

**I) SUMMARY TABLE FOR THE U.S. ECONOMY**  
**(Billions of 1996 chained dollars unless noted)**

Item	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
<b>Real GDP and Components</b>									
Gross domestic product	7,543.8	7,813.2	8,159.5	8,508.9	8,858.9	9,191.4	9,214.5	9,439.9	12,638.0
Personal consumption expenditures	5,075.6	5,237.5	5,423.9	5,683.7	5,964.5	6,223.9	6,377.2	6,576.0	8,673.3
Private fixed investment	1,109.2	1,212.7	1,328.6	1,480.0	1,595.2	1,691.9	1,627.4	1,577.3	2,654.8
Change in private inventories	30.4	30.0	63.8	76.7	62.8	65.0	-61.4	5.2	59.0
Net exports	-78.4	-89.0	-113.3	-221.1	-320.5	-398.8	-415.9	-488.5	-734.6
Exports	808.2	874.2	981.5	1,002.4	1,036.3	1,137.2	1,076.1	1,058.8	1,842.2
Imports	886.6	963.1	1,094.8	1,223.5	1,356.8	1,536.0	1,492.0	1,547.4	2,576.8
Government consumption and gross investment	1,406.4	1,421.9	1,455.4	1,483.3	1,540.6	1,582.5	1,640.4	1,712.8	2,014.6
Federal consumption and gross investment	536.5	531.6	529.6	525.4	537.7	544.4	570.6	613.3	748.2
Defense	361.9	357.0	347.7	341.6	348.8	348.7	366.0	400.0	510.2
Nondefense	174.6	174.6	181.8	183.8	188.8	195.6	204.4	213.3	238.7
State and Local consumption and gross investment	869.9	890.4	925.8	957.7	1,002.4	1,037.4	1,069.4	1,099.7	1,267.2
Nominal GDP	7,400.5	7,813.2	8,318.4	8,781.5	9,274.3	9,824.7	10,082.2	10,446.3	17,463.1
<b>Real Activity</b>									
Private housing starts (thous. units)	1,361.0	1,468.7	1,474.6	1,621.2	1,647.3	1,573.3	1,601.2	1,710.9	1,790.6
Light vehicle sales (mil. units)	14.8	15.0	15.1	15.4	16.8	17.2	17.0	16.7	16.6
Light truck sales	6.1	6.5	6.8	7.3	8.1	8.4	8.6	8.6	8.5
Auto sales	8.7	8.5	8.3	8.1	8.7	8.9	8.4	8.1	8.1
Industrial production (index, 1992=100)	89.2	93.1	100.0	105.6	110.1	115.3	111.2	110.4	147.8
Capacity utilization (mfg, %)	82.8	81.2	82.7	81.9	81.4	81.4	75.6	73.7	76.5
Civilian labor force participation Rate (%)	66.6	66.8	67.1	67.1	67.1	67.1	66.8	66.6	67.0
Unemployment rate (%)	5.6	5.4	4.9	4.5	4.2	4.0	4.8	5.8	5.2
Non-accelerating inflation rate of unemployment (%)	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.4	5.1
<b>Population and Labor Force</b>									
US population incl. Armed Forces (mil.)	263.1	265.6	268.1	270.6	273.1	282.1	284.8	287.5	314.8
Population, ages 0-15 (mil.)	61.3	61.6	61.9	62.1	62.3	64.3	64.5	64.7	67.0
Civilian noninstitutional population, 16 and over (mil.)	198.6	200.6	203.1	205.2	207.8	213.0	215.5	218.0	242.0
Civilian labor force (mil.)	132.3	134.0	136.3	137.7	139.4	142.6	143.8	144.9	162.3
Household employment (mil.)	124.9	126.7	129.6	131.5	133.5	136.9	136.9	136.5	153.8
Nonfarm payroll employment (mil.)	117.3	119.7	122.8	125.9	129.0	131.8	131.8	130.4	152.1
Private nonfarm business hours worked (bil.)	170.2	173.1	178.5	182.7	186.9	188.8	185.0	180.3	207.6
<b>Prices, Productivity, and Costs</b>									
GDP price index (1996=100)	98.1	100.0	101.9	103.2	104.7	106.9	109.4	110.7	138.2
Compensation per hour (\$)	20.5	21.2	21.8	23.0	24.0	25.6	26.6	27.3	40.4
Output per hour, private nonfarm (bil. chained 96 \$)	32.8	33.6	34.3	35.2	36.0	37.0	37.8	39.1	47.9
Unit labor cost, private nonfarm business	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.8
Broad trade-weighted value of US\$ (January/1997=100)	92.5	97.4	104.4	116.5	116.9	119.9	126.1	127.2	94.9
Price of imported oil (nominal \$/barrel)	17.15	20.60	18.55	12.10	17.27	27.68	21.99	23.61	30.52
Real price of imported oil (1996 \$/barrel)	17.36	20.60	18.37	11.98	16.91	26.54	20.80	22.21	23.40
<b>Selected Interest Rates and Money Supply</b>									
Federal funds rate (%)	5.84	5.30	5.46	5.35	4.97	6.24	3.89	1.67	5.33
Ninety-day Treasury bill rate (%)	5.49	5.01	5.06	4.78	4.64	5.82	3.39	1.60	5.03
10-year Treasury note yield (%)	6.58	6.44	6.35	5.26	5.64	6.03	5.02	4.61	6.25
AAA corporate bond yield (%)	7.59	7.37	7.26	6.53	7.04	7.62	7.08	6.49	7.34
FHA secondary mortgage yield (%)	7.95	7.81	7.60	6.94	7.43	8.06	6.97	6.54	7.74
Money (M2) stock (bil. \$)	3,565.3	3,738.2	3,921.8	4,207.8	4,525.8	4,801.2	5,222.0	5,619.6	8,708.4
<b>Incomes and Related Measures</b>									
Corporate profits w/iva and ccadj (bil. \$)	668.8	754.0	833.8	777.4	805.8	788.1	731.6	787.4	1,336.3
Personal Income (bil. \$)	6,200.9	6,547.4	6,937.0	7,426.0	7,786.5	8,406.5	8,685.3	8,922.2	14,949.0
Nominal disposable personal income (bil. \$)	5,422.6	5,677.7	5,968.2	6,355.6	6,627.4	7,120.1	7,393.2	7,810.3	13,049.2
Real disposable personal income (bil. chained 96 \$)	5,539.1	5,677.8	5,854.5	6,168.6	6,328.4	6,630.3	6,748.0	7,032.1	9,131.5
Real disposable personal income per capita (chained 96 \$)	21,053	21,380	21,837	22,799	23,174	23,501	23,692	24,463	29,012
Personal savings rate (%)	5.6	4.8	4.2	4.8	2.6	2.8	2.3	3.7	2.3
Household net worth (tril. \$)	26.6	29.2	32.6	36.2	39.8	43.0	40.7	39.9	68.0
Household net worth, corporate equities (bil. \$)	6,941.6	8,633.5	11,020.1	13,285.2	15,465.9	17,107.0	13,269.6	11,128.7	26,638.2
Federal surplus/deficit (unified, FY, bil. \$)	-163.9	-107.4	-22.0	69.2	124.4	236.9	127.3	-157.8	-177.1
Federal surplus/deficit (NIPA, bil. \$)	-192.0	-136.8	-53.3	43.8	111.9	206.9	71.9	-202.1	-164.1

**II) GROSS DOMESTIC PRODUCT--DEMAND CATEGORIES**  
**(Billions of 1996 chained dollars)**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Gross domestic product	7,543.8	7,813.2	8,159.5	8,508.9	8,858.9	9,191.4	9,214.5	9,439.9	12,638.0
Personal consumption expenditures	5,075.6	5,237.5	5,423.9	5,683.7	5,964.5	6,223.9	6,377.2	6,576.0	8,673.3
Durable goods	583.5	616.5	657.3	726.7	812.5	878.9	931.9	999.9	1,473.5
Motor vehicles and parts	253.4	256.3	264.8	292.0	322.1	338.4	361.9	382.4	464.8
Other durable goods	330.2	360.1	392.6	434.7	491.0	542.5	571.2	620.3	1,048.0
Nondurable goods	1,529.0	1,574.1	1,619.9	1,686.4	1,765.1	1,833.8	1,869.8	1,929.5	2,448.4
Services	2,963.4	3,047.0	3,147.0	3,273.4	3,395.3	3,524.5	3,594.9	3,675.6	4,841.3
Housing services	763.7	772.6	787.2	808.7	835.0	851.3	866.0	880.1	1,097.3
Medical services	797.7	814.4	835.4	857.7	875.6	900.1	938.3	978.6	1,314.7
Other services	1,402.1	1,460.2	1,524.4	1,606.9	1,684.7	1,773.3	1,790.7	1,816.9	2,427.2
Gross private domestic investment	1,140.6	1,242.7	1,393.3	1,558.0	1,660.5	1,762.9	1,574.6	1,589.6	2,728.1
Private fixed investment	1,109.2	1,212.7	1,328.6	1,480.0	1,595.2	1,691.9	1,627.4	1,577.3	2,654.8
Nonresidential	817.5	899.4	1,009.3	1,135.9	1,228.4	1,324.2	1,255.1	1,183.4	2,233.5
Structures	210.1	225.0	245.4	262.2	258.6	275.5	270.9	226.4	269.6
Equipment and software	607.6	674.5	764.2	875.4	975.9	1,056.0	988.2	971.1	2,067.8
Computers and software	129.8	165.5	220.4	288.6	357.3	401.1	394.7	419.7	1,633.6
Other	479.8	509.1	546.4	595.8	637.9	680.3	623.8	593.0	933.1
Residential	291.7	313.3	319.7	345.1	368.3	372.4	373.5	388.2	480.1
Single family	147.7	159.1	158.6	175.9	189.0	191.0	192.6	200.5	245.0
Multifamily	18.4	20.3	21.9	21.7	23.4	23.0	24.4	26.3	27.4
Other	125.7	133.8	139.2	147.7	156.1	158.6	156.4	161.4	208.4
Change in private inventories	30.4	30.0	63.8	76.7	62.8	65.0	-61.4	5.2	59.0
Net Exports	-78.4	-89.0	-113.3	-221.1	-320.5	-398.8	-415.9	-488.5	-734.6
Exports	808.2	874.2	981.5	1,002.4	1,036.3	1,137.2	1,076.1	1,058.8	1,842.2
Goods	568.8	618.4	708.1	722.9	750.0	834.7	785.2	756.9	1,316.6
Nonagricultural	506.3	556.9	645.4	660.0	686.4	765.4	714.9	688.5	1,210.2
Agricultural	62.9	61.5	62.6	62.6	63.1	68.3	70.5	68.8	105.1
Services	239.5	255.8	273.6	279.8	286.8	304.1	292.0	301.5	525.4
Imports	886.6	963.1	1,094.8	1,223.5	1,356.8	1,536.0	1,492.0	1,547.4	2,576.8
Goods	739.1	808.3	923.1	1,031.4	1,157.5	1,313.7	1,270.5	1,320.1	2,272.7
Nonpetroleum	671.7	735.6	847.0	949.6	1,073.2	1,225.5	1,177.1	1,229.8	2,141.7
Petroleum	67.6	72.7	76.1	81.0	81.4	86.2	89.2	86.7	128.2
Services	147.7	154.8	171.7	192.2	200.3	223.6	222.4	227.2	323.1
Government consumption and gross investment	1,406.4	1,421.9	1,455.4	1,483.3	1,540.6	1,582.5	1,640.4	1,712.8	2,014.6
Federal	536.5	531.6	529.6	525.4	537.7	544.4	570.6	613.3	748.2
National defense	361.9	357.0	347.7	341.6	348.8	348.7	366.0	400.0	510.2
Defense compensation, civilian	51.5	48.8	46.3	44.2	42.3	41.2	40.7	39.9	40.8
Defense compensation, military	87.4	84.2	82.0	80.1	78.7	79.4	80.7	83.7	81.9
Defense consumption of fixed capital	63.4	63.0	62.7	62.4	62.4	62.5	62.4	62.6	74.4
Defense consumption, other	106.4	106.3	107.6	104.0	112.2	111.3	125.8	152.1	225.5
Defense gross investment	53.2	54.6	49.1	51.0	53.7	54.8	57.3	63.3	99.5
Nondefense	174.6	174.6	181.8	183.8	188.8	195.6	204.4	213.3	238.7
Nondefense compensation	78.5	76.4	75.9	76.7	77.0	79.4	79.0	80.7	84.1
Nondefense consumption of fixed capital	16.7	18.0	19.6	21.4	23.8	26.1	28.0	30.1	44.7
Nondefense commodity credit corp. purchases	-0.4	-0.4	-0.1	0.3	0.3	1.6	1.7	-0.1	0.0
Nondefense consumption, other	50.9	48.9	53.2	48.2	46.8	47.2	53.5	58.3	60.4
Nondefense gross investment	29.0	31.7	33.3	37.5	41.6	42.3	43.6	45.9	54.1
State and local	869.9	890.4	925.8	957.7	1,002.4	1,037.4	1,069.4	1,099.7	1,267.2
State and local compensation	536.5	542.3	550.9	559.9	566.4	577.6	589.6	601.7	661.3
State and local consumption of fixed capital	65.3	68.2	71.7	75.7	80.2	84.6	88.7	92.6	125.0
State and local consumption, other	109.6	116.0	123.2	137.0	156.9	171.9	182.1	191.1	252.4
State and local gross investment	158.6	163.8	180.2	185.8	201.4	206.5	212.8	218.6	245.5

**III) PERSONAL INCOME AND ITS DISPOSITION**  
**(Billions of dollars)**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Personal income	6,200.9	6,547.4	6,937.0	7,426.0	7,786.5	8,406.5	8,685.3	8,922.2	14,949.0
Wage and salary disbursements	3,424.7	3,626.5	3,888.9	4,192.8	4,470.5	4,836.3	4,950.6	4,996.4	8,568.0
Other labor income	497.0	490.0	475.4	490.6	510.2	544.2	570.4	610.7	1,117.8
Proprietors' income with Iva and ccadj	497.7	544.8	581.2	623.8	678.4	714.8	727.9	756.5	1,226.8
Farm	22.2	34.3	29.7	25.6	27.7	22.5	19.0	12.9	31.4
Nonfarm	475.5	510.5	551.5	598.2	650.7	692.3	708.8	743.7	1,195.4
Rental income of persons with Iva and ccadj	117.9	129.7	128.3	138.6	149.1	146.6	137.9	142.4	198.2
Personal dividend income	253.9	297.4	334.9	348.3	328.0	375.8	409.2	433.8	697.4
Personal interest income	792.5	810.6	864.0	964.5	969.2	1,077.0	1,091.2	1,078.4	1,527.8
Transfer payments to persons	885.9	928.8	962.2	983.7	1,018.4	1,070.3	1,170.4	1,288.0	2,324.6
Federal transfers to persons	642.3	678.0	706.8	719.7	734.4	765.9	832.6	917.4	1,564.4
Social security benefits	327.7	342.0	356.6	369.3	379.9	401.4	425.2	446.8	742.9
Medicare	180.3	195.6	209.2	208.8	208.1	215.8	239.1	252.9	526.2
Unemployment insurance	21.5	22.1	19.9	19.5	20.3	20.5	31.9	62.8	51.8
Other	112.9	118.4	121.2	122.1	126.2	128.2	136.4	154.7	243.6
State and local transfers to persons	217.8	224.4	227.6	235.3	252.8	271.3	304.5	335.6	700.6
Medicaid	155.0	163.6	168.3	175.0	189.7	205.4	234.7	263.5	599.1
Other	62.8	60.7	59.3	60.3	63.0	65.9	69.8	72.0	101.5
Business transfers to persons	25.8	26.4	27.9	28.7	31.3	33.0	33.4	35.1	59.6
Less: Personal contributions for social insurance	268.7	280.4	297.9	316.3	337.4	358.4	372.3	384.0	711.7
Less: Personal tax and nontax payments	778.3	869.7	968.8	1,070.4	1,159.1	1,286.4	1,292.1	1,111.9	1,899.8
Equals: Personal disposable income	5,422.6	5,677.7	5,968.2	6,355.6	6,627.4	7,120.1	7,393.2	7,810.3	13,049.2
Less: Personal outlays	5,120.1	5,405.6	5,715.3	6,054.0	6,453.3	6,918.6	7,223.5	7,524.5	12,745.2
Personal consumption expenditures	4,969.0	5,237.5	5,529.3	5,856.0	6,246.5	6,683.8	6,987.0	7,303.8	12,394.0
Interest paid by persons	134.7	149.9	164.8	173.7	179.5	205.4	205.4	188.4	296.5
Personal transfer payments to the rest of the world	16.5	18.2	21.2	24.3	27.3	29.5	31.0	32.3	54.7
Equals: Personal saving	302.4	272.1	252.9	301.5	174.0	201.5	169.8	285.8	304.0
Addenda:									
Real disposable personal income (bil. Chained 96 \$)	5,539.1	5,677.8	5,854.5	6,168.6	6,328.4	6,630.3	6,748.0	7,032.1	9,131.5
Real disposable personal income per capita (chained 96 \$)	21,053	21,380	21,837	22,799	23,174	23,501	23,692	24,463	29,012
Personal savings rate (%)	5.6	4.8	4.2	4.8	2.6	2.8	2.3	3.7	2.3

**IV) FEDERAL RECEIPTS AND EXPENDITURES**  
(Billions of dollars)

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Current receipts	1,383.7	1,499.1	1,625.5	1,749.7	1,867.3	2,033.9	2,008.4	1,873.3	3,429.0
Personal tax and nontax receipts	591.8	670.0	751.8	834.9	903.3	1,009.0	1,010.9	845.8	1,412.5
Corporate profits tax accruals	179.3	190.6	203.0	204.3	213.0	223.8	170.3	179.8	477.4
Indirect bus tax and nontax accruals	93.0	95.1	93.7	97.4	100.2	109.1	110.3	110.6	170.9
Contributions for social insurance	519.6	543.3	577.0	613.1	650.7	692.1	716.9	737.1	1,368.2
Current expenditures	1,575.7	1,635.9	1,678.8	1,705.9	1,755.3	1,827.1	1,936.4	2,075.4	3,593.1
Consumption expenditures	439.2	445.3	456.9	453.1	471.6	493.3	528.4	586.5	930.4
National defense	297.5	302.4	304.2	299.7	312.0	321.4	344.5	386.7	631.4
Compensation, military	81.5	84.2	84.0	83.5	85.2	89.3	94.1	102.0	148.8
Compensation, civilian	48.9	48.9	48.5	47.7	47.9	48.9	49.6	52.3	76.6
Consumption of fixed capital	63.0	63.0	62.8	62.3	62.5	63.6	63.5	64.3	90.0
Other	104.1	106.3	108.9	106.2	116.4	119.5	137.2	168.1	316.0
Nondefense	141.7	142.9	152.6	153.4	159.6	171.9	183.9	199.9	299.0
Compensation	75.0	76.3	79.1	82.4	86.9	93.6	95.2	104.3	158.4
Commodity Credit Corporation Purchases	-0.3	-0.3	-0.2	0.0	0.3	0.5	1.1	0.0	0.0
Consumption of fixed capital	16.9	18.0	19.4	21.0	23.5	26.4	28.7	30.8	56.0
Other	50.2	49.0	54.2	49.9	49.0	51.2	59.2	65.0	84.5
Transfer payments (net)	652.1	691.7	717.5	730.6	745.8	779.5	842.2	931.8	1,575.9
To persons	642.3	678.0	706.8	719.7	734.4	765.9	832.6	917.4	1,564.4
Unemployment benefits	21.5	22.1	19.9	19.5	20.3	20.5	31.9	62.8	51.8
Social Security benefits	327.7	342.0	356.6	369.3	379.9	401.4	425.2	446.8	742.9
Medicare benefits	180.3	195.6	209.2	208.8	208.1	215.8	239.1	252.9	526.2
Other	112.9	118.4	121.2	122.1	126.2	128.2	136.4	154.7	243.6
To the rest of the world	9.8	13.6	10.6	10.9	11.4	13.6	9.6	14.4	11.5
Grants-in-aid	184.5	190.4	196.8	210.3	231.0	247.5	277.4	305.7	568.8
Net interest paid	267.5	273.5	276.1	278.5	263.8	263.0	238.1	207.8	472.3
Subsidies less current surplus	32.4	35.0	31.5	33.5	43.1	43.8	50.3	43.7	45.8
Less: Wage accruals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Surplus or deficit, NIPA basis	-192.0	-136.8	-53.3	43.8	111.9	206.9	72.0	-202.1	-164.1
Addenda:									
Gross investment									
National defense	53.1	54.7	48.4	49.4	52.3	53.5	55.5	60.8	101.0
Nondefense	29.2	31.7	32.9	36.7	41.1	42.4	44.2	46.4	67.3
Consumption of fixed capital									
National defense	63.0	63.0	62.8	62.3	62.5	63.6	63.5	64.3	90.0
Nondefense	16.9	18.0	19.4	21.0	23.5	26.4	28.7	30.8	56.0
Tax rate (%):									
Federal effective marginal tax rate on wages and salaries	22.2	22.5	22.9	23.3	23.3	23.3	22.9	22.5	21.4
Federal effective marginal social security tax rate	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3	5.3
Maximum Federal corporate tax rate	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0	35.0
Effective Federal marginal tax rate on interest income	23.9	24.3	24.9	25.3	25.3	25.3	24.9	24.5	23.0
Effective Federal marginal tax rate on dividend income	27.1	27.8	28.5	28.9	28.9	28.9	28.4	28.0	22.5
Effective Federal marginal tax rate on capital gains	25.0	25.7	22.1	18.8	18.8	18.8	18.8	18.8	15.0

**V) STATE AND LOCAL RECEIPTS AND EXPENDITURES**  
**(Billions of dollars)**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Current receipts	917.9	960.4	1,011.3	1,074.4	1,144.1	1,214.2	1,261.3	1,304.4	2,288.9
Personal tax and nontax receipts	186.6	199.6	216.9	235.5	255.8	277.5	281.2	266.1	487.3
Corporate profits tax accruals	31.7	33.0	34.2	34.6	34.8	35.5	29.0	33.5	76.0
Indirect business tax accruals	501.6	524.9	552.5	583.8	612.7	644.5	664.5	689.8	1,142.3
Property taxes	203.5	211.4	220.3	230.3	239.3	248.1	257.4	267.8	463.0
Other	298.1	313.5	332.3	353.6	373.5	396.4	407.0	422.0	679.3
Contributions for social insurance	13.6	12.4	10.9	10.1	9.7	9.2	9.2	9.4	14.5
Federal grants-in-aid	184.5	190.4	196.8	210.3	231.0	247.5	277.4	305.7	568.8
Current expenditures	902.5	939.0	980.3	1,033.7	1,105.8	1,196.2	1,292.6	1,356.4	2,255.7
Consumption expenditures	694.7	726.5	766.5	808.3	864.7	937.9	993.8	1,034.5	1,575.0
Compensation	523.1	542.3	569.8	597.0	625.2	660.8	700.4	733.8	1,141.8
Consumption of fixed capital	64.4	68.3	72.4	76.8	82.6	89.6	95.4	99.9	169.8
Other	107.2	115.9	124.1	134.4	156.9	187.5	197.9	200.8	263.4
Transfers to persons	217.8	224.4	227.6	235.3	252.8	271.3	304.5	335.6	700.6
Medicaid	155.0	163.6	168.3	175.0	189.7	205.4	234.7	263.5	599.1
Other	62.8	60.7	59.3	60.3	63.0	65.9	69.8	72.0	101.5
Net interest paid	0.5	0.9	-0.9	0.4	-0.7	-2.8	-2.1	-2.0	-2.7
Less: Dividends received	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.5	0.8
Subsidies less current surplus	-10.2	-12.5	-12.4	-9.9	-10.5	-9.7	-3.1	-11.2	-16.4
Less: Wage accruals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Surplus or deficit (-)	15.3	21.5	31.0	40.7	38.3	18.0	-31.3	-52.0	33.2
Addenda:									
Consumption and gross investment	850.5	890.3	949.7	999.3	1,075.9	1,161.8	1,229.9	1,279.2	1,931.9
Consumption	694.7	726.5	766.5	808.3	864.7	937.9	993.8	1,034.5	1,575.0
Gross investment	155.8	163.8	183.3	191.0	211.3	223.9	236.2	244.7	356.9
Yearly compensation per employee (thous \$/yr)	31.7	32.6	33.8	34.8	35.6	36.9	38.2	39.2	56.4
Employment (mil.)	16.5	16.7	16.9	17.1	17.5	17.9	18.4	18.7	20.3

**VI) FOREIGN TRANSACTIONS IN THE NIPA's**  
**(Billions of dollars, unless noted)**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Receipts from the rest of the world	1,050.8	1,119.7	1,247.7	1,251.1	1,306.2	1,484.6	1,351.1	1,292.9	2,655.4
Exports of goods and services	818.6	874.2	966.4	964.9	989.3	1,101.2	1,034.2	1,014.9	2,098.4
Merchandise	583.8	618.4	688.9	681.3	697.3	785.0	733.5	703.6	1,453.2
Nonagricultural	526.6	556.9	630.5	628.2	647.7	732.2	678.6	649.1	1,344.7
Agricultural	57.2	61.5	58.5	53.2	49.7	52.8	54.9	54.5	108.4
Services	234.8	255.7	277.5	283.6	292.0	316.1	300.6	311.3	645.2
Income receipts	232.3	245.6	281.3	286.1	316.8	383.4	316.9	278.0	557.0
Payments to the rest of the world	1,050.8	1,119.7	1,247.7	1,251.1	1,306.2	1,484.5	1,351.1	1,293.0	2,655.4
Imports of goods and services	902.8	963.1	1,055.8	1,116.7	1,239.2	1,466.6	1,383.1	1,438.5	3,177.7
Merchandise	757.7	808.3	885.0	930.0	1,045.3	1,243.1	1,167.2	1,192.2	2,642.0
Nonpetroleum	701.5	735.6	813.3	879.3	977.6	1,122.9	1,063.6	1,088.8	2,506.3
Petroleum	56.2	72.7	71.8	50.6	67.8	120.2	103.6	103.3	135.7
Services	145.1	154.8	170.7	186.7	193.9	223.5	215.8	246.4	535.7
Income payments	211.9	227.5	274.3	289.6	294.1	360.0	295.0	287.6	658.6
Transfer payments to the rest of the world	34.0	39.9	40.8	44.5	48.9	53.7	49.7	55.7	81.1
From persons (net)	16.5	18.2	21.2	24.3	27.3	29.5	31.0	32.3	54.7
From government (net)	9.8	13.6	10.6	10.9	11.4	13.6	9.6	14.4	11.5
From business	7.7	8.1	8.9	9.3	10.2	10.6	9.1	9.0	14.9
Net foreign investment	-98.0	-110.7	-123.1	-199.7	-276.0	-395.8	-376.7	-488.9	-1,262.0
Foreign activity:									
Real GDP (index)	96.5	100.0	104.0	106.0	109.8	115.4	116.9	119.4	165.0
CPI (35-country index, 1996=100)	162.5	172.1	179.3	186.8	193.0	197.7	202.0	206.3	268.9
PPI (19-country index, 1996=100)	99.7	100.0	101.1	101.4	101.0	104.1	104.7	104.4	114.9
PPI (35-country index, 1996=100)	95.3	100.0	103.5	106.7	109.4	113.5	115.4	116.8	139.1
Government bond yield (19-country trade-weighted %)	6.2	5.6	5.2	4.3	4.3	4.7	4.1	3.9	5.2
Domestic activity:									
Real GDP (bil. chained 96 \$)	7,543.8	7,813.2	8,159.5	8,508.9	8,858.9	9,191.4	9,214.5	9,439.9	12,638.0
Government bond yield (%)	6.6	6.4	6.4	5.3	5.6	6.0	5.0	4.6	6.2
Addenda:									
Net exports	-84.3	-89.0	-89.3	-151.7	-249.9	-365.5	-348.9	-423.6	-1,079.3
Merchandise trade balance	-173.9	-189.9	-196.1	-248.6	-348.0	-458.0	-433.7	-488.5	-1,188.9
Service trade balance	89.6	100.9	106.8	96.9	98.2	92.6	84.8	64.9	109.5
Current account balance	-105.2	-117.2	-127.7	-204.7	-290.8	-411.5	-393.7	-480.9	-1,262.0

**VII) HOUSING AND CONSTRUCTION**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Private housing starts (thous. Units)	1,361	1,469	1,475	1,621	1,647	1,573	1,601	1,711	1,791
Single family	1,082	1,154	1,136	1,278	1,306	1,232	1,272	1,364	1,460
Multifamily	279	314	338	344	341	341	330	347	331
2-4 family	34	44	45	43	32	39	36	39	31
5+ family	245	271	294	301	309	303	293	308	300
Residential investment (bil. \$)	285.6	313.3	328.3	364.4	403.7	426.0	444.8	471.9	764.2
Single family	145.0	159.1	163.2	185.8	208.6	220.6	232.1	247.0	397.1
Multifamily	17.9	20.3	22.9	24.6	27.5	28.3	30.7	33.6	44.4
Other	122.7	133.8	142.2	154.0	167.6	177.1	182.0	191.4	322.7
Residential investment (bil. Chained 96 \$)	291.7	313.3	319.7	345.1	368.3	372.4	373.5	388.2	480.1
Single family	147.7	159.1	158.6	175.9	189.0	191.0	192.6	200.5	245.0
Multifamily	18.4	20.3	21.9	21.7	23.4	23.0	24.4	26.3	27.4
Other	125.7	133.8	139.2	147.7	156.1	158.6	156.4	161.4	208.4
Value per unit (thous. Chained 96 \$)									
Single family	135.5	137.5	140.2	142.2	144.3	152.4	152.6	150.0	169.7
Multifamily	65.6	67.2	67.8	62.6	67.3	66.4	73.9	77.4	84.9
Other factors affecting housing:									
Residential mortgage rate (%)	8.0	7.8	7.6	6.9	7.4	8.1	7.0	6.5	7.7
Rental prices of investment (%)									
Single family	7.7	7.4	7.0	6.8	7.4	7.9	6.8	6.7	8.5
Multifamily	11.1	11.0	11.0	11.1	11.8	12.7	11.4	10.9	12.3
Number of households assuming 1982 headship rates (mil)	89.8	92.2	94.5	97.2	100.0	101.6	102.6	105.1	133.5
Housing stock (mil units)									
Single family	74.5	75.6	76.8	77.9	79.2	80.5	81.7	83.0	95.7
Multi family	30.6	30.9	31.2	31.6	31.9	32.3	32.6	32.9	35.8

**VIII) EMPLOYMENT, HOURS, AND LABOR FORCE**  
**(Millions of persons unless noted)**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Civilian employment	124.9	126.7	129.6	131.5	133.5	136.9	136.9	136.5	153.8
Private nonfarm business	98.5	100.7	103.2	105.7	107.9	109.8	109.1	106.7	122.1
Households and institutions	3.5	3.0	3.3	2.5	2.0	3.8	4.4	6.0	6.4
Agricultural	3.4	3.4	3.4	3.4	3.3	2.5	2.3	2.3	2.3
Federal civilian	2.9	2.9	2.8	2.8	2.8	2.9	2.8	2.8	2.7
Postal	0.8	0.9	0.9	0.9	0.9	0.9	0.9	0.8	0.8
Other	2.1	2.0	1.9	1.9	1.9	2.0	1.9	1.9	1.9
State and local	16.5	16.7	16.9	17.1	17.5	17.9	18.4	18.7	20.3
Civilian labor force	132.3	134.0	136.3	137.7	139.4	142.6	143.8	144.9	162.3
Working age population	198.6	200.6	203.1	205.2	207.8	212.6	215.1	217.6	242.0
Labor force participation rate (%)	66.6	66.8	67.1	67.1	67.1	67.1	66.8	66.6	67.0
Civilian unemployment rate (%)	5.6	5.4	4.9	4.5	4.2	4.0	4.8	5.8	5.2
Addenda:									
Establishment employment	117.3	119.7	122.8	125.9	129.0	131.8	131.8	130.4	152.1
Military employment	1.5	1.5	1.4	1.4	1.4	1.4	1.4	1.4	1.5
Private nonfarm hours (bil.)	170.2	173.1	178.5	182.7	186.9	188.8	185.0	180.3	207.6
Private nonfarm workweek (hours)	33.2	33.1	33.3	33.3	33.3	33.1	32.6	32.5	32.7



**IX) PRODUCTIVITY, COSTS, AND PRICES**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
Chain-type price index, GDP (1996=100)	98.1	100.0	101.9	103.2	104.7	106.9	109.4	110.7	138.2
Private nonfarm business sector:									
Chain-type price index(1996=100), pri. nonfarm less housing	98.7	100.0	102.1	102.9	104.1	105.9	108.0	108.4	131.0
Unit labor cost	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.8
Compensation per hour (\$)	20.5	21.2	21.8	23.0	24.0	25.6	26.6	27.3	40.4
Output per hour (bil chain 96 \$)	32.8	33.6	34.3	35.2	36.0	37.0	37.8	39.1	47.9
Other factors affecting price inflation:									
Price of imported oil (nominal \$/barrel)	17.1	20.6	18.6	12.1	17.3	27.7	22.0	23.6	30.5
Price of farm output (implicit deflator, 1996=100)	85.6	100.0	85.2	80.4	69.6	64.6	70.5	68.0	71.7
Price of nonpetroleum imports (chain price, 1996=100)	104.4	100.0	96.0	92.6	91.1	91.6	90.4	88.6	117.1
Trade-Weighted Foreign Exchange Rate (Jan/1997=100)	92.5	97.4	104.4	116.5	116.9	119.9	126.1	127.2	94.9
Other factors affecting wage inflation:									
Unemployment gap (%)	-0.1	0.1	0.6	1.0	1.3	1.5	0.7	-0.4	-0.1
Expected wage inflation (%)	3.0	2.8	2.7	3.2	3.7	4.5	4.8	4.3	4.2
Expected price inflation (%)	2.2	1.9	1.9	1.7	1.6	1.5	1.6	1.3	2.2
Minimum Wage (\$/hour)	4.25	4.38	4.88	5.15	5.15	5.15	5.15	5.15	7.02
FICA cap, social security taxable wage limit (thous \$)	61.2	62.7	65.4	68.4	72.6	76.2	80.4	84.9	128.1
Government compensation per employee (thous \$/yr)									
Federal civilian	59.1	62.3	65.8	68.8	71.7	72.0	76.6	81.4	126.4
Federal military	52.9	56.9	58.5	59.7	62.0	63.5	66.5	70.7	102.4
State and local	31.7	32.6	33.8	34.8	35.6	36.9	38.2	39.2	56.4

**X) MONEY, RESERVES, AND INTEREST RATES**

	1995	1996	1997	1998	1999	2000	2001	2002	Projected 2012
<b>Money and Reserves (billions of dollars)</b>									
Money supply (M1)	1,142.6	1,105.9	1,069.3	1,079.9	1,101.5	1,103.4	1,136.6	1,190.3	1,644.4
Currency	375.3	390.6	417.8	449.7	494.2	531.0	563.4	617.1	902.9
Checkable deposits	767.4	715.3	651.5	630.2	607.3	572.4	573.2	573.2	741.6
Money supply (M2)	3,565.3	3,738.2	3,921.8	4,207.8	4,525.8	4,801.2	5,222.0	5,619.6	8,708.4
Nonborrowed reserves plus extended credit	57.4	52.8	46.9	45.3	42.7	39.8	41.0	40.0	52.2
Borrowed reserves, seasonal plus adjustment	0.2	0.2	0.3	0.2	0.2	0.4	0.4	0.1	0.1
Extended credit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Nominal Interest Rates (percent)</b>									
Federal funds rate	5.84	5.30	5.46	5.35	4.97	6.24	3.89	1.67	5.33
Discount rate	5.21	5.02	5.00	4.92	4.62	5.73	3.41	1.17	4.89
Prime rate	8.83	8.27	8.44	8.35	7.99	9.23	6.92	4.68	8.39
3-month T-bill yield	5.49	5.01	5.06	4.78	4.64	5.82	3.39	1.60	5.03
10-year T-note yield	6.58	6.44	6.35	5.26	5.64	6.03	5.02	4.61	6.25
30-year T-bond yield	6.88	6.70	6.61	5.58	5.87	5.94	5.49	5.42	6.64
AAA corporate bond yield	7.59	7.37	7.26	6.53	7.04	7.62	7.08	6.49	7.34
Mortgage rate (secondary)	7.95	7.81	7.60	6.94	7.43	8.06	6.97	6.54	7.74
<b>Real Interest Rates (percent)</b>									
Dividend-price ratio	2.50	2.16	1.76	1.48	1.25	1.16	1.33	1.62	2.18
Real federal funds rate	3.70	3.87	3.29	4.45	3.74	4.46	1.87	1.24	2.45
Real AAA corporate bond yield	5.37	5.49	5.33	4.85	5.47	6.12	5.47	5.22	5.18
<b>Rental Rates (percent)</b>									
Motor vehicles and parts	36.30	35.86	35.83	35.89	35.68	36.59	34.25	31.63	28.82
Other consumer durables	26.66	25.41	25.30	24.62	23.26	22.78	19.91	17.23	13.29
Single family housing	7.73	7.38	6.99	6.84	7.37	7.88	6.84	6.68	8.51
Multifamily housing	11.13	11.02	11.02	11.09	11.76	12.65	11.37	10.93	12.29
Producers' equipment, ex. computers and software	19.92	19.63	19.17	18.09	18.22	18.54	18.14	17.62	18.00
Nonresidential structures	9.57	8.71	7.19	5.94	6.51	7.22	6.45	7.32	10.65
Nonfarm inventories	4.80	8.09	9.60	10.48	7.19	4.89	6.34	4.62	4.67
<b>Addenda:</b>									
Effective 90-day T-bill rate (%)	5.77	5.24	5.30	4.99	4.84	6.12	3.52	1.64	5.27
Effective Federal funds rate (%)	6.10	5.52	5.69	5.58	5.17	6.53	4.03	1.70	5.55