11,786	5,207
Australia	164	129	1,522	2,270	2,222	7,600	1,726
Japan	2,921	2,065	2,715	3,602	8,813	2,326	2,872
Other Asia and Pacific	631	810	1,026	2,816	1,716	1,860	609
United States ²	(^D)	(^D)	201	(^D)	(^D)	(^D)	159

^D Suppressed to avoid disclosure of data of individual companies.

^r Preliminary.

^r Revised.

1. For investments in which more than one investor participated, each investor and each investor's outlays are classified by country of each ultimate beneficial owner.

2. See footnote 4 in text for explanation.


these investments, the share would have been 59 percent.

In dollars, outlays financed by the foreign parents increased to \$155.3 billion in 1998 from \$37.4 billion in 1997. The increase contributed to the sharp overall increase in net capital inflows for foreign direct investment in the United States (FDIUS) that are recorded in the U.S. balance of payments accounts for 1998.⁵ Outlays financed by

existing U.S. affiliates with funds from other foreign sources or from U.S. sources increased \$13.4 billion, to \$45.7 billion.

The total assets of newly acquired or established affiliates were \$249.4 billion in 1998, up from \$170.6 billion in 1997 (table 5). The assets of the businesses that were acquired were \$212.3 billion.

U.S. businesses that were newly acquired or established employed 597,000 persons in 1998, up from 289,000 in 1997. The largest shares of employment were accounted for by manufacturing (44 percent) and services (23 percent).

Tables 5-7 follow. 

published in Christopher L. Bach, "U.S. International Transactions, Fourth Quarter and Year 1998," SURVEY 79 (April 1999): 47 and 54. Revised estimates will be published in the July issue of the SURVEY.

Table 5.—Selected Operating Data of U.S. Business Enterprises Acquired or Established, by Industry of U.S. Business Enterprise, 1997-98

	1997 ^r					1998 ^p				
	Millions of dollars			Number of employees	Number of hectares of land owned ¹	Millions of dollars			Number of employees	Number of hectares of land owned ¹
	Total assets	Sales	Net income			Total assets	Sales	Net income		
All industries	170,564	62,669	2,566	288,521	259,612	249,364	160,124	3,780	596,774	150,395
Petroleum	3,992	5,803	458	2,448	(^D)	(^D)	(^D)	(^D)	K	(^D)
Manufacturing	20,495	19,520	740	93,979	(^D)	105,722	91,249	2,419	260,508	31,889
Wholesale trade	3,778	6,256	80	15,193	(^D)	2,069	3,891	12	10,357	302
Retail trade	561	1,526	(*)	11,002	27	2,483	6,484	124	105,359	65
Depository institutions	26,316	1,769	147	7,403	197	9,504	525	(^D)	H	12
Finance, except depository institutions	15,699	3,061	361	10,991	30	38,071	(^D)	369	7,208	13
Insurance	66,113	8,753	397	12,217	259	22,415	4,125	-1	6,652	25
Real estate	4,710	552	141	453	23,801	5,060	759	125	2,530	(^D)
Services	12,875	6,250	167	96,556	1,920	11,705	7,688	-296	134,590	2,050
Other industries	16,026	9,180	73	38,279	70,238	(^D)	6,194	-345	28,465	26,331

* Less than \$500,000.

^D Suppressed to avoid disclosure of data of individual companies.

^r Preliminary.

^p Revised.

1. One hectare equals 2.471 acres. Thus, for all industries, the number of acres of land owned in 1997 and 1998 were 641,501 and 371,626, respectively.

NOTES.—For newly acquired businesses, data cover the most recently completed financial reporting year. For newly established businesses, data are projections for the first full year of operations.

Size ranges are given in employment cells that are suppressed. The size ranges are: A—1 to 499; F—500 to 999; G—1,000 to 2,499; H—2,500 to 4,999; I—5,000 to 9,999; J—10,000 to 24,999; K—25,000 to 49,999; L—50,000 to 99,999; M—100,000 or more.

Table 6.—Investment Outlays by Type of Investment and Investor, by Industry of U.S. Business Enterprise, 1997–98
[Millions of dollars]

	1997 ^r					1998 ^p				
	Total	By type of investment		By type of investor		Total	By type of investment		By type of investor	
		U.S. businesses acquired	U.S. businesses established	Foreign direct investors	U.S. affiliates		U.S. businesses acquired	U.S. businesses established	Foreign direct investors	U.S. affiliates
All industries	69,708	60,733	8,974	13,899	55,809	201,027	180,697	20,330	119,724	81,303
Petroleum	762	662	100	99	663	72,136	59,906	12,229	56,430	15,706
Petroleum and coal products manufacturing	0	0	0	0	0	68,780	56,557	12,224	56,430	12,350
Other	762	662	100	99	663	3,355	3,350	5	0	3,355
Manufacturing	19,603	17,859	1,744	5,957	13,646	89,679	89,263	416	54,612	35,067
Food and kindred products	1,949	1,759	190	(P)	(P)	1,556	1,464	91	75	1,481
Beverages	(P)	(P)	0	(P)	(P)	453	453	0	0	453
Other	(P)	(P)	190	(P)	(P)	1,103	1,012	91	75	1,029
Chemicals and allied products	4,539	3,991	548	1,186	3,354	4,168	4,009	159	1,499	2,669
Industrial chemicals	(P)	(P)	(P)	(P)	(P)	831	672	159	(P)	(P)
Drugs	1,651	(P)	(P)	(P)	(P)	1,531	1,531	0	1,353	178
Soap, cleaners, and toiletries	(P)	(P)	0	(P)	(P)	498	498	0	(P)	(P)
Other	2,220	(P)	(P)	(P)	(P)	1,308	1,308	0	(P)	1,308
Primary and fabricated metals	1,327	1,212	115	(P)	(P)	1,877	1,857	21	91	1,786
Primary metal industries	237	186	52	12	225	1,729	(P)	(P)	(P)	(P)
Ferrous	80	36	44	(P)	(P)	1,661	(P)	(P)	(P)	(P)
Nonferrous	157	149	8	(P)	(P)	68	(P)	(P)	5	62
Fabricated metal products	1,090	1,027	63	(P)	(P)	148	(P)	(P)	(P)	(P)
Machinery	4,788	4,163	625	1,803	2,985	21,951	21,857	94	14,350	7,601
Industrial machinery and equipment	2,711	2,680	31	743	1,968	15,093	(P)	(P)	9,463	5,630
Computer and office equipment	265	263	2	(P)	(P)	9,387	(P)	(P)	(P)	(P)
Other	2,447	2,417	29	(P)	(P)	5,706	(P)	(P)	(P)	(P)
Electronic and other electric equipment	2,077	1,483	594	1,060	1,016	6,858	(P)	(P)	4,887	1,972
Audio, video, and communications equipment	452	(P)	(P)	(P)	(P)	5,587	5,584	3	(P)	(P)
Electronic components	552	(P)	(P)	123	429	951	951	0	68	883
Other	1,073	1,073	0	(P)	(P)	320	(P)	(P)	(P)	(P)
Other manufacturing	7,000	6,734	266	1,876	5,124	60,127	60,076	51	38,597	21,530
Textile products and apparel	131	(P)	(P)	39	92	588	588	0	94	494
Lumber and furniture	(P)	(P)	3	(P)	1	(P)	49	(P)	(P)	54
Paper and allied products	1,517	1,514	4	(P)	(P)	3,828	(P)	(P)	180	3,648
Printing and publishing	1,099	1,099	(*)	(P)	(P)	9,573	9,573	0	(P)	(P)
Newspapers	(P)	(P)	0	(P)	0	0	0	0	0	0
Other	(P)	(P)	(*)	(P)	(P)	9,573	9,573	0	(P)	(P)
Rubber products	204	200	4	(P)	(P)	(P)	(P)	(P)	(P)	(P)
Miscellaneous plastics products	1,170	(P)	(P)	(P)	(P)	1,490	1,490	(*)	(P)	(P)
Stone, clay, and glass products	345	329	17	2	344	912	908	4	4	908
Transportation equipment	1,098	1,090	8	(P)	(P)	36,353	36,352	1	33,603	2,751
Motor vehicles and equipment	975	974	1	(P)	(P)	36,124	36,124	0	(P)	(P)
Other	123	116	7	(P)	(P)	229	228	1	(P)	(P)
Instruments and related products	1,074	889	185	743	331	7,283	7,283	0	4,687	2,596
Other	(P)	(P)	0	(P)	23	0	0	0	0	0
Wholesale trade	2,612	1,888	724	164	2,447	907	796	112	104	803
Motor vehicles and equipment	9	0	9	(P)	(P)	0	0	0	0	0
Professional and commercial equipment	185	(P)	(P)	(P)	(P)	163	(P)	(P)	(P)	(P)
Metals and minerals	(P)	(P)	(*)	(P)	(P)	0	0	0	0	0
Electrical goods	(P)	(P)	(P)	52	(P)	0	0	0	0	0
Machinery and equipment	91	(P)	(P)	7	84	98	69	30	0	98
Other durable goods	178	177	1	(P)	(P)	269	267	2	(P)	(P)
Groceries and related products	(P)	0	0	2	(P)	(P)	(P)	0	0	(P)
Farm product raw materials	(P)	(P)	0	0	0	(P)	(P)	0	0	(P)
Other nondurable goods	641	(P)	(P)	7	633	338	(P)	(P)	3	335
Retail trade	435	(P)	(P)	(P)	(P)	1,963	1,959	4	1,050	913
General merchandise stores	0	0	0	0	0	0	0	0	0	0
Food stores	(P)	(P)	1	(P)	(P)	0	0	0	0	0
Apparel and accessory stores	(P)	0	(P)	(P)	2	0	0	0	0	0
Other	407	(P)	(P)	(P)	(P)	1,963	1,959	4	1,050	913
Depository institutions	3,547	(P)	(P)	(P)	(P)	1,104	1,104	0	989	114
Finance, except depository institutions	7,019	5,441	1,578	893	6,126	6,195	3,903	2,292	1,402	4,793
Insurance	8,526	7,898	628	(P)	(P)	4,325	4,317	8	117	4,208
Real estate	4,119	471	3,648	544	3,575	5,272	279	4,993	717	4,556
Services	12,187	11,896	291	4,091	8,096	9,951	9,865	85	1,949	8,001
Hotels and other lodging places	834	638	197	85	749	(P)	(P)	(P)	0	(P)
Business services	6,919	6,895	24	2,927	3,992	8,178	8,178	0	1,564	6,614
Computer and data processing services	4,749	4,729	20	(P)	(P)	4,824	4,824	0	1,159	3,665
Other business services	2,169	2,166	4	(P)	(P)	3,354	3,354	0	405	2,949
Motion pictures, including TV tape and film	(P)	(P)	(*)	(P)	(P)	0	0	0	0	0
Engineering and architectural services	(P)	(P)	0	(P)	(P)	0	0	0	0	0
Accounting, research, and management services	50	44	6	39	11	501	492	9	318	183
Health services	2,650	2,650	0	(P)	(P)	(P)	(P)	0	(P)	0
Other services	548	484	64	(P)	(P)	1,187	(P)	(P)	(P)	(P)
Other industries	10,898	10,701	197	1,719	9,179	9,496	9,304	191	2,353	7,142
Agriculture, forestry, and fishing	82	(P)	(P)	74	7	5	2	3	1	4
Mining	305	(P)	(P)	90	215	565	565	0	0	565
Coal	223	223	(*)	(P)	(P)	(P)	(P)	0	0	(P)
Other	82	(P)	(P)	(P)	(P)	(P)	(P)	0	0	(P)
Construction	132	(P)	(P)	(P)	(P)	448	(P)	(P)	0	448
Transportation	2,646	(P)	(P)	(P)	(P)	2,279	2,279	0	79	2,200
Communication and public utilities	7,733	(P)	(P)	(P)	(P)	6,199	(P)	(P)	2,274	3,925

* Less than \$500,000.
 (P) Suppressed to avoid disclosure of data of individual companies.

^p Preliminary
^r Revised.

Table 7.1.—Investment Outlays, Country of Ultimate Beneficial Owner by Industry of U.S. Business Enterprise, 1997

[Millions of dollars]

	All industries (1)	Petroleum (2)	Manufacturing						Wholesale trade (9)	Retail trade (10)	Depository institutions (11)	Finance, except depository institutions (12)	Insurance (13)	Real estate (14)	Services (15)	Other industries (16)
			Total (3)	Food and kindred products (4)	Chemicals and allied products (5)	Primary and fabricated metals (6)	Machinery (7)	Other manufacturing (8)								
All countries	69,708	762	19,603	1,949	4,539	1,327	4,788	7,000	2,612	435	3,547	7,019	8,526	4,119	12,187	10,898
Canada	11,755	(P)	3,859	(P)	(P)	(P)	542	1,551	495	0	5	964	(P)	963	1,296	3,950
Europe	44,014	653	13,237	1,390	3,132	1,050	3,237	4,428	1,927	(P)	5,348	8,380	2,075	8,033	601	
Austria	(P)	0	(P)	0	0	0	(P)	(P)	1	0	0	0	0	2	0	
Belgium	211	0	(P)	0	0	0	(P)	(P)	0	(P)	0	0	0	113	0	
Denmark	149	0	(P)	0	0	0	(P)	(P)	0	0	0	0	0	0	4	
Finland	(P)	0	(P)	0	0	0	(P)	(P)	2	0	0	0	0	0	0	
France	2,578	0	(P)	0	0	(P)	(P)	183	(P)	(P)	1	(P)	0	0	1,806	
Germany	6,464	0	(P)	0	(P)	3	(P)	1,355	1,369	1	0	(P)	(P)	916	362	
Ireland	1,740	0	(P)	0	0	4	0	(P)	(P)	0	(P)	(P)	(P)	0	(P)	
Italy	(P)	0	(P)	0	0	(P)	(P)	0	0	2	0	3	0	31	0	
Liechtenstein	5	0	0	0	0	0	0	0	0	0	0	0	0	5	0	
Luxembourg	(P)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Netherlands	10,244	107	(P)	(P)	(P)	(P)	(P)	272	64	0	(P)	(P)	(P)	208	(P)	
Norway	(P)	(P)	(P)	0	(P)	0	0	2	0	0	0	0	0	0	2	
Spain	(P)	0	(P)	0	0	0	0	(P)	0	0	0	0	0	4	0	
Sweden	2,712	(P)	712	0	(P)	(P)	567	(P)	1	0	0	0	0	(P)	2	
Switzerland	6,745	0	(P)	(P)	(P)	4	60	0	0	0	(P)	(P)	(P)	(P)	0	
United Kingdom	11,834	0	5,062	(P)	1,176	(P)	1,194	1,844	188	256	(P)	(P)	(P)	155	3,221	
Other	(P)	(P)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Latin America and Other Western Hemisphere	924	(P)	(P)	0	(P)	0	(P)	(P)	(P)	4	0	(P)	0	(P)	(P)	
South and Central America	166	(P)	(P)	0	(P)	0	0	(P)	(P)	4	0	0	0	24	(P)	
Brazil	(P)	0	0	0	0	0	0	0	0	0	0	0	0	(P)	(P)	
Mexico	72	0	(P)	0	0	0	(P)	(P)	(P)	4	0	0	0	(P)	(P)	
Panama	(P)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Venezuela	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other	41	(P)	(P)	0	(P)	0	0	0	0	0	0	0	0	5	0	
Other Western Hemisphere	758	0	(P)	0	0	0	(P)	(P)	0	0	0	(P)	0	(P)	(P)	
Bahamas	(P)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Bermuda	(P)	0	(P)	0	0	0	(P)	(P)	0	0	0	0	(P)	0	0	
Netherlands Antilles	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
U. K. Islands, Caribbean	109	0	0	0	0	0	0	0	0	0	(P)	0	0	(P)	0	
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Africa	(P)	0	0	0	0	0	0	0	(P)	0	0	(P)	(P)	4	0	
South Africa	26	0	0	0	0	0	0	0	0	0	0	0	4	0	0	
Other	(P)	0	0	0	0	0	0	0	0	0	(P)	0	0	0	0	
Middle East	847	0	(P)	0	0	0	(P)	(P)	0	0	0	(P)	0	(P)	(P)	
Israel	132	0	(P)	0	0	0	(P)	(P)	0	0	0	0	0	(P)	(P)	
Kuwait	3	0	0	0	0	0	0	0	0	0	0	0	3	0	(*)	
Lebanon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Saudi Arabia	55	0	0	0	0	0	0	0	0	0	(P)	0	0	0	0	
United Arab Emirates	(P)	0	0	0	0	0	0	0	0	0	0	0	0	(P)	0	
Other	(P)	0	(P)	0	0	0	(P)	0	0	0	0	0	0	(P)	0	
Asia and Pacific	11,786	0	1,425	(P)	261	(P)	(P)	520	181	(P)	(P)	282	0	682	2,746	
Australia	7,600	0	250	(P)	3	0	0	177	0	0	0	0	0	0	(P)	
China	4	0	0	0	0	0	0	0	2	0	0	0	0	2	0	
Hong Kong	280	0	0	0	0	0	0	0	6	3	0	5	0	(P)	(P)	
Indonesia	(P)	0	(P)	0	0	0	(P)	0	0	0	0	0	0	0	0	
Japan	2,326	0	924	(P)	158	(P)	376	310	60	(P)	0	181	0	376	584	
Korea, Republic of	77	0	22	0	0	(P)	(P)	(*)	0	(P)	0	0	0	0	(P)	
Malaysia	4	0	0	0	0	0	0	0	3	0	0	0	0	(*)	1	
New Zealand	9	0	3	0	3	0	0	0	1	0	0	5	0	0	0	
Philippines	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Singapore	(P)	0	(P)	0	0	0	5	(P)	0	0	0	0	0	(P)	2	
Taiwan	332	0	119	0	(P)	0	(P)	0	1	(P)	(P)	0	4	10	0	
Other	70	0	70	(P)	0	(P)	(P)	0	0	0	0	0	0	0	0	
United States ¹	(P)	0	(P)	0	0	0	(P)	0	0	0	0	0	0	0	(P)	
Addenda:																
European Union (15) ²	36,747	166	11,636	367	2,650	1,020	3,233	4,366	1,682	(P)	(P)	3,081	6,706	1,544	7,572	
OPEC ³	499	0	(P)	0	0	0	0	(P)	0	0	0	0	0	117	600	

* Less than \$500,000.

^P Suppressed to avoid disclosure of data of individual companies.

1. See footnote 4 in text for explanation.

2. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom. Prior to 1995, Austria, Fin-

land, and Sweden were not members of the European Union.

3. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

NOTE.—Data for 1997 are revised. For investments in which more than one investor participated, each investor and each investor's outlays are classified by the country of each individual ultimate beneficial owner.

Table 7.2.—Investment Outlays, Country of Ultimate Beneficial Owner by Industry of U.S. Business Enterprise, 1998

[Millions of dollars]

	All industries	Petroleum	Manufacturing						Wholesale trade	Retail trade	Depository institutions	Finance, except depository institutions	Insurance	Real estate	Services	Other industries
			Total	Food and kindred products	Chemicals and allied products	Primary and fabricated metals	Machinery	Other manufacturing								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All countries	201,027	72,136	89,679	1,556	4,168	1,877	21,951	60,127	907	1,963	1,104	6,195	4,325	5,272	9,951	9,496
Canada	21,480	(^D)	12,074	(^D)	(^D)	47	9,940	2,007	(^D)	(^D)	(^D)	340	(^D)	1,573	754	5,666
Europe	160,612	69,954	68,671	773	3,908	1,788	9,327	52,875	670	1,814	1,041	2,443	3,026	2,583	7,376	3,036
Austria	0	(*)	0	0	0	0	0	0	0	0	0	(*)	0	0	0	0
Belgium	257	0	92	0	0	0	(^D)	(^D)	(^D)	0	0	0	0	0	(^D)	0
Denmark	0	0	(^D)	0	0	0	0	0	5	0	0	0	0	0	0	(*)
Finland	356	0	(^D)	0	0	0	0	0	3	0	0	0	0	0	0	(^D)
France	14,129	(^D)	9,406	(^D)	264	(^D)	6,372	2,623	64	1,153	991	(^D)	(^D)	(^D)	121	1,619
Germany	39,949	0	36,850	(^D)	(^D)	(^D)	2,179	34,228	(^D)	660	0	64	91	2,070	144	(^D)
Ireland	4,518	0	4,147	0	(^D)	0	0	(^D)	(^D)	0	(*)	(*)	0	0	(^D)	(^D)
Italy	402	0	(^D)	(^D)	0	0	0	19	0	0	0	0	0	0	(^D)	(^D)
Liechtenstein	0	0	0	0	0	0	0	0	0	0	0	0	0	(^D)	0	0
Luxembourg	286	0	(*)	0	0	0	0	0	0	0	0	0	0	0	(^D)	(^D)
Netherlands	19,446	13,413	2,726	0	0	0	(^D)	(^D)	(^D)	0	0	837	(^D)	167	1,634	0
Norway	423	(^D)	0	0	0	0	0	0	(^D)	0	0	(*)	0	0	(^D)	97
Spain	0	0	0	0	0	0	0	0	(^D)	0	0	0	0	0	0	0
Sweden	206	0	(^D)	0	0	(^D)	5	0	2	0	0	0	0	112	(^D)	(*)
Switzerland	3,637	0	1,404	166	0	0	86	1,152	0	0	3	2,036	0	177	(^D)	(^D)
United Kingdom	76,881	56,430	13,674	(^D)	1,918	1,673	(^D)	9,140	0	0	50	(^D)	(^D)	201	4,483	777
Other	6	0	6	3	0	0	0	3	0	0	0	0	0	0	0	0
Latin America and Other Western Hemisphere	10,457	0	8,260	(^D)	(^D)	0	(^D)	(^D)	5	0	0	(^D)	(^D)	463	1,231	0
South and Central America	813	0	(^D)	(^D)	(^D)	0	0	0	0	0	0	(^D)	0	(^D)	0	0
Brazil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mexico	685	0	(^D)	(^D)	0	0	0	0	0	0	0	(^D)	0	(^D)	0	0
Panama	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Venezuela	0	0	(^D)	0	(^D)	0	0	0	0	0	0	0	0	0	0	0
Other	(^D)	0	0	0	0	0	0	0	0	0	0	(^D)	0	0	0	0
Other Western Hemisphere	9,644	0	(^D)	0	0	0	(^D)	(^D)	5	0	0	6	(^D)	(^D)	1,231	0
Bahamas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bermuda	6,209	0	(^D)	0	0	0	(^D)	(^D)	0	0	0	0	1	(^D)	(^D)	0
Netherlands Antilles	2,314	0	2,314	0	0	0	2,314	0	0	0	0	0	0	0	0	0
U. K. Islands, Caribbean	575	0	(^D)	0	0	0	(^D)	0	0	0	0	6	(^D)	147	(^D)	0
Other	546	0	0	0	0	0	0	5	0	0	0	0	0	0	541	0
Africa	145	0	(^D)	0	0	0	0	(^D)	(^D)	0	0	(^D)	0	0	(^D)	0
South Africa	145	0	(^D)	0	0	0	0	(^D)	(^D)	0	0	(^D)	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Middle East	2,968	(^D)	(^D)	0	0	0	(^D)	(^D)	4	9	0	0	0	447	(^D)	314
Israel	358	0	(^D)	0	0	0	(^D)	0	0	(^D)	0	0	0	(^D)	(^D)	(^D)
Kuwait	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lebanon	0	0	(^D)	0	0	0	0	0	0	0	0	0	0	0	(^D)	0
Saudi Arabia	0	(^D)	(^D)	0	0	0	0	0	0	0	0	0	0	(^D)	0	0
United Arab Emirates	392	0	0	0	0	0	0	0	0	0	0	0	0	392	0	0
Other	19	0	0	0	0	0	0	0	4	(^D)	0	0	0	0	0	(^D)
Asia and Pacific	5,207	5	616	36	231	42	230	77	197	(^D)	(^D)	3,203	0	202	536	(^D)
Australia	1,726	0	(^D)	0	0	(^D)	0	0	0	0	0	(^D)	0	0	0	0
China	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hong Kong	309	0	0	0	0	0	0	0	0	0	0	0	0	(^D)	0	(^D)
Indonesia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Japan	2,872	0	407	(^D)	231	(^D)	57	77	197	(^D)	0	(^D)	0	(^D)	(^D)	(^D)
Korea, Republic of	0	0	0	0	0	0	0	0	0	0	0	0	0	(^D)	(^D)	0
Malaysia	0	0	0	0	0	0	0	0	0	0	0	0	0	(^D)	0	0
New Zealand	5	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Philippines	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Singapore	0	0	(^D)	0	0	0	(^D)	0	0	0	0	0	0	0	0	0
Taiwan	145	0	97	(^D)	0	0	(^D)	0	0	0	(^D)	0	0	0	(^D)	0
Other	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
United States ¹	159	0	11	0	(^D)	0	(^D)	3	0	0	0	(^D)	0	3	0	(^D)
Addenda:																
European Union (15) ²	156,533	69,887	67,262	604	3,908	1,788	9,241	51,722	583	1,814	1,041	2,440	990	2,565	7,026	2,925
OPEC ³	(^D)	(^D)	(^D)	0	(^D)	0	0	0	0	0	0	0	0	429	0	0

* Less than \$500,000.

^D Suppressed to avoid disclosure of data of individual companies.

1. See footnote 4 in text for explanation.

2. The European Union (15) comprises Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom. Prior to 1995, Austria, Fin-

land, and Sweden were not members of the European Union.

3. OPEC is the Organization of Petroleum Exporting Countries. Its members are Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, the United Arab Emirates, and Venezuela.

NOTE.—Data for 1998 are preliminary. For investments in which more than one investor participated, each investor and each investor's outlays are classified by the country of each individual ultimate beneficial owner.

Gross State Product by Industry, 1995–97

By Richard M. Beemiller and Michael T. Wells

IN THIS article, the Bureau of Economic Analysis (BEA) presents new estimates of gross state product (GSP) for 1997 and revised estimates for 1995–96.¹ The new and revised GSP estimates are consistent with the estimates of gross product by industry for the Nation that were published in the November 1998 SURVEY OF CURRENT BUSINESS.² The GSP estimates presented here incorporate the results of the most recent annual revisions of State personal income and of the national income and product accounts.³ The

next update of GSP will take place in mid- to late-2000.

The first part of this article discusses the relative performance of various States in terms of growth rates, industry shares of State totals, and State shares of total GSP for the Nation. The second part discusses the revisions to the GSP estimates and the major sources of the revisions.

Growth Rates and Shares

Comparisons of GSP growth rates and shares of GSP across industries or States provide indications of the relative performance of industries or States. For example, comparing real gross state product

Revision of the National Income and Product Accounts," SURVEY 78 (August 1998): 7–35.

1. For the previously published estimates of GSP, see Richard M. Beemiller and George K. Downey, "Gross State Product by Industry, 1977–96," SURVEY OF CURRENT BUSINESS 78 (June 1998): 15–37.

2. See Sherlene K.S. Lum and Brian C. Moyer, "Gross Product by Industry, 1995–97," SURVEY 78 (November 1998): 20–40.

3. See Wallace K. Bailey, "State Personal Income, Revised Estimates for 1982–97," SURVEY 78 (October 1998): 20–41; and Eugene P. Seskin, "Annual

Gross State Product Estimates

GSP for each State is derived as the sum of the gross state product originating in all industries in the State. In concept, an industry's GSP, or its value added, is equivalent to its gross output (sales or receipts and other operating income, commodity taxes, and inventory change) minus its intermediate inputs (consumption of goods and services purchased from other U.S. industries or imported). Thus, GSP is often considered the State counterpart of the Nation's gross domestic product (GDP). In practice, GSP and the national estimates of gross product originating (GPO) by industry are measured as the sum of the distributions by industry of the components of gross domestic income—that is, the sum of the costs incurred and incomes earned in the production of GDP.¹

The GSP estimates are prepared for 63 industries (see appendix A). For each industry, GSP is presented in three components: Compensation of employees, indirect business tax and nontax liability, and "property-type income."² The relation between these components and the components of GPO is shown in appendix B.

1. The difference between GDP and gross domestic income is the statistical discrepancy. In the national estimates of GPO by industry, the statistical discrepancy is not allocated by industry. In the GSP estimates, insufficient information is available for allocating the statistical discrepancy to States. For more information on the statistical discrepancy, see Robert P. Parker and Eugene P. Seskin, "Annual Revision of the National Income and Product Accounts," SURVEY 77 (August 1997): 19.

2. Property-type income is the sum of corporate profits, proprietors' income, rental income of persons, net interest, capital consumption allowances, business transfer payments, and the current surplus of government enterprises less subsidies. Property-type income at both the national and State levels includes proprietors' income as a capital share of production; however, some portion of proprietors' income represents the labor share of production.

The estimates of GSP are prepared in current dollars (see table 6, which follows the text) and in chained (1992) dollars (see table 7). State estimates of GSP and its components for all industries are "controlled" to national totals of GPO and its components for all industries.³ The estimates of real GSP are derived by applying national implicit price deflators to the current-dollar GSP estimates for the 63 detailed industries. Then, the same chain-type index formula used in the national accounts is used to calculate the estimates of total real GSP and real GSP at a more aggregate industry level.⁴

Real GSP is an inflation-adjusted measure of each State's gross product that is based on national prices for the goods and services produced within that State. Real GSP may reflect a substantial volume of output that is sold to other States and countries. To the extent that a State's output is produced and sold in national markets at relatively uniform prices (or sold locally at national prices), GSP does a reasonable job of capturing the differences across States that reflect the relative differences in the mix of goods and services that the States produce. However, real GSP does not capture geographic differences in the prices of goods and services that are produced and sold locally.

3. If the initial sum of the State estimates differs from the national total for an industry, the difference between the national total and the sum-of-State total is allocated to the States according to the State distribution of the initial estimates.

4. For additional information, see J. Steven Landefeld and Robert P. Parker, "BEA'S Chain Indexes, Time Series, and Measures of Long-Term Economic Growth," SURVEY 77 (May 1997): 58–68; and Howard L. Friedenber and Richard M. Beemiller, "Comprehensive Revision of Gross State Product by Industry, 1977–94," SURVEY 77 (June 1997): 28–29.

growth rates shows the relative performance of particular industries or States. Comparisons can be made of the relative growth rates of real gross state product of a State's various industries or the industries' contributions to the growth rate of that State's economy as a whole. Likewise, comparing the share of total GSP in current dollars that is accounted for by the GSP of an industry over time indicates whether that industry's relative claim on the State's resources is increasing or decreasing.

Real growth rates

The rate of growth in real GSP for the Nation in 1996-97 was 4.3 percent (table 1).⁴

4. The rate of growth in real GDP—BEA's featured measure of the Nation's output—was 3.9 percent in 1996-97. GSP for the Nation differs from GDP for three reasons. First, GSP, like GPO, is derived from gross domestic income (GDI), which differs from GDP by the statistical discrepancy. Second, GSP excludes, and GDP and GPO include, the compensation of Federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except domestically located office equipment. Third, GSP and GDP often have different revision schedules. For an accounting of the differences (in current

Table 1.—Percent Change in Real Gross State Product, 1996-97

	Total gross state product	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale trade	Retail trade	Finance, insurance, and real estate	Services	Government
United States	4.3	11.7	6.7	2.2	5.9	2.9	9.3	7.2	3.2	3.7	0.9
New England	4.8	7.6	6.9	1.8	6.4	1.7	10.6	7.2	4.8	4.1	1.0
Connecticut	5.3	8.6	-16.7	2.5	6.0	1.1	13.8	6.3	6.3	4.5	-6
Maine	3.5	-1.6	30.8	-1.7	5.4	1.6	7.0	7.4	3.1	3.4	.2
Massachusetts	4.4	10.7	9.6	2.6	5.7	2.0	9.3	7.3	3.1	4.6	1.4
New Hampshire	7.5	8.7	20.0	.7	12.8	2.4	14.2	9.8	7.8	2.6	2.0
Rhode Island	4.6	3.7	0	1.4	2.0	2.2	7.5	7.7	9.6	1.7	3.1
Vermont	2.9	8.1	5.7	-1.8	7.2	-1.0	5.2	6.2	.4	1.7	1.9
Mideast	2.8	3.0	10.1	1.4	3.0	.3	8.3	6.5	2.9	2.4	.1
Delaware	2.5	8.6	20.0	1.4	-3.6	.8	5.5	8.2	4.2	6.0	.1
District of Columbia .....	.4	15.4	20.0	4.7	-1.4	-1.8	5.3	-1	3.6	-2.2	1.4
Maryland	3.7	4.5	11.6	3.4	5.4	.2	8.4	6.8	3.1	4.5	1.2
New Jersey	2.8	2.9	26.4	2.2	1.6	1.6	9.3	5.1	2.1	2.5	.8
New York	2.5	2.8	4.6	.1	1.7	-1.0	7.8	7.0	3.3	2.0	-2
Pennsylvania	3.3	2.1	9.9	1.3	5.6	1.4	8.1	6.8	1.9	3.1	-1.4
Great Lakes	4.1	15.1	5.6	2.0	5.3	2.1	9.3	6.7	2.7	2.9	1.0
Illinois	4.4	10.8	-6.0	1.4	7.2	3.5	8.7	6.9	3.8	2.4	1.1
Indiana	3.6	18.2	13.8	2.8	4.6	-9	9.0	6.1	1.1	4.1	-1.3
Michigan	3.8	16.3	15.6	3.3	4.0	2.7	9.9	7.3	1.0	2.1	2.5
Ohio	4.1	28.8	3.1	1.3	4.1	1.4	10.0	6.2	3.3	3.5	.6
Wisconsin	4.5	3.4	10.8	1.4	7.5	1.8	8.8	6.7	2.3	3.3	1.0
Plains	4.2	2.3	6.5	.8	6.2	4.2	8.5	6.9	2.8	3.9	.6
Iowa	5.0	10.0	8.2	-8	8.2	2.1	9.7	5.7	3.6	2.4	.9
Kansas	5.0	14.6	4.4	1.6	6.0	3.6	9.9	8.4	2.7	4.6	.4
Minnesota	4.5	-4.2	14.6	2.3	6.3	4.8	7.6	7.6	3.7	4.6	0
Missouri	4.2	22.5	2.2	1.4	4.6	3.4	8.2	6.3	2.4	3.6	1.8
Nebraska	3.0	-10.6	7.5	-3.1	5.7	10.7	9.6	6.7	1.5	4.6	-2
North Dakota .....	.6	-23.9	6.0	-3.1	12.6	.8	7.0	6.8	1.2	3.4	-1.3
South Dakota	1.7	-1.4	1.3	1.7	10.5	1.2	7.1	7.1	-5.3	2.6	-9
Southeast	4.1	13.5	6.9	2.0	3.4	2.2	9.0	7.5	3.4	4.2	1.3
Alabama	3.2	17.3	5.9	1.1	3.5	-1.7	7.4	7.3	2.1	3.5	.4
Arkansas	3.4	8.8	7.6	-1.5	3.9	-9	6.9	8.3	1.1	3.4	1.9
Florida	3.4	9.1	2.3	-3	3.4	1.8	8.1	6.5	1.4	4.1	2.5
Georgia	5.1	16.3	4.5	.9	4.2	4.0	11.2	6.9	5.0	4.9	2.2
Kentucky	4.6	31.6	6.4	3.3	5.5	2.5	8.7	7.8	1.5	3.0	.1
Louisiana	3.6	-2.6	7.0	1.8	1.5	1.6	9.6	8.1	2.9	2.4	1.5
Mississippi	3.0	5.4	5.8	1.6	3.0	-3	7.9	7.4	1.1	3.9	1.1
North Carolina	5.6	18.0	13.2	6.6	3.6	2.1	10.2	8.5	8.7	5.1	2.5
South Carolina	4.2	15.6	8.5	1.9	3.8	-1	10.0	8.6	3.3	4.4	2.0
Tennessee	4.3	19.1	17.8	3.2	3.2	4.9	9.5	8.2	3.7	4.2	-1.3
Virginia	4.0	7.0	8.6	4.2	2.5	5.0	7.6	7.4	4.2	5.7	-2
West Virginia .....	.9	12.5	7.1	-1.8	-3.2	-2.3	5.7	6.1	-4	1.6	1.4
Southwest	6.5	28.1	6.9	1.8	10.2	5.9	12.3	7.5	3.5	6.1	1.6
Arizona	6.7	10.7	9.2	2.4	13.3	4.4	12.6	8.7	4.8	6.1	1.6
New Mexico	5.8	25.4	6.7	-2.2	22.8	2.0	7.6	7.2	.4	.6	.7
Oklahoma	3.9	53.1	5.6	-4.2	6.0	1.7	7.3	5.3	.8	3.1	-3
Texas	6.8	27.8	7.0	2.6	9.2	6.9	13.0	7.6	3.7	6.9	2.1
Rocky Mountain	5.6	20.1	10.6	4.0	5.9	4.1	10.4	8.9	4.0	5.1	1.6
Colorado	6.5	18.3	48.1	4.8	5.2	5.2	12.4	9.1	4.6	6.0	1.7
Idaho	4.6	12.5	3.4	-1.1	8.8	2.2	8.6	7.5	-2.0	4.2	1.6
Montana	3.4	32.5	7.8	2.3	3.0	.5	5.5	6.2	-3	1.9	-8
Utah	6.3	20.5	6.2	6.0	6.2	5.2	8.4	11.1	6.5	5.1	3.2
Wyoming	3.1	37.6	.2	3.1	-4	1.4	10.0	4.9	15.1	.7	-6
Far West	5.0	10.8	2.2	3.9	10.5	4.8	8.8	7.3	3.1	3.4	1.0
Alaska .....	.4	2.8	-1.0	-3.1	-1.6	3.6	2.7	4.8	2.1	1.1	-2.4
California	5.0	13.1	4.4	4.7	9.9	4.5	8.4	7.2	3.7	2.9	.9
Hawaii	-2	6.9	-4.0	-10.2	-9	1.6	3.4	2.6	-8	-1.0	2.4
Nevada	4.6	11.6	3.8	5.1	6.2	4.9	12.1	11.0	2.8	2.6	3.7
Oregon	7.6	11.6	7.0	3.2	18.8	1.7	12.8	8.5	.4	3.7	1.6
Washington	5.5	.5	5.1	4.4	7.2	8.8	9.2	7.4	2.0	8.5	.4

Real GSP increased in all States except Hawaii.

By State, the growth rates ranged from an increase of 7.6 percent in Oregon to a decline of 0.2 percent in Hawaii. The five States with the fastest rates of growth in real GSP were Oregon (7.6 percent), New Hampshire (7.5 percent), Texas (6.8

percent), Arizona (6.7 percent), and Colorado (6.5 percent) (chart 1).

In Oregon, the major contributor to the growth in real GSP was durable goods manufacturing, mainly electronic and other electric equipment (table 2).⁵ In New Hampshire, the major contributors were durable goods manufacturing, mainly electronic and other electric equipment; and finance, insurance, and real estate. In Texas, the major contributors were durable goods manufacturing and services. In Arizona, the major contributors were durable goods manufacturing, mainly electronic and other electric equipment; and services, mainly business services. In Colorado, the major contributor was services, mainly business services.

The five States with the slowest rates of growth in real GSP were Hawaii (-0.2 percent), Alaska (0.4 percent), North Dakota (0.6 percent), West Virginia (0.9 percent), and South Dakota (1.7 per-

dollars) in 1997 between GSP for the Nation and GPO, see appendix B. For a discussion of the relationship between GPO and GDP, see Lum and Moyer, "Gross Product by Industry," 20.

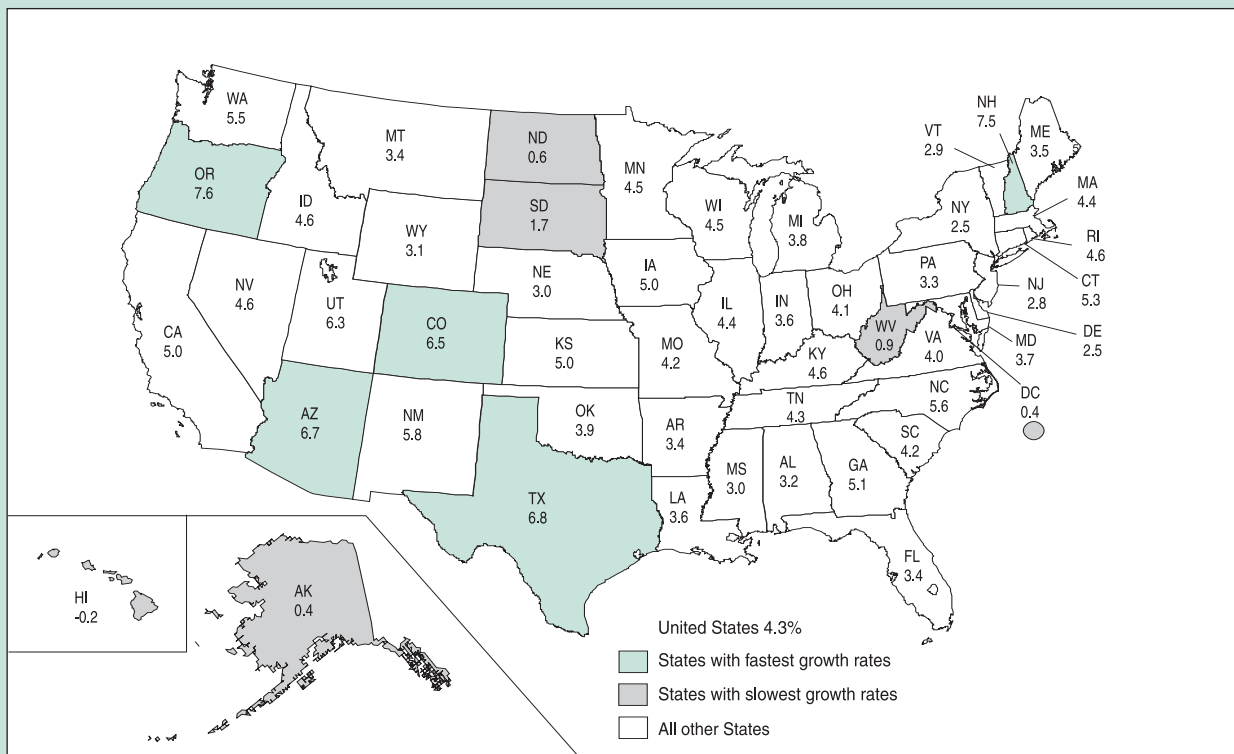
Acknowledgments

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5. In table 2, an exact formula for attributing GSP growth to the industries is used, so these estimates provide accurate measures of the contributions of the industries to the percentage change in real GSP for 1996-97. See the box "Calculation of Industry Contributions to Changes in Real GSP," and Lum and Moyer, "Gross Product by Industry," 24-25.

CHART 1

Real Gross State Product: Percent Change, 1996-97



cent). In Hawaii, the decline reflected declines in finance, insurance, and real estate, mainly real estate, and in construction. In Alaska, the slow growth reflected declines in government, mainly State and local government; and in mining, mainly oil and gas extraction. In North Dakota, the slow growth reflected a decline in agriculture, forestry, and fishing, mainly farms. In West Virginia, the slow growth reflected a de-

cline in nondurable goods manufacturing, mainly chemicals and allied products. In South Dakota, the slow growth reflected a decline in finance, insurance, and real estate.

Shares of current-dollar GSP

Industry shares.—In 1996–97, the share of U.S. current-dollar GSP accounted for by private services-producing industries increased 0.5 per-

Table 2.—Contributions to Percent Change in Real Gross State Product, 1996–97

	Percent change in real gross state product	Percentage points									
		Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale trade	Retail trade	Finance, insurance, and real estate	Services	Government
United States	4.3	0.2	0.1	0.1	1.0	0.2	0.6	0.6	0.6	0.7	0.1
New England	4.8	.1	0	.1	1.1	.1	.7	.6	1.2	1.0	-.1
Connecticut	5.3	.1	0	-.1	1.0	.1	.9	.5	1.8	1.0	-.1
Maine	3.5	0	0	-.1	.9	.1	.4	.8	.6	.6	0
Massachusetts	4.4	.1	0	-.1	.8	.1	.7	.6	.8	1.2	.1
New Hampshire	7.5	.1	0	0	3.1	.2	.9	.8	1.7	.5	.2
Rhode Island	4.6	0	0	0	.3	.2	.4	.7	2.2	.4	.4
Vermont	2.9	.2	0	-.1	1.3	-.1	.3	.6	.1	.4	.2
Mideast	2.8	0	0	0	.4	0	.5	.5	.7	.6	0
Delaware	2.5	.1	0	0	-.8	0	.2	.5	1.6	.8	0
District of Columbia .....	.4	0	0	0	0	-.1	.1	0	.6	-.7	.5
Maryland	3.7	0	0	.2	.5	0	.5	.6	.7	1.0	.2
New Jersey	2.8	0	0	.1	.2	.2	.8	.4	.5	.6	.1
New York	2.5	0	0	0	.2	-.1	.5	.5	1.0	.5	0
Pennsylvania	3.3	0	.1	.1	1.1	.1	.5	.6	.4	.7	-.1
Great Lakes	4.1	.2	0	.1	1.3	.2	.7	.6	.5	.5	.1
Illinois	4.4	.1	0	.1	1.3	.3	.7	.6	.8	.5	.1
Indiana	3.6	.3	.1	.1	1.4	-.1	.5	.6	.1	.6	-.1
Michigan	3.8	.2	.1	.1	1.0	.2	.7	.7	.2	.4	.3
Ohio	4.1	.3	0	.1	1.1	.1	.7	.6	.5	.6	.1
Wisconsin	4.5	.1	0	.1	2.0	.1	.6	.6	.4	.6	.1
Plains	4.2	.1	0	0	1.2	.4	.6	.6	.4	.7	.1
Iowa	5.0	.7	0	0	2.0	.2	.7	.5	.5	.4	.1
Kansas	5.0	.6	.1	.1	1.1	.4	.8	.8	.4	.8	.1
Minnesota	4.5	-.1	.1	.1	1.2	.4	.6	.7	.7	.9	0
Missouri	4.2	.4	0	.1	1.0	.3	.6	.6	.3	.7	.2
Nebraska	3.0	-.1.0	0	-.1	.8	1.1	.7	.6	.2	.8	0
North Dakota .....	.6	-.2.3	.2	-.2	1.0	.1	.6	.6	.2	.6	-.2
South Dakota	1.7	-.1	0	.1	1.3	.1	.4	.6	-.1.1	.4	-.1
Southeast	4.1	.2	.1	.1	.6	.2	.6	.7	.5	.8	.2
Alabama	3.2	.3	.1	0	.7	-.2	.5	.7	.3	.6	.1
Arkansas	3.4	.4	.1	-.1	.9	-.1	.4	.8	.1	.5	.2
Florida	3.4	.2	0	0	.3	.2	.6	.7	.3	1.0	.3
Georgia	5.1	.3	0	0	.7	.4	1.0	.6	.8	.9	.3
Kentucky	4.6	.7	.2	.1	1.5	.2	.5	.7	.2	.5	0
Louisiana	3.6	0	1.1	.1	.2	.1	.5	.7	.4	.4	.2
Mississippi	3.0	.2	.1	.1	.7	0	.4	.7	.1	.6	.2
North Carolina	5.6	.4	0	.3	1.0	.2	.7	.7	1.3	.8	.3
South Carolina	4.2	.2	0	.1	1.0	0	.6	.9	.4	.7	.3
Tennessee	4.3	.2	.1	.1	.7	.4	.7	.9	.5	.8	-.2
Virginia	4.0	.1	0	.2	.4	.4	.4	.6	.7	1.1	0
West Virginia .....	.9	.1	.6	-.1	-.6	-.3	.3	.5	0	.3	.2
Southwest	6.5	.4	.4	.1	1.6	.6	.8	.7	.5	1.1	.2
Arizona	6.7	.2	.1	.1	1.9	.3	.8	.9	.9	1.3	.2
New Mexico	5.8	.4	.5	-.1	3.5	.2	.3	.7	.1	.1	.1
Oklahoma	3.9	1.1	.3	-.1	1.0	.2	.4	.5	.1	.5	0
Texas	6.8	.4	.5	.1	1.4	.7	.9	.7	.5	1.3	.2
Rocky Mountain	5.6	.5	.5	.2	.7	.4	.6	.9	.6	1.0	.2
Colorado	6.5	.3	.8	.3	.6	.6	.8	.9	.8	1.3	.2
Idaho	4.6	.7	0	-.1	1.7	.2	.5	.7	-.3	.7	.2
Montana	3.4	1.5	.4	.1	.2	.1	.4	.6	0	.4	-.1
Utah	6.3	.2	.2	.3	1.0	.4	.5	1.1	1.1	1.0	.5
Wyoming	3.1	.7	0	.1	0	.2	.3	.3	1.5	.1	-.1
Far West	5.0	.2	0	.2	1.4	.4	.6	.6	.7	.8	.1
Alaska .....	.4	0	-.2	-.1	-.1	.5	.1	.3	.2	.1	-.5
California	5.0	.3	0	.2	1.4	.3	.6	.6	.9	.7	.1
Hawaii	-.2	.1	0	-.5	0	.2	.1	.3	-.6	-.2	.5
Nevada	4.6	.1	.1	.4	.3	.4	.6	1.0	.5	.9	.4
Oregon	7.6	.3	0	.2	4.4	.1	1.0	.7	.1	.6	.2
Washington	5.5	0	0	.2	.9	.7	.7	.7	.4	1.8	.1

centage point, from 63.4 percent to 63.9 percent (table 3).⁶ The share accounted for by private goods-producing industries declined 0.2 percentage point, from 24.4 percent to 24.2 percent.⁷ The share accounted for by government declined 0.3 percentage point, from 12.2 percent to 11.9 percent.⁸

For individual States, the changes in industry shares show more variation. By State, the change in the share of the private services-producing in-

dustries ranged from increases of more than 2.0 percentage points in Delaware, North Dakota, and Nebraska to declines of 0.7 percentage point in New Mexico and 0.6 percentage point in Oregon. In Delaware, the largest increase in share was in finance, insurance, and real estate, mainly depository institutions and holding and other investment offices; in North Dakota, the largest increase was in services, mainly business services; and in Nebraska, the largest increase was in transportation and public utilities, mainly communications. In New Mexico, the largest decline was in services, mainly "other" services. In Oregon, the largest declines were in transportation and public utilities, mainly communications; and in finance, insurance, and real estate, mainly depository institutions.

6. Private services-producing industries are defined to consist of transportation and public utilities; wholesale trade; retail trade; finance, insurance, and real estate; and "services."

7. Private goods-producing industries are defined to consist of agriculture, forestry, and fishing; mining; construction; and manufacturing.

8. A decline in share does not necessarily indicate a decline in the level of GSP. For example, the share of government declined, but GSP for government increased \$34.8 billion (see table 3).

Calculation of Industry Contributions to Changes in Real GSP

For current-dollar GSP, the sum of the component industries is equal to total GSP, so the changes in total GSP can be expressed as the sum of the changes in the component industries. This relationship can also be expressed in terms of percent changes by dividing by total GSP for year $t - 1$:

$$100 \times \frac{GSP_{\text{Total},t} - GSP_{\text{Total},t-1}}{GSP_{\text{Total},t-1}} = 100 \times \sum_i \frac{C_{i,t} - C_{i,t-1}}{GSP_{\text{Total},t-1}},$$

where $GSP_{\text{Total},t}$ is the value for total GSP in year t , and $C_{i,t}$ is the value of GSP for component industry i in year t .

However, for real GSP, a modified formula is used because chained-dollar measures of GSP by industry are not necessarily additive to total GSP. Specifically, an industry's contribution to the total percent change in real GSP for years following the base year is calculated as

$$C\% \Delta_{i,t} = 100 \times \frac{(P_t^P p_{i,t-1} + p_{i,t}) \times (q_{i,t} - q_{i,t-1})}{(2 \times IPD_t^F \times CD_{t-1}^F)},$$

where IPD_t^F is the implicit price deflator for total GSP in year t ,

CD_{t-1}^F is the chained-dollar value for total GSP in year $t - 1$,

P_t^P is the Paasche price index for total GSP in year t ,

$p_{i,t}$ is the price index for industry i in year t , and

$q_{i,t}$ is the quantity produced by industry i in year t .

This formula can be expanded to yield

$$C\% \Delta_{i,t} = 100 \times \frac{P_t^P p_{i,t-1} q_{i,t} - P_t^P p_{i,t-1} q_{i,t-1} + p_{i,t} q_{i,t} - p_{i,t} q_{i,t-1}}{(2 \times IPD_t^F \times CD_{t-1}^F)}.$$

Because the State variables that represent the composites of prices in one year and quantities in another (such as $p_{i,t-1} q_{i,t}$) are not directly observable, the contributions to growth are actually calculated using the following algebraically equivalent formula, which consists of combinations of prices and quantities for the same year and indexes of relative prices for years t and $t - 1$:

$$C\% \Delta_{i,t} = 100 \times \frac{P_t^P \left(\frac{p_{i,t-1}}{p_{i,t}} \right) p_{i,t} q_{i,t} - P_t^P p_{i,t-1} q_{i,t-1} + p_{i,t} q_{i,t} - \left(\frac{p_{i,t}}{p_{i,t-1}} \right) p_{i,t-1} q_{i,t-1}}{(2 \times IPD_t^F \times CD_{t-1}^F)}.$$

This formula changes somewhat when the contributions to growth for years preceding the base year are calculated.

For more information, see Eugene P. Seskin and Robert P. Parker, "A Guide to the NIPA's," SURVEY 78 (March 1998): 38-39.

The changes in the share of the private goods-producing industries ranged from an increase of 1.2 percentage points in New Mexico to declines of more than 2.0 percentage points in North Dakota, Nebraska, and Delaware. In New Mexico, the largest increase was in durable goods manufacturing, mainly electronic and other electric equipment. In North Dakota and Nebraska, the largest declines were in agriculture, forestry, and fishing, mainly farms. In Delaware, the largest decline was in non-durable goods manufacturing, mainly chemicals and allied products.

The changes in the share for government ranged from an increase of 0.4 percentage point in Hawaii to a decline of 0.7 percentage point in Virginia. In Hawaii, the increase in share was in Federal civilian and State and local government. In Virginia, the decline was in Federal civilian and Federal military government.

State shares.—Chart 2 shows the relative size of the State economies in terms of each State's share of current-dollar GSP for the Nation. The

14 States having the largest GSP accounted for nearly two-thirds of the U.S. total; the five largest States are California (12.7 percent), New York (8.0 percent), Texas (7.4 percent), Illinois (4.9 percent), and Florida (4.7 percent). The 21 States having the smallest GSP—mostly States in the western and in the northeastern parts of the Nation—accounted for slightly more than 10 percent of the U.S. total.

Revisions to the Estimates

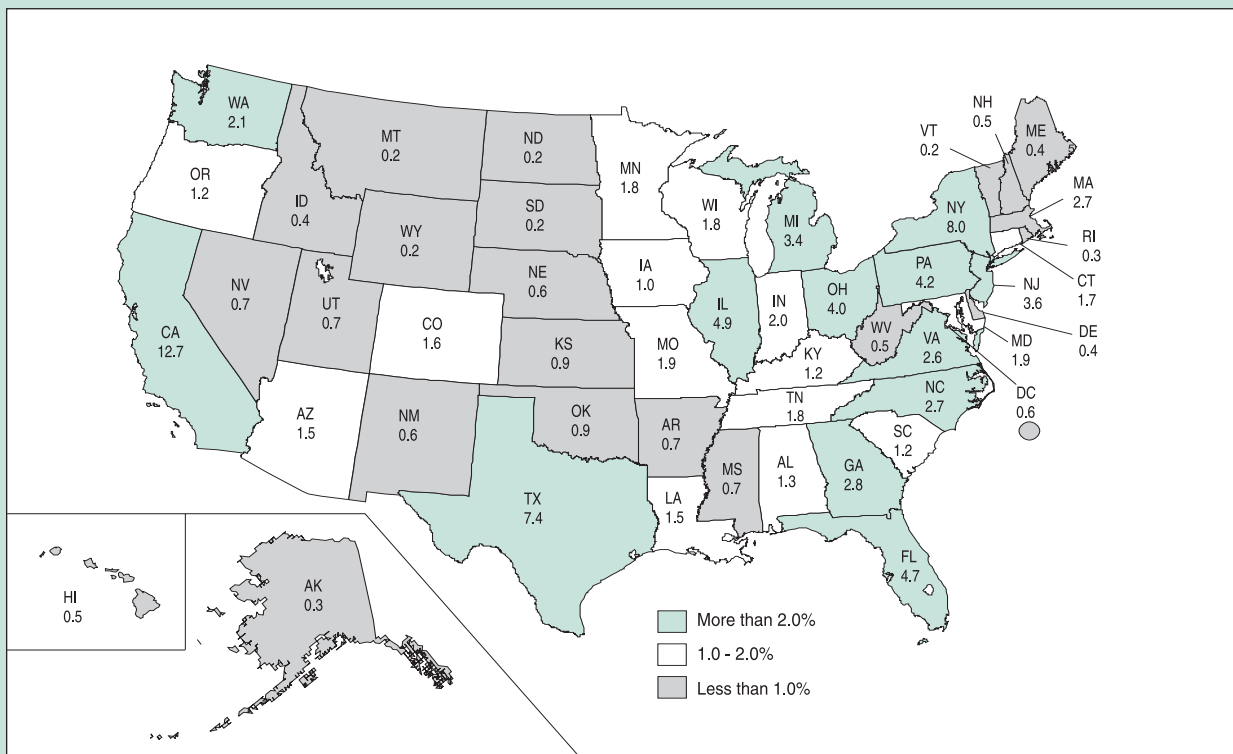
In general, the revisions to GSP as a percentage of the previously published estimates for 1995–96 are small. However, the revisions for 1996 are larger than those for 1995, mainly reflecting the incorporation of newly available source data from the Census Bureau's 1996 Annual Survey of Manufactures.

Impact of the revisions

Current-dollar estimates.—For 1996, the five States with the largest upward percentage revisions were Oregon, Delaware, New Hampshire,

CHART 2

Gross State Product in Current Dollars: Percentage of U.S. Total, 1997



Hawaii, and Utah (table 4). The five States with the largest downward percentage revisions were South Dakota, Louisiana, Pennsylvania, Michigan, and Tennessee. The revisions for all these States mainly reflect the statistical changes incorporated into the current-dollar estimates of GSP for these industries: Manufacturing in all of these States except Hawaii and South Dakota; finance, insurance, and real estate in Delaware, Hawaii, South Dakota, Pennsylvania, and Michi-

gan; transportation and public utilities in Hawaii and South Dakota; retail trade in Hawaii and Utah; and services in Hawaii.

Real growth rates.—For 1995–96, the five States with the largest upward revisions to the growth rates of real GSP were Oregon, Alaska, Wyoming, North Dakota, and New Hampshire (table 5). The States with the largest downward revisions were South Dakota, Delaware, Louisiana, and

Table 4.—Revisions to Gross State Product in Current Dollars, 1995–96

	1995				1996			
	Millions of dollars			Percentage of previously published	Millions of dollars			Percentage of previously published
	Previously published	Revised	Revision		Previously published	Revised	Revision	
United States	7,228,287	7,231,814	3,527	0	7,631,022	7,629,503	-1,519	0
New England	412,932	413,286	354	.1	435,880	436,130	250	.1
Connecticut	118,595	118,615	20	0	124,046	124,555	509	.4
Maine	27,748	27,751	3	0	28,894	28,669	-225	-.8
Massachusetts	195,874	195,664	-210	-1	208,591	207,256	-1,335	-.6
New Hampshire	31,802	32,242	440	1.4	34,108	35,106	998	2.9
Rhode Island	25,046	25,147	101	.4	25,629	25,955	326	1.3
Vermont	13,867	13,867	0	0	14,611	14,589	-22	-.2
Mideast	1,381,126	1,383,912	2,786	.2	1,440,922	1,447,609	6,687	.5
Delaware	26,947	27,813	866	3.2	28,331	29,208	877	3.1
District of Columbia	49,686	49,512	-174	-.4	51,197	50,282	-915	-1.8
Maryland	137,353	138,127	774	.6	143,190	144,849	1,659	1.2
New Jersey	266,134	266,702	568	.2	279,377	279,238	-139	-.1
New York	587,714	589,506	1,792	.3	613,287	621,188	7,901	1.3
Pennsylvania	313,293	312,252	-1,041	-.3	328,540	322,845	-5,695	-1.7
Great Lakes	1,178,334	1,173,069	-5,265	-.4	1,233,424	1,227,110	-6,314	-.5
Illinois	352,932	353,639	707	.2	370,778	370,430	-348	-.1
Indiana	148,801	147,383	-1,418	-1.0	155,797	154,227	-1,570	-1.0
Michigan	251,794	247,725	-4,069	-1.6	263,336	259,201	-4,135	-1.6
Ohio	292,103	292,076	-27	0	304,353	303,569	-784	-.3
Wisconsin	132,704	132,246	-458	-.3	139,160	139,683	523	.4
Plains	481,161	479,534	-1,627	-.3	514,201	510,551	-3,650	-.7
Iowa	71,362	70,929	-433	-.6	76,315	76,466	151	.2
Kansas	64,146	63,466	-680	-1.1	68,014	67,407	-607	-.9
Minnesota	131,358	131,072	-286	-.2	141,573	140,930	-643	-.5
Missouri	137,483	137,701	218	.2	145,123	143,664	-1,459	-1.0
Nebraska	43,673	43,637	-36	-.1	47,187	46,974	-213	-.5
North Dakota	14,477	14,248	-229	-1.6	15,701	15,620	-81	-.5
South Dakota	18,662	18,481	-181	-1.0	20,289	19,489	-800	-3.9
Southeast	1,580,725	1,580,418	-307	0	1,674,519	1,663,501	-11,018	-.7
Alabama	94,988	94,948	-40	0	99,190	98,474	-716	-.7
Arkansas	53,358	53,144	-214	-.4	56,417	56,111	-306	-.5
Florida	339,033	338,651	-382	-.1	360,496	360,271	-225	-.1
Georgia	200,751	200,152	-599	-.3	216,033	214,436	-1,597	-.7
Kentucky	90,617	90,073	-544	-.6	95,410	94,473	-937	-1.0
Louisiana	112,944	112,497	-447	-.4	121,143	117,633	-3,510	-2.9
Mississippi	53,647	53,748	101	.2	56,406	55,757	-649	-1.2
North Carolina	192,219	193,635	1,416	.7	204,229	203,485	-744	-.4
South Carolina	85,270	85,137	-133	-.2	89,476	88,343	-1,133	-1.3
Tennessee	134,873	134,489	-384	-.3	140,750	138,761	-1,989	-1.4
Virginia	186,986	188,002	1,016	.5	197,809	198,560	751	.4
West Virginia	36,039	35,942	-97	-.3	37,160	37,196	36	.1
Southwest	727,527	728,843	1,316	.2	778,815	781,898	3,083	.4
Arizona	103,951	103,638	-313	-.3	111,520	111,911	391	.4
New Mexico	40,759	41,004	245	.6	42,698	42,571	-127	-.3
Oklahoma	68,611	68,335	-276	-.4	72,767	72,690	-77	-.1
Texas	514,206	515,866	1,660	.3	551,830	554,726	2,896	.5
Rocky Mountain	213,825	214,318	493	.2	229,833	230,442	609	.3
Colorado	107,903	108,259	356	.3	116,227	116,164	-63	-.1
Idaho	26,885	26,861	-24	-.1	27,898	27,833	-65	-.2
Montana	17,722	17,567	-155	-.9	18,509	18,268	-241	-1.3
Utah	45,554	46,023	469	1.0	50,352	51,196	844	1.7
Wyoming	15,761	15,608	-153	-1.0	16,847	16,981	134	.8
Far West	1,252,657	1,258,432	5,775	.5	1,323,429	1,332,263	8,834	.7
Alaska	23,674	23,207	-467	-2.0	24,161	23,990	-171	-.7
California	913,474	918,928	5,454	.6	962,696	966,778	4,082	.4
Hawaii	36,034	36,681	647	1.8	36,317	36,992	675	1.9
Nevada	48,670	48,448	-222	-.5	53,687	53,449	-238	-.4
Oregon	80,805	80,713	-92	-.1	86,967	90,906	3,939	4.5
Washington	150,001	150,455	454	.3	159,602	160,148	546	.3

Hawaii. The revisions for all these States mainly reflect the incorporation of statistical changes into the current-dollar estimates.

Major sources of the revisions

For the industries that had a major impact on the States with large revisions to current-dollar GSP, the sources of the revisions were either revisions to the national estimates of GPO by industry or revisions to the State source data.

For manufacturing, the revisions reflect the incorporation of newly available data on value-added-in-production by State from the Census Bureau.

For the finance portion of finance, insurance, and real estate, the revisions mainly reflect the incorporation of the revised estimates of national GPO for holding and other investment offices and the incorporation of Federal Deposit Insurance Corporation data on deposits by State for depos-

Table 5.—Revisions to Percent Change in Real Gross State Product, Selected Years
[Percentage points]


	1994-95			1995-96		
	Previously published	Revised	Difference	Previously published	Revised	Difference
United States	2.6	2.9	0.3	3.2	3.6	0.4
New England	3.2	2.7	-.5	3.6	3.6	0
Connecticut	3.0	2.1	-.9	2.6	2.8	.2
Maine	2.1	1.9	-.2	2.4	1.9	-.5
Massachusetts	3.2	2.7	-.5	4.4	3.9	-.5
New Hampshire	6.9	8.0	1.1	5.9	7.9	2.0
Rhode Island	2.3	2.4	.1	.2	1.1	.9
Vermont .....	.3	.3	0	3.3	3.7	.4
Mideast	1.7	1.2	-.5	2.4	2.6	.2
Delaware	3.6	2.0	-1.6	6.3	3.6	-2.7
District of Columbia .....	.3	-2.2	-2.5	2.4	-1.3	-3.7
Maryland .....	.8	.8	0	2.0	2.5	.5
New Jersey	1.7	1.6	-.1	1.7	2.7	1.0
New York	1.1	.5	-.6	2.5	3.3	.8
Pennsylvania	3.2	2.7	-.5	2.8	1.8	-1.0
Great Lakes	2.9	2.1	-.8	3.0	3.1	.1
Illinois	2.5	2.1	-.4	3.5	3.2	-.3
Indiana	3.4	2.3	-1.1	3.2	3.4	.2
Michigan	2.6	.7	-1.9	2.6	2.9	.3
Ohio	3.4	3.0	-.4	2.6	2.5	-.1
Wisconsin	3.1	2.3	-.8	3.3	4.2	.9
Plains	3.0	2.3	-.7	4.2	4.1	-.1
Iowa	2.4	1.5	-.9	4.1	5.5	1.4
Kansas	1.5	.1	-1.4	2.8	3.5	.7
Minnesota	3.0	2.4	-.6	5.5	5.4	-.1
Missouri	4.1	3.9	-.2	3.3	2.3	-1.0
Nebraska	2.1	1.5	-.6	4.6	4.6	0
North Dakota	4.0	2.0	-2.0	4.3	6.3	2.0
South Dakota	4.1	2.7	-1.4	5.1	2.3	-2.8
Southeast	3.5	3.2	-.3	3.5	3.1	-.4
Alabama	3.4	3.0	-.4	2.6	2.2	-.4
Arkansas	3.5	3.0	-.5	3.2	3.5	.3
Florida	2.8	2.4	-.4	3.7	4.2	.5
Georgia	5.2	4.6	-.6	5.2	5.1	-.1
Kentucky	3.6	2.8	-.8	3.3	3.1	-.2
Louisiana	6.7	5.8	-.9	2.0	-.6	-2.6
Mississippi	3.7	3.9	.2	2.9	1.9	-1.0
North Carolina	3.4	4.0	.6	3.8	3.2	-.6
South Carolina	3.1	2.8	-.3	3.3	2.4	-.9
Tennessee	3.1	2.7	-.4	2.4	1.5	-.9
Virginia	2.1	2.2	.1	3.5	3.3	-.2
West Virginia	2.6	2.0	-.6	2.1	2.5	.4
Southwest	4.2	4.2	0	3.6	4.4	.8
Arizona	6.7	6.2	-.5	5.5	6.7	1.2
New Mexico	-.6	.6	1.2	2.1	2.3	.2
Oklahoma	2.3	1.5	-.8	2.6	3.3	.7
Texas	4.4	4.5	.1	3.5	4.2	.7
Rocky Mountain	5.3	4.9	-.4	4.8	5.0	.2
Colorado	4.9	4.5	-.4	5.2	4.7	-.5
Idaho	8.3	8.1	-.2	1.6	2.5	.9
Montana	2.7	1.4	-1.3	2.0	1.9	-.1
Utah	5.7	6.2	.5	8.3	9.2	.9
Wyoming	4.4	3.3	-1.1	.7	2.8	2.1
Far West	2.5	2.6	.1	3.2	3.7	.5
Alaska	5.5	3.5	-2.0	-5.6	-2.2	3.4
California	2.3	2.6	.3	2.9	3.0	.1
Hawaii	-2.0	-2.2	-.2	-.1	-1.2	-1.1
Nevada	5.7	4.9	-.8	7.8	8.1	.3
Oregon	6.2	5.9	-.3	5.9	11.9	6.0
Washington	1.1	1.0	-.1	3.7	4.1	.4

itory institutions. For the real estate portion, the revisions mainly reflect the incorporation of new source data for property taxes by State from the Census Bureau.

For the transportation portion of transportation and public utilities, the revisions mainly reflect the incorporation of income and expense data by company for air carriers; for the public utilities portion, the revisions mainly reflect the incorporation of re-

vised State personal income estimates of proprietors' income by State for electric, gas, and sanitary services.

For retail trade, the revisions mainly reflect the incorporation of new source data for sales taxes by State. For services, the revisions mainly reflect the incorporation of the revised estimates of national GPO.

Appendixes A and B and tables 6 and 7 follow. 

Data Availability

This article presents summary estimates of gross state product (GSP) by major industry group. The following GSP estimates for 63 industries for States, BEA regions, and the United States are available from BEA on the CD-ROM *Gross Product by Industry for the United States and States*. Current-dollar estimates of GSP and its three components—compensation of employees, indirect business tax and nontax liability, and property-type income—and real GSP estimates in chain-type quantity indexes for 1977–97 and in chained (1992) dollars for 1982–97.¹ The CD-ROM includes a data-retrieval program

that allows users to view or print selected records from the database and selected analytical tables and charts. Users may also export selected data to a file for importation into computer spreadsheets. To order, call the BEA Order Desk at 1-800-704-0415 (outside the United States, call 202-606-9666) and specify product number MCN-0231, price \$35.00.

The GSP estimates and other regional economic information are available on BEA's Web site at <www.bea.doc.gov>. They are also available by subscription from the Commerce Department's STAT-USA on the Economic Bulletin Board and the Internet; to subscribe, call 202-482-1986, or go to <www.stat-usa.gov>.

For further information, E-mail <gspread@bea.doc.gov> or call 202-606-5340.

1. The following measures for the United States are also available on the CD-ROM: Gross product by industry for 1947–97, detailed gross output for 1977–97, value of manufacturing product shipments for 1977–96, value of manufacturing industry shipments for 1977–97, and detailed indirect business taxes for 1978–97.

Appendix A.—Industries for Which Gross State Product Estimates Are Available

	1987 SIC code		1987 SIC code
Private industries		Local and interurban passenger transit	41
Agriculture, forestry, and fishing	A	Trucking and warehousing	42
Farms	01-02	Water transportation	44
Agricultural services, forestry, and fishing	07-09	Transportation by air	45
Mining	B	Pipelines, except natural gas	46
Metal mining	10	Transportation services	47
Coal mining	12	Communications	48
Oil and gas extraction	13	Electric, gas, and sanitary services	49
Nonmetallic minerals, except fuels	14	Wholesale trade	F
Construction	C	Retail trade	G
Manufacturing	D	Finance, insurance, and real estate	H
Durable goods		Depository institutions	60
Lumber and wood products	24	Nondepository institutions	61
Furniture and fixtures	25	Security and commodity brokers	62
Stone, clay, and glass products	32	Insurance carriers	63
Primary metal industries	33	Insurance agents, brokers, and service	64
Fabricated metal products	34	Real estate	65
Industrial machinery and equipment	35	Holding and other investment offices	67
Electronic and other electric equipment	36	Services	I
Motor vehicles and equipment	371	Hotels and other lodging places	70
Other transportation equipment	372-79	Personal services	72
Instruments and related products	38	Business services	73
Miscellaneous manufacturing industries	39	Auto repair, services, and parking	75
Nondurable goods		Miscellaneous repair services	76
Food and kindred products	20	Motion pictures	78
Tobacco products	21	Amusement and recreation services	79
Textile mill products	22	Health services	80
Apparel and other textile products	23	Legal services	81
Paper and allied products	26	Educational services	82
Printing and publishing	27	Social services	83
Chemicals and allied products	28	Membership organizations	86
Petroleum and coal products	29	Other services	84,87,89
Rubber and miscellaneous plastics products	30	Private households	88
Leather and leather products	31	Government	J
Transportation and public utilities	E	Federal civilian	91-96
Transportation		Federal military	97
Railroad transportation	40	State and local	91-96

NOTE.—The tables of gross product originating (GPO) by industry for the Nation that were published in the November 1998 SURVEY OF CURRENT BUSINESS present estimates for all of the industries shown in this table except Federal civilian and Federal military. In addition, the GPO tables present estimates for the following industries: Telephone and telegraph; radio and television; non-farm housing services; other real estate; Federal general government; Federal government enter-

prises; State and local general government; and State and local government enterprises.

SIC Standard Industrial Classification. See Executive Office of the President, Office of Management and Budget, *Standard Industrial Classification Manual 1987* (Washington, DC: U.S. Government Printing Office, 1987).

Appendix B.—Relation of Gross State Product (GSP) to Gross Product Originating (GPO) for 1997

[Billions of dollars]

	GSP	GPO	GSP less GPO
Total	8,103.2	¹ 8,166.7	-63.3
Compensation of employees	4,675.5	4,690.3	-14.8
Wage and salary accruals	² 3,887.0	3,896.6	-9.6
Supplements to wages and salaries:			
Employer contributions for social insurance	³ 395.8	400.7	-5.0
Other labor income	⁴ 392.7	392.9	-2
Indirect business tax and nontax liability	627.2	627.2	0
Property-type income	2,800.6	2,849.2	-48.6
Proprietors' income with inventory valuation adjustment:			
Farm	43.0	43.0	0
Nonfarm	485.9	485.9	0
Rental income of persons	208.6	208.6	0
Corporate profits with inventory valuation adjustment	642.2	642.2	0
Net interest	535.9	535.9	0
Business transfer payments	35.1	35.1	0
Less: Subsidies less current surplus of government enterprises	21.9	21.9	0
Private capital consumption allowances	768.7	768.7	0
Government consumption of fixed capital:			
Federal	⁵ 22.0	70.6	-48.6
State and local	81.1	81.1	0

1. Equals gross domestic income (GDI) from the national income and product accounts. GDI differs from gross domestic product (GDP) because it excludes the statistical discrepancy.

2. GSP excludes the wages and salaries of Federal civilian and military personnel stationed abroad.

3. GSP excludes employer contributions for social insurance of Federal civilian and military personnel stationed abroad.

4. GSP excludes other labor income of Federal civilian personnel stationed abroad.

5. GSP excludes the consumption of fixed capital for military equipment, except domestically located office equipment, and for military structures located abroad.

NOTE.—For definitions of the line items shown in this table, see "A Guide to the NIPAs," SURVEY OF CURRENT BUSINESS 78 (March 1998): 27-34.

Table 6.—Gross State Product by Component in Current Dollars, 1992–97

[Millions of dollars]

	1992	1993	1994	1995	1996	1997
United States:						
Gross state product	6,133,012	6,440,030	6,868,041	7,231,814	7,629,503	8,103,234
Compensation of employees	3,626,205	3,800,338	3,999,530	4,197,290	4,396,866	4,675,481
Indirect business tax and nontax liability	505,591	532,548	568,479	581,222	606,430	627,175
Property-type income	2,001,217	2,107,145	2,300,032	2,453,302	2,626,207	2,800,578
New England:						
Gross state product	353,141	370,001	391,565	413,286	436,130	466,857
Compensation of employees	215,713	224,816	234,469	246,203	258,171	275,895
Indirect business tax and nontax liability	27,434	28,519	30,043	30,921	32,168	33,181
Property-type income	109,994	116,666	127,052	136,162	145,792	157,781
Connecticut:						
Gross state product	103,031	107,454	112,620	118,615	124,555	134,565
Compensation of employees	61,868	64,082	66,135	68,989	71,953	77,291
Indirect business tax and nontax liability	8,716	8,954	9,372	9,712	10,159	10,488
Property-type income	32,446	34,419	37,112	39,914	42,442	46,785
Maine:						
Gross state product	24,003	25,075	26,238	27,751	28,669	30,156
Compensation of employees	14,503	14,954	15,366	15,862	16,435	17,366
Indirect business tax and nontax liability	2,321	2,436	2,536	2,643	2,780	2,851
Property-type income	7,179	7,684	8,337	9,246	9,454	9,939
Massachusetts:						
Gross state product	165,325	174,041	185,988	195,664	207,256	221,009
Compensation of employees	103,961	108,850	114,344	120,630	127,317	136,009
Indirect business tax and nontax liability	10,966	11,540	12,353	12,688	13,152	13,578
Property-type income	50,397	53,651	59,291	62,346	66,787	71,423
New Hampshire:						
Gross state product	26,035	27,156	29,288	32,242	35,106	38,106
Compensation of employees	15,001	15,652	16,737	17,871	18,865	20,350
Indirect business tax and nontax liability	2,338	2,409	2,458	2,566	2,656	2,655
Property-type income	8,697	9,095	10,094	11,903	13,675	15,102
Rhode Island:						
Gross state product	22,412	23,304	23,875	25,147	25,955	27,806
Compensation of employees	13,333	13,854	14,130	14,744	15,154	16,032
Indirect business tax and nontax liability	1,954	1,988	2,040	2,129	2,181	2,241
Property-type income	7,125	7,462	7,705	8,274	8,621	9,533
Vermont:						
Gross state product	12,336	12,971	13,555	13,867	14,589	15,214
Compensation of employees	7,048	7,425	7,757	8,108	8,447	8,848
Indirect business tax and nontax liability	1,139	1,192	1,285	1,281	1,329	1,368
Property-type income	4,149	4,354	4,513	4,478	4,812	4,999
Mideast:						
Gross state product	1,216,057	1,263,374	1,322,927	1,383,912	1,447,609	1,523,401
Compensation of employees	731,901	760,122	788,123	817,413	851,487	896,235
Indirect business tax and nontax liability	103,591	107,641	112,624	113,007	116,618	119,450
Property-type income	380,565	395,611	422,179	453,492	479,504	507,716
Delaware:						
Gross state product	23,492	23,694	24,124	27,813	29,208	31,585
Compensation of employees	11,756	12,369	12,999	13,792	14,643	15,603
Indirect business tax and nontax liability	1,323	1,357	1,489	1,484	1,567	1,605
Property-type income	10,413	9,968	9,636	12,537	12,998	14,377
District of Columbia:						
Gross state product	44,764	47,038	48,142	49,512	50,282	52,372
Compensation of employees	34,207	35,552	36,489	36,744	36,922	38,005
Indirect business tax and nontax liability	1,981	2,112	2,080	1,990	1,944	1,958
Property-type income	8,576	9,373	9,573	10,778	11,416	12,410
Maryland:						
Gross state product	118,784	124,551	132,942	138,127	144,849	153,797
Compensation of employees	73,550	76,525	80,343	83,494	86,968	92,726
Indirect business tax and nontax liability	8,312	9,204	9,713	9,863	10,052	10,300
Property-type income	36,923	38,823	42,886	44,771	47,829	50,770
New Jersey:						
Gross state product	232,881	243,886	255,777	266,702	279,238	294,055
Compensation of employees	135,830	142,045	148,162	153,739	159,746	168,498
Indirect business tax and nontax liability	23,543	23,684	25,140	25,533	26,583	27,080
Property-type income	73,509	78,157	82,475	87,430	92,909	98,477
New York:						
Gross state product	526,235	541,113	565,161	589,506	621,188	651,652
Compensation of employees	312,206	322,800	332,211	345,204	361,965	380,252
Indirect business tax and nontax liability	48,317	50,078	51,512	51,108	52,912	54,201
Property-type income	165,712	168,235	181,439	193,194	206,310	217,198
Pennsylvania:						
Gross state product	269,900	283,093	296,781	312,252	322,845	339,940
Compensation of employees	164,353	170,832	177,920	184,440	191,243	201,150
Indirect business tax and nontax liability	20,115	21,206	22,691	23,029	23,560	24,306
Property-type income	85,433	91,056	96,170	104,783	108,042	114,484

Table 6.—Gross State Product by Component in Current Dollars, 1992–97—Continued

[Millions of dollars]

	1992	1993	1994	1995	1996	1997
Great Lakes:						
Gross state product	978,823	1,033,607	1,121,443	1,173,069	1,227,110	1,295,671
Compensation of employees	611,394	648,774	691,914	725,058	749,461	791,876
Indirect business tax and nontax liability	76,169	80,389	89,062	88,807	94,846	98,317
Property-type income	291,259	304,445	340,467	359,204	382,803	405,478
Illinois:						
Gross state product	298,747	312,349	336,867	353,639	370,430	393,532
Compensation of employees	182,263	191,746	202,190	212,373	221,244	234,930
Indirect business tax and nontax liability	23,996	25,318	27,287	28,030	29,562	30,591
Property-type income	92,488	95,285	107,389	113,236	119,624	128,010
Indiana:						
Gross state product	122,097	129,667	141,358	147,383	154,227	161,701
Compensation of employees	75,183	80,379	86,032	89,840	92,365	97,047
Indirect business tax and nontax liability	8,443	8,710	10,359	10,396	10,225	10,646
Property-type income	38,471	40,578	44,968	47,148	51,637	54,008
Michigan:						
Gross state product	201,635	217,347	240,645	247,725	259,201	272,607
Compensation of employees	135,280	145,558	157,757	165,767	169,846	178,662
Indirect business tax and nontax liability	16,857	17,575	19,929	17,704	20,848	21,739
Property-type income	49,498	54,214	62,959	64,254	68,507	72,206
Ohio:						
Gross state product	245,726	256,593	276,742	292,076	303,569	320,506
Compensation of employees	151,119	159,194	169,271	176,770	182,279	192,333
Indirect business tax and nontax liability	17,563	18,634	20,398	21,385	21,859	22,639
Property-type income	77,044	78,766	87,074	93,921	99,431	105,533
Wisconsin:						
Gross state product	110,618	117,651	125,831	132,246	139,683	147,325
Compensation of employees	67,549	71,896	76,664	80,309	83,726	88,903
Indirect business tax and nontax liability	9,310	10,152	11,090	11,292	12,352	12,702
Property-type income	33,759	35,602	38,077	40,645	43,604	45,721
Plains:						
Gross state product	405,912	420,535	457,639	479,534	510,551	538,494
Compensation of employees	238,824	251,110	266,962	281,574	295,757	313,748
Indirect business tax and nontax liability	30,796	32,953	35,705	37,482	38,145	39,688
Property-type income	136,291	136,472	154,973	160,479	176,648	185,057
Iowa:						
Gross state product	59,981	61,973	68,728	70,929	76,466	80,479
Compensation of employees	33,259	35,053	37,467	39,308	40,925	43,181
Indirect business tax and nontax liability	4,534	4,964	5,357	5,446	5,519	5,705
Property-type income	22,188	21,956	25,904	26,175	30,023	31,593
Kansas:						
Gross state product	55,926	58,194	61,929	63,466	67,407	71,737
Compensation of employees	32,368	33,820	35,641	37,236	39,090	41,737
Indirect business tax and nontax liability	4,391	4,575	5,033	5,034	5,242	5,416
Property-type income	19,167	19,799	21,255	21,196	23,075	24,583
Minnesota:						
Gross state product	110,662	114,637	124,617	131,072	140,930	149,394
Compensation of employees	69,160	72,703	77,175	81,633	86,778	92,288
Indirect business tax and nontax liability	8,594	9,264	9,689	10,364	10,319	10,821
Property-type income	32,908	32,671	37,753	39,075	43,832	46,285
Missouri:						
Gross state product	114,545	118,301	129,110	137,701	143,664	152,100
Compensation of employees	69,475	73,034	77,851	82,263	85,737	90,892
Indirect business tax and nontax liability	8,266	8,708	9,587	10,147	10,552	11,014
Property-type income	36,803	36,559	41,672	45,021	47,374	50,193
Nebraska:						
Gross state product	37,193	38,385	42,109	43,637	46,974	48,812
Compensation of employees	20,470	21,488	22,860	24,235	25,536	27,087
Indirect business tax and nontax liability	2,755	2,965	3,293	3,426	3,590	3,697
Property-type income	13,968	13,931	15,957	15,976	17,848	18,029
North Dakota:						
Gross state product	12,583	12,724	13,680	14,248	15,620	15,786
Compensation of employees	6,826	7,222	7,622	8,068	8,490	8,889
Indirect business tax and nontax liability	1,083	1,198	1,301	1,298	1,388	1,440
Property-type income	4,675	4,304	4,757	4,882	5,742	5,457
South Dakota:						
Gross state product	15,022	16,322	17,466	18,481	19,489	20,186
Compensation of employees	7,266	7,790	8,346	8,830	9,202	9,674
Indirect business tax and nontax liability	1,174	1,279	1,445	1,496	1,534	1,594
Property-type income	6,582	7,253	7,675	8,154	8,753	8,917
Southeast:						
Gross state product	1,303,756	1,384,533	1,492,120	1,580,418	1,663,501	1,763,114
Compensation of employees	763,297	809,041	859,127	906,563	951,415	1,009,944
Indirect business tax and nontax liability	110,041	117,915	127,850	130,967	137,406	142,610
Property-type income	430,418	457,576	505,143	542,889	574,680	610,560

Table 6.—Gross State Product by Component in Current Dollars, 1992–97—Continued

[Millions of dollars]

	1992	1993	1994	1995	1996	1997
Alabama:						
Gross state product	79,604	82,998	89,327	94,948	98,474	103,109
Compensation of employees	48,865	51,369	54,271	56,905	58,727	61,553
Indirect business tax and nontax liability	5,397	5,889	6,323	6,682	7,034	7,194
Property-type income	25,341	25,739	28,732	31,361	32,713	34,362
Arkansas:						
Gross state product	43,810	46,452	50,364	53,144	56,111	58,479
Compensation of employees	24,831	26,143	27,951	29,493	30,659	32,263
Indirect business tax and nontax liability	3,228	3,431	3,751	3,891	4,125	4,203
Property-type income	15,751	16,878	18,661	19,760	21,327	22,014
Florida:						
Gross state product	280,220	300,681	321,700	338,651	360,271	380,607
Compensation of employees	163,133	174,065	184,321	194,874	206,359	219,155
Indirect business tax and nontax liability	29,096	31,218	33,981	34,952	36,819	38,169
Property-type income	87,990	95,397	103,399	108,825	117,093	123,283
Georgia:						
Gross state product	159,299	170,903	185,982	200,152	214,436	229,473
Compensation of employees	94,486	100,942	108,075	115,908	124,087	132,640
Indirect business tax and nontax liability	11,827	12,892	14,323	14,814	15,540	16,137
Property-type income	52,986	57,070	63,583	69,430	74,809	80,695
Kentucky:						
Gross state product	75,561	79,915	86,059	90,073	94,473	100,076
Compensation of employees	43,139	45,523	48,176	50,420	52,525	55,696
Indirect business tax and nontax liability	6,491	6,764	7,599	7,688	8,074	8,150
Property-type income	25,931	27,628	30,285	31,964	33,874	36,230
Louisiana:						
Gross state product	89,748	94,656	103,880	112,497	117,633	124,350
Compensation of employees	46,900	48,793	51,564	54,389	56,446	59,904
Indirect business tax and nontax liability	9,209	9,544	9,915	9,878	11,053	11,922
Property-type income	33,638	36,320	42,401	48,230	50,135	52,524
Mississippi:						
Gross state product	43,302	46,605	50,751	53,748	55,757	58,314
Compensation of employees	24,157	26,092	28,448	29,813	30,934	32,541
Indirect business tax and nontax liability	3,403	3,837	4,277	4,465	4,776	4,945
Property-type income	15,742	16,676	18,026	19,469	20,047	20,828
North Carolina:						
Gross state product	160,579	168,550	182,268	193,635	203,485	218,888
Compensation of employees	92,632	98,533	104,932	111,089	117,110	125,229
Indirect business tax and nontax liability	12,686	13,562	14,742	14,992	15,029	15,573
Property-type income	55,261	56,455	62,594	67,553	71,347	78,086
South Carolina:						
Gross state product	70,945	75,205	80,684	85,137	88,343	93,259
Compensation of employees	43,459	45,663	47,896	50,192	52,142	55,317
Indirect business tax and nontax liability	5,277	5,860	6,213	6,601	6,598	6,912
Property-type income	22,209	23,683	26,574	28,344	29,602	31,029
Tennessee:						
Gross state product	109,047	116,658	127,852	134,489	138,761	146,999
Compensation of employees	65,121	69,761	75,019	79,384	82,118	86,972
Indirect business tax and nontax liability	8,670	9,577	10,327	10,353	10,843	11,448
Property-type income	35,256	37,319	42,505	44,752	45,800	48,579
Virginia:						
Gross state product	161,020	169,972	178,788	188,002	198,560	211,331
Compensation of employees	98,892	103,751	108,981	114,002	119,686	127,450
Indirect business tax and nontax liability	12,167	12,592	13,337	13,496	14,176	14,691
Property-type income	49,962	53,629	56,470	60,505	64,697	69,190
West Virginia:						
Gross state product	30,621	31,938	34,465	35,942	37,196	38,228
Compensation of employees	17,683	18,406	19,493	20,093	20,623	21,223
Indirect business tax and nontax liability	2,590	2,750	3,061	3,154	3,339	3,264
Property-type income	10,348	10,782	11,912	12,695	13,234	13,741
Southwest:						
Gross state product	595,555	638,194	686,302	728,843	781,898	844,766
Compensation of employees	331,318	350,326	371,555	395,774	420,549	454,957
Indirect business tax and nontax liability	54,268	57,619	61,729	62,703	66,531	69,298
Property-type income	209,970	230,249	253,017	270,367	294,818	320,511
Arizona:						
Gross state product	78,278	84,951	95,360	103,638	111,911	121,239
Compensation of employees	45,798	49,134	54,157	59,062	63,939	69,249
Indirect business tax and nontax liability	7,371	7,852	8,562	8,815	9,170	9,585
Property-type income	25,109	27,966	32,642	35,761	38,802	42,405
New Mexico:						
Gross state product	31,949	36,297	40,885	41,004	42,571	45,242
Compensation of employees	17,246	18,551	19,861	21,233	21,833	22,862
Indirect business tax and nontax liability	2,634	3,104	3,219	3,199	3,389	3,582
Property-type income	12,069	14,642	17,805	16,571	17,349	18,798

Table 6.—Gross State Product by Component in Current Dollars, 1992–97—Continued

[Millions of dollars]

	1992	1993	1994	1995	1996	1997
Oklahoma:						
Gross state product	60,807	63,960	65,957	68,335	72,690	76,642
Compensation of employees	35,300	36,755	38,044	39,375	41,307	43,029
Indirect business tax and nontax liability	4,414	4,782	5,244	5,292	5,525	5,730
Property-type income	21,093	22,423	22,669	23,669	25,858	27,883
Texas:						
Gross state product	424,521	452,986	484,099	515,866	554,726	601,643
Compensation of employees	232,973	245,885	259,493	276,103	293,470	319,817
Indirect business tax and nontax liability	39,849	41,881	44,705	45,397	48,447	50,401
Property-type income	151,699	165,219	179,901	194,366	212,809	231,425
Rocky Mountain:						
Gross state product	169,044	184,195	199,032	214,318	230,442	247,372
Compensation of employees	99,090	106,752	114,799	122,749	130,691	140,485
Indirect business tax and nontax liability	14,002	14,641	16,207	16,744	17,351	18,037
Property-type income	55,953	62,802	68,027	74,825	82,400	88,849
Colorado:						
Gross state product	85,098	92,949	100,712	108,259	116,164	126,084
Compensation of employees	52,198	56,388	60,352	64,675	69,276	75,076
Indirect business tax and nontax liability	6,735	7,087	7,742	7,921	8,234	8,536
Property-type income	26,165	29,475	32,618	35,663	38,654	42,472
Idaho:						
Gross state product	20,057	22,399	24,505	26,861	27,833	29,149
Compensation of employees	11,412	12,354	13,544	14,434	15,015	15,861
Indirect business tax and nontax liability	1,499	1,638	1,874	1,913	1,996	2,079
Property-type income	7,147	8,408	9,087	10,513	10,822	11,209
Montana:						
Gross state product	14,988	16,085	16,867	17,567	18,268	19,160
Compensation of employees	8,049	8,635	9,146	9,559	10,019	10,430
Indirect business tax and nontax liability	1,441	1,327	1,498	1,528	1,587	1,640
Property-type income	5,497	6,123	6,223	6,481	6,662	7,089
Utah:						
Gross state product	35,193	38,129	42,007	46,023	51,196	55,417
Compensation of employees	21,740	23,368	25,439	27,590	29,750	32,165
Indirect business tax and nontax liability	2,731	2,983	3,252	3,679	3,719	3,893
Property-type income	10,722	11,779	13,316	14,753	17,727	19,359
Wyoming:						
Gross state product	13,708	14,633	14,941	15,608	16,981	17,561
Compensation of employees	5,690	6,008	6,317	6,490	6,631	6,952
Indirect business tax and nontax liability	1,595	1,607	1,841	1,703	1,815	1,889
Property-type income	6,422	7,017	6,783	7,415	8,534	8,720
Far West:						
Gross state product	1,110,725	1,145,590	1,197,015	1,258,432	1,332,263	1,423,561
Compensation of employees	634,668	649,397	672,581	701,956	739,334	792,342
Indirect business tax and nontax liability	89,290	92,871	95,259	100,592	103,366	106,594
Property-type income	386,767	403,323	429,174	455,884	489,563	524,625
Alaska:						
Gross state product	22,212	22,503	21,853	23,207	23,990	24,494
Compensation of employees	10,907	11,356	11,597	11,688	11,782	12,028
Indirect business tax and nontax liability	2,383	2,244	2,085	2,265	2,322	2,359
Property-type income	8,922	8,903	8,171	9,255	9,886	10,107
California:						
Gross state product	825,193	843,100	875,965	918,928	966,778	1,033,016
Compensation of employees	468,623	475,252	488,309	507,634	532,730	569,912
Indirect business tax and nontax liability	63,841	65,806	66,285	71,076	72,855	74,906
Property-type income	292,729	302,042	321,371	340,217	361,193	388,199
Hawaii:						
Gross state product	35,193	35,160	35,249	36,681	36,992	38,024
Compensation of employees	20,625	21,048	21,280	21,123	21,170	21,703
Indirect business tax and nontax liability	2,701	2,774	3,056	2,979	3,044	3,159
Property-type income	11,867	11,339	10,913	12,578	12,778	13,162
Nevada:						
Gross state product	36,057	39,502	44,502	48,448	53,449	57,407
Compensation of employees	20,500	22,285	24,781	27,099	29,864	32,271
Indirect business tax and nontax liability	3,074	3,559	3,904	4,163	4,561	4,846
Property-type income	12,484	13,658	15,817	17,186	19,023	20,290
Oregon:						
Gross state product	63,242	68,922	74,724	80,713	90,906	98,367
Compensation of employees	37,695	40,228	43,302	46,567	50,077	53,922
Indirect business tax and nontax liability	4,561	4,733	5,103	5,012	4,835	5,000
Property-type income	20,986	23,961	26,319	29,135	35,994	39,445
Washington:						
Gross state product	128,827	136,403	144,721	150,455	160,148	172,253
Compensation of employees	76,318	79,228	83,311	87,844	93,710	102,506
Indirect business tax and nontax liability	12,731	13,755	14,826	15,097	15,750	16,324
Property-type income	39,779	43,420	46,584	47,513	50,688	53,423

Table 7.—Real Gross State Product by Major Industry, 1992–97

[Millions of chained (1992) dollars]

	1992	1993	1994	1995	1996	1997	1992	1993	1994	1995	1996	1997
	United States						New England					
Total gross state product	6,133,012	6,274,538	6,535,632	6,726,590	6,965,494	7,262,914	353,141	359,865	373,481	383,743	397,640	416,834
Agriculture, forestry, and fishing	112,374	102,326	119,138	106,176	114,249	127,649	3,126	2,896	3,124	2,913	3,033	3,262
Mining	92,248	96,358	102,547	107,447	102,980	109,867	250	260	258	263	276	295
Construction	229,657	234,312	249,766	254,236	268,496	274,363	11,382	11,702	12,125	12,299	12,932	13,160
Manufacturing	1,063,628	1,100,823	1,193,167	1,271,556	1,293,847	1,369,889	62,771	62,250	65,635	69,850	72,583	77,263
Transportation and public utilities	528,665	551,937	584,148	592,235	626,356	644,316	24,696	26,046	27,075	26,894	27,927	28,391
Wholesale trade	406,414	416,485	448,567	455,772	486,601	532,014	23,092	23,289	24,799	25,603	27,545	30,459
Retail trade	544,316	566,203	601,164	626,356	665,909	713,540	30,356	31,391	32,643	33,588	35,521	38,093
Finance, insurance, and real estate	1,147,913	1,174,304	1,196,940	1,206,239	1,246,032	1,285,950	81,634	84,406	87,974	89,357	91,746	96,138
Services	1,200,834	1,223,494	1,256,529	1,305,285	1,349,069	1,398,631	79,405	80,870	83,070	86,058	88,853	92,517
Government	806,963	821,172	827,476	816,907	819,388	827,108	36,430	37,131	37,397	37,080	37,533	37,904
Not allocated by industry ¹	0	-12,876	-43,810	-15,619	-7,433	-20,413	0	-376	-619	-162	-309	-648
	Connecticut						Maine					
Total gross state product	103,031	104,197	107,242	109,465	112,563	118,537	24,003	24,368	24,896	25,363	25,855	26,754
Agriculture, forestry, and fishing	730	744	812	765	782	849	538	461	491	430	445	438
Mining	61	69	42	45	42	35	12	13	13	13	13	17
Construction	3,360	3,399	3,444	3,418	3,541	3,630	1,062	1,051	1,038	1,060	1,152	1,132
Manufacturing	19,171	18,037	18,877	19,799	20,712	21,950	4,063	4,233	4,551	4,809	4,593	4,839
Transportation and public utilities	6,978	7,191	7,538	7,688	7,457	7,542	1,861	1,921	1,831	1,925	2,098	2,131
Wholesale trade	6,850	6,694	6,977	7,154	7,789	8,861	1,355	1,389	1,481	1,510	1,632	1,747
Retail trade	8,272	8,389	8,640	8,870	9,287	9,871	2,792	2,951	3,023	3,097	3,222	3,462
Finance, insurance, and real estate	27,178	28,545	28,831	29,175	29,638	31,517	4,233	4,380	4,456	4,491	4,566	4,709
Services	20,689	21,354	22,256	22,833	23,572	24,640	4,339	4,331	4,489	4,603	4,702	4,862
Government	9,741	9,845	9,984	9,749	9,818	9,761	3,748	3,678	3,562	3,431	3,451	3,459
Not allocated by industry ¹	0	-70	-159	-31	-75	-119	0	-40	-39	-6	-19	-42
	Massachusetts						New Hampshire					
Total gross state product	165,325	169,432	177,462	182,193	189,385	197,798	26,035	26,514	28,087	30,343	32,746	35,188
Agriculture, forestry, and fishing	1,086	1,003	1,080	1,022	1,089	1,206	225	211	227	224	229	249
Mining	97	106	122	124	136	149	28	25	32	33	35	42
Construction	4,810	5,069	5,411	5,502	5,824	5,975	892	943	936	1,003	1,062	1,069
Manufacturing	27,445	27,906	29,574	30,789	31,207	32,992	5,454	5,254	6,053	7,661	9,235	10,420
Transportation and public utilities	11,310	11,971	12,445	12,195	12,938	13,198	1,914	2,161	2,362	2,290	2,497	2,557
Wholesale trade	11,534	11,697	12,573	12,920	13,952	15,251	1,459	1,555	1,680	1,894	1,994	2,278
Retail trade	13,562	14,035	14,761	15,224	16,333	17,526	2,512	2,649	2,809	2,922	3,053	3,351
Finance, insurance, and real estate	37,208	38,316	41,216	41,964	43,604	44,950	5,874	5,986	6,124	6,253	6,458	6,960
Services	42,299	42,968	43,761	45,581	47,154	49,311	5,037	5,101	5,238	5,527	5,755	5,905
Government	15,975	16,574	16,863	16,902	17,173	17,419	2,640	2,651	2,693	2,646	2,681	2,735
Not allocated by industry ¹	0	-213	-344	-30	-25	-179	0	-22	-67	-110	-253	-378
	Rhode Island						Vermont					
Total gross state product	22,412	22,688	22,780	23,335	23,602	24,695	12,336	12,670	13,023	13,065	13,546	13,934
Agriculture, forestry, and fishing	204	186	196	189	190	197	343	290	317	283	298	322
Mining	12	13	15	17	14	14	40	35	33	31	35	37
Construction	744	719	770	765	789	800	514	521	526	551	564	554
Manufacturing	4,202	4,260	4,102	4,221	4,169	4,252	2,436	2,558	2,483	2,596	2,782	2,981
Transportation and public utilities	1,533	1,658	1,684	1,691	1,760	1,799	1,100	1,145	1,213	1,103	1,179	1,167
Wholesale trade	1,151	1,175	1,241	1,300	1,352	1,453	745	778	847	825	825	868
Retail trade	2,030	2,123	2,102	2,135	2,217	2,388	1,186	1,243	1,307	1,340	1,408	1,495
Finance, insurance, and real estate	5,056	5,067	5,173	5,251	5,222	5,721	2,086	2,110	2,180	2,229	2,272	2,282
Services	4,691	4,689	4,790	4,964	5,036	5,123	2,351	2,427	2,535	2,550	2,634	2,680
Government	2,790	2,827	2,740	2,796	2,847	2,936	1,536	1,555	1,554	1,554	1,563	1,592
Not allocated by industry ¹	0	-29	-33	6	6	12	0	8	28	3	-14	-44
	Mideast						Delaware					
Total gross state product	1,216,057	1,231,550	1,267,249	1,282,029	1,315,452	1,352,311	23,492	23,980	25,300	25,802	26,742	27,407
Agriculture, forestry, and fishing	8,257	7,853	8,600	7,846	8,283	8,534	248	230	272	232	245	266
Mining	2,328	2,394	2,644	2,625	2,765	3,043	5	5	5	4	5	6
Construction	41,291	40,589	42,089	41,356	42,437	43,026	816	754	684	732	854	866
Manufacturing	173,025	174,050	180,756	188,296	188,277	193,983	4,880	4,996	5,441	5,673	5,674	5,470
Transportation and public utilities	102,318	105,513	109,333	110,850	115,716	116,026	1,264	1,301	1,358	1,384	1,461	1,472
Wholesale trade	78,850	79,574	83,744	83,051	87,099	94,290	915	919	983	1,001	1,068	1,127
Retail trade	92,496	94,151	98,313	100,866	105,376	112,211	1,346	1,384	1,490	1,572	1,704	1,843
Finance, insurance, and real estate	290,984	297,976	309,404	310,700	325,369	334,667	8,762	9,096	9,655	9,525	9,780	10,187
Services	269,008	270,277	273,721	279,191	283,991	290,924	3,105	3,119	3,211	3,336	3,560	3,775
Government	157,501	161,949	162,541	157,759	156,800	157,020	2,151	2,213	2,277	2,318	2,367	2,370
Not allocated by industry ¹	0	-2,776	-3,896	-511	-661	-1,413	0	-37	-76	25	24	25

See footnotes at end of table.

Table 7.—Real Gross State Product by Major Industry, 1992–97—Continued

[Millions of chained (1992) dollars]

	1992	1993	1994	1995	1996	1997	1992	1993	1994	1995	1996	1997
	District of Columbia						Maryland					
Total gross state product	44,764	45,465	45,556	44,554	43,979	44,148	118,784	121,048	126,010	127,007	130,173	135,048
Agriculture, forestry, and fishing	12	12	12	13	13	15	1,152	1,085	1,226	1,095	1,193	1,247
Mining	10	11	8	12	10	12	103	102	112	112	121	135
Construction	425	390	396	378	384	402	5,895	5,738	6,090	6,085	6,323	6,538
Manufacturing	1,295	1,156	1,141	1,088	1,108	1,093	10,420	10,443	11,026	11,524	11,817	12,456
Transportation and public utilities	2,463	2,522	2,457	2,442	2,601	2,554	9,318	9,841	10,406	10,205	10,826	10,850
Wholesale trade	653	600	560	538	528	556	7,130	7,447	7,931	7,956	8,473	9,185
Retail trade	1,353	1,339	1,367	1,361	1,316	1,315	10,997	11,077	11,647	11,961	12,426	13,266
Finance, insurance, and real estate	6,786	7,077	7,170	7,377	7,681	7,955	25,505	26,062	27,721	27,276	27,565	28,423
Services	14,026	14,281	14,675	14,578	14,605	14,287	26,551	27,419	27,925	28,718	29,386	30,705
Government	17,743	18,951	18,729	16,801	15,809	16,031	21,713	22,381	22,608	22,107	22,142	22,416
Not allocated by industry ¹	0	-874	-959	-34	-76	-72	0	-547	-682	-32	-99	-173
	New Jersey						New York					
Total gross state product	232,881	237,212	243,301	247,075	253,784	260,940	526,235	528,275	544,386	547,348	565,457	579,680
Agriculture, forestry, and fishing	1,184	1,201	1,390	1,331	1,373	1,413	2,574	2,471	2,648	2,446	2,505	2,575
Mining	132	145	164	157	140	177	404	434	462	439	431	451
Construction	8,094	8,257	8,514	8,356	8,504	8,690	15,320	14,839	15,417	15,119	15,426	15,441
Manufacturing	35,861	36,826	36,277	37,468	37,802	38,422	67,230	65,211	68,218	68,134	68,071	69,240
Transportation and public utilities	21,817	23,267	24,991	24,896	26,059	26,480	42,663	42,875	44,378	45,054	46,957	46,478
Wholesale trade	21,234	21,374	22,555	22,368	23,605	25,792	32,565	32,764	34,136	33,604	35,337	38,077
Retail trade	17,859	18,052	18,727	19,336	20,270	21,312	36,833	37,410	39,167	39,926	41,577	44,481
Finance, insurance, and real estate	51,876	52,839	54,319	55,024	56,744	57,926	149,326	152,928	159,901	161,087	172,289	177,948
Services	49,175	49,187	50,138	51,935	53,090	54,440	118,802	118,217	119,459	121,240	122,803	125,273
Government	25,649	26,330	26,586	26,243	26,281	26,497	60,518	61,860	62,029	60,483	60,326	60,232
Not allocated by industry ¹	0	-266	-360	-39	-84	-209	0	-734	-1,429	-184	-265	-516
	Pennsylvania						Great Lakes					
Total gross state product	269,900	275,601	282,778	290,322	295,450	305,266	978,823	1,009,294	1,075,819	1,098,016	1,132,174	1,178,510
Agriculture, forestry, and fishing	3,087	2,855	3,051	2,728	2,953	3,015	14,512	12,629	15,399	12,761	14,850	17,097
Mining	1,672	1,697	1,893	1,905	2,075	2,281	4,677	4,582	5,035	4,751	4,961	5,240
Construction	10,741	10,610	10,988	10,686	10,947	11,090	37,599	38,640	41,391	42,017	44,337	45,204
Manufacturing	53,338	55,418	58,665	64,450	63,829	67,429	240,154	256,953	285,129	297,478	298,794	314,551
Transportation and public utilities	24,793	25,709	25,742	26,874	27,816	28,200	80,981	80,705	89,379	88,919	93,936	95,943
Wholesale trade	16,353	16,470	17,578	17,585	18,089	19,553	67,785	70,063	76,426	77,444	81,908	89,556
Retail trade	24,109	24,890	25,915	26,710	28,084	29,992	86,203	89,101	96,132	100,772	107,920	115,128
Finance, insurance, and real estate	48,729	50,015	50,760	50,515	51,533	52,493	160,410	165,754	171,186	170,668	174,788	179,519
Services	57,349	58,053	58,316	59,387	60,550	62,448	176,577	179,476	185,192	192,666	198,704	204,389
Government	29,728	30,226	30,317	29,824	29,225	29,512	109,925	112,089	111,611	111,143	112,568	113,640
Not allocated by industry ¹	0	-342	-447	-342	-351	-747	0	-698	-1,061	-603	-592	-1,757
	Illinois						Indiana					
Total gross state product	298,747	305,705	325,531	332,435	343,071	358,136	122,097	126,501	135,142	138,192	142,865	148,020
Agriculture, forestry, and fishing	4,227	3,509	4,752	3,190	4,524	5,014	2,172	2,022	2,327	1,836	2,406	2,843
Mining	1,519	1,405	1,629	1,531	1,604	1,508	704	706	810	767	879	1,000
Construction	12,179	12,216	12,937	12,930	13,487	13,672	5,290	5,486	6,022	6,134	6,365	6,546
Manufacturing	53,779	56,779	65,629	68,515	68,439	73,358	36,968	39,454	43,224	46,200	47,318	49,515
Transportation and public utilities	28,351	28,576	31,110	31,199	33,093	34,258	10,518	10,997	11,472	11,190	11,914	11,808
Wholesale trade	24,003	24,244	25,949	26,077	26,933	29,280	7,048	7,426	8,164	8,268	8,704	9,488
Retail trade	25,042	25,846	27,378	28,654	29,843	31,910	10,969	11,385	12,643	13,300	13,969	14,821
Finance, insurance, and real estate	57,897	60,146	61,796	62,581	64,385	66,834	16,121	16,341	17,172	16,857	17,070	17,253
Services	60,125	60,904	62,498	65,663	68,031	69,656	18,801	19,034	19,638	20,196	20,763	21,604
Government	31,624	32,307	32,170	32,244	32,762	33,109	13,507	13,728	13,779	13,575	13,676	13,494
Not allocated by industry ¹	0	-227	-317	-149	-30	-463	0	-78	-109	-131	-199	-352
	Michigan						Ohio					
Total gross state product	201,635	211,349	229,087	230,691	237,390	246,368	245,726	250,616	265,150	273,094	280,030	291,380
Agriculture, forestry, and fishing	2,246	2,143	2,354	2,374	2,241	2,606	2,947	2,543	3,136	2,834	2,989	3,850
Mining	1,095	1,019	1,031	1,006	996	1,151	1,149	1,156	1,293	1,218	1,255	1,294
Construction	6,888	7,063	7,723	8,195	8,928	9,222	8,649	9,147	9,783	9,838	10,310	10,443
Manufacturing	52,481	58,000	67,543	67,633	65,288	67,881	66,157	70,001	73,625	78,405	79,439	82,707
Transportation and public utilities	13,759	14,859	16,096	15,679	16,935	17,392	20,341	17,955	21,995	21,955	22,565	22,882
Wholesale trade	13,763	14,476	16,103	16,549	17,917	19,694	16,264	16,890	18,628	18,889	20,056	22,064
Retail trade	17,950	18,352	20,051	21,357	24,007	25,759	22,422	23,245	25,131	26,207	27,969	29,696
Finance, insurance, and real estate	32,269	33,147	34,635	32,848	33,945	34,281	37,128	38,104	38,951	39,503	40,288	41,635
Services	36,716	37,735	39,313	41,151	42,736	43,629	43,148	43,506	44,870	46,359	47,052	48,705
Government	24,468	24,688	24,464	23,988	24,458	25,059	27,521	28,235	27,965	28,066	28,550	28,531
Not allocated by industry ¹	0	-133	-226	-89	-61	-306	0	-166	-227	-180	-243	-427

See footnotes at end of table.

Table 7.—Real Gross State Product by Major Industry, 1992–97—Continued

[Millions of chained (1992) dollars]

	1992	1993	1994	1995	1996	1997	1992	1993	1994	1995	1996	1997
	Wisconsin						Plains					
Total gross state product	110,618	115,108	120,860	123,585	128,804	134,600	405,912	409,946	437,959	447,967	466,467	486,138
Agriculture, forestry, and fishing	2,920	2,413	2,830	2,524	2,692	2,784	19,577	13,523	20,229	15,496	20,703	21,169
Mining	211	295	280	237	251	278	2,713	2,771	2,703	2,748	2,847	3,033
Construction	4,593	4,728	4,926	4,920	5,247	5,322	15,569	16,152	17,980	18,525	19,722	19,885
Manufacturing	30,769	32,707	35,056	36,713	38,343	41,201	79,055	80,120	87,228	94,295	94,236	100,118
Transportation and public utilities	8,012	8,314	8,704	8,893	9,425	9,598	38,554	40,151	42,800	42,987	45,663	47,564
Wholesale trade	6,706	7,027	7,582	7,661	8,298	9,031	29,871	30,630	33,339	33,972	36,831	39,972
Retail trade	9,820	10,274	10,928	11,254	12,133	12,942	36,306	38,387	40,998	42,590	45,147	48,281
Finance, insurance, and real estate	16,995	18,013	18,609	18,899	19,129	19,571	61,170	63,520	65,256	66,382	67,092	68,943
Services	17,787	18,297	18,873	19,302	20,130	20,799	70,536	71,999	74,346	77,638	80,427	83,595
Government	12,803	13,131	13,234	13,268	13,322	13,449	52,561	53,196	53,950	53,477	54,012	54,314
Not allocated by industry ¹	0	-91	-162	-86	-166	-375	0	-503	-870	-143	-213	-736
	Iowa						Kansas					
Total gross state product	59,981	60,527	66,078	67,070	70,786	74,304	55,926	56,737	59,415	59,474	61,539	64,589
Agriculture, forestry, and fishing	4,522	2,418	4,714	3,502	5,065	5,573	2,830	2,421	3,018	2,184	2,537	2,908
Mining	142	144	166	158	170	184	849	889	877	911	836	873
Construction	2,201	2,247	2,485	2,600	2,765	2,743	1,974	2,061	2,234	2,293	2,495	2,536
Manufacturing	14,315	15,619	17,007	18,521	19,043	20,607	9,942	10,145	10,580	10,919	11,286	11,964
Transportation and public utilities	4,637	4,952	5,307	5,400	5,805	5,925	6,219	6,518	6,979	6,745	7,157	7,412
Wholesale trade	4,144	4,252	4,583	4,637	4,914	5,390	4,023	4,064	4,402	4,608	5,006	5,504
Retail trade	5,167	5,405	5,823	5,916	6,230	6,585	5,195	5,556	5,895	6,093	6,497	7,045
Finance, insurance, and real estate	8,379	8,765	9,002	9,080	9,057	9,385	7,534	7,309	7,402	7,436	7,474	7,673
Services	8,934	9,122	9,363	9,710	10,113	10,359	8,936	9,191	9,302	9,676	9,899	10,357
Government	7,539	7,621	7,682	7,748	7,740	7,812	8,422	8,662	8,835	8,590	8,376	8,409
Not allocated by industry ¹	0	-18	-54	-102	-116	-259	0	-79	-109	19	-24	-92
	Minnesota						Missouri					
Total gross state product	110,662	111,467	118,699	121,527	128,097	133,810	114,545	115,418	123,415	128,238	131,213	136,732
Agriculture, forestry, and fishing	3,180	1,743	3,260	2,751	3,739	3,582	2,218	1,691	2,239	1,767	2,294	2,811
Mining	632	599	573	566	617	707	343	372	406	404	458	468
Construction	4,666	4,692	4,914	5,086	5,460	5,584	4,422	4,674	5,534	5,667	5,879	5,963
Manufacturing	22,364	22,138	24,066	24,809	25,567	27,165	24,632	23,779	26,492	29,512	28,335	29,643
Transportation and public utilities	8,857	9,108	9,606	9,760	10,494	11,000	12,465	12,800	13,405	13,562	14,287	14,771
Wholesale trade	8,444	8,814	9,753	9,876	11,039	11,882	8,425	8,497	9,215	9,473	10,103	10,932
Retail trade	9,648	10,247	10,952	11,481	12,096	13,016	10,688	11,216	11,950	12,460	13,219	14,046
Finance, insurance, and real estate	18,915	20,038	20,537	20,897	21,578	22,375	16,557	17,111	17,936	18,136	18,262	18,692
Services	21,064	21,240	21,974	23,098	24,112	25,221	21,360	21,862	22,594	23,557	24,227	25,110
Government	12,892	12,985	13,376	13,245	13,475	13,478	13,434	13,572	13,846	13,758	14,194	14,446
Not allocated by industry ¹	0	-137	-312	-42	-80	-200	0	-156	-202	-58	-45	-150
	Nebraska						North Dakota					
Total gross state product	37,193	37,471	40,426	41,025	42,922	44,228	12,583	12,420	13,164	13,428	14,272	14,355
Agriculture, forestry, and fishing	3,651	2,850	3,687	2,880	3,896	3,482	1,461	979	1,435	1,068	1,400	1,066
Mining	98	98	108	107	107	115	438	428	365	423	430	456
Construction	1,291	1,401	1,637	1,652	1,798	1,742	479	517	561	605	675	654
Manufacturing	5,351	5,512	6,156	6,655	6,233	6,586	793	826	953	1,163	1,281	1,443
Transportation and public utilities	3,832	4,044	4,549	4,622	4,873	5,392	1,306	1,403	1,546	1,541	1,587	1,599
Wholesale trade	2,861	2,925	3,088	3,099	3,310	3,629	1,047	1,119	1,235	1,193	1,292	1,383
Retail trade	3,030	3,194	3,445	3,605	3,892	4,152	1,137	1,223	1,295	1,340	1,428	1,525
Finance, insurance, and real estate	5,273	5,529	5,605	5,764	5,828	5,913	1,721	1,676	1,533	1,702	1,702	1,722
Services	5,913	6,078	6,387	6,696	6,998	7,320	2,021	2,081	2,182	2,263	2,358	2,439
Government	5,893	5,894	5,877	5,955	5,975	5,964	2,181	2,192	2,095	2,131	2,130	2,102
Not allocated by industry ¹	0	-54	-113	-10	12	-67	0	-24	-36	-1	-11	-34
	South Dakota						Southeast					
Total gross state product	15,022	15,904	16,761	17,216	17,607	17,915	1,303,756	1,352,121	1,435,356	1,481,886	1,527,935	1,590,339
Agriculture, forestry, and fishing	1,715	1,423	1,874	1,341	1,766	1,741	25,821	23,885	28,444	26,044	27,284	30,963
Mining	211	241	207	188	235	238	20,133	22,164	28,084	28,876	29,256	31,270
Construction	536	559	617	623	651	662	50,570	53,735	56,725	58,363	62,698	63,960
Manufacturing	1,658	2,110	1,981	2,754	2,545	2,813	253,313	261,051	284,866	305,126	299,743	309,881
Transportation and public utilities	1,237	1,328	1,417	1,363	1,464	1,481	122,101	129,940	135,937	138,034	146,525	149,700
Wholesale trade	926	959	1,064	1,088	1,168	1,251	83,983	87,725	95,586	97,854	105,337	114,834
Retail trade	1,439	1,546	1,639	1,695	1,785	1,912	124,841	133,027	142,273	148,808	159,641	171,535
Finance, insurance, and real estate	2,790	3,086	3,240	3,390	3,176	3,007	199,551	207,670	216,477	220,278	228,413	236,102
Services	2,308	2,424	2,544	2,639	2,721	2,791	228,536	237,718	248,018	260,320	269,579	281,014
Government	2,201	2,270	2,237	2,147	2,117	2,098	194,908	197,182	201,938	199,593	200,389	202,906
Not allocated by industry ¹	0	-42	-59	-12	-21	-79	0	-1,976	-2,992	-1,410	-930	-1,826

See footnotes at end of table.

Table 7.—Real Gross State Product by Major Industry, 1992–97—Continued

[Millions of chained (1992) dollars]

	1992	1993	1994	1995	1996	1997	1992	1993	1994	1995	1996	1997
	Alabama						Arkansas					
Total gross state product	79,604	81,026	85,517	88,056	90,002	92,845	43,810	45,355	48,251	49,690	51,445	53,209
Agriculture, forestry, and fishing	1,739	1,720	1,988	1,746	1,794	2,105	2,055	1,769	2,456	2,211	2,523	2,746
Mining	1,114	1,220	1,405	1,538	1,684	1,784	366	448	411	491	485	522
Construction	2,992	3,055	3,241	3,267	3,554	3,592	1,559	1,645	1,733	1,852	1,976	1,946
Manufacturing	17,980	18,091	19,275	20,404	20,354	21,058	10,459	11,291	12,374	12,995	12,920	13,429
Transportation and public utilities	7,709	8,025	8,307	8,532	8,906	8,756	5,035	5,261	5,342	5,547	5,935	5,882
Wholesale trade	4,668	4,929	5,368	5,542	5,884	6,321	2,617	2,762	3,025	3,107	3,262	3,488
Retail trade	7,658	8,228	8,746	9,191	9,830	10,545	4,506	4,733	5,118	5,372	5,701	6,176
Finance, insurance, and real estate	9,795	10,096	10,327	10,522	10,778	11,006	5,051	5,203	5,330	5,395	5,601	5,661
Services	12,654	12,892	13,187	13,679	13,943	14,427	6,484	6,583	6,763	6,981	7,200	7,445
Government	13,294	12,957	13,910	13,701	13,398	13,447	5,679	5,708	5,773	5,771	5,877	5,989
Not allocated by industry ¹	0	-187	-237	-66	-123	-196	0	-48	-74	-32	-35	-75
	Florida						Georgia					
Total gross state product	280,220	292,380	306,185	313,553	326,799	338,059	159,299	166,748	178,434	186,613	196,141	206,139
Agriculture, forestry, and fishing	6,273	5,895	6,300	5,819	5,901	6,438	2,754	2,568	3,341	3,246	3,427	3,984
Mining	798	724	776	802	957	979	682	728	813	843	912	953
Construction	12,243	13,194	13,608	13,912	14,963	14,916	5,386	5,742	6,271	6,742	7,365	7,434
Manufacturing	24,650	25,022	26,092	27,508	27,583	28,511	29,422	30,522	33,334	36,604	37,030	38,572
Transportation and public utilities	25,193	27,294	29,188	29,512	31,079	31,640	18,501	19,986	21,234	21,604	23,164	24,089
Wholesale trade	19,382	20,247	21,953	22,619	24,964	26,975	14,101	14,888	16,048	16,287	17,813	19,803
Retail trade	31,122	33,499	35,664	36,850	39,929	42,525	13,997	15,188	16,479	17,598	19,277	20,605
Finance, insurance, and real estate	59,574	62,199	65,253	66,105	68,646	69,591	24,878	26,048	27,456	28,076	29,208	30,682
Services	63,045	65,909	68,793	72,012	73,836	76,834	27,324	28,570	30,106	32,214	34,210	35,873
Government	37,939	38,684	38,953	38,459	39,106	40,070	22,254	22,759	23,704	23,533	23,883	24,400
Not allocated by industry ¹	0	-287	-395	-45	-165	-420	0	-251	-352	-134	-148	-256
	Kentucky						Louisiana					
Total gross state product	75,561	78,373	83,542	85,841	88,544	92,617	89,748	92,290	100,746	106,623	105,999	109,840
Agriculture, forestry, and fishing	2,351	2,073	2,277	1,897	2,041	2,686	1,096	988	1,305	1,207	1,289	1,255
Mining	2,734	2,889	3,214	2,976	3,242	3,448	8,808	10,803	15,344	15,930	15,537	16,617
Construction	2,878	3,033	3,164	3,127	3,312	3,422	3,950	3,913	4,092	4,072	4,422	4,502
Manufacturing	19,774	21,334	23,662	25,430	25,747	27,171	15,147	14,732	16,365	20,415	17,695	17,964
Transportation and public utilities	6,480	6,700	7,125	7,180	7,576	7,764	9,267	9,564	9,784	10,090	10,326	10,491
Wholesale trade	4,029	4,226	4,744	4,901	5,229	5,685	5,147	5,243	5,645	5,739	6,107	6,691
Retail trade	6,647	7,045	7,560	7,860	8,387	9,041	7,794	8,015	8,515	9,011	9,471	10,242
Finance, insurance, and real estate	8,575	8,770	8,981	9,142	9,352	9,492	12,019	12,347	12,625	12,462	13,166	13,551
Services	10,985	11,265	11,560	11,995	12,398	12,774	14,839	15,012	15,656	16,288	16,485	16,877
Government	11,107	11,131	11,392	11,386	11,360	11,367	11,680	11,791	11,778	11,655	11,679	11,855
Not allocated by industry ¹	0	-93	-137	-53	-100	-233	0	-118	-363	-246	-178	-205
	Mississippi						North Carolina					
Total gross state product	43,302	45,276	48,464	50,357	51,309	52,873	160,579	165,476	178,123	185,327	191,348	202,108
Agriculture, forestry, and fishing	1,247	1,055	1,511	1,368	1,549	1,632	3,696	3,668	4,311	3,992	4,269	5,037
Mining	504	428	380	466	432	457	204	211	248	254	250	283
Construction	1,406	1,619	1,768	1,792	1,934	1,965	5,756	6,207	6,616	6,958	7,545	8,046
Manufacturing	11,118	11,434	12,326	13,058	12,447	12,825	48,665	48,790	55,057	58,617	57,540	59,621
Transportation and public utilities	4,873	5,172	5,022	5,476	5,657	5,639	12,750	13,416	14,078	14,365	15,443	15,761
Wholesale trade	2,401	2,528	2,801	2,796	2,964	3,198	9,932	10,398	11,481	11,737	12,287	13,545
Retail trade	4,235	4,584	4,938	5,171	5,578	5,991	14,141	14,963	16,095	16,932	17,921	19,445
Finance, insurance, and real estate	4,987	5,171	5,321	5,431	5,510	5,568	20,385	21,466	22,571	23,428	24,656	26,806
Services	5,728	6,297	7,149	7,441	7,814	8,119	22,477	23,489	24,534	25,841	27,594	28,991
Government	6,803	7,040	7,277	7,366	7,396	7,479	22,572	22,909	23,301	23,442	23,727	24,319
Not allocated by industry ¹	0	-52	-29	-8	28	0	0	-41	-169	-239	116	254
	South Carolina						Tennessee					
Total gross state product	70,945	73,591	77,678	79,817	81,755	85,171	109,047	113,784	122,120	125,359	127,211	132,646
Agriculture, forestry, and fishing	911	842	1,101	1,011	1,074	1,242	1,575	1,407	1,676	1,518	1,426	1,699
Mining	152	163	172	165	189	205	404	369	378	383	411	484
Construction	3,043	3,148	3,223	3,341	3,685	3,755	3,789	4,088	4,412	4,666	4,863	5,017
Manufacturing	18,894	19,901	21,978	22,701	22,340	23,197	26,848	28,467	30,320	30,792	29,408	30,351
Transportation and public utilities	5,627	5,973	6,184	6,347	6,744	6,739	8,736	9,338	10,064	9,947	10,599	11,116
Wholesale trade	3,728	3,934	4,307	4,541	4,828	5,312	7,866	8,241	9,038	9,221	9,757	10,682
Retail trade	7,071	7,609	8,024	8,573	9,174	9,964	11,701	12,621	13,487	14,081	15,051	16,282
Finance, insurance, and real estate	9,090	9,331	9,749	9,999	10,247	10,583	14,115	14,703	15,565	16,096	16,743	17,363
Services	9,998	10,367	10,904	11,519	11,795	12,309	20,649	21,532	22,433	23,765	24,127	25,132
Government	12,431	12,407	12,150	11,680	11,713	11,947	13,365	13,188	14,955	14,858	14,757	14,564
Not allocated by industry ¹	0	-84	-114	-60	-34	-82	0	-170	-208	32	69	-44

See footnotes at end of table.

Table 7.—Real Gross State Product by Major Industry, 1992–97—Continued

[Millions of chained (1992) dollars]

	1992	1993	1994	1995	1996	1997	1992	1993	1994	1995	1996	1997
	Virginia						West Virginia					
Total gross state product	161,020	166,350	172,899	176,647	182,493	189,703	30,621	31,456	33,419	34,085	34,941	35,269
Agriculture, forestry, and fishing	1,851	1,626	1,890	1,781	1,766	1,889	274	276	293	249	224	252
Mining	1,083	1,163	1,241	1,171	1,236	1,342	3,283	2,970	3,569	3,687	3,861	4,137
Construction	6,294	6,697	7,056	7,190	7,562	7,876	1,273	1,395	1,539	1,443	1,517	1,490
Manufacturing	25,497	26,421	28,530	30,374	30,485	31,237	4,859	5,049	5,613	6,155	6,240	6,043
Transportation and public utilities	13,868	14,752	15,001	14,928	16,412	17,233	4,062	4,456	4,597	4,499	4,668	4,561
Wholesale trade	8,454	8,662	9,417	9,624	10,406	11,192	1,657	1,668	1,760	1,740	1,836	1,941
Retail trade	13,266	13,757	14,654	15,066	16,094	17,293	2,702	2,785	2,993	3,104	3,228	3,426
Finance, insurance, and real estate	27,605	28,788	29,679	29,974	30,852	32,136	3,475	3,539	3,595	3,606	3,615	3,602
Services	29,522	30,821	31,807	33,380	34,898	36,881	4,831	4,981	5,124	5,209	5,292	5,376
Government	33,580	34,244	34,303	33,294	32,946	32,867	4,204	4,363	4,437	4,435	4,539	4,601
Not allocated by industry ¹	0	-581	-679	-135	-164	-243	0	-26	-101	-42	-79	-160
	Southwest						Arizona					
Total gross state product	595,555	622,441	662,360	690,394	720,624	767,282	78,278	82,887	91,273	96,968	103,491	110,466
Agriculture, forestry, and fishing	11,261	11,616	12,166	11,319	10,263	13,152	1,515	1,542	1,526	1,794	1,679	1,858
Mining	42,016	43,888	43,330	45,454	41,787	44,683	1,316	1,163	1,260	1,380	1,292	1,411
Construction	23,602	24,619	27,316	28,596	30,502	31,059	3,659	3,961	4,831	5,361	5,653	5,789
Manufacturing	86,938	93,473	108,826	120,275	128,792	141,888	10,505	11,533	14,066	15,449	17,412	19,730
Transportation and public utilities	60,563	64,909	69,536	71,496	77,014	81,592	6,635	7,243	7,903	8,000	8,319	8,687
Wholesale trade	40,213	41,693	45,284	46,633	50,624	56,857	4,610	4,834	5,531	5,902	6,798	7,652
Retail trade	54,895	57,919	62,690	66,205	71,099	76,432	8,351	8,970	10,060	10,620	11,577	12,586
Finance, insurance, and real estate	88,064	90,468	94,376	95,701	99,776	103,246	14,304	15,248	16,372	17,297	18,452	19,331
Services	106,574	109,834	113,540	119,574	125,382	133,018	15,596	16,282	17,255	18,677	19,842	21,062
Government	81,430	84,602	85,650	85,737	86,440	87,857	11,786	12,162	12,525	12,555	12,696	12,902
Not allocated by industry ¹	0	-580	-354	-596	-1,055	-2,502	0	-51	-56	-67	-229	-542
	New Mexico						Oklahoma					
Total gross state product	31,949	35,645	39,955	40,193	41,130	43,519	60,807	62,338	63,538	64,499	66,604	69,232
Agriculture, forestry, and fishing	814	810	805	741	702	880	1,791	1,843	1,954	1,540	1,347	2,062
Mining	2,544	2,854	3,003	3,096	2,846	3,038	3,527	3,722	3,487	3,440	3,272	3,454
Construction	1,239	1,439	1,688	1,800	1,746	1,707	1,692	1,752	1,943	1,967	2,072	1,984
Manufacturing	3,995	5,838	8,492	8,063	9,067	11,134	10,488	10,781	10,810	11,511	12,232	12,963
Transportation and public utilities	2,626	2,755	3,141	3,015	3,129	3,193	6,038	6,452	6,718	6,636	7,128	7,248
Wholesale trade	1,391	1,485	1,627	1,664	1,741	1,873	3,696	3,602	3,858	3,967	4,137	4,440
Retail trade	3,038	3,328	3,454	3,697	3,862	4,141	5,971	6,189	6,581	6,817	7,288	7,671
Finance, insurance, and real estate	4,301	4,599	4,906	5,009	5,146	5,166	7,450	7,506	7,723	7,607	7,711	7,769
Services	5,685	6,055	6,204	6,511	6,550	6,592	9,649	9,979	10,145	10,635	11,052	11,397
Government	6,316	6,497	6,580	6,623	6,584	6,629	10,505	10,637	10,450	10,352	10,393	10,365
Not allocated by industry ¹	0	-15	55	-26	-243	-834	0	-125	-131	27	-28	-121
	Texas						Rocky Mountain					
Total gross state product	424,521	441,571	467,603	488,700	509,330	543,987	169,044	179,901	191,655	201,113	211,254	223,187
Agriculture, forestry, and fishing	7,140	7,421	7,881	7,239	6,530	8,348	5,184	5,736	5,175	5,135	4,842	5,813
Mining	34,629	36,140	35,575	37,523	34,361	36,767	8,231	9,196	9,373	9,949	9,719	10,748
Construction	17,012	17,466	18,855	19,468	21,032	21,579	7,606	8,427	9,614	9,971	10,713	11,143
Manufacturing	61,950	65,330	75,511	85,199	90,144	98,456	20,869	22,222	24,530	27,271	28,954	30,654
Transportation and public utilities	45,264	48,459	51,774	53,844	58,435	62,459	17,459	19,084	20,922	21,920	23,650	24,631
Wholesale trade	30,515	31,772	34,269	35,100	37,948	42,891	9,831	10,378	11,597	11,957	13,089	14,447
Retail trade	37,535	39,432	42,595	45,071	48,373	52,035	16,218	17,464	19,202	20,534	22,178	24,159
Finance, insurance, and real estate	62,009	63,110	65,373	65,795	68,479	70,998	25,303	27,036	28,670	29,419	31,326	32,577
Services	75,644	77,517	79,937	83,750	87,936	93,965	31,701	33,348	35,508	37,606	39,394	41,400
Government	52,823	55,305	56,092	56,207	56,767	57,963	26,642	27,441	27,572	27,424	27,511	27,959
Not allocated by industry ¹	0	-381	-259	-496	-675	-1,474	0	-431	-508	-73	-122	-344
	Colorado						Idaho					
Total gross state product	85,098	90,695	96,733	101,065	105,847	112,733	20,057	21,804	23,547	25,455	26,099	27,287
Agriculture, forestry, and fishing	1,645	1,821	1,734	1,740	1,769	2,093	1,564	1,720	1,568	1,564	1,515	1,704
Mining	1,484	1,698	1,757	1,842	1,683	2,493	172	165	188	255	262	271
Construction	3,871	4,406	4,933	5,019	5,504	5,766	1,137	1,225	1,396	1,394	1,407	1,392
Manufacturing	10,838	11,373	12,508	13,072	13,111	13,797	3,265	3,909	4,567	5,993	5,940	6,464
Transportation and public utilities	8,772	9,674	10,584	11,427	12,421	13,070	1,742	1,959	2,135	2,208	2,366	2,419
Wholesale trade	5,229	5,487	6,127	6,341	6,914	7,774	1,208	1,276	1,444	1,446	1,600	1,738
Retail trade	8,225	8,874	9,777	10,368	11,216	12,240	2,099	2,269	2,462	2,558	2,755	2,963
Finance, insurance, and real estate	14,301	15,497	16,267	16,706	17,573	18,383	2,628	2,781	2,973	3,004	3,074	3,014
Services	17,601	18,567	19,922	21,129	22,279	23,614	3,253	3,420	3,605	3,856	3,931	4,097
Government	13,132	13,526	13,459	13,453	13,401	13,624	2,988	3,101	3,191	3,201	3,267	3,320
Not allocated by industry ¹	0	-228	-335	-32	-24	-121	0	-21	18	-24	-18	-95

Table 7.—Real Gross State Product by Major Industry, 1992–97—Continued

[Millions of chained (1992) dollars]

	1992	1993	1994	1995	1996	1997	1992	1993	1994	1995	1996	1997
	Montana						Utah					
Total gross state product	14,988	15,664	16,137	16,370	16,676	17,244	35,193	37,204	40,183	42,689	46,627	49,562
Agriculture, forestry, and fishing	962	1,167	963	963	761	1,008	553	545	537	513	497	599
Mining	885	887	897	931	883	952	1,265	1,537	1,609	1,626	1,591	1,689
Construction	603	646	721	751	787	805	1,525	1,669	2,017	2,265	2,466	2,613
Manufacturing	1,173	1,218	1,144	1,227	1,237	1,274	5,004	5,099	5,682	6,331	7,721	8,203
Transportation and public utilities	1,840	1,926	2,119	2,034	2,203	2,215	3,200	3,522	3,875	4,012	4,304	4,528
Wholesale trade	901	946	1,049	1,044	1,113	1,174	2,074	2,238	2,484	2,639	2,951	3,198
Retail trade	1,495	1,572	1,669	1,727	1,843	1,958	3,498	3,795	4,282	4,819	5,218	5,796
Finance, insurance, and real estate	1,996	2,032	2,128	2,131	2,152	2,145	5,018	5,303	5,742	6,033	6,933	7,386
Services	2,634	2,722	2,865	2,987	3,107	3,167	6,953	7,321	7,755	8,207	8,650	9,089
Government	2,499	2,585	2,628	2,570	2,588	2,568	6,103	6,287	6,345	6,270	6,349	6,553
Not allocated by industry ¹	0	-37	-46	5	2	-22	0	-112	-145	-26	-53	-92
	Wyoming						Far West					
Total gross state product	13,708	14,531	15,034	15,537	15,979	16,480	1,110,725	1,115,363	1,143,078	1,172,451	1,215,595	1,276,002
Agriculture, forestry, and fishing	459	483	371	355	298	410	24,637	24,365	26,683	25,320	25,673	28,450
Mining	4,424	4,908	4,919	5,291	5,297	5,305	11,901	11,112	11,262	12,860	11,631	11,890
Construction	469	481	548	542	549	566	42,038	40,448	42,526	43,108	45,156	46,925
Manufacturing	588	617	636	665	915	911	147,504	149,635	154,986	167,509	180,128	199,018
Transportation and public utilities	1,905	2,002	2,208	2,228	2,339	2,372	81,994	85,582	89,228	91,195	96,139	100,712
Wholesale trade	420	432	493	486	512	563	72,790	73,134	77,793	79,259	84,167	91,600
Retail trade	901	954	1,013	1,062	1,146	1,202	103,001	104,762	108,913	112,993	119,027	127,700
Finance, insurance, and real estate	1,360	1,421	1,555	1,571	1,618	1,862	240,797	240,261	243,816	244,055	248,583	256,382
Services	1,261	1,318	1,363	1,429	1,439	1,439	238,498	239,993	243,146	252,174	262,609	271,612
Government	1,920	1,942	1,948	1,931	1,905	1,893	147,566	147,583	146,831	144,712	144,160	145,542
Not allocated by industry ¹	0	-27	-20	-23	-29	-43	0	-1,512	-2,106	-734	-1,678	-3,829
	Alaska						California					
Total gross state product	22,212	22,119	21,488	22,238	21,752	21,848	825,193	820,751	836,178	857,808	883,598	927,521
Agriculture, forestry, and fishing	379	336	332	298	281	289	17,440	17,297	19,258	18,196	18,493	20,924
Mining	5,396	4,813	4,102	5,095	4,431	4,386	4,551	4,228	5,057	6,055	5,230	5,459
Construction	761	849	911	885	867	840	27,878	25,719	27,020	27,150	27,798	29,107
Manufacturing	1,144	1,152	1,006	1,197	991	975	113,294	113,950	117,607	128,861	135,723	149,204
Transportation and public utilities	3,236	3,455	3,544	3,481	3,951	4,092	57,096	59,438	61,666	62,877	65,355	68,286
Wholesale trade	582	593	658	616	656	674	54,791	54,483	57,495	58,599	62,068	67,288
Retail trade	1,352	1,389	1,480	1,535	1,599	1,675	75,948	76,384	78,656	81,509	85,230	91,383
Finance, insurance, and real estate	2,221	2,350	2,395	2,328	2,297	2,345	190,399	187,669	189,272	189,101	192,184	199,334
Services	2,439	2,464	2,496	2,521	2,529	2,558	180,840	180,953	180,899	187,276	194,925	200,592
Government	4,702	4,778	4,606	4,359	4,263	4,162	102,956	101,655	100,863	99,070	98,013	98,920
Not allocated by industry ¹	0	-60	-42	-77	-113	-148	0	-1,025	-1,615	-886	-1,421	-2,976
	Hawaii						Nevada					
Total gross state product	35,193	34,849	34,981	34,202	33,802	33,736	36,057	38,561	42,320	44,412	48,016	50,237
Agriculture, forestry, and fishing	504	463	478	449	418	447	272	308	332	333	363	405
Mining	34	31	30	29	25	24	1,523	1,640	1,641	1,389	1,592	1,653
Construction	2,157	2,168	1,899	1,685	1,524	1,369	2,114	2,532	2,915	3,135	3,953	4,154
Manufacturing	1,226	1,037	1,071	1,077	1,073	1,063	1,369	1,589	1,936	2,068	2,273	2,413
Transportation and public utilities	3,375	3,221	3,371	3,502	3,609	3,668	2,913	3,155	3,495	3,592	3,938	4,132
Wholesale trade	1,335	1,349	1,369	1,329	1,412	1,412	1,656	1,756	1,972	2,092	2,369	2,655
Retail trade	3,804	3,878	4,002	4,108	4,225	4,336	3,360	3,623	4,058	4,406	5,009	5,558
Finance, insurance, and real estate	8,131	8,216	8,187	7,814	7,699	7,483	6,228	6,897	7,601	8,106	8,643	8,882
Services	7,099	7,001	7,263	7,190	7,122	7,053	12,473	12,861	14,064	14,792	15,200	15,600
Government	7,528	7,589	7,423	7,023	6,769	6,931	4,148	4,253	4,358	4,511	4,714	4,887
Not allocated by industry ¹	0	-104	-112	-4	-27	-50	0	-53	-52	-12	-38	-102
	Oregon						Washington					
Total gross state product	63,242	66,700	70,770	74,941	83,887	90,225	128,827	132,417	137,314	138,749	144,375	152,288
Agriculture, forestry, and fishing	2,106	2,148	2,339	2,206	2,149	2,399	3,935	3,814	3,944	3,838	3,970	3,988
Mining	109	119	109	96	114	122	288	293	334	315	312	328
Construction	2,716	2,882	3,244	3,669	4,181	4,316	6,411	6,298	6,537	6,583	6,835	7,138
Manufacturing	11,484	12,709	13,525	16,047	21,767	25,866	18,987	19,176	19,813	18,342	18,374	19,705
Transportation and public utilities	5,333	5,518	5,873	5,936	6,466	6,575	10,042	10,798	11,280	11,806	12,838	13,972
Wholesale trade	4,996	5,201	5,805	6,106	6,475	7,305	9,429	9,752	10,494	10,518	11,235	12,265
Retail trade	5,831	6,213	6,668	6,936	7,545	8,183	12,705	13,276	14,049	14,499	15,419	16,565
Finance, insurance, and real estate	10,724	11,209	11,779	11,817	12,195	12,240	23,094	23,977	24,630	24,856	25,507	26,006
Services	11,443	11,874	12,442	13,124	13,864	14,372	24,204	24,838	25,976	27,265	28,962	31,429
Government	8,501	8,873	9,013	8,997	9,396	9,547	19,732	20,436	20,565	20,742	20,992	21,082
Not allocated by industry ¹	0	-46	-27	7	-265	-700	0	-241	-308	-15	-69	-190

1. Equals total gross state product less the sum of gross state product of the industries.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992

current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.

SUBJECT GUIDE

VOLUME 79 (1999), NUMBERS 1-6

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National Data

A. Selected NIPA Tables

The tables in this section include the most recent estimates of gross domestic product and its components; these estimates were released on May 27, 1999 and include the "preliminary" estimates for the first quarter of 1999.

The selected set of NIPA tables shown in this section presents quarterly estimates, which are updated monthly. In most tables, the annual estimates are also shown. Most of the "annual only" NIPA tables were presented in the August 1998 SURVEY OF CURRENT BUSINESS; table 8.26 was presented in the September 1998 SURVEY; and the remaining "annual only" tables—tables 3.15–3.20 and 9.1–9.6—were presented in the October 1998 SURVEY.

The news release on gross domestic product (GDP) is available at the time of release, and the "Selected NIPA Tables" are available later that day, on STAT-USA's Economic Bulletin Board and Internet services; for information, call STAT-USA on 202-482-1986. In addition, the GDP news release is available the afternoon of the day of the release, and the "Selected NIPA Tables" a day or two later, on BEA's Web site <www.bea.doc.gov>.

The "Selected NIPA Tables" are also available on printouts or diskettes from BEA. To order NIPA subscription products using Visa or MasterCard, call the BEA Order Desk at 1-800-704-0415 (outside the United States, 202-606-9666).

1. National Product and Income

Table 1.1.—Gross Domestic Product

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,799.7
Personal consumption expenditures	5,493.7	5,807.9	5,593.2	5,676.5	5,773.7	5,846.7	5,934.8	6,049.2
Durable goods	673.0	724.7	682.2	705.1	720.1	718.9	754.5	771.2
Nondurable goods	1,600.6	1,662.4	1,613.2	1,633.1	1,655.2	1,670.0	1,691.3	1,735.6
Services	3,220.1	3,420.8	3,297.8	3,338.2	3,398.4	3,457.7	3,488.9	3,542.4
Gross private domestic investment	1,256.0	1,367.1	1,292.0	1,366.6	1,345.0	1,364.4	1,392.4	1,415.9
Fixed investment	1,188.6	1,307.8	1,220.1	1,271.1	1,305.8	1,307.5	1,346.7	1,376.1
Nonresidential	860.7	938.2	882.8	921.3	941.9	931.6	957.9	971.1
Structures	240.2	246.9	246.4	245.0	245.4	246.2	250.9	253.2
Producers' durable equipment	620.5	691.3	636.4	676.3	696.6	685.4	706.9	717.9
Residential	327.9	369.6	337.4	349.8	363.8	375.8	388.9	405.0
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.8
Net exports of goods and services	-93.4	-151.2	-98.8	-123.7	-159.3	-165.5	-156.2	-203.1
Exports	965.4	959.0	988.6	973.3	949.6	936.2	976.8	958.1
Goods	688.3	680.8	708.9	694.5	668.8	663.3	696.6	672.6
Services	277.1	278.2	279.7	278.8	280.8	272.9	280.2	285.5
Imports	1,058.8	1,110.2	1,087.4	1,097.1	1,108.9	1,101.7	1,133.0	1,161.2
Goods	888.3	932.4	912.4	920.9	931.8	924.7	952.2	978.3
Services	170.4	177.8	174.9	176.2	177.1	177.0	180.8	182.9
Government consumption expenditures and gross investment	1,454.6	1,487.1	1,468.1	1,464.9	1,481.2	1,492.3	1,510.2	1,537.7
Federal	520.2	520.6	520.1	511.6	520.7	519.4	530.7	536.9
National defense	346.0	340.4	346.5	331.6	339.8	343.7	346.4	345.5
Nondefense	174.3	180.2	173.6	180.0	180.9	175.7	184.3	191.4
State and local	934.4	966.5	947.9	953.3	960.4	972.9	979.5	1,000.8

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.2.—Real Gross Domestic Product

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,754.7
Personal consumption expenditures	4,913.5	5,153.3	4,981.0	5,055.1	5,130.2	5,181.8	5,246.0	5,333.1
Durable goods	668.6	737.1	684.8	710.3	729.4	733.7	775.0	798.8
Nondurable goods	1,486.3	1,544.1	1,494.3	1,521.2	1,540.9	1,549.1	1,565.1	1,600.6
Services	2,761.5	2,879.5	2,804.8	2,829.3	2,866.8	2,904.8	2,917.2	2,948.2
Gross private domestic investment	1,206.4	1,330.1	1,241.9	1,321.8	1,306.5	1,331.6	1,360.6	1,387.5
Fixed investment	1,138.0	1,267.8	1,169.5	1,224.9	1,264.1	1,270.9	1,311.0	1,342.7
Nonresidential	859.4	960.7	886.2	931.9	960.4	958.7	991.9	1,010.8
Structures	203.2	203.0	205.7	203.1	201.9	202.0	205.0	206.4
Producers' durable equipment	660.9	770.2	686.4	738.8	771.3	769.3	801.5	820.3
Residential	282.8	312.0	287.9	298.5	309.1	316.5	324.1	335.9
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	39.0
Net exports of goods and services	-136.1	-238.2	-149.0	-198.5	-245.2	-259.0	-250.0	-310.1
Exports	970.0	984.7	998.8	991.9	972.1	965.3	1,009.6	992.0
Goods	726.5	742.6	754.9	748.5	726.3	727.3	768.4	745.4
Services	247.0	246.4	248.6	247.8	248.8	242.1	247.0	250.3
Imports	1,106.1	1,222.9	1,147.8	1,190.4	1,217.3	1,224.3	1,259.6	1,302.1
Goods	945.7	1,054.4	981.8	1,021.0	1,048.8	1,056.3	1,091.7	1,131.0
Services	161.8	171.2	167.5	171.3	171.0	170.8	171.6	175.3
Government consumption expenditures and gross investment	1,285.0	1,296.9	1,289.2	1,283.0	1,294.8	1,299.6	1,310.3	1,324.2
Federal	458.0	453.3	456.5	446.1	454.1	452.5	460.6	458.6
National defense	308.9	300.4	308.7	293.3	300.3	303.5	304.6	299.4
Nondefense	148.6	152.1	147.3	151.9	152.9	148.4	155.2	158.3
State and local	827.1	843.8	832.9	837.1	840.9	847.3	850.0	865.9
Residual	-7.3	-11.1	-8.9	-14.2	-8.4	-6.1	-16.3	-7.5

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Percent changes from preceding period for selected items in this table are shown in table 8.1; contributions to the percent change in real gross domestic product are shown in table 8.2.

Chain-type quantity indexes for the series in this table appear in table 7.1.

Table 1.3.—Gross Domestic Product by Major Type of Product

(Billions of dollars)

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	
Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,799.7
Final sales of domestic product	8,043.5	8,451.6	8,182.6	8,288.7	8,401.3	8,480.9	8,635.5	8,759.9
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.8
Goods	2,978.5	3,104.0	3,020.5	3,101.3	3,064.5	3,085.9	3,164.4	3,185.6
Final sales	2,911.1	3,044.7	2,948.7	3,005.8	3,025.3	3,029.0	3,118.8	3,145.7
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.8
Durable goods	1,343.8	1,416.2	1,368.2	1,426.9	1,385.4	1,392.5	1,460.1	1,447.2
Final sales	1,310.1	1,391.0	1,334.3	1,376.9	1,380.8	1,373.0	1,433.1	1,429.0
Change in business inventories	33.6	25.2	34.0	49.9	4.5	19.5	27.0	18.1
Nondurable goods	1,634.8	1,687.8	1,652.3	1,674.4	1,679.1	1,693.4	1,704.3	1,738.4
Final sales	1,601.0	1,653.7	1,614.4	1,628.8	1,644.4	1,655.9	1,685.7	1,716.7
Change in business inventories	33.8	34.1	37.9	45.6	34.7	37.5	18.7	21.7
Services	4,414.1	4,641.0	4,501.2	4,538.4	4,619.5	4,678.5	4,727.7	4,795.4
Structures	718.3	765.9	732.7	744.6	756.6	773.5	789.0	818.8
Addenda:								
Motor vehicle output	293.7	301.8	306.4	300.3	289.7	284.8	332.4	314.4
Gross domestic product less motor vehicle output	7,817.2	8,209.2	7,948.1	8,083.9	8,150.9	8,253.1	8,348.8	8,485.4

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.4.—Real Gross Domestic Product by Major Type of Product

(Billions of chained (1992) dollars)

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	
Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,754.7
Final sales of domestic product	7,203.7	7,491.3	7,294.8	7,372.5	7,456.4	7,507.6	7,628.9	7,710.2
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	39.0
Residual	2.9	3.2	3.3	8	4.0	3.2	4.6	5.5
Goods	2,867.9	3,011.6	2,917.0	3,000.8	2,969.7	2,995.0	3,080.9	3,103.6
Final sales	2,799.7	2,949.6	2,844.8	2,904.3	2,927.7	2,934.8	3,031.7	3,059.3
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	39.0
Durable goods	1,364.8	1,476.1	1,404.8	1,470.3	1,437.1	1,457.1	1,540.0	1,538.2
Final sales	1,331.9	1,451.4	1,371.4	1,420.4	1,434.1	1,438.2	1,513.1	1,520.6
Change in business inventories	31.6	23.9	32.2	47.3	4.2	18.5	25.8	17.5
Nondurable goods	1,509.6	1,546.9	1,520.4	1,541.6	1,541.6	1,547.8	1,556.6	1,579.2
Final sales	1,475.1	1,510.9	1,482.4	1,495.2	1,505.4	1,508.3	1,534.5	1,553.7
Change in business inventories	31.5	33.5	34.2	44.1	34.1	37.4	18.4	21.6
Services	3,798.7	3,916.5	3,841.1	3,854.8	3,907.3	3,940.1	3,963.7	3,994.7
Structures	612.5	637.1	617.2	625.2	632.1	641.7	649.3	671.3
Residual	-11.5	-21.4	-13.9	-22.3	-18.6	-17.7	-27.1	-24.7
Addenda:								
Motor vehicle output	260.8	269.6	274.7	268.5	260.7	253.0	296.2	281.6
Gross domestic product less motor vehicle output	7,008.8	7,281.9	7,089.7	7,195.9	7,237.6	7,313.0	7,381.4	7,472.7

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line following change in business inventories is the difference between gross domestic product and the sum of final sales of domestic product and of change in business inventories; the residual line following structures is the difference between gross domestic product and the sum of the detailed lines of goods, of services, and of structures.

Percent changes from preceding period for selected items in this table are shown in table 8.1
Chain-type quantity indexes for the series in this table appear in table 7.17.

Table 1.5.—Relation of Gross Domestic Product Less, Gross Domestic Purchases, and Final Sales to Domestic Purchasers

(Billions of dollars)

Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,799.7
Less: Exports of goods and services	965.4	959.0	988.6	973.3	949.6	936.2	976.8	958.1
Plus: Imports of goods and services	1,058.8	1,110.2	1,087.4	1,097.1	1,108.9	1,101.7	1,133.0	1,161.2
Equals: Gross domestic purchases	8,204.3	8,662.2	8,353.3	8,508.0	8,599.9	8,703.4	8,837.4	9,002.8
Less: Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.8
Equals: Final sales to domestic purchasers	8,136.9	8,602.8	8,281.4	8,412.5	8,560.6	8,646.4	8,791.7	8,963.0

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 1.6.—Relation of Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers

(Billions of chained (1992) dollars)

Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,754.7
Less: Exports of goods and services	970.0	984.7	998.8	991.9	972.1	965.3	1,009.6	992.0
Plus: Imports of goods and services	1,106.1	1,222.9	1,147.8	1,190.4	1,217.3	1,224.3	1,259.6	1,302.1
Equals: Gross domestic purchases	7,396.5	7,765.9	7,502.1	7,644.9	7,718.6	7,798.8	7,901.3	8,028.3
Less: Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	39.0
Equals: Final sales to domestic purchasers	7,330.2	7,705.2	7,432.1	7,552.2	7,676.4	7,739.8	7,852.5	7,983.8

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Percent changes from preceding period for selected items in this table are shown in table 8.1.

Chain-type quantity indexes for the series in this table appear in table 7.2.

Table 1.7.—Gross Domestic Product by Sector

(Billions of dollars)

Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,799.7
Business ¹	6,836.5	7,189.7	6,967.0	7,083.1	7,126.3	7,209.5	7,339.8	7,438.4
Nonfarm ¹	6,746.3	7,105.4	6,880.0	6,999.3	7,041.4	7,126.3	7,254.7	7,355.3
Nonfarm less housing	6,047.2	6,373.3	6,170.6	6,285.4	6,315.0	6,387.1	6,505.5	6,593.5
Housing	699.1	732.2	709.4	713.9	726.4	739.2	749.1	761.9
Farm	90.2	84.3	87.0	83.8	84.9	83.2	85.1	83.1
Households and institutions ...	361.4	380.6	366.9	371.1	377.9	383.9	389.4	394.6
Private households	12.0	12.1	12.0	11.8	12.0	12.2	12.4	12.5
Nonprofit institutions	349.4	368.5	355.0	359.2	365.9	371.7	377.0	382.1
General government ²	912.9	940.7	920.5	930.1	936.3	944.5	952.0	966.7
Federal	281.3	281.9	278.8	282.1	281.2	281.8	282.4	288.7
State and local	631.7	658.8	641.7	648.0	655.2	662.6	669.6	678.0

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross nonfarm product equals gross domestic business product less gross farm product.

2. Equals compensation of general government employees plus general government consumption of fixed capital as shown in table 3.7.

Table 1.8.—Real Gross Domestic Product by Sector

(Billions of chained (1992) dollars)

Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,754.7
Business ¹	6,164.9	6,433.8	6,255.6	6,352.3	6,382.6	6,445.9	6,554.2	6,627.7
Nonfarm ¹	6,074.3	6,340.6	6,165.8	6,260.4	6,290.5	6,351.8	6,459.7	6,529.9
Nonfarm less housing	5,470.5	5,728.5	5,559.9	5,655.9	5,680.5	5,736.1	5,841.4	5,904.9
Housing	604.5	613.8	607.3	606.2	611.5	617.3	620.4	627.2
Farm	90.3	92.4	88.8	91.1	91.4	93.6	93.7	97.6
Households and institutions ...	321.5	328.8	325.1	326.7	327.7	329.4	331.4	332.4
Private households	10.2	9.9	10.0	9.8	9.9	10.0	10.0	10.1
Nonprofit institutions	311.3	318.9	315.1	316.9	317.9	319.5	321.5	322.3
General government ²	786.2	793.6	787.3	789.6	792.2	795.4	797.2	800.2
Federal	235.4	231.9	232.5	232.4	231.9	232.0	231.5	230.5
State and local	551.3	562.5	555.5	557.9	561.1	564.2	566.6	570.6
Residual	-3.7	-6.0	-4.2	-5.5	-5.6	-6.2	-7.4	-8.5

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross nonfarm product equals gross domestic business product less gross farm product.

2. Equals compensation of general government employees plus general government consumption of fixed capital as shown in table 3.8.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.
Chain-type quantity indexes for the series in this table appear in table 7.14.

Table 1.9.—Relation of Gross Domestic Product, Gross National Product, Net National Product, National Income, and Personal Income

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Gross domestic product	8,110.9	8,511.0	8,254.5	8,384.2	8,440.6	8,537.9	8,681.2	8,799.7
Plus: Receipts of factor income from the rest of the world	265.5	269.2	266.3	270.3	270.6	265.0	270.7	270.3
Less: Payments of factor income to the rest of the world	273.5	289.6	285.9	285.1	289.3	292.1	291.9	292.9
Equals: Gross national product	8,102.9	8,490.5	8,234.9	8,369.4	8,421.8	8,510.9	8,660.0	8,777.1
Less: Consumption of fixed capital	871.8	908.0	887.6	894.5	902.3	912.3	923.0	931.9
Private	720.2	753.3	734.7	741.1	748.5	757.3	766.4	774.9
Capital consumption allowances	760.5	810.4	778.2	790.5	803.2	816.8	831.0	844.7
Less: Capital consumption adjustment	40.4	57.0	43.5	49.4	54.7	59.5	64.6	69.7
Government	151.6	154.7	152.9	153.4	153.7	155.0	156.6	157.0
General government	128.3	130.4	129.1	129.4	129.6	130.6	131.9	132.0
Government enterprises	23.4	24.3	23.7	24.0	24.2	24.4	24.7	25.0
Equals: Net national product	7,231.1	7,582.5	7,347.3	7,474.9	7,519.6	7,598.5	7,737.1	7,845.1
Less: Indirect business tax and nontax liability	627.2	655.3	634.5	641.9	647.7	656.5	675.1	673.8
Business transfer payments	35.1	36.1	35.6	35.6	36.0	36.3	36.4	36.7
Statistical discrepancy	-55.8	-76.5	-67.3	-54.1	-85.7	-102.0	-64.2	-91.0
Plus: Subsidies less current surplus of government enterprises	21.9	27.1	23.4	23.5	23.9	24.6	36.3	25.4
Equals: National income	6,646.5	6,994.7	6,767.9	6,875.0	6,945.5	7,032.3	7,126.0	7,251.0
Less: Corporate profits with inventory valuation and capital consumption adjustments	817.9	824.6	820.8	829.2	820.6	827.0	821.7	853.5
Net interest	432.0	449.3	432.4	440.5	447.1	454.0	455.6	463.6
Contributions for social insurance	727.0	767.5	740.9	755.0	762.9	771.6	780.7	797.9
Wage accruals less disbursements	3.7	4.0	3.7	4.0	4.0	4.0	4.0	0
Plus: Personal interest income	747.3	764.8	753.0	757.0	763.0	769.2	769.9	770.2
Personal dividend income	260.3	263.1	261.3	261.6	262.1	263.0	265.7	268.8
Government transfer payments to persons	1,083.3	1,120.8	1,093.1	1,111.2	1,117.7	1,124.6	1,129.6	1,146.7
Business transfer payments to persons	27.2	28.2	27.5	27.8	28.1	28.3	28.6	28.9
Equals: Personal income	6,784.0	7,126.1	6,904.9	7,003.9	7,081.9	7,160.8	7,257.9	7,350.7
Addenda:								
Gross domestic income	8,166.7	8,587.5	8,321.8	8,438.4	8,526.3	8,639.9	8,745.4	8,890.7
Gross national income	8,158.7	8,567.0	8,302.2	8,423.6	8,507.6	8,612.8	8,724.2	8,868.1
Net domestic product	7,239.1	7,603.0	7,366.9	7,489.8	7,538.3	7,625.6	7,758.2	7,867.8

Table 1.10.—Relation of Real Gross Domestic Product, Real Gross National Product, and Real Net National Product

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Gross domestic product	7,269.8	7,551.9	7,364.6	7,464.7	7,498.6	7,566.5	7,677.7	7,754.7
Plus: Receipts of factor income from the rest of the world	238.0	239.5	237.6	241.0	241.0	235.7	240.4	239.3
Less: Payments of factor income to the rest of the world	240.7	252.7	250.5	249.6	252.8	254.6	253.9	254.1
Equals: Gross national product	7,266.2	7,537.8	7,350.7	7,455.2	7,485.9	7,546.7	7,663.3	7,739.0
Less: Consumption of fixed capital	808.8	861.5	829.3	841.1	854.4	867.8	882.6	898.1
Private	672.2	713.9	683.1	694.4	707.2	719.8	734.0	748.9
Government	137.4	139.4	138.1	138.6	139.0	139.8	140.3	140.8
General government	116.1	117.5	116.6	116.9	117.2	117.8	118.1	118.5
Government enterprises	20.6	21.2	20.9	21.0	21.1	21.3	21.5	21.6
Equals: Net national product	6,457.3	6,680.8	6,525.1	6,617.8	6,635.8	6,683.8	6,785.8	6,846.7
Addenda:								
Gross domestic income ¹	7,319.7	7,619.7	7,424.7	7,512.9	7,574.8	7,656.8	7,734.5	7,834.8
Gross national income ²	7,316.2	7,605.7	7,410.8	7,503.4	7,562.1	7,637.0	7,720.1	7,819.3
Net domestic product	6,460.8	6,695.4	6,539.4	6,627.8	6,649.0	6,704.0	6,800.7	6,862.7

1. Gross domestic income deflated by the implicit price deflator for gross domestic product.
2. Gross national income deflated by the implicit price deflator for gross national product.
NOTE.—Except as noted in footnotes 1 and 2, chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.
Chain-type quantity indexes for the series in this table appear in table 7.3.

Table 1.11.—Command-Basis Real Gross National Product

[Billions of chained (1992) dollars]

Gross national product	7,266.2	7,537.8	7,350.7	7,455.2	7,485.9	7,546.7	7,663.3	7,739.0
Less: Exports of goods and services and receipts of factor income from the rest of the world	1,208.2	1,224.2	1,235.8	1,232.8	1,213.7	1,201.1	1,249.2	1,231.0
Plus: Command-basis exports of goods and services and receipts of factor income ¹	1,246.7	1,294.8	1,280.2	1,296.5	1,283.4	1,275.1	1,324.2	1,312.0
Equals: Command-basis gross national product	7,304.7	7,608.4	7,395.1	7,518.9	7,555.6	7,620.7	7,738.2	7,820.0
Addendum:								
Terms of trade ²	103.2	105.8	103.6	105.2	105.7	106.2	106.0	106.6

1. Exports of goods and services and receipts of factor income deflated by the implicit price deflator for imports of goods and services and payments of factor income.
2. Ratio of the implicit price deflator for exports of goods and services and receipts of factor income to the corresponding implicit price deflator for imports with the decimal point shifted two places to the right.
NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.
Percent changes from preceding period for selected items in this table are shown in table 8.1.
Chain-type quantity indexes for the series in this table appear in table 7.3.

Table 1.14.—National Income by Type of Income

(Billions of dollars)

	1997	1998	Seasonally adjusted at annual rates					1999
			1998					
			IV	I	II	III	IV	
National income	6,646.5	6,994.7	6,767.9	6,875.0	6,945.5	7,032.3	7,126.0	7,251.0
Compensation of employees ...	4,687.2	4,981.0	4,798.0	4,882.8	4,945.2	5,011.6	5,084.3	5,163.9
Wage and salary accruals	3,893.6	4,153.9	3,993.6	4,065.9	4,121.6	4,181.1	4,246.8	4,314.5
Government	664.2	689.3	671.4	679.5	685.8	692.7	699.2	711.6
Other	3,229.4	3,464.6	3,322.2	3,386.4	3,435.8	3,488.4	3,547.6	3,603.0
Supplements to wages and salaries	793.7	827.1	804.4	816.8	823.5	830.5	837.5	849.4
Employer contributions for social insurance	400.7	420.1	407.4	414.1	417.9	422.1	426.5	434.7
Other labor income	392.9	406.9	397.0	402.8	405.7	408.4	411.0	414.7
Proprietors' income with inventory valuation and capital consumption adjustments	551.2	577.2	558.0	564.2	571.7	576.1	596.9	601.0
Farm	35.5	28.7	31.4	27.4	27.7	25.2	34.7	25.5
Proprietors' income with inventory valuation adjustment	43.0	36.0	38.8	34.7	35.0	32.3	41.9	32.6
Capital consumption adjustment	-7.5	-7.2	-7.4	-7.3	-7.2	-7.2	-7.2	-7.1
Nonfarm	515.8	548.5	526.6	536.8	544.0	550.9	562.2	575.5
Proprietors' income	485.3	514.6	495.5	502.9	511.6	516.9	527.0	539.3
Inventory valuation adjustment .....	.6	1.0	.5	2.4	-1	.7	1.0	.8
Capital consumption adjustment	29.9	32.9	30.6	31.5	32.4	33.3	34.2	35.4
Rental income of persons with capital consumption adjustment	158.2	162.6	158.8	158.3	161.0	163.6	167.5	168.9
Rental income of persons	208.6	214.5	210.2	209.5	212.2	215.7	220.6	222.5
Capital consumption adjustment	-50.4	-51.9	-51.4	-51.2	-51.3	-52.0	-53.1	-53.7
Corporate profits with inventory valuation and capital consumption adjustments	817.9	824.6	820.8	829.2	820.6	827.0	821.7	853.5
Corporate profits with inventory valuation adjustment	741.2	732.3	740.7	744.3	731.3	732.1	721.5	748.8
Profits before tax	734.4	717.8	736.4	719.1	723.5	720.5	708.1	738.4
Profits tax liability	246.1	240.1	249.3	239.9	241.6	243.2	235.6	245.8
Profits after tax	488.3	477.7	487.1	479.2	481.8	477.3	472.5	492.6
Dividends	275.1	279.2	276.4	277.3	278.1	279.0	282.3	285.6
Undistributed profits	213.2	198.5	210.6	201.8	203.7	198.3	190.2	207.1
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	10.4
Capital consumption adjustment	76.6	92.3	80.1	84.9	89.4	100.2	104.7	104.7
Net interest	432.0	449.3	432.4	440.5	447.1	454.0	455.6	463.6
Addenda:								
Corporate profits after tax with inventory valuation and capital consumption adjustments	571.8	584.5	571.4	589.3	579.0	583.7	586.2	607.7
Net cash flow with inventory valuation and capital consumption adjustments	774.1	806.0	782.6	804.5	798.7	807.9	812.8	837.0
Undistributed profits with inventory valuation and capital consumption adjustments	296.7	305.4	295.0	312.0	300.9	304.8	303.9	322.1
Consumption of fixed capital	477.3	500.6	487.7	492.5	497.8	503.1	508.9	514.8
Less: Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	10.4
Equals: Net cash flow	767.2	791.4	778.4	779.2	790.9	796.2	799.3	826.6

Table 1.16.—Gross Domestic Product of Corporate Business in Current Dollars and Gross Domestic Product of Nonfinancial Corporate Business in Current and Chained Dollars

	1997	1998	Seasonally adjusted at annual rates					1999
			1998					
			IV	I	II	III	IV	
Gross domestic product of corporate business	4,960.9	5,252.1	5,090.8	5,160.6	5,210.0	5,286.0	5,351.8	5,437.0
Consumption of fixed capital	477.3	500.6	487.7	492.5	497.8	503.1	508.9	514.8
Net domestic product	4,483.5	4,751.5	4,603.2	4,668.0	4,712.2	4,782.8	4,842.9	4,922.2
Indirect business tax and nontax liability plus business transfer payments less subsidies	477.8	506.5	489.1	495.0	499.2	506.5	525.1	519.3
Domestic income	4,005.7	4,245.0	4,114.0	4,173.0	4,213.0	4,276.3	4,317.8	4,402.9
Compensation of employees	3,139.8	3,353.5	3,228.8	3,283.2	3,327.8	3,375.1	3,427.9	3,480.7
Wage and salary accruals	2,644.4	2,837.2	2,728.3	2,773.3	2,813.7	2,856.7	2,905.1	2,950.4
Supplements to wages and salaries	495.5	516.3	500.5	509.9	514.1	518.4	522.8	530.2
Corporate profits with inventory valuation and capital consumption adjustments	718.9	729.0	728.8	730.6	723.3	737.0	724.9	753.7
Profits before tax	635.4	622.1	644.5	620.5	626.2	630.5	611.3	638.6
Profits tax liability	246.1	240.1	249.3	239.9	241.6	243.2	235.6	245.8
Profits after tax	389.3	382.0	395.1	380.6	384.5	387.3	375.7	392.8
Dividends	234.7	254.0	244.0	240.6	259.9	251.0	264.6	268.3
Undistributed profits	154.5	128.0	151.2	140.0	124.6	136.3	111.1	124.5
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	10.4
Capital consumption adjustment	76.6	92.3	80.1	84.9	89.4	94.8	100.2	104.7
Net interest	147.1	162.5	156.4	159.2	161.9	164.1	164.9	168.5
Gross domestic product of financial corporate business	546.4	594.7	577.7	586.4	591.2	597.1	604.0	620.6
Gross domestic product of nonfinancial corporate business	4,414.5	4,657.4	4,513.2	4,574.2	4,618.8	4,688.9	4,747.8	4,816.5
Consumption of fixed capital	415.4	435.3	424.4	428.5	433.1	437.4	442.3	447.3
Net domestic product	3,999.1	4,222.1	4,088.8	4,145.7	4,185.7	4,251.4	4,305.5	4,369.2
Indirect business tax and nontax liability plus business transfer payments less subsidies	436.8	461.3	445.0	450.5	454.2	461.1	479.2	472.7
Domestic income	3,562.3	3,760.8	3,643.8	3,695.2	3,731.4	3,790.3	3,826.4	3,896.4
Compensation of employees	2,871.2	3,066.6	2,952.6	3,002.3	3,043.1	3,086.3	3,134.6	3,182.8
Wage and salary accruals	2,416.6	2,592.9	2,494.2	2,534.5	2,571.4	2,610.7	2,654.9	2,696.3
Supplements to wages and salaries	454.6	473.7	458.4	467.8	471.7	475.6	479.7	486.5
Corporate profits with inventory valuation and capital consumption adjustments	594.2	598.7	599.3	599.3	593.2	607.5	594.8	614.5
Profits before tax	505.4	487.9	509.8	484.2	491.8	497.3	478.2	496.8
Profits tax liability	169.8	160.4	170.1	159.7	162.1	163.8	156.1	162.7
Profits after tax	335.6	327.4	339.6	324.5	329.6	333.5	322.1	334.1
Dividends	229.3	249.6	239.6	237.3	254.3	247.3	259.3	262.9
Undistributed profits	106.3	77.9	100.1	87.2	75.3	86.2	62.8	71.2
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	10.4
Capital consumption adjustment	81.9	96.3	85.3	89.8	93.7	98.5	103.2	107.3
Net interest	96.9	95.6	91.9	93.6	95.2	96.5	96.9	99.1
Billions of chained (1992) dollars								
Gross domestic product of nonfinancial corporate business¹	4,154.4	4,388.8	4,247.5	4,309.2	4,352.0	4,417.2	4,477.0	4,540.0
Consumption of fixed capital ²	394.6	422.4	402.1	409.3	417.7	426.6	436.0	446.0
Net domestic product ³	3,759.8	3,966.4	3,845.5	3,899.9	3,934.3	3,990.6	4,040.9	4,094.0

1. Chained-dollar gross domestic product of nonfinancial corporate business equals the current-dollar product deflated by the implicit price deflator for goods and structures in gross domestic product.

2. Chained-dollar consumption of fixed capital of nonfinancial corporate business is calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100.

3. Chained-dollar net domestic product of nonfinancial corporate business is the difference between the gross product and the consumption of fixed capital.

2. Personal Income and Outlays

Table 2.1.—Personal Income and Its Disposition

(Billions of dollars)

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Personal income	6,784.0	7,126.1	6,904.9	7,003.9	7,081.9	7,160.8	7,257.9	7,350.7
Wage and salary disbursements	3,889.8	4,149.9	3,989.9	4,061.9	4,117.6	4,177.1	4,242.8	4,314.5
Private industries	3,225.7	3,460.5	3,318.4	3,382.4	3,431.8	3,484.4	3,543.5	3,603.0
Goods-producing industries	975.0	1,026.9	1,003.7	1,019.0	1,023.2	1,028.0	1,037.4	1,047.0
Manufacturing	719.5	751.5	741.3	750.4	750.8	750.9	754.1	759.0
Distributive industries	879.8	939.6	904.5	918.9	932.2	945.8	961.5	969.9
Service industries	1,370.8	1,494.0	1,410.2	1,444.5	1,476.4	1,510.6	1,544.6	1,586.0
Government	664.2	689.3	671.4	679.5	685.8	692.7	699.2	711.6
Other labor income	392.9	406.9	397.0	402.8	405.7	408.4	411.0	414.7
Proprietors' income with inventory valuation and capital consumption adjustments	551.2	577.2	558.0	564.2	571.7	576.1	596.9	601.0
Farm	35.5	28.7	31.4	27.4	27.7	25.2	34.7	25.5
Nonfarm	515.8	548.5	526.6	536.8	544.0	550.9	562.2	575.5
Rental income of persons with capital consumption adjustment	158.2	162.6	158.8	158.3	161.0	163.6	167.5	168.9
Personal dividend income	260.3	263.1	261.3	261.6	262.1	263.0	265.7	268.8
Personal interest income	747.3	764.8	753.0	757.0	763.0	769.2	769.9	770.2
Transfer payments to persons	1,110.4	1,149.0	1,120.5	1,139.0	1,145.8	1,152.9	1,158.3	1,175.7
Old-age, survivors, disability, and health insurance benefits	565.9	586.5	572.2	581.6	585.0	589.0	590.6	598.0
Government unemployment insurance benefits	19.9	19.5	19.3	19.6	19.5	19.5	19.5	19.6
Veterans benefits	22.4	23.3	22.3	23.3	23.2	23.3	23.3	24.4
Government employees retirement benefits	151.4	159.2	153.8	156.8	158.4	160.3	161.4	164.6
Other transfer payments	350.8	360.4	352.9	357.6	359.6	360.9	363.5	369.1
Family assistance ¹	19.7	17.6	19.1	18.7	18.0	17.1	16.7	16.7
Other	331.1	342.8	333.8	338.9	341.6	343.8	346.8	352.4
Less: Personal contributions for social insurance	326.2	347.4	333.6	340.9	345.1	349.5	354.1	363.2
Less: Personal tax and nontax payments	989.0	1,098.3	1,025.5	1,066.8	1,092.9	1,108.4	1,124.9	1,135.9
Equals: Disposable personal income	5,795.1	6,027.9	5,879.4	5,937.1	5,988.9	6,052.4	6,133.1	6,214.7
Less: Personal outlays	5,674.1	6,000.2	5,781.2	5,864.0	5,963.3	6,039.8	6,133.6	6,249.8
Personal consumption expenditures	5,493.7	5,807.9	5,593.2	5,676.5	5,773.7	5,846.7	5,934.8	6,049.2
Interest paid by persons	161.5	172.4	168.2	168.3	169.8	173.2	178.3	179.6
Personal transfer payments to the rest of the world (net)	18.9	19.9	19.8	19.2	19.9	20.0	20.6	21.0
Equals: Personal saving	121.0	27.7	98.2	73.0	25.6	12.6	-6	-35.0
Addenda:								
Disposable personal income: Total, billions of chained (1992) dollars ²	5,183.1	5,348.5	5,235.8	5,287.1	5,321.5	5,364.1	5,421.2	5,479.0
Per capita:								
Current dollars	21,633	22,304	21,871	22,046	22,192	22,373	22,604	22,846
Chained (1992) dollars	19,349	19,790	19,478	19,632	19,719	19,829	19,980	20,141
Population (mid-period, millions)	267.9	270.3	268.8	269.3	269.9	270.5	271.3	272.0
Personal saving as a percentage of disposable personal income	2.1	.5	1.7	1.2	.4	.2	0	-6

Table 2.2.—Personal Consumption Expenditures by Major Type of Product

(Billions of dollars)

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Personal consumption expenditures	5,493.7	5,807.9	5,593.2	5,676.5	5,773.7	5,846.7	5,934.8	6,049.2
Durable goods	673.0	724.7	682.2	705.1	720.1	718.9	754.5	771.2
Motor vehicles and parts	269.5	290.5	271.6	277.0	288.8	282.6	313.6	310.9
Furniture and household equipment	271.4	292.2	276.0	288.5	288.9	294.1	297.3	309.7
Other	132.1	141.9	134.6	139.6	142.3	142.2	143.6	150.6
Nondurable goods	1,600.6	1,662.4	1,613.2	1,633.1	1,655.2	1,670.0	1,691.3	1,735.6
Food	780.9	815.3	787.1	796.9	810.2	818.7	835.6	843.3
Clothing and shoes	278.0	293.8	280.7	291.0	295.3	293.7	295.1	308.0
Gasoline and oil	126.5	112.1	125.9	116.2	111.6	111.7	109.0	108.3
Fuel oil and coal	11.2	9.6	10.7	9.5	9.8	9.8	9.0	10.0
Other	403.9	431.6	408.8	419.4	428.3	436.2	442.7	466.0
Services	3,220.1	3,420.8	3,297.8	3,338.2	3,398.4	3,457.7	3,488.9	3,542.4
Housing	829.8	877.9	847.0	859.1	871.9	883.8	896.7	908.1
Household operation	327.3	338.6	337.0	327.6	339.2	348.4	339.0	347.8
Electricity and gas	126.2	122.1	129.2	116.8	124.1	129.8	117.6	123.0
Other household operation	201.1	216.5	207.8	210.9	215.1	218.5	221.5	224.8
Transportation	240.3	252.7	246.3	249.5	253.2	253.4	254.8	257.9
Medical care	843.4	888.2	857.9	871.5	884.2	893.0	904.0	915.1
Other	979.3	1,063.5	1,009.5	1,030.5	1,049.8	1,079.1	1,094.4	1,113.5

Table 2.3.—Real Personal Consumption Expenditures by Major Type of Product

(Billions of chained (1992) dollars)

	1997	1998	1998	1998	1998	1998	1998	1998
Personal consumption expenditures	4,913.5	5,153.3	4,981.0	5,055.1	5,130.2	5,181.8	5,246.0	5,333.1
Durable goods	668.6	737.1	684.8	710.3	729.4	733.7	775.0	798.8
Motor vehicles and parts	239.3	259.6	242.7	247.8	258.9	252.6	279.3	278.8
Furniture and household equipment	307.7	347.3	318.1	335.8	339.3	352.0	362.1	381.8
Other	127.7	138.5	130.8	135.1	138.6	139.1	141.0	148.6
Nondurable goods	1,486.3	1,544.1	1,494.3	1,521.2	1,540.9	1,549.1	1,565.1	1,600.6
Food	699.3	718.0	699.9	706.8	716.3	718.9	730.1	733.6
Clothing and shoes	288.4	310.3	292.3	307.4	311.4	309.8	312.5	333.0
Gasoline and oil	117.9	119.9	118.1	118.5	118.4	121.1	121.5	122.2
Fuel oil and coal	10.3	9.6	10.1	9.2	9.7	9.9	9.5	10.7
Other	373.0	390.3	376.8	383.5	389.2	393.4	395.2	407.1
Services	2,761.5	2,879.5	2,804.8	2,829.3	2,866.8	2,904.8	2,917.2	2,948.2
Housing	717.4	735.0	723.9	728.7	732.7	737.1	741.5	746.8
Household operation	301.3	316.8	311.1	306.3	316.5	326.3	318.2	326.7
Electricity and gas	116.0	116.2	118.4	110.5	117.4	123.8	112.9	118.1
Other household operation	185.1	200.5	192.5	195.6	198.9	202.4	205.0	208.4
Transportation	212.2	220.4	215.9	217.9	221.4	220.5	221.8	223.7
Medical care	701.7	723.2	709.4	714.9	721.6	725.3	730.8	734.6
Other	830.5	886.0	846.6	862.9	876.7	898.2	906.3	918.6
Residual	-13.0	-21.5	-14.5	-19.5	-20.3	-22.3	-23.5	-32.9

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Chain-type quantity indexes for the series in this table appear in table 7.4.

1. Consists of aid to families with dependent children and, beginning with 1996, assistance programs operating under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

2. Equals disposable personal income deflated by the implicit price deflator for personal consumption expenditures.

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

3. Government Receipts, Current Expenditures, and Gross Investment

Table 3.1.—Government Receipts and Current Expenditures

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Receipts	2,589.2	2,761.2	2,650.3	2,703.6	2,745.2	2,779.7	2,816.2	2,853.4
Personal tax and nontax receipts	989.0	1,098.3	1,025.5	1,066.8	1,092.9	1,108.4	1,124.9	1,135.9
Corporate profits tax accruals	246.1	240.1	249.3	239.9	241.6	243.2	235.6	245.8
Indirect business tax and nontax accruals	627.2	655.3	634.5	641.9	647.7	656.5	675.1	673.8
Contributions for social insurance	727.0	767.5	740.9	755.0	762.9	771.6	780.7	797.9
Current expenditures	2,476.1	2,538.2	2,506.7	2,504.6	2,529.5	2,538.9	2,579.8	2,574.0
Consumption expenditures	1,219.2	1,250.2	1,231.6	1,227.5	1,248.7	1,252.6	1,271.9	1,282.6
Transfer payments (net)	1,096.0	1,134.0	1,114.6	1,121.1	1,126.7	1,135.8	1,152.2	1,155.8
To persons	1,083.3	1,120.8	1,093.1	1,111.2	1,117.7	1,124.6	1,129.6	1,146.7
To the rest of the world (net)	12.7	13.2	21.5	9.9	9.0	11.2	22.6	9.0
Net interest paid	153.8	143.1	152.3	148.2	146.2	141.9	136.1	127.0
Interest paid	316.9	312.3	317.2	314.3	314.5	312.0	308.3	300.8
To persons and business	229.4	222.3	226.5	224.4	223.4	221.7	219.9	211.2
To the rest of the world	87.5	89.9	90.7	89.9	91.0	90.3	88.5	89.6
Less: Interest received by government	163.1	169.2	164.9	166.1	168.3	170.1	172.2	173.8
Less: Dividends received by government	14.8	16.1	15.2	15.7	16.0	16.0	16.6	16.7
Subsidies less current surplus of government enterprises	21.9	27.1	23.4	23.5	23.9	24.6	36.3	25.4
Subsidies	33.4	34.2	32.7	31.8	31.4	31.0	42.8	34.8
Less: Current surplus of government enterprises	11.5	7.2	9.3	8.4	7.5	6.4	6.5	9.4
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	113.1	223.0	143.6	199.0	215.7	240.7	236.3	279.5
Social insurance funds	138.5	161.9	148.5	152.0	158.3	163.8	173.3	182.7
Other	-25.4	61.1	-4.9	47.0	57.4	76.9	63.0	96.7

Table 3.2.—Federal Government Receipts and Current Expenditures

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
				IV	I	II	III	
Receipts	1,719.9	1,844.2	1,765.5	1,809.1	1,838.3	1,858.8	1,870.4	1,902.2
Personal tax and nontax receipts	769.1	858.0	798.6	836.5	855.7	863.8	875.9	883.2
Income taxes	745.8	829.6	774.2	810.0	826.3	836.5	845.7	852.7
Estate and gift taxes	20.6	25.1	21.6	23.5	26.2	23.8	26.8	27.1
Nontaxes	2.7	3.3	2.8	3.0	3.2	3.5	3.4	3.4
Corporate profits tax accruals	210.0	204.9	212.8	204.8	206.2	207.5	201.0	209.6
Federal Reserve banks	20.6	21.7	21.2	21.6	21.5	21.8	21.7	21.5
Other	189.5	183.2	191.6	183.2	184.7	185.7	179.3	188.1
Indirect business tax and nontax accruals	93.8	95.9	93.8	93.9	95.2	98.3	96.0	95.7
Excise taxes	59.5	62.6	60.8	60.7	61.9	63.8	64.0	63.9
Customs duties	19.6	19.6	18.9	19.1	19.3	20.7	19.2	19.1
Nontaxes	14.6	13.6	14.2	14.1	13.9	13.7	12.8	12.6
Contributions for social insurance	647.0	685.4	660.3	673.9	681.2	689.2	697.5	713.7
Current expenditures	1,741.0	1,771.4	1,763.4	1,750.3	1,763.9	1,766.7	1,804.6	1,790.8
Consumption expenditures	460.4	461.0	460.1	450.9	464.0	458.7	470.6	472.0
Transfer payments (net)	791.9	816.6	805.9	808.5	811.1	817.0	829.8	829.5
To persons	779.2	803.4	784.4	798.6	802.1	805.8	807.2	820.5
To the rest of the world (net)	12.7	13.2	21.5	9.9	9.0	11.2	22.6	9.0
Grants-in-aid to State and local governments	225.0	231.1	231.8	228.7	226.9	231.4	237.4	241.1
Net interest paid	231.2	226.1	231.8	228.8	228.3	225.7	221.4	213.9
Interest paid	253.6	248.4	253.8	250.7	250.6	248.0	244.2	236.4
To persons and business	166.1	158.4	163.1	160.7	159.6	157.7	155.7	146.8
To the rest of the world	87.5	89.9	90.7	89.9	91.0	90.3	88.5	89.6
Less: Interest received by government	22.4	22.3	22.0	21.8	22.3	22.3	22.8	22.6
Subsidies less current surplus of government enterprises	32.5	36.6	33.7	33.4	33.5	34.0	45.4	34.4
Subsidies	33.0	33.9	32.4	31.5	31.0	30.6	42.4	34.4
Less: Current surplus of government enterprises	.5	-2.7	-1.4	-1.9	-2.5	-3.4	-3.0	0
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	-21.1	72.8	2.2	58.8	74.4	92.0	65.8	111.4
Social insurance funds	70.3	94.2	80.9	84.5	90.6	96.4	105.4	114.9
Other	-91.4	-21.5	-78.7	-25.7	-16.2	-4.4	-39.6	-3.5

Table 3.3.—State and Local Government Receipts and Current Expenditures

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
				IV	I	II	III	
Receipts	1,094.3	1,148.1	1,116.5	1,123.3	1,133.8	1,152.3	1,183.1	1,192.3
Personal tax and nontax receipts	219.9	240.3	226.9	230.4	237.2	244.6	248.9	252.7
Income taxes	164.3	180.7	169.9	172.3	178.3	184.5	187.7	190.4
Nontaxes	32.0	34.5	32.9	33.6	34.2	34.9	35.5	36.2
Other	23.6	25.0	24.1	24.5	24.7	25.3	25.7	26.1
Corporate profits tax accruals	36.0	35.2	36.5	35.1	35.4	35.7	34.5	36.2
Indirect business tax and nontax accruals	533.4	559.4	540.7	548.0	552.5	558.2	579.1	578.1
Sales taxes	261.5	271.6	265.7	268.4	270.4	271.1	276.6	284.0
Property taxes	209.1	217.4	211.5	213.9	216.3	218.5	221.1	224.2
Other	62.8	70.4	63.5	65.7	65.9	68.6	81.3	70.0
Contributions for social insurance	79.9	82.1	80.6	81.1	81.7	82.4	83.2	84.2
Federal grants-in-aid	225.0	231.1	231.8	228.7	226.9	231.4	237.4	241.1
Current expenditures	960.1	997.9	975.1	983.0	992.5	1,003.6	1,012.6	1,024.2
Consumption expenditures	758.8	789.1	771.5	776.7	784.7	793.9	801.2	810.6
Transfer payments to persons	304.1	317.4	308.6	312.6	315.6	318.8	322.5	326.2
Net interest paid	-77.4	-83.0	-79.5	-80.7	-82.2	-83.7	-85.3	-86.9
Interest paid	63.3	63.9	63.4	63.6	63.8	64.0	64.2	64.3
Less: Interest received by government	140.6	146.9	142.9	144.3	146.0	147.7	149.4	151.2
Less: Dividends received by government	14.8	16.1	15.2	15.7	16.0	16.0	16.6	16.7
Subsidies less current surplus of government enterprises	-10.6	-9.5	-10.3	-9.9	-9.6	-9.4	-9.1	-9.0
Subsidies	.4	.4	.4	.4	.4	.4	.4	.4
Less: Current surplus of government enterprises	10.9	9.9	10.7	10.3	10.0	9.8	9.5	9.4
Less: Wage accruals less disbursements	0	0	0	0	0	0	0	0
Current surplus or deficit (-), national income and product accounts	134.1	150.2	141.4	140.2	141.3	148.7	170.5	168.1
Social insurance funds	68.1	67.6	67.6	67.5	67.7	67.4	67.9	67.9
Other	66.0	82.5	73.8	72.7	73.6	81.3	102.6	100.2

Table 3.7.—Government Consumption Expenditures and Gross Investment by Type

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Government consumption expenditures and gross investment¹	1,454.6	1,487.1	1,468.1	1,464.9	1,481.2	1,492.3	1,510.2	1,537.7
Federal	520.2	520.6	520.1	511.6	520.7	519.4	530.7	536.9
National defense	346.0	340.4	346.5	331.6	339.8	343.7	346.4	345.5
Consumption expenditures	306.3	301.5	304.8	293.3	303.0	302.9	306.7	303.7
Durable goods ²	20.7	21.2	20.8	20.4	20.8	21.8	21.6	21.0
Nondurable goods	7.4	6.7	7.2	6.5	6.4	7.3	6.6	6.2
Services	278.2	273.6	276.7	266.4	275.8	273.8	278.4	276.5
Compensation of general government employees, except force-account construction ³	133.3	132.2	131.9	133.4	132.2	132.3	130.9	133.9
Consumption of general government fixed capital ⁴	56.3	54.8	55.7	55.3	54.8	54.5	54.7	54.2
Other services	88.6	86.6	89.1	77.7	88.9	87.0	92.8	88.5
Gross investment	39.7	38.9	41.7	38.3	36.8	40.9	39.7	41.8
Structures	5.7	5.2	5.7	5.4	4.9	5.5	5.0	5.1
Equipment	34.0	33.7	36.1	32.9	31.9	35.4	34.7	36.7
Nondefense	174.3	180.2	173.6	180.0	180.9	175.7	184.3	191.4
Consumption expenditures	154.2	159.6	155.3	157.6	160.9	155.8	164.0	168.2
Durable goods ²	1.0	-.3	.9	1.2	1.3	-4.8	1.1	1.1
Nondurable goods	6.8	7.9	7.4	7.3	7.6	8.1	8.4	8.6
Commodity Credit Corporation inventory change ...	-.1	.5	.1	0	.2	.8	.9	1.2
Other nondurables	6.9	7.4	7.3	7.3	7.4	7.3	7.4	7.4
Services	146.3	152.0	147.0	149.1	152.0	152.5	154.5	158.5
Compensation of general government employees, except force-account construction ³	80.2	82.7	79.5	81.5	82.3	82.7	84.4	88.1
Consumption of general government fixed capital ⁴	11.5	12.1	11.7	11.8	11.9	12.2	12.4	12.4
Other services	54.7	57.2	55.8	55.8	57.9	57.5	57.8	58.0
Gross investment	20.1	20.7	18.3	22.4	20.0	19.9	20.4	23.1
Structures	10.0	10.8	8.7	10.6	10.4	11.3	11.0	11.0
Equipment	10.0	9.8	9.6	11.8	9.6	8.6	9.4	12.1
State and local	934.4	966.5	947.9	953.3	960.4	972.9	979.5	1,000.8
Consumption expenditures	758.8	789.1	771.5	776.7	784.7	793.9	801.2	810.6
Durable goods ²	16.2	16.8	16.4	16.6	16.7	16.9	17.1	17.3
Nondurable goods	79.7	78.1	80.1	78.0	78.4	78.4	77.7	78.0
Services	662.9	694.2	675.0	682.1	689.6	698.5	706.4	715.4
Compensation of general government employees, except force-account construction ³	566.7	590.9	575.4	581.1	587.8	594.2	600.3	607.8
Consumption of general government fixed capital ⁴	60.5	63.5	61.8	62.4	62.9	63.9	64.8	65.4
Other services	35.7	39.8	37.8	38.6	38.9	40.4	41.3	42.2
Gross investment	175.6	177.4	176.4	176.6	175.7	179.0	178.3	190.2
Structures	142.4	141.9	142.6	142.0	140.6	143.2	141.8	153.3
Equipment	33.2	35.5	33.9	34.6	35.2	35.8	36.5	37.0
Addenda:								
Compensation of general government employees ³	784.7	810.4	791.4	800.6	806.8	813.9	820.2	834.7
Federal	213.5	215.0	211.5	215.0	214.6	215.2	215.4	222.1
State and local	571.2	595.3	579.9	585.6	592.2	598.8	604.8	612.6

Table 3.8.—Real Government Consumption Expenditures and Real Gross Investment by Type

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Government consumption expenditures and gross investment¹	1,285.0	1,296.9	1,289.2	1,283.0	1,294.8	1,299.6	1,310.3	1,324.2
Federal	458.0	453.3	456.5	446.1	454.1	452.5	460.6	458.6
National defense	308.9	300.4	308.7	293.3	300.3	303.5	304.6	299.4
Consumption expenditures	272.4	264.1	270.0	257.9	266.1	265.1	267.3	261.0
Durable goods ²	20.4	21.0	20.6	20.1	20.7	21.7	21.6	20.9
Nondurable goods	7.0	7.1	6.9	6.7	6.7	7.8	7.1	6.8
Services	244.9	236.1	242.4	231.1	238.7	235.9	238.7	233.4
Compensation of general government employees, except force-account construction ³	112.9	109.4	111.4	110.6	109.5	109.4	108.0	106.9
Consumption of general government fixed capital ⁴	50.5	49.1	50.0	49.6	49.3	49.0	48.7	48.4
Other services	81.8	77.9	81.5	70.8	80.3	77.8	82.6	78.5
Gross investment	36.5	36.3	38.7	35.4	34.1	38.5	37.2	38.5
Structures	4.5	4.1	4.5	4.3	3.8	4.3	3.9	4.0
Equipment	31.9	32.2	34.2	31.0	30.3	34.2	33.4	34.6
Nondefense	148.6	152.1	147.3	151.9	152.9	148.4	155.2	158.3
Consumption expenditures	128.7	131.5	129.0	130.0	132.9	128.4	134.6	135.3
Durable goods ²	1.4	.3	1.3	1.5	1.7	-3.3	1.4	1.5
Nondurable goods	6.1	7.2	6.6	6.6	6.9	7.6	7.8	8.0
Commodity Credit Corporation inventory change ...	-.1	.6	.2	0	.3	1.0	1.1	1.4
Other nondurables	6.2	6.6	6.5	6.5	6.6	6.6	6.7	6.7
Services	121.4	124.2	121.2	122.0	124.5	124.5	125.8	126.2
Compensation of general government employees, except force-account construction ³	60.8	61.5	59.9	60.7	61.4	61.5	62.6	62.8
Consumption of general government fixed capital ⁴	11.0	11.6	11.2	11.3	11.4	11.7	11.8	11.9
Other services	50.3	52.1	51.1	51.0	52.8	52.2	52.3	52.4
Gross investment	19.8	20.7	18.1	22.2	19.9	19.9	20.5	23.4
Structures	8.6	8.9	7.3	8.8	8.6	9.3	9.0	9.0
Equipment	11.6	12.1	11.3	14.1	11.7	10.7	11.8	15.4
State and local	827.1	843.8	832.9	837.1	840.9	847.3	850.0	865.9
Consumption expenditures	672.3	689.3	678.5	682.8	687.3	691.6	695.6	701.2
Durable goods ²	15.1	15.6	15.3	15.4	15.6	15.7	15.9	16.0
Nondurable goods	73.4	75.7	74.3	74.9	75.4	76.0	76.7	77.2
Services	583.9	598.1	589.1	592.7	596.5	600.1	603.3	608.3
Compensation of general government employees, except force-account construction ³	492.8	501.9	496.2	498.1	500.9	503.4	505.3	508.4
Consumption of general government fixed capital ⁴	54.8	57.0	55.6	56.1	56.7	57.2	57.8	58.4
Other services	37.7	41.2	38.9	40.2	40.7	41.5	42.4	43.8
Gross investment	154.8	154.4	154.3	154.2	153.5	155.6	154.3	164.6
Structures	121.0	117.5	119.5	118.5	117.0	118.2	116.1	125.1
Equipment	34.3	38.3	35.5	36.7	37.7	38.8	39.8	40.8
Residual	-2.9	-4.8	-4.0	-3.9	-4.3	-5.1	-5.6	-6.7
Addenda:								
Compensation of general government employees ³	670.2	676.2	670.8	672.8	675.1	677.7	679.2	681.8
Federal	174.2	171.5	171.7	171.8	171.5	171.6	171.3	170.6
State and local	496.7	505.6	500.0	501.9	504.6	507.1	509.0	512.4

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the lines in the addenda.

Chain-type quantity indexes for the series in this table appear in table 7.11. See footnotes to table 3.7.

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries by the Federal Government.

3. Compensation of government employees engaged in new force-account construction and related expenditures for goods and services are classified as investment in structures. The compensation of all general government employees is shown in the addenda.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

Table 3.10.—National Defense Consumption Expenditures and Gross Investment

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
National defense consumption expenditures and gross investment¹	346.0	340.4	346.5	331.6	339.8	343.7	346.4	345.5
Consumption expenditures	306.3	301.5	304.8	293.3	303.0	302.9	306.7	303.7
Durable goods²	20.7	21.2	20.8	20.4	20.8	21.8	21.6	21.0
Aircraft	9.6	10.1	9.7	9.3	10.1	9.9	10.9	9.6
Missiles	2.6	2.4	2.7	2.4	2.2	2.7	2.3	2.8
Ships .....	.7	.6	.7	.7	.6	.6	.7	.7
Vehicles .....	.9	1.0	1.0	1.0	.9	1.0	1.0	1.0
Electronics	2.6	2.5	2.4	2.6	2.5	2.5	2.4	2.5
Other durable goods	4.3	4.6	4.4	4.4	4.6	5.1	4.4	4.5
Nondurable goods	7.4	6.7	7.2	6.5	6.4	7.3	6.6	6.2
Petroleum products	2.9	1.9	2.5	2.0	2.0	2.0	1.7	1.6
Ammunition	1.5	1.7	1.7	1.4	1.2	2.3	1.8	1.5
Other nondurable goods	3.0	3.1	3.1	3.1	3.1	3.0	3.2	3.1
Services	278.2	273.6	276.7	266.4	275.8	273.8	278.4	276.5
Compensation of general government employees, except force-account construction ³	133.3	132.2	131.9	133.4	132.2	132.3	130.9	133.9
Military	84.2	84.5	83.7	85.0	84.4	84.5	84.0	85.6
Civilian	49.1	47.7	48.2	48.4	47.8	47.8	46.9	48.3
Consumption of general government fixed capital ⁴	56.3	54.8	55.7	55.3	54.8	54.5	54.7	54.2
Other services	88.6	86.6	89.1	77.7	88.9	87.0	92.8	88.5
Research and development	28.9	27.0	28.6	22.0	27.5	28.4	29.9	26.5
Installation support	26.3	25.5	25.7	25.1	25.8	25.2	25.7	25.6
Weapons support	6.4	6.1	7.0	5.6	6.4	5.8	6.7	6.6
Personnel support	20.1	20.8	21.0	18.6	21.5	20.3	22.7	21.7
Transportation of material	4.6	4.7	4.7	4.6	4.7	4.7	5.0	5.2
Travel of persons	3.6	3.5	3.6	3.5	3.5	3.5	3.5	3.5
Other	-1.3	-1.0	-1.4	-1.8	-6	-8	-7	-7
Gross investment	39.7	38.9	41.7	38.3	36.8	40.9	39.7	41.8
Structures	5.7	5.2	5.7	5.4	4.9	5.5	5.0	5.1
Equipment	34.0	33.7	36.1	32.9	31.9	35.4	34.7	36.7
Aircraft	6.0	5.6	8.3	5.1	4.3	6.1	7.1	6.2
Missiles	3.0	2.9	3.1	3.2	2.7	2.9	3.0	4.3
Ships	6.1	6.4	5.8	6.3	6.0	6.5	6.8	6.8
Vehicles	1.5	1.5	1.4	1.3	1.8	1.5	1.4	1.4
Electronics	3.6	3.4	3.2	3.4	3.6	3.3	3.2	3.3
Other equipment	13.9	13.8	14.3	13.6	13.5	15.1	13.1	14.7
Addendum:								
Compensation of general government employees ³	133.3	132.2	131.9	133.5	132.2	132.3	130.9	133.9

1. Gross government investment consists of general government and government enterprise expenditures for fixed assets; inventory investment is included in government consumption expenditures.

2. Consumption expenditures for durable goods excludes expenditures classified as investment, except for goods transferred to foreign countries.

3. Compensation of government employees engaged in new force-account construction and related expenditures for goods and services are classified as investment in structures. The compensation of all general government employees is shown in the addendum.

4. Consumption of fixed capital, or depreciation, is included in government consumption expenditures as a partial measure of the value of the services of general government fixed assets; use of depreciation assumes a zero net return on these assets.

Table 3.11.—Real National Defense Consumption Expenditures and Real Gross Investment

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
National defense consumption expenditures and gross investment¹	308.9	300.4	308.7	293.3	300.3	303.5	304.6	299.4
Consumption expenditures	272.4	264.1	270.0	257.9	266.1	265.1	267.3	261.0
Durable goods²	20.4	21.0	20.6	20.1	20.7	21.7	21.6	20.9
Aircraft	9.4	9.9	9.6	9.1	9.9	9.7	10.8	9.4
Missiles	2.7	2.5	2.8	2.5	2.3	2.9	2.5	2.9
Ships .....	.7	.6	.6	.7	.6	.6	.6	.7
Vehicles .....	.8	.8	.8	.8	.7	.8	.8	.8
Electronics	2.8	2.7	2.6	2.8	2.7	2.8	2.7	2.8
Other durable goods	4.1	4.4	4.2	4.2	4.4	4.8	4.2	4.3
Nondurable goods	7.0	7.1	6.9	6.7	6.7	7.8	7.1	6.8
Petroleum products	2.8	2.6	2.5	2.5	2.7	2.8	2.4	2.5
Ammunition	1.4	1.6	1.6	1.3	1.2	2.2	1.7	1.5
Other nondurable goods	2.8	2.9	2.9	2.9	2.9	2.8	3.0	2.9
Services	244.9	236.1	242.4	231.1	238.7	235.9	238.7	233.4
Compensation of general government employees, except force-account construction ³	112.9	109.4	111.4	110.6	109.5	109.4	108.0	106.9
Military	74.8	73.1	74.3	73.8	73.1	73.2	72.4	71.8
Civilian	38.3	36.5	37.3	37.0	36.7	36.5	35.8	35.4
Consumption of general government fixed capital ⁴	50.5	49.1	50.0	49.6	49.3	49.0	48.7	48.4
Other services	81.8	77.9	81.5	70.8	80.3	77.8	82.6	78.5
Research and development	28.5	26.0	27.9	21.4	26.6	27.4	28.7	25.3
Installation support	23.8	22.6	23.1	22.6	23.1	22.2	22.5	22.5
Weapons support	5.6	5.3	6.1	4.9	5.6	5.0	5.8	5.6
Personnel support	17.5	17.3	18.0	15.8	18.1	16.8	18.6	17.6
Transportation of material	4.5	4.6	4.6	4.5	4.5	4.5	4.9	5.0
Travel of persons	3.4	3.1	3.3	3.1	3.1	3.1	3.1	3.1
Other	-1.1	-8	-1.2	-1.5	-5	-7	-6	-6
Gross investment	36.5	36.3	38.7	35.4	34.1	38.5	37.2	38.5
Structures	4.5	4.1	4.5	4.3	3.8	4.3	3.9	4.0
Equipment	31.9	32.2	34.2	31.0	30.3	34.2	33.4	34.6
Aircraft	4.9	4.8	7.0	4.2	3.5	5.4	6.1	4.7
Missiles	3.1	3.0	3.2	3.2	2.8	2.9	3.1	4.3
Ships	5.4	5.8	5.1	5.6	5.4	5.8	6.2	6.1
Vehicles	1.3	1.4	1.3	1.2	1.6	1.4	1.3	1.2
Electronics	4.9	5.2	4.6	5.0	5.4	5.3	5.2	5.5
Other equipment	13.0	12.9	13.4	12.7	12.6	14.1	12.3	13.7
Residual	-1.5	-1.6	-1.4	-9	-1.8	-2.1	-2.1	-1.9
Addendum:								
Compensation of general government employees ³	112.9	109.4	111.4	110.6	109.5	109.5	108.0	106.9

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the line in the addendum.

Chain-type indexes for the series in the table appear in table 7.12.

See footnotes to table 3.10.

4. Foreign Transactions

Table 4.1.—Foreign Transactions in the National Income and Product Accounts

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Receipts from the rest of the world	1,230.9	1,228.1	1,254.9	1,243.6	1,220.2	1,201.2	1,247.5	1,228.3	
Exports of goods and services ...	965.4	959.0	988.6	973.3	949.6	936.2	976.8	958.1	
Goods ¹	688.3	680.8	708.9	694.5	668.8	663.3	696.6	672.6	
Durable	483.0	487.4	498.7	495.4	474.3	476.6	503.3	486.0	
Nondurable	205.3	193.4	210.2	199.2	194.5	186.6	193.3	186.6	
Services ¹	277.1	278.2	279.7	278.8	280.8	272.9	280.2	285.5	
Receipts of factor income	265.5	269.2	266.3	270.3	270.6	265.0	270.7	270.3	
Capital grants received by the United States (net)	0	0	0	0	0	0	0	0	
Payments to the rest of the world	1,230.9	1,228.1	1,254.9	1,243.6	1,220.2	1,201.2	1,247.5	1,228.3	
Imports of goods and services ...	1,058.8	1,110.2	1,087.4	1,097.1	1,108.9	1,101.7	1,133.0	1,161.2	
Goods ¹	888.3	932.4	912.4	920.9	931.8	924.7	952.2	978.3	
Durable	589.5	637.6	608.7	625.6	634.1	630.1	660.6	680.0	
Nondurable	298.8	294.8	303.7	295.2	297.7	294.6	291.6	298.3	
Services ¹	170.4	177.8	174.9	176.2	177.1	177.0	180.8	182.9	
Payments of factor income	273.5	289.6	285.9	285.1	289.3	292.1	291.9	292.9	
Transfer payments (net)	39.5	41.0	49.4	37.0	36.8	39.1	51.0	37.8	
From persons (net)	18.9	19.9	19.8	19.2	19.9	20.0	20.6	21.0	
From government (net)	12.7	13.2	21.5	9.9	9.0	11.2	22.6	9.0	
From business	8.0	7.9	8.1	7.9	7.9	8.0	7.8	7.8	
Net foreign investment	-140.9	-212.6	-167.8	-175.6	-214.8	-231.6	-228.3	-263.6	

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 4.2.—Real Exports and Imports of Goods and Services and Receipts and Payments of Factor Income

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Exports of goods and services	970.0	984.7	998.8	991.9	972.1	965.3	1,009.6	992.0	
Goods ¹	726.5	742.6	754.9	748.5	726.3	727.3	768.4	745.4	
Durable	554.5	573.3	578.1	577.9	556.2	562.9	596.4	577.9	
Nondurable	180.8	179.7	186.3	181.1	179.3	174.9	183.5	178.5	
Services ¹	247.0	246.4	248.6	247.8	248.8	242.1	247.0	250.3	
Receipts of factor income	238.0	239.5	237.6	241.0	241.0	235.7	240.4	239.3	
Imports of goods and services	1,106.1	1,222.9	1,147.8	1,190.4	1,217.3	1,224.3	1,259.6	1,302.1	
Goods ¹	945.7	1,054.4	981.8	1,021.0	1,048.8	1,056.3	1,091.7	1,131.0	
Durable	667.7	752.8	696.6	726.9	745.5	749.8	789.1	815.1	
Nondurable	280.3	305.4	288.1	297.6	306.7	309.9	307.6	320.9	
Services ¹	161.8	171.2	167.5	171.3	171.0	170.8	171.6	175.3	
Payments of factor income	240.7	252.7	250.5	249.6	252.8	254.6	253.9	254.1	

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. Chain-type quantity indexes for the series in this table appear in table 7.9.

5. Saving and Investment

Table 5.1.—Gross Saving and Investment

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Gross saving	1,406.3	1,468.0	1,428.0	1,482.5	1,448.5	1,474.5	1,466.6	1,498.5
Gross private saving	1,141.6	1,090.4	1,131.6	1,130.1	1,079.0	1,078.7	1,073.7	1,062.0
Personal saving	121.0	27.7	98.2	73.0	25.6	12.6	-6	-35.0
Undistributed corporate profits with inventory valuation and capital consumption adjustments	296.7	305.4	295.0	312.0	300.9	304.8	303.9	322.1
Undistributed profits	213.2	198.5	210.6	201.8	203.7	198.3	190.2	207.1
Inventory valuation adjustment	6.9	14.5	4.3	25.3	7.8	11.7	13.4	10.4
Capital consumption adjustment	76.6	92.3	80.1	84.9	89.4	94.8	100.2	104.7
Corporate consumption of fixed capital	477.3	500.6	487.7	492.5	497.8	503.1	508.9	514.8
Noncorporate consumption of fixed capital	242.8	252.7	247.0	248.6	250.7	254.2	257.5	260.1
Wage accruals less disbursements	3.7	4.0	3.7	4.0	4.0	4.0	4.0	0
Gross government saving	264.7	377.6	296.4	352.4	369.4	395.7	392.9	436.5
Federal	49.5	142.5	72.3	128.7	143.9	161.6	135.8	180.9
Consumption of fixed capital	70.6	69.7	70.2	69.9	69.5	69.6	70.0	69.5
Current surplus or deficit (-), national income and product accounts	-21.1	72.8	2.2	58.8	74.4	92.0	65.8	111.4
State and local	215.2	235.1	224.1	223.7	225.6	234.2	257.1	255.5
Consumption of fixed capital	81.1	85.0	82.7	83.5	84.3	85.4	86.6	87.5
Current surplus or deficit (-), national income and product accounts	134.1	150.2	141.4	140.2	141.3	148.7	170.5	168.1
Capital grants received by the United States (net)	0	0	0	0	0	0	0	0
Gross investment	1,350.5	1,391.5	1,360.7	1,428.4	1,362.7	1,372.5	1,402.4	1,407.5
Gross private domestic investment	1,256.0	1,367.1	1,292.0	1,366.6	1,345.0	1,364.4	1,392.4	1,415.9
Gross government investment	235.4	237.0	236.5	237.4	232.5	239.7	238.3	255.1
Net foreign investment	-140.9	-212.6	-167.8	-175.6	-214.8	-231.6	-228.3	-263.6
Statistical discrepancy	-55.8	-76.5	-67.3	-54.1	-85.7	-102.0	-64.2	-91.0
Addendum:								
Gross saving as a percentage of gross national product	17.4	17.3	17.3	17.7	17.2	17.3	16.9	17.1

Table 5.4.—Private Fixed Investment by Type

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Private fixed investment	1,188.6	1,307.8	1,220.1	1,271.1	1,305.8	1,307.5	1,346.7	1,376.1
Nonresidential	860.7	938.2	882.8	921.3	941.9	931.6	957.9	971.1
Structures	240.2	246.9	246.4	245.0	245.4	246.2	250.9	253.2
Nonresidential buildings, including farm	177.3	184.1	178.9	180.6	181.8	183.7	190.1	195.1
Utilities	33.5	34.7	34.1	34.2	34.7	35.0	35.1	35.0
Mining exploration, shafts, and wells	22.7	21.3	24.3	23.5	22.4	20.7	18.7	16.7
Other structures	6.7	6.8	9.2	6.6	6.5	6.8	7.1	6.4
Producers' durable equipment	620.5	691.3	636.4	676.3	696.6	685.4	706.9	717.9
Information processing and related equipment	206.6	233.3	213.6	226.5	231.6	235.2	239.9	246.8
Computers and peripheral equipment ¹	81.1	95.1	83.7	91.8	94.8	95.6	98.0	99.7
Other	125.5	138.3	129.9	134.7	136.8	139.5	142.0	147.1
Industrial equipment	138.6	147.0	142.1	145.4	146.8	147.4	148.3	145.9
Transportation and related equipment	152.0	175.1	155.9	172.4	181.2	164.0	182.8	181.9
Other	123.3	135.9	124.8	132.0	137.0	138.8	135.9	143.3
Residential	327.9	369.6	337.4	349.8	363.8	375.8	388.9	405.0
Structures	319.9	361.1	329.4	341.5	355.4	367.3	380.3	396.1
Single family	164.4	187.3	168.7	175.8	183.8	190.9	198.7	209.3
Multifamily	22.6	24.4	23.8	25.1	23.5	23.9	25.3	26.9
Other structures	132.8	149.4	136.8	140.6	148.1	152.6	156.3	159.9
Producers' durable equipment	8.0	8.5	8.0	8.3	8.5	8.5	8.6	8.9

1. Includes new computers and peripheral equipment only.

Table 5.5.—Real Private Fixed Investment by Type

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997		1998			1999
			IV	I	II	III	IV	I
Private fixed investment	1,138.0	1,267.8	1,169.5	1,224.9	1,264.1	1,270.9	1,311.0	1,342.7
Nonresidential	859.4	960.7	886.2	931.9	960.4	958.7	991.9	1,010.8
Structures	203.2	203.0	205.7	203.1	201.9	202.0	205.0	206.4
Nonresidential buildings, including farm	150.5	150.9	149.5	150.1	149.8	150.1	153.8	157.3
Utilities	28.7	29.5	29.2	29.2	29.5	29.7	29.7	29.8
Mining exploration, shafts, and wells	17.9	16.7	18.9	17.9	17.0	16.4	15.3	13.8
Other structures	5.8	5.7	7.8	5.6	5.5	5.8	6.0	5.4
Producers' durable equipment	660.9	770.2	686.4	738.8	771.3	769.3	801.5	820.3
Information processing and related equipment	298.0	388.1	320.7	353.4	376.8	399.6	422.5	447.4
Computers and peripheral equipment ¹	214.8	351.8	242.9	292.2	331.5	370.5	413.0	450.3
Other	126.6	141.2	131.5	136.7	139.7	142.8	145.6	151.1
Industrial equipment	125.9	132.7	128.6	131.5	132.5	133.1	133.5	131.1
Transportation and related equipment	140.3	162.0	143.8	159.6	167.9	151.7	168.7	167.0
Other	113.0	123.3	114.1	120.2	124.6	125.8	122.5	129.0
Residential	282.8	312.0	287.9	298.5	309.1	316.5	324.1	335.9
Structures	275.1	303.9	280.1	290.5	300.9	308.3	315.7	327.2
Single family	137.2	153.0	139.0	145.2	151.3	155.6	159.7	167.3
Multifamily	20.2	21.3	21.0	22.1	20.7	20.8	21.7	23.0
Other structures	118.5	130.2	120.9	123.8	129.6	132.6	135.0	137.5
Producers' durable equipment	7.7	8.2	7.8	8.0	8.2	8.2	8.3	8.6
Residual	-69.1	-158.7	-85.5	-117.2	-143.7	-172.2	-201.8	-228.5

1. Includes new computers and peripheral equipment only.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Chain-type quantity indexes for the series in this table appear in table 7.6.

Table 5.10.—Change in Business Inventories by Industry Group

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Change in business inventories	67.4	59.3	71.9	95.5	39.2	57.0	45.7	39.8
Farm	4.3	6.7	4.9	5.0	7.7	7.7	6.3	3.7
Nonfarm	63.1	52.7	66.9	90.5	31.5	49.3	39.3	36.1
Change in book value ¹	52.1	33.2	61.1	56.3	21.2	32.0	23.3	20.3
Inventory valuation adjustment ²	11.0	19.5	5.9	34.3	10.3	17.3	16.0	15.8
Manufacturing	21.4	20.9	18.7	31.8	25.1	20.1	6.5	-5.0
Durable goods	12.5	14.5	8.4	21.9	19.9	12.3	3.9	-2.4
Nondurable goods	8.9	6.4	10.4	9.9	5.3	7.7	2.6	-2.5
Wholesale trade	23.3	20.1	21.5	28.1	7.9	30.5	14.1	10.7
Durable goods	13.8	13.9	8.9	25.8	1.6	15.5	12.5	8.5
Nondurable goods	9.5	6.3	12.6	2.3	6.2	15.0	1.5	2.2
Merchant wholesalers	19.6	18.2	19.0	26.0	4.8	29.2	12.5	10.4
Durable goods	11.4	12.1	7.3	23.3	-1	13.8	11.4	7.6
Nondurable goods	8.2	6.0	11.7	2.7	5.0	15.4	1.1	2.8
Nonmerchant wholesalers	3.8	2.0	2.5	2.0	3.0	1.3	1.6	.3
Durable goods	2.4	1.8	1.6	2.4	1.8	1.7	1.1	.9
Nondurable goods	1.4	.2	.9	-.4	1.2	-.4	.5	-.6
Retail trade	7.3	3.0	17.8	18.3	-12.7	-5.5	11.7	20.0
Durable goods	5.1	-2.9	15.3	1.8	-17.8	-8.2	12.5	8.7
Motor vehicle dealers ³	1.3	-6.4	11.7	-4.1	-15.3	-10.0	3.7	2.7
Other ³	3.9	3.5	3.5	5.9	-2.5	1.8	8.7	5.9
Nondurable goods	2.2	5.9	2.5	16.5	5.1	2.7	-7	11.3
Other	11.0	8.7	8.9	12.3	11.2	4.3	7.0	10.4
Durable goods	2.2	-2	1.4	.4	.8	-1	-1.9	3.4
Nondurable goods	8.8	8.9	7.5	11.9	10.4	4.4	9.0	7.0

1. Beginning with 1982, this series is derived from the Census Bureau series "current cost inventories." For earlier periods, it is derived from the Census Bureau "book value inventories" series. The series differ in the treatment of inventories reported on a last-in, first-out (LIFO) basis: The series prior to 1982 is a mix of LIFO and non-LIFO inventories; the series beginning with 1982 is entirely on a non-LIFO basis.

2. Beginning with 1973, the inventory valuation adjustment (IVA) shown in this table differs from the IVA that adjusts business incomes. The IVA in this table reflects the mix of methods (first-in, first-out; last-in, first-out; etc.) underlying inventories derived primarily from Census Bureau statistics (see footnote 1). This mix differs from that underlying business income derived primarily from Internal Revenue Service statistics. Prior to 1973, the two IVA's are the same because information required for separate estimates is not available.

3. Prior to 1981, inventories of auto and home supply stores are included in motor vehicle dealers. Beginning with 1981, these inventories are included in "other durable goods."

Table 5.11.—Real Change in Business Inventories by Industry Group

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Change in business inventories	63.2	57.4	66.5	91.4	38.2	55.7	44.2	39.0
Farm	4.3	7.6	3.7	5.3	8.7	9.1	7.2	4.4
Nonfarm	58.8	50.1	62.7	85.9	29.9	47.0	37.5	34.7
Manufacturing	20.1	19.9	17.7	30.2	23.9	19.2	6.2	-4.9
Durable goods	12.0	14.0	8.1	21.0	19.1	12.0	3.8	-2.4
Nondurable goods	8.1	5.9	9.5	9.2	4.9	7.2	2.4	-2.6
Wholesale trade	22.0	19.5	20.2	27.0	7.6	29.6	13.7	10.4
Durable goods	13.3	13.5	8.6	25.1	1.6	15.2	12.3	8.4
Nondurable goods	8.7	6.0	11.4	2.3	5.9	14.3	1.5	2.1
Merchant wholesalers	18.5	17.5	17.8	24.8	4.7	28.3	12.2	10.1
Nondurable goods	11.0	11.8	7.0	22.6	-2	13.5	11.2	7.5
Nonmerchant wholesalers	3.6	2.0	2.4	2.1	3.0	1.3	1.5	.3
Durable goods	2.3	1.7	1.5	2.4	1.8	1.7	1.1	.9
Nondurable goods	1.2	.2	.9	-.3	1.2	-.4	.4	-.6
Retail trade	6.8	2.8	16.9	17.3	-11.9	-5.3	10.9	18.8
Durable goods	4.7	-2.8	14.1	1.6	-16.3	-7.7	11.4	7.9
Motor vehicle dealers	1.1	-5.8	10.5	-3.7	-13.8	-9.1	3.3	2.5
Other	3.6	3.2	3.3	5.5	-2.3	1.7	8.1	5.5
Nondurable goods	2.1	5.7	2.5	16.1	4.9	2.6	-7	10.9
Other	9.9	8.1	8.1	11.5	10.4	4.0	6.6	9.9
Durable goods	1.9	-2	1.2	.4	.7	-1	-1.7	2.9
Nondurable goods	8.1	8.6	6.9	11.5	10.0	4.3	8.8	7.0
Residual	0	-1.0	.9	-1.2	-1.5	-1.3	-.8	.3

NOTE.—Chained (1992) dollar series for real change in business inventories are calculated as the period-to-period change in chained-dollar end-of-period inventories. Quarterly changes in end-of-period inventories are stated at annual rates. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table 5.12.—Inventories and Domestic Final Sales of Business by Industry Group

[Billions of dollars]

	Seasonally adjusted quarterly totals					
	1997	1998				1999
	IV	I	II	III	IV	I
Inventories ¹	1,348.4	1,363.6	1,366.5	1,369.1	1,372.7	1,388.8
Farm	109.1	110.8	108.9	103.9	104.6	112.3
Nonfarm	1,239.3	1,252.8	1,257.6	1,265.2	1,268.1	1,276.4
Durable goods	711.0	721.5	720.0	721.8	724.6	727.8
Nondurable goods	528.3	531.3	537.6	543.4	543.5	548.6
Manufacturing	462.0	466.1	469.1	471.1	467.5	465.1
Durable goods	287.9	292.1	295.4	296.1	293.9	292.5
Nondurable goods	174.1	174.0	173.7	175.0	173.6	172.7
Wholesale trade	321.0	324.8	326.0	332.0	334.8	337.1
Durable goods	200.5	206.2	205.6	208.4	210.8	212.6
Nondurable goods	120.5	118.6	120.4	123.6	124.0	124.5
Merchant wholesalers	276.0	280.2	280.7	286.7	289.5	291.3
Durable goods	173.6	178.7	177.9	180.4	182.6	184.2
Nondurable goods	102.5	101.4	102.8	106.3	106.9	107.1
Nonmerchant wholesalers	44.9	44.6	45.2	45.4	45.3	45.8
Durable goods	26.9	27.4	27.7	28.0	28.2	28.4
Nondurable goods	18.0	17.2	17.5	17.3	17.1	17.4
Retail trade	321.4	325.3	323.6	323.0	326.6	331.5
Durable goods	175.3	175.8	171.3	169.8	173.1	174.7
Motor vehicle dealers	88.0	86.9	83.2	81.2	82.3	82.2
Other	87.4	88.8	88.1	88.6	90.9	92.5
Nondurable goods	146.0	149.5	152.3	153.2	153.5	156.7
Other	135.0	136.6	138.9	139.1	139.2	142.7
Durable goods	47.3	47.4	47.6	47.5	46.8	48.0
Nondurable goods	87.7	89.2	91.3	91.6	92.4	94.7
Final sales of domestic business ²	574.6	582.3	590.6	596.0	607.8	616.5
Final sales of goods and structures of domestic business ²	306.8	312.5	315.2	316.9	325.7	330.4
Ratio of inventories to final sales of domestic business						
Inventories to final sales	2.35	2.34	2.31	2.30	2.26	2.25
Nonfarm inventories to final sales	2.16	2.15	2.13	2.12	2.09	2.07
Nonfarm inventories to final sales of goods and structures	4.04	4.01	3.99	3.99	3.89	3.86

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories in this table is not the current-dollar change in business inventories (CBI) component of GDP. The former is the difference between two inventory stocks, each valued at their respective end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates; whereas, CBI is stated at annual rates.

2. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government and includes a small amount of final sales by farm.

Table 5.13.—Real Inventories and Real Domestic Final Sales of Business by Industry Group

[Billions of chained (1992) dollars]

	Seasonally adjusted quarterly totals					
	1997	1998				1999
	IV	I	II	III	IV	I
Inventories ¹	1,277.5	1,300.3	1,309.9	1,323.8	1,334.8	1,344.6
Farm	109.6	110.9	113.1	115.3	117.1	118.2
Nonfarm	1,167.4	1,188.9	1,196.4	1,208.1	1,217.5	1,226.2
Durable goods	672.4	684.2	685.3	689.9	696.4	700.7
Nondurable goods	494.9	504.6	511.0	518.1	521.1	525.4
Manufacturing	435.2	442.8	448.7	453.5	455.1	453.9
Durable goods	275.8	281.1	285.9	288.9	289.8	289.3
Nondurable goods	159.5	161.8	163.0	164.8	165.4	164.8
Wholesale trade	304.9	311.6	313.5	320.9	324.3	326.9
Durable goods	194.5	200.8	201.2	205.0	208.1	210.2
Nondurable goods	110.6	111.2	112.6	116.2	116.6	117.1
Merchant wholesalers	261.3	267.5	268.7	275.7	278.8	281.3
Durable goods	168.0	173.6	173.6	177.0	179.8	181.7
Nondurable goods	93.5	94.1	95.3	99.0	99.2	99.9
Nonmerchant wholesalers	43.6	44.1	44.8	45.2	45.5	45.6
Durable goods	26.5	27.1	27.6	28.0	28.3	28.5
Nondurable goods	17.1	17.0	17.3	17.2	17.3	17.1
Retail trade	302.9	307.3	304.3	302.9	305.7	310.4
Durable goods	161.2	161.6	157.5	155.6	158.4	160.4
Motor vehicle dealers	79.6	78.7	75.3	73.0	73.8	74.4
Other	81.5	82.9	82.3	82.8	84.8	86.2
Nondurable goods	141.3	145.3	146.6	147.2	147.1	149.8
Other	124.4	127.3	129.9	130.9	132.5	135.0
Durable goods	41.0	41.0	41.2	41.2	40.8	41.5
Nondurable goods	83.5	86.4	88.9	90.0	92.2	93.9
Residual .....	.6	.4	-.2	-.6	-.8	-.7
Final sales of domestic business ²	515.5	521.6	528.4	532.2	542.1	548.6
Final sales of goods and structures of domestic business ²	288.4	294.0	296.5	298.0	306.6	310.9
Ratio of inventories to final sales of domestic business						
Inventories to final sales	2.48	2.49	2.48	2.49	2.46	2.45
Nonfarm inventories to final sales	2.26	2.28	2.26	2.27	2.25	2.24
Nonfarm inventories to final sales of goods and structures	4.05	4.04	4.03	4.05	3.97	3.94

1. Inventories are as of the end of the quarter. Quarter-to-quarter changes calculated from this table are at quarterly rates, whereas, the change in the business inventories component of GDP is stated at annual rates.

2. Quarterly totals at monthly rates. Final sales of domestic business equals final sales of domestic product less gross product of households and institutions and of general government and includes a small amount of final sales by farm.

NOTE.—Chained (1992) dollar inventory series are calculated as the product of the chain-type quantity index and the average of the end-of-year fixed-weighted inventories for 1991 and 1992, divided by 100. Chained (1992) dollar final sales series are calculated as the product of the chain-type index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines for inventories.

6. Income and Employment by Industry

Table 6.1C.—National Income Without Capital Consumption Adjustment by Industry Group

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1998					1999
			IV	I	II	III	IV	
National income without capital consumption adjustment	6,598.0	6,928.6	6,716.0	6,817.1	6,882.3	6,963.3	7,051.9	7,171.7
Domestic industries	6,606.0	6,949.3	6,735.4	6,832.2	6,901.3	6,990.6	7,073.3	7,194.6
Private industries	5,728.5	6,043.0	5,849.7	5,937.2	5,999.1	6,080.4	6,155.5	6,262.0
Agriculture, forestry, and fishing	106.0	104.2	103.0	99.9	102.0	100.9	114.0	.....
Mining	52.5	50.6	53.8	54.9	51.2	49.0	47.4	.....
Construction	305.1	331.1	312.5	320.1	326.7	334.3	343.1	.....
Manufacturing	1,151.0	1,168.7	1,175.1	1,170.9	1,169.3	1,170.3	1,164.1	.....
Durable goods	659.4	684.2	680.0	678.8	680.2	682.7	695.2	.....
Nondurable goods	491.6	484.4	495.1	492.1	489.1	487.6	468.9	.....
Transportation and public utilities	480.9	500.8	489.4	497.3	495.1	503.9	506.9	.....
Transportation	208.0	216.2	213.6	213.7	214.9	217.2	219.1	.....
Communications	139.3	149.3	142.0	148.5	147.3	150.8	150.4	.....
Electric, gas, and sanitary services	133.6	135.3	133.8	135.0	132.9	136.0	137.4	.....
Wholesale trade	384.2	409.2	390.3	400.9	408.5	414.0	413.5	.....
Retail trade	543.2	580.0	552.8	567.0	576.5	584.4	592.3	.....
Finance, insurance, and real estate	1,192.0	1,273.5	1,223.0	1,245.4	1,264.4	1,281.8	1,302.4	.....
Services	1,513.6	1,624.9	1,549.8	1,580.6	1,605.4	1,641.6	1,671.7	.....
Government	877.5	906.3	885.7	895.0	902.2	910.2	917.8	932.6
Rest of the world	-8.0	-20.4	-19.6	-14.8	-18.8	-27.0	-21.2	-22.7

NOTE.— Estimates in this table are based on the 1987 Standard Industrial Classification.

Table 6.16C.—Corporate Profits by Industry Group

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates						
			1998						1999
			IV	I	II	III	IV	I	
Corporate profits with inventory valuation and capital consumption adjustments	817.9	824.6	820.8	829.2	820.6	827.0	821.7	853.5	
Domestic industries	718.9	729.0	728.8	730.6	723.3	737.0	724.9	753.7	
Financial	124.7	130.3	129.5	131.3	130.1	129.5	130.1	139.2	
Nonfinancial	594.2	598.7	599.3	599.3	593.2	607.5	594.8	614.5	
Rest of the world	99.0	95.7	92.0	98.6	97.3	89.9	96.8	99.8	
Receipts from the rest of the world	149.5	145.8	142.5	146.1	146.0	140.5	150.6	157.5	
Less: Payments to the rest of the world	50.4	50.1	50.6	47.5	48.7	50.5	53.8	57.7	
Corporate profits with inventory valuation adjustment	741.2	732.3	740.7	744.3	731.3	732.1	721.5	748.8	
Domestic industries	642.2	636.6	648.7	645.8	633.9	642.2	624.7	649.0	
Financial	130.0	134.2	134.7	136.3	134.4	133.2	133.0	141.8	
Federal Reserve banks	23.3	24.6	24.1	24.5	24.4	24.7	24.6	24.4	
Other	106.6	109.7	110.6	111.8	110.0	108.5	108.4	117.4	
Nonfinancial	512.3	502.4	514.0	509.4	499.5	509.0	491.7	507.2	
Manufacturing	214.4	192.8	212.3	197.1	194.6	195.0	184.5	.....
Durable goods	107.3	108.3	107.5	100.8	104.5	109.4	118.7	.....
Primary metal industries	5.6	5.4	5.8	6.3	5.7	4.9	4.8	.....
Fabricated metal products	15.5	15.0	15.7	12.6	15.5	17.5	14.6	.....
Industrial machinery and equipment	27.6	29.2	30.1	23.2	28.5	30.4	34.5	.....
Electronic and other electric equipment	24.8	21.8	24.0	21.9	19.8	20.5	25.0	.....
Motor vehicles and equipment	3.8	5.8	2.1	6.2	4.9	4.6	7.3	.....
Other	30.0	31.2	29.8	30.7	30.1	31.5	32.4	.....
Nondurable goods	107.1	84.5	104.8	96.2	90.2	85.6	65.8	.....
Food and kindred products	22.7	17.9	25.9	20.6	21.4	22.0	7.5	.....
Chemicals and allied products	28.1	21.1	28.4	27.0	18.9	18.4	20.0	.....
Petroleum and coal products	18.0	8.4	14.9	10.9	10.0	7.2	5.4	.....
Other	38.3	37.1	35.7	37.8	39.8	38.0	32.9	.....
Transportation and public utilities	88.4	90.4	88.6	91.7	87.5	92.7	89.7	.....
Transportation	17.6	17.7	17.0	17.3	17.5	18.5	17.7	.....
Communications	31.2	33.3	31.3	34.1	32.5	34.8	31.9	.....
Electric, gas, and sanitary services	39.7	39.3	40.3	40.3	37.5	39.5	40.0	.....
Wholesale trade	49.8	51.3	47.6	51.5	53.5	53.9	46.3	.....
Retail trade	61.2	67.2	62.2	67.4	67.4	67.1	66.8	.....
Other	98.5	100.7	103.4	101.8	96.5	100.2	104.4	.....
Rest of the world	99.0	95.7	92.0	98.6	97.3	89.9	96.8	99.8	

NOTE.— Estimates in this table are based on the 1987 Standard Industrial Classification.

Table 7.2.—Quantity and Price Indexes for Gross Domestic Product, Final Sales, and Purchases

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Gross domestic product:								
Current dollars	129.89	136.30	132.19	134.27	135.17	136.73	139.02	140.92
Chain-type quantity index	116.42	120.94	117.94	119.54	120.09	121.17	122.95	124.19
Chain-type price index	111.57	112.71	112.09	112.33	112.57	112.85	113.08	113.49
Implicit price deflator	111.57	112.70	112.08	112.32	112.56	112.84	113.07	113.48
Final sales of domestic product:								
Current dollars	128.95	135.50	131.19	132.89	134.69	135.97	138.45	140.44
Chain-type quantity index	115.49	120.10	116.95	118.20	119.54	120.36	122.31	123.61
Chain-type price index	111.66	112.84	112.19	112.45	112.69	112.99	113.22	113.64
Implicit price deflator	111.66	112.82	112.17	112.43	112.67	112.97	113.20	113.61
Gross domestic purchases:								
Current dollars	130.77	138.06	133.14	135.61	137.07	138.72	140.86	143.49
Chain-type quantity index	117.89	123.78	119.57	121.85	123.03	124.30	125.94	127.96
Chain-type price index	110.92	111.66	111.34	111.29	111.42	111.60	111.84	112.14
Implicit price deflator	110.92	111.54	111.35	111.29	111.42	111.60	111.85	112.14
Final sales to domestic purchasers:								
Current dollars	129.84	137.27	132.14	134.23	136.60	137.97	140.29	143.02
Chain-type quantity index	116.97	122.95	118.59	120.51	122.49	123.50	125.30	127.40
Chain-type price index	111.00	111.66	111.44	111.40	111.53	111.72	111.97	112.27
Implicit price deflator	111.00	111.65	111.43	111.39	111.52	111.71	111.96	112.26
Addenda:								
Chain-type price indexes for gross domestic purchases:								
Food	111.24	112.89	111.95	112.18	112.50	113.16	113.73	114.23
Energy	107.69	98.07	107.09	100.84	98.80	97.22	95.43	94.74
Gross domestic purchases less food and energy	111.05	112.01	111.49	111.69	111.88	112.09	112.39	112.71

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 7.3.—Quantity and Price Indexes for Gross National Product and Command-Basis Gross National Product

[Index numbers, 1992=100]

Gross national product:								
Current dollars	129.53	135.73	131.64	133.79	134.63	136.05	138.44	140.31
Chain-type quantity index	116.16	120.50	117.51	119.18	119.67	120.64	122.51	123.72
Chain-type price index	111.51	112.65	112.04	112.28	112.51	112.79	113.01	113.42
Implicit price deflator	111.52	112.64	112.03	112.26	112.50	112.78	113.01	113.41
Less: Exports of goods and services and receipts of factor income:								
Chain-type quantity index	155.43	157.49	158.99	158.60	156.14	154.52	160.71	158.37
Plus: Command-basis exports of goods and services and receipts of factor income:								
Chain-type quantity index	160.36	166.55	164.67	166.77	165.08	164.02	170.33	168.76
Equals: Command-basis gross national product:								
Chain-type quantity index	116.77	121.62	118.22	120.19	120.78	121.82	123.70	125.01

NOTE.—Percent changes from preceding period for selected items in this table are shown in table 8.1.

Table 7.4.—Chain-Type Quantity and Price Indexes for Personal Consumption Expenditures by Major Type of Product

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Chain-type quantity indexes								
Personal consumption expenditures	116.44	122.12	118.04	119.79	121.58	122.80	124.32	126.38
Durable goods	136.86	150.87	140.17	145.39	149.30	150.18	158.64	163.51
Motor vehicles and parts	115.66	125.51	117.33	119.77	125.13	122.10	135.03	134.75
Furniture and household equipment	162.50	183.42	168.01	177.34	179.20	185.88	191.25	201.61
Other	138.41	150.02	141.74	146.43	150.12	150.74	152.81	161.05
Nondurable goods	112.44	116.81	113.05	115.09	116.57	117.19	118.41	121.09
Food	105.96	108.80	106.06	107.10	108.54	108.93	110.64	111.15
Clothing and shoes	127.87	137.57	129.62	136.29	138.07	137.36	138.54	147.65
Gasoline and oil	110.59	112.47	110.79	111.18	111.10	113.60	114.00	114.67
Fuel oil and coal	93.96	87.87	92.27	84.48	89.08	91.10	86.82	98.10
Other	116.99	122.43	118.17	120.30	122.06	123.39	123.97	127.70
Services	114.61	119.51	116.41	117.42	118.98	120.56	121.07	122.36
Housing	110.92	113.63	111.93	112.67	113.28	113.95	114.64	115.46
Household operation	121.36	127.63	125.31	123.38	127.48	131.47	128.20	131.63
Electricity and gas	108.85	109.00	111.09	103.67	110.13	116.21	105.99	110.82
Other household operation	130.63	141.50	135.87	138.04	140.42	142.87	144.66	147.08
Transportation	134.28	139.45	136.61	137.85	140.09	139.49	140.35	141.53
Medical care	108.52	111.83	109.70	110.55	111.60	112.17	113.02	113.60
Other	117.02	124.85	119.29	121.58	123.53	126.57	127.70	129.44
Chain-type price indexes								
Personal consumption expenditures	111.81	112.70	112.30	112.30	112.55	112.84	113.14	113.43
Durable goods	100.66	98.33	99.62	99.27	98.72	97.98	97.35	96.53
Motor vehicles and parts	112.65	111.87	111.88	111.79	111.55	111.89	112.26	111.51
Furniture and household equipment	88.20	84.18	86.75	85.92	85.14	83.55	82.09	81.12
Other	103.41	102.52	102.92	103.29	102.74	102.21	101.86	101.31
Nondurable goods	107.69	107.66	107.95	107.35	107.41	107.80	108.06	108.43
Food	111.67	113.54	112.45	112.74	113.10	113.88	114.43	114.96
Clothing and shoes	96.39	94.69	96.00	94.68	94.84	94.79	94.44	92.49
Gasoline and oil	107.33	93.51	106.60	98.05	94.17	92.19	89.64	88.57
Fuel oil and coal	109.60	99.60	106.02	103.44	101.20	98.30	95.46	93.22
Other	108.30	110.58	108.52	109.36	110.06	110.90	112.01	114.47
Services	116.61	118.80	117.59	118.00	118.55	119.05	119.61	120.17
Housing	115.66	119.44	117.00	117.90	119.00	119.92	120.94	121.61
Household operation	108.65	106.85	108.33	106.96	107.19	106.73	106.52	106.44
Electricity and gas	108.79	105.10	109.12	105.69	105.76	104.86	104.09	104.14
Other household operation	108.68	107.97	107.95	107.80	108.12	107.93	108.04	107.88
Transportation	113.23	114.66	114.06	114.51	114.35	114.92	114.86	115.29
Medical care	120.18	122.82	120.95	121.92	122.54	123.13	123.70	124.58
Other	117.91	120.05	119.28	119.45	119.78	120.17	120.78	121.24
Addenda:								
Price indexes for personal consumption expenditures:								
Food	111.67	113.54	112.45	112.74	113.10	113.88	114.43	114.96
Energy ¹	108.13	99.24	107.79	101.89	99.93	98.44	96.72	96.13
Personal consumption expenditures less food and energy	112.10	113.41	112.59	112.89	113.25	113.57	113.94	114.25

1. Consists of prices for gasoline and oil, fuel oil and coal, and electricity and gas.

Table 7.6.—Chain-Type Quantity and Price Indexes for Private Fixed Investment by Type

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Chain-type quantity indexes								
Private fixed investment	145.25	161.82	149.28	156.36	161.36	162.23	167.35	171.39
Nonresidential	154.04	172.21	158.86	167.04	172.15	171.84	177.79	181.20
Structures	120.09	120.00	121.56	120.06	119.36	119.42	121.16	122.02
Nonresidential buildings, including farm	132.99	133.35	132.12	132.62	132.32	132.58	135.90	138.94
Utilities	83.31	85.65	84.59	84.77	85.64	86.08	86.12	86.36
Mining exploration, shafts, and wells	134.77	125.35	141.90	134.72	127.70	123.57	115.40	103.92
Other structures	70.12	69.81	95.34	68.64	67.01	70.27	73.33	65.97
Producers' durable equipment	170.04	198.16	176.58	190.08	198.43	197.91	206.20	211.03
Information processing and related equipment	222.13	289.24	239.04	263.41	280.84	297.80	314.91	333.43
Computers and peripheral equipment ¹	488.82	800.44	552.78	664.79	754.21	843.02	939.75	1,024.75
Other	140.28	156.49	145.72	151.52	154.79	158.26	161.38	167.46
Industrial equipment	140.93	148.53	144.03	147.28	148.36	148.98	149.49	146.80
Transportation and related equipment	162.83	188.02	166.94	185.27	194.89	176.07	195.83	193.78
Other	142.95	155.99	144.39	152.09	157.63	159.20	155.04	163.21
Residential	125.36	138.34	127.64	132.34	137.05	140.31	143.68	148.92
Structures	125.33	138.43	127.62	132.34	137.10	140.43	143.84	149.08
Single family	117.72	131.29	119.34	124.67	129.88	133.54	137.05	143.57
Multifamily	154.04	162.96	160.01	169.09	158.07	158.70	165.96	175.56
Other structures	131.79	144.85	134.47	137.71	144.15	147.42	150.12	152.94
Producers' durable equipment	126.88	135.09	128.56	132.40	135.23	135.42	137.33	142.55
Chain-type price indexes								
Private fixed investment	104.45	103.20	104.37	103.81	103.33	102.91	102.76	102.52
Nonresidential	100.15	97.71	99.64	98.90	98.12	97.21	96.61	96.10
Structures	118.22	121.58	119.79	120.58	121.49	121.85	122.40	122.64
Nonresidential buildings, including farm	117.79	121.90	119.57	120.29	121.38	122.38	123.53	124.01
Utilities	116.62	117.60	116.73	117.13	117.36	117.91	117.99	117.37
Mining exploration, shafts, and wells	126.85	127.66	128.91	131.00	131.83	126.05	121.77	121.09
Other structures	115.51	118.16	117.39	117.66	117.60	118.43	118.95	119.24
Producers' durable equipment	93.88	89.82	92.75	91.57	90.35	89.13	88.23	87.55
Information processing and related equipment	69.31	60.33	66.63	64.12	61.49	58.89	56.81	55.19
Computers and peripheral equipment ¹	37.75	27.21	34.25	31.23	28.40	25.65	23.57	21.99
Other	99.14	97.99	98.84	98.58	98.04	97.79	97.56	97.42
Industrial equipment	110.12	110.79	110.46	110.52	110.77	110.80	111.07	111.31
Transportation and related equipment	108.35	108.08	108.37	107.99	107.91	108.06	108.33	108.90
Other	109.15	110.25	109.34	109.84	109.97	110.33	110.88	111.08
Residential	115.96	118.42	117.20	117.21	117.71	118.77	120.00	120.58
Structures	116.29	118.82	117.58	117.58	118.10	119.17	120.45	121.07
Single family	119.90	122.40	121.36	121.04	121.45	122.68	124.42	125.12
Multifamily	112.20	114.51	113.49	113.25	113.62	114.78	116.40	117.06
Other structures	112.11	114.71	113.19	113.59	114.27	115.14	115.82	116.32
Producers' durable equipment	104.03	103.68	103.18	103.92	103.41	103.92	103.45	102.72

1. Includes new computers and peripheral equipment only.

Table 7.9.—Chain-Type Quantity and Price Indexes for Exports and Imports of Goods and Services and for Receipts and Payments of Factor Income

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					1999
			1998					
			IV	I	II	III	IV	
Chain-type quantity indexes								
Exports of goods and services	151.70	154.00	156.21	155.12	152.03	150.96	157.89	155.14
Goods ¹	161.92	165.52	168.25	166.82	161.87	162.10	171.27	166.14
Durable	184.30	190.56	192.15	192.06	184.87	187.09	198.20	192.06
Nondurable	122.31	121.60	126.07	122.56	121.32	118.34	124.17	120.78
Services ¹	129.48	129.20	130.32	129.91	130.46	126.93	129.48	131.23
Receipts of factor income	172.59	173.71	172.29	174.77	174.79	170.96	174.30	173.55
Imports of goods and services	165.35	182.81	171.59	177.95	181.97	183.02	188.30	194.65
Goods ¹	173.56	193.53	180.19	187.38	192.49	193.87	200.36	207.58
Durable	192.73	217.30	201.07	209.81	215.18	216.42	227.78	235.27
Nondurable	141.26	153.94	145.23	149.97	154.59	156.18	155.03	161.74
Services ¹	130.39	137.93	135.01	138.03	137.82	137.60	138.29	141.25
Payments of factor income	189.82	199.28	197.50	196.82	199.34	200.76	200.21	200.35
Chain-type price indexes								
Exports of goods and services	99.53	97.39	98.97	98.13	97.68	96.98	96.75	96.58
Goods ¹	94.75	91.67	93.89	92.78	92.07	91.18	90.64	90.21
Durable	87.10	84.98	86.23	85.69	85.23	84.64	84.36	84.07
Nondurable	113.58	107.67	112.85	109.99	108.54	106.75	105.39	104.56
Services ¹	112.18	112.89	112.53	112.52	112.84	112.73	113.46	114.07
Receipts of factor income	111.56	112.37	112.09	112.16	112.27	112.42	112.64	112.93
Imports of goods and services	95.72	90.69	94.62	92.05	90.98	89.87	89.84	89.07
Goods ¹	93.94	88.33	92.81	90.07	88.72	87.42	87.11	86.38
Durable	88.29	84.67	87.33	86.02	85.01	83.98	83.66	83.38
Nondurable	106.63	96.31	105.15	98.99	96.82	94.86	94.59	92.73
Services ¹	105.33	103.83	104.40	102.85	103.52	103.63	105.32	104.33
Payments of factor income	113.61	114.59	114.15	114.23	114.46	114.71	114.97	115.29

1. Exports and imports of certain goods, primarily military equipment purchased and sold by the Federal Government, are included in services. Beginning with 1986, repairs and alterations of equipment are reclassified from goods to services.

Table 7.14.—Chain-Type Quantity and Price Indexes for Gross Domestic Product by Sector

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					1999
			1997		1998			
			IV	I	II	III	IV	
Chain-type quantity indexes								
Gross domestic product	116.42	120.94	117.94	119.54	120.09	121.17	122.95	124.19
Business ¹	118.91	124.10	120.66	122.53	123.11	124.33	126.42	127.84
Nonfarm ¹	119.02	124.23	120.81	122.66	123.25	124.45	126.57	127.94
Nonfarm less housing	119.95	125.61	121.90	124.02	124.56	125.77	128.08	129.48
Housing	111.29	113.01	111.81	111.60	112.58	113.64	114.22	115.46
Farm	112.04	114.75	110.25	113.12	113.40	116.17	116.30	121.12
Households and institutions	115.20	117.82	116.49	117.06	117.43	118.04	118.77	119.10
Private households	101.12	98.50	99.38	97.46	98.19	98.78	99.56	100.47
Nonprofit institutions	115.74	118.57	117.15	117.82	118.17	118.78	119.51	119.83
General government ²	100.66	101.61	100.81	101.10	101.44	101.84	102.07	102.45
Federal	85.80	84.53	84.75	84.71	84.51	84.55	84.36	84.02
State and local	108.83	111.02	109.64	110.12	110.76	111.37	111.84	112.62
Chain-type price indexes								
Gross domestic product	111.57	112.71	112.09	112.33	112.57	112.85	113.08	113.49
Business ¹	110.89	111.76	111.38	111.52	111.66	111.86	111.99	112.25
Nonfarm ¹	111.06	112.08	111.60	111.83	111.96	112.21	112.33	112.66
Nonfarm less housing	110.54	111.28	111.01	111.16	111.19	111.37	111.39	111.69
Housing	115.66	119.26	116.81	117.76	118.79	119.75	120.75	121.47
Farm	99.93	90.29	96.93	91.17	92.03	88.09	89.85	84.43
Households and institutions	112.42	115.74	112.88	113.59	115.33	116.54	117.49	118.72
Private households	117.56	121.63	119.63	120.13	121.10	122.21	123.09	123.79
Nonprofit institutions	112.24	115.53	112.64	113.36	115.13	116.34	117.29	118.54
General government ²	116.12	118.54	116.92	117.80	118.19	118.75	119.43	120.81
Federal	119.48	121.53	119.89	121.38	121.25	121.47	122.02	125.21
State and local	114.57	117.14	115.53	116.16	116.77	117.46	118.19	118.84

1. Gross domestic business product equals gross domestic product less gross product of households and institutions and of general government. Gross nonfarm product equals gross domestic business product less gross farm product.

2. Equals compensation of general government employees plus general government consumption of fixed capital.

Table 7.15.—Current-Dollar Cost and Profit Per Unit of Real Gross Domestic Product of Nonfinancial Corporate Business

[Dollars]

Current-dollar cost and profit per unit of real gross domestic product ¹	1.063	1.061	1.063	1.061	1.061	1.062	1.060	1.061
Consumption of fixed capital	.100	.099	.100	.099	.100	.099	.099	.099
Net domestic product	.963	.962	.963	.962	.962	.962	.962	.962
Indirect business tax and nontax liability plus business transfer payments less subsidies	.105	.105	.105	.105	.104	.104	.107	.104
Domestic income	.857	.857	.858	.858	.857	.858	.855	.858
Compensation of employees	.691	.699	.695	.697	.699	.699	.700	.701
Corporate profits with inventory valuation and capital consumption adjustments	.143	.136	.141	.139	.136	.138	.133	.135
Profits tax liability	.041	.037	.040	.037	.037	.037	.035	.036
Profits after tax with inventory valuation and capital consumption adjustments	.102	.100	.101	.102	.099	.100	.098	.100
Net interest	.023	.022	.022	.022	.022	.022	.022	.022

1. Equals the deflator for gross domestic product of nonfinancial corporate business with the decimal point shifted two places to the left.

Table 7.16.—Implicit Price Deflators for Inventories of Business by Industry Group

[Index numbers, 1992=100]

	Seasonally adjusted					
	1997	1998				1999
		IV	I	II	III	
Inventories ¹	105.55	104.86	104.33	103.42	102.84	103.29
Farm	99.58	99.90	96.34	90.08	89.34	95.02
Nonfarm	106.16	105.37	105.12	104.72	104.15	104.10
Durable goods	105.74	105.45	105.06	104.63	104.05	103.87
Nondurable goods	106.74	105.29	105.21	104.87	104.31	104.42
Manufacturing	106.15	105.28	104.54	103.88	102.73	102.49
Durable goods	104.38	103.93	103.34	102.51	101.40	101.12
Nondurable goods	109.13	107.53	106.53	106.17	104.95	104.78
Wholesale	105.29	104.23	103.98	103.46	103.23	103.12
Durable goods	103.07	102.68	102.21	101.68	101.31	101.17
Nondurable goods	108.97	106.70	106.85	106.37	106.37	106.32
Merchant wholesalers	105.65	104.74	104.49	103.97	103.86	103.57
Durable goods	103.33	102.94	102.47	101.93	101.56	101.41
Nondurable goods	109.57	107.74	107.88	107.39	107.76	107.21
Nonmerchant wholesalers	103.15	101.12	100.89	100.44	99.40	100.41
Durable goods	101.37	101.00	100.52	100.04	99.71	99.58
Nondurable goods	105.72	101.08	101.26	100.86	98.65	101.55
Retail trade	106.08	105.87	106.36	106.61	106.86	106.80
Durable goods	108.80	108.79	108.78	109.14	109.29	108.95
Motor vehicle dealers	110.44	110.42	110.62	111.32	111.44	110.45
Other	107.16	107.14	106.95	107.00	107.17	107.39
Nondurable goods	103.32	102.88	103.90	104.05	104.40	104.65
Other	108.48	107.33	106.97	106.26	105.01	105.69
Durable goods	115.40	115.55	115.50	115.25	114.70	115.60
Nondurable goods	105.00	103.23	102.72	101.80	100.25	100.83

1. Implicit price deflators are as of the end of the quarter and are consistent with the inventory stocks shown in tables 5.12 and 5.13.

Table 7.17.—Chain-Type Quantity Indexes for Gross Domestic Product by Major Type of Product

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted					
			1997		1998			1999
			IV	I	II	III	IV	I
Gross domestic product	116.42	120.94	117.94	119.54	120.09	121.17	122.95	124.19
Final sales of domestic product	115.49	120.10	116.95	118.20	119.54	120.36	122.31	123.61
Change in business inventories								
Goods	123.56	129.75	125.68	129.29	127.95	129.04	132.74	133.72
Final sales	120.99	127.47	122.94	125.51	126.52	126.83	131.02	132.21
Change in business inventories								
Durable goods	142.91	154.56	147.10	153.95	150.48	152.58	161.25	161.07
Final sales	137.89	150.26	141.97	147.05	148.46	148.90	156.64	157.43
Change in business inventories								
Nondurable goods	110.51	113.24	111.30	112.85	112.86	113.31	113.95	115.61
Final sales	109.42	112.08	109.97	110.92	111.67	111.89	113.83	115.26
Change in business inventories								
Services	111.36	114.82	112.61	113.01	114.55	115.51	116.20	117.11
Structures	119.55	124.35	120.47	122.03	123.37	125.25	126.74	131.02
Addenda:								
Motor vehicle output	127.05	131.34	133.81	130.82	126.99	123.27	144.28	137.17
Gross domestic product less motor vehicle output	116.06	120.58	117.40	119.15	119.85	121.09	122.23	123.74

Table 7.18.—Chain-Type Quantity Indexes for Auto Output

[Index numbers, 1992=100]

	1997	1998	Seasonally adjusted						
			1997		1998				1999
			IV	I	II	III	IV	I	
Auto output	98.92	94.19	100.64	95.91	87.97	91.64	101.23	90.90	
Final sales	98.12	96.44	96.83	95.55	97.46	93.58	99.17	93.11	
Personal consumption expenditures	105.24	110.29	104.46	106.90	108.92	107.68	117.66	117.09	
New autos	95.62	100.86	96.21	97.93	104.40	96.43	104.69	103.69	
Net purchases of used autos	124.47	129.17	120.99	124.86	118.13	130.15	143.54	143.81	
Producers' durable equipment	125.32	122.22	118.10	123.90	127.06	113.54	124.38	121.38	
New autos	127.54	125.10	121.98	126.51	129.83	115.24	128.83	126.05	
Net purchases of used autos	128.69	127.18	125.58	128.18	131.70	115.82	133.02	130.58	
Net exports									
Exports	110.27	104.75	109.57	109.74	104.74	92.99	111.51	99.30	
Imports	139.33	153.07	135.54	148.67	150.41	144.57	168.63	176.50	
Gross government investment	89.31	93.91	91.78	79.51	96.67	100.29	99.18	87.30	
Change in business inventories of new and used autos									
New									
Used									
Addenda:									
Domestic output of new autos ¹	110.36	104.93	110.46	105.39	97.38	105.25	111.68	104.72	
Sales of imported new autos ²	106.63	118.40	106.69	115.47	121.68	108.48	127.97	127.99	

1. Consists of final sales and change in business inventories of new autos assembled in the United States.
2. Consists of personal consumption expenditures, producers' durable equipment, and gross government investment.

Table 7.19.—Chain-Type Quantity Indexes for Truck Output

[Index numbers, 1992=100]

Truck output¹	167.41	184.68	181.39	180.93	183.04	168.66	206.08	203.52
Final sales	166.62	190.43	176.79	180.63	198.82	178.98	203.29	200.57
Personal consumption expenditures	130.57	152.77	138.92	140.51	155.09	145.52	169.97	166.49
Producers' durable equipment	209.96	236.65	220.36	229.67	243.87	225.78	247.28	258.94
Net exports								
Exports	184.82	176.17	207.30	203.99	201.28	148.59	150.80	151.05
Imports	134.35	125.77	130.51	132.89	115.33	122.43	132.45	165.65
Gross government investment	122.69	116.49	112.14	106.46	130.04	98.50	130.95	113.50
Change in business inventories								

1. Includes new trucks only.

Table 8.2.—Contributions to Percent Change in Real Gross Domestic Product

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I	
Percent change at annual rate:									
Gross domestic product	3.9	3.9	3.0	5.5	1.8	3.7	6.0	4.1	
Percentage points at annual rates:									
Personal consumption expenditures	2.31	3.32	1.88	4.09	4.09	2.78	3.48	4.58	
Durable goods .....	.56	.82	.26	1.23	.91	.20	1.90	1.07
Nondurable goods .....	.49	.77	-.08	1.41	1.01	.42	.84	1.78
Services	1.26	1.73	1.70	1.40	2.14	2.15	.74	1.73	
Gross private domestic investment ...	1.65	1.51	1.34	4.07	- .75	1.22	1.42	1.28	
Fixed investment	1.18	1.58	.48	2.82	1.95	.33	1.95	1.51	
Nonresidential	1.08	1.15	.16	2.21	1.35	-.08	1.52	.85	
Structures .....	.20	.00	.03	-.15	-.07	.01	.17	.08
Producers' durable equipment	.88	1.15	.13	2.36	1.42	-.09	1.35	.76	
Residential .....	.10	.43	.32	.60	.60	.41	.43	.66
Change in business inventories .....	.47	-.06	.85	1.22	-2.66	.89	-.53	-.23
Net exports of goods and services ...	-.27	-1.13	-.30	-2.24	-2.08	-.62	.52	-2.53	
Exports	1.43	.19	.53	-.33	-.92	-.32	2.02	-.78	
Goods	1.21	.19	.67	-.29	-.98	.04	1.76	-.95	
Services .....	.22	-.01	-.14	-.04	.06	-.36	.26	.18
Imports	-1.71	-1.32	-.83	-1.94	-1.18	-.30	-1.50	-1.76	
Goods	-1.51	-1.20	-.71	-1.75	-1.19	-.32	-1.46	-1.58	
Services	-.20	-.12	-.12	-.19	.01	.01	-.04	-.18	
Government consumption expenditures and gross investment .....	.24	.18	.02	-.34	.64	.27	.60	.75
Federal	-.11	-.06	-.14	-.57	.44	-.09	.44	-.10	
National defense	-.15	-.10	-.09	-.84	.38	.17	.06	-.27	
Nondefense .....	.04	.04	-.05	.26	.06	-.26	.38	.17
State and local .....	.35	.24	.15	.24	.20	.35	.16	.85

Table 8.3.—Selected Per Capita Product and Income Series in Current and Chained Dollars

	[Dollars]							
	1997	1998	Seasonally adjusted at annual rates					
			1997		1998				1999
IV			I	II	III	IV	I	
Current dollars:								
Gross domestic product	30,278	31,492	30,707	31,132	31,277	31,561	31,995	32,348
Gross national product	30,248	31,416	30,634	31,077	31,207	31,461	31,917	32,265
Personal income	25,325	26,368	25,686	26,007	26,242	26,470	26,749	27,022
Disposable personal income	21,633	22,304	21,871	22,046	22,192	22,373	22,604	22,846
Personal consumption expenditures	20,508	21,490	20,807	21,078	21,394	21,612	21,873	22,237
Durable goods	2,512	2,681	2,538	2,618	2,668	2,657	2,781	2,835
Nondurable goods	5,975	6,151	6,001	6,064	6,134	6,173	6,233	6,380
Services	12,021	12,658	12,268	12,396	12,593	12,782	12,859	13,022
Chained (1992) dollars:								
Gross domestic product	27,138	27,943	27,397	27,718	27,786	27,970	28,297	28,507
Gross national product	27,125	27,891	27,345	27,683	27,739	27,897	28,243	28,449
Disposable personal income	19,349	19,790	19,478	19,632	19,719	19,829	19,980	20,141
Personal consumption expenditures	18,342	19,068	18,529	18,770	19,010	19,155	19,334	19,605
Durable goods	2,496	2,727	2,547	2,637	2,703	2,712	2,856	2,936
Nondurable goods	5,548	5,713	5,559	5,649	5,710	5,726	5,768	5,884
Services	10,309	10,655	10,434	10,506	10,623	10,738	10,751	10,838
Population (mid-period, thousands)	267,880	270,258	268,815	269,309	269,867	270,523	271,331	272,029

Table 8.4.—Auto Output

[Billions of dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Auto output	134.7	128.0	135.2	130.4	118.1	126.2	137.4	121.4
Final sales	134.8	131.4	131.8	130.1	132.5	127.8	135.3	124.9
Personal consumption expenditures	143.5	149.1	141.0	144.2	146.9	145.5	159.8	156.7
New autos	86.2	90.3	86.3	87.7	93.3	86.5	93.7	92.4
Net purchases of used autos	57.3	58.8	54.7	56.5	53.6	59.0	66.0	64.3
Producers' durable equipment	45.7	44.8	43.7	45.8	46.7	41.7	45.2	44.8
New autos	79.9	77.9	76.1	78.8	80.7	71.9	80.2	78.1
Net purchases of used autos	-34.2	-33.1	-32.4	-33.0	-34.0	-30.2	-35.1	-33.4
Net exports	-56.4	-64.6	-55.0	-61.7	-63.3	-61.7	-71.9	-78.6
Exports	16.8	16.0	16.7	16.7	16.0	14.2	17.2	15.3
Imports	73.1	80.7	71.7	78.5	79.3	75.9	89.1	93.9
Gross government investment	2.0	2.1	2.1	1.8	2.2	2.3	2.3	2.0
Change in business inventories of new and used autos	-1	-3.4	3.4	.4	-14.4	-1.7	2.0	-3.4
New .....	.2	-.2	3.0	1.8	-17.4	6.1	8.8	4.6
Used	-.3	-3.2	.4	-1.4	3.0	-7.8	-6.7	-8.1
Addenda:								
Domestic output of new autos ¹	120.0	114.1	119.3	114.8	104.8	115.6	121.1	113.2
Sales of imported new autos ²	63.1	69.6	62.9	67.9	71.4	63.9	75.2	74.9

1. Consists of final sales and change in business inventories of new autos assembled in the United States.
 2. Consists of personal consumption expenditures, producers' durable equipment, and gross government investment.

Table 8.5.—Real Auto Output

[Billions of chained (1992) dollars]

	1997	1998	Seasonally adjusted at annual rates					
			1997	1998				1999
			IV	I	II	III	IV	I
Auto output	120.2	114.5	122.3	116.6	106.9	111.4	123.0	110.5
Final sales	119.8	117.7	118.2	116.6	119.0	114.2	121.1	113.7
Personal consumption expenditures	123.7	129.7	122.8	125.7	128.1	126.6	138.3	137.7
New autos	78.5	82.8	79.0	80.4	85.7	79.2	86.0	85.1
Net purchases of used autos	44.1	45.8	42.9	44.3	41.9	46.1	50.9	51.0
Producers' durable equipment	44.2	43.1	41.6	43.7	44.8	40.0	43.9	42.8
New autos	72.8	71.4	69.7	72.2	74.1	65.8	73.6	72.0
Net purchases of used autos	-28.1	-27.8	-27.4	-28.0	-28.8	-25.3	-29.1	-28.5
Net exports	-49.8	-57.0	-48.1	-54.3	-55.8	-54.7	-63.4	-68.8
Exports	15.7	14.9	15.6	15.7	14.9	13.3	15.9	14.2
Imports	65.5	72.0	63.8	69.9	70.7	68.0	79.3	83.0
Gross government investment	1.8	1.9	1.9	1.6	2.0	2.0	2.0	1.8
Change in business inventories of new and used autos .....	.4	-3.4	4.2	-1	-12.3	-3.0	1.9	-3.4
New .....	.7	-.4	4.0	1.3	-15.8	4.5	8.5	4.7
Used	-.2	-2.7	.3	-1.2	2.6	-6.5	-5.6	-6.9
Residual .....	.4	.6	.1	.2	1.0	.3	.1	.1
Addenda:								
Domestic output of new autos ¹	110.3	104.9	110.4	105.3	97.3	105.2	111.6	104.7
Sales of imported new autos ²	57.5	63.8	57.5	62.3	65.6	58.5	69.0	69.0

1. Consists of final sales and change in business inventories of new autos assembled in the United States.
 2. Consists of personal consumption expenditures, producers' durable equipment, and gross government investment.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines, excluding the lines in the addenda.

Chain-type quantity indexes for the series in this table appear in table 7.18.

Table 8.6.—Truck Output

[Billions of dollars]

Truck output ¹	158.9	173.8	171.3	169.9	171.5	158.6	195.1	192.9
Final sales	155.6	176.3	164.3	166.9	183.3	165.6	189.3	187.1
Personal consumption expenditures	69.2	80.4	73.5	74.0	81.4	76.6	89.6	87.9
Producers' durable equipment	82.3	91.9	85.7	88.8	94.2	87.5	97.0	101.7
Net exports	-4.9	-4.5	-3.1	-3.6	-1.7	-5.8	-6.9	-10.9
Exports	10.9	10.5	12.3	12.2	12.0	8.9	9.0	9.1
Imports	15.8	15.0	15.5	15.8	13.8	14.7	15.9	20.0
Gross government investment	9.0	8.5	8.2	7.7	9.4	7.2	9.7	8.4
Change in business inventories	3.3	-2.5	7.0	3.0	-11.7	-6.9	5.8	5.9

1. Includes new trucks only.

Table 8.7.—Real Truck Output

[Billions of chained (1992) dollars]

Truck output ¹	140.2	154.6	151.9	151.5	153.3	141.2	172.6	170.4
Final sales	137.3	156.9	145.7	148.9	163.9	147.5	167.5	165.3
Personal consumption expenditures	59.8	70.0	63.6	64.4	71.1	66.7	77.9	76.3
Producers' durable equipment	73.7	83.1	77.4	80.6	85.6	79.2	86.8	90.9
Net exports	-4.0	-3.6	-2.4	-2.8	-1.1	-4.8	-5.7	-9.2
Exports	10.3	9.8	11.5	11.3	11.2	8.3	8.4	8.4
Imports	14.3	13.4	13.9	14.2	12.3	13.0	14.1	17.6
Gross government investment	8.1	7.7	7.4	7.0	8.6	6.5	8.6	7.5
Change in business inventories	2.8	-2.2	5.9	2.5	-10.2	-6.0	4.9	4.9
Residual	-.2	-.4	0	-.1	-.7	-.5	.1	0

1. Includes new trucks only.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Chain-type quantity indexes for the series in this table appear in table 7.19.

Annual Estimates:

Except as noted, these tables are derived from the NIPA tables published in the August 1998 SURVEY OF CURRENT BUSINESS; they are consistent with the most recent comprehensive and annual revisions.

Table B.3.—Gross Domestic Product by Industry, Current-Dollar and Real Estimates for 1995–97

	Billions of dollars			Billions of chained (1992) dollars				Billions of dollars			Billions of chained (1992) dollars		
	1995	1996	1997	1995	1996	1997		1995	1996	1997	1995	1996	1997
Gross domestic product	7,269.6	7,661.6	8,110.9	6,761.7	6,994.8	7,269.8							
Private industries	6,306.9	6,667.9	7,083.3	5,896.5	6,119.9	6,395.3							
Agriculture, forestry, and fishing	109.5	130.4	131.7	106.2	114.2	127.6							
Farms	72.3	91.6	90.2	72.0	78.6	90.3							
Agricultural services, forestry, and fishing	37.2	38.8	41.5	34.7	36.2	38.0							
Mining	98.7	113.8	120.5	107.4	103.0	109.9							
Metal mining	6.7	6.1	5.8	5.5	5.7	6.2							
Coal mining	12.0	12.9	13.2	15.4	17.2	18.1							
Oil and gas extraction	70.5	84.3	90.1	77.4	70.6	75.4							
Nonmetallic minerals, except fuels	9.4	10.4	11.4	9.3	10.2	10.8							
Construction	286.4	311.9	328.8	254.2	268.5	274.4							
Manufacturing	1,282.2	1,309.1	1,378.9	1,271.6	1,293.8	1,369.9							
Durable goods	711.6	737.3	784.0	727.0	769.0	838.6							
Lumber and wood products	40.9	39.1	42.8	31.7	31.4	33.1							
Furniture and fixtures	19.4	20.5	22.1	18.7	18.6	19.7							
Stone, clay, and glass products	30.2	31.3	33.7	27.2	27.6	29.3							
Primary metal industries	51.7	51.5	53.2	44.1	46.9	48.0							
Fabricated metal products	87.6	93.1	99.3	87.8	88.6	93.0							
Industrial machinery and equipment	141.5	148.8	158.9	162.9	183.2	215.2							
Electronic and other electric equipment	136.7	141.6	157.3	178.7	213.2	261.2							
Motor vehicles and equipment	85.2	82.4	85.4	77.7	73.2	77.8							
Other transportation equipment	46.1	49.0	50.7	43.3	43.9	44.1							
Instruments and related products	49.1	55.5	55.9	42.0	40.2	36.3							
Miscellaneous manufacturing industries	23.3	24.6	24.8	22.8	23.3	23.1							
Nondurable goods	570.5	571.8	594.9	545.1	527.8	537.6							
Food and kindred products	123.2	116.0	118.5	125.8	105.7	106.7							
Tobacco products	17.3	17.0	18.4	23.8	22.5	21.3							
Textile mill products	24.5	24.7	25.5	26.4	25.6	25.7							
Apparel and other textile products	27.4	26.7	28.4	28.6	27.0	28.2							
Paper and allied products	58.9	56.6	55.0	44.4	46.4	48.9							
Printing and publishing	84.7	92.4	98.4	77.1	76.1	76.7							
Chemicals and allied products	156.1	155.8	158.8	139.6	140.3	141.2							
Petroleum and coal products	28.3	29.6	35.2	30.4	32.3	32.4							
Rubber and miscellaneous plastics	44.9	48.6	52.0	47.1	49.5	53.7							
Leather and leather products	5.2	4.4	4.8	4.7	4.1	4.3							
Transportation and public utilities	616.4	649.3	676.3	592.2	626.4	644.3							
Transportation	226.1	237.0	255.5	216.1	229.7	241.5							
Railroad transportation	22.9	23.4	24.1	26.1	28.2	28.2							
Local and interurban passenger transit	12.2	13.0	13.8	11.4	11.3	11.3							
Trucking and warehousing	98.0	92.9	97.9	89.1	86.5	87.3							
Water transportation	10.9	11.7	12.8	11.0	10.7	11.0							
Transportation by air	53.9	65.2	74.4	50.6	63.5	72.6							
Pipelines, except natural gas	4.9	5.2	5.6	4.9	6.3	6.8							
Public utilities	390.3	412.3	420.8	376.1	406.7	402.8							
Transportation services	23.2	25.5	26.8	23.2	24.0	25.1							
Communications	193.3	207.5	211.6	180.7	191.5	196.4							
Telephone and telegraph	145.2	157.0	158.6	138.6	152.4	160.6							
Radio and television	48.1	50.4	53.1	41.8	39.5	37.3							
Electric, gas, and sanitary services	197.0	204.9	209.2	195.5	205.3	206.3							
Wholesale trade	491.4	519.8	562.8	455.8	486.6	532.0							
Retail trade	641.0	673.0	712.9	626.4	665.9	713.5							
Finance, insurance, and real estate	1,362.3	1,448.6	1,570.3	1,206.2	1,246.0	1,286.0							
Depository institutions	229.1	240.6	266.4	193.4	192.0	191.9							
Nondepository institutions	39.7	44.3	56.3	32.6	35.4	39.3							
Security and commodity brokers	73.4	96.5	106.6	78.4	104.1	120.5							
Insurance carriers	118.5	122.0	146.0	91.2	87.6	93.5							
Insurance agents, brokers, and services	46.7	48.0	50.7	42.1	41.7	43.1							
Real estate	843.8	892.2	935.0	776.6	799.5	814.8							
Nonfarm housing services	643.1	675.8	712.7	588.4	600.0	616.1							
Other real estate	200.7	216.4	222.4	188.2	199.7	198.7							
Holding and other investment offices	11.0	5.1	9.4	12.6	12.5	12.2							
Services	1,445.4	1,544.2	1,656.8	1,305.3	1,349.1	1,398.6							
Hotels and other lodging places	61.3	65.6	69.0	56.2	57.5	56.8							
Personal services	47.4	47.8	51.5	43.2	42.4	44.1							
Business services	284.9	322.1	364.7	271.3	295.7	323.1							
Auto repair, services, and parking	63.6	68.3	73.3	56.5	60.2	64.4							
Miscellaneous repair services	20.5	21.7	23.2	16.9	15.2	14.7							
Motion pictures	26.3	28.4	30.5	24.4	25.2	26.6							
Amusement and recreation services	56.6	61.3	66.7	50.5	52.7	56.2							
Health services	428.9	445.5	460.1	373.3	377.3	379.0							
Legal services	96.6	100.7	106.6	85.7	86.0	87.0							
Educational services	55.3	58.1	61.5	49.0	49.4	50.4							
Social services	46.4	49.0	52.2	43.4	44.6	46.3							
Membership organizations	47.0	49.2	50.8	42.6	43.3	44.1							
Other services	198.8	214.6	234.6	183.7	192.8	201.3							
Private households	11.8	11.9	12.0	10.8	10.5	10.2							
Statistical discrepancy ¹	-26.5	-32.2	-55.8	-23.1	-27.1	-45.4							
Government	962.7	993.7	1,027.6	876.5	877.8	884.0							
Federal	327.7	334.8	338.1	296.8	290.2	286.9							
General government	275.4	279.2	281.3	248.2	240.7	235.4							
Government enterprises	52.3	55.5	56.8	48.8	49.8	51.9							
State and local	635.0	658.9	689.6	579.7	587.6	597.4							
General government	582.2	604.4	631.7	532.1	540.8	551.3							
Government enterprises	52.8	54.5	57.9	47.5	46.8	46.2							
Not allocated by industry ²				-53.7	-68.8	-114.3							

1. The current-dollar statistical discrepancy equals gross domestic product (GDP) measured as the sum of expenditures less gross domestic income—that is, GDP measured as the costs incurred and profits earned in domestic production. The chained (1992) dollar statistical discrepancy equals the current-dollar discrepancy deflated by the implicit price deflator for gross domestic business product.

2. Equals GDP in chained (1992) dollars less the statistical discrepancy and the sum of GPO of the detailed industries.

NOTE.—Estimates are based on the 1987 Standard Industrial Classification. The table is derived from tables 10 and 13 in "Gross Product by Industry, 1995–97" in the November 1998 SURVEY.

Table B.4.—Personal Consumption Expenditures by Type of Expenditure

Table with columns for expenditure type and years (1995-1997) in billions of dollars and chained 1992 dollars. Categories include Personal consumption expenditures, Food and tobacco, Personal care, Housing, Household operation, Medical care, Personal business, Transportation, Recreation, Education and research, Religious and welfare activities, Foreign travel and other, net, and Residual.

1. Consists of purchases (including tips) of meals and beverages from retail, service, and amusement establishments, hotels, dining and buffet cars, schools, school fraternities, institutions, clubs, and industrial lunchrooms. Includes meals and beverages consumed both on- and off-premise.
2. Includes luggage.
3. Consists of watch, clock, and jewelry repairs, costume and dress suit rental, and miscellaneous personal services.
4. Consists of rent for space and for heating and plumbing facilities, water heaters, lighting fixtures, kitchen cabinets, linoleum, storm windows and doors, window screens, and screen doors, but excludes rent for appliances and furniture and purchases of fuel and electricity.
5. Consists of space rent (see footnote 4) and rent for appliances, furnishings, and furniture.
6. Consists of transient hotels, motels, clubs, schools, and other group housing.
7. Consists of refrigerators and freezers, cooking ranges, dishwashers, laundry equipment, stoves, room air conditioners, sewing machines, vacuum cleaners, and other appliances.
8. Includes such house furnishings as floor coverings, comforters, quilts, blankets, pillows, picture frames, mirrors, art products, portable lamps, and clocks. Also includes writing equipment and hand, power, and garden tools.
9. Consists largely of textile house furnishings, including piece goods allocated to house furnishing use. Also includes lamp shades, brooms, and brushes.
10. Consists of maintenance services for appliances and house furnishings, moving and warehouse expenses, postage and express charges, premiums for fire and theft insurance on personal property less benefits and dividends, and miscellaneous household operation services.
11. Excludes drug preparations and related products dispensed by physicians, hospitals, and other medical services.
12. Consists of osteopathic physicians, chiropractors, private duty nurses, chiropractors, podiatrists, and others providing health and allied services, not elsewhere classified.
13. Consists of (1) current expenditures (including consumption of fixed capital) of nonprofit hospitals and nursing homes, and (2) payments by patients to proprietary and government hospitals and nursing homes.
14. Consists of (1) premiums, less benefits and dividends, for health, hospitalization, and accidental death and dismemberment insurance provided by commercial insurance carriers, and (2) administrative expenses (including consumption of fixed capital) of nonprofit and self-insured health plans.
15. Consists of premiums, less benefits and dividends, for income loss insurance.
16. Consists of premiums, less benefits and dividends, for privately administered workers' compensation.
17. Consists of (1) operating expenses of life insurance carriers and private noninsured pension plans, and (2) premiums, less benefits and dividends, of fraternal benefit societies. Excludes expenses allocated by commercial carriers to accident and health insurance.
18. Consists of current expenditures (including consumption of fixed capital) of trade unions and professional associations, employment agency fees, money order fees, spending for classified advertisements, tax return preparation services, and other personal business services.

19. Consists of premiums, less benefits and dividends, for motor vehicle insurance.
20. Consists of baggage charges, coastal and inland waterway fares, travel agents' fees, and airport bus fares.
21. Consists of admissions to professional and amateur athletic events and to racetracks.
22. Consists of dues and fees excluding insurance premiums.
23. Consists of billiard parlors; bowling alleys; dancing, riding, shooting, skating, and swimming places; amusement devices and parks; golf courses; sightseeing buses and guides; private flying operations; casino gambling; and other commercial participant amusements.
24. Consists of net receipts of lotteries and expenditures for purchases of pets and pet care services, cable TV, film processing, photographic studios, sporting and recreation camps, video cassette rentals, and recreational services, not elsewhere classified.
25. For private institutions, equals current expenditures (including consumption of fixed capital) less receipts—such as those from meals, rooms, and entertainments—accounted for separately in consumer expenditures, and less expenditures for research and development financed under contracts or grants. For government institutions, equals student payments of tuition.
26. For private institutions, equals current expenditures (including consumption of fixed capital) less receipts—such as those from meals, rooms, and entertainments—accounted for separately in consumer expenditures. For government institutions, equals student payments of tuition. Excludes child day care services, which are included in religious and welfare activities.
27. Consists of (1) fees paid to commercial, business, trade, and correspondence schools and for educational services, not elsewhere classified, and (2) current expenditures (including consumption of fixed capital) by research organizations and foundations for education and research.
28. For nonprofit institutions, equals current expenditures (including consumption of fixed capital) of religious, social welfare, foreign relief, and political organizations, museums, libraries, and foundations. The expenditures are net of receipts—such as those from meals, rooms, and entertainments—accounted for separately in consumer expenditures, and excludes relief payments within the United States and expenditures by foundations for education and research. For proprietary and government institutions, equals receipts from users.
29. Beginning with 1981, includes U.S. students' expenditures abroad; these expenditures were \$0.3 billion in 1981.
30. Beginning with 1981, includes nonresidents' student and medical care expenditures in the United States; student expenditures were \$2.2 billion and medical expenditures were \$0.4 billion in 1981.
NOTE.—Consumer durable goods are designated (d.), nondurable goods (n.d.), and services (s.).
Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.5.—Private Purchases of Structures by Type

	Billions of dollars			Billions of chained (1992) dollars		
	1995	1996	1997	1995	1996	1997
Private purchases of structures	478.8	521.2	560.1	430.5	458.4	478.4
Nonresidential	201.3	216.9	240.2	180.7	189.7	203.2
New	200.9	216.6	238.9	180.3	189.4	202.0
Nonresidential buildings, excluding farm	140.8	157.1	173.3	126.1	137.7	147.2
Industrial	32.5	32.7	31.4	29.1	28.6	26.7
Commercial	70.8	78.8	87.0	63.4	69.0	73.8
Office buildings ¹	29.8	32.4	38.2	26.7	28.4	32.4
Other ²	41.0	46.3	48.8	36.7	40.5	41.4
Religious	4.2	4.4	5.7	3.8	3.9	4.9
Educational	6.2	7.7	9.5	5.6	6.7	8.1
Hospital and institutional	12.5	13.1	15.3	11.2	11.5	13.0
Other ³	14.5	20.5	24.4	13.0	18.0	20.7
Utilities	33.9	31.7	33.5	30.6	27.8	28.7
Railroads	3.5	4.4	5.1	3.1	3.7	4.1
Telecommunications	11.0	11.7	11.5	10.1	10.2	9.9
Electric light and power	12.3	9.8	11.1	11.0	8.7	9.7
Gas	6.2	4.8	4.8	5.6	4.3	4.2
Petroleum pipelines .....	.9	1.0	1.0	.8	.9	.8
Farm	3.0	3.8	4.0	2.7	3.3	3.4
Mining exploration, shafts, and wells	16.3	18.1	22.7	14.4	15.3	17.9
Petroleum and natural gas	14.8	16.5	20.8	13.1	13.8	16.3
Other	1.5	1.6	1.9	1.3	1.4	1.6
Other ⁴	6.9	5.8	5.4	6.3	5.1	4.6
Brokers' commissions on sale of structures	1.6	1.8	2.0	1.5	1.7	1.8
Net purchases of used structures	-1.3	-1.5	-7	-1.1	-1.3	-6
Residential	277.5	304.3	319.9	249.8	268.6	275.1
New	246.7	269.7	282.7	220.6	236.0	240.4
New housing units	174.2	192.1	200.4	152.9	165.3	167.7
Permanent site	162.9	179.4	187.1	143.4	154.9	156.9
Single-family structures	145.0	159.1	164.4	126.8	136.6	137.2
Multifamily structures	17.9	20.3	22.6	16.9	18.7	20.2
Mobile homes	11.3	12.6	13.3	9.5	10.3	10.7
Improvements	72.0	77.0	81.5	67.3	70.2	72.0
Other ⁵ .....	.5	.6	.8	.4	.5	.7
Brokers' commissions on sale of structures	32.1	36.4	39.7	30.3	34.2	37.1
Net purchases of used structures	-1.3	-1.8	-2.5	-1.1	-1.5	-2.0
Residual				-1	0	-5

1. Consists of office buildings, except those constructed at industrial sites and those constructed by utilities for their own use.

2. Consists of stores, restaurants, garages, service stations, warehouses, mobile structures, and other buildings used for commercial purposes.

3. Consists of hotels and motels, buildings used primarily for social and recreational activities, and buildings not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.

4. Consists primarily of streets, dams and reservoirs, sewer and water facilities, parks, and airfields.

5. Consists primarily of dormitories and fraternity and sorority houses.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines.

Table B.6.—Private Purchases of Producers' Durable Equipment by Type

	Billions of dollars			Billions of chained (1992) dollars		
	1995	1996	1997	1995	1996	1997
Private purchases of producers' durable equipment	533.7	578.6	628.5	538.7	597.1	668.5
Nonresidential equipment	526.4	571.0	620.5	531.7	589.8	660.9
Information processing and related equipment	173.0	189.4	206.6	201.5	245.4	298.0
Office, computing, and accounting machinery	73.4	83.0	90.3	107.1	154.1	212.7
Computers and peripheral equipment ¹	64.9	74.4	81.1	100.8	151.3	214.8
Other	8.5	8.6	9.2	8.2	8.4	9.0
Communication equipment	59.1	64.1	71.1	61.9	68.5	76.5
Instruments	22.8	24.5	26.1	21.6	22.8	24.3
Photocopy and related equipment	17.7	17.7	19.1	16.8	16.4	17.6
Industrial equipment	123.8	131.7	138.6	115.4	120.5	125.9
Fabricated metal products	11.8	12.9	13.4	11.1	11.8	12.0
Engines and turbines	4.2	4.7	3.8	4.0	4.3	3.4
Metalworking machinery	28.3	29.7	32.7	26.0	26.8	29.3
Special industry machinery, n.e.c.	32.5	33.5	34.0	30.2	30.5	30.7
General industrial, including materials handling, equipment	26.0	28.6	30.3	24.2	26.2	27.4
Electrical transmission, distribution, and industrial apparatus	20.9	22.2	24.4	19.9	20.9	23.0
Transportation and related equipment	126.2	137.2	152.0	119.4	127.6	140.3
Trucks, buses, and truck trailers	63.6	71.3	79.9	56.9	63.4	71.5
Autos	41.6	44.8	45.7	42.7	44.7	44.2
Aircraft	13.4	13.0	17.9	12.2	11.5	15.6
Ships and boats	1.8	2.3	2.4	1.7	2.1	2.2
Railroad equipment	5.8	5.8	6.1	5.2	5.1	5.4
Other equipment	108.2	117.1	128.3	101.4	107.8	116.9
Furniture and fixtures	28.2	29.7	33.7	26.2	27.0	30.1
Tractors	10.4	10.8	11.7	9.8	10.1	10.8
Agricultural machinery, except tractors	10.8	11.5	12.3	10.0	10.4	11.0
Construction machinery, except tractors	13.4	15.8	17.6	12.4	14.2	15.6
Mining and oilfield machinery	1.9	1.9	2.3	1.7	1.8	2.0
Service industry machinery	14.0	14.9	15.1	13.1	13.7	13.7
Electrical equipment, n.e.c.	11.7	12.9	14.0	11.3	12.5	13.8
Other	17.7	19.6	21.7	16.7	18.1	19.9
Less: Sale of equipment scrap, excluding autos	4.7	4.4	5.0	3.5	3.6	4.0
Residential equipment	7.3	7.6	8.0	7.0	7.3	7.7
Residual				-9.4	-29.1	-59.0
Addenda:						
Private purchases of producers' durable equipment	533.7	578.6	628.5			
Less: Dealers' margin on used equipment	6.1	6.6	6.8			
Net purchases of used equipment						
from government	1.0	1.2	1.2			
Plus: Net sales of used equipment	37.8	39.5	39.9			
Net exports of used equipment .....	.5	.4	.6			
Sale of equipment scrap	4.8	4.5	5.1			
Equals: Private purchases of new equipment	569.8	615.2	666.0			

1. Includes new computers and peripheral equipment only.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive. The residual line is the difference between the first line and the sum of the most detailed lines. n.e.c. Not elsewhere classified.

Table B.7.—Compensation and Wage and Salary Accruals by Industry

[Millions of dollars]

Table with multiple columns: Compensation (1995, 1996, 1997), Wage and salary accruals (1995, 1996, 1997). Rows include Total, Domestic industries, Private industries, Agriculture, Mining, Construction, Manufacturing, and Transportation. Sub-sections include Wholesale trade, Retail trade, Finance, Insurance, and Real Estate, and Services.

1. Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.
2. Includes Coast Guard.
3. Beginning with 1993, includes estimates of foreign professional workers and undocumented Mexican migratory

workers employed temporarily in the United States.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC). Compensation equals wage and salary accruals plus supplements to wages and salaries. 'Supplements' are listed in table B.15 of the August 1998 SURVEY OF CURRENT BUSINESS.

Table B.8.—Employment by Industry
[Thousands]

	Full-time and part-time employment			Persons engaged in production ¹			Full-time and part-time employment			Persons engaged in production ¹		
	1995	1996	1997	1995	1996	1997	1995	1996	1997	1995	1996	1997
Total	124,576	127,015	129,980	121,660	123,917	126,751						
Domestic industries	125,146	127,567	130,567	122,148	124,390	127,254						
Private industries	103,188	105,606	108,498	103,795	106,057	108,851						
Agriculture, forestry, and fishing	2,004	2,079	2,133	3,403	3,360	3,345						
Farms	868	870	876	2,000	1,859	1,846						
Agricultural services, forestry, and fishing	1,136	1,209	1,257	1,403	1,501	1,499						
Mining	587	583	600	590	586	603						
Metal mining	52	54	53	52	54	53						
Coal mining	106	99	97	103	97	95						
Oil and gas extraction	321	321	340	327	327	346						
Nonmetallic minerals, except fuels	108	109	110	108	108	109						
Construction	5,386	5,671	5,951	6,657	6,956	7,247						
Manufacturing	18,591	18,575	18,758	18,636	18,583	18,773						
Durable goods	10,722	10,835	11,054	10,822	10,915	11,134						
Lumber and wood products	790	801	819	866	859	865						
Furniture and fixtures	512	506	513	525	521	530						
Stone, clay, and glass products	541	546	555	549	564	565						
Primary metal industries	707	709	710	700	707	706						
Fabricated metal products	1,444	1,452	1,485	1,442	1,446	1,481						
Industrial machinery and equipment	2,070	2,116	2,173	2,084	2,095	2,171						
Electronic and other electric equipment	1,625	1,659	1,690	1,615	1,654	1,680						
Motor vehicles and equipment	970	967	983	963	960	976						
Other transportation equipment	817	821	858	816	820	855						
Instruments and related products	842	855	864	835	850	859						
Miscellaneous manufacturing industries	404	403	404	427	439	446						
Nondurable goods	7,869	7,740	7,704	7,814	7,668	7,639						
Food and kindred products	1,688	1,697	1,694	1,659	1,664	1,676						
Textile mill products	41	41	41	41	40	40						
Textile mill products	664	630	616	661	632	618						
Apparel and other textile products	945	874	829	951	881	831						
Paper and allied products	692	682	685	686	677	677						
Printing and publishing	1,570	1,565	1,577	1,560	1,536	1,560						
Chemicals and allied products	1,039	1,032	1,036	1,036	1,027	1,026						
Petroleum and coal products	143	139	137	142	138	135						
Rubber and miscellaneous plastics products	978	981	997	967	971	987						
Leather and leather products	109	99	92	111	102	89						
Transportation and public utilities	6,176	6,294	6,462	6,178	6,320	6,469						
Transportation	3,961	4,063	4,170	4,048	4,182	4,279						
Railroad transportation	232	224	220	220	212	208						
Local and interurban passenger transit	420	440	457	431	444	480						
Trucking and warehousing	1,912	1,658	1,704	2,051	1,854	1,877						
Water transportation	178	177	183	178	174	179						
Transportation by air	781	1,119	1,139	734	1,050	1,066						
Electric, gas, and sanitary services	15	14	14	15	14	14						
Pipelines, except natural gas	423	431	453	419	434	455						
Transportation services	1,309	1,349	1,422	1,221	1,260	1,325						
Communications	916	937	1,004	852	874	939						
Telephone and telegraph	393	412	418	369	386	386						
Radio and television	906	882	870	909	878	865						
Wholesale trade	6,476	6,561	6,740	6,563	6,595	6,735						
Retail trade	21,867	22,255	22,620	19,487	19,877	20,272						
Finance, insurance, and real estate	6,929	7,052	7,243	7,218	7,316	7,420						
Depository institutions	2,023	2,018	2,028	1,937	1,923	1,922						
Nondepository institutions	463	513	573	466	506	562						
Security and commodity brokers	553	581	630	621	647	680						
Insurance carriers	1,500	1,505	1,522	1,451	1,449	1,459						
Insurance agents, brokers, and service	732	746	767	856	873	877						
Real estate	1,410	1,442	1,481	1,648	1,681	1,680						
Holding and other investment offices	248	247	242	239	237	231						
Services	35,172	36,536	37,991	35,063	36,464	37,987						
Hotels and other lodging places	1,757	1,794	1,828	1,594	1,631	1,673						
Personal services	1,300	1,317	1,323	1,783	1,812	1,802						
Business services	6,935	7,484	8,161	7,116	7,671	8,293						
Auto repair, services, and parking	1,132	1,205	1,245	1,362	1,480	1,507						
Miscellaneous repair services	374	389	389	593	575	588						
Motion pictures	507	539	563	544	572	594						
Amusement and recreation services	1,517	1,591	1,668	1,327	1,422	1,513						
Health services	9,572	9,813	10,033	8,909	9,174	9,404						
Legal services	1,056	1,063	1,083	1,173	1,147	1,203						
Educational services	2,073	2,134	2,196	1,913	1,980	2,017						
Social services and membership organizations	4,618	4,759	4,925	4,490	4,624	4,802						
Social services	2,435	2,515	2,622	2,675	2,758	2,887						
Membership organizations	2,183	2,244	2,303	1,815	1,866	1,915						
Other services ²	3,050	3,202	3,344	3,440	3,580	3,803						
Private households	1,281	1,246	1,233	819	796	788						
Government	21,958	21,961	22,069	18,353	18,333	18,403						
Federal	5,552	5,386	5,263	4,564	4,415	4,307						
General government	4,570	4,398	4,282	3,764	3,614	3,513						
Civilian	2,026	1,952	1,899	2,026	1,952	1,899						
Military ³	2,544	2,446	2,383	1,738	1,662	1,614						
Government enterprises	982	988	981	800	801	794						
State and local	16,406	16,575	16,806	13,789	13,918	14,096						
General government	15,482	15,662	15,905	12,903	13,042	13,230						
Education	8,383	8,536	8,751	6,765	6,880	7,044						
Other	7,099	7,126	7,154	6,138	6,162	6,186						
Government enterprises	924	913	901	886	876	866						
Rest of the world⁴	-570	-552	-587	-488	-473	-503						

1. Equals the number of full-time equivalent employees plus the number of self-employed persons. Unpaid family workers are not included.
2. Consists of museums, botanical and zoological gardens; engineering and management services; and services, not elsewhere classified.

3. Includes Coast Guard.
4. Beginning with 1993, includes estimates of foreign professional workers and undocumented Mexican migratory workers employed temporarily in the United States.

NOTE.—Estimates in this table are based on the 1987 Standard Industrial Classification (SIC).

Table B.10.—Farm Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1992) dollars		
	1995	1996	1997	1995	1996	1997
Farm output	196.7	222.1	225.3	190.7	195.7	208.3
Cash receipts from farm marketings	194.1	201.7	207.2	188.8	177.3	191.0
Crops	107.2	108.7	110.6	97.1	87.1	96.0
Livestock	87.0	93.0	96.5	91.3	90.6	95.1
Farm housing	5.9	6.1	6.3	5.2	5.1	5.0
Farm products consumed on farms .....	.5	.4	.5	.5	.4	.4
Other farm income	5.5	6.3	7.1	5.0	5.3	6.2
Change in farm inventories	-9.3	7.6	4.3	-11.0	7.1	4.3
Crops	-9.6	8.8	5.1	-9.2	6.5	4.2
Livestock .....	.2	-1.1	-7	.3	-1.3	-8
Less: Intermediate goods and services						
purchased	124.4	130.5	135.1	118.5	116.9	118.2
Intermediate goods and services, other than rent	109.9	113.5	119.6	104.0	100.7	103.6
Rent paid to nonoperator landlords	14.5	17.0	15.5	14.5	16.4	14.6
Equals: Gross farm product	72.3	91.6	90.2	72.0	78.6	90.3
Less: Consumption of fixed capital	24.8	25.8	26.6	22.8	23.2	23.7
Equals: Net farm product	47.5	65.9	63.6	49.0	55.2	66.6
Less: Indirect business tax and nontax liability	5.1	5.1	5.5			
Plus: Subsidies to operators	6.1	6.1	6.2			
Equals: Farm national income	48.4	66.9	64.4			
Compensation of employees	15.7	16.5	16.9			
Wage and salary accruals	13.3	14.2	14.4			
Supplements to wages and salaries	2.4	2.3	2.5			
Proprietors' income and corporate profits with IVA and CCAAdj	23.3	40.6	37.3			
Proprietors' income	22.4	38.9	35.5			
Corporate profits .....	.8	1.7	1.8			
Net interest	9.5	9.8	10.2			

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.
 CCAAdj Capital consumption adjustment
 IVA Inventory valuation adjustment

Table B.11.—Housing Sector Output, Gross Product, and National Income

	Billions of dollars			Billions of chained (1992) dollars		
	1995	1996	1997	1995	1996	1997
Housing output ¹	723.1	758.4	799.8	663.9	675.8	692.6
Nonfarm housing	717.2	752.3	793.5	658.7	670.7	687.6
Owner-occupied	532.4	559.1	590.3	487.4	496.0	508.9
Tenant-occupied	184.8	193.2	203.2	171.4	174.7	178.7
Farm housing	5.9	6.1	6.3	5.2	5.1	5.0
Less: Intermediate goods and services consumed	88.5	91.1	95.3	82.1	82.7	83.8
Equals: Gross housing product	634.6	667.2	704.5	581.8	593.0	608.7
Nonfarm housing	629.6	662.1	699.1	577.4	588.7	604.5
Owner-occupied	463.0	486.4	513.4	423.3	430.5	441.9
Tenant-occupied	166.5	175.6	185.8	154.2	158.3	162.6
Farm housing	5.0	5.2	5.3	4.4	4.4	4.2
Less: Consumption of fixed capital	115.9	119.6	126.2	103.7	104.6	107.2
Capital consumption allowances	59.7	63.0	67.1			
Less: CCAAdj	-56.2	-56.5	-59.1			
Equals: Net housing product	518.7	547.7	578.3	478.3	488.7	501.7
Less: Indirect business tax and nontax liability plus business transfer payments ..	116.0	119.9	123.5			
Plus: Subsidies less current surplus of government enterprises	20.8	21.9	22.3			
Equals: Housing national income	423.5	449.6	477.1			
Compensation of employees	8.1	8.5	9.1			
Proprietors' income with IVA and CCAAdj ...	25.0	26.5	27.9			
Rental income of persons with CCAAdj	105.2	119.7	127.7			
Corporate profits with IVA and CCAAdj	5.0	5.2	5.5			
Net interest	280.1	289.7	306.9			

1. Equals personal consumption expenditures for housing less expenditures for other housing as shown in table B.4.

NOTE.—Chained (1992) dollar series are calculated as the product of the chain-type quantity index and the 1992 current-dollar value of the corresponding series, divided by 100. Because the formula for the chain-type quantity indexes uses weights of more than one period, the corresponding chained-dollar estimates are usually not additive.
 CCAAdj Capital consumption adjustment
 IVA Inventory valuation adjustment

C. Historical Tables

The tables in this section are derived from the "Summary National Income and Product Series" tables that were published in the August 1998 issue of the SURVEY OF CURRENT BUSINESS and from the "Selected NIPA Tables" that are published in this issue. (Changes in prices are calculated from indexes expressed to three decimal places.)

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases
 [Quarterly estimates are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (1992) dollars			Percent change from preceding period		Chain-type price indexes		Implicit price deflators		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1959	2,210.2	2,206.9	2,222.0	7.4	6.5	22.95	22.44	22.95	22.96	1.0	1.0	1.0	1.0
1960	2,262.9	2,264.2	2,276.0	2.4	2.6	23.27	22.75	23.27	23.28	1.4	1.4	1.4	1.4
1961	2,314.3	2,318.0	2,329.1	2.3	2.4	23.54	23.00	23.54	23.55	1.2	1.1	1.2	1.2
1962	2,454.8	2,445.4	2,471.5	6.1	5.5	23.84	23.28	23.84	23.85	1.3	1.2	1.3	1.3
1963	2,559.4	2,552.4	2,577.3	4.3	4.4	24.12	23.58	24.12	24.13	1.2	1.3	1.2	1.2
1964	2,708.4	2,705.1	2,727.8	5.8	6.0	24.48	23.94	24.48	24.49	1.5	1.6	1.5	1.5
1965	2,881.1	2,860.4	2,901.4	6.4	5.7	24.95	24.39	24.96	24.97	1.9	1.9	2.0	2.0
1966	3,069.2	3,033.5	3,087.8	6.5	6.1	25.66	25.07	25.67	25.68	2.8	2.8	2.8	2.8
1967	3,147.2	3,125.1	3,166.4	2.5	3.0	26.48	25.83	26.49	26.50	3.2	3.0	3.2	3.2
1968	3,293.9	3,278.0	3,314.5	4.7	4.9	27.64	26.95	27.64	27.66	4.4	4.3	4.4	4.4
1969	3,393.6	3,377.2	3,413.3	3.0	3.0	28.94	28.21	28.94	28.96	4.7	4.7	4.7	4.7
1970	3,397.6	3,406.5	3,417.1	.1	.9	30.48	29.73	30.48	30.50	5.3	5.4	5.3	5.3
1971	3,510.0	3,499.8	3,532.1	3.3	2.7	32.05	31.32	32.06	32.08	5.2	5.3	5.2	5.2
1972	3,702.3	3,689.5	3,726.3	5.5	5.4	33.42	32.71	33.42	33.44	4.2	4.5	4.2	4.2
1973	3,916.3	3,883.9	3,950.1	5.8	5.3	35.30	34.64	35.30	35.32	5.6	5.9	5.6	5.6
1974	3,891.2	3,873.4	3,930.2	-6	-3	38.46	38.17	38.47	38.49	8.9	10.2	9.0	8.9
1975	3,873.9	3,906.4	3,903.3	-4	.9	42.09	41.72	42.09	42.11	9.4	9.3	9.4	9.4
1976	4,082.9	4,061.7	4,118.8	5.4	4.0	44.55	44.15	44.55	44.58	5.8	5.8	5.8	5.9
1977	4,273.6	4,240.8	4,314.5	4.7	4.4	47.42	47.18	47.43	47.46	6.5	6.9	6.5	6.5
1978	4,503.0	4,464.4	4,543.7	5.4	5.3	50.88	50.65	50.89	50.92	7.3	7.4	7.3	7.3
1979	4,630.6	4,614.4	4,687.4	2.8	3.4	55.22	55.22	55.23	55.26	8.5	9.0	8.5	8.5
1980	4,615.0	4,641.9	4,670.8	-3	.6	60.34	61.10	60.33	60.36	9.3	10.7	9.2	9.2
1981	4,720.7	4,691.6	4,769.9	2.3	1.1	66.01	66.72	66.01	66.05	9.4	9.2	9.4	9.4
1982	4,620.3	4,651.2	4,662.0	-2.1	-9	70.18	70.64	70.17	70.21	6.3	5.9	6.3	6.3
1983	4,803.7	4,821.2	4,844.8	4.0	3.7	73.16	73.31	73.16	73.20	4.3	3.8	4.3	4.3
1984	5,140.1	5,061.6	5,178.0	7.0	5.0	75.92	75.90	75.92	75.97	3.8	3.5	3.8	3.8
1985	5,323.5	5,296.9	5,346.7	3.6	4.6	78.53	78.34	78.53	78.57	3.4	3.2	3.4	3.4
1986	5,487.7	5,480.9	5,501.2	3.1	3.5	80.58	80.40	80.58	80.62	2.6	2.6	2.6	2.6
1987	5,649.5	5,626.0	5,658.2	2.9	2.6	83.06	83.11	83.06	83.09	3.1	3.4	3.1	3.1
1988	5,865.2	5,855.1	5,878.5	3.8	4.1	86.10	86.13	86.09	86.12	3.7	3.6	3.7	3.7
1989	6,062.0	6,028.7	6,075.7	3.4	3.0	89.72	89.78	89.72	89.75	4.2	4.2	4.2	4.2
1990	6,136.3	6,126.7	6,157.0	1.2	1.6	93.64	93.83	93.60	93.63	4.4	4.5	4.3	4.3
1991	6,079.4	6,082.6	6,094.9	-9	-7	97.32	97.30	97.32	97.33	3.9	3.7	4.0	4.0
1992	6,244.4	6,237.4	6,255.5	2.7	2.5	100.00	100.00	100.00	100.00	2.8	2.8	2.8	2.8
1993	6,389.6	6,368.9	6,408.0	2.3	2.1	102.64	102.48	102.64	102.63	2.6	2.5	2.6	2.6
1994	6,610.7	6,551.2	6,619.1	3.5	2.9	105.09	104.85	105.09	105.08	2.4	2.3	2.4	2.4
1995	6,761.7	6,731.7	6,779.5	2.3	2.8	107.51	107.28	107.51	107.49	2.3	2.3	2.3	2.3
1996	6,994.8	6,961.6	7,008.4	3.4	3.4	109.54	109.18	109.53	109.50	1.9	1.8	1.9	1.9
1997	7,269.8	7,203.7	7,266.2	3.9	3.5	111.57	110.92	111.57	111.52	1.9	1.6	1.9	1.8
1998	7,551.9	7,491.3	7,537.8	3.9	4.0	112.71	111.54	112.70	112.64	1.0	.6	1.0	1.0
1999: I	2,165.5	2,165.5	2,176.2	8.6	9.2	22.86	22.35	22.92	22.93	.8	1.1	.8	.8
II	2,223.3	2,204.2	2,234.5	11.2	7.3	22.92	22.41	22.91	22.91	1.1	1.1	-3	-3
III	2,221.4	2,232.6	2,233.5	-3	5.3	22.96	22.45	22.94	22.95	.7	.7	.6	.6
IV	2,231.0	2,225.3	2,243.9	1.7	-1.3	23.05	22.53	23.03	23.04	1.5	1.5	1.6	1.6
1960: I	2,279.2	2,248.5	2,291.6	8.9	4.2	23.10	22.57	23.13	23.14	.9	.8	1.8	1.9
II	2,265.5	2,268.4	2,278.2	-2.4	3.6	23.21	22.69	23.22	23.23	2.0	2.1	1.5	1.5
III	2,268.3	2,265.1	2,281.6	.5	-6	23.32	22.80	23.32	23.33	2.0	2.0	1.7	1.7
IV	2,238.6	2,274.7	2,252.7	-5.1	1.7	23.44	22.92	23.40	23.41	2.1	2.1	1.4	1.4
1961: I	2,251.7	2,277.7	2,266.8	2.4	.5	23.48	22.96	23.45	23.46	.7	.6	.9	.9
II	2,292.0	2,301.1	2,306.3	7.4	4.2	23.51	22.97	23.51	23.52	.5	.2	1.0	1.0
III	2,332.6	2,320.4	2,347.1	7.3	3.4	23.55	23.01	23.56	23.57	.7	.7	.8	.8
IV	2,381.0	2,372.8	2,395.9	8.6	9.3	23.61	23.06	23.63	23.64	1.1	.9	1.2	1.2
1962: I	2,422.6	2,400.3	2,437.4	7.2	4.7	23.73	23.17	23.75	23.76	2.0	1.9	2.0	2.0
II	2,448.0	2,440.7	2,464.4	4.3	6.9	23.80	23.24	23.81	23.81	1.1	1.4	1.0	1.0
III	2,471.9	2,462.0	2,488.4	4.0	3.5	23.86	23.31	23.87	23.87	1.1	1.1	1.0	1.0
IV	2,476.7	2,478.7	2,495.9	.8	2.7	23.96	23.41	23.94	23.95	1.7	1.8	1.2	1.2
1963: I	2,508.7	2,492.4	2,526.9	5.3	2.2	24.03	23.48	24.00	24.01	1.2	1.3	1.1	1.1
II	2,538.1	2,533.8	2,555.5	4.8	6.8	24.07	23.53	24.07	24.08	.6	.8	1.1	1.1
III	2,586.3	2,578.0	2,604.0	7.8	7.2	24.11	23.58	24.12	24.13	.7	.9	.8	.8
IV	2,604.6	2,605.3	2,622.9	2.9	4.3	24.26	23.72	24.29	24.30	2.4	2.5	3.0	3.0
1964: I	2,666.7	2,663.1	2,686.8	9.9	9.2	24.33	23.80	24.35	24.36	1.2	1.3	.9	.9
II	2,697.5	2,695.0	2,716.8	4.7	4.9	24.41	23.89	24.41	24.42	1.3	1.5	.9	.9
III	2,729.6	2,727.6	2,749.5	4.8	4.9	24.53	23.99	24.52	24.53	1.9	1.8	1.8	1.8
IV	2,739.7	2,734.5	2,758.1	1.5	1.0	24.64	24.09	24.64	24.65	1.8	1.6	2.1	2.1
1965: I	2,808.9	2,777.2	2,830.0	10.5	6.4	24.76	24.19	24.77	24.78	2.0	1.6	2.0	2.0
II	2,846.3	2,826.7	2,868.2	5.4	7.3	24.88	24.31	24.88	24.89	2.0	2.0	1.9	1.9
III	2,898.8	2,879.8	2,918.9	7.6	7.7	25.01	24.44	25.01	25.02	2.1	2.2	2.1	2.1
IV	2,970.5	2,957.8	2,988.6	10.3	11.3	25.16	24.61	25.17	25.18	2.5	2.8	2.6	2.6
1966: I	3,042.4	3,008.8	3,061.1	10.0	7.1	25.30	24.73	25.32	25.34	2.2	1.9	2.5	2.5
II	3,055.5	3,023.1	3,074.2	1.7	1.9	25.50	24.93	25.53	25.54	3.2	3.2	3.2	3.3
III	3,078.5	3,047.2	3,094.7	2.8	3.2	25.82	25.22	25.79	25.81	5.1	4.8	4.2	4.2
IV	3,102.4	3,054.8	3,121.4	3.4	1.0	26.03	25.41	26.02	26.03	3.4	3.1	3.5	3.5

Table C.1.—Historical Measures of Real Gross Domestic Product, Real Gross National Product, and Real Gross Domestic Purchases—Continued

[Quarterly estimates are seasonally adjusted at annual rates]

Year and quarter	Billions of chained (1992) dollars			Percent change from preceding period		Chain-type price indexes		Implicit price deflators		Percent change from preceding period			
	Gross domestic product	Final sales of domestic product	Gross national product	Gross domestic product	Final sales of domestic product	Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product	Chain-type price index		Implicit price deflators	
										Gross domestic product	Gross domestic purchases	Gross domestic product	Gross national product
1988: I	5,785.3	5,774.2	5,802.3	2.4	6.2	84.69	84.81	84.67	84.69	2.9	3.0	2.7	2.8
II	5,844.0	5,840.1	5,857.5	4.1	4.6	85.56	85.68	85.56	85.59	4.2	4.2	4.3	4.3
III	5,878.7	5,869.2	5,889.4	2.4	2.0	86.67	86.58	86.66	86.69	5.3	4.3	5.2	5.2
IV	5,952.8	5,937.0	5,964.9	5.1	4.7	87.46	87.44	87.44	87.47	3.7	4.0	3.7	3.7
1989: I	6,011.0	5,970.0	6,023.1	4.0	2.2	88.44	88.47	88.45	88.48	4.5	4.8	4.7	4.7
II	6,055.6	6,010.9	6,065.5	3.0	2.8	89.40	89.52	89.39	89.42	4.4	4.8	4.3	4.3
III	6,088.0	6,063.1	6,101.8	2.2	3.5	90.13	90.14	90.13	90.16	3.3	2.8	3.3	3.3
IV	6,093.5	6,070.8	6,112.3	.4	.5	90.91	90.98	90.88	90.91	3.5	3.8	3.4	3.4
1990: I	6,152.6	6,144.6	6,172.8	3.9	5.0	92.01	92.17	92.00	92.04	4.9	5.4	5.0	5.1
II	6,171.6	6,127.5	6,188.0	1.2	-1.1	93.20	93.14	93.18	93.21	5.2	4.2	5.2	5.2
III	6,142.1	6,126.6	6,155.7	-1.9	-1	94.19	94.32	94.14	94.17	4.3	5.2	4.2	4.2
IV	6,079.0	6,108.1	6,111.3	-4.0	-1.2	95.14	95.68	95.11	95.13	4.1	5.9	4.2	4.2
1991: I	6,047.5	6,065.4	6,074.3	-2.1	-2.8	96.26	96.42	96.27	96.29	4.8	3.1	5.0	4.9
II	6,074.7	6,095.9	6,086.4	1.8	2.0	97.02	96.95	97.00	97.01	3.2	2.2	3.1	3.1
III	6,090.1	6,085.4	6,099.2	1.0	-7	97.70	97.58	97.70	97.71	-2.8	2.6	2.9	2.9
IV	6,105.3	6,083.8	6,119.5	1.0	-1	98.30	98.27	98.31	98.32	2.5	2.9	2.5	2.5
1992: I	6,175.7	6,175.8	6,192.0	4.7	6.2	99.14	99.04	99.13	99.13	3.4	3.2	3.4	3.4
II	6,214.2	6,203.8	6,225.2	2.5	1.8	99.81	99.76	99.79	99.79	2.8	2.9	2.7	2.7
III	6,260.7	6,249.5	6,270.3	3.0	3.0	100.17	100.28	100.17	100.17	1.4	2.1	1.5	1.5
IV	6,327.1	6,320.7	6,334.6	4.3	4.6	100.88	100.92	100.88	100.88	2.8	2.6	2.9	2.9
1993: I	6,327.9	6,297.3	6,351.3	.1	-1.5	101.85	101.71	101.84	101.84	3.9	3.2	3.9	3.8
II	6,359.9	6,344.9	6,375.9	2.0	3.1	102.38	102.28	102.35	102.34	2.1	2.3	2.0	2.0
III	6,393.5	6,379.3	6,415.3	2.1	2.2	102.83	102.64	102.83	102.83	1.8	1.4	1.9	1.9
IV	6,476.9	6,453.8	6,489.7	5.3	4.8	103.52	103.28	103.51	103.50	2.7	2.5	2.7	2.6
1994: I	6,524.5	6,473.0	6,540.5	3.0	1.2	104.16	103.80	104.13	104.14	2.5	2.0	2.4	2.5
II	6,600.3	6,526.7	6,609.3	4.7	3.4	104.74	104.46	104.71	104.71	2.2	2.6	2.2	2.2
III	6,629.5	6,580.4	6,635.6	1.8	3.3	105.39	105.24	105.39	105.38	2.5	3.0	2.6	2.6
IV	6,688.6	6,624.8	6,691.2	3.6	2.7	106.07	105.88	106.09	106.06	2.6	2.5	2.7	2.6
1995: I	6,717.5	6,661.8	6,735.9	1.7	2.2	106.74	106.47	106.75	106.73	2.5	2.2	2.5	2.6
II	6,724.2	6,700.0	6,746.3	.4	2.3	107.26	107.11	107.24	107.22	2.0	2.4	1.8	1.8
III	6,779.5	6,761.7	6,788.9	3.3	3.7	107.76	107.52	107.75	107.72	1.9	1.6	1.9	1.9
IV	6,825.8	6,803.3	6,846.8	2.8	2.5	108.30	107.99	108.29	108.26	2.0	1.8	2.0	2.0
1996: I	6,882.0	6,863.6	6,902.1	3.3	3.6	108.90	108.56	108.91	108.88	2.2	2.1	2.3	2.3
II	6,983.9	6,954.7	6,999.0	6.1	5.4	109.28	108.94	109.24	109.21	1.4	1.4	1.2	1.2
III	7,020.0	6,970.3	7,027.1	2.1	.9	109.77	109.34	109.74	109.70	1.8	1.5	1.8	1.8
IV	7,093.1	7,057.9	7,105.3	4.2	5.1	110.21	109.90	110.23	110.19	1.6	2.1	1.8	1.8
1997: I	7,166.7	7,108.1	7,167.8	4.2	2.9	110.97	110.51	111.00	110.95	2.8	2.2	2.8	2.8
II	7,236.5	7,155.5	7,239.3	4.0	2.7	111.45	110.76	111.43	111.37	1.7	.9	1.6	1.5
III	7,311.2	7,256.3	7,307.0	4.2	5.8	111.77	111.06	111.76	111.70	1.2	1.1	1.2	1.2
IV	7,364.6	7,294.8	7,350.7	3.0	2.1	112.09	111.34	112.08	112.03	1.1	1.0	1.2	1.2
1998: I	7,464.7	7,372.5	7,455.2	5.5	4.3	112.33	111.29	112.32	112.26	.9	-.2	.8	.8
II	7,498.6	7,456.4	7,485.9	1.8	4.6	112.57	111.42	112.56	112.50	.9	.4	.9	.9
III	7,566.5	7,507.6	7,546.7	3.7	2.8	112.85	111.60	112.84	112.78	1.0	.7	1.0	1.0
IV	7,677.7	7,628.9	7,663.3	6.0	6.6	113.08	111.84	113.07	113.01	.8	.9	.8	.8
1999: I	7,754.7	7,710.2	7,739.0	4.1	4.3	113.49	112.14	113.48	113.41	1.5	1.1	1.4	1.4

D. Domestic Perspectives

This table presents data collected from other government agencies and private organizations, as noted. Quarterly data are shown in the middle month of the quarter.

Table D.1.—Domestic Perspectives

	1997	1998	1998										1999			
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Consumer and producer prices, (monthly data seasonally adjusted) ¹																
Consumer price index for all urban consumers, 1982=100:																
All items	160.5	163.0	162.1	162.5	162.9	163.0	163.3	163.5	163.6	163.9	164.2	164.4	164.6	164.7	165.0	166.2
Less food and energy	169.5	173.4	172.4	172.9	173.3	173.5	173.8	174.2	174.5	174.8	175.0	175.6	175.7	175.8	176.0	176.7
Services	179.4	184.2	182.9	183.4	183.8	184.1	184.5	184.8	185.2	185.5	186.0	186.3	186.5	186.9	187.5	188.1
Producer price index, 1982=100:																
Finished goods	131.8	130.6	130.5	130.7	130.6	130.4	130.7	130.3	130.6	131.0	130.7	131.3	131.8	131.3	131.6	132.2
Less food and energy	142.4	143.7	143.2	143.4	143.5	143.4	143.7	143.7	144.1	144.3	144.4	145.9	145.7	145.7	145.7	145.8
Finished consumer goods	130.2	128.9	128.7	128.9	128.9	128.7	129.1	128.6	128.8	129.3	128.9	129.7	130.5	129.7	130.1	130.9
Capital equipment	138.2	137.5	137.7	137.6	137.5	137.3	137.4	137.2	137.6	137.7	137.8	137.7	137.5	137.6	137.6	137.6
Intermediate materials	125.6	123.0	123.7	123.7	123.6	123.2	123.2	122.8	122.4	122.2	121.9	121.1	121.4	120.8	121.2	121.9
Crude materials	111.1	96.7	99.3	100.6	100.0	97.3	97.4	93.3	91.6	93.9	93.8	90.4	91.7	88.6	89.5	90.7
Money, interest rates, and stock prices																
Money stock (monthly and quarterly data seasonally adjusted): ²																
Percent change:																
M1			0.43	0.14	-0.36	-0.04	-0.22	-0.30	0.23	0.53	0.80	0.40	-0.22	0.14	0.84	0.57
M2 .....			.62	.70	.47	.57	.42	.61	1.03	.97	.89	.84	.55	.47	.23	.73
Ratio:																
Gross domestic product to M1	7.583	7.886			7.820			7.949			7.982			8.036		
Personal income to M2	1.726	1.688	1.705	1.698	1.697	1.692	1.692	1.689	1.676	1.668	1.668	1.653	1.654	1.654	1.655	1.651
Interest rates (percent, not seasonally adjusted): ²																
Federal funds rate	5.46	5.35	5.49	5.45	5.49	5.56	5.54	5.55	5.51	5.07	4.83	4.68	4.63	4.76	4.81	4.74
Discount rate on new 91-day Treasury bills	5.07	4.81	5.03	5.00	5.03	4.99	4.96	4.94	4.74	4.08	4.44	4.42	4.34	4.45	4.48	4.28
Yield on new high-grade corporate bonds	7.40	6.44	6.63	6.59	6.63	6.43	6.35	6.34	6.27	6.21	6.42	6.13	6.14	6.33	6.52	6.58
10-Year U.S. Treasury bonds	6.35	5.26	5.65	5.64	5.65	5.50	5.46	5.34	4.81	4.53	4.83	4.65	4.72	5.00	5.23	5.18
Yield on municipal bonds, 20-bond average	5.52	5.09	5.21	5.23	5.20	5.12	5.14	5.10	4.99	4.93	5.03	4.98	5.01	5.03	5.10	5.08
Mortgage commitment rate	7.60	6.94	7.13	7.14	7.14	7.00	6.95	6.92	6.72	6.71	6.87	6.72	6.79	6.81	7.04	6.92
Average prime rate charged by banks	8.44	8.35	8.50	8.50	8.50	8.50	8.50	8.50	8.49	8.12	7.89	7.75	7.75	7.75	7.75	7.75
Index of stock prices (not seasonally adjusted): ³																
500 common stocks, 1941-43=10	872.72	1,084.31	1,076.83	1,112.20	1,108.42	1,108.39	1,156.58	1,074.62	1,020.64	1,032.47	1,144.43	1,190.05	1,248.77	1,246.58	1,281.66	1,334.76
Labor markets (thousands, monthly and quarterly data seasonally adjusted, unless otherwise noted) ¹																
Civilian labor force	136,297	137,673	137,340	137,232	137,369	137,498	137,407	137,481	138,081	138,116	138,193	138,547	139,347	139,271	138,816	139,091
Labor force participation rates (percent):																
Males 20 and over	77.0	76.8	76.7	76.9	76.8	76.7	76.8	76.5	76.8	76.7	76.8	76.8	77.1	77.0	76.7	76.7
Females 20 and over	60.5	60.4	60.6	60.4	60.4	60.4	60.2	60.4	60.4	60.4	60.4	60.6	60.9	60.8	60.6	60.8
16-19 years of age	51.6	52.8	53.0	51.9	52.4	53.0	52.3	52.6	53.5	53.1	52.4	52.9	52.4	53.2	52.1	51.9
Civilian employment	129,558	131,463	130,908	131,280	131,330	131,253	131,176	131,264	131,818	131,858	132,113	132,526	133,396	133,144	133,033	133,069
Ratio, civilian employment to working-age population (percent)	63.8	64.1	64.0	64.1	64.1	64.0	63.9	63.9	64.1	64.0	64.1	64.2	64.5	64.4	64.3	64.2
Persons engaged in nonagricultural activities	126,159	128,085	127,735	127,899	127,979	127,890	127,753	127,772	128,348	128,300	128,765	129,304	130,097	129,817	129,752	129,685
Employees on nonagricultural payrolls	122,690	125,832	124,914	125,234	125,562	125,751	125,869	126,191	126,363	126,527	126,804	127,118	127,335	127,670	127,677	127,911
Goods-producing industries	24,934	25,256	25,276	25,339	25,301	25,304	25,135	25,253	25,241	25,209	25,184	25,269	25,251	25,266	25,182	25,155
Services-producing industries	97,756	100,576	99,638	99,895	100,261	100,447	100,734	100,938	101,122	101,318	101,620	101,849	102,084	102,404	102,495	102,756
Average weekly hours, manufacturing (hours)	42.0	41.7	41.8	41.4	41.8	41.8	41.7	41.7	41.6	41.7	41.7	41.7	41.6	41.6	41.5	41.7
Average weekly overtime hours, manufacturing (hours)	4.8	4.6	4.8	4.5	4.6	4.6	4.6	4.6	4.5	4.5	4.5	4.5	4.6	4.5	4.5	4.4
Number of persons unemployed	6,739	6,210	6,432	5,952	6,039	6,245	6,231	6,217	6,263	6,258	6,080	6,021	5,950	6,127	5,783	6,022
Unemployment rates (percent):																
Total	4.9	4.5	4.7	4.3	4.4	4.5	4.5	4.5	4.5	4.5	4.4	4.3	4.3	4.4	4.2	4.3
15 weeks and over	1.5	1.2	1.3	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.2	1.1	1.1	1.1	1.0	1.0
Average duration of unemployment (weeks)	15.8	14.5	14.6	14.5	14.7	14.1	14.3	13.7	14.3	14.1	14.4	14.1	13.4	13.8	13.5	13.1
Nonfarm business sector, 1992=100:																
Output per hour of all persons	104.9	107.2			106.6			107.3			108.5			109.5		
Unit labor costs	108.9	111.1			111.1			111.5			111.4			111.5		
Hourly compensation	114.3	119.1			118.5			119.7			120.9			122.1		

See footnotes at the end of the table.

Table D.1.—Domestic Perspectives—Continued

	1997	1998	1998										1999			
			Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.
Construction (monthly data seasonally adjusted at annual rates) ⁴																
Total new private construction put in place (billions of dollars)	471.2	509.5	494.3	500.1	496.5	503.6	511.5	516.6	521.0	523.6	525.5	531.0	538.0	546.0	556.3	545.7
Residential	265.6	296.5	286.0	289.7	288.0	291.9	299.3	300.6	305.0	306.3	307.3	311.5	317.6	319.7	327.9	324.7
Nonresidential	165.1	170.8	165.4	169.4	166.3	169.6	169.4	172.2	172.3	174.2	176.7	179.0	177.6	184.2	184.2	178.6
Housing starts (thousands of units):																
Total	1,474	1,617	1,583	1,542	1,541	1,626	1,719	1,615	1,576	1,698	1,654	1,750	1,820	1,752	1,751	1,574
1-unit structures	1,134	1,271	1,234	1,235	1,221	1,274	1,306	1,264	1,251	1,298	1,375	1,383	1,393	1,380	1,398	1,244
New 1-family houses sold (thousands of units)	804	886	836	880	893	909	883	836	861	903	985	958	908	903	896	978
Manufacturing and trade, inventories and sales (millions of dollars, monthly data seasonally adjusted) ⁴																
Inventories:																
Total manufacturing and trade	1,052,717	1,087,417	1,067,345	1,070,555	1,070,022	1,070,515	1,070,875	1,074,870	1,080,866	1,083,366	1,087,970	1,087,417	1,086,911	1,090,474	1,096,300	.....
Manufacturing	456,133	466,798	461,948	464,668	465,729	466,701	467,636	468,445	468,552	471,031	471,000	466,798	464,873	464,198	463,352	.....
Merchant wholesalers	273,003	286,962	277,249	275,933	277,699	277,518	277,466	280,591	284,128	283,776	285,716	286,962	285,906	287,768	288,585	.....
Retail trade	323,581	333,657	328,148	329,954	326,594	326,296	325,773	325,834	328,186	328,559	331,254	333,657	336,132	338,508	344,363	.....
Sales:																
Total manufacturing and trade	8,995,737	9,309,551	771,589	772,160	772,405	774,639	773,762	772,454	779,478	781,447	785,777	793,488	792,110	801,136	810,224	.....
Manufacturing	3,929,419	4,052,248	338,991	335,553	333,622	335,110	335,380	336,445	340,481	340,133	341,423	344,088	341,670	343,724	348,873	.....
Merchant wholesalers	2,500,109	2,561,448	212,379	213,900	213,413	213,904	214,229	211,713	213,856	213,429	214,891	217,403	215,441	218,413	222,195	.....
Retail trade	2,566,209	2,695,855	220,219	222,707	225,370	225,625	224,153	224,296	225,141	227,885	229,463	231,997	234,999	238,999	239,156	.....
Industrial production indexes and capacity utilization rates (monthly data seasonally adjusted) ²																
Industrial production indexes, 1992=100:																
Total	126.8	131.3	130.7	131.3	131.9	130.6	130.5	132.4	131.9	132.4	132.2	132.3	132.3	132.5	133.2	134.0
By industry:																
Durable manufactures	147.1	157.5	155.2	156.2	157.2	154.8	154.4	159.8	159.6	161.2	161.0	161.5	161.4	161.7	162.8	164.2
Nondurable manufactures	111.3	111.9	112.4	113.0	113.0	112.0	112.1	111.3	110.6	110.9	111.6	111.7	111.3	112.0	112.0	112.4
By market category:																
Consumer goods	114.1	115.2	115.8	116.4	116.8	115.1	114.0	116.1	114.8	115.2	114.8	114.9	115.2	115.5	115.3	116.0
Capacity utilization rates (percent):																
Total industry	82.9	81.8	82.6	82.6	82.6	81.5	81.1	82.0	81.3	81.3	80.8	80.7	80.4	80.2	80.4	80.6
Manufacturing	82.0	80.8	81.6	81.7	81.6	80.2	79.8	80.7	80.1	80.3	80.1	80.0	79.5	79.5	79.6	79.8
Credit market borrowing (billions of dollars, quarterly data seasonally adjusted at annual rates) ²																
All sectors, by instrument:																
Total	1,446.6	2,090.4	.....	.....	2,006.2	.....	.....	1,889.0	.....	.....	2,551.6	.....	.....	.....	.....	.....
Open market paper	184.1	193.1	.....	.....	113.1	.....	.....	232.7	.....	.....	83.0	.....	.....	.....	.....	.....
U.S. government securities	235.9	444.4	.....	.....	342.5	.....	.....	425.1	.....	.....	812.5	.....	.....	.....	.....	.....
Municipal securities	71.4	96.8	.....	.....	100.1	.....	.....	83.6	.....	.....	87.0	.....	.....	.....	.....	.....
Corporate and foreign bonds	345.7	453.9	.....	.....	645.3	.....	.....	230.1	.....	.....	428.1	.....	.....	.....	.....	.....
Bank loans, n.e.c.	128.2	145.6	.....	.....	172.7	.....	.....	191.4	.....	.....	137.5	.....	.....	.....	.....	.....
Other loans and advances	99.8	162.5	.....	.....	106.1	.....	.....	153.4	.....	.....	280.5	.....	.....	.....	.....	.....
Mortgages	329.1	524.6	.....	.....	461.6	.....	.....	489.4	.....	.....	656.3	.....	.....	.....	.....	.....
Consumer credit	52.5	69.5	.....	.....	64.8	.....	.....	83.4	.....	.....	66.6	.....	.....	.....	.....	.....

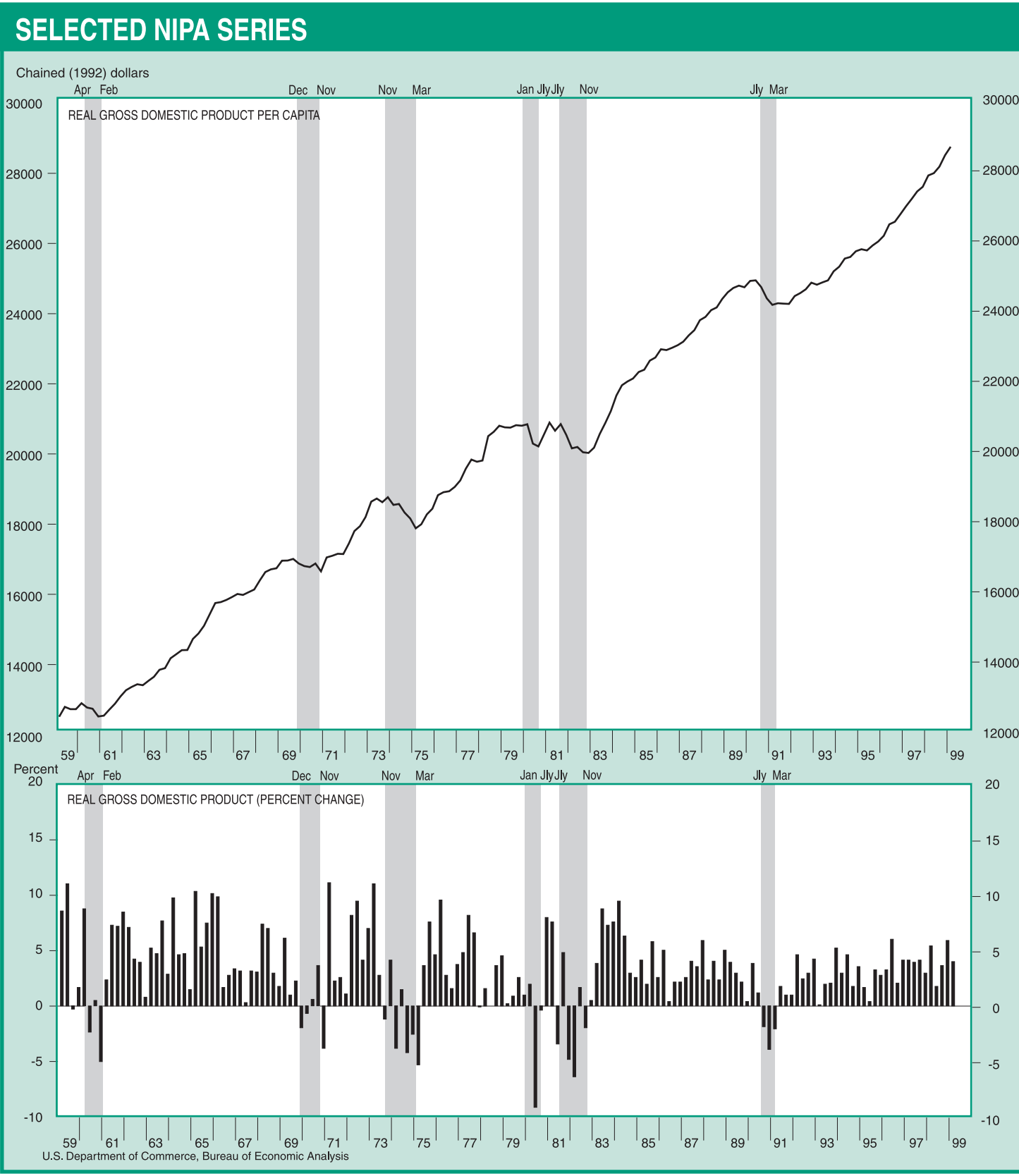
Sources:

1. Bureau of Labor Statistics.
2. Federal Reserve Board.

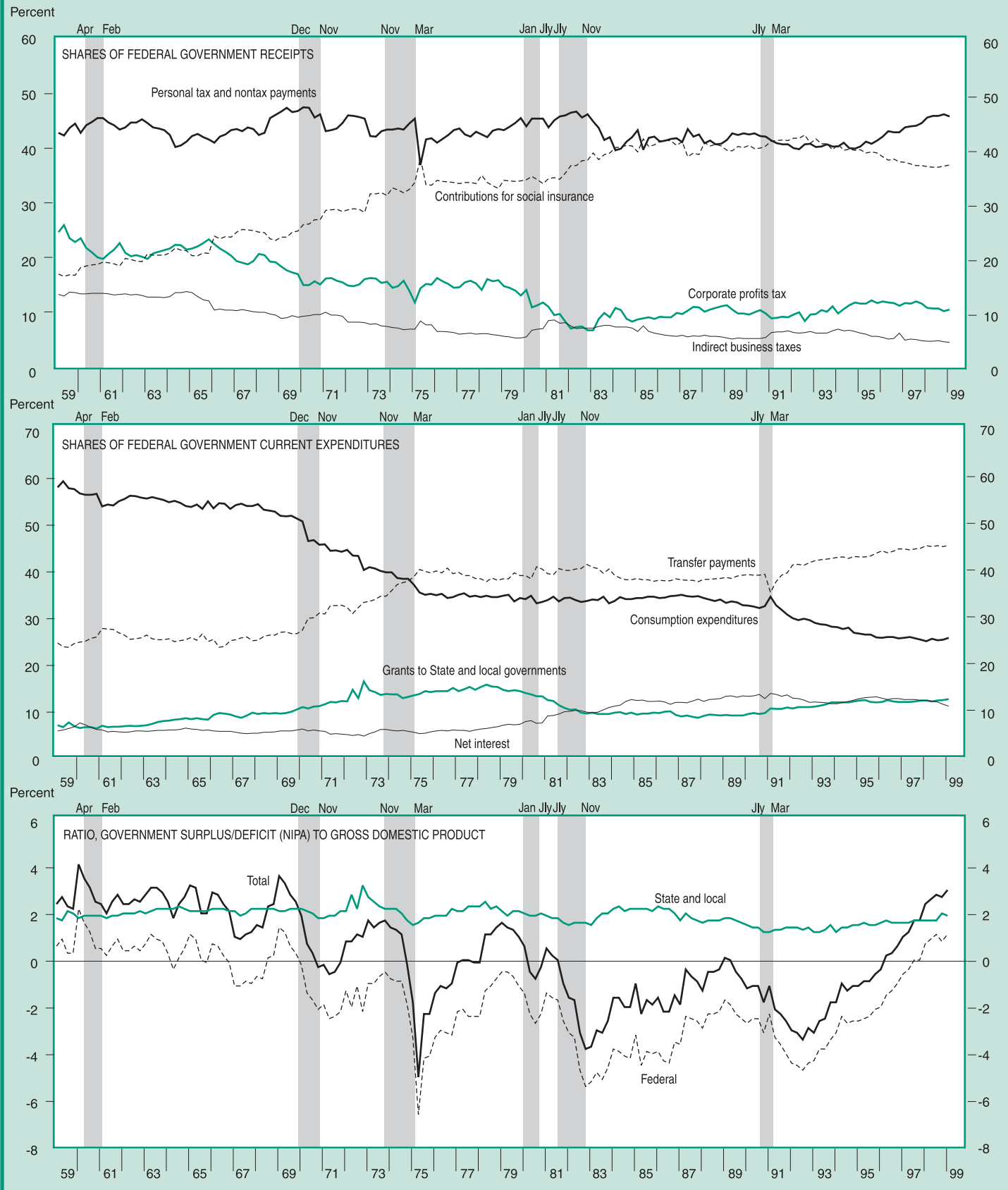
3. Standard and Poor's, Inc.
4. Bureau of the Census.
n.e.c. Not elsewhere classified.

E. Charts

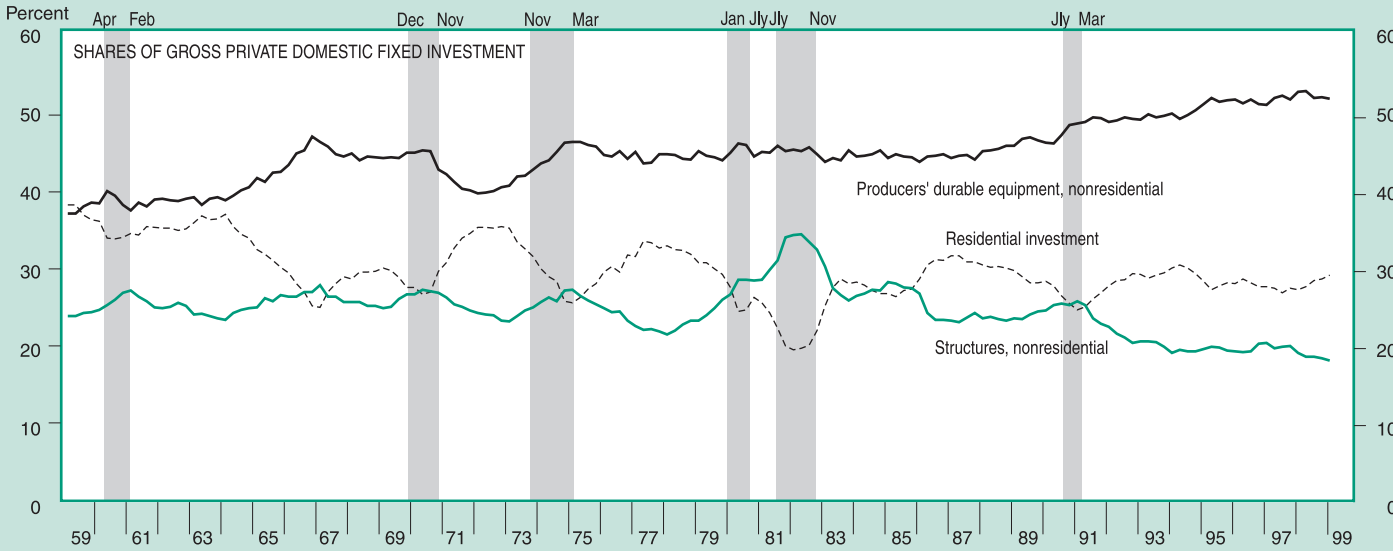
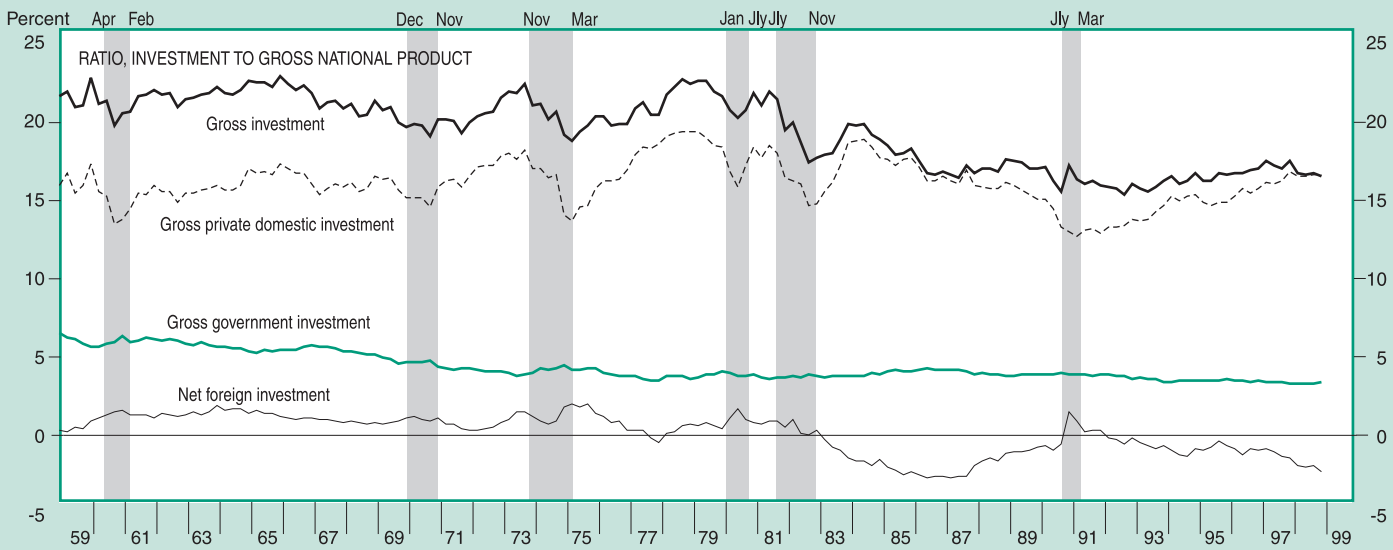
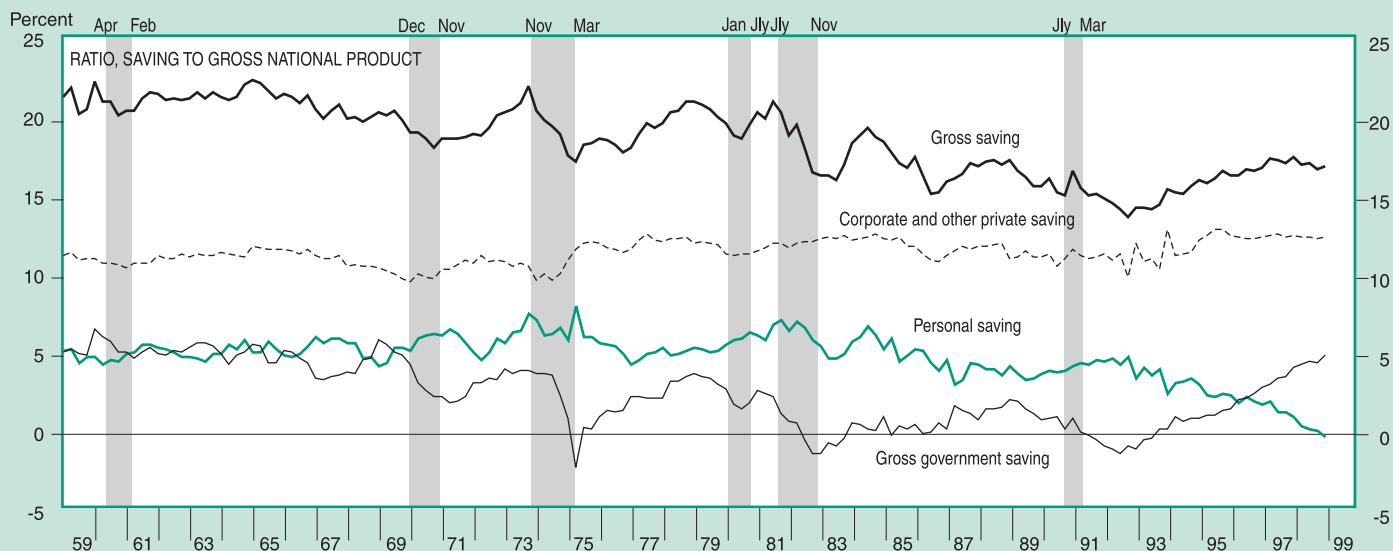
Percent changes shown in this section are based on quarter-to-quarter changes and are expressed at seasonally adjusted annual rates; likewise, levels of series are expressed at seasonally adjusted annual rates as appropriate.



SELECTED NIPA SERIES

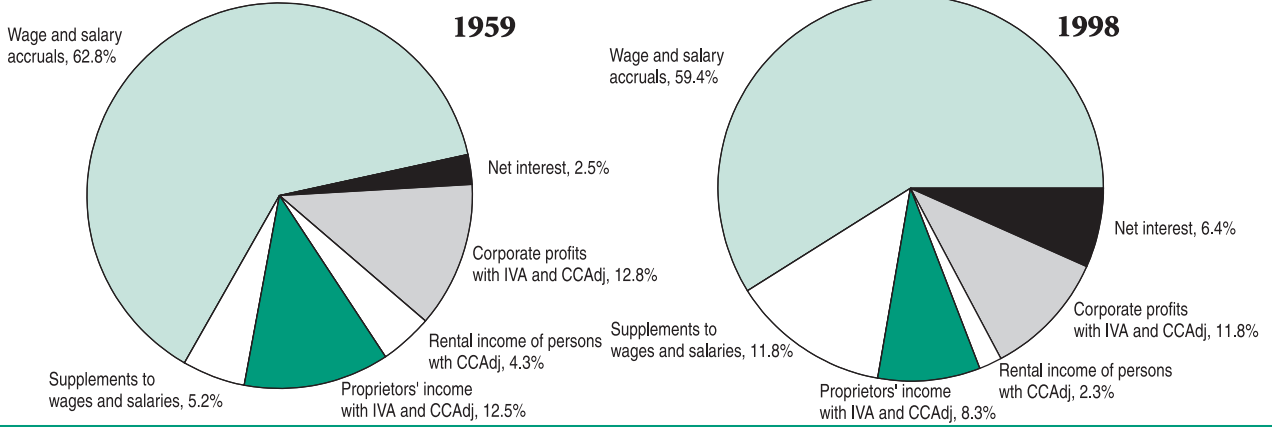


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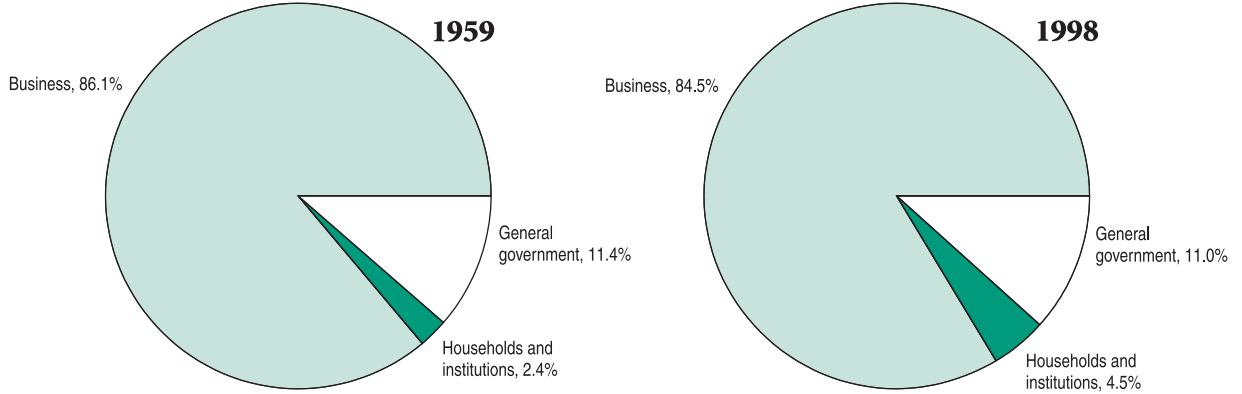


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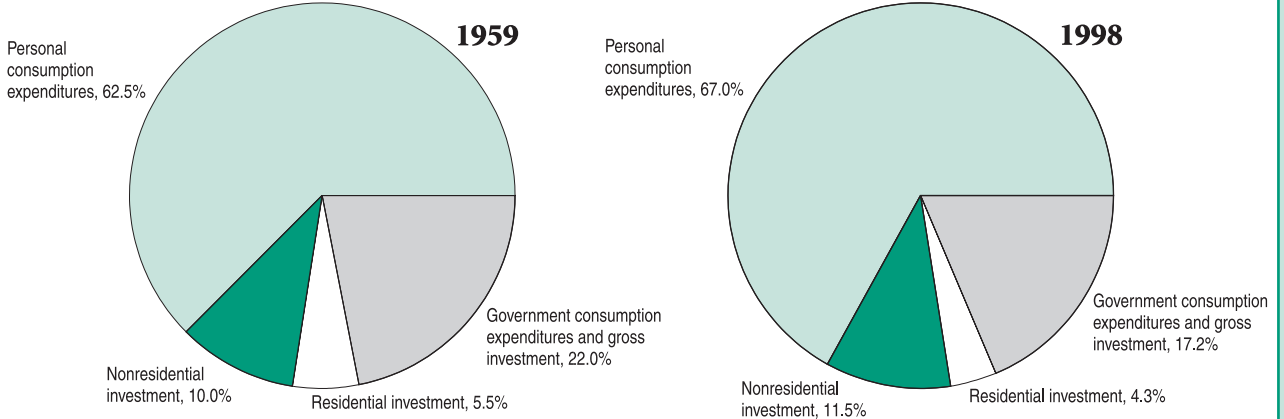
SHARES OF NATIONAL INCOME



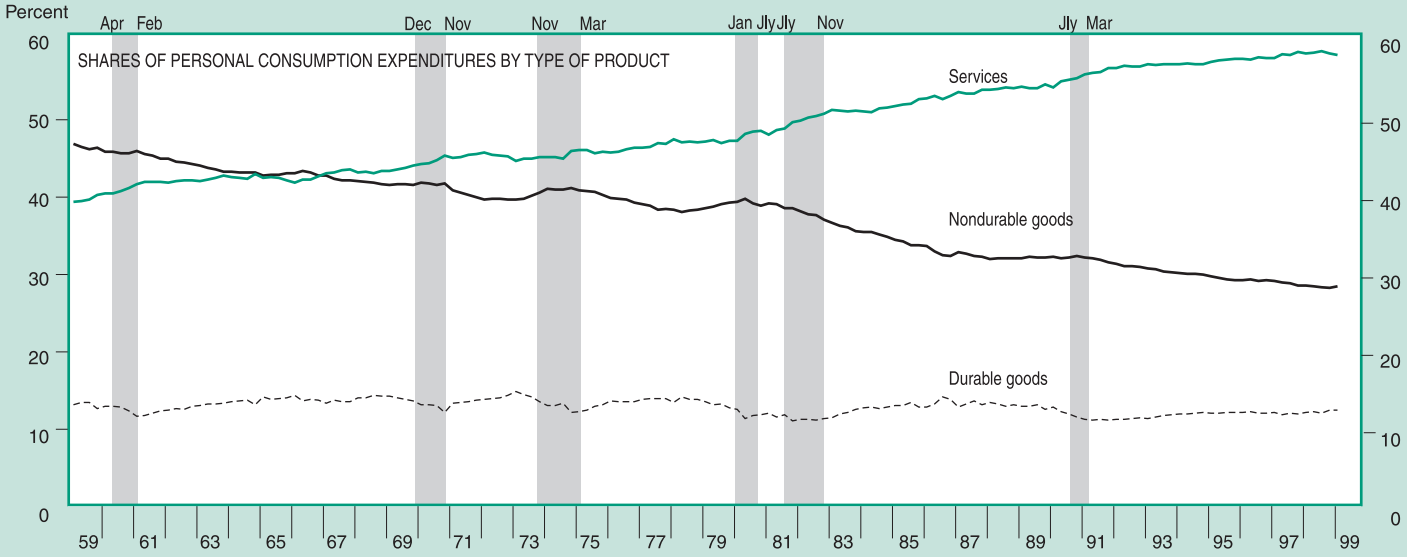
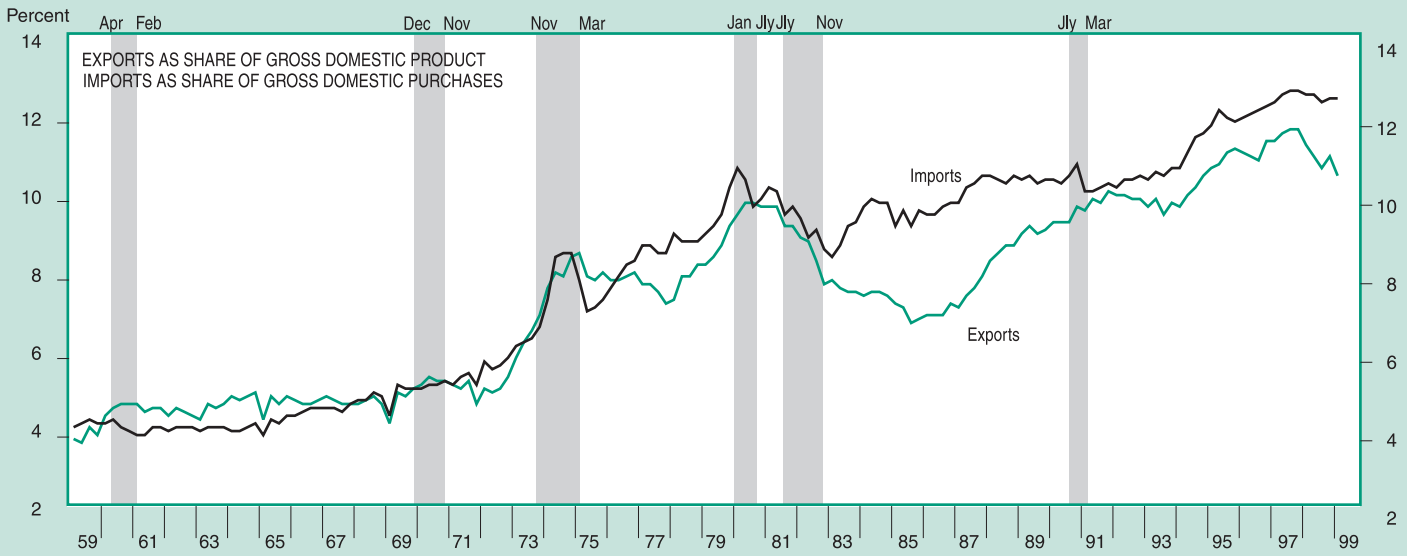
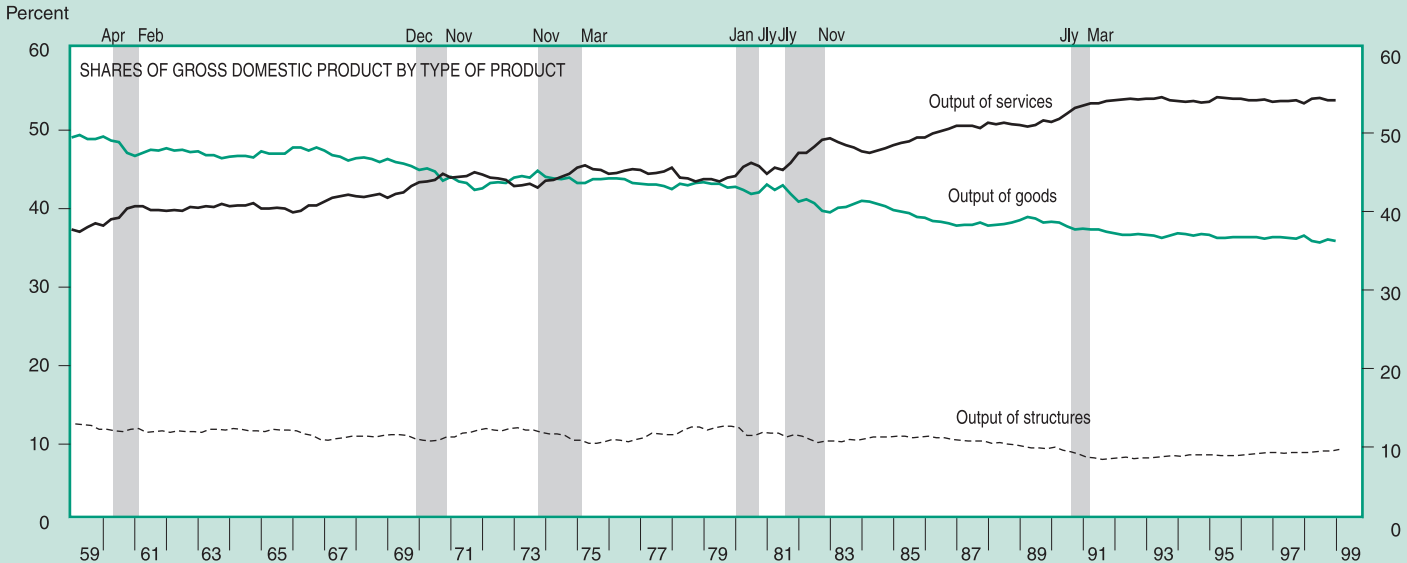
SHARES OF GROSS DOMESTIC PRODUCT BY SECTOR



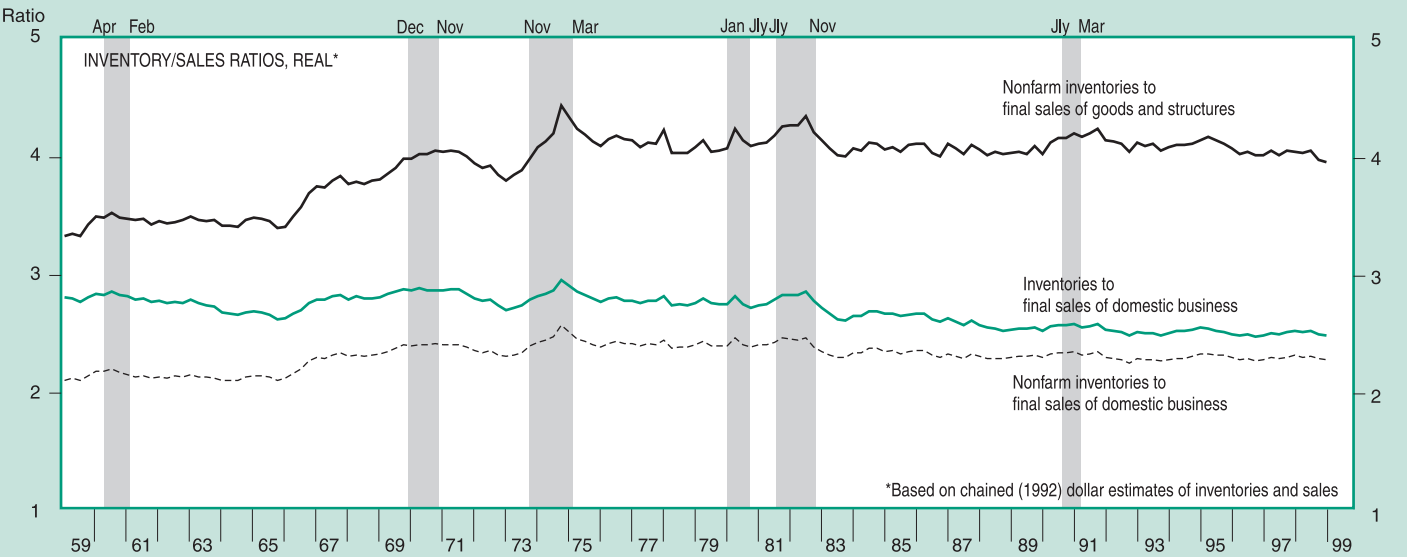
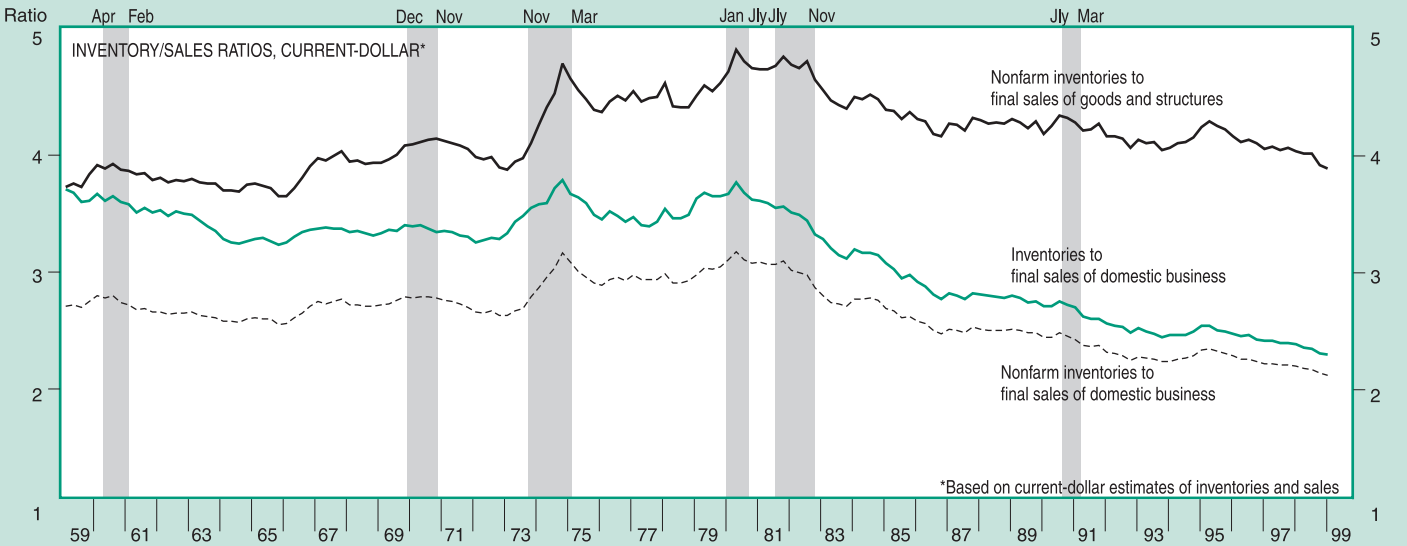
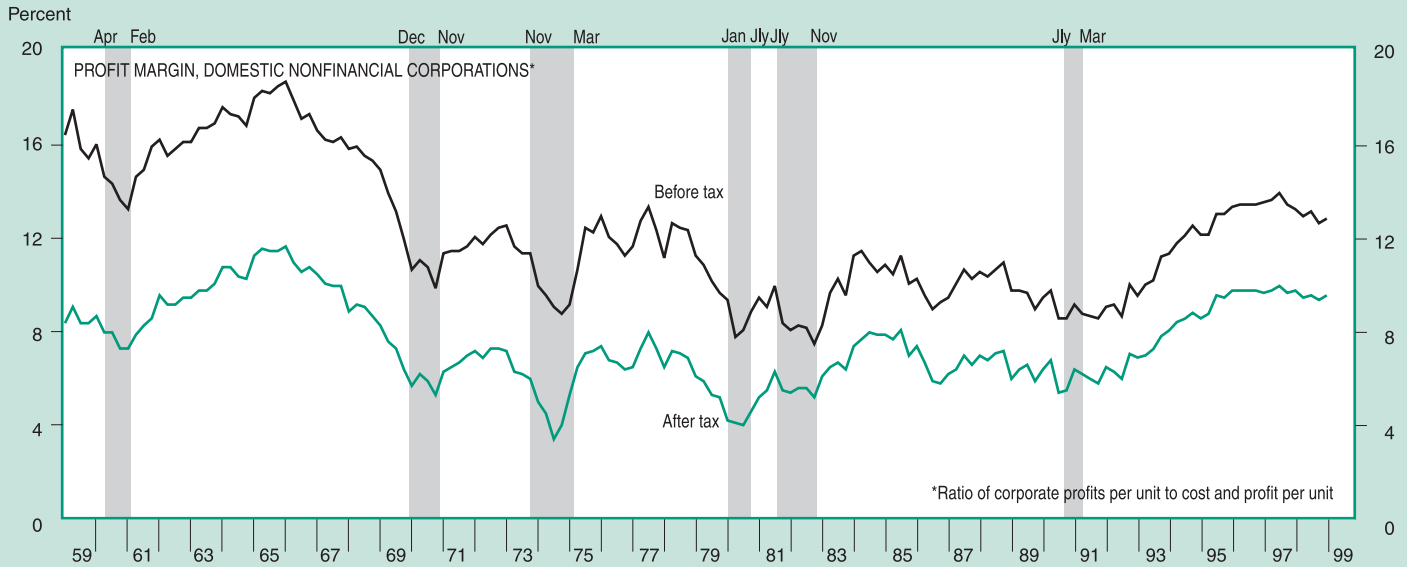
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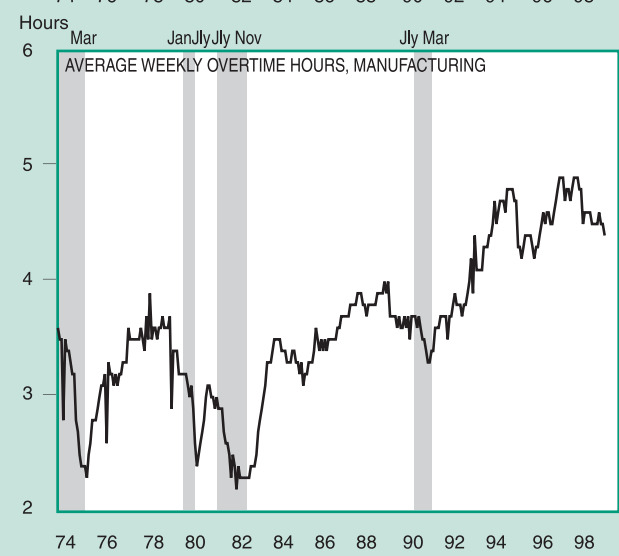
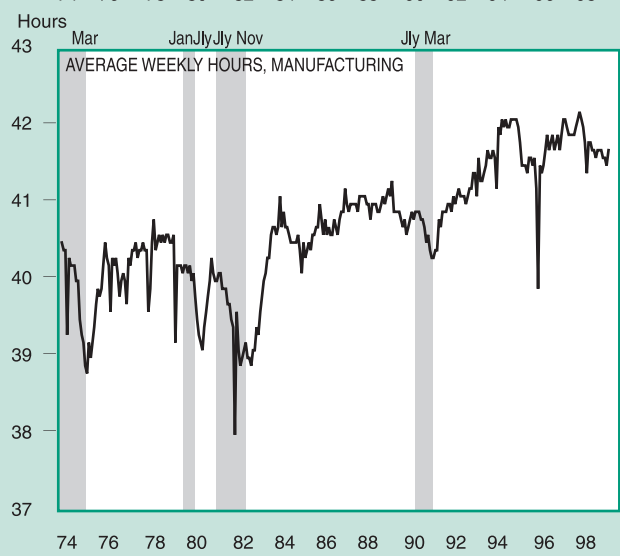
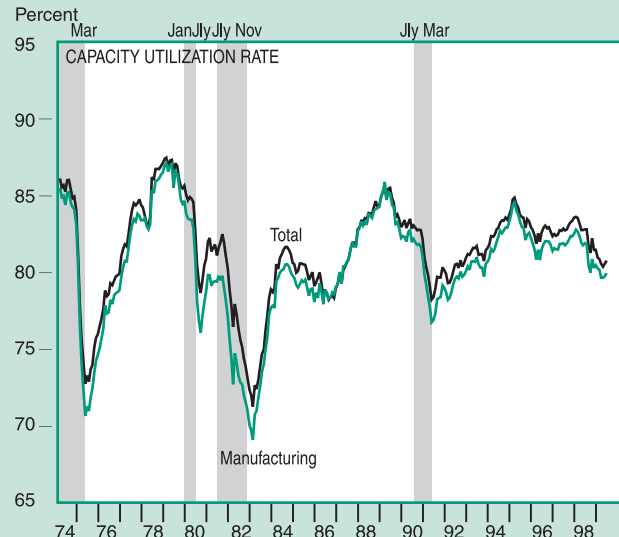
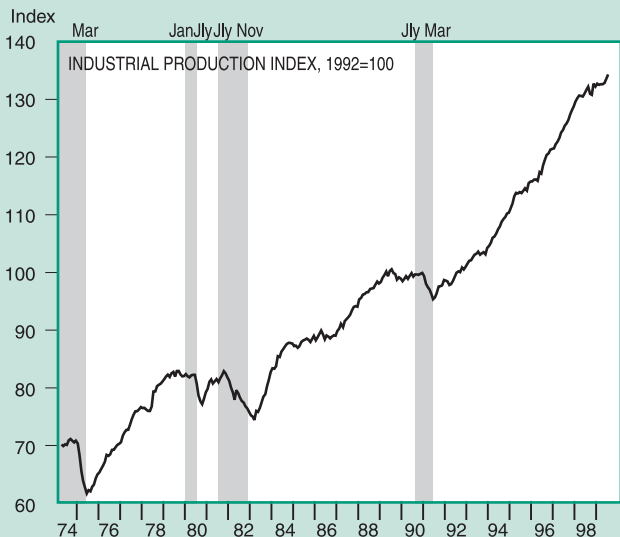
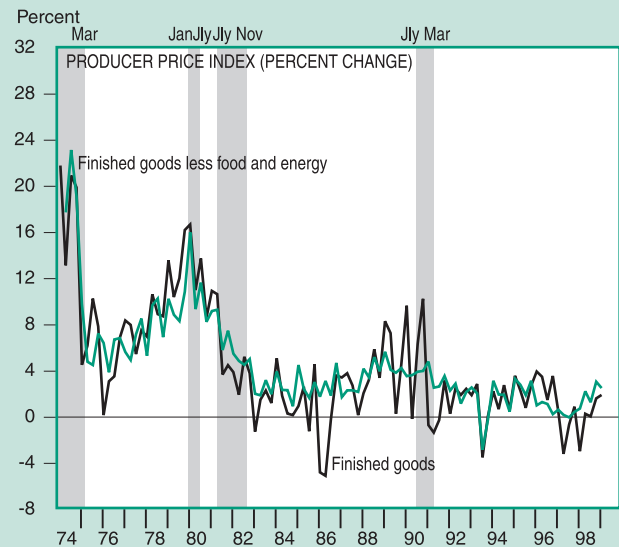
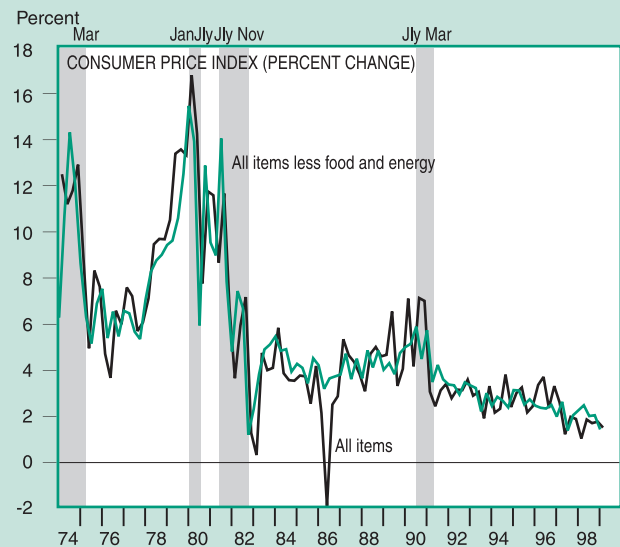
SELECTED NIPA SERIES



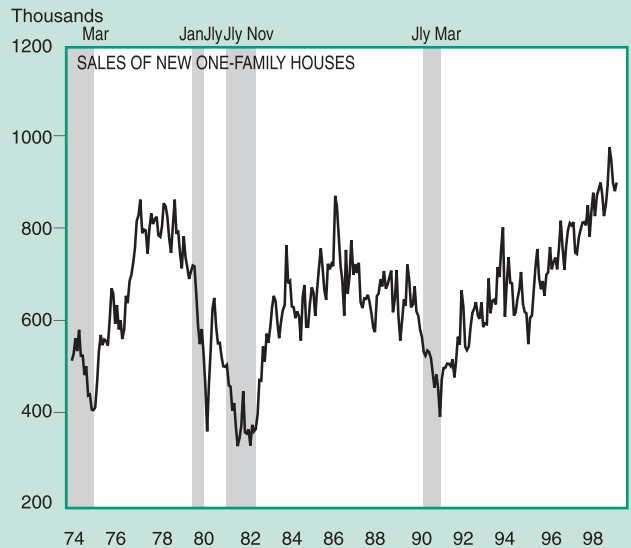
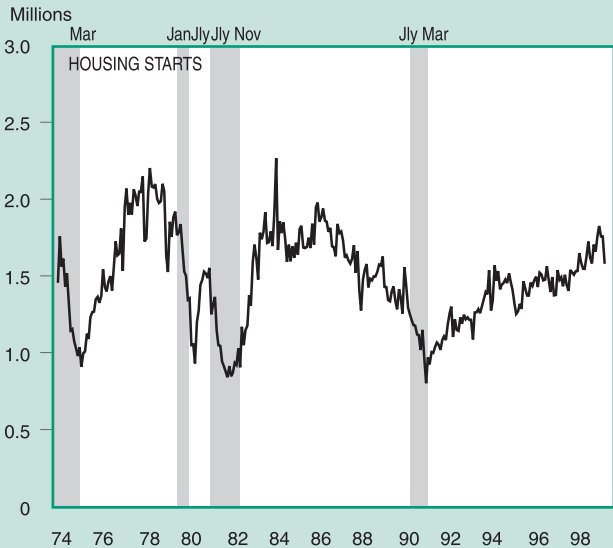
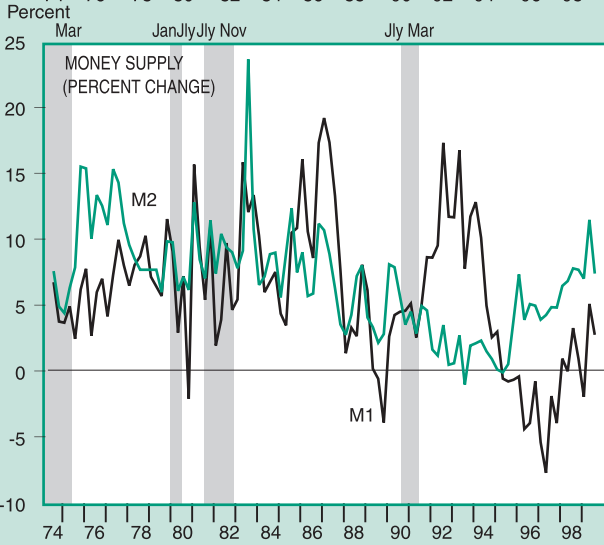
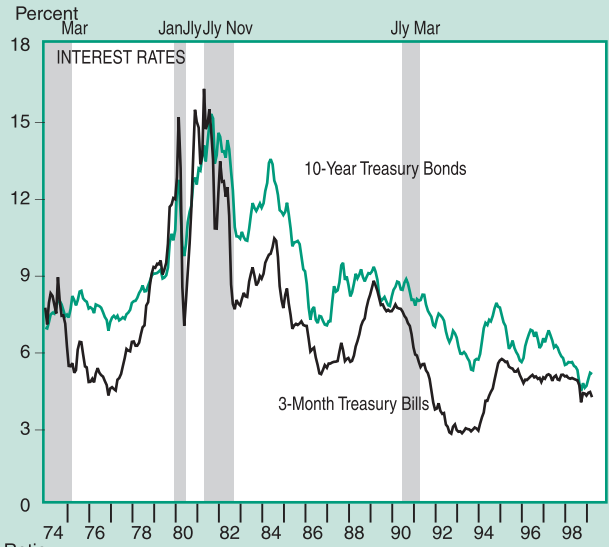
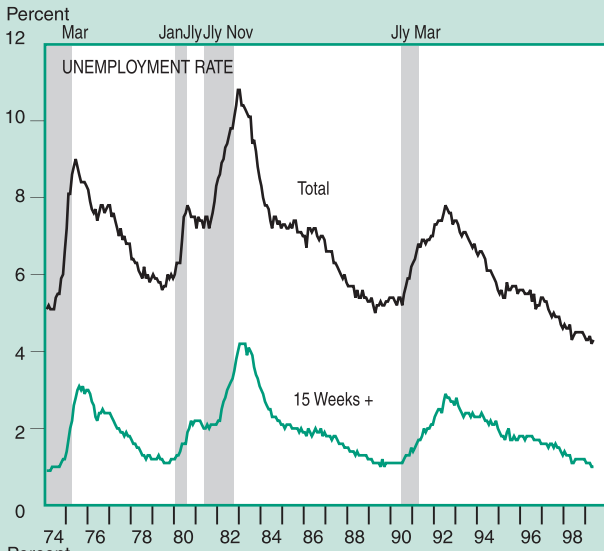
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OTHER INDICATORS OF THE DOMESTIC ECONOMY



OTHER INDICATORS OF THE DOMESTIC ECONOMY



International Data

F. Transactions Tables

Table F.1 includes the most recent estimates of U.S. international trade in goods and services; the estimates were released on May 20, 1999 and include "preliminary" estimates for March 1999 and "revised" estimates for February 1999. The sources for the other tables in this section are as noted.

Table F.1.—U.S. International Transactions in Goods and Services

[Millions of dollars; monthly estimates seasonally adjusted]

	1997	1998	1998										1999			
			Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb. ^r	Mar. ^p
Exports of goods and services	937,593	931,026	77,700	78,945	77,593	76,536	76,111	74,928	74,986	77,443	80,415	78,942	77,873	77,082	76,799	77,520
Goods	679,325	670,641	56,258	57,125	55,243	54,626	54,674	53,733	53,769	55,912	58,246	57,110	56,133	55,168	54,357	54,881
Foods, feeds, and beverages	51,507	46,342	4,237	4,013	3,776	3,681	3,811	3,733	3,618	3,293	4,006	3,850	4,068	3,733	3,612	3,704
Industrial supplies and materials	158,226	147,865	12,550	12,858	12,468	12,558	12,049	11,861	12,034	11,912	12,474	12,420	11,646	11,162	11,298	11,703
Capital goods, except automotive	294,470	299,247	24,689	24,763	23,672	23,681	24,251	24,725	23,745	25,981	26,733	25,797	25,869	25,742	24,580	25,023
Automotive vehicles, engines, and parts	74,029	72,687	6,383	6,612	6,501	6,017	5,634	4,766	5,634	6,026	6,016	6,414	6,153	5,933	6,096	6,025
Consumer goods (nonfood), except automotive	77,446	79,374	6,405	6,530	6,570	6,542	6,844	6,638	6,671	6,714	6,791	6,615	6,467	6,505	6,718	6,597
Other goods	33,505	36,982	2,801	3,232	2,912	2,904	2,984	2,976	3,381	2,927	3,428	3,616	3,128	3,047	3,165	2,866
Adjustments ¹	-9,858	-11,856	-807	-882	-655	-756	-898	-965	-1,314	-940	-1,202	-1,602	-1,199	-953	-1,113	-1,037
Services	258,268	260,385	21,442	21,820	22,350	21,910	21,437	21,195	21,217	21,531	22,169	21,832	21,740	21,914	22,442	22,639
Travel	73,268	71,116	5,984	5,710	6,415	6,022	5,672	5,464	5,608	5,858	6,090	5,983	6,069	6,077	6,171	6,265
Passenger fares	20,895	20,137	1,730	1,651	1,817	1,737	1,648	1,565	1,595	1,630	1,669	1,668	1,632	1,661	1,683	1,721
Other transportation	26,911	25,787	2,120	2,103	2,149	2,120	2,022	2,088	2,133	2,112	2,265	2,239	2,199	2,196	2,195	2,238
Royalties and license fees	33,676	35,063	2,888	2,914	2,968	2,972	2,953	2,858	2,848	2,863	2,958	2,984	2,998	2,993	2,980	2,972
Other private services	84,465	90,729	7,264	7,424	7,599	7,579	7,739	7,736	7,677	7,729	7,699	7,507	7,559	7,611	7,781	7,881
Transfers under U.S. military agency sales contracts ²	18,269	16,765	1,391	1,953	1,337	1,414	1,337	1,419	1,290	1,273	1,421	1,385	1,217	1,309	1,566	1,496
U.S. Government miscellaneous services	784	788	65	65	65	66	66	65	66	66	67	66	66	67	66	66
Imports of goods and services	1,047,799	1,100,314	89,433	92,562	91,734	92,297	90,444	90,100	91,719	92,038	94,378	94,107	91,928	93,890	95,945	97,218
Goods	877,279	918,800	74,489	77,740	76,689	77,316	75,316	74,874	76,616	76,826	78,526	78,779	76,632	78,427	80,291	81,337
Foods, feeds, and beverages	39,694	41,223	3,507	3,542	3,394	3,452	3,587	3,433	3,350	3,327	3,339	3,369	3,551	3,630	3,528	3,539
Industrial supplies and materials	213,767	200,347	16,822	16,727	17,287	17,442	16,604	16,623	16,801	16,488	16,847	16,256	15,179	15,530	15,223	16,052
Capital goods, except automotive	254,175	270,343	22,234	23,088	22,304	23,130	22,176	22,282	22,221	22,233	22,950	23,411	22,419	23,092	23,770	23,346
Automotive vehicles, engines, and parts	140,779	150,617	12,215	13,000	12,210	12,568	11,800	10,703	12,262	12,986	13,391	13,795	13,827	13,904	14,574	14,938
Consumer goods (nonfood), except automotive	192,918	215,473	16,875	18,216	18,277	17,897	18,177	18,270	17,984	18,017	18,193	18,218	18,144	18,673	19,626	19,459
Other goods	29,338	35,593	2,611	2,659	2,894	2,540	2,616	3,206	3,303	3,228	3,250	3,216	3,253	3,427	3,358	3,780
Adjustments ¹	6,609	5,204	226	508	322	288	355	358	695	546	556	514	259	171	213	224
Services	170,520	181,514	14,944	14,822	15,045	14,981	15,128	15,226	15,103	15,212	15,852	15,328	15,296	15,463	15,654	15,881
Travel	51,220	53,728	4,440	4,399	4,558	4,411	4,469	4,451	4,394	4,479	4,751	4,472	4,461	4,583	4,695	4,747
Passenger fares	18,235	18,851	1,559	1,538	1,609	1,560	1,576	1,597	1,537	1,554	1,656	1,580	1,544	1,596	1,621	1,665
Other transportation	28,949	30,285	2,345	2,549	2,418	2,496	2,515	2,540	2,586	2,509	2,750	2,602	2,619	2,597	2,600	2,659
Royalties and license fees	9,411	10,654	1,198	818	904	920	932	881	820	816	839	846	850	841	842	843
Other private services	48,421	52,470	4,116	4,236	4,300	4,345	4,390	4,486	4,479	4,549	4,514	4,471	4,458	4,459	4,498	4,540
Direct defense expenditures ²	11,488	12,693	1,051	1,047	1,021	1,014	1,010	1,035	1,050	1,068	1,105	1,119	1,126	1,152	1,161	1,190
U.S. Government miscellaneous services	2,796	2,833	235	235	235	235	236	236	237	237	237	238	238	235	237	237
Memoranda:																
Balance on goods	-197,955	-248,159	-18,231	-20,615	-21,446	-22,690	-20,642	-21,141	-22,847	-20,913	-20,279	-21,669	-20,499	-23,260	-25,934	-26,456
Balance on services	87,748	78,871	6,498	6,998	7,305	6,929	6,309	5,969	6,114	6,319	6,317	6,504	6,444	6,451	6,788	6,758
Balance on goods and services	-110,207	-169,288	-11,733	-13,617	-14,141	-15,761	-14,333	-15,172	-16,733	-14,594	-13,962	-15,165	-14,055	-16,809	-19,146	-19,698

^p Preliminary.

^r Revised.

1. Reflects adjustments necessary to bring the Census Bureau's component data in line with the concepts and

definitions used to prepare BEA's international and national accounts.

2. Contains goods that cannot be separately identified.

Source: U.S. Department of Commerce, Bureau of Economic Analysis and Bureau of the Census.

Table F.3.—U.S. International Transactions, by Area

[Millions of dollars]

Line	(Credits +; debits -) ¹	Australia			Other countries in Asia and Africa			International organizations and unallocated ¹⁶		
		1998			1998			1998		
		II	III ^r	IV ^p	II	III ^r	IV ^p	II	III ^r	IV ^p
1	Exports of goods, services, and income	5,618	5,429	5,279	51,851	51,275	56,949	5,999	6,299	6,535
2	Goods, adjusted, excluding military ²	2,858	2,925	2,893	32,927	31,292	38,444			
3	Services ³	1,358	1,309	1,258	13,097	14,446	13,003	1,472	1,606	1,677
4	Transfers under U.S. military agency sales contracts ⁴	219	43	44	2,422	2,391	2,358			
5	Travel	356	456	385	2,805	3,361	2,162			
6	Passenger fares	120	135	128	394	507	345			
7	Other transportation	77	83	86	1,990	2,019	2,163	134	247	237
8	Royalties and license fees ⁵	180	181	204	1,021	1,069	1,135	444	441	494
9	Other private services ⁵	400	405	403	4,377	5,011	4,753	894	918	946
10	U.S. Government miscellaneous services	6	6	8	88	88	87			
11	Income receipts on U.S. assets abroad	1,402	1,195	1,128	5,827	5,537	5,502	4,527	4,693	4,858
12	Direct investment receipts	631	462	425	2,862	2,611	2,821	2,465	2,672	2,844
13	Other private receipts	771	733	703	2,731	2,601	2,410	1,867	1,810	1,787
14	U.S. Government receipts				234	325	271	195	211	227
15	Imports of goods, services, and income	-2,438	-2,511	-2,549	-79,516	-87,459	-82,949	-2,547	-2,830	-2,706
16	Goods, adjusted, excluding military ²	-1,434	-1,312	-1,358	-63,802	-71,445	-67,329			
17	Services ³	-555	-736	-759	-8,597	-8,883	-8,992	-720	-1,001	-905
18	Direct defense expenditures	-9	-7	-12	-1,003	-973	-1,141			
19	Travel	-159	-298	-268	-2,477	-2,620	-2,363			
20	Passenger fares	-112	-135	-157	-1,197	-1,168	-1,183			
21	Other transportation	-40	-52	-53	-1,885	-2,040	-2,089	-358	-646	-569
22	Royalties and license fees ⁵	-9	-9	-11	-38	-37	-42	-187	-188	-177
23	Other private services ⁵	-214	-223	-246	-1,795	-1,843	-1,972	-175	-167	-159
24	U.S. Government miscellaneous services	-12	-12	-12	-202	-202	-202			
25	Income payments on foreign assets in the United States	-449	-463	-432	-7,117	-7,131	-6,628	-1,827	-1,829	-1,801
26	Direct investment payments	-213	-243	-156	15	-38	157	-976	-978	-1,016
27	Other private payments	-160	-159	-150	-2,569	-2,614	-2,416	-838	-848	-784
28	U.S. Government payments	-76	-61	-126	-4,563	-4,479	-4,369	-13	-3	-1
29	Unilateral transfers, net	-39	-43	-43	-2,940	-3,602	-6,584	-2,139	-1,949	-2,669
30	U.S. Government grants ⁴				-999	-1,481	-4,580	-223	-168	-163
31	U.S. Government pensions and other transfers	-9	-9	-9	-120	-97	-123	-137	-82	-686
32	Private remittances and other transfers ⁶	-30	-34	-34	-1,821	-2,024	-1,881	-1,779	-1,699	-1,820
33	U.S. assets abroad, net (increase/capital outflow (-))	-7,496	-1,862	622	489	947	-14,821	-3,481	-6,451	7,836
34	U.S. official reserve assets, net ⁷							-959	-1,890	-2,151
35	Gold									
36	Special drawing rights							72	188	-227
37	Reserve position in the International Monetary Fund							-1,031	-2,078	-1,924
38	Foreign currencies									
39	U.S. Government assets, other than official reserve assets, net	-1			-322	162	45	-317	-291	-267
40	U.S. credits and other long-term assets				-635	-206	-222	-317	-291	-267
41	Repayments on U.S. credits and other long-term assets ⁸				275	365	289			
42	U.S. foreign currency holdings and U.S. short-term assets, net	-1			38	3	-22			
43	U.S. private assets, net	-7,495	-1,862	622	811	785	-14,866	-2,205	-4,270	10,254
44	Direct investment	-4,743	-587	-368	-979	-3,904	-2,528	-2,302	-1,999	-2,478
45	Foreign securities	-1,348	-403	432	-4,789	4,384	451	158	104	-662
46	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	129	-513		2,261	-386		-15	-45	11,803
47	U.S. claims reported by U.S. banks, not included elsewhere	-1,533	-359	558	4,318	691	-12,789	-46	-2,330	1,591
48	Foreign assets in the United States, net (increase/capital inflow (+))	2,738	-3,198	1,515	-1,760	-16,362	15,265	114	7,447	-5,944
49	Foreign official assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)			1
50	U.S. Government securities	(18)	(18)	(18)	(18)	(18)	(18)			
51	U.S. Treasury securities ⁹	(18)	(18)	(18)	(18)	(18)	(18)			
52	Other ¹⁰	(18)	(18)	(18)	(18)	(18)	(18)			
53	Other U.S. Government liabilities ¹¹	-179	-2	15	-647	-233	-377			1
54	U.S. liabilities reported by U.S. banks, not included elsewhere	(18)	(18)	(18)	(18)	(18)	(18)			
55	Other foreign official assets ¹²	(18)	(18)	(18)	(18)	(18)	(18)			
56	Other foreign assets in the United States, net	(18)	(18)	(18)	(18)	(18)	(18)	114	7,447	-5,945
57	Direct investment	487	-265	288	706	-291	227	838	851	851
58	U.S. Treasury securities	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)	(18)
59	U.S. currency							2,349	7,277	6,250
60	U.S. securities other than U.S. Treasury securities	-325	7	966	655	-7,262	1,938	215	-203	-82
61	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	1,623	97		59	-1,665		73	49	-11,119
62	U.S. liabilities reported by U.S. banks, not included elsewhere	18 1,132	18 -3,035	18 246	18 -2,533	18 -6,911	18 13,477	18 -3,361	18 -527	18 -1,845
63	Allocations of special drawing rights									
64	Statistical discrepancy, and transfers of funds between foreign areas, net (sum of above items with sign reversed)	1,617	2,185	-4,824	31,876	55,201	32,140	2,054	-2,516	-3,052
65	Memoranda:									
66	Balance on goods (lines 2 and 16)	1,424	1,613	1,535	-30,875	-40,153	-28,885			
67	Balance on services (lines 3 and 17)	803	573	499	4,500	5,563	4,011	752	605	772
68	Balance on goods and services (lines 65 and 66)	2,227	2,186	2,034	-26,375	-34,590	-24,874	752	605	772
69	Balance on investment income (lines 11 and 25)	953	732	696	-1,290	-1,594	-1,126	2,700	2,864	3,057
70	Balance on goods, services, and income (lines 1 and 15 or lines 67 and 68) ¹³	3,180	2,918	2,730	-27,665	-36,184	-26,000	3,452	3,469	3,829
71	Unilateral transfers, net (line 29)	-39	-43	-43	-2,940	-3,602	-6,584	-2,139	-1,949	-2,669
70	Balance on current account (lines 1, 15, and 29 or lines 69 and 70) ¹³	3,141	2,875	2,687	-30,605	-39,786	-32,584	1,313	1,520	1,160

14. The "European Union" includes the "European Union (6)," United Kingdom, Denmark, Ireland, Greece, Spain, and Portugal. Beginning with the first quarter of 1995, the "European Union" also includes Austria, Finland, and Sweden.

15. The "European Union (6)" includes Belgium, France, Germany (includes the former German Democratic Republic (East Germany) beginning in the fourth quarter of 1990), Italy, Luxembourg, Netherlands, European Atomic Energy Community, European Coal and Steel Community, and European Investment Bank.

16. Includes, as part of international and unallocated, the estimated direct investment in foreign affiliates engaged in international shipping, in operating oil and gas drilling equipment internationally, and in petroleum trading. Also

includes taxes withheld; current-cost adjustments associated with U.S. and foreign direct investment; small transactions in business services that are not reported by country; and net U.S. currency flows, for which geographic source data are not available.

17. Details not shown separately; see totals in lines 49 and 56.

18. Details not shown separately are included in line 62.

NOTE.—The data in tables F.2 and F.3 are from tables 1 and 10 in "U.S. International Transactions, Fourth Quarter and Year 1998" in the April 1999 issue of the SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the balance of payments accounts.

Table F.4—Private Service Transactions

[Millions of dollars]

Line		1997	1998 ^p	Seasonally adjusted					
				1997		1998			
				III	IV	I ^r	II ^r	III ^r	IV ^p
1	Exports of private services	239,215	242,832	60,545	60,827	60,137	61,412	59,764	61,519
2	Travel (table F.2, line 5)	73,268	71,116	18,325	18,204	17,935	18,109	16,930	18,142
3	Passenger fares (table F.2, line 6)	20,895	20,137	5,212	5,364	5,176	5,202	4,790	4,969
4	Other transportation (table F.2, line 7)	26,911	25,787	6,678	6,809	6,459	6,291	6,333	6,703
5	Freight	11,773	11,115	2,919	3,031	2,901	2,715	2,660	2,840
6	Port services	15,137	14,672	3,759	3,778	3,559	3,577	3,674	3,864
7	Royalties and license fees (table F.2, line 8)	33,676	35,063	8,580	8,381	8,660	8,893	8,569	8,940
8	Affiliated	25,515	26,573	6,543	6,330	6,585	6,788	6,431	6,768
9	U.S. parents' receipts	23,457	24,614	5,929	5,724	5,912	6,189	6,058	6,453
10	U.S. affiliates' receipts	2,058	1,959	614	606	673	599	373	315
11	Unaffiliated	8,161	8,490	2,037	2,051	2,075	2,105	2,138	2,172
12	Industrial processes ¹	3,272	3,272	812	809	811	815	820	826
13	Other ²	4,889	5,218	1,225	1,242	1,264	1,290	1,318	1,346
14	Other private services (table F.2, line 9)	84,465	90,729	21,750	22,069	21,907	22,917	23,142	22,765
15	Affiliated services	26,336	27,600	6,791	6,717	6,647	6,879	7,195	6,880
16	U.S. parents' receipts	16,164	16,648	4,128	4,198	4,102	4,202	4,186	4,158
17	U.S. affiliates' receipts	10,172	10,952	2,663	2,519	2,545	2,677	3,009	2,722
18	Unaffiliated services	58,128	63,129	14,959	15,352	15,260	16,038	15,947	15,885
19	Education	8,278	8,451	2,108	2,105	2,101	2,097	2,157	2,096
20	Financial services	11,064	13,212	2,914	3,157	2,891	3,617	3,380	3,324
21	Insurance, net	2,391	2,594	605	616	629	642	656	669
22	Premiums received	5,952	6,181	1,483	1,491	1,508	1,531	1,557	1,584
23	Losses paid	3,561	3,587	879	875	880	890	902	915
24	Telecommunications	3,771	3,744	956	987	969	940	914	921
25	Business, professional, and technical services	21,304	23,010	5,500	5,564	5,669	5,755	5,793	5,793
26	Other unaffiliated services ³	11,321	12,117	2,876	2,923	3,001	2,987	3,047	3,083
27	Imports of private services	156,236	165,988	39,769	40,039	40,494	41,403	41,678	42,413
28	Travel (table F.2, line 19)	51,220	53,728	12,897	12,823	13,282	13,438	13,324	13,684
29	Passenger fares (table F.2, line 20)	18,235	18,851	4,704	4,557	4,638	4,745	4,688	4,780
30	Other transportation (table F.2, line 21)	28,949	30,285	7,200	7,397	7,249	7,429	7,635	7,971
31	Freight	17,644	19,328	4,408	4,454	4,462	4,731	4,996	5,138
32	Port services	11,305	10,957	2,792	2,943	2,877	2,698	2,639	2,833
33	Royalties and license fees (table F.2, line 22)	9,411	10,654	2,559	2,578	2,847	2,756	2,517	2,535
34	Affiliated	7,087	7,862	1,941	1,980	1,874	2,151	1,879	1,959
35	U.S. parents' payments	955	826	235	284	247	182	198	199
36	U.S. affiliates' payments	6,132	7,036	1,706	1,696	1,627	1,969	1,681	1,760
37	Unaffiliated	2,324	2,792	618	598	973	605	638	576
38	Industrial processes ¹	1,265	1,366	313	317	324	335	347	360
39	Other ²	1,060	1,427	305	282	649	270	292	216
40	Other private services (table F.2, line 23)	48,421	52,470	12,409	12,684	12,478	13,035	13,514	13,443
41	Affiliated services	18,324	19,689	4,635	4,801	4,426	4,832	5,289	5,142
42	U.S. parents' payments	9,407	9,968	2,427	2,445	2,330	2,500	2,566	2,572
43	U.S. affiliates' payments	8,917	9,721	2,208	2,356	2,096	2,332	2,723	2,570
44	Unaffiliated services	30,098	32,781	7,774	7,883	8,052	8,203	8,225	8,301
45	Education	1,347	1,474	346	349	349	365	378	382
46	Financial services	3,906	4,037	1,093	965	999	1,069	1,007	962
47	Insurance, net	5,208	5,826	1,381	1,452	1,477	1,471	1,451	1,427
48	Premiums paid	15,036	15,654	3,787	3,832	3,869	3,900	3,928	3,956
49	Losses recovered	9,828	9,828	2,406	2,380	2,392	2,429	2,477	2,530
50	Telecommunications	8,113	8,438	2,028	2,080	2,121	2,103	2,088	2,127
51	Business, professional, and technical services	6,571	7,753	1,676	1,737	1,832	1,905	1,973	2,043
52	Other unaffiliated services ³	4,952	5,252	1,251	1,299	1,274	1,290	1,328	1,360
	Memoranda:								
53	Balance on goods (table F.2, line 65)	-197,954	-247,985	-49,296	-49,839	-56,033	-64,778	-64,899	-62,275
54	Balance on private services (line 1 minus line 27)	82,979	76,844	20,776	20,788	19,643	20,009	18,086	19,106
55	Balance on goods and private services (lines 53 and 54)	-114,975	-171,141	-28,520	-29,051	-36,390	-44,769	-46,813	-43,169

^p Preliminary.^r Revised.

1. Patented techniques, processes, and formulas and other intangible property rights that are used in goods production.

2. Copyrights, trademarks, franchises, rights to broadcast live events, and other intangible property rights.

3. Other unaffiliated services receipts (exports) include mainly expenditures of foreign govern-

ments and international organizations in the United States. Payments (imports) include mainly wages of foreign residents temporarily employed in the United States and Canadian and Mexican commuters in U.S. border areas.

NOTE.—The data in table F.4 are from table 3 in "U.S. International Transactions, Fourth Quarter and Year 1998" in the April 1999 issue of the SURVEY OF CURRENT BUSINESS, which presents the most recent estimates from the balance of payments accounts.

G. Investment Tables

Table G.1.—International Investment Position of the United States at Yearend, 1996 and 1997

[Millions of dollars]

Line	Type of investment	Position 1996 ^r	Changes in position in 1997 (decrease (-))				Total (a+b+c+d)	Position 1997 ^p
			Attributable to:					
			Capital flows	Valuation adjustments				
				Price changes	Exchange rate changes ¹	Other changes ²		
(a)	(b)	(c)	(d)	(a+b+c+d)				
1	Net international investment position of the United States:							
2	With direct investment positions at current cost (line 3 less line 24)	-767,076	-254,939	-51,669	-127,725	-22,159	-456,492	-1,223,568
2	With direct investment positions at market value (line 4 less line 25)	-743,656	-254,939	-116,094	-197,805	-9,961	-578,799	-1,322,455
	U.S. assets abroad:							
3	With direct investment positions at current cost (lines 5+10+15) ...	3,767,018	478,502	175,135	-155,352	-27,992	470,293	4,237,311
4	With direct investment positions at market value (lines 5+10+16) ...	4,347,148	478,502	416,045	-224,102	-10,474	659,971	5,007,119
5	U.S. official reserve assets	160,739	1,010	-20,762	-6,144	-7	-25,903	134,836
6	Gold	96,698		³ -20,762		⁴ -7	-20,769	75,929
7	Special drawing rights	10,312	350		-635		-285	10,027
8	Reserve position in the International Monetary Fund	15,435	3,575		-939		2,636	18,071
9	Foreign currencies	38,294	-2,915		-4,570		-7,485	30,809
10	U.S. Government assets, other than official reserve assets	81,677	-174		-17	-3	-194	81,483
11	U.S. credits and other long-term assets ⁵	79,786	-202		-8	-3	-213	79,573
12	Repayable in dollars	79,114	-168			-4	-172	78,942
13	Other ⁶	672	-34		-8	1	-41	631
14	U.S. foreign currency holdings and U.S. short-term assets	1,891	28		-9		19	1,910
	U.S. private assets:							
15	With direct investment at current cost (lines 17+19+22+23)	3,524,602	477,666	195,897	-149,191	-27,982	496,390	4,020,992
16	With direct investment at market value (lines 18+19+22+23)	4,104,732	477,666	436,807	-217,941	-10,464	686,068	4,790,800
	Direct investment abroad:							
17	At current cost	936,954	121,843	9,325	-28,998	-15,252	86,918	1,023,872
18	At market value	1,517,084	121,843	250,235	-97,748	2,266	276,596	1,793,680
19	Foreign securities	1,280,159	87,981	186,572	-108,411		166,142	1,446,301
20	Bonds	403,373	46,723	8,671	-13,718		41,676	445,049
21	Corporate stocks	876,786	41,258	177,901	-94,693		124,466	1,001,252
22	U.S. claims on unaffiliated foreigners reported by U.S. nonbanking concerns	449,978	120,403		-7,724	-261	112,418	562,396
23	U.S. claims reported by U.S. banks, not included elsewhere	857,511	147,439		-4,058	-12,469	130,912	988,423
	Foreign assets in the United States:							
24	With direct investment at current cost (lines 26+33)	4,534,094	733,441	226,804	-27,627	-5,833	926,785	5,460,879
25	With direct investment at market value (lines 26+34)	5,090,804	733,441	532,139	-26,297	-513	1,238,770	6,329,574
26	Foreign official assets in the United States	801,062	15,817	16,968		54	32,839	833,901
27	U.S. Government securities	612,656	-2,936	4,615		55	1,734	614,390
28	U.S. Treasury securities	592,891	-7,270	4,174		55	-3,041	589,850
29	Other	19,765	4,334	441			4,775	24,540
30	Other U.S. Government liabilities ⁷	23,099	-2,521			-1	-2,522	20,577
31	U.S. liabilities reported by U.S. banks, not included elsewhere	113,098	21,928				21,928	135,026
32	Other foreign official assets	52,209	-654	12,353			11,699	63,908
	Other foreign assets:							
33	With direct investment at current cost (lines 35+37+38+39+42+43) ...	3,733,032	717,624	209,836	-27,627	-5,887	893,946	4,626,978
34	With direct investment at market value (lines 36+37+38+39+42+43) ...	4,289,742	717,624	515,171	-26,297	-567	1,205,931	5,495,673
	Direct investment in the United States:							
35	At current cost	666,962	93,449	-2,680	-1,330	-4,556	84,883	751,845
36	At market value	1,223,672	93,449	302,655		764	396,868	1,620,540
37	U.S. Treasury securities	504,792	146,710	10,459			157,169	661,961
38	U.S. currency	186,843	24,782				24,782	211,625
39	U.S. securities other than U.S. Treasury securities	1,199,460	196,845	202,057	-20,378		378,524	1,577,984
40	Corporate and other bonds	588,043	130,879	19,532	-20,378		130,033	718,076
41	Corporate stocks	611,417	65,966	182,525			248,491	859,908
42	U.S. liabilities to unaffiliated foreigners reported by U.S. nonbanking concerns	346,727	107,779		380	-1,331	106,828	453,555
43	U.S. liabilities reported by U.S. banks, not included elsewhere	828,248	148,059		-6,299		141,760	970,008

^p Preliminary.^r Revised.

1. Represents gains or losses on foreign-currency-denominated assets due to their revaluation at current exchange rates.

2. Includes changes in coverage, statistical discrepancies, and other adjustments to the value of assets.

3. Reflects changes in the value of the official gold stock due to fluctuations in the market price of gold.

4. Reflects changes in gold stock from U.S. Treasury sales of gold medallions and commemorative and bullion coins; also reflects replenishment through open market purchases. These demonetizations/monetizations are not included in international transactions capital flows.

5. Also includes paid-in capital subscriptions to international financial institutions and outstanding amounts of miscellaneous claims that have been settled through international agreements to be payable to the U.S. Government over periods in excess of 1 year. Excludes World War I debts that are not being serviced.

6. Includes indebtedness that the borrower may contractually, or at its option, repay with its currency, with a third country's currency, or by delivery of materials or transfer of services.

7. Primarily U.S. Government liabilities associated with military sales contracts and other transactions arranged with or through foreign official agencies.

NOTE.—The data in this table are from table 1 in "International Investment Position of the United States in 1997" in the July 1998 issue of the SURVEY.

Table G.2.—U.S. Direct Investment Abroad: Selected Items, by Country and by Industry of Foreign Affiliate, 1995–97

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital outflows (inflows (-))			Income		
	1995	1996	1997	1995	1996	1997	1995	1996	1997
All countries, all industries	699,015	777,203	860,723	92,074	74,833	114,537	87,346	92,105	100,703
By country									
Canada	83,498	91,301	99,859	8,602	7,260	10,734	8,799	9,024	10,692
Europe	344,596	382,366	420,934	52,275	35,992	60,558	40,853	43,179	47,869
<i>Of which:</i>									
France	33,358	33,746	34,615	5,196	4,750	3,166	2,707	3,389	2,637
Germany	44,242	44,651	43,931	3,349	1,467	3,002	4,215	3,842	4,117
Netherlands	42,113	54,437	64,648	9,386	6,914	14,329	7,456	8,667	10,240
United Kingdom	106,332	122,692	138,765	13,830	12,080	22,435	10,921	12,016	12,898
Latin America and Other Western Hemisphere	131,377	147,535	172,481	16,040	16,081	23,784	16,210	17,810	19,992
<i>Of which:</i>									
Brazil	25,002	28,699	35,727	6,954	3,812	6,545	3,759	4,104	4,551
Mexico	16,873	19,900	25,395	2,983	2,713	5,933	1,585	2,862	3,969
Africa	6,017	6,832	10,253	352	739	3,790	1,797	1,797	1,887
Middle East	7,198	7,793	8,959	879	538	1,111	1,373	1,411	1,562
Asia and Pacific	122,711	136,481	142,704	14,342	12,190	13,815	18,146	18,562	18,325
<i>Of which:</i>									
Australia	24,328	28,409	26,125	5,537	3,071	1,101	2,769	2,846	3,288
Japan	37,309	35,684	35,569	2,336	-326	781	4,091	3,414	3,198
International	3,618	4,896	5,533	-416	2,034	746	167	322	376
By industry									
Petroleum	68,639	74,499	85,726	675	5,058	11,455	9,036	11,692	12,114
Manufacturing	243,954	272,244	288,290	44,472	25,149	32,280	34,325	34,365	37,532
Food and kindred products	28,896	32,998	38,380	3,718	2,700	6,325	4,480	4,826	5,116
Chemicals and allied products	61,374	72,209	73,487	16,924	5,657	8,026	8,614	9,525	9,415
Primary and fabricated metals	11,555	14,178	14,732	1,570	5,283	1,054	1,380	1,353	1,535
Industrial machinery and equipment	29,626	31,597	33,563	4,408	2,565	4,529	4,251	4,555	5,083
Electronic and other electric equipment	27,514	31,623	33,833	7,060	3,883	3,930	4,466	4,217	4,861
Transportation equipment	34,076	33,839	36,439	5,888	561	3,846	3,709	3,182	4,842
Other manufacturing	50,913	55,801	57,855	4,903	4,500	4,570	7,425	6,707	6,679
Wholesale trade	68,102	69,638	69,080	8,880	5,701	3,403	9,118	8,488	9,041
Depository institutions	29,181	33,673	34,359	1,032	1,488	2,935	3,242	3,083	2,953
Finance (except depository institutions), insurance, and real estate	218,313	240,972	280,920	22,001	23,035	45,410	24,589	27,817	29,815
Services	29,721	35,793	40,874	4,014	3,343	5,464	4,136	3,588	5,258
Other industries	41,105	50,384	61,475	11,000	11,061	13,591	2,902	3,072	3,991

NOTE.—In this table, unlike in the international transactions accounts, income and capital outflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 17 and 18 in "U.S. Direct Investment Abroad: Detail for Historical-Cost Position and Related Capital and Income Flows, 1997" in the October 1998 issue of the SURVEY.

Table G.3.—Selected Financial and Operating Data for Nonbank Foreign Affiliates of U.S. Companies, by Country and by Industry of Affiliate, 1996

	Number of affiliates	Millions of dollars			Thousands of employees
		Total assets	Sales	Net income	
All countries, all industries	21,901	3,075,516	2,227,014	135,108	7,616.5
By country					
Canada	2,027	276,622	253,783	10,866	921.8
Europe	10,745	1,751,550	1,178,077	68,478	3,194.2
<i>Of which:</i>					
France	1,257	141,315	134,816	4,549	451.5
Germany	1,374	222,802	244,658	7,766	607.9
Italy	761	60,524	72,170	2,049	186.1
Netherlands	1,051	161,889	122,760	13,823	160.8
Switzerland	520	81,964	61,964	7,336	52.4
United Kingdom	2,447	813,742	310,685	14,998	976.4
Latin America and Other Western Hemisphere	3,366	370,529	223,869	24,112	1,529.2
<i>Of which:</i>					
Brazil	417	60,037	56,026	4,101	318.2
Mexico	847	67,437	71,739	7,021	733.9
Africa	522	28,979	23,170	2,475	122.0
Middle East	346	34,991	23,667	3,309	79.1
Asia and Pacific	4,791	592,420	517,020	24,869	1,756.9
<i>Of which:</i>					
Australia	878	94,457	70,036	3,322	275.1
Japan	1,005	248,312	204,364	5,684	405.4
International	104	20,424	7,427	999	13.2
By industry					
Petroleum	1,575	295,592	380,364	18,166	236.0
Manufacturing	8,162	846,555	1,041,357	54,026	4,477.9
Food and kindred products	778	111,189	121,167	6,973	557.1
Chemicals and allied products	1,990	204,573	199,326	16,417	611.1
Primary and fabricated metals	733	42,238	43,005	1,594	244.7
Industrial machinery and equipment	1,012	110,215	167,313	6,782	527.2
Electronic and other electric equipment	859	77,154	99,884	5,841	838.5
Transportation equipment	526	133,225	233,763	4,970	707.5
Other manufacturing	2,264	167,960	176,900	11,449	991.9
Wholesale trade	4,976	210,485	393,052	14,229	563.3
Finance (except depository institutions), insurance, and real estate	2,940	1,333,484	117,435	35,223	196.2
Services	2,676	131,702	115,569	4,950	829.1
Other industries	1,572	257,698	179,235	8,514	1,314.0

NOTE.—The data in this table are from "U.S. Multinational Companies: Operations in 1996" in the September 1998 issue of the SURVEY.

Table G.4.—Foreign Direct Investment in the United States: Selected Items, by Country of Foreign Parent and by Industry of Affiliate, 1995–97

[Millions of dollars]

	Direct investment position on a historical-cost basis			Capital inflows (outflows (-))			Income		
	1995	1996	1997	1995	1996	1997	1995	1996	1997
All countries, all industries	535,553	594,088	681,651	58,772	76,453	90,748	30,931	31,970	42,502
By country									
Canada	45,618	54,799	64,022	4,824	8,235	9,411	3,658	3,295	3,215
Europe	332,374	368,322	425,220	39,686	51,672	60,021	21,745	24,759	31,245
<i>Of which:</i>									
France	36,167	41,132	47,088	2,725	5,983	8,728	1,729	2,570	3,037
Germany	46,017	59,863	69,701	7,908	18,995	10,712	1,642	2,283	3,003
Netherlands	65,116	74,320	84,862	-1,526	11,487	10,274	5,003	6,592	7,175
United Kingdom	116,272	121,288	129,551	16,255	11,000	8,582	10,630	9,593	11,700
Latin America and Other Western Hemisphere	27,873	29,180	35,701	2,886	3,266	5,921	1,206	1,566	2,003
<i>Of which:</i>									
Brazil	750	689	698	116	-60	48	91	48	44
Mexico	1,850	1,436	1,723	-263	38	145	23	28	180
Africa	1,113	645	1,608	-117	-460	942	31	-118	-105
Middle East	5,801	5,977	6,882	-360	538	866	140	166	607
Asia and Pacific	122,774	135,166	148,218	11,854	13,202	13,587	4,152	2,303	5,537
<i>Of which:</i>									
Australia	10,356	13,877	16,229	2,003	3,739	2,557	435	362	61
Japan	104,997	114,534	123,514	8,118	10,214	9,430	3,611	3,159	6,363
By industry									
Petroleum	34,907	43,770	47,679	3,863	8,842	4,462	3,274	4,369	4,721
Manufacturing	214,504	242,320	267,070	28,739	34,500	36,228	15,431	16,220	19,172
Food and kindred products	27,032	27,897	27,473	5,652	1,829	-133	1,736	1,983	1,838
Chemicals and allied products	72,125	76,708	88,767	11,771	6,692	14,494	5,806	5,159	6,125
Primary and fabricated metals	14,193	17,364	20,454	403	4,968	2,235	1,245	1,046	1,487
Machinery	37,098	39,114	46,027	3,516	2,429	7,400	2,209	1,207	2,836
Other manufacturing	64,056	81,238	84,349	7,398	18,583	12,233	4,435	6,824	6,886
Wholesale trade	66,871	75,115	87,564	6,556	8,247	11,275	3,847	2,448	3,617
Retail trade	12,533	13,733	16,093	1,336	2,506	1,320	538	513	669
Depository institutions	33,883	32,161	37,099	6,879	555	5,840	4,578	2,883	3,489
Finance, except depository institutions	34,803	37,658	42,526	4,009	4,443	5,078	472	1,182	2,108
Insurance	50,647	54,715	69,092	3,807	7,409	11,090	1,837	2,794	5,050
Real estate	30,170	33,179	34,118	-639	541	658	-609	-69	511
Services	32,058	32,358	45,604	1,551	3,838	7,164	-132	404	974
Other industries	25,176	29,080	34,806	2,672	5,572	7,632	1,695	1,225	2,191

NOTE.—In this table, unlike in the international transactions accounts, income and capital inflows are shown without a current-cost adjustment, and income is shown net of withholding taxes. In addition, unlike in the international investment position, the direct investment position is valued at historical cost.

The data in this table are from tables 16 and 17 in "Foreign Direct Investment in the United States: Detail for Historical-Cost Position and Related Capital and Income Flows, 1997" in the September 1998 issue of the Survey.

Table G.5.—Selected Financial and Operating Data of Nonbank U.S. Affiliates of Foreign Companies, by Country of Ultimate Beneficial Owner and by Industry of Affiliate, 1996

	Number of affiliates	Millions of dollars				Thousands of employees	Millions of dollars	
		Total assets	Sales	Net income	Gross product		U.S. exports of goods shipped by affiliates	U.S. imports of goods shipped to affiliates
All countries, all industries	12,626	2,613,985	1,596,022	21,110	339,485	4,977.5	136,588	252,990
By country								
Canada	1,289	263,862	121,650	5,035	30,026	618.6	5,658	14,123
Europe	5,411	1,507,678	881,931	15,885	218,174	3,103.9	63,104	86,533
<i>Of which:</i>								
France	667	274,775	127,434	3,120	32,584	411.8	18,386	12,888
Germany	1,328	249,891	168,151	3,096	40,467	610.2	13,493	28,304
Netherlands	397	180,292	111,395	2,785	29,299	378.8	4,468	8,969
Switzerland	623	275,890	96,026	310	19,461	306.2	6,457	7,550
United Kingdom	1,203	413,966	277,026	5,890	73,960	972.6	12,354	13,267
Latin America and Other Western Hemisphere	1,088	57,482	53,767	147	12,699	155.4	5,725	10,621
<i>Of which:</i>								
Brazil	78	10,652	4,462	160	283	4.5	1,192	1,241
Mexico	275	8,454	7,982	-643	1,439	35.8	688	2,248
Africa	74	11,708	10,605	733	2,555	22.7	522	560
Middle East	430	26,501	21,024	-258	5,292	61.8	607	5,481
Asia and Pacific	4,249	635,683	487,580	-3,370	65,469	972.9	60,077	134,416
<i>Of which:</i>								
Australia	171	44,617	23,013	243	5,539	77.4	1,268	1,375
Japan	3,240	549,408	418,320	-2,271	54,560	776.4	52,555	117,433
United States	85	111,071	19,466	2,938	5,270	42.2	894	1,255
By industry								
Petroleum	236	114,735	152,832	5,586	32,733	111.8	9,984	21,080
Manufacturing	2,950	578,886	552,023	7,153	156,354	2,213.6	58,821	78,531
Food and kindred products	257	58,624	49,562	3,591	11,783	205.4	2,848	3,379
Chemicals and allied products	338	180,996	134,451	549	42,095	409.8	15,656	14,254
Primary and fabricated metals	407	60,804	62,902	1,010	16,079	233.3	4,066	7,390
Machinery	736	95,234	124,066	-737	31,863	536.8	20,575	28,733
Other manufacturing	1,212	183,228	181,042	2,738	54,534	828.4	15,677	24,776
Wholesale trade	2,230	233,829	466,700	2,839	41,973	488.6	62,792	147,958
Retail trade	352	50,063	94,028	377	24,544	821.0	1,507	3,408
Finance, except depository institutions	907	705,181	58,230	64	6,001	49.3	15	21
Insurance	161	575,947	89,625	5,306	10,658	152.0	0	0
Real estate	3,507	100,549	13,903	-1,718	4,984	27.1	7	1
Services	1,283	105,297	56,247	-3,402	21,840	633.8	738	1,173
Other industries	1,000	149,497	112,434	4,907	40,398	480.3	2,725	818

^D Suppressed to avoid disclosure of data of individual companies.

NOTE.—The data in this table are from "Foreign Direct Investment in the United States: New Investment in 1997 and Affiliate Operations in 1996" in the June 1998 issue of the SURVEY.

H. International Perspectives

Quarterly data in this table are shown in the middle month of the quarter.

Table H.1.—International Perspectives

	1997	1998	1998										1999			
			Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Exchange rates per U.S. dollar (not seasonally adjusted) ¹																
Canada (Can./US\$)	1.3849	1.4836	1.4334	1.4166	1.4298	1.4452	1.4655	1.4869	1.5346	1.5218	1.5452	1.5404	1.5433	1.5194	1.4977	1.5176
European Monetary Union (Euro/US\$) ²														1.1591	1.1203	1.0886
France (FFr/US\$) ²	5.8393	5.8995	6.0744	6.1257	6.0782	5.9528	6.0118	6.0280	5.9912	5.6969	5.4925	5.6422	5.5981			
Germany (DM/US\$) ²	1.7348	1.7597	1.8123	1.8272	1.8132	1.7753	1.7928	1.7976	1.7869	1.6990	1.6381	1.6827	1.6698			
Italy (L/US\$) ²	17.0381	17.3685	17.8828	17.9907	17.9124	17.5079	17.6632	17.7242	17.6301	16.7892	16.2096	16.6491	16.5323			
Japan (¥/US\$)	1.2106	1.3099	1.2585	1.2908	1.3175	1.3490	1.4033	1.4079	1.4468	1.3448	1.2105	1.2029	1.1707	1.1329	1.1667	1.1947
Mexico (Peso/US\$)	7.9177	9.1520	8.5021	8.5681	8.5017	8.5848	8.9200	8.8990	9.3712	10.2192	10.1594	9.9680	9.9070	10.1280	10.0060	9.7320
United Kingdom (US\$/£)	1.6376	1.6573	1.6408	1.6619	1.6723	1.6382	1.6504	1.6437	1.6342	1.6823	1.6944	1.6611	1.6708	1.6498	1.6276	1.6213
Addendum: Exchange value of the U.S. dollar ² ...	104.47	116.25	114.69	114.36	114.13	115.16	117.87	118.17	120.14	118.85	115.46	115.34	114.56	114.68	116.37	117.80
Unemployment rates (percent, monthly data seasonally adjusted)																
Canada	9.2	8.3	8.6	8.5	8.4	8.4	8.4	8.4	8.3	8.3	8.1	8.0	8.0	7.8	7.8	7.8
France	12.5	11.8	12.1	12.0	11.9	11.9	11.8	11.8	11.8	11.7	11.6	11.5	11.5	11.4	11.5	11.5
Germany	11.5	11.1	11.5	11.5	11.3	11.2	11.0	10.9	10.9	10.8	10.7	10.7	10.7	10.6	10.5	10.5
Italy	12.3		12.0			12.4			12.4			12.4			12.1	
Japan	3.4	4.1	3.6	3.9	4.1	4.1	4.3	4.1	4.3	4.3	4.3	4.4	4.3			
Mexico	3.7	3.2	3.4	3.3	3.3	3.2	3.4	3.0	3.1	3.1	3.1	3.1	3.1			
United Kingdom	5.5	4.7	4.8	4.8	4.8	4.8	4.8	4.7	4.6	4.6	4.6	4.6	4.6	4.5	4.6	4.5
Addendum: United States	4.9	4.5	4.6	4.7	4.3	4.4	4.5	4.5	4.5	4.5	4.5	4.4	4.3	4.3	4.4	4.2
Consumer prices (monthly data seasonally adjusted, 1990=100)																
Canada	115.3	116.5	116.1	116.2	116.1	116.5	116.7	116.7	116.7	116.4	116.9	116.9	116.5	116.8	117.0	117.4
France	115.2	116.0	115.7	115.9	116.2	116.3	116.4	115.9	116.1	116.1	116.0	116.0	116.1	115.8	116.1	116.6
Germany	118.6	119.7	119.4	119.2	119.5	119.9	120.0	120.3	120.2	119.9	119.7	119.7	119.7	119.6		
Italy	135.2	137.5	136.9	136.9	137.1	137.4	137.5	137.5	137.7	137.8	138.0	138.2	138.2	138.3	138.6	138.8
Japan	109.0	109.7	109.1	109.6	109.8	110.1	109.7	109.0	108.9	109.8	110.5	110.4	110.0	109.5	109.0	109.1
Mexico	364.0	422.0	401.0	405.7	409.5	412.7	417.6	421.7	425.7	432.6	438.8	446.6	457.5	469.0	475.3	479.8
United Kingdom	124.9	129.1	127.1	127.5	128.9	129.6	129.6	129.2	129.8	130.3	130.4	130.3	130.3	129.6	129.8	130.1
Addendum: United States	122.9	124.8	124.1	124.1	124.4	124.7	124.8	125.0	125.1	125.2	125.4	125.7	125.9	126.0	126.1	126.3
Real gross domestic product (percent change from preceding period, quarterly data seasonally adjusted at annual rates)																
Canada	3.8	3.0	3.2			1.5			1.7			4.6				
France	2.3	3.2	3.2			3.6			1.5			2.9				
Germany	2.3		5.9			2			3.5							
Italy	1.5		-6			2.3			2.0							
Japan	1.4		-4.8			-2.9			-2.6							
Mexico	7.0		6.2			7.8			8.1							
United Kingdom	3.5	2.3	1.4			2.1			1.0				8			
Addendum: United States	3.9	3.9	5.5			1.8			3.7				6.0		4.1	

See footnotes at the end of the table.

Table H.1.—International Perspectives—Continued

	1997	1998	1998											1999		
			Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.
Short-term, 3-month, interest rates (percent, not seasonally adjusted)																
Canada	3.53	5.04	4.96	4.85	4.88	5.00	5.00	5.02	5.15	5.59	5.27	5.13	4.99	4.99	5.02	5.00
France	3.46	3.56	3.57	3.57	3.63	3.61	3.57	3.56	3.56	3.54	3.56	3.59	3.32	.....	.....	.....
Germany	3.33	3.54	3.51	3.52	3.63	3.63	3.56	3.54	3.50	3.49	3.57	3.63	3.38	.....	.....	.....
Italy	6.88	4.99	6.13	5.62	5.23	5.11	5.12	4.88	4.89	4.97	4.53	3.95	3.38	3.10	.....	.....
Japan .....	.60	.72	1.10	.81	.70	.59	.58	.74	.73	.55	.61	.63	.62	.69	.....	.....
Mexico	21.26	26.11	19.63	20.76	19.47	18.85	20.99	21.82	25.22	41.03	37.49	34.30	34.35	32.27	28.72	23.86
United Kingdom	6.83	7.54	7.45	7.48	7.44	7.41	7.62	7.70	7.66	7.37	7.13	6.88	6.37	5.79	5.42	5.29
Addendum:																
United States	5.07	4.81	5.11	5.03	5.00	5.03	4.99	4.96	4.94	4.74	4.08	4.44	4.42	4.34	4.45	4.48
Long-term interest rates, government bond yields (percent, not seasonally adjusted)																
Canada	6.47	5.45	5.60	5.64	5.50	5.52	5.45	5.46	5.65	5.39	5.17	5.39	5.07	5.13	5.26	5.34
France	5.67	4.82	5.11	5.04	5.12	5.05	4.95	4.91	4.61	4.39	4.51	4.43	4.41	4.13	4.42	4.39
Germany	5.70	4.60	5.00	4.90	4.90	5.00	4.80	4.70	4.40	4.10	4.10	4.10	3.90	3.70	3.90	4.00
Italy	6.86	4.88	5.38	5.20	5.15	5.21	5.08	4.97	4.79	4.53	4.49	4.38	4.00	3.92	4.05	4.27
Japan	2.37	1.54	2.00	1.86	1.87	1.66	1.54	1.68	1.50	1.10	.88	.98	1.49	1.91	.....	.....
United Kingdom	7.04	5.52	6.03	5.95	5.79	5.83	5.73	5.75	5.54	5.12	5.00	4.91	4.50	4.29	4.45	4.66
Addendum:																
United States	6.35	5.26	5.57	5.65	5.64	5.65	5.50	5.46	5.34	4.81	4.53	4.83	4.65	4.72	5.00	5.23
Share price indices (not seasonally adjusted, 1990=100)																
Canada	189	198	207	221	224	222	215	203	162	164	181	185	190	197	185	193
France	152	198	175	195	208	216	223	228	211	189	177	197	200	217	217	218
Germany	158	202	188	201	214	219	228	237	215	191	175	193	191	205	200	196
Italy	131	210	189	214	238	232	225	239	224	191	180	204	214	230	226	237
Japan	64	54	58	58	56	56	55	58	54	50	47	51	51	50	.....	.....
Mexico	779	744	839	880	894	795	751	745	525	501	592	661	696	694	747	865
United Kingdom	189	222	216	226	232	237	236	238	222	207	201	219	221	232	235	240
Addendum:																
United States	249	300	290	306	315	313	311	320	294	276	279	308	312	325	321	329

1. All exchange rates are from the Board of Governors of the Federal Reserve System.

2. As of January 1, 1999, the euro is reported in place of the individual euro-area currencies. These currency rates can be derived from the euro rate by using the following conversion rates: 1 euro = 6.55957 French francs, 1.95583 German marks, and 1936.27 Italian lire. The rate shown for the United States is an index of the weighted average of the foreign exchange value of the U.S. dollar against the currencies of a broad group of major U.S. trading partners, January 1997=100. For more information on the exchange rate indexes, see "New Summary Meas-

ures of the Foreign Exchange Value of the Dollar," *Federal Reserve Bulletin*, vol. 84 (October 1998), pp. 811-18.

NOTE.—U.S. interest rates, unemployment rates, and GDP growth rates are from the Federal Reserve, the Bureau of Labor Statistics, and BEA, respectively. All other data (including U.S. consumer prices and U.S. share prices, both of which have been rebased to 1990 to facilitate comparison) are © OECD, reproduced with permission.

I. Charts

THE U.S. IN THE INTERNATIONAL ECONOMY

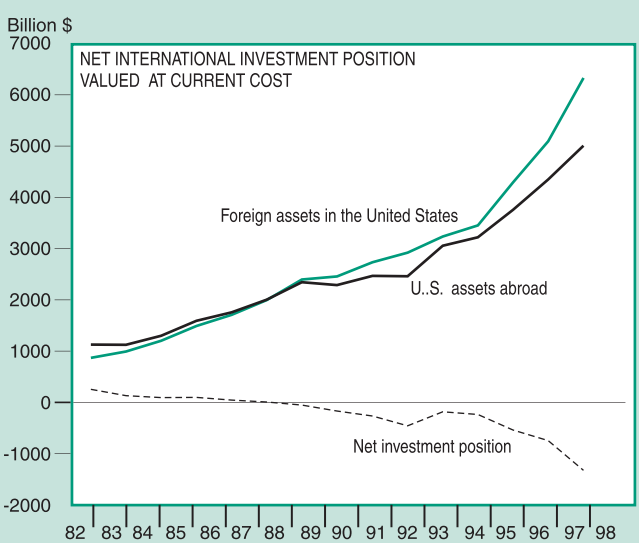
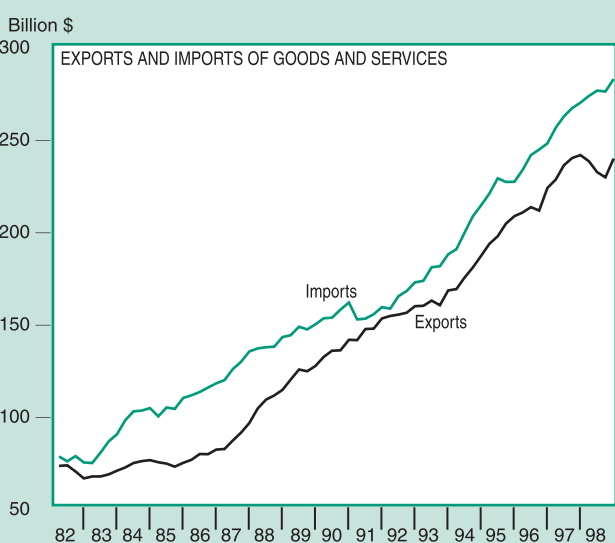
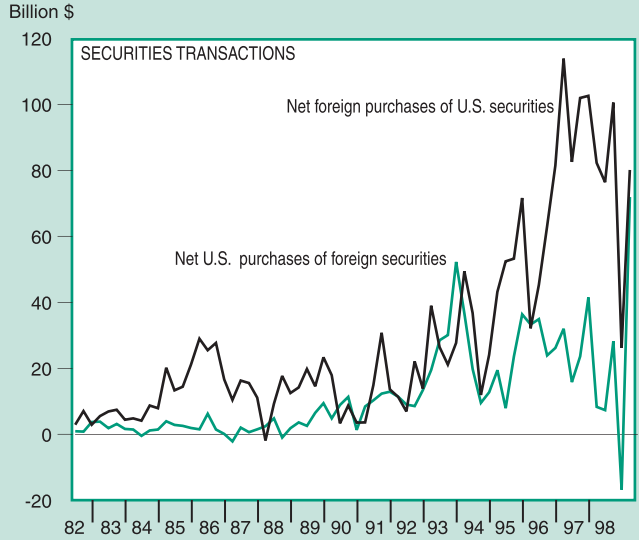
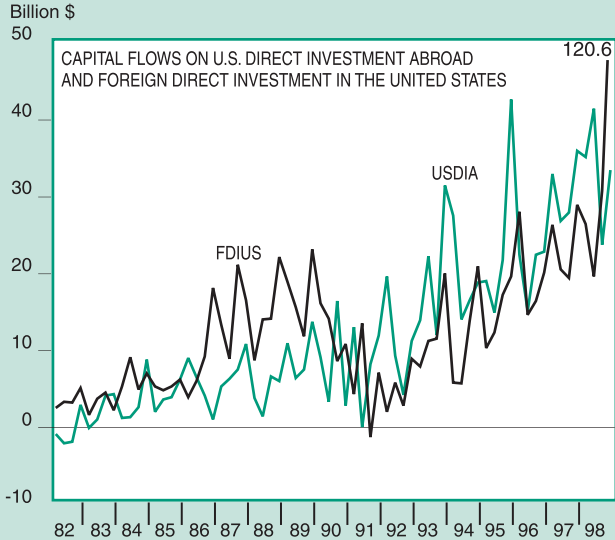
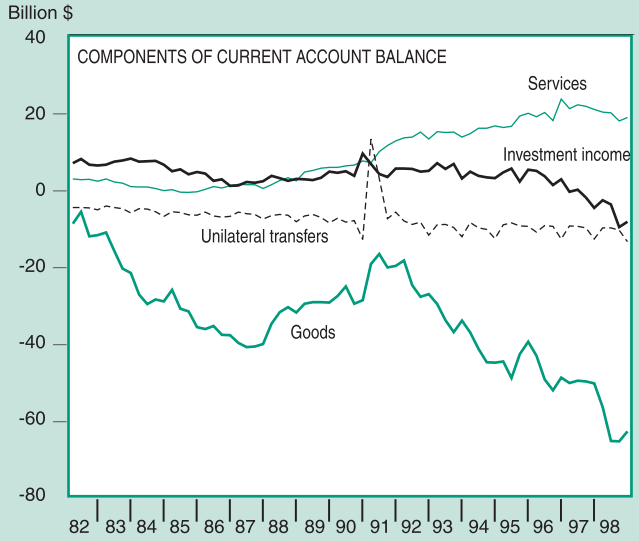
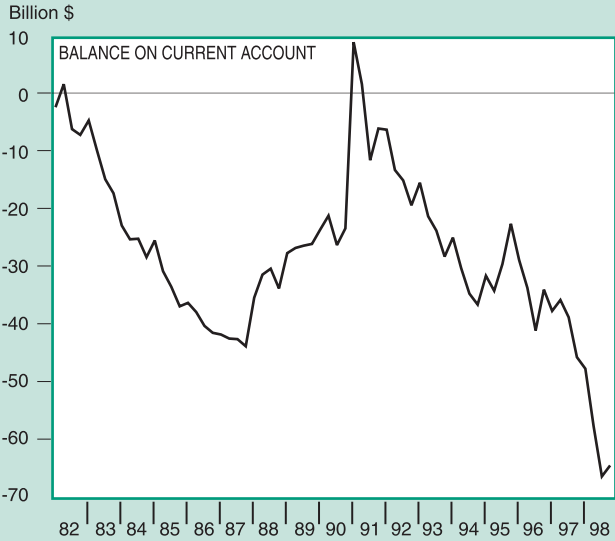


Table J.2.—Annual Personal Income and Disposable Personal Income for States and Regions

Area name	Personal income					Disposable personal income				
	Millions of dollars			Percent change		Millions of dollars			Percent change	
	1996	1997	1998	1996-97	1997-98	1996	1997	1998	1996-97	1997-98
United States	6,408,103	6,770,650	7,139,057	5.7	5.4	5,518,569	5,782,712	6,041,969	4.8	4.5
New England	384,540	406,858	428,428	5.8	5.3	323,239	338,425	352,400	4.7	4.1
Connecticut	110,904	117,173	123,099	5.7	5.1	91,503	95,453	98,927	4.3	3.6
Maine	25,934	27,243	28,559	5.0	4.8	22,772	23,671	24,589	3.9	3.9
Massachusetts	179,998	191,008	201,605	6.1	5.5	149,777	157,389	164,242	5.1	4.4
New Hampshire	30,633	32,546	34,392	6.2	5.7	26,831	28,254	29,615	5.3	4.8
Rhode Island	24,067	25,340	26,488	5.3	4.5	21,022	21,942	22,752	4.4	3.7
Vermont	13,004	13,549	14,285	4.2	5.4	11,333	11,717	12,275	3.4	4.8
Mideast	1,245,254	1,303,943	1,369,139	4.7	5.0	1,057,756	1,096,946	1,139,382	3.7	3.9
Delaware	19,723	20,946	22,170	6.2	5.8	16,796	17,699	18,559	5.4	4.9
District of Columbia	18,463	18,919	19,501	2.5	3.1	15,623	15,851	16,075	1.5	1.4
Maryland	138,068	146,090	153,753	5.8	5.2	117,094	122,434	127,871	4.6	4.4
New Jersey	247,381	260,736	275,398	5.4	5.6	210,191	219,885	229,759	4.6	4.5
New York	526,390	548,927	576,779	4.3	5.1	442,273	456,565	473,658	3.2	3.7
Pennsylvania	295,230	308,325	321,540	4.4	4.3	255,779	264,511	273,460	3.4	3.4
Great Lakes	1,054,547	1,107,644	1,157,241	5.0	4.5	902,103	939,326	972,902	4.1	3.6
Illinois	314,960	331,966	347,784	5.4	4.8	268,434	280,280	291,173	4.4	3.9
Indiana	129,570	136,073	142,874	5.0	5.0	111,656	116,414	121,388	4.3	4.3
Michigan	233,571	244,073	253,841	4.5	4.0	199,607	206,608	213,131	3.5	3.2
Ohio	257,506	270,450	281,741	5.0	4.2	221,394	230,780	237,911	4.2	3.1
Wisconsin	118,940	125,081	131,001	5.2	4.7	101,011	105,244	109,300	4.2	3.9
Plains	425,718	446,730	468,317	4.9	4.8	367,001	381,713	397,521	4.0	4.1
Iowa	62,759	65,993	68,483	5.2	3.8	54,824	57,253	58,985	4.4	3.0
Kansas	58,690	62,363	65,676	6.3	5.3	50,703	53,488	55,879	5.5	4.5
Minnesota	117,293	123,010	129,996	4.9	5.7	97,774	101,468	106,618	3.8	5.1
Missouri	121,265	127,795	132,845	5.4	4.0	105,529	110,307	113,838	4.5	3.2
Nebraska	37,652	39,135	41,158	3.9	5.2	32,903	33,827	35,392	2.8	4.6
North Dakota	12,983	12,885	13,834	-8	7.4	11,620	11,389	12,209	-2.0	7.2
South Dakota	15,076	15,549	16,324	3.1	5.0	13,649	13,982	14,601	2.4	4.4
Southeast	1,401,506	1,482,256	1,563,982	5.8	5.5	1,225,384	1,286,377	1,346,080	5.0	4.6
Alabama	85,128	89,348	93,315	5.0	4.4	75,473	78,809	81,896	4.4	3.9
Arkansas	47,116	49,442	51,644	4.9	4.5	41,791	43,686	45,276	4.5	3.6
Florida	343,806	363,980	385,603	5.9	5.9	298,933	313,790	329,106	5.0	4.9
Georgia	167,956	178,875	191,208	6.5	6.9	145,199	153,506	162,575	5.7	5.9
Kentucky	75,612	80,435	84,658	6.4	5.3	65,938	69,749	72,992	5.8	4.7
Louisiana	85,099	89,067	93,261	4.7	4.7	76,061	78,903	82,010	3.7	3.9
Mississippi	47,150	49,437	52,175	4.9	5.5	42,827	44,697	46,971	4.4	5.1
North Carolina	161,179	172,154	181,384	6.8	5.4	139,842	148,266	154,638	6.0	4.3
South Carolina	73,435	77,686	81,742	5.8	5.2	64,545	67,858	71,043	5.1	4.7
Tennessee	115,697	121,934	127,942	5.4	4.9	102,991	107,789	112,354	4.7	4.2
Virginia	166,351	175,911	185,982	5.7	5.7	142,308	149,103	156,212	4.8	4.8
West Virginia	32,976	33,988	35,067	3.1	3.2	29,476	30,222	31,007	2.5	2.6
Southwest	614,265	660,458	705,949	7.5	6.9	543,363	581,106	616,870	6.9	6.2
Arizona	93,391	100,160	107,660	7.2	7.5	81,041	86,119	91,907	6.3	6.7
New Mexico	31,826	33,269	34,628	4.5	4.1	28,249	29,307	30,399	3.7	3.7
Oklahoma	63,750	67,444	70,522	5.8	4.6	56,059	58,974	61,271	5.2	3.9
Texas	425,298	459,585	493,139	8.1	7.3	378,015	406,707	433,293	7.6	6.5
Rocky Mountain	186,887	199,598	212,735	6.8	6.6	160,565	170,034	179,702	5.9	5.7
Colorado	97,735	105,143	113,797	7.6	8.2	83,250	88,686	95,158	6.5	7.3
Idaho	23,418	24,651	25,902	5.3	5.1	20,420	21,347	22,276	4.5	4.4
Montana	16,546	17,276	17,761	4.4	2.8	14,546	15,064	15,368	3.6	2.0
Utah	38,856	41,681	44,134	7.3	5.9	33,433	35,657	37,465	6.7	5.1
Wyoming	10,333	10,847	11,141	5.0	2.7	8,915	9,281	9,435	4.1	1.7
Far West	1,095,386	1,163,164	1,233,266	6.2	6.0	939,159	988,785	1,037,112	5.3	4.9
Alaska	14,713	15,222	15,765	3.5	3.6	12,567	12,926	13,290	2.9	2.8
California	798,580	846,839	898,443	6.0	6.1	682,968	717,988	752,775	5.1	4.8
Hawaii	29,784	30,514	31,182	2.5	2.2	25,911	26,398	26,756	1.9	1.4
Nevada	41,412	44,510	47,515	7.5	6.8	35,342	37,654	39,828	6.5	5.8
Oregon	73,156	77,579	81,281	6.0	4.8	62,206	65,177	67,837	4.8	4.1
Washington	137,741	148,500	159,080	7.8	7.1	120,166	128,640	136,626	7.1	6.2

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data. In particular, it differs from the NIPA estimate because, by defini-

tion, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "Personal Income and Per Capita Personal Income by State and Region, 1998" in the May 1999 issue of the SURVEY.

Table J.3.—Per Capita Personal Income and Per Capita Disposable Personal Income for States and Regions

Area name	Per capita personal income ¹				Per capita disposable personal income ¹			
	Dollars			Rank in U.S.	Dollars			Rank in U.S.
	1996	1997	1998	1998	1996	1997	1998	1998
United States	24,164	25,288	26,412	.....	20,810	21,598	22,353	.....
New England	28,872	30,427	31,901	.....	24,269	25,309	26,240	.....
Connecticut	33,979	35,863	37,598	1	28,035	29,215	30,215	1
Maine	20,948	21,937	22,952	36	18,394	19,061	19,762	35
Massachusetts	29,591	31,239	32,797	3	24,623	25,740	26,719	3
New Hampshire	26,418	27,766	29,022	7	23,140	24,104	24,991	5
Rhode Island	24,356	25,667	26,797	15	21,274	22,225	23,017	12
Vermont	22,179	23,017	24,175	30	19,328	19,905	20,773	28
Midwest	27,978	29,252	30,634	.....	23,765	24,609	25,493	.....
Delaware	27,125	28,493	29,814	6	23,100	24,076	24,959	6
District of Columbia	34,213	35,704	37,278	.....	28,950	29,914	30,729	.....
Maryland	27,298	28,674	29,943	5	23,151	24,031	24,903	7
New Jersey	30,892	32,356	33,937	2	26,248	27,286	28,313	2
New York	29,015	30,250	31,734	4	24,378	25,160	26,061	4
Pennsylvania	24,533	25,670	26,792	16	21,255	22,022	22,786	15
Great Lakes	24,055	25,158	26,185	.....	20,578	21,335	22,014	.....
Illinois	26,393	27,688	28,873	8	22,494	23,377	24,173	8
Indiana	22,234	23,202	24,219	29	19,160	19,849	20,577	32
Michigan	23,996	24,956	25,857	18	20,507	21,126	21,710	20
Ohio	23,054	24,163	25,134	21	19,821	20,618	21,224	25
Wisconsin	22,987	24,048	25,079	22	19,521	20,235	20,925	27
Plains	23,039	24,034	25,051	.....	19,861	20,536	21,264	.....
Iowa	22,032	23,120	23,925	32	19,246	20,058	20,607	31
Kansas	22,707	23,972	24,981	24	19,617	20,561	21,254	24
Minnesota	25,235	26,243	27,510	11	21,035	21,647	22,563	16
Missouri	22,586	23,629	24,427	28	19,656	20,395	20,932	26
Nebraska	22,847	23,818	24,754	27	19,965	20,415	21,286	22
North Dakota	20,197	20,103	21,675	38	18,077	17,768	19,130	38
South Dakota	20,450	21,076	22,114	37	18,513	18,952	19,779	34
Southeast	21,787	22,751	23,725	.....	19,049	19,744	20,419	.....
Alabama	19,838	20,672	21,442	40	17,588	18,234	18,818	39
Arkansas	18,808	19,595	20,346	46	16,682	17,314	17,837	46
Florida	23,834	24,799	25,852	19	20,723	21,379	22,064	18
Georgia	22,900	23,882	25,020	23	19,798	20,495	21,273	23
Kentucky	19,475	20,570	21,506	39	16,983	17,837	18,542	41
Louisiana	19,609	20,458	21,346	41	17,526	18,123	18,771	40
Mississippi	17,398	18,098	18,958	50	15,803	16,363	17,067	50
North Carolina	22,053	23,168	24,036	31	19,134	19,953	20,491	33
South Carolina	19,651	20,508	21,309	42	17,272	17,913	18,520	42
Tennessee	21,800	22,699	23,559	33	19,406	20,066	20,689	29
Virginia	24,950	26,109	27,385	13	21,344	22,130	23,002	13
West Virginia	18,116	18,724	19,362	49	16,193	16,649	17,120	49
Southwest	21,577	22,787	23,921	.....	19,086	20,049	20,902	.....
Arizona	21,071	21,998	23,060	35	18,284	18,914	19,686	36
New Mexico	18,634	19,298	19,936	48	16,540	17,000	17,502	47
Oklahoma	19,342	20,305	21,072	44	17,008	17,755	18,308	43
Texas	22,345	23,707	24,957	25	19,861	20,980	21,928	19
Rocky Mountain	22,304	23,414	24,563	.....	19,163	19,946	20,749	.....
Colorado	25,627	27,015	28,657	9	21,829	22,787	23,963	10
Idaho	19,741	20,392	21,081	43	17,214	17,658	18,130	44
Montana	18,872	19,660	20,172	47	16,591	17,143	17,455	48
Utah	19,214	20,185	21,019	45	16,533	17,267	17,842	45
Wyoming	21,524	22,596	23,167	34	18,570	19,333	19,619	37
Far West	24,969	26,127	27,290	.....	21,408	22,210	22,949	.....
Alaska	24,310	24,969	25,675	20	20,765	21,203	21,645	21
California	25,142	26,314	27,503	12	21,503	22,310	23,044	11
Hawaii	25,086	25,598	26,137	17	21,824	22,145	22,428	17
Nevada	25,877	26,514	27,200	14	22,084	22,431	22,799	14
Oregon	22,894	23,920	24,766	26	19,467	20,096	20,670	30
Washington	24,958	26,451	27,961	10	21,774	22,914	24,015	9

1. Per capita personal income and per capita disposable personal income were computed using midyear population estimates from the Bureau of the Census.

NOTE.—The personal income level shown for the United States is derived as the sum of the State estimates. It differs from the national income and product accounts (NIPA's) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing

of the availability of source data. In particular, it differs from the NIPA estimate because, by definition, it omits the earnings of Federal civilian and military personnel stationed abroad and of U.S. residents employed abroad temporarily by private U.S. firms.

Source: Tables 1 and 2 in "Personal Income and Per Capita Personal Income by State and Region, 1998" in the May 1999 issue of the SURVEY.

Table J.4.—Gross State Product for States and Regions by Industry, 1997

[Millions of dollars]

State and region	Rank of total gross state product	Total gross state product	Agriculture, forestry, and fishing	Mining	Construction	Manufacturing	Transportation and public utilities	Wholesale trade	Retail trade	Finance, insurance, and real estate	Services	Government
United States		8,103,234	131,745	120,515	328,806	1,378,869	676,313	562,755	712,890	1,570,308	1,656,849	964,184
New England		466,857	3,445	310	15,771	76,656	29,998	32,219	38,059	116,542	109,730	44,128
Connecticut	21	134,565	899	36	4,351	22,510	8,011	9,373	9,862	38,988	29,184	11,350
Maine	42	30,156	460	19	1,356	5,153	2,250	1,848	3,459	5,779	5,800	4,033
Massachusetts	11	221,009	1,284	156	7,161	32,394	13,924	16,133	17,510	53,708	58,449	20,291
New Hampshire	39	38,106	263	45	1,282	9,521	2,671	2,410	3,348	8,377	7,004	3,186
Rhode Island	44	27,806	210	15	959	4,347	1,911	1,537	2,385	6,941	6,092	3,410
Vermont	50	15,214	329	39	663	2,731	1,231	918	1,494	2,749	3,202	1,858
Mideast		1,523,401	8,905	2,737	51,564	204,283	122,778	99,738	112,108	392,621	344,626	184,041
Delaware	41	31,585	273	5	1,038	6,108	1,545	1,192	1,842	12,348	4,482	2,753
District of Columbia		52,372	16	13	481	1,308	2,710	588	1,314	9,531	16,969	19,441
Maryland	16	153,797	1,304	116	7,835	13,230	11,457	9,716	13,254	34,137	36,268	26,479
New Jersey	8	294,055	1,502	186	10,414	41,062	28,256	27,283	21,293	68,841	64,380	30,838
New York	2	651,652	2,689	480	18,505	74,446	49,335	40,277	44,440	203,219	148,253	70,007
Pennsylvania	6	339,940	3,121	1,935	13,291	68,129	29,476	20,683	29,965	64,544	74,274	34,523
Great Lakes		1,295,671	17,478	4,860	54,174	316,788	100,547	94,731	115,023	217,559	242,173	132,337
Illinois	4	393,532	5,110	1,268	16,385	71,671	35,807	30,972	31,881	79,466	82,375	38,597
Indiana	15	161,701	2,883	846	7,845	50,155	12,369	10,036	14,807	21,351	25,676	15,732
Michigan	9	272,607	2,698	1,246	11,052	70,234	18,230	20,831	25,735	41,850	51,635	29,095
Ohio	7	320,506	3,947	1,210	12,515	83,850	23,955	23,338	29,669	50,967	57,798	33,256
Wisconsin	19	147,325	2,840	290	6,378	40,878	10,186	9,553	12,930	23,924	24,690	15,657
Plains		538,494	21,360	3,164	23,831	102,629	49,367	42,281	48,237	85,150	99,193	63,280
Iowa	29	80,479	5,612	193	3,287	19,617	6,177	5,701	6,579	11,889	12,327	9,096
Kansas	31	71,737	2,933	1,021	3,040	12,784	7,608	5,822	7,039	9,432	12,298	9,759
Minnesota	18	149,394	3,631	679	6,693	28,271	11,485	12,568	13,004	27,515	29,839	15,710
Missouri	17	152,100	2,855	453	7,146	31,195	15,521	11,564	14,033	22,615	29,825	16,892
Nebraska	36	48,812	3,506	125	2,088	6,681	5,394	3,839	4,148	7,429	8,663	6,939
North Dakota	49	15,786	1,072	451	784	1,389	1,629	1,463	1,523	2,128	2,908	2,438
South Dakota	46	20,186	1,751	241	793	2,692	1,554	1,324	1,911	4,141	3,332	2,447
Southeast		1,763,114	31,716	32,479	76,652	315,895	157,072	121,470	171,379	286,834	333,401	236,216
Alabama	25	103,109	2,145	1,600	4,304	22,115	9,172	6,687	10,535	13,657	17,155	15,738
Arkansas	32	58,479	2,775	606	2,333	14,006	6,129	3,689	6,170	6,929	8,862	6,980
Florida	5	380,607	6,691	1,027	17,876	29,108	33,388	28,533	42,487	83,763	91,196	46,538
Georgia	10	229,473	4,066	1,002	8,910	40,035	25,274	20,947	20,587	37,774	42,441	28,439
Kentucky	26	100,076	2,723	2,659	4,101	27,360	8,087	6,014	9,033	11,646	15,217	13,239
Louisiana	23	124,350	1,292	19,797	5,395	19,566	11,037	7,078	10,232	16,068	20,127	13,758
Mississippi	33	58,314	1,659	540	2,355	13,198	5,865	3,383	5,985	6,898	9,725	8,705
North Carolina	12	218,888	5,118	298	9,643	57,971	16,578	14,328	19,427	33,045	34,351	28,130
South Carolina	28	93,259	1,280	215	4,500	23,289	7,057	5,619	9,955	12,894	14,626	13,824
Tennessee	20	146,999	1,745	480	6,012	31,281	11,759	11,299	16,267	21,233	29,856	17,067
Virginia	13	211,331	1,961	1,102	9,439	31,282	18,056	11,839	17,278	38,537	43,411	38,426
West Virginia	38	38,228	261	3,154	1,785	6,684	4,672	2,053	3,423	4,391	6,434	5,371
Southwest		844,766	13,481	52,354	37,222	133,678	84,895	60,142	76,363	126,830	157,507	102,294
Arizona	24	121,239	1,934	1,300	6,937	17,815	9,047	8,095	12,574	23,531	24,974	15,031
New Mexico	37	45,242	897	3,271	2,046	7,887	3,280	1,981	4,137	6,207	7,791	7,745
Oklahoma	30	76,642	2,085	4,087	2,377	13,015	7,523	4,697	7,664	9,587	13,514	12,090
Texas	3	601,643	8,565	43,695	25,861	94,961	65,044	45,369	51,987	87,505	111,227	67,428
Rocky Mountain		247,372	5,924	11,026	13,354	31,372	25,517	15,282	24,137	39,172	48,933	32,656
Colorado	22	126,084	2,147	2,708	6,910	14,480	13,762	8,223	12,229	21,885	27,850	15,891
Idaho	43	29,149	1,730	273	1,669	5,809	2,492	1,838	2,961	3,644	4,860	3,873
Montana	47	19,160	1,019	880	965	1,486	2,241	1,241	1,956	2,593	3,773	3,005
Utah	35	55,417	612	1,654	3,132	8,601	4,709	3,383	5,791	9,119	10,735	7,682
Wyoming	48	17,561	416	5,512	679	996	2,312	595	1,201	1,930	1,715	2,205
Far West		1,423,561	29,436	13,585	56,236	197,569	106,140	96,892	127,584	305,601	321,285	169,233
Alaska	45	24,494	314	5,169	1,007	1,134	3,822	713	1,673	2,795	3,029	4,838
California	1	1,033,016	21,633	6,381	34,883	146,173	72,301	71,177	91,300	237,282	236,925	114,962
Hawaii	40	38,024	463	26	1,640	1,213	3,904	1,493	4,332	8,503	8,413	8,036
Nevada	34	57,407	427	1,568	4,978	2,608	4,333	2,809	5,553	10,773	18,670	5,688
Oregon	27	98,367	2,473	124	5,173	24,666	6,943	7,727	8,175	14,903	17,030	11,154
Washington	14	172,253	4,127	317	8,555	21,776	14,837	12,974	16,550	31,344	37,219	24,554

NOTE.—Totals shown for the United States differ from the national income and product account estimates of gross domestic product (GDP) because GSP is derived from gross domestic income, which differs from GDP by the statistical discrepancy. In addition, GSP excludes and GDP includes the compensation of Federal civilian and military personnel stationed abroad and government consumption of fixed capital for military structures located abroad and for military equipment, except domestically located office equipment. Also, GSP and GDP have different revision

schedules.

Source: Tables 6 and 7 in "Gross State Product by Industry, 1995-97" in this issue of the SURVEY OF CURRENT BUSINESS.

K. Local Area Table

Table K.1.—Personal Income and Per Capita Personal Income by Metropolitan Area, 1995–97

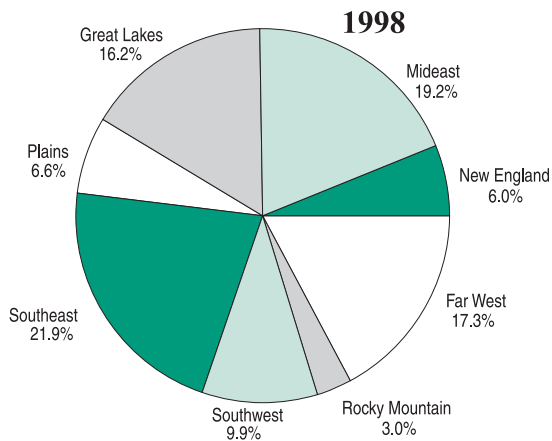
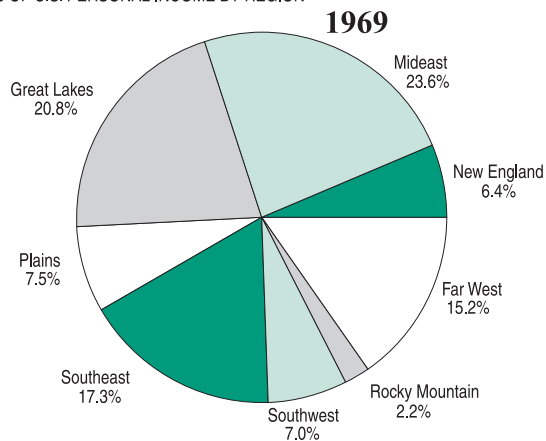
Table with columns for Area name, Personal income (Millions of dollars, Percent change), and Per capita personal income (Dollars, Rank in U.S.). Rows include United States, Metropolitan portion, Nonmetropolitan portion, Consolidated Metropolitan Statistical Areas, and Metropolitan Statistical Areas.

See footnotes at the end of the table.

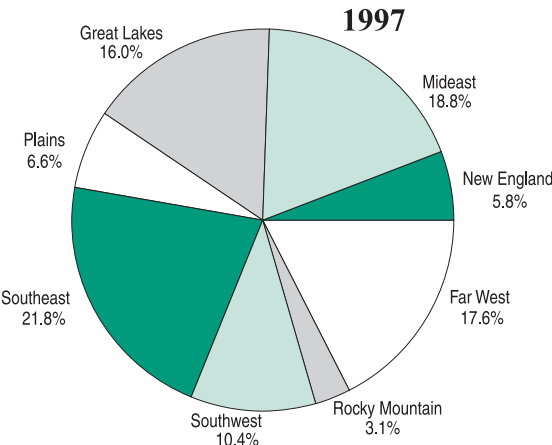
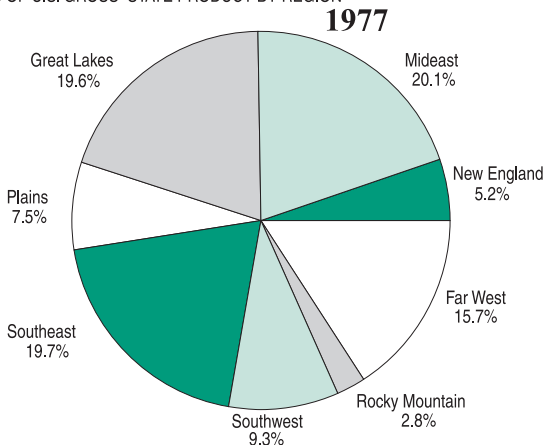
L. Charts

SELECTED REGIONAL ESTIMATES

SHARES OF U.S. PERSONAL INCOME BY REGION

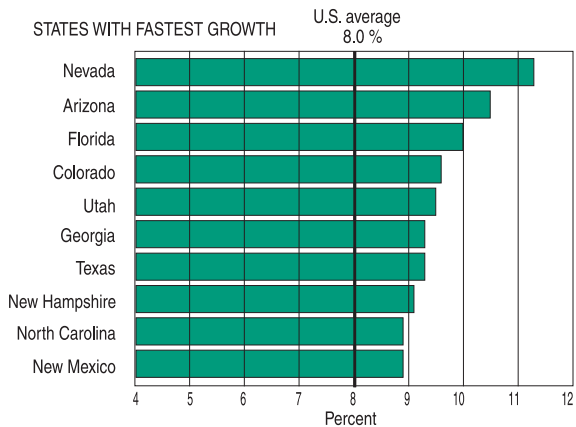


SHARES OF U.S. GROSS STATE PRODUCT BY REGION

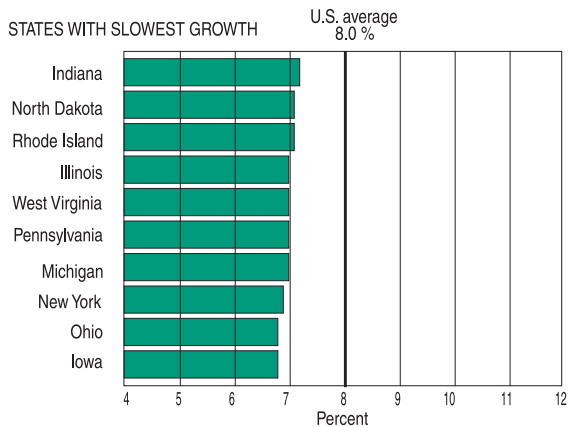


AVERAGE ANNUAL GROWTH RATE OF PERSONAL INCOME, 1969-98

STATES WITH FASTEST GROWTH

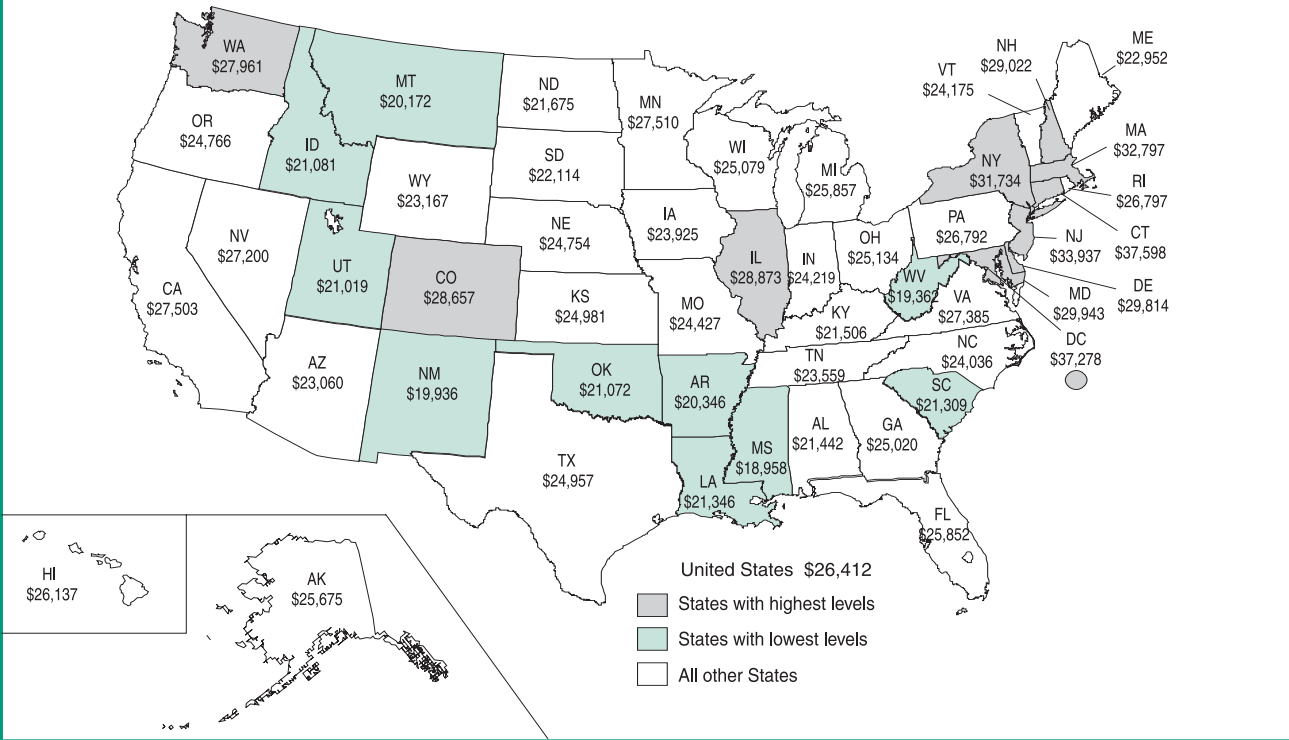


STATES WITH SLOWEST GROWTH

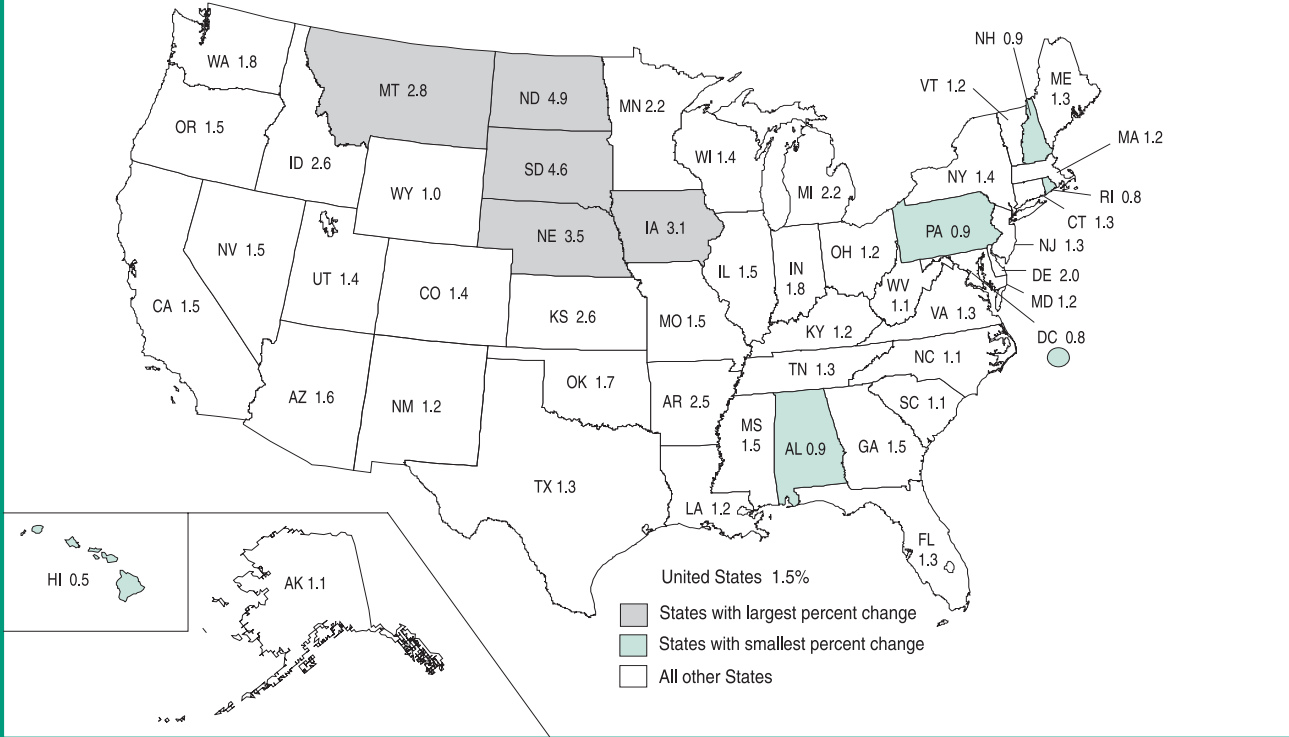


SELECTED REGIONAL ESTIMATES

PER CAPITA PERSONAL INCOME, 1998



PERSONAL INCOME: PERCENT CHANGE, 1998:III-1998:IV



Appendix A

Additional Information About BEA's NIPA Estimates

Statistical Conventions

Changes in current-dollar GDP measure changes in the market value of goods and services produced in the economy in a particular period. For many purposes, it is necessary to decompose these changes into quantity and price components. To compute the quantity indexes, changes in the quantities of individual goods and services are weighted by their prices. (Quantity changes for GDP are often referred to as changes in "real GDP.") For the price indexes, changes in the prices for individual goods and services are weighted by quantities produced. (In practice, the current-dollar value and price indexes for most GDP components are determined largely using data from Federal Government surveys, and the real values of these components are calculated by deflation at the most detailed level for which all the required data are available.)

The annual changes in quantities and prices are calculated using a Fisher formula that incorporates weights from 2 adjacent years. (Similar formulas are used to calculate the quarterly indexes for the most recent quarters, called the "tail" period, and for the indexes for the other quarters, called the "historical period.") For example, the 1996–97 annual percent change in real GDP uses prices for 1996 and 1997 as weights, and the 1996–97 annual percent change in price uses quantities for 1996 and 1997 as weights. These annual changes are "chained" (multiplied) together to form time series of quantity and price. Because the Fisher formula allows for the effects of changes in relative prices and in the composition of output over time, the resulting quantity or price changes are not affected by the substitution bias that is associated with changes in quantities and prices calculated using a fixed-weighted formula. The Fisher formula also produces changes in quantities and prices that are not affected by the choice of base periods. In addition, because the changes in quantities and prices calculated in this way are symmetric, the product of a quantity index and the corresponding price index is generally equal to the current-dollar index.

In addition, BEA prepares measures of real GDP and its components in a dollar-denominated form, designated "*chained (1992) dollar estimates*." These estimates are computed by multiplying the 1992 current-dollar value of GDP, or of a GDP component, by the corresponding quantity index number. For example, if a current-dollar GDP component equaled \$100 in 1992 and if real output for this component increased by 10 percent in 1993, then the "chained (1992) dollar" value of this component in 1993 would be \$110 (\$100 × 1.10). Note that percentage changes in the chained

(1992) dollar estimates and the percentage changes calculated from the quantity indexes are identical, except for small differences due to rounding.

Because of the formula used for calculating real GDP, the chained (1992) dollar estimates for detailed GDP components *do not add* to the chained-dollar value of GDP or to any intermediate aggregates. A "*residual*" line is shown as the difference between GDP and the sum of the most detailed components shown in each table. The residual generally is small close to the base period but tends to become larger as one moves further from it. NIPA table 8.2 provides accurate measures of the contributions of the major components to the percentage change in real GDP for all periods.

BEA also publishes the "implicit price deflator" (IPD), which is calculated as the ratio of current-dollar value to the corresponding chained-dollar value, multiplied by 100; the values of the IPD and of the corresponding "chain-type" price index are very close.

For quarters and months, the estimates are presented at annual rates, which show the value that would be registered if the rate of activity measured for a quarter or a month were maintained for a full year. Annual rates are used so that time periods of different lengths—for example, quarters and years—may be compared easily. These annual rates are determined simply by multiplying the estimated rate of activity by 4 (for quarterly data) or 12 (for monthly data).

Percent changes in the estimates are also expressed at annual rates. Calculating these *changes* requires a variant of the compound interest formula:

$$r = \left[\left(\frac{X_t}{X_o} \right)^{m/n} - 1 \right] \times 100,$$

where r is the percent change at an annual rate;
 X_t is the level of activity in the later period;
 X_o is the level of activity in the earlier period;
 m is the yearly periodicity of the data (for example, 1 for annual data, 4 for quarterly, or 12 for monthly); and
 n is the number of periods between the earlier and later periods (that is, $t - o$).

Quarterly and monthly NIPA estimates are seasonally adjusted, if necessary. Seasonal adjustment removes from the time series the average impact of variations that normally occur at about the same time and in about the same magnitude each year—for example, weather, holidays, and tax payment dates. After seasonal adjustment, cyclical and other short-term changes in the economy stand out more clearly.

Reconciliation Tables

Table 1.—Reconciliation of Changes in BEA-Derived Compensation Per Hour with BLS Average Hourly Earnings

[Percent change from preceding period]

	1997	1998	Seasonally adjusted at annual rates						
			1997		1998				1999
			IV	I	II	III	IV	I ^p	
BEA-derived compensation per hour of all persons in the nonfarm business sector (less housing) ¹	3.5	4.2	4.9	4.7	4.1	3.9	4.1	4.1	
Less: Contribution of supplements to wages and salaries per hour	-.6	-.3	-.7	-.2	-.3	-.2	-.5	.1	
Plus: Contribution of wages and salaries per hour of persons in housing and in nonprofit institutions	-.2	-.2	-.8	-.2	.1	.1	-.2	-.2	
Less: Contribution of wages and salaries per hour of persons in government enterprises, unpaid family workers, and self-employed	-.1	-.1	-.1	.1	-.3	.1	-.3	-.1	
Equals: BEA-derived wages and salaries per hour of all employees in the private nonfarm sector	4.0	4.4	4.9	4.6	4.8	4.1	4.7	4.0	
Less: Contribution of wages and salaries per hour of nonproduction workers in manufacturing .....	.2	-.2	1.3	.4	.4	.2	.2	.2
Less: Other differences ²	-.1	.6	-1.1	.3	-.3	.5	1.2	.2	
Equals: BLS average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls	3.9	4.1	4.6	3.9	4.6	3.4	3.3	3.5	
Addendum: BLS estimates of compensation per hour in the nonfarm business sector ³	3.5	4.2	4.9	4.7	4.1	3.9	4.0	4.3	

^p Preliminary

1. Includes BLS data on compensation and hours of nonfarm proprietors and hours worked of unpaid family workers.

2. Includes BEA use of non-BLS data and differences in detailed weighting. Annual estimates also include differences in BEA and BLS benchmark procedures; quarterly estimates also include

differences in seasonal adjustment procedures.

3. These estimates differ from the BEA-derived estimates (first line) because the BLS estimates include compensation and hours of tenant-occupied housing.

BEA Bureau of Economic Analysis

BLS Bureau of Labor Statistics

Table 2.—Relation of Net Exports of Goods and Services and Net Receipts of Factor Income in the NIPA's to Balance on Goods, Services, and Income in the BPA's

[Billions of dollars]

	Line	1997	1998	Seasonally adjusted at annual rates					
				1997		1998			
				III	IV	I	II	III	IV
Exports of goods, services, and income, BPA's	1	1,179.4	1,174.1	1,201.9	1,199.4	1,195.0	1,168.7	1,143.3	1,189.2
Less: Gold, BPA's	2	5.7	5.4	3.4	3.4	5.3	4.2	5.2	6.9
Statistical differences ¹	3	0	0	0	0	3.5	2.6	-3.9	-2.2
Other items	4	.8	.8	.6	.9	.8	.7	.8	.9
Plus: Adjustment for grossing of parent/affiliate interest payments	5	3.9	4.6	4.2	4.6	3.9	4.3	4.7	5.4
Adjustment for U.S. territories and Puerto Rico	6	37.0	38.0	36.8	37.9	37.0	37.2	37.4	40.5
Services furnished without payment by financial intermediaries except life insurance carriers and private noninsured pension plans	7	17.1	17.6	17.1	17.3	17.3	17.6	17.8	17.9
Equals: Exports of goods and services and receipts of factor income, NIPA's	8	1,230.9	1,228.1	1,256.0	1,254.9	1,243.6	1,220.2	1,201.2	1,247.5
Imports of goods, services, and income, BPA's	9	1,294.9	1,365.7	1,316.5	1,330.2	1,345.3	1,359.0	1,366.0	1,392.3
Less: Gold, BPA's	10	6.6	6.5	3.0	3.8	6.7	5.5	7.3	6.6
Statistical differences ¹	11	0	7.3	0	0	1.8	2.7	11.8	12.8
Other items	12	0	0	0	0	0	0	0	0
Plus: Gold, NIPA's	13	-3.5	-2.9	-3.4	-3.3	-3.2	-3.0	-2.8	-2.9
Adjustment for grossing of parent/affiliate interest payments	14	3.9	4.6	4.2	4.6	3.9	4.3	4.7	5.4
Adjustment for U.S. territories and Puerto Rico	15	26.5	28.6	28.0	28.3	27.4	28.5	27.1	31.6
Imputed interest paid to rest of world	16	17.1	17.6	17.1	17.3	17.3	17.6	17.8	17.9
Equals: Imports of goods and services and payments of factor income, NIPA's	17	1,332.3	1,399.8	1,359.4	1,373.3	1,382.2	1,398.2	1,393.7	1,424.9
Balance on goods, services, and income, BPA's (1-9)	18	-115.5	-191.6	-114.6	-130.8	-150.3	-190.3	-222.7	-203.1
Less: Gold (2-10+13)	19	-4.4	-4.0	-3.0	-3.7	-4.6	-4.3	-4.9	-2.6
Statistical differences (3-11) ¹	20	0	-7.3	0	0	1.7	-1	-15.7	-15.0
Other items (4-12)	21	.8	.8	.6	.9	.8	.7	.8	.9
Plus: Adjustment for U.S. territories and Puerto Rico (6-15)	22	10.5	9.4	8.8	9.6	9.6	8.7	10.3	8.9
Equals: Net exports of goods and services and net receipts of factor income, NIPA's (8-17)	23	-101.4	-171.7	-103.4	-118.4	-138.6	-178.0	-192.5	-177.4

1. Consists of statistical revisions in the NIPA's that have not yet been incorporated into the BPA's (1998:IV) and statistical revisions in the BPA's that have not yet been incorporated into the NIPA's (1998:1-1998:IV).

BPA's Balance of payments accounts
NIPA's National income and product accounts

Appendix B

Suggested Reading

Mid-Decade Strategic Plan

BEA has published the following articles in the SURVEY OF CURRENT BUSINESS on the development and implementation of its strategic plan for improving the accuracy, reliability, and relevance of the national, regional, and international accounts.

“Mid-Decade Strategic Review of BEA’s Economic Accounts: Maintaining and Improving Their Performance” (February 1995)

“Mid-Decade Strategic Review of BEA’s Economic Accounts: An Update” (April 1995)

“BEA’s Mid-Decade Strategic Plan: A Progress Report” (June 1996)

Mid-Decade Strategic Review of BEA’s Economic Accounts: Background Papers (1995) presents seven background papers that evaluate the state of the U.S. economic accounts and that identify the problems and the prospects for improving the accounts.

Methodology

BEA has published a wealth of information about the methodology used to prepare its national, regional, and international estimates.

National

National income and product accounts (NIPA’s)

NIPA Methodology Papers: This series documents the conceptual framework of the NIPA’s and the methodology used to prepare the estimates.

An Introduction to National Economic Accounting (NIPA Methodology Paper No. 1, 1985) [Also appeared in the March 1985 issue of the SURVEY]

Corporate Profits: Profits Before Tax, Profits Tax Liability, and Dividends (NIPA Methodology Paper No. 2, 1985)

Foreign Transactions (NIPA Methodology Paper No. 3, 1987) [Revised version forthcoming]

GNP: An Overview of Source Data and Estimating Methods (NIPA Methodology Paper No. 4, 1987) [Largely superseded by “A Guide to the NIPA’s” (March 1998 SURVEY)]

Government Transactions (NIPA Methodology Paper No. 5, 1988)

Personal Consumption Expenditures (NIPA Methodology Paper No. 6, 1990)

The methodologies described in these papers are subject to periodic improvements that are typically introduced as part of the annual and comprehensive revisions of the NIPA’s; these improvements are

described in the SURVEY articles that cover these revisions.

“Annual Revision of the U.S. National Income and Product Accounts”: This series of SURVEY articles, the latest of which was published in the August 1998 issue, describes the annual NIPA revisions and the improvements in methodology.

“Completion of the Comprehensive Revision of the National Income and Product Accounts, 1929–96” (May 1997) is the last in a series of SURVEY articles that describe the most recent comprehensive revision of the NIPA’s.

“A Guide to the NIPA’s” (March 1998 SURVEY) provides the definitions of the major NIPA aggregates and components; discusses the measures of real output and prices; explains how production is classified and how the NIPA’s are presented; describes the statistical conventions that are used; and lists the principal source data and methods used to prepare the estimates of gross domestic product (GDP).

Information on the sources and methods used to prepare the national estimates of personal income, which provide the basis for the State estimates of personal income, can be found in *State Personal Income, 1929–93* (1995).

“Gross Domestic Product as a Measure of U.S. Production” (August 1991 SURVEY) briefly explains the difference between GDP and gross national product.

“BEA’s Chain Indexes, Time Series, and Measures of Long-Term Economic Growth” (May 1997) is the most recent in a series of SURVEY articles that describe the conceptual basis for the chain-type measures of real output and prices used in the NIPA’s.

“Reliability of the Quarterly and Annual Estimates of GDP and Gross Domestic Income” (December 1998 SURVEY) evaluates the reliability of these estimates by examining the record of revisions to them.

Availability

Most of the items listed here are available on BEA’s Web site at <www.bea.doc.gov>. In addition, see the *BEA Catalog of Products* for the availability of printed publications. The *Catalog* is available on BEA’s Web site; a printed copy can be obtained by writing to the Public Information Office, BE-53, Bureau of Economic Analysis, U.S. Department of Commerce, Washington, DC 20230, or by calling 202-606-9900.

Wealth and related estimates

“Improved Estimates of Fixed Reproducible Tangible Wealth, 1929–95” (May 1997 SURVEY) describes the most recent comprehensive revision of the estimates of fixed reproducible tangible wealth.

Gross product by industry

“Improved Estimates of Gross Product by Industry, 1959–94” (August 1996 SURVEY) describes the most recent comprehensive revision of the estimates of gross product by industry.

“Gross Product by Industry, 1947–96” (November 1997 SURVEY) and “Gross Product by Industry, 1995–97” (November 1998 SURVEY) present the most recent revisions to the estimates of gross product by industry and briefly describe changes in methodology.

Input-output accounts

“Benchmark Input-Output Accounts for the U.S. Economy, 1992” (November 1997 SURVEY) describes the preparation of the 1992 input-output accounts and the concepts and methods underlying the U.S. input-output accounts.

Satellite accounts

Satellite accounts that extend the analytical capacity of the national accounts by focusing on a particular aspect of activity are presented in the following SURVEY articles.

“Integrated Economic and Environmental Satellite Accounts” and “Accounting for Mineral Resources: Issues and BEA’s Initial Estimates” (April 1994)

“A Satellite Account for Research and Development” (November 1994)

“U.S. Transportation Satellite Accounts for 1992” (April 1998)

“U.S. Travel and Tourism Satellite Accounts for 1992” (July 1998)

*International**Balance of payments accounts (BPA’s)*

The Balance of Payments of the United States: Concepts, Data Sources, and Estimating Procedures (1990) describes the methodologies used in preparing the estimates in the BPA’s and of the international investment position of the United States. These methodologies are subject to periodic improvements that are typically introduced as part of the annual revisions of the BPA’s.

“U.S. International Transactions, Revised Estimates”: This series of SURVEY articles, the latest of which was published in the July 1998 issue, describes the annual BPA revisions and the improvements in methodology.

Direct investment

International Direct Investment: Studies by the Bureau of Economic Analysis (1999) presents a collection of previously published studies on U.S. direct investment abroad and foreign direct investment in the United States. In addition, it includes the following guides to BEA’s statistics and methodologies used to prepare the estimates.

“Methodology for U.S. Direct Investment Abroad” (*U.S. Direct Investment Abroad: 1994 Benchmark Survey, Final Results* (1998))

“A Guide to BEA Statistics on U.S. Multinational Companies” (March 1995 SURVEY)

“Methodology for Foreign Direct Investment in the United States” (*Foreign Direct Investment in the United States: 1992 Benchmark Survey, Final Results* (1995))

“A Guide to BEA Statistics on Foreign Direct Investment in the United States” (February 1990 SURVEY)

Surveys of international services

U.S. International Transactions in Private Services: A Guide to the Surveys Conducted by the Bureau of Economic Analysis (1998) provides information on the 11 surveys that BEA conducts on these transactions—including classifications, definitions, release schedules, and methods used to prepare the estimates—and samples of the survey forms.

*Regional**Personal income*

State Personal Income, 1929–93 (1995) includes a description of the methodology used to prepare the estimates of State personal income. [Also available on the CD-ROM *State Personal Income, 1929–97*]

Local Area Personal Income, 1969–92 (1994) includes a description of the methodology used to prepare the estimates of local area personal income. [Also available on the CD-ROM *Regional Economic Information System, 1969–97*]

Gross state product

“Comprehensive Revision of Gross State Product by Industry, 1977–94” (June 1997 SURVEY) summarizes the sources and methods for BEA’s estimates of gross state product.

“Gross State Product by Industry, 1977–96” (June 1998 SURVEY) and “Gross State Product by Industry, 1995–97” (June 1999 SURVEY) present the most recent revisions to the estimates of gross state product by industry and briefly describe changes in methodology. 