RSQE
FORECASTS

Research Seminar in Quantitative Economics
The University of Michigan
Ann Arbor, Michigan 48109

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The Economic Outlook for 1994-5
Executive Summary

The Limping Expansion

In the 2 1/2 years following the trough of the 1990-91 recession, real output growth has averaged only 2.4 percent at annual rate, far below the 4 1/2-5 percent norm established by an average of the four preceding post-recession periods (the expansions beginning in 1961, '70, '75 and '82).

With such meager performance, the jobless rate climbed for the first year and a half after the recession trough and is only now back down to where it was in the early months of the recovery.

Starting to Jog Now?

Is the current expansion finally shifting into high gear -- for real? There certainly have been some encouraging signals recently:

- *Light vehicle sales began the '94 model year with an impressively strong sales rate in October -- at annual rate, 14.5 million cars and light trucks.*
- *September new home sales surged to a 7-year high, while both housing starts and existing home sales were at their highs for the year.*
- *Retail sales, excluding the automotive and inclusive building materials categories, registered an advance estimate up a pretty healthy 7/10 of one percent in the month of October. And,*
- *Manufacturing employment edged up in October, following 6 straight monthly declines.*

But there are a number of "on the other hands" as well:

- *Will household spending behavior remain strong despite the obvious continuation of concern about jobs? Or will October prove to be just another temporary spurt of consumption as in early and late '92 and in April and June of this year?*
- *State & local governments are facing increasingly tight budgets, and federal spending is still heading south.*
- *Nobody's got any net tax reductions to look forward to, while most high income/big spenders are certainly set for a net tax increase.*
- *And how strong can domestic production be if import growth heads up again while exports just limp along because of continued sluggishness abroad?*

More Like a Brisk Walk into the Middle of Next Year

We're not in the camp of the real optimists. There are simply too many economic negatives to be resolved before we would anticipate the economy sustaining a really vigorous expansion.

*Maybe **economic negatives** is a bit stronger than necessary. How about something as infelicitous as **economic non-positives** as a more apt description? Because we certainly do NOT expect the expansion to end any time soon.*

Indeed, we expect economic growth at an annual rate of about 2 3/4 percent in the current quarter, and a small step-down to a

over .....

growth rate of just under 2 1/2 percent for the first half of '94.

That's our evaluation of what the recent signs of strength will lead to between now and the middle of next year.

And Thereafter?

And then another year or so of more sluggish growth at a rate averaging a little under 2 percent from mid-1994 through the summer quarter of '95, before the growth rate starts heading back up again.

Why another sluggish stretch? The deepening bite of federal deficit reduction, the topping out of the growth of residential building activity as mortgage rates edge up, and tight control of inventory levels after a bit of a spurt coming into mid-'94.

Kind of a general so-so environment until the government drag weakens and export growth begins to benefit from developing strength abroad -- and those should both be kicking in before the end of 1995.

The speed-up could come sooner than late '95 if the Fed were inclined to be straight-out expansionary rather than just sort of neutral -- but, frankly, we doubt it.

Summarizing the Implications

- *Unemployment is expected to be lower a year and a half from now, but not much -- say, 6 1/2 percent during the late winter of '95, compared with 6.8 percent last month.*
- *Little likelihood of any serious inflationary problems developing from the macroeconomic conditions of the next couple of years, but we're not apt to stay near the rock-bottom rates of the past year.*
- *And expect some real progress on federal deficit reduction, with the deficit down to about $150 billion for fiscal '95 -- barring any bad news surprises stemming from health care reform.*

	Actual	RSQE Forecast		
	1992	1993	1994	1995
GDP (Billions of Current $s)	6038.5	6362.7	6654.3	6978.6
Real GDP (Billions of '87 $s)	4986.3	5122.8	5247.7	5352.6
% Change	2.6	2.7	2.4	2.0
Inflation (Private Nonfarm GDP Deflator, % Change)	2.6	2.3	2.0	2.8
Inflation (Consumption Deflator, % Change)	3.3	2.7	2.7	3.7
Civilian Unemployment Rate (%)	7.4	6.9	6.6	6.6
Capacity Utilization, Manufacturing (%)	78.8	80.7	81.2	81.2
Auto Sales (Millions)	8.4	8.7	8.9	8.9
Light Truck Sales (Millions)	4.4	5.1	5.1	5.3
Private Housing Starts (Thousands)	1208	1254	1406	1456
3-Month Treasury Bill Rate (%)	3.4	3.0	3.2	3.4
30-Year Treasury Bond Rate (%)	7.7	6.6	6.1	6.3
Real Disposable Income (Billions of '87 $s)	3632.5	3691.1	3765.0	3823.7
% Change	2.9	1.6	2.0	1.6
Corporate Profits Before Tax (Billions of Current $s)	395.4	441.1	459.3	483.6
Real Net Exports (Billions of '87 $s)	-33.6	-76.3	-101.9	-93.6
Current Account Surplus (NIPA Basis, Bill Curr $s)	-55.1	-98.0	-141.5	-151.8
Federal Deficit (FY, NIPA Basis, Bill of Curr $s)	271.4	236.7	164.7	150.1

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THE U.S. ECONOMIC OUTLOOK FOR 1994

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I. INTRODUCTION

This summer, as part of its established process of revising the national income and product account (NIPA) data to reflect the accrual of more complete information, the U.S. Department of Commerce announced that the economy had expanded a good deal more in 1992 than had previously been estimated. That is the case whether real GDP growth is measured for the calendar year as a whole, or on a "during the year" basis; thus:

Period	Real GDP Growth Estimated As Of		
	Aug. '93	July '93	Oct. '92
1991-92	2.6%	2.1%	NA
1991.4-92.4	3.9	3.1	NA
1991.3-92.3	2.6	2.1	1.9

As now estimated, production for all of calendar year 1992 was 2.6 percent larger than for calendar '91; well above the 2.1 percent estimated prior to the August data revision. On a 4th-quarter-to-4th-

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quarter basis, the production rate rose by 3.9 percent during 1992; not the 3.1 percent earlier published. And we include the last line of the table to show what we were up against exactly one year ago when the latest data then available were the NIPA estimates published in October. From that perspective too, 1992 was better than we thought. Indeed we had forecast (in November '91) a 1991.3-92.3 growth rate of 2.5 percent, and were attempting to explain an overprediction relative to the 1.9 percent then published for that period. The subsequent revision indicates that there was nothing to explain, that we had in fact been virtually right on target for last year's 3rd-to-3rd growth rate.

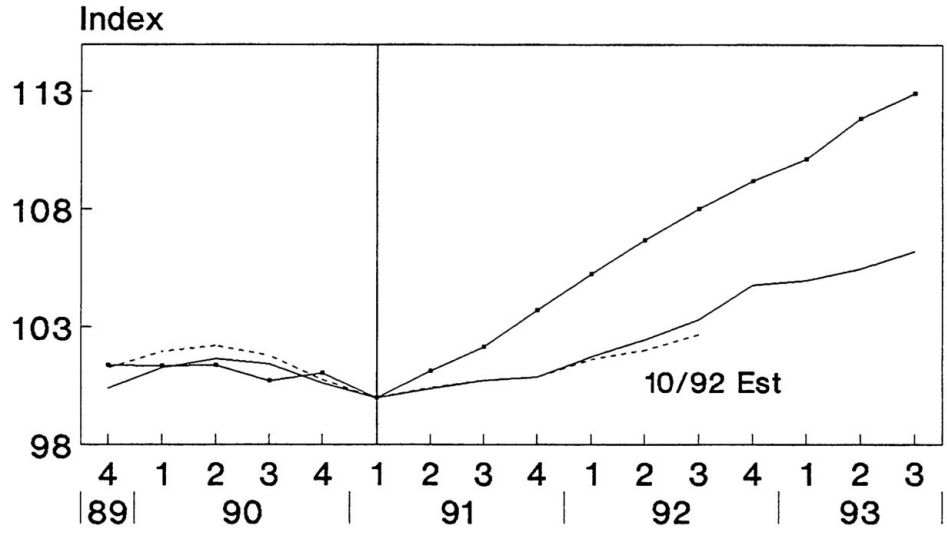
Does the upward revision of real GDP for 1992 do anything more than make us feel a bit better? If the revised data had been available a year ago, George Bush might have felt a bit better as well. But recall the story being told a year ago; namely, that the current recovery was lagging well behind normal U.S. experience in recovering from recession. In fact, just over a year ago, we began using what has come to be a very familiar chart purporting to show that lag in the current recovery. Has that story been changed by the revision of the 1992 data? Has it been changed by developments thus far in 1993 -- at least as now estimated?

As shown in the upper panel of Chart 1, the answer to both questions is quite clearly in the negative. If we'd had better GDP data a year ago, we would not have been telling a story about the current recovery that was any different at all in kind, and barely different in degree. The subsequent jump in production in the closing quarter of '92 would initially have been far more encouraging as it was enough to produce some noticeable closing of the gap between the current expansion and recent historical experience. But if the GDP data currently available for the first 3 quarters of this year are even reasonably accurate, they suggest that the enthusiasm which might have derived from year-end '92 would have melted away soon thereafter -- which is no different from what actually happened in the usual measures of consumer and business sentiment.

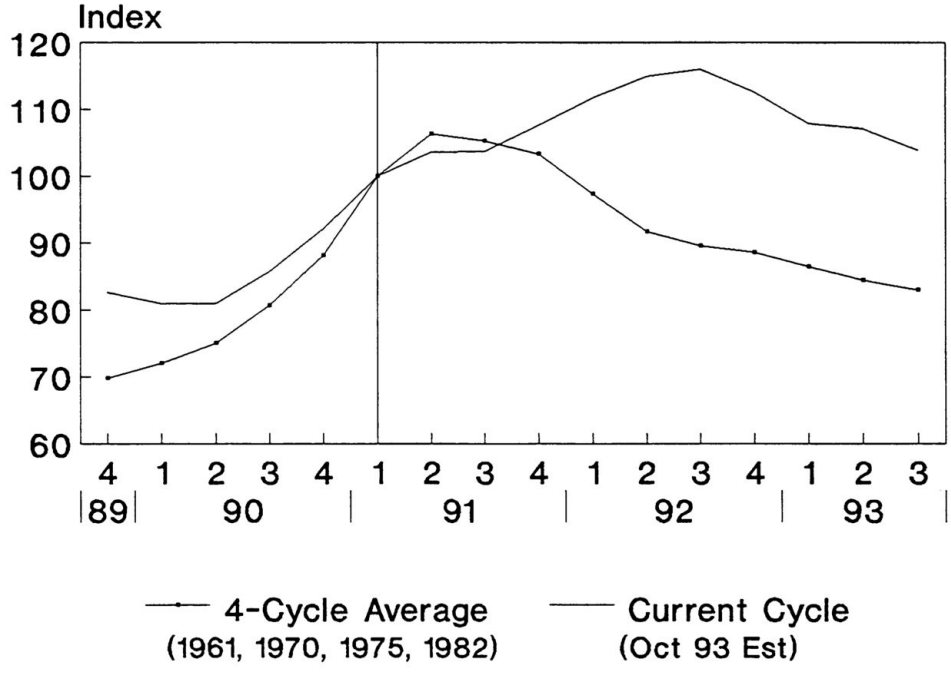
In point of fact, while economists may like to measure the tone of the economy by real GDP,

Chart 1: The Current Recovery-Still So Sluggish?

A. Real GDP



B. Civilian Unemployment Rate



"normal" people seem much more attuned to employment and unemployment data. The lower panel of Chart 1 compares the current cycle behavior of the unemployment rate with that of recent experience. If anything, the picture here is even more dramatic. The unemployment rate has typically risen for only one more quarter after output has begun to recover from a cyclical trough. In the current recovery, the unemployment rate continued to climb for another 6 quarters following the cyclical trough in output. This difference in behavior opened an enormous gap between current and historical experience, and there's been precious little gap-closing since the end of last year. It's little wonder that household attitudes about economic well-being, so obviously dependent on the outlook for satisfactory employment opportunities, continue weak.

But before we let this discussion turn us toward the outlook, we pause long enough to take stock of the quality of the forecast for 1993 presented a year ago.

II. REVIEW OF THE 1993 FORECAST

As near as we can now tell, last November's forecast of a 2.7 percent increase in real GDP for calendar 1993 was, to one decimal point, exactly correct. In fact, as shown in the bottom line of Table 1, it appears that both the March and August forecasts were less accurate in this aggregate sense than the November forecast -- but not by large amounts.

Chart 2 provides a good deal more information about the strengths and weaknesses of last year's forecast. As shown in Panel A, we underestimated the strength of production -- or real GDP -- in the closing quarter of last year, and closed the gap steadily over the next three quarters to wind up at essentially the right production level in 1993.3. And we now believe that the closing quarter of this year will show somewhat less growth than we had thought a year ago, implying that the forecast will wind up a bit high by year end.

Panel B switches the focus from aggregate production to aggregate final demand, as measured by real final sales (GDP less inventory investment). It's clear that both production and final demand

TABLE 1.
Review of Past Real GNP/GDP Forecasts
(Figures represent % change over the preceding year in real GNP from 1976 through 1991 and in real GDP beginning with 1992.)

	RSQE Forecast (% Change)			Observed
	Preceding November	March	August	
1971	3.3	3.8	2.9	2.9
1972	5.7	5.4	6.3	5.1
1973	7.1	7.2	6.2	5.4
1974	2.3	0.5	-1.1	-0.5
1975	-1.1	-2.3	-3.5	-1.1
1976	5.9	6.7‡	6.2	5.1
1977	4.3	4.9	5.2	4.6
1978	3.6	4.1	3.5	4.8
1979	2.0	2.8	1.5	2.8
1980	-0.3	0.3†	-1.4	-0.6
1981	1.4	1.6	1.8	1.6
1982	1.1	-0.1	-1.3	-2.3
1983	3.4	3.2	3.2	3.8
1984	6.5	6.2	7.2	6.0
1985	3.8	4.6	2.5	2.9
1986	2.9	3.3	2.4	2.8
1987	3.3	3.2	2.5	3.0
1988	2.9	2.3	3.8	4.0
1989	2.9	2.5	2.6	2.7
1990	2.7	2.5	1.1	1.3
1991	1.5	0.4	-0.1	-0.9
1992	2.2	1.6	1.7	2.6
1993	2.7	3.2	2.3	2.7*

† April of the year shown.

‡ June of the year shown.

* Estimated by RSQE as of November 1993.

TABLE 1A.
Review of Past Real GNP Forecasts
(Figures represent change in real GNP over the preceding year measured in billions of 1954 $s through 1965, billions of 1958 $s from 1966 through 1975, billions of 1972 $s from 1976 through 1985, billions of 1982 $s from 1986 through 1990.)

	RSQE Forecast			Observed
	Preceding November	March	August	
1953	13.0			15.5
1954	-4.5			-5.9
1955	4.4			29.6
1956	9.0			8.2
1957	9.1			7.7
1958	-2.9			-7.3
1959	9.0			27.2
1960	8.5			11.3
1961	7.4			7.8
1962	27.5			27.1
1963	14.1			15.9
1964	23.9			24.1
1965	15.8			30.8
1966	23.9	29.2†		40.3
1967	28.1	24.5†		17.1
1968	29.0	--		31.4
1969	6.1	20.9†		19.0
1970	13.5	6.3	-1.2	-3.1
1971	23.6	27.6	21.2	23.8
1972	42.1	40.0	46.9	46.2
1973	55.6	57.1	49.1	46.7
1974	19.3	4.5	-9.6	-18.0
1975	-9.4	-18.9	-28.8	-24.5
1976	70.3	79.7‡	74.3	70.7
1977	54.8	62.0	66.3	67.5
1978	47.8	54.8	46.6	58.7
1979	28.2	38.2	21.5	32.4
1980	-3.6	4.5†	-19.7	-4.4
1981	19.8	23.7	26.3	37.5
1982	16.9	-2.0	-18.8	-32.2
1983	50.7	46.4	47.6	54.7
1984	99.3	95.2	110.8	104.6
1985	62.3	74.7	41.6	54.9*
1986	106.0**	117.3	84.4	99.2
1987	123.2	115.8	93.2	127.4
1988	109.6	89.6	147.5	171.6
1989	114.7	101.1	104.4	100.8
1990	112.4	104.8	44.2	63.8

† April of the year shown.

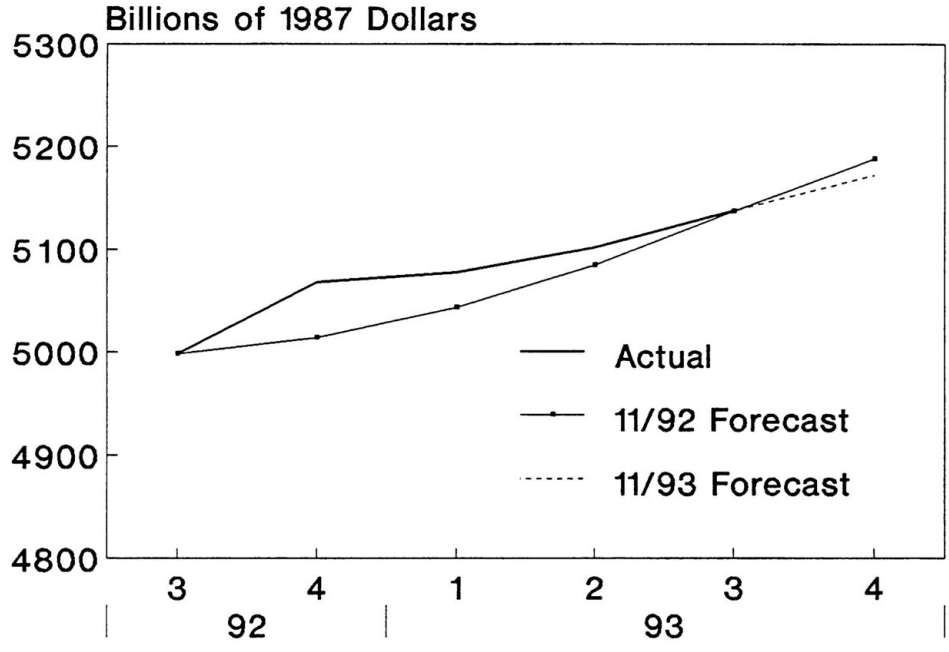
‡ June of the year shown.

* Obtained by applying 1985 growth rate (as of July 1988) to last published (November 1985) value of 1972 dollar real GNP for 1984.

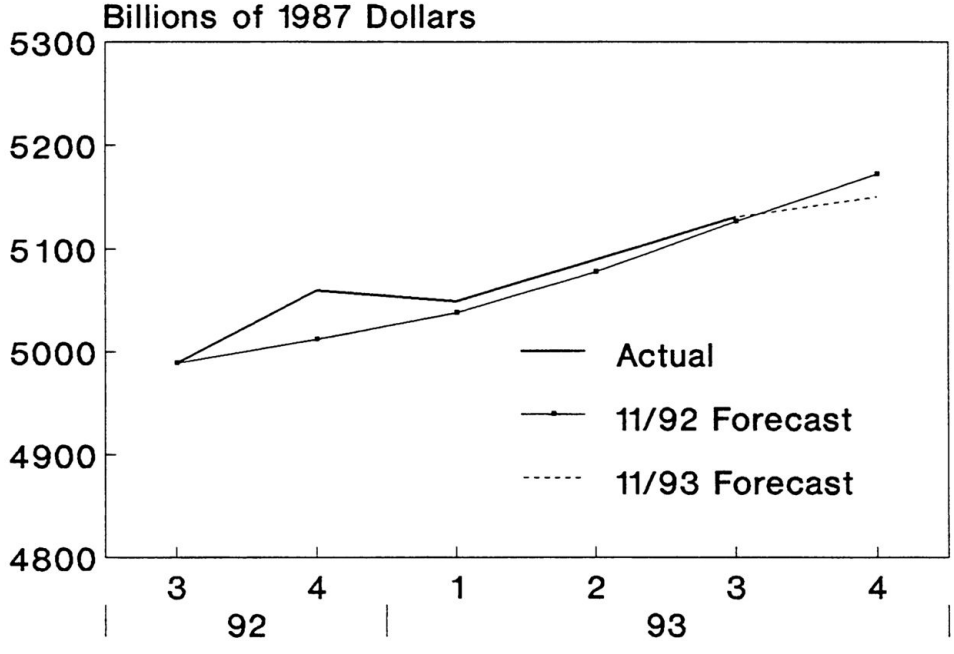
** Obtained by applying real GNP growth rate forecast by RSQE in November 1985 to the value of 1982 dollar real GNP for 1985 published in July 1988.

Chart 2: Review Of RSQE Forecast For 1993

A. Real GDP



B. Real Final Sales



rose sharply in 1992.4. Although the forecast missed the spurt in final demand growth in '92.4, it had closed nearly all of the gap by 1993.1 and remained little below the track of final demand through '93.3. As with production, we think the forecast will be a bit high for the closing quarter of this year. Panels A and B in combination imply that our forecast underestimated inventory investment during the early quarters of the year.

Chart 2 distinguishes well between final demand and production, but fails to provide any evidence about the component accuracy of the final demand forecast. Nor does it say anything at all about other indicators of economic behavior such as inflation, interest rates, the foreign balance, and so on. For an evaluation of these other aspects of the forecast, we turn to Table 2 which focuses primarily on changes predicted over the four quarter interval from 1992.3 through 1993.3. There is substantial detail in Table 2, and we shall confine our discussion to those factors that seem most important.

As already noted, over the four quarter interval 1992.3-93.3 our forecast underestimated real final sales growth by very little, in fact by only 6.7 billion 1987 dollars. As to the major components of real final sales, the forecast underestimated the strength of consumption (especially nondurables and services), imports, and business fixed investment; and overestimated the strength of residential construction, government purchases (mostly federal nondefense purchases), and exports.

Our error in underestimating the rise in consumption reflects mostly a corresponding error in underestimating real disposable income, as we were quite accurate in our forecast of the consumption/income ratio. And our underestimate of real disposable income was *primarily* the result of having forecast too much of an increase in consumer prices. This, indeed, was a fundamental error in the '93 forecast; we simply missed on the degree to which inflationary pressures would continue to recede during this year.

Our underestimate of import growth reflects our underestimate of the strength of the U.S.

TABLE 2.
Review of RSQE Forecast for 1993

	Level 1992.3*	1992.3–1993.3		
		Forecast	Actual*	Forecast Error
CHANGES				
Real GDP and Components (Bill '87 $s)				
GDP	4998.2	137.0	139.8	2.8
Final Sales	4988.6	135.5	142.2	6.7
Consumption, Nondurables and Services	2891.9	46.3	83.0	36.7
Consumption, Durable Goods	459.0	27.7	34.0	6.3
Business Fixed Investment	533.9	25.0	59.5	34.5
Residential Construction	196.2	39.6	15.0	-24.6
Exports	579.3	25.2	12.2	-13.0
Imports	621.8	33.8	49.7	15.9
Government Purchases	950.2	5.3	-11.8	-17.1
Prices (% Change)				
Private Nonfarm Compensation per Hour		3.1	3.2	0.2
Private Nonfarm GDP Deflator		3.0	2.4	-0.6
Personal Consumption Deflator		4.1	2.7	-1.4
Exchange Value of U.S. Dollar		4.8	14.4	9.7
LEVELS IN TERMINAL QUARTER				
Civilian Unemployment Rate (%)	7.54	7.14	6.75	-0.39
3-Month Treasury Bill Rate (%)	3.08	3.65	3.00	-0.65
Corporate Aaa Rate (%)	7.98	8.10	6.89	-1.21
Conventional Mortgage Rate (%)	8.01	8.32	7.08	-1.24
Ratio, U.S. to Foreign Short Term Interest Rate	0.36	0.42	0.50	0.08
Current Account Surplus (NIPA, Bill $s)	-59.4	-105.2	-99.5	5.7
Car and Light Truck Sales (Millions, AR)	12.6	13.86	13.56	-0.30
Consumption as % of Disposable Income	92.4	93.5	93.6	0.1

* Based on published data available as of early November 1993.

dollar, a part of which, in turn, reflects our error in forecasting the ratio of U.S. to foreign short term interest rates. We expected U.S. rates to rise relative to foreign rates during the year, but the rise that occurred was much larger than we had anticipated. As a result of that and factors not yet entirely clear to us, the U.S. dollar rose by more than 14 percent from 1992.3 to 1993.3. The stronger dollar, in combination with a slower than anticipated recovery of the economies of some of our major trading partners, explains our overestimate of export strength.

Finally, we were too high on the level of interest rates; 65 basis points high on the 3-month T-bill by 1993.3, but more than 120 basis points high in our long rate forecasts. And noting that interest rates are among the more difficult variables to forecast provides us with a convenient transition to a discussion of the current state of the economy.

III. THE CURRENT STATE OF THE ECONOMY

The press spin on macroeconomic news these days seems to be distinctly positive. The November 15th issue of Business Week (p.27) suggests that "Real GDP seems capable (sic) of growing at a 4% rate" in the current quarter, and that "the economy's latest tea leaves look undeniably upbeat." They even suggest further that key elements of domestic demand "began the fourth quarter on a high plane with no apparent loss of momentum." Regardless of the fun that William Safire might well have with these statements, their meaning is clear enough: Business Week believes the economy is moving along at a very brisk pace right now. What's the evidence?

- Light truck sales hit an all time high in October, and car sales for the month were at a near-high for this year.

- In September, new home sales shot up to a 7-year high, while both existing home sales and housing starts were at their highs for the year.

- The Purchasing Managers's index rose from 49.7% in September to 53.8% in October, an indicator of expanding activity in manufacturing.

- The October employment release provided a bit of encouragement along the same lines by

noting that "manufacturing employment stabilized after a half year of declines" and that there were "notable gains" in construction employment, along with the usual gain in service sector jobs.

While these are impressive clues, they can't by themselves guarantee a quarter of 4 percent or better economic growth. There are still plenty of "on the other hands" to be concerned about:

- How strong will consumption turn out to have been in October, excluding vehicle purchases? Real consumer spending showed only moderate gains in August and September, and while the big retailers hardly seemed to register a particularly strong month in October, the preliminary retail sales estimtes for October were much more upbeat.

- How strong will domestic production be if imports resume strong growth, while exports just limp along because of continued sluggishness among some of our major trading partners?

- State and local governments are facing increasingly tight budgets, and federal spending is still heading south.

- Nobody's got any net tax reduction to look forward to in the coming months, while most high income/big spenders are certainly set for a net tax increase.

How does all this net out? Our processing of these and other factors through our econometric model produces a fourth quarter growth rate of about 2.7 percent, not the 4 percent expected by Business Week, and not quite the 3.3 percent consensus in the Blue Chip Economic Indicators for November.

As Table 3 indicates, we expect a 2.7 percent rate of growth this quarter to be followed by a 2.4 percent growth rate in the first quarter of next year. Apparently, that places us among the relative pessimists for the turn-of-the-year period. While we are confident that economic growth will continue, we anticipate a moderate pace averaging only slightly better than the 2.4 percent average registered during the 2 1/2 years since the end of the 1990-91 recession. That is, of course, enough to keep the unemployment rate edging down, but not enough to stoke any inflationary fires over the

TABLE 3.
The Current State of the Economy and the RSQE Forecast for 1993.4–1994.1
(Billions of 1987 Dollars, SAAR, Unless Otherwise Indicated)

	1993				1994	Calendar Year	
	I	II	III	IV	I	1992	1993
Real GDP and Components							
Real GDP	5078.2	5102.1	5138.0	5172.7	5203.3	4986.3	5122.8
(% Change, AR)	(0.8)	(1.9)	(2.8)	(2.7)	(2.4)	(2.6)	(2.7)
Real Final Sales	5048.9	5089.1	5130.8	5150.0	5175.4	4979.8	5104.7
(% Change, AR)	(−0.8)	(3.2)	(3.3)	(1.5)	(2.0)	(2.3)	(2.5)
Consumption	3403.8	3432.7	3467.9	3492.4	3513.0	3341.8	3449.2
(% Change, AR)	(0.8)	(3.4)	(4.2)	(2.9)	(2.4)	(2.6)	(3.2)
Producers' Durable Equipment	414.1	433.2	442.6	451.7	458.5	378.6	435.4
Nonresidential Construction	148.2	151.1	150.8	149.4	149.1	150.6	149.9
Residential Construction	211.4	206.2	211.2	215.1	220.0	197.1	211.0
Inventory Investment, Nonvehicle	13.9	17.8	13.9	22.2	25.4	5.3	17.0
Inventory Investment, New Vehicle	15.4	−4.8	−6.6	0.5	2.5	1.2	1.1
Net Exports	−59.9	−75.2	−80.1	−90.1	−96.8	−33.6	−76.3
Exports	588.0	593.2	591.5	596.6	605.4	578.0	592.3
Imports	647.9	668.4	671.5	686.7	702.2	611.6	668.6
Government Purchases	931.3	941.1	938.4	931.5	931.6	945.2	935.6
GDP Deflator (1987=100)	123.3	124.0	124.5	125.0	125.7	121.1	124.2
(% Change, AR)	(3.6)	(2.3)	(1.6)	(1.6)	(2.2)	(2.9)	(2.6)
Current Dollar GDP (Bill $s)	6261.6	6327.6	6396.3	6465.1	6538.8	6038.5	6362.7
Addenda							
Civilian Unemployment Rate (%)	7.01	6.96	6.75	6.70	6.64	7.40	6.86
3-Month Treasury Bill Rate (%)	2.96	2.97	3.00	3.08	3.16	3.43	3.00
30-Year Treasury Bond Rate (%)	7.08	6.86	6.32	6.15	6.08	7.67	6.60
Aaa Corporate Rate (%)	7.73	7.41	6.89	6.90	6.81	8.14	7.23
Conventional Mortgage Rate (%)	7.73	7.45	7.08	7.05	7.07	8.40	7.33
Exchange Value of the Dollar	93.3	90.9	93.7	94.5	95.0	86.6	93.1
(% Change, AR)	(23.3)	(−9.9)	(12.8)	(3.4)	(2.2)	(−3.4)	(7.4)
Auto Sales (Millions)	8.4	9.0	8.6	8.8	8.8	8.4	8.7
Light Truck Sales (")	4.9	5.2	5.0	5.2	5.0	4.4	5.1
Private Housing Starts (Thousands)	1158	1234	1299	1325	1365	1208	1254
Current Account Deficit (NIPA Basis, Bill $s)	77.6	95.4	99.5	119.5	130.1	55.1	98.0
Federal Deficit (NIPA Basis, Bill $s)	263.5	222.6	196.4	182.5	166.5	271.4*	236.7*

* Fiscal years

next half year.

We expect interest rates to remain low and therefore favorable to continued expansion in the interest sensitive sectors of the economy. There's no reason to expect the Federal Reserve to be tightening in the near term. And the recent jump in long term interest rates will, we believe, turn out to have been a temporary aberration. We're suggesting that the better economic news of late October and early November was initially interpreted far too favorably by participants in the financial markets. There's simply no reason to justify any sudden worsening of long term inflationary prospects, nor, therefore, to sustain any upward pressure on long term interest rates.

The bright spots in GDP growth for 1993.4-94.1 are expected to be:

- Residential construction activity, with housing starts at 1365 thousand units in the first quarter of next year, and sales of homes and furniture and household equipment running strong.

- Sales of cars and light trucks backing off from the torrid pace in October, but sustaining sales rates at or near 14 million units, compared with an average of 13 2/3 million during the first 3 quarters of this year, and only 12.8 million units for all of 1992.

- Continued growth in business purchases of producers' durables, especially high-tech computer and communications products.

In all of these cases, the favorable interest rate/credit availability picture plays an important role. The factors that can be expected to push down on the growth rate are a contracting government sector, net exports, and nonresidential construction. In the latter case, more favorable financing conditions simply aren't enough to overcome the negatives deriving from regional pockets of overbuilt commercial and industrial properties.

The recent firming of the dollar as foreign interest rates have fallen relative to our own, along with better rates of expansion here than abroad, will combine to push imports up faster than exports during 1993.4-94.1, and that implies that net exports will be a drag on domestic growth as well.

Finally, as shown in the bottom line of Table 3, the federal deficit is expected to be declining quite noticeably as we move into fiscal '94 -- that's the Clinton deficit reduction package passed in August beginning to bite. And it can't happen without exerting some drag on the economy in the near term. That said, it leads us into a more complete discussion of the budgetary and other input assumptions needed to produce the forecast for 1994-95.

IV. INPUTS TO THE FORECAST: FISCAL POLICY

In early August, President Clinton and the Congress managed, if only barely, to deliver a substantial deficit reduction package. The narrowly approved budget plan includes scaled back versions of most of the president's proposals -- except for the stimulus program and the temporary investment tax credit which were rejected entirely. Compromises required to secure even the slimmest majority also reduced some of the proposed tax increases, scaled back some of the social and investment program initiatives, and required deeper cuts in entitlement spending.

Revenue components of the compromise budget plan include:

- A personal income tax rate increase to 36 percent for high income tax payers, those with taxable income above $140,000 on a joint return, and a 10 percent surtax on taxable income over $250,000 -- all retroactive to the first of this year as originally intended by the president, with the retroactive liability payable over 3 years;

- An increase for wealthier retirees from 50 to 85 percent in the portion of Social Security benefits subject to income tax;

- Removal of the cap on wages subject to the Medicare payroll tax;

- A corporate tax rate increase from 34 to 35 percent on profits above $10 million, targeted investment incentives, reduction or elimination of a variety of corporate deductions, and higher taxes on foreign earnings; and

- A 4.3 cents per gallon increase in the tax on motor fuels.

On the expenditure side, the budget agreement prescribes spending reductions in defense,

nondefense, and entitlement programs, but includes a small expansion in the earned income tax credit (effective with the filing of income tax returns for 1994) and a package of initiatives directed primarily toward infrastructure improvements, education, and training.

While the August 1993 budget agreement is projected to make a substantial dent in the deficit, it by no means completes the attack on the budget shortfall. A fundamental change in health care policy will also be required to keep the deficit from ballooning again in the late 1990s. Debate of health care policy reform issues will occupy center stage during the coming year as Congress and the public respond to the Clinton administration proposals. Our control forecast incorporates the altered revenue and spending policies embodied in the 1993 budget agreement, but it does not include tax or spending changes that may be enacted to reform the health care delivery system in the United States.

Table 4 presents the details of the federal budget implied by our fiscal policy assumptions in the context of our economic forecast. On a National Income and Product Account (NIPA) basis, total federal expenditures are projected to increase by 2.4 percent in fiscal 1994 and by 4 percent in fiscal '95, compared to the 3.5 percent increase now reported for fiscal 1993.

Defense spending, which decreased by 1.6 percent in fiscal 1993, is projected to decline somewhat more steeply in each of the next two fiscal years, by 4.4 percent in fiscal '94 and by 3.2 percent in fiscal '95. Measured in constant (1987) dollars, defense spending increased by an average 5.3 percent per year from fiscal 1980 to fiscal '88 and then declined by 3 percent per year from fiscal '88 to fiscal '93. Real defense spending is projected to decline by 6.7 percent per year from fiscal '93 to fiscal '95, so that in constant dollar terms, defense spending in fiscal '95 is projected to be at the same level as it was in fiscal '82.

Nondefense purchases, excluding the Commodity Credit Corporation (CCC) inventory change, are projected to increase by 1.7 percent in fiscal '94 and by 3.1 percent in fiscal '95, following a 4.2

TABLE 4.
Federal Government Expenditures in the National Income and Product Accounts
(Billions of Dollars)

	Actual	RSQE Projections	
	Fiscal[1] 1993	Fiscal[2] 1994	Fiscal[2] 1995
Federal Government Expenditures	1484.6	1520.3	1581.8
(% Change)	(3.5)	(2.4)	(4.0)
Purchases of Goods & Services	446.2	433.6	430.4
National Defense	307.6	294.0	284.6
(% Change)	(−1.6)	(−4.4)	(−3.2)
Nondefense	138.6	139.6	145.7
Commodity Credit Corporation Inventory Change	−0.3	−1.8	0.0
Other Nondefense	139.0	141.4	145.7
(% Change)	(4.2)	(1.7)	(3.1)
Transfer Payments	645.1	673.7	716.8
Unemployment Benefits	35.4	33.9	34.5
Grants−in−Aid to State and Local Governments	179.6	196.1	213.7
Net Interest Paid	181.1	185.8	192.4
Subsidies Less Current Surplus of Government Enterprises	32.5	31.0	28.5
Federal Receipts	1247.8[3]	1355.6	1431.7
(% Change)	(7.3)	(8.6)	(5.6)
Surplus (+) or Deficit (−)	−236.7[3]	−164.7	−150.1

1. Data for fiscal 1993 are from the Survey of Current Business, October 1993.
2. RSQE projections and Control Forecast for fiscal years 1994 and 1995.
3. The receipts and deficit components for 1993.3 are RSQE projections.

percent increase in fiscal '93. Measured in constant (1987) dollars, (non CCC) nondefense purchases declined at a yearly rate of 1.2 percent from fiscal '80 to fiscal '84 and then increased by 3.3 percent annually from fiscal '84 to fiscal '93. The projected increase in real (non CCC) nondefense purchases assumed in our forecast is a meager 1/10 of one percent per year from fiscal '93 to fiscal '95.

Without changes in health care policy but with the belt tightening measures included in the August deficit reduction compromise, transfer payments are forecast to rise by $28.6 billion in fiscal '94 and by $43.1 billion in fiscal '95, following a $39.2 billion increase in fiscal '93. These movements include social security benefit increases of 2.6 percent and 2.9 percent, respectively, in calendar years 1994 and '95, following a 3 percent increase in 1993.

Grants-in-aid to state and local governments, which increased by $11.8 billion in fiscal '93, are projected to rise by $16.5 billion in fiscal '94 and by $17.6 billion in fiscal '95.

In the context of the economic growth path in our forecast and with the tax policy changes enacted in the budget agreement, total federal receipts are forecast to increase by 8.6 percent in fiscal '94 and by 5.6 percent in fiscal '95, following an estimated 7.3 percent increase in fiscal '93.

The bottom line is a NIPA basis federal deficit which drops substantially from an estimated $237 billion, 3.8 percent of GDP, in fiscal '93 to $165 billion in fiscal '94. A further improvement to $150 billion, 2.2 percent of GDP, is forecast for fiscal '95.

State and local spending on goods and services has been on the slow track for the past two years, registering increases of just 4.3 percent for each of fiscal '92 and '93, considerably below the 7.2 percent average annual increase posted during the previous five fiscal years. With state and local budgets still tight, on average, across the nation, we project that state and local purchases will increase by 4.8 percent in fiscal '94 and by 5.3 percent in fiscal '95, only slightly larger increases than those recorded in the past two fiscal years.

V. Inputs to the Forecast: Monetary Policy

One of the arguments President Clinton presented in his search for support for his budget proposals was that a substantial reduction in the deficit path would result in lower interest rates. The Federal Reserve has also long argued that it would facilitate interest rate reductions when and if serious deficit reduction measures were undertaken. While the output loss expected to accompany the federal budget package provides an argument for a compensating monetary stimulus, the extent, and even the direction, of Fed actions from here on would also be expected to depend on the economy's initial conditions, including the interest rate levels already attained, the projected trajectory of output and employment growth, and the accompanying inflation outlook. A brief review of Federal Reserve policy since mid 1990 and the concurrent interest rate and inflation history thus provides a context for consideration of projected Fed policy.

During the second half of 1990, as the economy slipped into recession, the Fed adopted an expansionary monetary policy and continued that policy in a series of steps that contributed to a 500 basis point decline in short term rates from mid 1990 to late 1992. Since October 1992, short term rates have moved in a narrow band near 3 percent, the lowest level since early 1963. While long term rates have also moved down, the decline through late 1992 was much smaller, ranging from about 120 basis points for the 30-year treasury bond rate to over 200 basis points for the conventional mortgage rate. During the past year, however, with short term interest rates sitting still, long term rates have declined substantially, so that third quarter '93 averages were another 100 basis points or so below those of a year earlier.

The developing likelihood of serious deficit reduction combined with a sustained decline in inflation to produce the further decline in long term rates over the past year. Core inflation, as measured by the increase in the private nonfarm GDP deflator, averaged 4.2 percent at annual rate from the fourth quarter of '87 through the fourth quarter of 1990, but dropped to 3.2 percent during 1991, to 2.5 percent during '92, and to 2.1 percent at annual rate during the first three quarters of

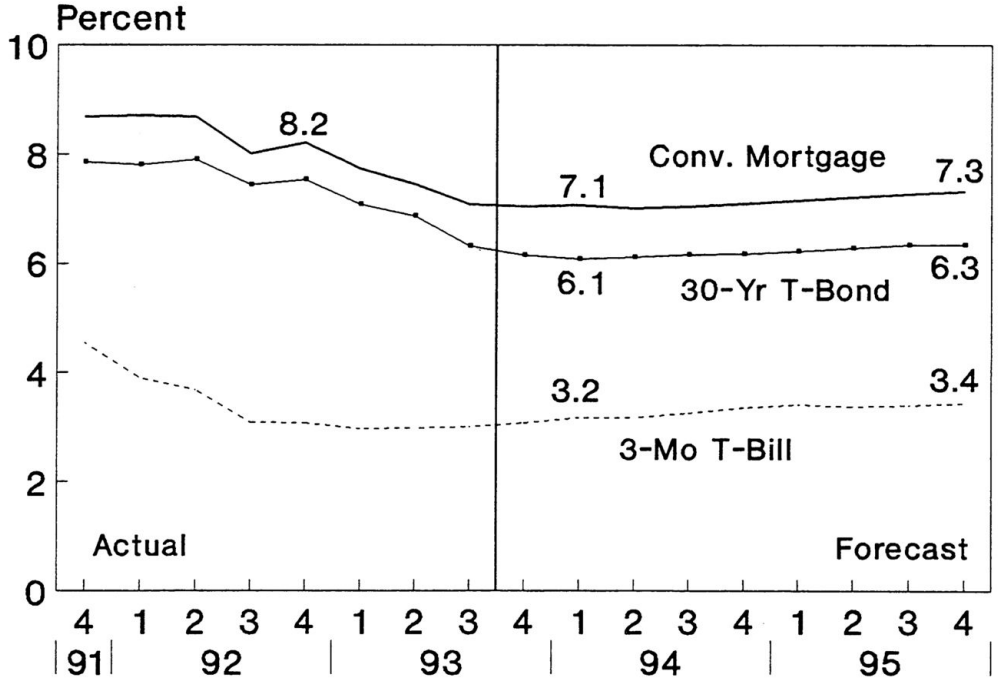
1993. Consumer price inflation, as measured by the increase in the personal consumption deflator, also declined, moving from 5 percent annually during the late '87 to late '90 period to a considerably lower 3.3 percent annually during each of the next two years ('91 and '92) and then improving further to 2.3 percent at annual rate during the first three quarters of '93.

With interest rates, not only those at the short end but now also long term rates, already low and with quite acceptable recent inflation behavior, we anticipate that for the near term the Fed will be guided by output and employment growth. Even with the federal belt tightening, our and most other forecasts indicate that output growth can proceed at a moderate rate during 1994, with the unemployment rate edging down, without an additional boost from monetary policy -- and that, we believe, eliminates any possibility of a more expansionary monetary policy for the time being.

Alternatively, is it likely that the Fed might tilt the other way and begin to put upward pressure on interest rates? We think not. The moderate growth and slow improvement in the unemployment rate anticipated during 1994 is hardly consistent with a build up of further inflationary pressure in the near term, nor should such moderate economic progress hype expectations of future inflation. Hence we are assuming that the Fed will indeed adopt a neutral stance, holding the discount rate at its current 3 percent level throughout the forecast horizon and allowing the monetary base to grow by 6.5 percent during 1994 and by 5 percent during '95.

Chart 3 shows the effect on interest rates of our monetary policy assumptions and the accompanying economic growth path. Under the assumption of a neutral monetary policy stance, various short term rates drift up by about 25 to 40 basis points from late '93 to late '94 and by 10 to 20 basis points during 1995, with the 3-month treasury bill rate edging up to 3.4 percent by the end of 1995. As already noted, we expect the early November blip up in long term rates to prove to have been a temporary response to inflation jitters and possibly to a desire to lock in profits from the earlier substantial decline in long term rates. Long term rates are forecast to remain at or below current levels through 1994 and then to drift up by about 20 basis points during 1995, with the 30-

Chart 3: RSQE Forecast For 1994-95 Interest Rates



year treasury bond rate moving to 6.3 percent and the conventional mortgage rate to 7.3 percent by late 1995.

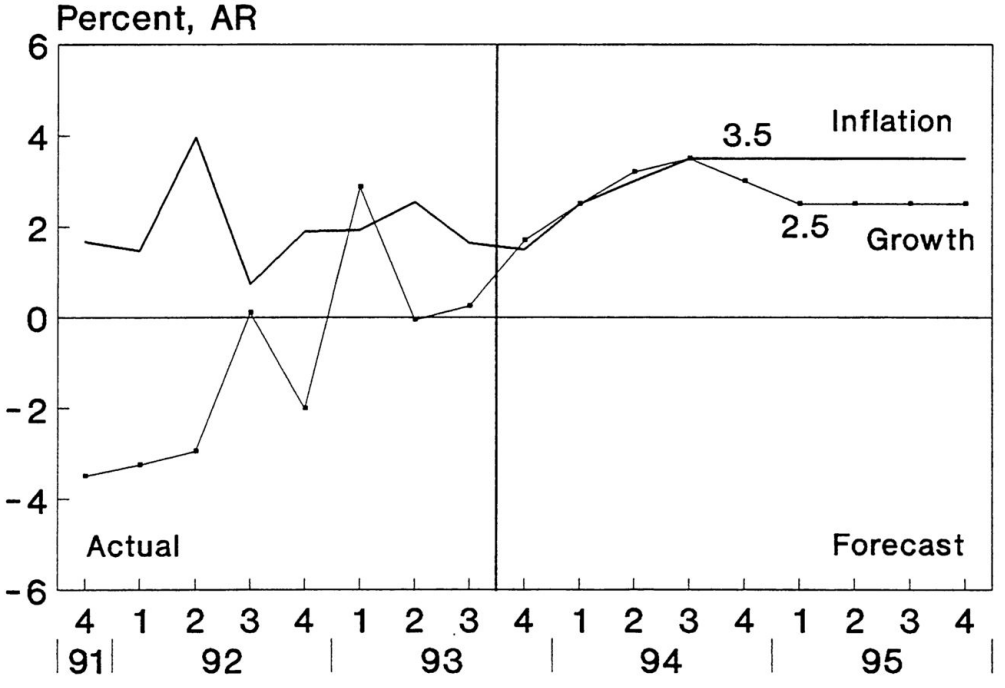
VI. Foreign Sector Inputs and International Considerations

We turn now to consideration of foreign sector inputs to our forecast. Chart 4 presents the projected paths of the aggregate economic growth and inflation rates of our major trading partners. Their economic recovery has lagged considerably behind ours. We measure their economic output with a weighted average of the indexes of industrial production for Canada, Japan, the U.K., and Germany. By this measure, the economic output of our major trading partners increased by only 2/10 of one percent during the one year period from the third quarter of '92 to the third quarter of '93. That meager performance followed a decline of 2.4 percent during the previous 12 month period and a decline of 9/10 of one percent during the year before that (1990.3-1991.3). We are assuming that the economies of our major trading partners have now, in the aggregate, finally hit bottom and that their economic output will be expanding during the forecast horizon, with their aggregate growth rate accelerating to 3.5 percent at annual rate in mid to late 1994 before settling back to a sustainable 2.5 percent pace.

Foreign inflation, measured by the annualized rate of increase of a weighted average of the consumer price indexes for the same four trading partners, has averaged just 2 percent at annual rate during the past seven quarters. We expect foreign inflation to remain moderate during the coming months, but gradually to increase to a 3.5 percent annual rate by mid 1994 as economies abroad strengthen.

Oil prices, as measured by the benchmark West Texas intermediate crude price, declined by about $3 to under $18 per barrel between early May and September as OPEC production outstripped demand. We are assuming that the agreement reached by OPEC members in late September will manage to keep production roughly in line with demand, so that oil prices are projected to stabilize

Chart 4: RSQE Foreign Sector Inputs
Growth & Inflation Rates



in the $17-18 per barrel range during the final quarter of this year and then to grow at a three percent annual rate during 1994 and '95.

Foreign short term interest rates (weighted average, G-10 countries) have declined by 270 basis points during the past year as a number of nations sought to stimulate their weak economies, while U.S. short term rates have been virtually constant. We expect foreign short term rates, on average, to decline by about another 10-20 basis points through mid '94 before stronger economic growth abroad begins to exert upward pressure resulting in a small increase in foreign short term rates relative to U.S. rates in the latter half of 1994.

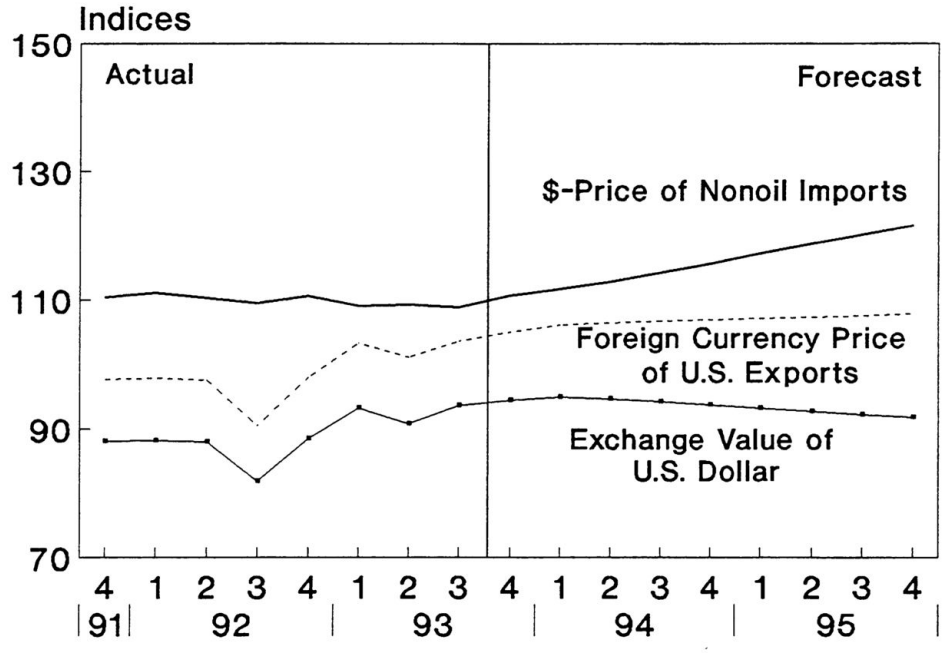
The considerable decline in foreign rates relative to U.S. rates has contributed to a run up in the value of the dollar. The trade-weighted exchange value of the dollar, relative to the same G-10 countries, climbed by more that 14 percent from the third quarter of '92 to the third quarter of '93 despite the dramatic decline in the value of the dollar relative to the yen. The exchange value of the dollar continued its upward drift during October. We expect the value of the dollar to stabilize at about its current level and to remain at that level through early '94. Thereafter, we are forecasting that the value of the dollar will decline at about a 2 percent annual rate from mid '94 through 1995.

The dollar price of U.S. exports is forecast to increase slightly faster than the exchange value of the dollar declines, so that the foreign currency price of U.S. exports rises slowly from early '94 through late '95. With our forecast of dollar depreciation after early '94 and our assumptions regarding foreign inflation, the dollar price of our nonoil imports is forecast to increase by 4.5 percent during 1994 and by 5.1 percent during 1995. The net result is a growing price advantage for U.S. goods, as is shown by the widening gap between the import and export price curves in panel A of Chart 5.

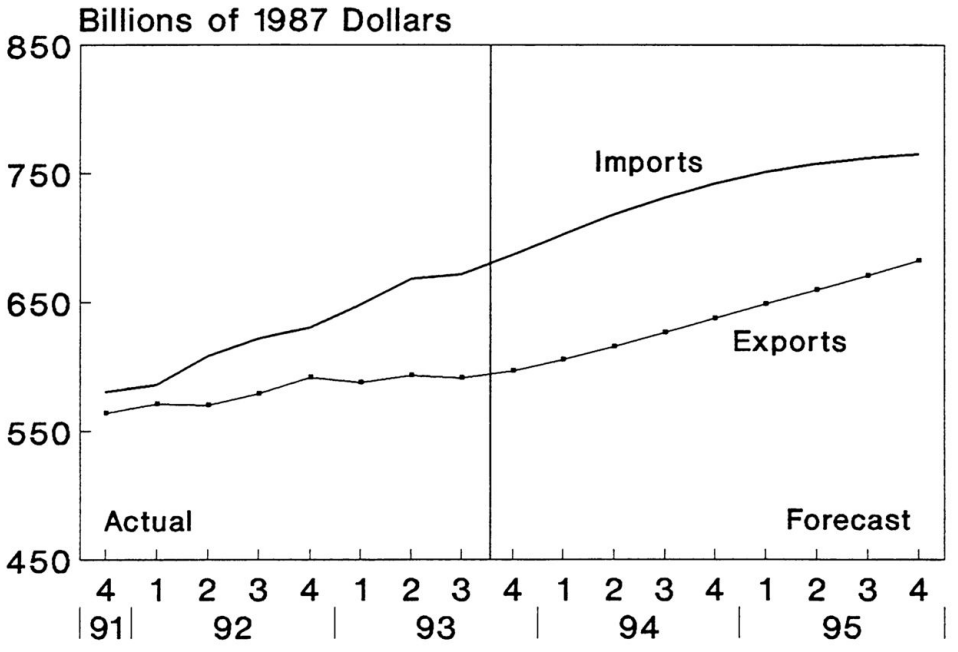
Before turning to a detailed discussion of our forecast, we consider the implications of our

Chart 5: RSQE Forecast For 1994-95

A. Foreign Sector Prices



B. Real Trade Flows



foreign sector input assumptions for real trade flows. Panel B of Chart 5 shows the forecast paths of real exports and imports. With the appreciation in the value of the dollar and the persistent weakness in the economies of our foreign trading partners, real net exports have shown no net growth during 1993. With the dollar remaining high relative to European currencies through mid '94 and with the economies of our major trading partners just beginning to improve, real import growth is forecast to outpace real export growth through late '94. Thereafter, as real exports respond to the improvement in the economies of our trading partners, and both real imports and exports respond to the growing price advantage for U.S. goods, real net exports improve steadily during 1995.

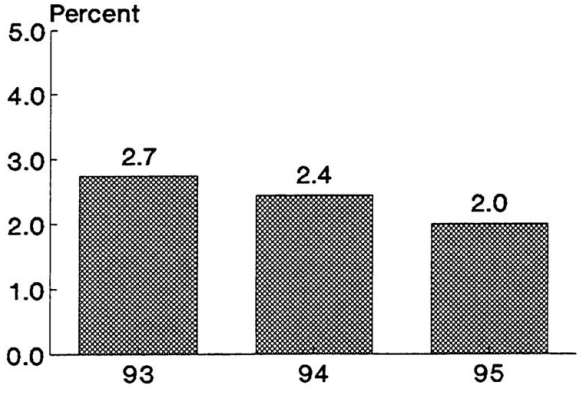
VII. OVERVIEW OF THE RSQE FORECAST FOR 1994-95

Charts 6 and 7 present a summary of the major variables in our forecast, on a calendar year basis. As the first panel of Chart 6 indicates, we are forecasting a pattern of decelerating economic growth for the next two calendar years -- 2.4 percent growth for '94, followed by only 2 percent growth for 1995. Growth at 2.4 percent next year is enough to drop the unemployment rate to an average of 6.6 percent, but that is barely below October's reading of 6.8 percent. And no further gain in reducing unemployment would be expected for calendar '95 with the economy producing only 2 percent more output in '95 than in '94. This is certainly a sluggish expansion scenario, but, given the restrictive fiscal policy in place and the neutral monetary policy we anticipate, that's all that can be expected.

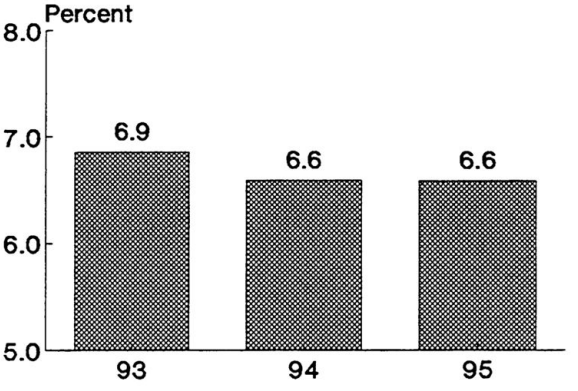
If that's the relatively bad news, the relatively good news is contained in the lower panels of the chart. Inflation is forecast to remain under control, though not at the rock-bottom rates experienced over the past year. With the economy continuing to expand, unemployment edging down through next year, raw materials prices firming up, and interest rates no longer declining, price increases can be expected to return to more sustainable rates; and that appears to be just under 3 percent for core industrial (or private nonfarm) prices, and just under 4 percent for consumer prices. The key to any fundamental reduction of that stubborn gap is in figuring out how to keep a lid on the rise of

Chart 6: RSQE Forecast Overview For 1994-95

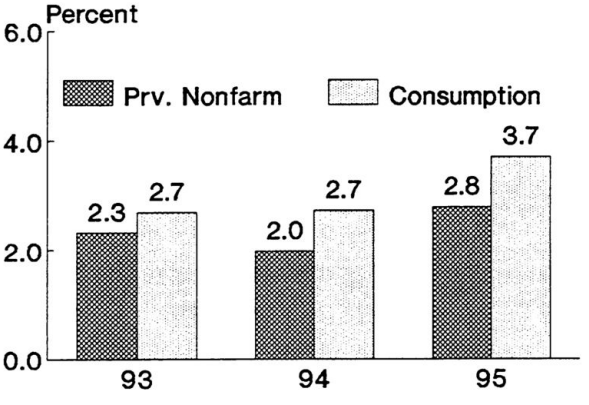
A. Growth Of Real GDP



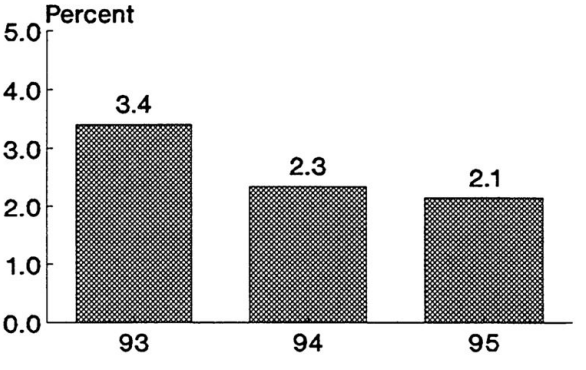
B. Civilian Unemployment Rate



C. Rates Of Price Inflation



D. Federal Deficit As A % Of GDP (CY Basis)



prices in the service sector, especially health care costs which are a major source of the high inflation in service prices. Health care cost containment is, of course, a centerpiece of the Clinton health care plan. But we are as yet so far from knowing the details and dimensions of any health care packages that are really apt to come to the stage of a vote in the Congress, that we simply haven't incorporated any new health plan in our Control Forecast.

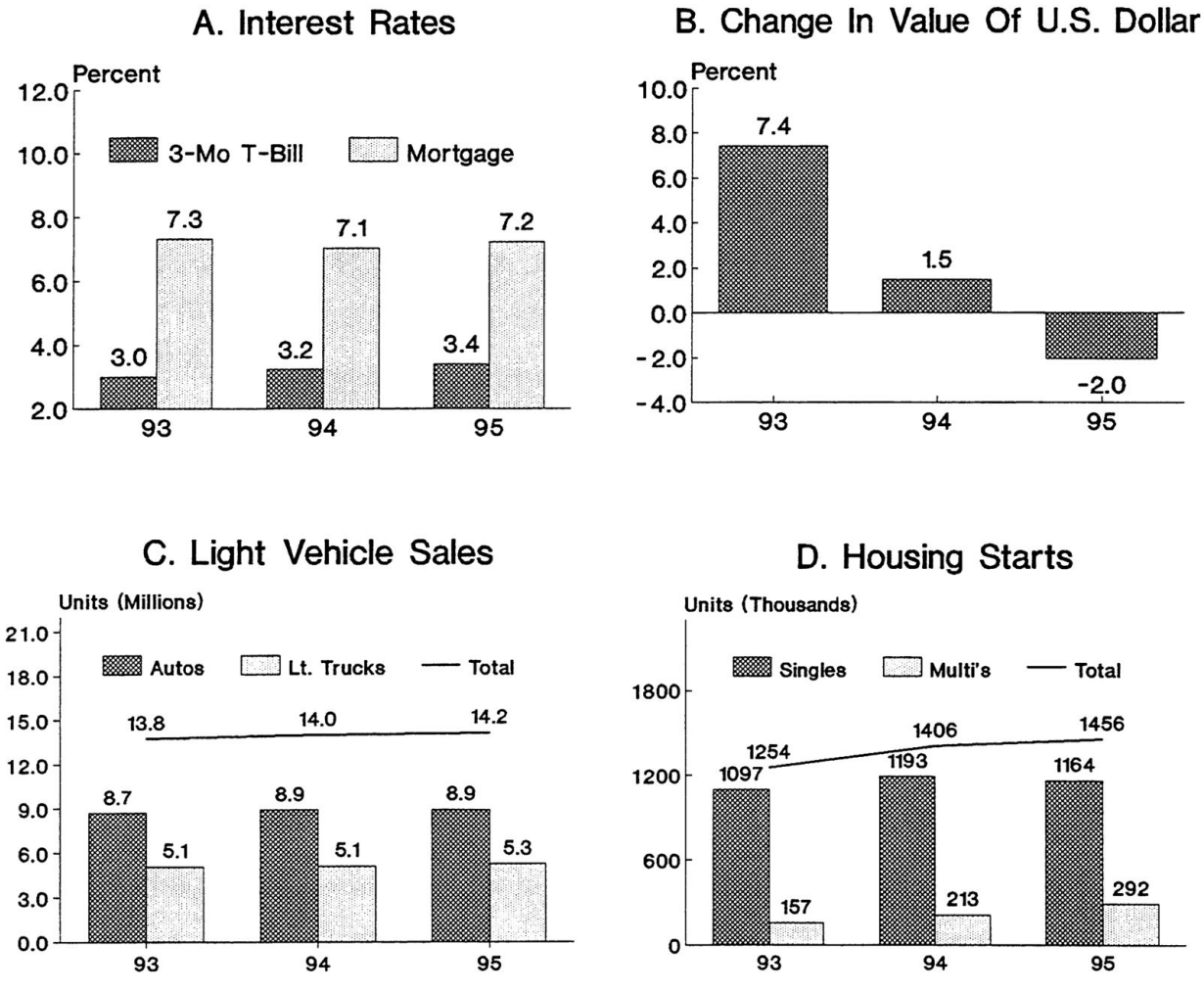
We can also expect to see substantial progress in deficit reduction, with the federal deficit as a percent of GDP declining from 3.4 percent for calendar '93 to 2.1 percent two years from now -- and that corresponds to a NIPA deficit of only $150 billion in fiscal '95.

As summarized in the first panel of Chart 7, we expect that short term interest rates have bottomed and that the combination of moderate economic growth and essentially neutral Fed policy will produce only the slightest upward drift in short term interest rates, with the 3-month T-Bill rate edging up only about 20 basis points a year over the forecast horizon. Long rates in '94 will average a bit less than for this year, but no less than their current quarter values -- 7.1 percent for conventional mortgages, and about 6.15 percent for the 30-year treasury bond. Long rates are forecast to be only slightly up between 1994 and '95.

Given the outlook for interest rates and other relevant aspects of the Control Forecast, we expect a moderate improvement in light vehicle sales amounting to gains of about 200 thousand units per year, which implies sales of 14.2 million cars and light trucks in calendar 1995 -- no record by any stretch of the imagination, but the best sales year since 1989. Perhaps more important, however, with the recent improvements in the domestic (including transplant) share of vehicle production, and projected further improvements over the next few years, the 14.2 million light vehicle sales forecast for 1995 will correspond to 12.1 million domestics, and that would be the best year for the sale of domestically produced cars and light trucks since calendar 1978.

Total private housing starts are also expected to move up over the next two years. Compared with 1254 thousand starts expected for this year, we are forecasting an increase to 1406 thousand

Chart 7: RSQE Forecast Overview For 1994-95



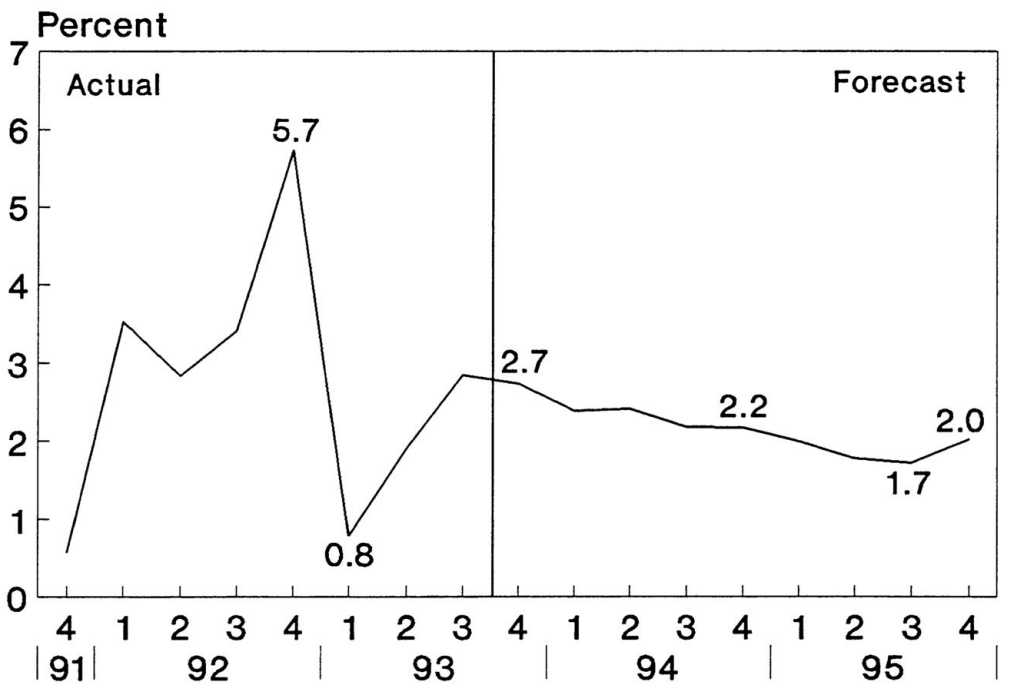
starts in 1994 and a further increase to 1456 thousand starts the following year. Single-unit starts are expected to amount to just under 1200 thousand next year -- up another 6 percent from the starts rate of 1993.3 -- and to slip back just slightly to 1164 thousand the following year. Multi-unit starts, which have been weak since 1986 and severely depressed since 1990, are forecast to recover sharply in the next two years. But even the 292 thousand starts forecast for 1995 won't quite recapture the 1990 level of multi-unit housing activity.

The final observation in this overview concerns the exchange value of the U.S. dollar. This year is expected to register a 7 1/2 percent appreciation of the dollar against a basket of 10 other major currencies, despite the fact that the dollar has depreciated against the yen. Some of this stems from the substantial drop in short term interest rates abroad relative to corresponding interest rates here. We expect that pattern to end by early '94 after which the dollar is forecast to depreciate. On an annual average basis, however, the dollar will still be up a bit for calendar '94. The following year is expected to be dominated by approximate stability of relative interest rates -- though still at a relatively high domestic-to-foreign ratio -- and a higher U.S. current account deficit, which should net out to a small dollar depreciation of 2 percent for calendar 1995.

VIII. THE QUARTERLY DYNAMICS IN THE RSQE CONTROL FORECAST FOR 1994-95

Our analysis of the dynamics of the forecast begins with the pattern of real GDP growth featured in Chart 8. We expect a 2.7 percent rate of output expansion in the current quarter followed by a more moderate 2.4 percent rate of growth during the first half 1994. As is evident in the chart, a slow deceleration of output growth characterizes the forecast from mid-'94 through the summer quarter of '95, with real GDP growth bottoming at a 1.7 percent rate in that quarter (1995.3). The final quarter of the forecast horizon shows a step up to a 2 percent growth rate. Although not part of our Control Forecast, our preliminary analysis indicates further improvement in early 1996 with real GDP growth returning to a 2 1/2 percent annual rate.

Chart 8: RSQE Forecast For 1994-95
Annual Growth Rate Of Real GDP



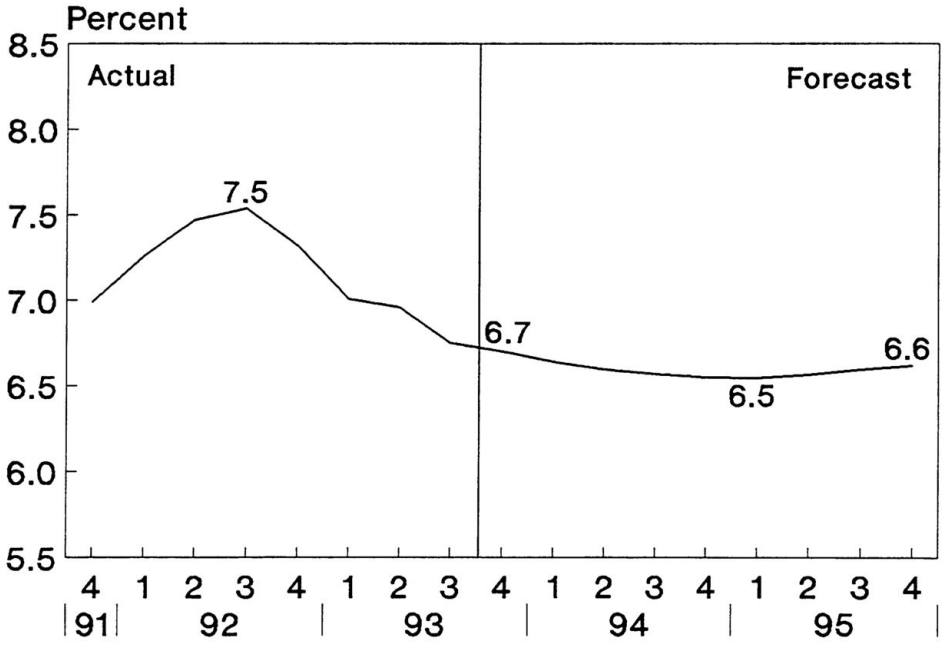
The two panels of Chart 9 deal with the implications of such moderate to meager output growth for unemployment and inflation. As Panel A indicates, the moderate growth characterizing the period through the middle of next year allows the unemployment rate to edge down during most of '94. With the subsequent deceleration of economic growth, the improvement in the unemployment rate stalls in late '94 with the jobless rate hovering at 6.5-6.6 percent. The unemployment rate is forecast to remain there throughout 1995 -- a disappointingly high plateau four years after the end of the 1990-91 recession.

The projected slack in the labor market and slow pace of output expansion help to keep inflation moderate. As Panel B of Chart 9 indicates, core industrial inflation, as measured by the rate of increase in the private nonfarm GDP deflator, accelerates during 1994 from the very low rates characterizing the second half of 1993, but rises only to a 2.9 percent annual rate by yearend '94. With the unemployment rate sitting at 6.6 percent and output growth averaging less than 2 percent, core inflation is forecast to average 2.8 percent during 1995. Consumer inflation also rises during 1994, climbing to 3.7 percent at annual rate in the closing quarter of '94 and then inching up to a 3.9 percent rate during 1995.

Part of the rationale underlying the overall GDP growth pattern is revealed by the data shown in the two panels of Chart 10. Panel A plots the growth rates of total real final sales and final sales to domestic purchasers, best thought of as "domestic demand for final goods and services." The line measuring the growth of domestic final demand shows a decelerating pattern through the summer quarter of '95. That weakening of domestic demand growth results, at least in part, from the impact of federal deficit reduction -- the bigger bite out of the domestic economy resulting from tax law changes combined with reduced levels of federal spending. A topping out of the improvement in the construction sector also restrains domestic demand after early '95. In the final quarter of '95, a smaller decline in defense spending and a pick-up in state and local government demand allow the growth of domestic final demand to perk up.

Chart 9: RSQE Forecast For 1994-95

A. Civilian Unemployment Rate



B. Inflation Rates

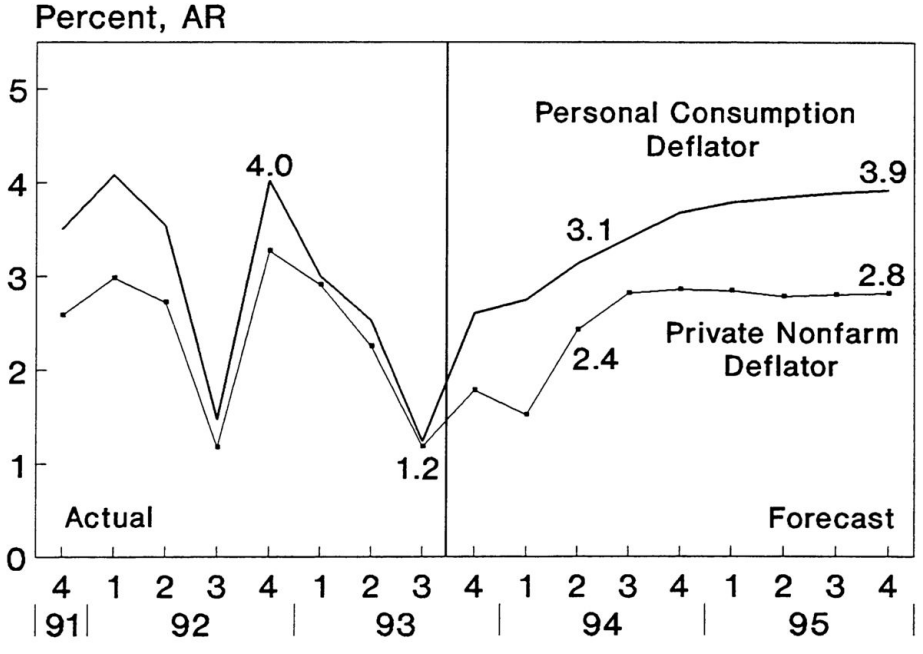
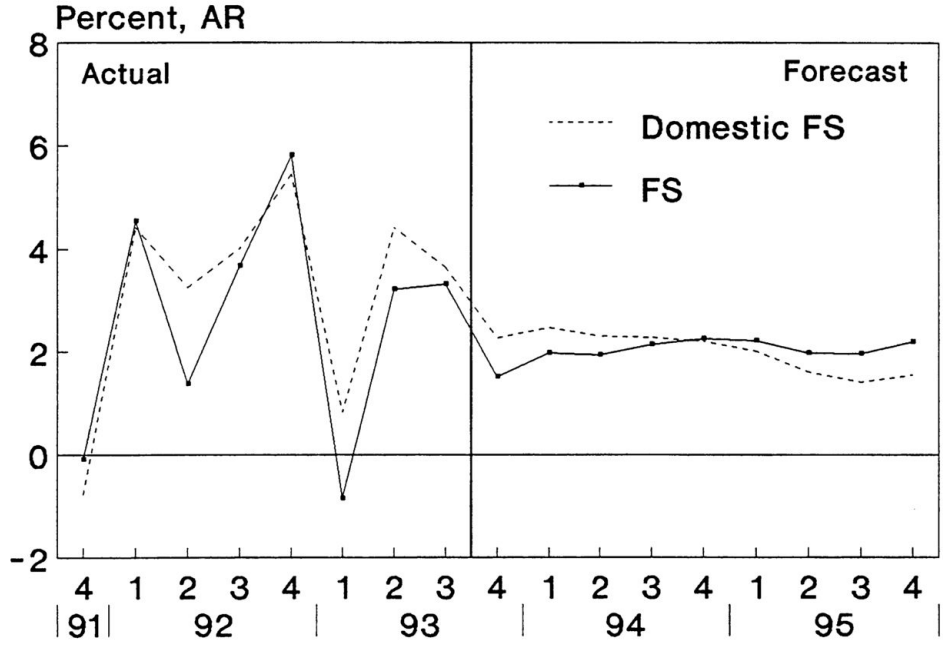
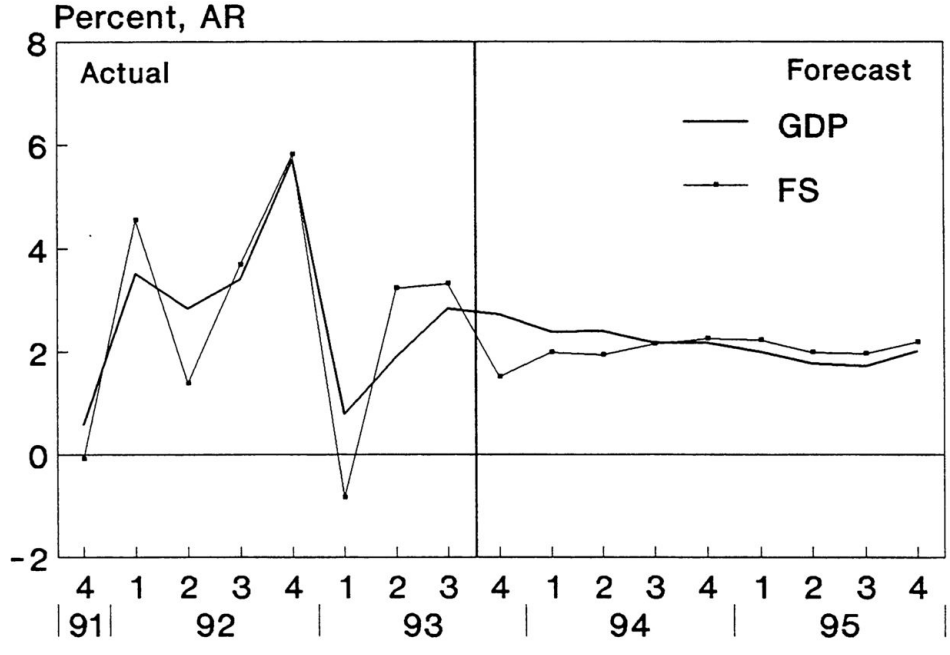


Chart 10: RSQE Forecast For 1994-95

A. Growth Rate Of Real Final Sales



B. Growth Rate Of Real Final Sales & GDP



The growth of total final demand -- domestic demand plus net exports -- remains below that of final sales to domestic purchasers until the final quarter of 1994, demonstrating the drag on the overall economy resulting from the deterioration in real net exports. During 1995, in contrast, real final demand growth is expected to receive a boost from the foreign sector as countries abroad display sustained expansion.

Panel B of Chart 10 plots total final demand growth again, but in this chart the path of final demand is compared to that of total output. Output, of course, is measured by real GDP, which is real final sales plus inventory investment. The output growth path lies above that of real final sales during the current quarter and through the first half of 1994, suggesting a bit of an inventory spurt. Most of the contribution from inventory building, however, comes from a swing from a sizable *decumulation* in farm and vehicle inventory stocks in the third quarter of '93 to a modest *accumulation* in the second quarter of '94.

The massive floods in the midwest and the drought in the southeast took a toll on farm inventory stocks in the third quarter of '93. We have assumed that release of grains from the federal government Commodity Credit Corporation inventory will partially compensate for the production losses, and, in effect, bolster inventory accumulation.

A huge surge in vehicle inventory accumulation in the first quarter of '93 was followed by substantial decumulation in the second and third quarters, with glitches in car assembly lines also contributing to the underbuilding during the third quarter. With those problems ironed out, we expect moderate accumulation of vehicle inventories over the next half year.

Finally part of the inventory building story depicted in Panel B of Chart 10 does come from a small spurt in nonfarm, nonvehicle inventory building in the second quarter of '94. Thereafter, the chart shows very little difference between the real final sales and the output growth paths. With inventory building running not quite fast enough, however, to keep production up with final sales, the output growth path is forecast to lie consistently just under that of real final sales. Thus the

final year of our forecast is characterized by quite spare inventory behavior.

We turn now to an even more disaggregated description of the contributions made by major sectors of the economy to the growth of output. The pieces that make Chart 8 come out the way it does are summarized in Chart 11, which presents the sectoral composition of real GDP growth, by quarter, over the forecast horizon. The chart focuses on six sectors: producers' durables (excluding the purchase of vehicles), residential construction, vehicle production, net exports, government purchases, and an "all other" residual which makes the decomposition account for all of real GDP. The components of the "all other" category are nonvehicle consumption, nonvehicle inventory investment, and nonresidential construction.[1]

Clearly the most prominent bar in the third quarter of 1993 is that of the "all other" sector, reflecting primarily the strong growth in purchases, excluding new vehicles, made by consumers. The farm inventory story discussed in connection with Chart 10 boosts the apparent contribution of the "all other" sector at the turn of the year, and the small spurt in nonfarm, nonvehicle inventory accumulation keeps the contribution from the "all other" sector strong in the spring of '94. Thereafter, the "all other" sector makes contributions in the neighborhood of one percent to the growth of real GDP, as nonvehicle consumption proceeds along a moderate growth path and businesses keep inventories spare.

Purchases by businesses of computers and other information processing equipment boosted the contribution of the producers' durables sector above one percent in the third quarter of '93. The producers' durables sector is forecast to make steady positive contributions to real GDP growth of

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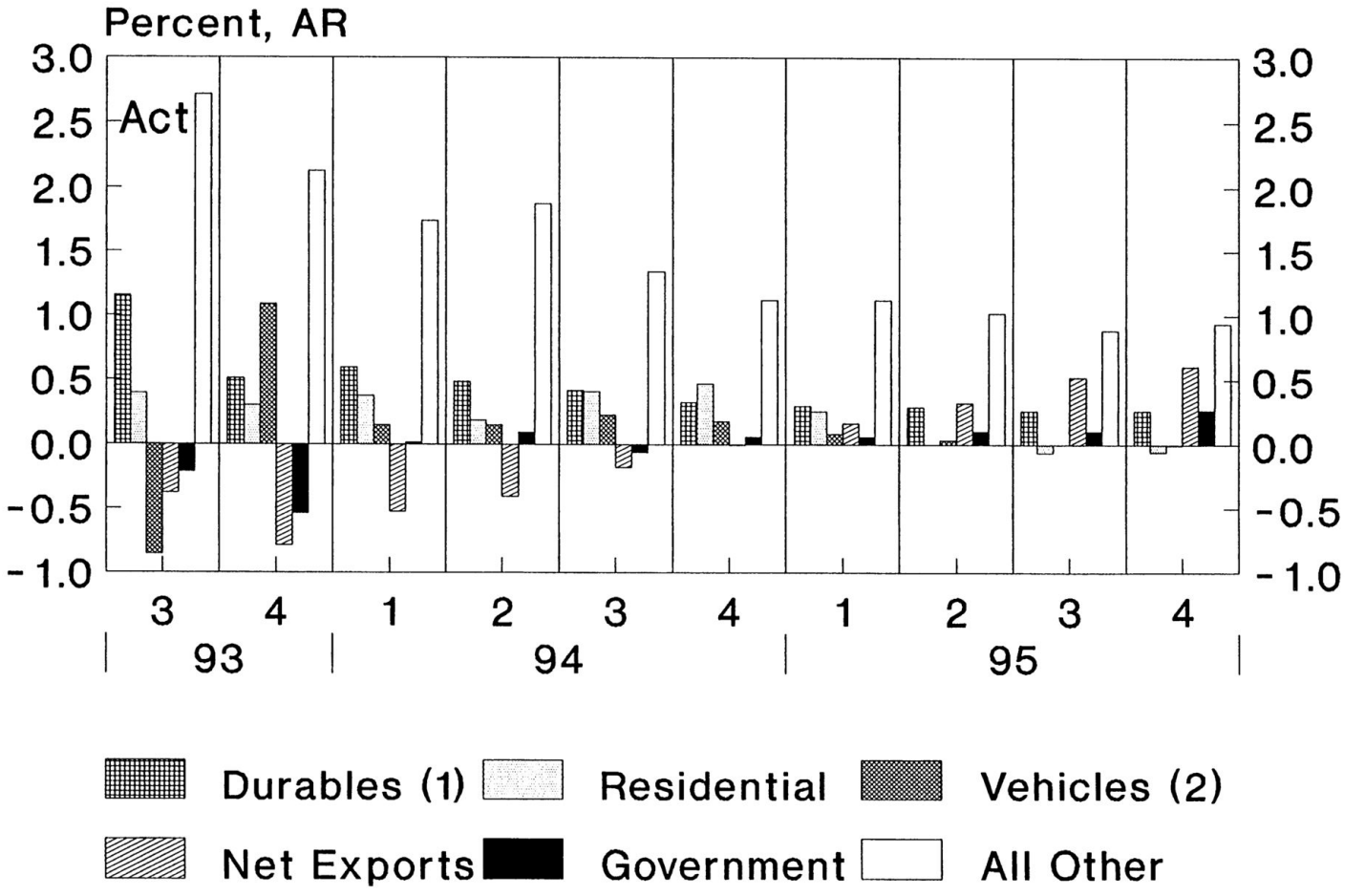
[1] Each bar in Chart 11 shows the contribution the corresponding sector makes to the annualized rate of growth of real GDP for that quarter. For example, the chart indicates that the increase in producers' durables in 1993.3 would by itself account for (or "contribute") an increase in real GDP of 1.2 percent at annual rate. The contributions shown for each of the six sectors in a given quarter add algebraically to the growth rate of real GDP for that quarter. A sector's contribution to the annualized growth rate of real GDP in a given quarter is calculated as 400 times the change in the level for that sector in the relevant quarter divided by the level of real GDP in the preceding quarter.

Chart 11: RSQE Forecast For 1994-95

Contributions To Real GDP Growth



(1) Producers', Excluding Vehicles
(2) Consumers, Businesses & Inventory Chg.

3/10 to 6/10 of one percent throughout the forecast horizon as business investment in information processing equipment remains strong.

In response to the already low mortgage interest rates, which are forecast to remain at about current levels through late '94 before edging up slowly during '95, residential building activity makes contributions a bit below 1/2 of one percent through early '95. Housing starts, which showed growing strength in the late summer months of this year, are forecast to climb to a 1500 thousand unit pace by early '95 before drifting back to a 1430 thousand unit pace at the end of 1995.

The negative contribution of the vehicle sector to the growth of output in the third quarter of 1993 reflected continued inventory decumulation as well as weaker sales to both businesses and consumers. The swing to a positive contribution in the current quarter reflects a pick up in purchases by both businesses and consumers as well as a swing to a small positive in vehicle inventory accumulation. The vehicle sector makes modest contributions of 2/10 of one percent to output growth during '94 but virtually no contribution during '95 as both sales and inventory accumulation remain flat.

Light vehicle sales, which slipped back to a 13.6 million unit pace in the third quarter of '93 after a surge to 14.1 million units at annual rate in the second quarter, jumped back up in October to a pace well over 14 million units. In our forecast, vehicle sales back off to just under a 14 million unit pace in the first half of 1994 and then drift back up to a steady 14.1-14.2 million unit pace which is forecast to be maintained through 1995.

With the economies of our major trading partners just beginning to improve and with the value of the dollar remaining high relative to European currencies through mid '94, real net exports act as drag on U.S. output growth through late 1994. Thereafter, in response to the improvement in the economies of our trading partners as well as to a growing price advantage for U.S. goods, the net exports sector makes growing positive contributions to real GDP growth, with the contributions reaching 6/10 of one percent in the closing quarter of 1995.

Real government purchases are virtually flat over the entire forecast horizon as declining federal purchases are offset by very moderate increments in state and local spending.

Finally, in the two panels of Chart 12, we call attention to the status of the federal budget deficit and the current account deficit in our Control Forecast. The federal government deficit, shown in Panel A, has declined from 4.8 percent of GDP, just over $290 billion, at the end of fiscal 1992 to 3.1 percent of GDP, under $200 billion, at the end of fiscal '93. The combination of spending restraint and tax increases enacted this past August, even in conjunction with quite moderate output growth, allows the federal government deficit to decline steadily to 2.3 percent of GDP, about $150 billion, at the end of fiscal '94 and to 2.1 percent of GDP at the end of fiscal '95.

Our current account balance of payments, shown in Panel B of Chart 12, grows from $100 billion in the third quarter of '93, nearly 1.6 percent of GDP, to over $150 billion, about 2 1/4 percent of GDP in mid 1995 before beginning to improve again in the second half of '95, reflecting -- in yet another dimension -- the strengthening of economies abroad and the depreciation of the U.S. dollar during the final year and a half of the forecast horizon.

IX. Risks and Opportunities

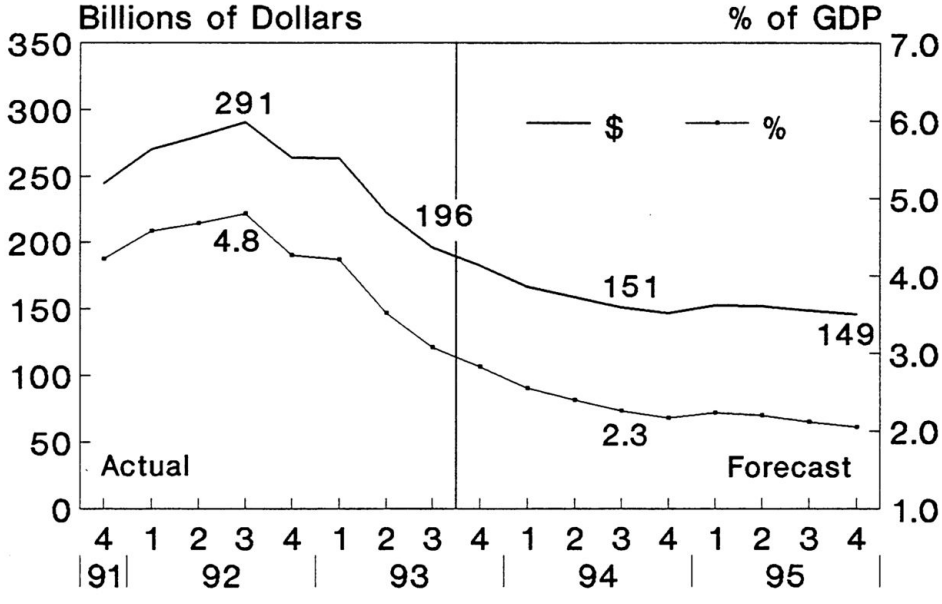
After a forecast has been made and the time to which it refers has passed, one can ask a number of natural ex-post questions, such as: was the forecast reasonably accurate, where were the big errors, what produced those errors, and so on. That is precisely what we do every year, just as we did in section II of this report, and it's usually both a humbling and informative exercise.

When, on the other hand, the time to which the forecast refers is yet to come, the natural questions are all ex-ante in kind. And we can usefully distinguish at least the following three types of ex-ante questions:

Chart 12: RSQE Forecast For 1994-95

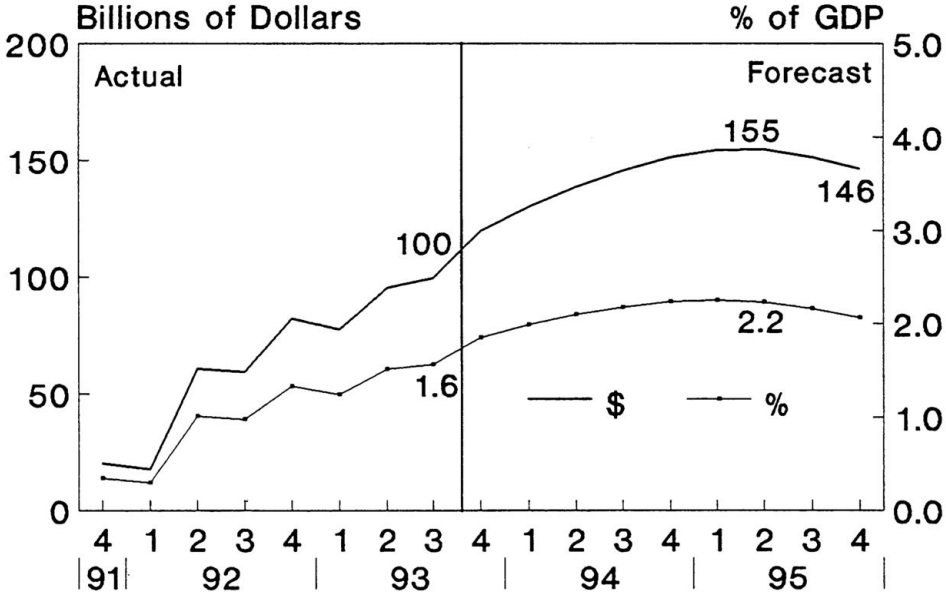
A. Federal Gov't Deficit (NIPA Basis)

Billions of Dollars & As % of GDP



B. Current Account Deficit (NIPA Basis)

Billions of Dollars & As % of GDP



1) Are there important input assumptions which seem particularly uncertain and which might go differently in one or more ways that can be identified ahead of time?

2) The forecasting model itself is an assumption about which some uncertainties exist. Are there certain parts of the model that can be identified ahead of time as potentially important misrepresentations of reality with respect to the time frame of the forecast?

3) A policy input to the forecast is presumably like all the others in that it represents the forecasting team's best judgement about what the policy stance will be. Are there policy inputs for which there's a real difference between what the team believes *will* be and *should* be?

In addressing these three questions to our Control Forecast, our answers are "yes" to all three.

First, our assumption regarding the timing and extent of economic recovery among our major trading partners could easily be wrong, and in addition, we could be mistaken in our judgement that the recent upward spurt in long term interest rates is a temporary deviation. Second, our model doesn't fully understand why residential construction activity isn't stronger, why consumers aren't buying more cars, and why businesses are investing in so much computer and communications technology. And third, we don't particularly like the monetary policy that's sustained in our forecast; we think the Fed ought to be more expansionary but isn't likely to be. Here are a few thoughts about each of these in turn.

More weakness abroad. We've made the same assumption about economic recovery among our major trading partners this year as we did last year. We were overoptimistic then, and if we're wrong this time, we believe the likeliest direction of error is again that of overoptimism. If we have overestimated the degree of economic expansion abroad by an average of 2 percentage points at annual rate, our export growth rate will be reduced by a little over one percentage point. And that in turn would cut the rate of growth of real GDP by more than 15/100 of a percentage point at

annual rate. While not a disaster, this would be enough to raise the unemployment rate by nearly 2/10 of one percentage point by the end of 1995, which would put us right back to where we were in October. And if such continued weakness abroad were to lead foreign central banks to push interest rates down even more, the dollar would appreciate relative to the path in our Control Forecast and we'd satisfy even more of our domestic demand with imported rather than domestically produced goods, further slowing our own economy. Continued weakness abroad is thus an important downside risk for us.

Inflation Jitters and Long Term Interest Rates. We have assumed that the early November runup in long term interest rates will prove to have been a temporary aberration. If instead, rates at the long end of the market continue to move up in early '94, so that the path of long rates shifts up by approximately 50 basis points compared to our Control Forecast, we would expect to see some dampening of activity in interest sensitive sectors. The overall effect for an upward rate shift of this magnitude, however, is quite small, with real output growth reduced by about 1/10 of a percentage point during 1994 and with virtually no difference in growth during 1995. The pace of housing starts would be about 20 thousand lower at the end of '94, but, again, essentially the same at the close of '95. The small effect results from the nature of the situation leading to the hike in long term rates. In this alternative, the increase in long term interest rates is strictly the result of overly pessimistic inflationary expectations. But it is not accompanied by a tilt toward tighter monetary policy and, consequently, occurs with no additional upward pressure on short term rates. In such a scenario, credit remains essentially as available as in the Control Forecast. Our conclusion is that a moderate, expectationally based, upward shift in long term rates is a relatively minor downside risk for our forecast.

Houses, Cars, and Computer Technology. Given the recent movements in unemployment, income, prices, interest rates, and population our econometric model would expect higher levels of residential construction activity and consumer purchases of automobiles. Is this representative of a permanent or only temporary change in household behavior? And what have we done about it in

producing our Control Forecast? We have a number of speculations about why, but too little time and space to deal with them here. What we've done, however, is that we have not let household behavior snap back to what the model would consider normal levels of demand and activity in these two areas. Our forecasts of housing and automobile demand may therefore represent upside risks in the forecast; things could be somewhat better in these areas than we are forecasting.

Business investment in computer-related capital equipment is a whole different problem. There's a revolution out there which means that any econometric demand analysis is in trouble right from the start; there's no stable structure to be modeling. We're forecasting activity in this area to be strong, but not to keep growing at the enormous rates of recent experience -- almost 20 percent per year for the past two years. That growth rate can't go on forever, but when will it throttle back? We really don't know whether the upside or downside risk is the more likely for 1994-95.

Inflation and Monetary Policy. Federal and state and local fiscal policies are clearly going to be contractionary for at least the next few years. With a neutral monetary policy and other likely input conditions, we anticipate continued growth over the next two or more years, but without any stretches of rapid enough expansion to make any real inroads against unemployment, which remains between 6 1/2 and 6 3/4 percent for at least 2-3 more years. Seeing that, we're led to the following chain of reasoning: tight fiscal policy is the right choice for the longer run, it's a path that's been difficult to get on and we should probably stay there; there isn't much we can do directly to speed up the near term growth rates of our major trading partners; that leaves monetary policy as the available engine of greater economic expansion.

There's little doubt, however, that Chairman Greenspan and his colleagues would look at such a forecast and note that although there will not have been much progress against unemployment, nor will there have been a continuing decline in the rate of inflation. On the contrary, core industrial inflation is being forecast to be back at about 3 percent and consumer price inflation back at nearly 4 percent by late '95 -- why push the economy even harder? The key is that macro policy

can neither avoid nor solve this dilemma. We need structural policies that will reduce the extent to which our economy is inflation-prone; some way to get the underlying high-employment industrial inflation rate down, and -- perhaps more importantly -- some way to shrink the gap between industrial and consumer inflation rates.

This is no newly discovered truth, but it does point out that one of the two most important ingredients of whatever health care reform we get must be cost containment. The other, of course, is obvious and that's universal access to basic health care coverage.

Constant Adjustments in the RSQE Forecast for 1994-1995.

The following adjustments have been used to correct for level drift and/or start-up error:

A.AUTOSD	New Car Sales, Domestic
A.CDFE87	Personal Consumption Expenditures, Furniture and Household Equipment
A.CDO87	Personal Consumption Expenditures, Other Durable Goods
A.CDVA87	Personal Consumption Expenditures, New Autos
A.CDVO87	Personal Consumption Expenditures, Motor Vehicles and Parts except New Autos and Trucks
A.CDVT87	Personal Consumption Expenditures, New Trucks
A.CNCS87	Personal Consumption Expenditures, Clothing and Shoes
A.CNFC87	Personal Consumption Expenditures, Fuel Oil and Coal
A.CNFD87	Personal Consumption Expenditures, Food
A.CNGO87	Personal Consumption Expenditures, Gasoline and Oil
A.CNO87	Personal Consumption Expenditures, Other Nondurable Goods
A.CS87	Personal Consumption Expenditures, Services
A.FDCUR	Change in Currency plus Unborrowed Reserves
A.GINTF	Net Interest Paid by the Federal Government
A.HOUSEX	Sales of Existing Single Family Homes
A.HSMULT	Private Housing Starts, Two or More Unit Structures
A.IINVA8	Change in Business Inventories, New Autos
A.IINVO8	Change in Nonfarm Business Inventories except New Autos and New Trucks
A.IINVT8	Change in Business Inventories, New Trucks
A.INCO87	Nonresidential Fixed Investment, Structures excluding Mining Exploration, Shafts, and Wells
A.IPDAU8	Investment in Producers' Durable Equipment, New Autos
A.IPDIE8	Investment in Producers' Durable Equipment, Industrial Equipment
A.IPDIP8	Investment in Producers' Durable Equipment, Information Processing Equipment
A.IPDOE8	Investment in Producers' Durable Equipment, Other Equipment
A.IPDTRK	Investment in Producers' Durable Equipment, New Trucks
A.IRCM87	Residential Construction, Multi Unit Structures
A.IRCO87	Residential Construction, Other
A.IRCS87	Residential Construction, Single Unit Structures
A.JEXR	Index of Trade-Weighted Exchange Value of the Dollar
A.JIPM	Index of Industrial Production, Manufacturing
A.JIPROW	Index of Industrial Production, Major Foreign Trading Partners
A.JQLH	Index of Output per Hour, Nonfarm Business
A.JRAUTO	Ratio, CPI-U: Automobile Finance Charges to CPI-U: New Cars
A.KCA	Consumption of Fixed Capital
A.MAUTO8	Imports of New Autos
A.MNOIL8	Imports of Goods and Services excluding Petroleum
A.M1	M1 Monetary Aggregate
A.M2	M2 Monetary Aggregate
A.PCDFE	Personal Consumption Expenditures (Furniture and Household Equipment) Deflator
A.PCDO	Personal Consumption Expenditures (Other Durable Goods) Deflator
A.PCDVO	Personal Consumption Expenditure (Motor Vehicles and Parts excluding New Autos and Trucks) Deflator
A.PCDVT	Personal Consumption Expenditure (New Trucks) Delfator
A.PCNCS	Personal Consumption Expenditure (Clothing and Shoes) Deflator
A.PCNFD	Personal Consumption Expenditure (Food) Deflator
A.PCPI	Consumer Price Index, All Urban Consumers

A.PCROW	Consumer Price Index, Major Foreign Trading Partners
A.PCS	Personal Consumption Expenditures (Services) Deflator
A.PGFD	Federal Government Purchases of Goods and Services (Defense) Deflator
A.PGSL	State and Local Government Purchases of Goods and Services Deflator
A.PINC	Business Fixed Investment (Nonresidential Structures) Deflator
A.PIPDIE	Investment in Producers' Durable Equipment (Industrial Equipment) Deflator
A.PIPDIP	Investment in Producers' Durable Equipment (Information Processing Equipment) Deflator
A.PIRC	Residential Construction Deflator
A.POIL	Producer Price Index, Crude Petroleum
A.PPNF	Nonfarm Business GDP Deflator
A.RAAA	Aaa Corporate Bond Rate
A.RFF	Federal Funds Rate
A.RFHA	FHA Mortgage Rate
A.RG30	30-Year Government Bond Rate
A.RG5	5-Year Government Bond Rate
A.RMORT	Conventional Mortgage Rate
A.RTB	3-Month Treasury Bill Rate
A.RUG	Civilian Unemployment Rate
A.RUM	Adult Male Unemployment Rate
A.RVAC	Vacancy Rate, Rental Housing
A.TIBF	Indirect Business Taxes, Federal
A.TPSL	Personal Taxes, State and Local
A.TRKH	Unit Heavy Truck Sales
A.TRKL	Unit Light Truck Sales
A.TRKLD	Unit Light Truck Sales, Domestic
A.TSIF	Contributions For Social Insurance, Federal
A.TSIP	Personal Contributions for Social Insurance
A.X87	Exports of Goods and Services
A.YFP	Farm Proprietors' Income with Inventory Valuation and Capital Consumption Adjustments
A.YOL	Other Labor Income
A.YPDIV	Dividend Payments to Persons
A.YPINT	Personal Interest Income
A.YPWS	Private Wages and Salaries

The following adjustments have been used to incorporate the effects of tax law changes:

A.PGAS	CPI-W, Motor Fuel, Motor Oil, Coolant, and Other Products
A.TCF	Corporate Profits Taxes, Federal
A.TCSL	Corporate Profits Taxes, State and Local (includes contribution for level drift)
A.TIBSL	Indirect Business Taxes, State and Local (includes contribution for level drift)

RSQE FORECAST FOR 1994-95
Economic Outlook Conference
November 18, 1993

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FORECAST BASED ON MQEM
THE MICHIGAN QUARTERLY ECONOMETRIC MODEL OF THE U.S. ECONOMY

RSQE
Research Seminar in Quantitative Economics
The University of Michigan
Ann Arbor, Michigan 48109

TABLE 1 : RSQE FORECAST
GROSS DOMESTIC PRODUCT IN CURRENT DOLLARS
(Billions of current dollars)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
GDP	6396.30	6465.14	6538.77	6614.34	6691.39	6772.79	6858.07	6936.90	7016.54	7103.06
Consumption	4418.10	4478.00	4534.95	4593.60	4656.67	4720.26	4787.13	4852.70	4917.93	4984.23
Durables	542.01	555.15	562.14	567.78	576.07	582.41	589.00	594.36	599.21	604.11
Vehicles + Parts	221.20	228.97	232.04	235.87	242.72	247.45	252.32	256.29	259.92	263.45
Furn + HH Equip.	213.71	217.58	219.96	221.17	221.57	222.10	222.60	222.77	222.75	222.86
Other	107.10	108.61	110.15	110.73	111.78	112.86	114.07	115.30	116.53	117.80
Nondurables	1351.94	1363.63	1376.11	1390.55	1405.14	1420.50	1436.76	1452.83	1468.54	1484.35
Food	658.69	661.95	666.39	671.87	677.79	684.17	691.07	698.00	704.71	711.49
Clothing + Shoes	237.89	239.13	241.23	243.85	246.37	249.14	252.04	254.86	257.64	260.45
Gasoline + Oil	101.90	107.04	109.38	111.18	112.81	114.39	116.07	117.68	119.24	120.80
Fuel Oil + Coal	15.50	15.53	15.64	15.77	15.83	15.94	16.12	16.25	16.37	16.51
Other	337.81	339.98	343.48	347.88	352.33	356.85	361.47	366.05	370.58	375.10
Services	2524.38	2559.23	2596.71	2635.27	2675.47	2717.37	2761.38	2805.52	2850.18	2895.78
Investment	882.50	912.76	929.90	948.79	964.03	978.86	987.55	992.02	994.02	996.85
Nonresidential	623.60	629.83	633.10	639.89	645.21	650.43	655.11	659.55	663.25	666.59
Prod. Durables	444.68	450.88	453.30	457.05	459.00	460.50	461.34	461.95	462.12	462.32
Info Processing	154.30	155.04	157.09	158.06	159.05	159.67	159.95	159.91	159.58	159.08
Industrial	97.90	99.32	99.42	99.23	98.69	97.67	96.71	95.86	95.08	94.47
New Vehicles	115.80	119.97	119.85	121.86	122.51	123.66	124.49	125.28	126.05	126.87
Other Equip.	76.70	76.55	76.94	77.91	78.74	79.50	80.20	80.90	81.41	81.90
Construction	178.89	178.96	179.80	182.84	186.21	189.93	193.77	197.60	201.13	204.27
Residential	250.70	258.11	266.09	271.27	280.29	290.58	297.44	300.12	301.79	303.59
Inventory Change	8.20	24.82	30.70	37.63	38.53	37.85	35.00	32.35	28.98	26.67
Farm	-11.30	-1.60	0.90	3.30	3.32	3.35	3.37	3.40	3.42	3.45
Nonfarm	19.50	26.42	29.80	34.33	35.21	34.50	31.63	28.95	25.56	23.22
Net Exports	-65.07	-84.39	-95.58	-105.15	-112.22	-117.44	-120.64	-121.23	-118.36	-113.61
Exports	654.91	663.95	676.70	692.49	709.73	727.53	745.60	763.89	782.41	800.97
Imports	719.98	748.34	772.28	797.63	821.95	844.97	866.24	885.12	900.76	914.58
Govt Purchases	1160.80	1158.78	1169.51	1177.11	1182.93	1191.11	1204.04	1213.42	1222.96	1235.60
Federal	442.20	433.10	435.80	434.40	431.10	429.15	431.81	430.79	429.78	430.78
Defense	302.30	298.10	296.00	292.60	289.30	286.30	286.20	284.10	282.00	281.90
Nondefense	139.90	135.00	139.80	141.80	141.80	142.85	145.61	146.69	147.78	148.88
NonCCC	140.50	140.00	141.80	141.80	141.80	142.85	145.61	146.69	147.78	148.88
State + Local	718.60	725.68	733.71	742.71	751.83	761.96	772.23	782.63	793.18	804.82
ADDENDA										
GDP Deflator '87=100	124.49	124.98	125.67	126.37	127.15	128.01	128.98	129.89	130.83	131.78
Unemployment Rate	6.75	6.70	6.64	6.60	6.57	6.55	6.55	6.56	6.60	6.62

	1993 Average	1994 Average	1995 Average	92-93 %Change	93-94 %Change	94-95 %Change
GDP	6362.66	6654.32	6978.64	5.37	4.58	4.87
Consumption	4388.06	4626.37	4885.50	5.99	5.43	5.60
Durables	536.01	572.10	596.67	7.78	6.73	4.29
Vehicles + Parts	220.66	239.52	258.00	8.02	8.55	7.71
Furn + HH Equip.	210.80	221.20	222.75	8.36	4.94	0.70
Other	104.55	111.38	115.93	6.12	6.53	4.08
Nondurables	1348.91	1398.07	1460.62	3.69	3.64	4.47
Food	655.73	675.06	701.32	3.48	2.95	3.89
Clothing + Shoes	236.33	245.15	256.25	3.57	3.73	4.53
Gasoline + Oil	104.64	111.94	118.45	1.15	6.98	5.82
Fuel Oil + Coal	15.26	15.79	16.31	10.36	3.51	3.28
Other	336.97	350.14	368.30	4.69	3.91	5.19
Services	2503.13	2656.20	2828.21	6.90	6.12	6.48
Investment	885.89	955.39	992.61	11.22	7.85	3.90
Nonresidential	616.81	642.16	661.13	9.07	4.11	2.95
Prod. Durables	439.84	457.46	461.93	11.96	4.01	0.98
Info Processing	149.76	158.47	159.63	10.54	5.81	0.73
Industrial	96.38	98.75	95.53	10.52	2.46	-3.26
New Vehicles	115.92	121.97	125.67	16.79	5.22	3.04
Other Equip.	77.79	78.27	81.10	9.64	0.63	3.61
Construction	176.96	184.70	199.20	2.54	4.37	7.85
Residential	248.90	277.05	300.74	11.29	11.31	8.55
Inventory Change	20.18	36.18	30.75	NA	NA	NA
Farm	-3.77	2.72	3.41	NA	NA	NA
Nonfarm	23.95	33.46	27.34	NA	NA	NA
Net Exports	-65.69	-107.60	-118.46	NA	NA	NA
Exports	657.54	701.61	773.22	2.66	6.70	10.21
Imports	723.23	809.21	891.67	7.93	11.89	10.19
Govt Purchases	1154.49	1180.16	1219.00	2.01	2.22	3.29
Federal	441.40	432.61	430.79	-1.65	-1.99	-0.42
Defense	303.20	291.05	283.55	-3.37	-4.01	-2.58
Nondefense	138.20	141.56	147.24	2.35	2.43	4.01
NonCCC	139.77	142.06	147.24	3.02	1.64	3.64
State + Local	713.09	747.55	788.21	4.41	4.83	5.44
ADDENDA						
GDP Deflator '87=100	124.20	126.80	130.37	2.56	2.09	2.82
Unemployment Rate	6.86	6.59	6.58	NA	NA	NA

11/18/93 : RSQE Forecast

TABLE 2 : RSQE FORECAST
GROSS DOMESTIC PRODUCT IN CONSTANT DOLLARS
(Billions of 1987 dollars, SAAR)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
GDP	5138.00	5172.74	5203.26	5234.26	5262.46	5290.79	5316.97	5340.43	5363.20	5390.01
Consumption	3467.90	3492.44	3512.99	3531.08	3549.71	3565.84	3582.92	3597.93	3611.68	3625.36
Durables	493.00	503.60	508.83	512.26	517.29	520.09	522.90	524.57	525.74	526.95
Vehicles + Parts	189.50	194.17	195.11	196.52	200.40	202.13	203.89	204.87	205.52	206.06
Furn + HH Equip.	219.10	224.25	227.84	230.05	231.12	232.17	233.13	233.76	234.21	234.78
Other	84.40	85.18	85.87	85.70	85.77	85.79	85.88	85.94	86.01	86.11
Nondurables	1092.30	1095.53	1099.74	1103.73	1106.95	1109.92	1113.32	1116.34	1118.87	1121.32
Food	531.50	532.21	533.20	534.12	534.77	535.47	536.44	537.39	538.11	538.81
Clothing + Shoes	200.40	201.45	202.55	203.29	204.04	204.71	205.55	206.30	206.96	207.62
Gasoline + Oil	85.80	85.72	86.02	86.36	86.67	87.00	87.40	87.75	88.04	88.32
Fuel Oil + Coal	13.20	13.16	13.08	13.04	12.94	12.89	12.89	12.85	12.80	12.77
Other	261.50	262.99	264.90	266.92	268.52	269.85	271.04	272.06	272.96	273.81
Services	1882.60	1893.31	1904.42	1915.09	1925.47	1935.83	1946.69	1957.02	1967.06	1977.09
Investment	811.80	838.93	855.46	872.43	885.15	896.64	902.83	905.64	906.39	907.86
Nonresidential	593.30	601.12	607.59	616.08	622.88	629.02	634.60	639.96	644.68	649.13
Prod. Durables	442.60	451.74	458.50	465.62	470.75	475.04	478.70	482.20	485.33	488.51
Info Processing	200.50	206.22	213.69	219.48	225.08	230.21	235.06	239.69	244.07	248.30
Industrial	79.90	80.56	80.24	79.71	78.82	77.46	76.10	74.83	73.62	72.56
New Vehicles	97.80	100.41	99.44	100.25	99.94	99.89	99.59	99.25	98.90	98.60
Other Equip.	64.40	64.56	65.14	66.18	66.91	67.48	67.95	68.42	68.75	69.06
Construction	150.80	149.38	149.09	150.46	152.13	153.98	155.90	157.76	159.35	160.62
Residential	211.20	215.12	219.98	222.40	227.76	233.98	237.35	237.35	236.51	235.73
Inventory Change	7.30	22.70	27.89	33.95	34.50	33.64	30.88	28.32	25.19	23.00
Farm	-10.60	-1.45	0.82	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Nonfarm	17.90	24.15	27.07	30.95	31.50	30.64	27.88	25.32	22.19	20.00
New Vehicles	-6.60	0.49	2.49	2.30	1.72	2.37	2.04	1.87	1.62	1.37
Other	24.50	23.67	24.58	28.65	29.78	28.26	25.83	23.46	20.58	18.63
Net Exports	-80.00	-90.09	-96.82	-102.09	-104.41	-104.46	-102.32	-98.00	-91.05	-82.94
Exports	591.50	596.61	605.36	615.69	626.62	637.68	648.60	659.63	670.78	682.01
Imports	671.50	686.70	702.19	717.78	731.03	742.14	750.92	757.64	761.83	764.94
Govt Purchases	938.40	931.47	931.64	932.85	932.02	932.77	933.55	934.87	936.20	939.74
Federal	353.70	345.05	342.54	340.36	336.28	333.19	330.27	327.93	325.63	324.85
Defense	241.11	236.59	231.68	228.03	224.34	220.82	217.54	214.79	212.08	210.87
Nondefense	112.60	108.47	110.86	112.33	111.94	112.37	112.73	113.14	113.56	113.98
NonCCC	113.20	113.01	112.68	112.33	111.94	112.37	112.73	113.14	113.56	113.98
State + Local	584.61	586.41	589.10	592.49	595.74	599.58	603.28	606.94	610.57	614.89
ADDENDA										
Final Sales Domestic Purchasers	5210.80	5240.12	5272.18	5302.39	5332.36	5361.60	5388.40	5410.10	5429.06	5449.94
Unemployment Rate	6.75	6.70	6.64	6.60	6.57	6.55	6.55	6.56	6.60	6.62

	1993 Average	1994 Average	1995 Average	92-93 %Change	93-94 %Change	94-95 %Change
GDP	5122.76	5247.69	5352.65	2.74	2.44	2.00
Consumption	3449.21	3539.91	3604.47	3.21	2.63	1.82
Durables	488.20	514.62	525.04	6.92	5.41	2.03
Vehicles + Parts	190.17	198.54	205.09	4.30	4.40	3.30
Furn + HH Equip.	215.56	230.29	233.97	10.64	6.83	1.60
Other	82.47	85.78	85.98	3.77	4.02	0.23
Nondurables	1086.73	1105.09	1117.46	2.24	1.69	1.12
Food	529.75	534.39	537.69	1.78	0.88	0.62
Clothing + Shoes	198.61	203.65	206.61	2.54	2.53	1.45
Gasoline + Oil	84.88	86.51	87.88	1.20	1.92	1.58
Fuel Oil + Coal	12.96	12.99	12.82	9.18	0.18	-1.26
Other	260.52	267.55	272.47	3.00	2.70	1.84
Services	1874.30	1920.20	1961.97	2.86	2.45	2.18
Investment	814.31	877.42	905.68	11.12	7.75	3.22
Nonresidential	585.25	618.89	642.09	10.59	5.75	3.75
Prod. Durables	435.41	467.48	483.69	15.01	7.37	3.47
Info Processing	193.03	222.11	241.78	20.68	15.07	8.85
Industrial	78.99	79.06	74.28	8.61	0.09	-6.05
New Vehicles	98.35	99.88	99.08	12.72	1.55	-0.80
Other Equip.	65.04	66.43	68.54	10.85	2.13	3.19
Construction	149.87	151.41	158.41	-0.50	1.03	4.62
Residential	210.98	226.03	236.74	7.01	7.14	4.74
Inventory Change	18.07	32.50	26.85	NA	NA	NA
Farm	-4.04	2.45	3.00	NA	NA	NA
Nonfarm	22.11	30.04	23.85	NA	NA	NA
New Vehicles	1.12	2.22	1.72	NA	NA	NA
Other	20.99	27.82	22.12	NA	NA	NA
Net Exports	-76.30	-101.95	-93.58	NA	NA	NA
Exports	592.33	621.34	665.25	2.47	4.90	7.07
Imports	668.62	723.28	758.83	9.32	8.17	4.91
Govt Purchases	935.58	932.32	936.09	-1.02	-0.35	0.40
Federal	353.91	338.09	327.17	-5.11	-4.47	-3.23
Defense	242.52	226.22	213.82	-7.15	-6.72	-5.48
Nondefense	111.39	111.88	113.35	-0.34	0.44	1.32
NonCCC	112.78	112.33	113.35	0.49	-0.40	0.91
State + Local	581.58	594.23	608.92	1.63	2.17	2.47
ADDENDA						
Final Sales Domestic Purchasers	5181.00	5317.13	5419.37	3.34	2.63	1.92
Unemployment Rate	6.86	6.59	6.58	NA	NA	NA

11/18/93 : RSQE Forecast

TABLE 3 : RSQE FORECAST
PERSONAL INCOME AND ITS DISPOSITION
(Billions of current dollars, SAAR)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
PERSONAL INCOME	5409.70	5483.27	5563.33	5636.59	5703.67	5777.29	5860.53	5938.59	6012.71	6090.32
Wage + Salary Disb.	3114.30	3146.16	3185.90	3223.63	3261.16	3299.31	3341.14	3379.44	3417.99	3458.64
Private	2520.90	2545.08	2575.20	2607.51	2639.56	2672.17	2704.21	2736.80	2769.59	2804.41
Government	593.40	601.08	610.70	616.12	621.60	627.14	636.93	642.64	648.40	654.23
Other Labor Income	354.70	362.83	371.00	379.31	387.75	396.32	405.01	413.83	422.79	431.95
Proprietors' Income	423.20	443.15	451.51	460.14	461.82	467.77	471.93	477.32	482.56	488.68
Farm	27.00	39.27	40.58	43.37	38.46	38.37	36.79	36.54	35.95	35.60
Nonfarm	396.20	403.88	410.93	416.76	423.36	429.40	435.14	440.78	446.61	453.07
Rental Income	13.90	13.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00	18.00
Dividends	159.00	160.49	162.32	164.75	167.61	170.80	174.17	177.64	181.16	184.74
Interest Income	694.20	697.91	702.17	708.45	714.71	722.11	729.47	736.72	743.55	750.30
Transfers	917.20	928.75	948.79	961.41	974.41	987.48	1009.75	1027.29	1041.05	1055.23
Unemploy Benefits	34.80	34.15	33.88	33.77	33.81	33.93	34.17	34.58	35.13	35.61
Other	882.40	894.60	914.91	927.64	940.60	953.55	975.58	992.71	1005.92	1019.62
Less:										
Pers Soc Ins Cont	266.80	268.99	276.35	279.08	281.77	284.50	288.92	291.64	294.35	297.20
Less:										
PERSONAL TAXES	690.20	709.42	730.81	745.84	755.78	766.79	775.60	787.60	798.59	810.10
Equals:										
DISP PERSONAL INCOME	4719.50	4773.85	4832.52	4890.75	4947.89	5010.49	5084.93	5150.98	5214.12	5280.22
Less:										
Personal Outlays	4542.50	4603.80	4662.16	4722.23	4786.75	4851.82	4920.16	4987.24	5053.98	5121.83
Equals:										
PERSONAL SAVING	177.00	170.05	170.36	168.52	161.14	158.68	164.76	163.74	160.14	158.39
ADDENDA										
Disp Pers Income 87$	3704.40	3723.18	3743.50	3759.50	3771.70	3785.09	3805.80	3819.09	3829.21	3840.65
Pers Saving Rate, %	3.70	3.56	3.53	3.45	3.26	3.17	3.24	3.18	3.07	3.00

	1993 Average	1994 Average	1995 Average	92-93 %Change	93-94 %Change	94-95 %Change
PERSONAL INCOME	5380.21	5670.22	5975.54	4.57	5.39	5.38
Wage + Salary Disb.	3079.36	3242.50	3399.30	3.58	5.30	4.84
Private	2488.14	2623.61	2753.75	3.43	5.44	4.96
Government	591.22	618.89	645.55	4.18	4.68	4.31
Other Labor Income	350.66	383.60	418.39	8.66	9.39	9.07
Proprietors' Income	437.46	460.31	480.12	5.59	5.22	4.30
Farm	42.24	40.20	36.22	-3.39	-4.84	-9.89
Nonfarm	395.22	420.11	443.90	6.65	6.30	5.66
Rental Income	11.77	18.00	18.00	-232.30	52.87	0.00
Dividends	158.57	166.37	179.42	12.98	4.92	7.85
Interest Income	695.15	711.86	740.01	0.13	2.40	3.95
Transfers	911.46	968.02	1033.33	6.17	6.21	6.75
Unemploy Benefits	34.46	33.85	34.87	-12.20	-1.78	3.03
Other	877.00	934.17	998.46	7.05	6.52	6.88
Less:						
Pers Soc Ins Cont	264.22	280.42	293.03	5.96	6.13	4.49
Less:						
PERSONAL TAXES	684.43	749.81	792.97	6.15	9.55	5.76
Equals:						
DISP PERSONAL INCOME	4695.76	4920.41	5182.56	4.35	4.78	5.33
Less:						
Personal Outlays	4512.41	4755.74	5020.80	5.89	5.39	5.57
Equals:						
PERSONAL SAVING	183.35	164.67	161.76	-23.15	-10.19	-1.77
ADDENDA						
Disp Pers Income 87$	3691.14	3764.95	3823.69	1.61	2.00	1.56
Pers Saving Rate, %	3.89	3.35	3.12	NA	NA	NA

11/18/93 : RSQE Forecast

TABLE 4 : RSQE FORECAST
RELATION OF GDP, GNP, NNP + PERSONAL INCOME
(Billions of current dollars, SAAR)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
GROSS DOMESTIC PROD	6396.30	6465.14	6538.77	6614.34	6691.39	6772.79	6858.07	6936.90	7016.54	7103.06
Plus:										
Receipts of Factor Income from ROW	129.20	130.47	132.39	134.65	136.94	139.28	141.65	144.07	146.53	149.03
Less:										
Payments of Factor Income to ROW	133.60	134.92	136.25	137.59	139.61	141.66	143.73	145.84	147.98	150.16
Equals:										
GROSS NATIONAL PROD	6391.90	6460.69	6534.91	6611.40	6688.71	6770.40	6855.99	6935.13	7015.09	7101.93
Less:										
CCA w/ Consump Adj	680.00	679.24	674.83	680.06	685.51	691.59	697.73	703.91	710.02	716.10
Equals:										
NET NATIONAL PRODUCT	5711.90	5781.45	5860.08	5931.34	6003.20	6078.81	6158.25	6231.22	6305.07	6385.83
Less:										
Indirect Busn. Tax	533.40	545.42	552.70	560.12	567.76	575.42	583.21	590.71	598.15	605.78
Business Transfers	28.20	28.20	28.20	28.20	28.20	28.20	28.20	28.20	28.20	28.20
Stat Discrepancy	1.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Plus:										
Sub less Cur Surpl of Govt Enterprise	-5.20	5.10	3.90	3.70	2.50	2.30	0.10	-0.10	-0.30	-0.50
Equals:										
NATIONAL INCOME	5144.09	5206.91	5277.07	5340.71	5403.73	5471.48	5540.94	5606.20	5672.41	5745.35
Less:										
Corp. Profits	470.90	470.34	470.33	472.32	480.77	487.98	493.46	498.08	503.88	513.53
Net Interest	443.10	444.82	445.86	449.54	453.19	457.73	462.03	466.83	471.14	474.98
Social Ins Contrib	590.70	595.62	610.82	616.85	622.82	628.86	638.30	644.34	650.42	656.77
Wage Acc less Disb	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Plus:										
Govt Transfers	895.10	906.65	926.69	939.31	952.31	965.38	987.65	1005.19	1018.95	1033.13
Interest Income	694.20	697.91	702.17	708.45	714.71	722.11	729.47	736.72	743.55	750.30
Dividends	159.00	160.49	162.32	164.75	167.61	170.80	174.17	177.64	181.16	184.74
Busn Trans to Pers	22.10	22.10	22.10	22.10	22.10	22.10	22.10	22.10	22.10	22.10
Equals:										
PERSONAL INCOME	5409.70	5483.27	5563.33	5636.59	5703.67	5777.29	5860.53	5938.59	6012.71	6090.32

	1993 Average	1994 Average	1995 Average	92-93 %Change	93-94 %Change	94-95 %Change
GROSS DOMESTIC PROD	6362.66	6654.32	6978.64	5.37	4.58	4.87
Plus:						
Receipts of Factor Income from ROW	128.59	135.81	145.32	-0.49	5.62	7.00
Less:						
Payments of Factor Income to ROW	130.80	138.78	146.93	7.26	6.09	5.87
Equals:						
GROSS NATIONAL PROD	6360.45	6651.36	6977.03	5.20	4.57	4.90
Less:						
CCA w/ Consump Adj	671.44	683.00	706.94	2.06	1.72	3.51
Equals:						
NET NATIONAL PRODUCT	5689.01	5968.36	6270.09	5.59	4.91	5.06
Less:						
Indirect Busn. Tax	530.16	564.00	594.46	5.44	6.38	5.40
Business Transfers	27.80	28.20	28.20	0.72	1.44	0.00
Stat Discrepancy	13.35	6.00	6.00	NA	NA	NA
Plus:						
Sub less Cur Surpl of Govt Enterprise	5.78	3.10	-0.20	NA	NA	NA
Equals:						
NATIONAL INCOME	5123.47	5373.25	5641.22	5.93	4.88	4.99
Less:						
Corp. Profits	457.86	477.85	502.24	12.45	4.37	5.10
Net Interest	445.30	451.58	468.74	0.74	1.41	3.80
Social Ins Contrib	585.28	619.83	647.46	5.34	5.90	4.46
Wage Acc less Disb	20.00	0.00	0.00	NA	NA	NA
Plus:						
Govt Transfers	889.61	945.92	1011.23	6.30	6.33	6.90
Interest Income	695.15	711.86	740.01	0.13	2.40	3.95
Dividends	158.57	166.37	179.42	12.98	4.92	7.85
Busn Trans to Pers	21.85	22.10	22.10	1.16	1.14	0.00
Equals:						
PERSONAL INCOME	5380.21	5670.22	5975.54	4.57	5.39	5.38

11/18/93 : RSQE Forecast

TABLE 5 : RSQE FORECAST
FOREIGN TRANSACTIONS IN THE NIPAs
(Billions of current dollars, SAAR)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
RECEIPTS TO U.S.	784.11	794.42	809.09	827.14	846.67	866.81	887.25	907.96	928.94	950.00
Exports	654.91	663.95	676.70	692.49	709.73	727.53	745.60	763.89	782.41	800.97
Factor Receipts	129.20	130.47	132.39	134.65	136.94	139.28	141.65	144.07	146.53	149.03
Capital Grants Rec'd by the U.S. (net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS FROM U.S.	784.08	794.42	809.09	827.14	846.67	866.81	887.25	907.96	928.94	950.00
Imports	719.98	748.34	772.28	797.63	821.95	844.97	866.24	885.12	900.76	914.58
Factor Payments	133.60	134.92	136.25	137.59	139.61	141.66	143.73	145.84	147.98	150.16
Transfers	30.00	30.70	30.70	30.70	30.70	31.70	31.70	31.70	31.70	31.70
From Persons	10.60	10.60	10.60	10.60	10.60	10.60	10.60	10.60	10.60	10.60
From Government	13.30	14.00	14.00	14.00	14.00	15.00	15.00	15.00	15.00	15.00
From Business	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10	6.10
Net Foreign Invest	-99.50	-119.54	-130.14	-138.79	-145.59	-151.52	-154.42	-154.70	-151.51	-146.44

	1993 Average	1994 Average	1995 Average	92-93 %Change	93-94 %Change	94-95 %Change
RECEIPTS TO U.S.	786.14	837.43	918.54	2.13	6.52	9.69
Exports	657.54	701.61	773.22	2.66	6.70	10.21
Factor Receipts	128.59	135.81	145.32	-0.49	5.62	7.00
Capital Grants Rec'd by the U.S. (net)	0.00	0.00	0.00	NA	NA	NA
PAYMENTS FROM U.S.	786.10	837.43	918.54	2.13	6.53	9.69
Imports	723.23	809.21	891.67	7.93	11.89	10.19
Factor Payments	130.80	138.78	146.93	7.26	6.09	5.87
Transfers	30.07	30.95	31.70	-8.03	2.91	2.42
From Persons	10.80	10.60	10.60	3.35	-1.85	0.00
From Government	13.32	14.25	15.00	-18.00	6.94	5.26
From Business	5.95	6.10	6.10	-0.83	2.52	0.00
Net Foreign Invest	-98.01	-141.51	-151.77	NA	NA	NA

11/18/93 : RSQE Forecast

TABLE 6 : RSQE FORECAST
SUPPLEMENTARY DATA
(SAAR where applicable)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
GDP Deflator ('87=100)	124.49	124.98	125.67	126.37	127.15	128.01	128.98	129.89	130.83	131.78
PCE Deflator ('87=100)	127.40	128.22	129.09	130.09	131.18	132.37	133.61	134.87	136.17	137.48
CPI-U (1982-84=100)	144.80	145.97	146.93	147.98	149.22	150.58	152.02	153.51	155.03	156.58
Value US $ (3/73=100)	93.66	94.46	94.98	94.71	94.29	93.79	93.23	92.72	92.26	91.90
Housing Starts (Thous)	1299.00	1325.22	1364.77	1361.00	1416.74	1482.35	1499.37	1462.05	1434.91	1428.35
PRIVATE NONFARM SECTOR										
Price Defl ('87=100)	123.11	123.65	124.12	124.86	125.73	126.62	127.51	128.39	129.28	130.18
Output/Hour ('82=100)	115.80	116.34	116.84	117.34	117.81	118.29	118.78	119.25	119.74	120.29
Compensation/Hour (")	159.80	161.31	163.01	164.54	166.11	167.72	169.47	171.25	173.08	174.97
Unit Labor Cost (")	138.00	138.65	139.52	140.23	141.00	141.78	142.68	143.61	144.55	145.46
MANUFACTURING SECTOR										
Indust Prod ('87=100)	111.70	112.65	113.67	114.60	115.45	116.29	117.03	117.66	118.23	118.88
Capacity Util Rate (%)	80.70	80.86	81.08	81.21	81.28	81.34	81.33	81.25	81.13	81.08
UNEMPLOYMENT RATE										
Aggregate	6.75	6.70	6.64	6.60	6.57	6.55	6.55	6.56	6.60	6.62
Male 20 and over	6.43	6.30	6.25	6.21	6.19	6.19	6.20	6.23	6.28	6.32
MONETARY SECTOR										
Fed Funds Rate (%)	3.06	3.11	3.19	3.31	3.44	3.58	3.67	3.72	3.76	3.78
90 Day Treas Rate (%)	3.00	3.08	3.16	3.16	3.24	3.34	3.40	3.37	3.39	3.43
90 Day CD Rate (%)	3.14	3.30	3.40	3.50	3.61	3.72	3.79	3.84	3.87	3.89
Corp Aaa Rate (%)	6.89	6.90	6.81	6.83	6.87	6.91	6.96	7.01	7.06	7.10
5 Year Govt Rate (%)	4.95	4.95	4.92	5.00	5.08	5.02	5.09	5.19	5.27	5.19
30 Year Govt Rate (%)	6.32	6.15	6.08	6.12	6.16	6.17	6.22	6.29	6.34	6.34
Conv Mortgage Rate (%)	7.08	7.05	7.07	7.01	7.05	7.09	7.15	7.22	7.27	7.32
M1 (Billions of $)	1107.60	1147.67	1180.42	1207.03	1230.18	1250.84	1270.08	1287.01	1304.02	1321.32
M2 (Billions of $)	3535.30	3577.65	3623.12	3663.42	3704.93	3746.66	3789.63	3829.55	3872.54	3918.54
M2 Growth Rate (%)	2.81	4.88	5.18	4.52	4.61	4.58	4.67	4.28	4.57	4.84
Change in Par Value of Govt Debt (Bill $)	28.60	56.08	64.84	20.05	36.79	43.44	48.08	15.33	31.41	43.96
VEHICLE SECTOR										
Unit Car Sales (Mil)	8.60	8.84	8.83	8.87	8.98	8.98	8.98	8.94	8.90	8.85
Domestics (Mil)	6.63	6.94	6.94	6.96	7.05	7.07	7.09	7.08	7.06	7.03
Imports (Mil)	1.97	1.90	1.89	1.91	1.92	1.91	1.89	1.86	1.84	1.82
Import Share (%)	22.96	21.49	21.43	21.57	21.41	21.27	21.01	20.84	20.69	20.54
Unit Truck Sales (Mil)	5.29	5.56	5.38	5.40	5.49	5.54	5.58	5.61	5.63	5.64
Light Trucks (Mil)	4.95	5.21	5.03	5.05	5.13	5.18	5.22	5.25	5.27	5.29
Import Share (%)	3.79	3.60	3.49	3.51	3.62	3.76	3.91	4.05	4.17	4.28

	1993 Average	1994 Average	1995 Average	92-93 %Change	93-94 %Change	94-95 %Change
GDP Deflator ('87=100)	124.20	126.80	130.37	2.56	2.09	2.82
PCE Deflator ('87=100)	127.21	130.69	135.53	2.69	2.73	3.71
CPI-U (1982-84=100)	144.52	148.68	154.28	2.99	2.88	3.77
Value US $ (3/73=100)	93.07	94.44	92.53	7.42	1.47	-2.03
Housing Starts (Thous)	1254.05	1406.21	1456.17	3.86	12.13	3.55
PRIVATE NONFARM SECTOR						
Price Defl ('87=100)	122.90	125.33	128.84	2.33	1.98	2.80
Output/Hour ('82=100)	115.41	117.57	119.51	1.48	1.87	1.65
Compensation/Hour (")	159.30	165.34	172.19	3.63	3.79	4.14
Unit Labor Cost (")	138.06	140.63	144.08	2.15	1.86	2.45
MANUFACTURING SECTOR						
Indust Prod ('87=100)	111.51	115.00	117.95	4.29	3.13	2.56
Capacity Util Rate (%)	80.69	81.23	81.20	NA	NA	NA
UNEMPLOYMENT RATE						
Aggregate	6.86	6.59	6.58	NA	NA	NA
Male 20 and over	6.43	6.21	6.26	NA	NA	NA
MONETARY SECTOR						
Fed Funds Rate (%)	3.05	3.38	3.73	NA	NA	NA
90 Day Treas Rate (%)	3.00	3.23	3.40	NA	NA	NA
90 Day CD Rate (%)	3.18	3.56	3.85	NA	NA	NA
Corp Aaa Rate (%)	7.23	6.86	7.03	NA	NA	NA
5 Year Govt Rate (%)	5.14	5.01	5.18	NA	NA	NA
30 Year Govt Rate (%)	6.60	6.13	6.30	NA	NA	NA
Conv Mortgage Rate (%)	7.33	7.05	7.24	NA	NA	NA
M1 (Billions of $)	1090.89	1217.12	1295.61	11.76	11.57	6.45
M2 (Billions of $)	3523.86	3684.53	3852.57	1.38	4.56	4.56
M2 Growth Rate (%)	2.41	4.72	4.59	NA	NA	NA
Change in Par Value of Govt Debt (Bill $)	45.79	41.28	34.69	NA	NA	NA
VEHICLE SECTOR						
Unit Car Sales (Mil)	8.69	8.92	8.92	3.60	2.64	0.03
Domestics (Mil)	6.71	7.01	7.07	6.89	4.42	0.85
Imports (Mil)	1.98	1.91	1.85	-6.20	-3.38	-3.01
Import Share (%)	22.77	21.42	20.77	NA	NA	NA
Unit Truck Sales (Mil)	5.40	5.45	5.62	14.61	0.86	3.06
Light Trucks (Mil)	5.07	5.10	5.26	14.23	0.49	3.16
Import Share (%)	3.84	3.60	4.10	NA	NA	NA

11/18/93 : RSQE Forecast

TABLE 7 : RSQE FORECAST
FEDERAL GOVERNMENT RECEIPTS AND EXPENDITURES
(Billions of current dollars, SAAR)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
RECEIPTS	1283.90	1311.83	1351.44	1371.08	1387.93	1405.30	1423.36	1440.77	1457.52	1476.27
Personal Taxes	528.30	544.98	563.91	576.46	584.11	592.64	598.90	608.42	616.92	625.86
Corp Profit Tax	145.90	147.74	153.15	154.11	157.24	159.95	162.30	164.17	166.43	169.97
Indirect Busn. Tax	86.80	92.12	93.03	93.99	94.95	95.91	96.82	97.68	98.50	99.34
Social Ins Contrib.	522.90	526.99	541.35	546.52	551.63	556.80	565.35	570.51	575.67	581.10
EXPENDITURES	1480.20	1494.34	1517.92	1529.80	1539.02	1552.09	1576.08	1592.95	1606.02	1621.81
Purchases	442.20	433.10	435.80	434.40	431.10	429.15	431.81	430.79	429.78	430.78
Defense	302.30	298.10	296.00	292.60	289.30	286.30	286.20	284.10	282.00	281.90
Nondefense	139.90	135.00	139.80	141.80	141.80	142.85	145.61	146.69	147.78	148.88
NonCCC	140.50	140.00	141.80	141.80	141.80	142.85	145.61	146.69	147.78	148.88
Transfers	651.20	657.85	672.17	678.94	685.96	695.25	712.66	725.25	733.98	743.04
To Persons	637.90	643.85	658.17	664.94	671.96	680.25	697.66	710.25	718.98	728.04
To Rest of World	13.30	14.00	14.00	14.00	14.00	15.00	15.00	15.00	15.00	15.00
Grants in Aid	182.90	188.30	193.70	198.70	203.70	207.70	211.70	215.70	219.70	223.70
Net Interest Paid	182.40	183.09	185.25	186.76	188.26	189.99	191.91	193.21	194.56	196.29
Sub less Cur Surplus of Gov't Enterprises	21.50	32.00	31.00	31.00	30.00	30.00	28.00	28.00	28.00	28.00
Less: WALD	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SURPLUS (NIPA)	-196.40	-182.51	-166.49	-158.72	-151.09	-146.80	-152.72	-152.19	-148.50	-145.54

	Fiscal 1993	Fiscal 1994	Fiscal 1995	92-93 %Change	93-94 %Change	94-95 %Change
RECEIPTS	1247.85	1355.57	1431.74	7.26	8.63	5.62
Personal Taxes	515.75	567.37	604.22	6.90	10.01	6.50
Corp Profit Tax	136.95	153.06	163.21	18.14	11.76	6.63
Indirect Busn. Tax	84.50	93.52	97.23	4.64	10.68	3.96
Social Ins Contrib.	510.65	541.62	567.08	5.45	6.06	4.70
EXPENDITURES	1484.57	1520.27	1581.79	3.47	2.40	4.05
Purchases	446.22	433.60	430.38	0.26	-2.83	-0.74
Defense	307.60	294.00	284.65	-1.62	-4.42	-3.18
Nondefense	138.62	139.60	145.73	4.70	0.70	4.39
NonCCC	138.95	141.35	145.73	4.18	1.73	3.10
Transfers	645.12	673.73	716.79	6.47	4.43	6.39
To Persons	629.15	659.73	701.79	5.69	4.86	6.37
To Rest of World	15.97	14.00	15.00	50.00	-12.36	7.14
Grants in Aid	179.62	196.10	213.70	7.05	9.17	8.97
Net Interest Paid	181.12	185.84	192.42	-4.55	2.60	3.54
Sub less Cur Surplus of Gov't Enterprises	32.47	31.00	28.50	NA	NA	NA
Less: WALD	0.00	0.00	0.00	NA	NA	NA
SURPLUS (NIPA)	-236.67	-164.70	-150.05	NA	NA	NA

11/18/93 : RSQE Forecast

TABLE 8 : RSQE FORECAST
STATE AND LOCAL GOVERNMENT RECEIPTS AND EXPENDITURES
(Billions of current dollars, SAAR)

	1993:3 Actual	1993:4	1994:1	1994:2	1994:3	1994:4	1995:1	1995:2	1995:3	1995:4
RECEIPTS	890.00	905.86	920.99	936.02	951.63	966.35	981.16	995.58	1010.08	1025.20
Personal Taxes	161.90	164.44	166.90	169.38	171.67	174.15	176.70	179.18	181.66	184.24
Corp Profit Tax	30.70	31.19	31.25	31.48	32.27	32.93	33.42	33.82	34.32	35.15
Indirect Busn. Tax	446.70	453.30	459.67	466.13	472.80	479.51	486.39	493.03	499.65	506.44
Social Ins Contrib.	67.80	68.63	69.47	70.33	71.19	72.06	72.95	73.84	74.75	75.67
Grants in Aid	182.90	188.30	193.70	198.70	203.70	207.70	211.70	215.70	219.70	223.70
EXPENDITURES	893.10	905.28	918.30	932.42	946.79	960.96	975.35	989.94	1004.76	1020.75
Purchases	718.60	725.68	733.71	742.71	751.83	761.96	772.23	782.63	793.18	804.82
Transfers	257.20	262.80	268.52	274.37	280.35	285.13	289.99	294.94	299.97	305.09
Net Interest Paid	-45.10	-45.21	-45.55	-45.89	-46.23	-46.57	-46.91	-47.26	-47.61	-47.97
Less:										
Div rec'd by Gov't	10.90	11.09	11.28	11.47	11.66	11.86	12.06	12.27	12.48	12.69
Sub less Cur Surplus of Gov't Enterprises	-26.70	-26.90	-27.10	-27.30	-27.50	-27.70	-27.90	-28.10	-28.30	-28.50
Less:										
Wage Acc less Disb	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SURPLUS (NIPA)	-3.10	0.58	2.69	3.60	4.84	5.40	5.81	5.64	5.32	4.45

	Fiscal 1993	Fiscal 1994	Fiscal 1995	92-93 %Change	93-94 %Change	94-95 %Change
RECEIPTS	873.20	928.63	988.29	5.97	6.35	6.43
Personal Taxes	159.00	168.10	177.93	4.73	5.72	5.85
Corp Profit Tax	29.47	31.55	33.62	18.14	7.03	6.58
Indirect Busn. Tax	438.25	462.98	489.65	5.52	5.64	5.76
Social Ins Contrib.	66.85	69.90	73.40	4.25	4.57	5.00
Grants in Aid	179.62	196.10	213.70	7.05	9.17	8.97
EXPENDITURES	870.10	925.70	982.75	6.47	6.39	6.16
Purchases	704.52	738.48	777.50	4.25	4.82	5.28
Transfers	247.67	271.51	292.51	11.62	9.62	7.73
Net Interest Paid	-45.40	-45.72	-47.09	-1.63	0.70	2.99
Less:						
Div rec'd by Gov't	10.65	11.37	12.17	6.50	6.81	6.97
Sub less Cur Surplus	-26.05	-27.20	-28.00	NA	NA	NA
of Gov't Enterprises						
Less:						
Wage Acc less Disb	0.00	0.00	0.00	NA	NA	NA
SURPLUS (NIPA)	3.07	2.93	5.54	NA	NA	NA

11/18/93 : RSQE Forecast

SIMULATION OUTPUT BY DSET USING DSET NOVS.O

NON-ZERO ADJUSTMENT CONSTANTS

		A.AUTOSD	A.CDFE87	A.CDO87	A.CDVA87	A.CDVO87	A.CDVT87	A.CNCS87	A.CNFC87	A.CNFD87	A.CNGO87
1993	4	0.04	3.	2.	-10.65	1.5	0.8	-1.	-0.1	-1.	-1.6
1994	1	0.02	2.	1.	-10.	1.	-1.3	-1.	-0.1	-1.	-1.8
1994	2	0.	1.	0.	-9.	1.	0.	-1.	-0.1	-1.	-1.8
1994	3	0.	0.	0.	-8.	1.	0.4	-1.	-0.1	-1.	-1.8
1994	4	0.	0.	0.	-8.	1.	0.4	-1.	-0.1	-1.	-1.8
1995	1	0.	0.	0.	-8.	1.	0.4	-1.	-0.1	-1.	-1.8
1995	2	0.	0.	0.	-8.	1.	0.4	-1.	-0.1	-1.	-1.8
1995	3	0.	0.	0.	-8.	1.	0.4	-1.	-0.1	-1.	-1.8
1995	4	0.	0.	0.	-8.	1.	0.4	-1.	-0.1	-1.	-1.8

		A.CNO87	A.CS87	A.FDCUR	A.GINTF	A.HOUSEX	A.HSMULT	A.IINVA8	A.IINVO8	A.IINVT8	A.INCO87
1993	4	-1.	-3.	-0.4	-1.	-450.	-6.	2.	-10.	-1.	-7.
1994	1	-0.5	-3.	-0.2	0.	-450.	-3.	1.5	-9.	-0.5	-6.
1994	2	0.	-3.	-0.2	0.	-450.	0.	1.	-7.	0.	-5.
1994	3	0.	-3.	-0.2	0.	-450.	0.	0.5	-5.	0.5	-5.
1994	4	0.	-3.	-0.2	0.	-450.	0.	0.5	-5.	0.5	-5.
1995	1	0.	-3.	-0.2	0.	-450.	0.	0.5	-5.	0.5	-5.
1995	2	0.	-3.	-0.2	0.	-450.	0.	0.5	-5.	0.5	-5.
1995	3	0.	-3.	-0.2	0.	-450.	0.	0.5	-5.	0.5	-5.
1995	4	0.	-3.	-0.2	0.	-450.	0.	0.5	-5.	0.5	-5.

		A.IPDAU8	A.IPDIE8	A.IPDIP8	A.IPDOE8	A.IPDTRK	A.IRCM87	A.IRCO87	A.IRCS87	A.JEXR	A.JIPM
1993	4	-0.25	2.	27.	-1.	0.5	-6.	-2.	-17.	0.5	-0.2
1994	1	0.	1.7	28.	-0.5	0.5	-5.5	-2.2	-16.	1.	-0.3
1994	2	0.	1.4	29.	0.	0.5	-5.	-2.2	-15.	1.	-0.3
1994	3	0.	1.1	30.	0.	0.5	-4.5	-2.2	-14.	1.	-0.3
1994	4	0.	0.8	31.	0.	0.5	-4.5	-2.2	-13.	1.	-0.3
1995	1	0.	0.8	32.	0.	0.5	-4.5	-2.2	-13.	1.	-0.3
1995	2	0.	0.8	33.	0.	0.5	-4.5	-2.2	-13.	1.	-0.3
1995	3	0.	0.8	34.	0.	0.5	-4.5	-2.2	-13.	1.	-0.3
1995	4	0.	0.8	35.	0.	0.5	-4.5	-2.2	-13.	1.	-0.3

		A.JIPROW	A.JQLH	A.JRAUTO	A.KCA	A.MAUTO8	A.MNOIL8	A.M1	A.M2	A.PCDFE	A.PCDO
1993	4	-0.5	0.12	-0.6	-6.	2.5	-10.	11.	-80.	-0.2	0.
1994	1	-0.5	0.1	-0.3	-8.	2.	-6.	7.	-80.	-0.2	0.1
1994	2	-0.5	0.08	0.	0.	1.5	-4.	7.	-80.	-0.2	0.1
1994	3	-0.5	0.06	0.	0.	1.5	-3.	7.	-80.	-0.2	0.1
1994	4	-0.5	0.06	0.	0.	1.5	-2.	7.	-80.	-0.2	0.1
1995	1	-0.5	0.06	0.	0.	1.5	-1.	7.	-80.	-0.2	0.1
1995	2	-0.5	0.06	0.	0.	1.5	0.	7.	-80.	-0.2	0.1
1995	3	-0.5	0.06	0.	0.	1.5	0.	7.	-80.	-0.2	0.1
1995	4	-0.5	0.06	0.	0.	1.5	0.	7.	-80.	-0.2	0.1

		A.PCDVO	A.PCDVT	A.PCNCS	A.PCNFD	A.PCPI	A.PCROW	A.PCS	A.PGAS	A.PGFD	A.PGSL
1993	4	-0.2	0.2	-0.6	-0.1	0.5	0.3	-0.14	4.05	0.3	-0.2
1994	1	-0.3	0.1	-0.3	0.	0.	0.3	-0.14	-0.89	0.2	-0.3
1994	2	-0.3	0.1	0.	0.	0.	0.3	-0.14	0.	0.1	-0.3
1994	3	-0.3	0.1	0.	0.	0.	0.3	-0.14	0.	0.	-0.3
1994	4	-0.3	0.1	0.	0.	0.	0.3	-0.14	0.	0.	-0.3
1995	1	-0.3	0.1	0.	0.	0.	0.3	-0.14	0.	0.	-0.3
1995	2	-0.3	0.1	0.	0.	0.	0.3	-0.14	0.	0.	-0.3
1995	3	-0.3	0.1	0.	0.	0.	0.3	-0.14	0.	0.	-0.3
1995	4	-0.3	0.1	0.	0.	0.	0.3	-0.14	0.	0.	-0.3

		A.PINC	A.PIPDIE	A.PIPDIP	A.PIRC	A.POIL	A.PPNF	A.RAAA	A.RFF	A.RFHA	A.RG30
1993	4	0.2	0.2	-0.9	0.2	0.	0.	0.23	-0.08	0.05	-0.18
1994	1	0.	0.2	-0.9	0.	1.5	0.	0.14	-0.05	0.	-0.04
1994	2	0.	0.2	-0.9	0.	1.5	-0.1	0.24	0.	-0.04	-0.04
1994	3	0.	0.2	-0.9	0.	1.5	-0.1	0.24	0.05	-0.06	-0.04
1994	4	0.	0.2	-0.9	0.	1.5	-0.1	0.24	0.1	-0.06	-0.04
1995	1	0.	0.2	-0.9	0.	1.5	-0.1	0.24	0.1	-0.06	-0.04
1995	2	0.	0.2	-0.9	0.	1.5	-0.1	0.24	0.1	-0.06	-0.04
1995	3	0.	0.2	-0.9	0.	1.5	-0.1	0.24	0.1	-0.06	-0.04
1995	4	0.	0.2	-0.9	0.	1.5	-0.1	0.24	0.1	-0.06	-0.04

		A.RG5	A.RMORT	A.RTB	A.RUG	A.RUM	A.RVAC	A.TCF	A.TCSL	A.TIBF	A.TIBSL
1993	4	-0.1	-0.04	0.03	0.08	-0.07	0.05	0.	0.3	0.5	1.5
1994	1	-0.14	0.	0.03	0.	0.	0.05	5.1	0.3	0.5	1.5
1994	2	-0.18	-0.05	0.03	0.	0.	0.05	0.	0.3	0.5	1.5
1994	3	-0.18	-0.05	0.03	0.	0.	0.05	0.	0.3	0.5	1.5
1994	4	-0.18	-0.05	0.03	0.	0.	0.05	0.	0.3	0.5	1.5
1995	1	-0.18	-0.05	0.03	0.	0.	0.05	0.2	0.3	0.5	1.5
1995	2	-0.18	-0.05	0.03	0.	0.	0.05	0.	0.3	0.5	1.5
1995	3	-0.18	-0.05	0.03	0.	0.	0.05	0.	0.3	0.5	1.5
1995	4	-0.18	-0.05	0.03	0.	0.	0.05	0.	0.3	0.5	1.5

		A.TPSL	A.TRKH	A.TRKL	A.TRKLD	A.TSIF	A.TSIP	A.X87	A.YFP	A.YOL	A.YPDIV
1993	4	0.5	-0.018	0.05	0.22	-1.5	0.4	2.	8.	0.4	-1.
1994	1	0.5	-0.013	-0.05	0.22	0.8	0.4	2.	11.	0.2	-0.7
1994	2	0.5	-0.009	0.	0.22	-1.5	0.4	2.	0.	0.2	-0.3
1994	3	0.5	-0.009	0.	0.22	-1.5	0.4	2.	0.	0.2	-0.3
1994	4	0.5	-0.009	0.	0.22	-1.5	0.4	2.	0.	0.2	-0.3
1995	1	0.5	-0.009	0.	0.22	-4.6	0.4	2.	0.	0.2	-0.3
1995	2	0.5	-0.009	0.	0.22	-1.5	0.4	2.	0.	0.2	-0.3
1995	3	0.5	-0.009	0.	0.22	-1.5	0.4	2.	0.	0.2	-0.3
1995	4	0.5	-0.009	0.	0.22	-1.5	0.4	2.	0.	0.2	-0.3

		A.YPINT	A.YPWS	S.X87
1993	4	5.	-9.	0.
1994	1	2.	0.	0.
1994	2	0.	0.	0.
1994	3	0.	0.	1.
1994	4	0.	0.	1.
1995	1	0.	0.	1.
1995	2	0.	0.	1.
1995	3	0.	0.	1.
1995	4	0.	0.	1.

SIMULATION OUTPUT BY DSET

EXOGENOUS VARIABLES

		AUTOSG	AUTOSIZE	BTRF	BTRP	DAINC	DAINC1	DASTRIKE	DATE	DFROFF	DFRZ1
1993	3	0.116	0.625	6.1	22.1	0.	0.	0.	1993.3	0.	0.
1993	4	0.116	0.625	6.1	22.1	0.	0.	0.	1993.4	0.	0.
1994	1	0.116	0.625	6.1	22.1	0.	0.	0.	1994.1	0.	0.
1994	2	0.116	0.625	6.1	22.1	0.	0.	0.	1994.2	0.	0.
1994	3	0.118	0.625	6.1	22.1	0.	0.	0.	1994.3	0.	0.
1994	4	0.118	0.625	6.1	22.1	0.	0.	0.	1994.4	0.	0.
1995	1	0.118	0.625	6.1	22.1	0.	0.	0.	1995.1	0.	0.
1995	2	0.118	0.625	6.1	22.1	0.	0.	0.	1995.2	0.	0.
1995	3	0.12	0.625	6.1	22.1	0.	0.	0.	1995.3	0.	0.
1995	4	0.12	0.625	6.1	22.1	0.	0.	0.	1995.4	0.	0.

		DGDEBTP3	DGPAY	DINDTPF	DJEXR	DJRAUTO	DM2831	DM2832	DM87DOCK	DOPEC1	DOPEC2
1993	3	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.
1993	4	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.
1994	1	1.	1.	1.	0.	1.	0.	0.	0.	0.	0.
1994	2	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.
1994	3	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.
1994	4	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.
1995	1	1.	1.	1.	0.	1.	0.	0.	0.	0.	0.
1995	2	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.
1995	3	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.
1995	4	1.	0.	0.	0.	1.	0.	0.	0.	0.	0.

		DOPEC3	DPCRUDE	DPRE87	DPROP13	DRMORT	DSEAS1	DSEAS2	DSEAS3	DSLDEBT	DSPRD
1993	3	1.	0.	0.	0.	1.	0.	0.	1.	-6.5	0.
1993	4	1.	0.	0.	0.	1.	-1.	-1.	-1.	3.5	0.
1994	1	1.	0.	0.	0.	1.	1.	0.	0.	3.5	0.
1994	2	1.	0.	0.	0.	1.	0.	1.	0.	3.5	0.
1994	3	1.	0.	0.	0.	1.	0.	0.	1.	3.5	0.
1994	4	1.	0.	0.	0.	1.	-1.	-1.	-1.	-2.5	0.
1995	1	1.	0.	0.	0.	1.	1.	0.	0.	-2.5	0.
1995	2	1.	0.	0.	0.	1.	0.	1.	0.	-2.5	0.
1995	3	1.	0.	0.	0.	1.	0.	0.	1.	-2.5	0.
1995	4	1.	0.	0.	0.	1.	-1.	-1.	-1.	-2.5	0.

		DTAX86	DTIBF	DTPF	DTPSL	DTSIF	DUBEXT	DUMIP	DUM75	DVRALED	DYD87
1993	3	0.	0.	0.	0.	0.	0.	1.	1.	0.	0.
1993	4	0.	4.7	8.	0.	0.	0.	1.	1.	0.	0.
1994	1	0.	0.	14.23	0.	8.3	0.	1.	1.	0.	0.
1994	2	0.	0.	4.	0.	0.	0.	1.	1.	0.	0.
1994	3	0.	0.	0.	0.	0.	0.	1.	1.	0.	0.
1994	4	0.	0.	0.	0.	0.	0.	1.	1.	0.	0.
1995	1	0.	0.	1.6	0.	2.7	0.	1.	1.	0.	0.
1995	2	0.	0.	1.	0.	0.	0.	1.	1.	0.	0.
1995	3	0.	0.	0.	0.	0.	0.	1.	1.	0.	0.
1995	4	0.	0.	0.	0.	0.	0.	1.	1.	0.	0.

		DYFP	D5467	D5469	D5864	D6569	D6873	D7080	D7482	D763	D8184
1993	3	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1993	4	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1994	1	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1994	2	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1994	3	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1994	4	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1995	1	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1995	2	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1995	3	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.
1995	4	1.	0.	0.	0.	0.	0.	0.	0.	0.	0.

		D82Q1	D822844	D8488	D85ON	D86Q4	D86Q4ON	D862	D87ON	D88Q1ON	EGOV
1993	3	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.309
1993	4	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.404
1994	1	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.416
1994	2	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.428
1994	3	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.44
1994	4	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.452
1995	1	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.464
1995	2	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.476
1995	3	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.489
1995	4	0.	0.	0.	0.9	0.	1.	0.	1.	1.	20.501

		GAID	GDIVSL	GFCCC	GFD	GFO	GINTSL	GOLD	GOVAU87	GOVTRK87	GSL
1993	3	182.9	10.9	-0.6	302.3	140.5	-45.1	11.057	1.8	6.1	718.6
1993	4	188.3	11.09	-5.	298.1	140.	-45.21	11.057	1.8	6.7	725.68
1994	1	193.7	11.28	-2.	296.	141.8	-45.55	11.057	1.8	6.1	733.71
1994	2	198.7	11.47	0.	292.6	141.8	-45.89	11.057	1.8	6.1	742.71
1994	3	203.7	11.66	0.	289.3	141.8	-46.23	11.057	1.8	6.1	751.83
1994	4	207.7	11.86	0.	286.3	142.85	-46.57	11.057	1.8	6.1	761.96
1995	1	211.7	12.06	0.	286.2	145.61	-46.91	11.057	1.8	6.1	772.23
1995	2	215.7	12.27	0.	284.1	146.69	-47.26	11.057	1.8	6.1	782.63
1995	3	219.7	12.48	0.	282.	147.78	-47.61	11.057	1.9	6.1	793.18
1995	4	223.7	12.69	0.	281.9	148.88	-47.97	11.057	1.9	6.1	804.82

		GTRF	GTROF	GTRSL	GWALDF	GWALDSL	HINT	HTRF	IINVFC	IINVFC87	IVA
1993	3	13.3	603.1	257.2	0.	0.	113.8	10.6	-11.9	-11.2	0.2
1993	4	14.	609.7	262.8	0.	0.	115.2	10.6	-6.6	-6.	-5.
1994	1	14.	624.29	268.52	0.	0.	116.61	10.6	-1.1	-1.	-5.
1994	2	14.	631.17	274.37	0.	0.	118.04	10.6	3.3	3.	-5.
1994	3	14.	638.15	280.35	0.	0.	119.49	10.6	3.32	3.	-5.
1994	4	15.	646.32	285.13	0.	0.	120.96	10.6	3.35	3.	-5.
1995	1	15.	663.49	289.99	0.	0.	122.44	10.6	3.37	3.	-5.
1995	2	15.	675.67	294.94	0.	0.	123.94	10.6	3.4	3.	-5.
1995	3	15.	683.85	299.97	0.	0.	125.46	10.6	3.42	3.	-5.
1995	4	15.	692.43	305.09	0.	0.	127.	10.6	3.45	3.	-5.

		JICS	JUS.ROW	KCCA	KGRANT	MOIL87	MTRK87	MYFAC	PAUTO	PAUTOD.F	PFARM
1993	3	77.4	0.504	23.6	0.	56.	8.7	133.6	131.9	0.779	110.38
1993	4	81.2	0.55	23.6	0.	56.28	8.9	134.92	132.88	0.77	111.2
1994	1	83.	0.58	23.6	0.	56.56	9.2	136.25	133.86	0.79	112.02
1994	2	83.	0.58	23.6	0.	56.84	9.5	137.59	134.86	0.792	112.85
1994	3	84.	0.57	23.6	0.	57.12	9.8	139.61	135.86	0.794	113.69
1994	4	84.	0.56	23.6	0.	57.4	10.	141.66	137.2	0.796	114.53
1995	1	85.	0.55	23.6	0.	57.69	10.2	143.73	138.55	0.798	115.38
1995	2	85.	0.55	23.6	0.	57.97	10.2	145.84	139.91	0.8	116.24
1995	3	85.	0.55	23.6	0.	58.26	10.2	147.98	141.29	0.802	117.1
1995	4	85.	0.55	23.6	0.	58.55	10.2	150.16	142.68	0.804	117.97

		PHOUSEX	PHOUSN.E	PIINVO	PIINVV	PMOIL	PMTRK	PNGAS	POTHRCRU	PTRKH	PTRKL
1993	3	108.4	117.	108.57	107.58	88.75	121.84	80.	139.8	136.4	152.2
1993	4	107.54	118.5	109.38	108.38	89.25	123.04	78.	139.6	138.5	152.5
1994	1	107.22	120.	110.19	109.18	89.91	124.25	78.67	141.14	139.86	154.
1994	2	111.49	120.	111.	109.99	90.58	125.48	79.35	142.71	141.24	155.52
1994	3	112.74	120.	111.83	110.81	91.25	126.71	80.04	144.29	142.63	157.05
1994	4	111.84	120.	112.66	111.9	91.93	127.96	80.73	145.88	144.04	158.6
1995	1	111.51	120.	113.49	113.	92.61	129.22	81.43	147.5	145.46	160.16
1995	2	115.95	120.	114.33	114.12	93.3	130.5	82.13	149.13	146.89	161.74
1995	3	117.25	120.	115.18	115.24	93.99	131.78	82.84	150.78	148.34	163.33
1995	4	116.31	120.	116.04	116.38	94.69	133.08	83.56	152.45	149.8	164.94

		RBASE	RCP	RDIS	RFGINTF	RJIPROW	RLFSEC	RPCROW	RPMROW	RPOP2O	RX87
1993	3	12.735	3.	3.	23.03	0.237	48.38	1.644	10.916	0.97	-1.141
1993	4	10.	3.	3.	23.03	1.7	48.38	1.5	10.6	0.95	3.5
1994	1	8.	3.	3.	23.03	2.5	48.38	2.5	6.	0.93	6.
1994	2	6.	3.	3.	23.03	3.2	48.38	3.	3.	0.9	7.
1994	3	6.	3.	3.	23.03	3.5	48.38	3.5	3.	0.9	0.
1994	4	6.	3.	3.	23.03	3.	48.38	3.5	3.	0.9	0.
1995	1	5.	3.	3.	23.03	2.5	48.38	3.5	3.	0.9	0.
1995	2	5.	3.	3.	23.03	2.5	48.38	3.5	3.	0.9	0.
1995	3	5.	3.	3.	23.03	2.5	48.38	3.5	3.	0.9	0.
1995	4	5.	3.	3.	23.03	2.5	48.38	3.5	3.	0.9	0.

		SDR	SLCSF	SLCSSL	STAT	TCO	TDEPRAU	TDEPRNC	TDEPRQ	TIME	TITCR
1993	3	8.018	21.5	-26.7	1.	21.86	0.255	0.048	0.286	159.	0.
1993	4	8.018	32.	-26.9	6.	22.	0.255	0.048	0.286	160.	0.
1994	1	8.018	31.	-27.1	6.	22.13	0.255	0.048	0.286	161.	0.
1994	2	8.018	31.	-27.3	6.	22.27	0.255	0.048	0.286	162.	0.
1994	3	8.018	30.	-27.5	6.	22.41	0.255	0.048	0.286	163.	0.
1994	4	8.018	30.	-27.7	6.	22.55	0.255	0.048	0.286	164.	0.
1995	1	8.018	28.	-27.9	6.	22.68	0.255	0.048	0.286	165.	0.
1995	2	8.018	28.	-28.1	6.	22.83	0.255	0.048	0.286	166.	0.
1995	3	8.018	28.	-28.3	6.	22.97	0.255	0.048	0.286	167.	0.
1995	4	8.018	28.	-28.5	6.	23.11	0.255	0.048	0.286	168.	0.

		TPNS	TSIFR	TSISL	WALD	WCEIL	WUSMIN	XAUTO87	XTRK87	XYFAC	YGWS
1993	3	0.	0.153	67.8	0.	57.6	4.25	12.1	4.6	129.2	593.4
1993	4	0.	0.153	68.63	0.	57.6	4.25	12.18	4.63	130.47	601.08
1994	1	0.	0.153	69.47	0.	60.6	4.25	12.33	4.69	132.39	610.7
1994	2	0.	0.153	70.33	0.	60.6	4.25	12.48	4.74	134.65	616.12
1994	3	0.	0.153	71.19	0.	60.6	4.25	12.63	4.8	136.94	621.6
1994	4	0.	0.153	72.06	0.	60.6	4.25	12.79	4.86	139.28	627.14
1995	1	0.	0.153	72.95	0.	63.3	4.25	12.95	4.92	141.65	636.93
1995	2	0.	0.153	73.84	0.	63.3	4.25	13.1	4.98	144.07	642.64
1995	3	0.	0.153	74.75	0.	63.3	4.25	13.27	5.04	146.53	648.4
1995	4	0.	0.153	75.67	0.	63.3	4.25	13.43	5.1	149.03	654.23

		YPRENT
1993	3	13.9
1993	4	13.
1994	1	18.
1994	2	18.
1994	3	18.
1994	4	18.
1995	1	18.
1995	2	18.
1995	3	18.
1995	4	18.

SIMULATION OUTPUT BY DSET

ENDOGENOUS VARIABLES

		AUTOS	AUTOSB	AUTOSC	AUTOSD	AUTOSF	C	CDFE87	CDO87	CDVAR.U	CDVA87
1993	3	8.6	4.002	4.482	6.626	1.974	NA	219.1	84.4	NA	77.2
1993	4	8.838	4.122	4.6	6.938	1.899	4478.	224.25	85.183	15.681	79.58
1994	1	8.831	4.038	4.677	6.938	1.893	4534.96	227.837	85.874	15.719	81.306
1994	2	8.872	4.05	4.707	6.959	1.914	4593.6	230.046	85.697	15.784	82.303
1994	3	8.976	4.009	4.85	7.054	1.922	4656.67	231.12	85.771	15.815	85.091
1994	4	8.983	3.987	4.877	7.072	1.911	4720.27	232.171	85.794	15.906	86.056
1995	1	8.98	3.956	4.906	7.093	1.887	4787.13	233.135	85.876	15.976	87.042
1995	2	8.944	3.929	4.897	7.08	1.864	4852.71	233.762	85.943	16.06	87.417
1995	3	8.898	3.904	4.873	7.057	1.841	4917.93	234.207	86.013	16.143	87.563
1995	4	8.85	3.885	4.845	7.032	1.818	4984.23	234.782	86.107	16.228	87.634

		CDVO87	CDVT87	CDV87	CD87	CNCS87	CNFC87	CNFD87	CNGO87	CNO87	CN87
1993	3	71.1	41.2	189.5	493.	200.4	13.2	531.5	85.8	261.5	1092.3
1993	4	71.505	43.086	194.171	503.604	201.451	13.159	532.206	85.721	262.993	1095.53
1994	1	71.517	42.291	195.115	508.825	202.546	13.081	533.199	86.018	264.9	1099.74
1994	2	71.604	42.614	196.521	512.263	203.288	13.04	534.125	86.355	266.923	1103.73
1994	3	71.603	43.704	200.398	517.289	204.044	12.941	534.774	86.669	268.524	1106.95
1994	4	71.626	44.445	202.126	520.091	204.706	12.889	535.472	86.999	269.853	1109.92
1995	1	71.653	45.198	203.892	522.902	205.55	12.887	536.441	87.403	271.039	1113.32
1995	2	71.674	45.777	204.869	524.574	206.297	12.847	537.387	87.748	272.061	1116.34
1995	3	71.714	46.247	205.524	525.743	206.964	12.796	538.106	88.041	272.964	1118.87
1995	4	71.786	46.641	206.061	526.951	207.619	12.768	538.808	88.318	273.808	1121.32

		CS87	C87	DISC	DLPX	FDCUR	FS	FSDP	FSDP87	FSMF87	FSNMF87
1993	3	1882.6	3467.9	NA	NA	11.077	6388.1	NA	NA	NA	NA
1993	4	1893.31	3492.44	1.012	0.005	9.033	6440.33	6524.71	5240.12	1284.11	160.447
1994	1	1904.42	3512.99	1.012	0.004	7.555	6508.07	6603.64	5272.18	1289.23	162.534
1994	2	1915.09	3531.08	1.012	0.006	5.763	6576.71	6681.85	5302.39	1295.43	163.782
1994	3	1925.47	3549.71	1.013	0.007	5.829	6652.85	6765.07	5332.36	1302.14	168.244
1994	4	1935.83	3565.84	1.013	0.007	5.916	6734.93	6852.37	5361.6	1309.63	173.744
1995	1	1946.69	3582.92	1.013	0.008	4.978	6823.07	6943.71	5388.4	1318.72	176.513
1995	2	1957.02	3597.93	1.013	0.007	5.068	6904.55	7025.78	5410.1	1329.22	175.794
1995	3	1967.06	3611.68	1.013	0.007	5.119	6987.56	7105.91	5429.06	1341.48	173.95
1995	4	1977.09	3625.36	1.013	0.007	5.181	7076.39	7190.	5449.94	1357.21	171.83

		FSO87	FS87	GAUTO87	GCBDD	GCE	GDEBTM	GDEBTP	GDP	GDP87	GDP87R4
1993	3	NA	5130.8	112.5	31.4	NA	3133.55	2967.	6396.3	5138.	NA
1993	4	2308.51	5150.04	123.521	29.546	29.459	3183.12	3023.08	6465.14	5172.74	2.061
1994	1	2320.56	5175.37	125.075	30.384	29.913	3247.58	3087.91	6538.77	5203.26	2.463
1994	2	2329.86	5200.31	127.214	30.973	30.161	3261.42	3107.97	6614.34	5234.26	2.59
1994	3	2340.69	5227.95	129.997	31.569	30.411	3288.2	3144.76	6691.39	5262.46	2.422
1994	4	2354.99	5257.14	132.411	30.396	30.664	3337.57	3188.2	6772.79	5290.79	2.282
1995	1	2368.82	5286.09	133.74	30.878	31.124	3377.06	3236.28	6858.07	5316.97	2.185
1995	2	2381.	5312.1	134.529	31.653	31.385	3383.33	3251.61	6936.9	5340.43	2.028
1995	3	2393.58	5338.01	134.954	32.152	31.646	3404.47	3283.01	7016.54	5363.2	1.914
1995	4	2409.48	5367.	135.226	31.03	31.912	3456.27	3326.97	7103.06	5390.01	1.875

		GFCCC87	GFND	GF87	GINTF	GINTFF	GNP	GNP87	GSL87	GTRP	GTRUCK87
1993	3	-0.6	139.9	NA	182.4	42.	6391.9	5136.9	NA	NA	80.4
1993	4	-4.545	135.	345.053	183.095	42.167	6460.69	5171.71	586.414	906.646	84.472
1994	1	-1.818	139.8	342.544	185.248	42.663	6534.91	5202.8	589.098	926.695	85.139
1994	2	0.	141.8	340.359	186.763	43.012	6611.4	5234.57	592.487	939.308	85.746
1994	3	0.	141.8	336.284	188.26	43.356	6688.71	5263.04	595.737	952.31	86.58
1994	4	0.	142.85	333.187	189.995	43.756	6770.4	5291.68	599.583	965.378	86.914
1995	1	0.	145.61	330.266	191.911	44.197	6855.99	5318.17	603.283	987.652	87.052
1995	2	0.	146.69	327.933	193.211	44.497	6935.13	5341.95	606.941	1005.19	87.167
1995	3	0.	147.78	325.635	194.563	44.808	7015.09	5365.05	610.57	1018.95	87.242
1995	4	0.	148.88	324.854	196.291	45.206	7101.93	5392.17	614.885	1033.13	87.254

		G87	HASSET	HOUSCOMP	HOUSEX	HS	HSMULT	HSSING	IBF	IBFNC	IBFNC87
1993	3	938.4	NA	NA	3860.	1299.	172.	1127.	623.6	NA	150.8
1993	4	931.467	0.005	1303.25	3772.47	1325.22	171.052	1154.16	629.834	178.959	149.38
1994	1	931.642	-0.015	1338.81	3690.1	1364.77	176.67	1188.1	633.101	179.802	149.087
1994	2	932.846	0.001	1359.27	3696.74	1361.	193.594	1167.41	639.893	182.839	150.456
1994	3	932.021	0.008	1384.23	3807.74	1416.74	225.349	1191.39	645.21	186.214	152.131
1994	4	932.77	0.006	1438.07	3903.32	1482.35	256.207	1226.14	650.434	189.931	153.982
1995	1	933.549	0.002	1482.77	3905.72	1499.37	278.06	1221.31	655.111	193.775	155.901
1995	2	934.874	0.005	1482.37	3848.52	1462.05	291.25	1170.8	659.553	197.604	157.762
1995	3	936.204	0.004	1454.66	3798.	1434.91	298.184	1136.73	663.25	201.128	159.349
1995	4	939.739	0.003	1434.94	3776.32	1428.35	302.033	1126.32	666.594	204.274	160.617

		IBFPD	IBFPD87	IBF87	IINV	IINVA87	IINVF	IINVF87	IINVO87	IINVT87	IINVV87
1993	3	NA	442.6	593.3	NA	-5.2	-11.3	-10.6	24.5	-1.4	-6.6
1993	4	450.875	451.738	601.117	24.815	0.833	-1.6	-1.455	23.667	-0.346	0.487
1994	1	453.299	458.501	607.588	30.704	0.584	0.9	0.818	24.581	1.906	2.49
1994	2	457.053	465.621	616.077	37.632	0.207	3.3	3.	28.648	2.096	2.303
1994	3	458.996	470.753	622.885	38.533	-0.294	3.32	3.	29.781	2.016	1.722
1994	4	460.503	475.042	629.024	37.849	0.645	3.35	3.	28.264	1.729	2.374
1995	1	461.336	478.698	634.6	34.996	0.721	3.37	3.	25.833	1.322	2.043
1995	2	461.949	482.2	639.962	32.349	0.925	3.4	3.	23.458	0.94	1.866
1995	3	462.123	485.333	644.682	28.983	0.932	3.42	3.	20.576	0.684	1.617
1995	4	462.32	488.51	649.127	26.665	0.878	3.45	3.	18.629	0.495	1.373

		IINV87	INCO87	INCWM87	INETFOR	IPDAU87	IPDIE87	IPDIP87	IPDOE87	IPDTRK87	IRC
1993	3	7.3	138.5	12.3	-99.5	59.3	79.9	200.5	64.4	38.5	250.7
1993	4	22.7	138.521	10.859	-119.542	61.206	80.558	206.216	64.556	39.202	258.113
1994	1	27.889	139.425	9.662	-130.136	60.185	80.237	213.689	65.139	39.252	266.09
1994	2	33.95	141.205	9.251	-138.785	60.656	79.713	219.481	66.175	39.596	271.266
1994	3	34.504	142.941	9.191	-145.592	60.278	78.825	225.08	66.912	39.659	280.285
1994	4	33.638	144.807	9.176	-151.519	60.215	77.464	230.206	67.477	39.68	290.575
1995	1	30.876	146.758	9.143	-154.417	59.974	76.104	235.062	67.946	39.613	297.44
1995	2	28.324	148.661	9.101	-154.703	59.785	74.826	239.694	68.425	39.47	300.122
1995	3	25.193	150.31	9.04	-151.507	59.627	73.618	244.069	68.748	39.271	301.79
1995	4	23.002	151.641	8.976	-146.435	59.578	72.556	248.302	69.057	39.017	303.589

		IRCM87	IRC087	IRCS87	IRC87	JCAP	JCLH	JCLHD	JCU	JEXR	JIPM
1993	3	10.	91.1	110.1	211.2	138.5	159.8	125.432	0.807	93.66	111.7
1993	4	10.477	91.532	113.106	215.115	139.32	161.307	125.805	0.809	94.455	112.652
1994	1	11.148	91.13	117.703	219.981	140.198	163.013	126.278	0.811	94.981	113.666
1994	2	12.282	91.226	118.895	222.403	141.107	164.537	126.479	0.812	94.709	114.597
1994	3	14.043	92.156	121.565	227.764	142.032	166.105	126.619	0.813	94.292	115.45
1994	4	15.903	93.272	124.806	233.982	142.96	167.723	126.703	0.813	93.791	116.285
1995	1	17.598	93.91	125.844	237.352	143.887	169.473	126.842	0.813	93.233	117.029
1995	2	19.012	93.86	124.478	237.35	144.808	171.25	126.97	0.812	92.718	117.656
1995	3	20.119	93.585	122.808	236.511	145.72	173.082	127.11	0.811	92.265	118.227
1995	4	20.926	93.452	121.351	235.729	146.622	174.971	127.268	0.811	91.896	118.883

		JIPROW	JIPROWQ	JIPROWQR	JQLH	JQLHT	JRAUTO	JULC	KCA	LCURRENT	LJUS.ROW
1993	3	105.538	105.538	NA	115.8	NA	58.5	138.	680.	NA	NA
1993	4	105.984	106.008	1.792	116.345	0.008	57.737	138.645	679.244	-0.166	-0.598
1994	1	106.64	106.564	2.208	116.838	0.009	57.74	139.521	674.829	-0.183	-0.545
1994	2	107.483	107.225	2.212	117.338	0.009	58.092	140.225	680.057	-0.195	-0.545
1994	3	108.411	108.012	1.982	117.807	0.01	58.462	140.998	685.511	-0.201	-0.562
1994	4	109.215	108.846	1.613	118.295	0.011	58.9	141.784	691.591	-0.204	-0.58
1995	1	109.892	109.467	0.924	118.776	0.012	59.097	142.683	697.732	-0.204	-0.598
1995	2	110.572	110.041	0.543	119.248	0.014	59.36	143.609	703.909	-0.2	-0.598
1995	3	111.257	110.759	0.676	119.735	0.015	59.655	144.554	710.017	-0.193	-0.598
1995	4	111.946	111.472	0.774	120.285	0.015	59.977	145.463	716.095	-0.184	-0.598

		M	MAUT087	MBASE	MNOIL87	MULT	MYFAC87	M1	M2	M87	NIASF
1993	3	NA	46.9	379.266	615.5	NA	103.2	1107.6	3535.3	671.5	-196.4
1993	4	748.338	46.469	388.412	630.416	14.615	103.465	1147.67	3577.65	686.695	-182.513
1994	1	772.28	45.692	395.958	645.627	14.621	103.784	1180.42	3623.12	702.187	-166.486
1994	2	797.635	44.82	401.768	660.939	14.601	103.97	1207.03	3663.42	717.779	-158.724
1994	3	821.953	44.324	407.664	673.911	14.579	104.57	1230.18	3704.93	731.031	-151.093
1994	4	844.97	43.966	413.646	684.735	14.596	105.149	1250.84	3746.66	742.135	-146.796
1995	1	866.236	43.667	418.723	693.226	14.578	105.721	1270.08	3789.63	750.916	-152.719
1995	2	885.123	43.407	423.862	699.669	14.552	106.312	1287.01	3829.55	757.639	-152.188
1995	3	900.765	43.179	429.064	703.569	14.53	106.905	1304.02	3872.54	761.828	-148.502
1995	4	914.575	42.977	434.329	706.395	14.552	107.505	1321.32	3918.54	764.945	-145.539

		NIASSL	NINT	PC	PCDFE	PCDO	PCDV	PCDVA	PCDVO	PCDVT	PCN
1993	3	-3.1	443.1	127.4	97.54	126.9	116.73	115.28	115.19	122.09	123.77
1993	4	0.579	444.82	128.22	97.024	127.5	117.92	116.131	116.618	123.384	124.472
1994	1	2.687	445.857	129.091	96.541	128.267	118.923	116.982	117.791	124.57	125.13
1994	2	3.605	449.539	130.09	96.142	129.217	120.025	117.85	119.112	125.758	125.987
1994	3	4.844	453.188	131.185	95.868	130.326	121.117	118.718	120.407	126.949	126.937
1994	4	5.395	457.729	132.375	95.662	131.545	122.423	119.87	121.77	128.419	127.982
1995	1	5.81	462.03	133.61	95.48	132.837	123.753	121.031	123.154	129.947	129.052
1995	2	5.641	466.827	134.875	95.298	134.157	125.099	122.201	124.548	131.495	130.143
1995	3	5.324	471.135	136.167	95.11	135.484	126.469	123.387	125.977	133.066	131.252
1995	4	4.447	474.982	137.482	94.921	136.801	127.852	124.582	127.426	134.653	132.375

		PCNCS	PCNFC	PCNFD	PCNGO	PCNO	PCPI	PCROW	PCROWQ	PCROWQR	PCRUDE
1993	3	118.71	117.42	123.93	118.76	129.18	144.8	140.329	140.329	NA	93.7
1993	4	118.704	118.035	124.378	124.874	129.272	145.971	140.852	140.733	1.155	94.466
1994	1	119.098	119.531	124.98	127.155	129.665	146.933	141.724	141.206	1.008	95.818
1994	2	119.955	120.926	125.788	128.75	130.331	147.982	142.776	142.209	1.374	96.827
1994	3	120.744	122.308	126.744	130.16	131.212	149.217	144.009	143.325	1.548	97.885
1994	4	121.707	123.689	127.769	131.487	132.24	150.578	145.253	144.628	1.731	98.945
1995	1	122.615	125.079	128.824	132.798	133.365	152.022	146.507	145.861	1.687	100.024
1995	2	123.54	126.485	129.887	134.115	134.546	153.506	147.773	147.099	1.624	101.115
1995	3	124.485	127.905	130.962	135.44	135.76	155.031	149.049	148.347	1.563	102.217
1995	4	125.445	129.344	132.049	136.781	136.993	156.58	150.336	149.606	1.502	103.334

		PCS	PG	PGAS	PGDP	PGFD	PGFO	PGNP	PGSL	PIBF	PINC
1993	3	134.09	123.7	95.6	124.49	125.38	124.12	124.43	122.92	105.11	118.63
1993	4	135.172	124.404	100.518	124.985	126.	123.881	124.924	123.749	104.777	119.802
1994	1	136.351	125.532	102.351	125.667	127.76	125.845	125.604	124.548	104.199	120.602
1994	2	137.606	126.185	103.632	126.366	128.319	126.23	126.303	125.355	103.866	121.523
1994	3	138.952	126.921	104.764	127.153	128.956	126.67	127.088	126.202	103.584	122.404
1994	4	140.372	127.696	105.83	128.011	129.654	127.126	127.944	127.082	103.404	123.346
1995	1	141.85	128.974	106.882	128.985	131.562	129.172	128.916	128.005	103.232	124.293
1995	2	143.357	129.795	107.94	129.894	132.267	129.653	129.824	128.947	103.061	125.254
1995	3	144.895	130.63	109.004	130.827	132.971	130.135	130.755	129.908	102.88	126.218
1995	4	146.467	131.483	110.08	131.782	133.684	130.615	131.708	130.889	102.691	127.181

		PIPD	PIPDAU	PIPDIE	PIPDIP	PIPDOE	PIPDT	PIRC	PM	PMNOIL	PMROW
1993	3	100.47	115.35	122.53	76.96	119.1	123.12	118.7	107.22	108.9	101.996
1993	4	99.809	116.269	123.292	75.183	118.574	124.496	119.988	108.977	110.738	104.598
1994	1	98.866	117.115	123.902	73.514	118.121	125.765	120.961	109.982	111.74	106.132
1994	2	98.16	118.011	124.483	72.014	117.732	126.975	121.971	111.125	112.892	106.92
1994	3	97.502	118.892	125.208	70.664	117.682	128.197	123.06	112.438	114.233	107.713
1994	4	96.94	120.071	126.087	69.36	117.822	129.432	124.188	113.857	115.695	108.512
1995	1	96.373	121.255	127.073	68.045	118.028	130.679	125.316	115.357	117.25	109.316
1995	2	95.8	122.449	128.11	66.713	118.235	131.937	126.447	116.827	118.776	110.127
1995	3	95.218	123.66	129.159	65.382	118.423	133.205	127.601	118.237	120.245	110.944
1995	4	94.639	124.88	130.204	64.065	118.597	134.488	128.787	119.561	121.623	111.767

		PMROWQ	PMROWQR	PMYFAC	POIL	POP2O	PPNF	PX	PXYFAC	QLHT1	RAAA
1993	3	101.996	NA	129.46	48.4	180.506	123.11	110.72	126.54	NA	6.89
1993	4	101.376	-2.41	130.402	49.997	180.933	123.654	111.287	127.364	0.003	6.901
1994	1	105.278	2.629	131.283	51.455	181.352	124.119	111.785	128.127	0.003	6.812
1994	2	106.313	0.681	132.336	51.938	181.759	124.863	112.474	129.123	0.004	6.834
1994	3	106.851	-0.256	133.509	52.379	182.166	125.731	113.263	130.224	0.004	6.866
1994	4	107.365	-1.285	134.724	52.766	182.575	126.619	114.091	131.346	0.004	6.913
1995	1	108.14	-1.361	135.953	53.148	182.984	127.509	114.955	132.475	0.004	6.961
1995	2	108.928	-1.411	137.181	53.533	183.394	128.386	115.805	133.597	0.004	7.012
1995	3	109.837	-1.05	138.422	53.917	183.806	129.275	116.642	134.734	0.004	7.06
1995	4	110.657	-1.03	139.678	54.306	184.218	130.176	117.443	135.885	0.005	7.103

		RAUTOSF	RBAR	RCD	RCPCD	REM	RFF	RFHA	RG30	RG5	RHSAVE
1993	3	22.96	NA	3.14	3.14	93.57	3.06	7.18	6.32	4.95	3.7
1993	4	21.491	5.547	3.296	3.296	93.701	3.107	7.24	6.149	4.946	3.562
1994	1	21.434	5.466	3.396	3.396	93.755	3.19	7.086	6.085	4.922	3.525
1994	2	21.57	5.491	3.502	3.502	93.792	3.31	7.12	6.121	5.	3.445
1994	3	21.411	5.522	3.612	3.612	93.808	3.444	7.125	6.162	5.084	3.257
1994	4	21.27	5.584	3.722	3.722	93.813	3.579	7.187	6.17	5.019	3.167
1995	1	21.014	5.645	3.793	3.793	93.801	3.667	7.242	6.223	5.086	3.24
1995	2	20.838	5.697	3.837	3.837	93.767	3.722	7.301	6.286	5.185	3.179
1995	3	20.685	5.741	3.866	3.866	93.715	3.758	7.354	6.34	5.271	3.071
1995	4	20.539	5.78	3.886	3.886	93.675	3.784	7.4	6.343	5.188	3.

		RMORT	RM2	RPPERM	RROW3	RTB	RTRKLF	RUG	RUM	RVAC	SERVE87
1993	3	7.08	2.809	NA	5.95	3.	NA	6.75	6.43	7.1	2596.
1993	4	7.048	4.878	0.639	5.592	3.076	3.601	6.702	6.299	7.15	2609.95
1994	1	7.066	5.182	0.631	5.456	3.165	3.492	6.642	6.245	7.205	2623.86
1994	2	7.008	4.523	0.627	5.449	3.161	3.509	6.596	6.208	7.268	2637.37
1994	3	7.046	4.61	0.652	5.69	3.243	3.624	6.569	6.192	7.335	2650.62
1994	4	7.089	4.582	0.708	5.96	3.338	3.763	6.551	6.187	7.405	2663.85
1995	1	7.155	4.667	0.744	6.182	3.4	3.909	6.548	6.199	7.478	2677.54
1995	2	7.215	4.28	0.789	6.123	3.367	4.048	6.565	6.233	7.553	2690.75
1995	3	7.271	4.566	0.832	6.165	3.391	4.172	6.596	6.285	7.627	2703.7
1995	4	7.32	4.836	0.883	6.237	3.43	4.284	6.618	6.325	7.699	2716.64

		SINVA87	SINVF87	SINVO87	SINVT87	SINV87	STKSLA	STKSLO	STKSLT	TC	TCF
1993	3	115.3	337.6	3469.6	68.3	3990.8	2.501	4.505	2.388	NA	145.9
1993	4	116.133	336.146	3493.27	67.954	4013.5	2.443	4.54	2.291	178.929	147.741
1994	1	116.717	336.964	3517.85	69.86	4041.39	2.444	4.548	2.391	184.394	153.145
1994	2	116.924	339.964	3546.5	71.956	4075.34	2.423	4.567	2.444	185.594	154.114
1994	3	116.63	342.964	3576.28	73.972	4109.84	2.377	4.584	2.481	189.507	157.236
1994	4	117.275	345.964	3604.54	75.701	4143.47	2.376	4.592	2.517	192.881	159.95
1995	1	117.996	348.964	3630.37	77.023	4174.34	2.379	4.598	2.542	195.722	162.301
1995	2	118.921	351.964	3653.83	77.964	4202.66	2.394	4.604	2.56	197.988	164.166
1995	3	119.854	354.964	3674.41	78.648	4227.86	2.412	4.605	2.575	200.751	166.43
1995	4	120.732	357.964	3693.04	79.143	4250.85	2.429	4.598	2.588	205.121	169.974

		TCSL	TIB	TIBF	TIBSL	TP	TPF	TPSL	TRKH	TRKL	TRKLD
1993	3	30.7	533.4	86.8	446.7	690.2	528.2	161.9	0.335	4.955	4.768
1993	4	31.188	545.422	92.122	453.301	709.418	544.977	164.441	0.345	5.215	5.027
1994	1	31.249	552.699	93.029	459.671	730.812	563.915	166.897	0.346	5.034	4.858
1994	2	31.48	560.119	93.989	466.131	745.843	576.459	169.385	0.353	5.051	4.874
1994	3	32.271	567.759	94.955	472.805	755.779	584.111	171.668	0.355	5.131	4.945
1994	4	32.93	575.423	95.911	479.512	766.792	592.64	174.152	0.358	5.178	4.983
1995	1	33.421	583.207	96.82	486.387	775.6	598.898	176.702	0.359	5.225	5.02
1995	2	33.823	590.71	97.676	493.034	787.605	608.421	179.184	0.36	5.254	5.042
1995	3	34.321	598.152	98.501	499.651	798.586	616.924	181.663	0.359	5.274	5.054
1995	4	35.146	605.778	99.337	506.441	810.096	625.857	184.239	0.356	5.286	5.06

		TRKLF	TSI	TSIF	TSIP	UCKNC	UCKPDIE	UCKPDIP	UCKPDOE	UCKPDTH	VEHL
1993	3	0.188	590.7	522.9	266.8	NA	NA	NA	NA	NA	NA
1993	4	0.188	595.618	526.988	268.992	15.456	26.104	17.719	25.105	29.324	14.052
1994	1	0.176	610.818	541.348	276.349	15.451	26.582	17.26	25.342	30.006	13.865
1994	2	0.177	616.845	546.516	279.079	15.596	27.165	16.924	25.692	30.822	13.924
1994	3	0.186	622.816	551.626	281.774	15.748	27.309	16.629	25.668	31.109	14.107
1994	4	0.195	628.856	556.797	284.497	15.928	27.046	16.355	25.273	30.897	14.161
1995	1	0.204	638.295	565.345	288.924	16.11	26.978	16.078	25.057	30.881	14.205
1995	2	0.213	644.345	570.505	291.635	16.298	26.836	15.797	24.767	30.77	14.198
1995	3	0.22	650.417	575.667	294.35	16.484	27.001	15.513	24.756	31.01	14.171
1995	4	0.226	656.771	581.101	297.2	16.665	27.279	15.228	24.847	31.385	14.136

		X	XYFAC87	X87	X87Q	X87QR	YCAT	YCBT	YCP	YD	YD87
1993	3	NA	102.1	591.5	591.5	NA	270.5	447.1	470.9	4719.5	3704.4
1993	4	663.946	102.439	596.609	595.759	2.911	272.807	451.737	470.337	4773.85	3723.18
1994	1	676.703	103.327	605.364	604.114	5.127	267.34	451.734	470.334	4832.52	3743.5
1994	2	692.489	104.281	615.69	614.85	6.417	268.129	453.723	472.323	4890.75	3759.5
1994	3	709.731	105.157	626.622	626.622	7.293	272.667	462.174	480.774	4947.89	3771.7
1994	4	727.531	106.04	637.677	637.677	7.246	276.494	469.375	487.976	5010.49	3785.09
1995	1	745.599	106.926	648.6	648.6	7.03	279.14	474.863	493.463	5084.93	3805.8
1995	2	763.889	107.839	659.634	659.634	6.98	281.489	479.478	498.078	5150.98	3819.09
1995	3	782.408	108.755	670.777	670.777	6.93	284.533	485.284	503.884	5214.12	3829.21
1995	4	800.97	109.674	682.006	682.006	6.866	289.805	494.926	513.526	5280.22	3840.65

		YFP	YNFP	YOL	YP	YPADJ	YPADJ87	YPDIV	YPERM87	YPINT	YPWS
1993	3	27.	396.2	354.7	5409.7	NA	NA	159.	NA	694.2	2520.9
1993	4	39.27	403.882	362.826	5483.27	4832.61	3769.	160.49	2996.58	697.905	2545.08
1994	1	40.578	410.927	371.002	5563.33	4894.97	3791.88	162.318	3008.21	702.165	2575.2
1994	2	43.375	416.763	379.314	5636.59	4958.36	3811.47	164.745	3014.23	708.452	2607.51
1994	3	38.457	423.362	387.748	5703.67	5015.13	3822.96	167.615	3027.28	714.708	2639.56
1994	4	38.375	429.399	396.323	5777.29	5078.4	3836.39	170.796	3037.05	722.115	2672.17
1995	1	36.789	435.137	405.009	5860.53	5143.79	3849.86	174.168	3047.56	729.471	2704.21
1995	2	36.538	440.779	413.829	5938.59	5207.02	3860.64	177.637	3056.91	736.719	2736.8
1995	3	35.949	446.608	422.786	6012.71	5270.11	3870.32	181.155	3065.63	743.549	2769.59
1995	4	35.605	453.075	431.949	6090.32	5336.38	3881.5	184.737	3074.02	750.302	2804.41

		YT87	YUNB
1993	3	NA	34.8
1993	4	19.492	34.146
1994	1	17.43	33.885
1994	2	23.23	33.768
1994	3	18.49	33.81
1994	4	18.766	33.928
1995	1	19.037	34.172
1995	2	16.897	34.584
1995	3	15.265	35.131
1995	4	15.172	35.608

SIMULATION OUTPUT BY DSET

PERCENT CHANGES AT ANNUAL RATES

		AUTOS	AUTOSB	AUTOSC	AUTOSD	AUTOSF	C	CDFE87	CDO87	CDVAR.U	CDVA87
1993	3	-14.939	-22.258	-8.608	-14.765	-15.354	NA	13.227	20.234	NA	-8.344
1993	4	11.529	12.493	10.984	20.241	-14.289	NA	9.739	3.764	NA	12.915
1994	1	-0.305	-7.827	6.809	-0.016	-1.355	5.185	6.552	3.286	0.969	8.96
1994	2	1.881	1.125	2.584	1.178	4.49	5.273	3.934	-0.824	1.675	4.998
1994	3	4.772	-3.994	12.724	5.628	1.705	5.606	1.881	0.344	0.767	14.251
1994	4	0.284	-2.107	2.3	1.006	-2.333	5.575	1.83	0.107	2.326	4.613
1995	1	-0.111	-3.109	2.388	1.19	-4.822	5.788	1.671	0.382	1.791	4.662
1995	2	-1.605	-2.698	-0.756	-0.725	-4.861	5.592	1.08	0.315	2.099	1.737
1995	3	-2.056	-2.503	-1.906	-1.298	-4.895	5.485	0.763	0.326	2.089	0.667
1995	4	-2.125	-2.002	-2.275	-1.402	-4.861	5.503	0.986	0.438	2.13	0.325

		CDVO87	CDVT87	CDV87	CD87	CNCS87	CNFC87	CNFD87	CNGO87	CNO87	CN87
1993	3	12.089	-18.033	-3.711	7.47	5.362	20.452	2.212	8.334	2.485	3.441
1993	4	2.295	19.606	10.23	8.885	2.114	-1.236	0.532	-0.365	2.304	1.188
1994	1	0.071	-7.177	1.958	4.212	2.191	-2.359	0.748	1.391	2.932	1.547
1994	2	0.483	3.091	2.915	2.73	1.473	-1.242	0.696	1.576	3.09	1.458
1994	3	-0.004	10.629	8.127	3.982	1.496	-2.99	0.487	1.461	2.419	1.172
1994	4	0.127	6.953	3.494	2.184	1.304	-1.597	0.523	1.532	1.995	1.077
1995	1	0.151	6.948	3.54	2.18	1.659	-0.067	0.725	1.869	1.769	1.231
1995	2	0.122	5.229	1.931	1.285	1.46	-1.255	0.707	1.589	1.516	1.088
1995	3	0.22	4.167	1.283	0.894	1.299	-1.557	0.536	1.342	1.335	0.91
1995	4	0.4	3.456	1.05	0.921	1.273	-0.895	0.522	1.262	1.242	0.878

		CS87	C87	DISC	DLPX	FDCUR	FS	FSDP	FSDP87	FSMF87	FSNMF87
1993	3	3.739	4.165	NA	NA	72.608	4.744	NA	NA	NA	NA
1993	4	2.294	2.861	NA	NA	-55.784	3.31	NA	NA	NA	NA
1994	1	2.369	2.374	-0.024	-41.526	-51.066	4.273	4.927	2.47	1.604	5.305
1994	2	2.259	2.075	0.077	259.366	-66.133	4.286	4.822	2.312	1.936	3.105
1994	3	2.185	2.126	0.084	67.676	4.656	4.712	5.076	2.279	2.088	11.353
1994	4	2.17	1.83	-0.064	17.516	6.12	5.027	5.262	2.211	2.32	13.731
1995	1	2.264	1.929	0.065	15.26	-49.901	5.338	5.439	2.015	2.805	6.529
1995	2	2.139	1.687	0.098	-9.124	7.451	4.862	4.812	1.62	3.225	-1.62
1995	3	2.068	1.536	0.085	-8.758	4.082	4.896	4.64	1.409	3.741	-4.13
1995	4	2.054	1.523	-0.081	-18.299	4.971	5.183	4.818	1.547	4.773	-4.788

		FSO87	FS87	GAUT087	GCBDD	GCE	GDEBTM	GDEBTP	GDP	GDP87	GDP87R4
1993	3	NA	3.318	-30.92	28.36	NA	6.212	3.95	4.414	2.844	NA
1993	4	NA	1.508	45.331	-21.606	NA	6.479	7.777	4.375	2.732	NA
1994	1	2.105	1.981	5.128	11.833	6.306	8.35	8.859	4.633	2.381	104.008
1994	2	1.612	1.941	7.018	7.988	3.354	1.715	2.623	4.703	2.404	22.393
1994	3	1.872	2.143	9.04	7.916	3.362	3.325	4.819	4.741	2.172	-23.531
1994	4	2.465	2.252	7.638	-14.054	3.37	6.142	5.641	4.955	2.17	-21.23
1995	1	2.369	2.22	4.075	6.499	6.142	4.818	6.17	5.133	1.994	-15.903
1995	2	2.073	1.982	2.379	10.423	3.391	0.745	1.908	4.678	1.776	-25.797
1995	3	2.13	1.965	1.269	6.453	3.371	2.522	3.919	4.672	1.717	-20.62
1995	4	2.683	2.19	0.811	-13.249	3.402	6.226	5.464	5.024	2.014	-7.923

		GFCCC87	GFND	GF87	GINTF	GINTFF	GNP	GNP87	GSL87	GTRP	GTRUCK87
1993	3	8000.	-0.285	NA	-0.219	-0.947	4.159	2.595	NA	NA	1.001
1993	4	3.29E+05	-13.291	NA	1.532	1.596	4.375	2.738	NA	NA	21.851
1994	1	-97.44	14.998	-2.876	4.788	4.788	4.674	2.426	1.843	9.143	3.195
1994	2	-100.	5.846	-2.528	3.312	3.312	4.764	2.465	2.321	5.556	2.882
1994	3	NA	0.	-4.703	3.245	3.245	4.76	2.194	2.212	5.652	3.946
1994	4	NA	2.995	-3.633	3.736	3.736	4.975	2.194	2.607	5.603	1.553
1995	1	NA	7.955	-3.461	4.096	4.096	5.153	2.018	2.491	9.553	0.638
1995	2	NA	3.	-2.797	2.737	2.737	4.698	1.8	2.447	7.295	0.53
1995	3	NA	3.005	-2.774	2.828	2.828	4.692	1.741	2.412	5.588	0.344
1995	4	NA	3.011	-0.956	3.598	3.598	5.044	2.037	2.857	5.682	0.053

		G87	HASSET	HOUSCOMP	HOUSEX	HS	HSMULT	HSSING	IBF	IBFNC	IBFNC87
1993	3	-1.143	NA	NA	34.698	22.793	63.96	17.702	2.939	NA	-0.792
1993	4	-2.923	NA	NA	-8.767	8.32	-2.186	9.995	4.059	NA	-3.714
1994	1	0.075	1.21E+04	11.37	-8.452	12.484	13.799	12.29	2.091	1.897	-0.781
1994	2	0.518	-99.993	6.253	0.721	-1.1	44.181	-6.787	4.36	6.929	3.724
1994	3	-0.353	1.32E+05	7.55	12.562	17.416	83.594	8.474	3.365	7.59	4.528
1994	4	0.321	-75.661	16.488	10.426	19.851	67.086	12.188	3.278	8.225	4.955
1995	1	0.334	-99.363	13.025	0.246	4.672	38.736	-1.567	2.907	8.344	5.078
1995	2	0.568	6407.37	-0.108	-5.731	-9.591	20.367	-15.546	2.74	8.141	4.86
1995	3	0.57	-55.77	-7.27	-5.149	-7.219	9.868	-11.141	2.261	7.325	4.085
1995	4	1.519	-67.565	-5.313	-2.264	-1.817	5.263	-3.613	2.032	6.407	3.221

		IBFPD	IBFPD87	IBF87	IINV	IINVA87	IINVF	IINVF87	IINVO87	IINVT87	IINVV87
1993	3	NA	8.966	6.305	NA	3.04E+05	8599.75	4367.73	56.634	-98.641	257.446
1993	4	NA	8.517	5.375	NA	-99.934	-99.96	-99.965	-12.918	-99.627	-99.997
1994	1	2.167	6.124	4.375	134.372	-75.957	-89.989	-89.989	16.359	9.19E+04	6.81E+04
1994	2	3.354	6.358	5.707	125.647	-98.414	1.80E+04	1.80E+04	84.486	46.05	-26.838
1994	3	1.71	4.482	4.493	9.931	304.068	2.446	0.	16.793	-14.344	-68.692
1994	4	1.32	3.694	4.001	-6.919	2226.21	3.664	0.	-18.878	-45.846	260.972
1995	1	0.725	3.115	3.593	-26.905	56.204	2.409	0.	-30.21	-65.874	-45.21
1995	2	0.532	2.958	3.422	-26.995	171.587	3.608	0.	-32.007	-74.374	-30.387
1995	3	0.15	2.625	2.983	-35.565	3.09	2.374	0.	-40.802	-71.997	-43.651
1995	4	0.171	2.644	2.786	-28.349	-21.3	3.555	0.	-32.817	-72.53	-47.885

		IINV87	INCO87	INCWM87	INETFOR	IPDAU87	IPDIE87	IPDIP87	IPDOE87	IPDTRK87	IRC
1993	3	-90.057	-3.392	35.519	18.331	-23.946	5.701	32.724	-0.619	-10.657	15.364
1993	4	9249.9	0.06	-39.249	108.346	13.492	3.333	11.901	0.97	7.498	12.362
1994	1	127.838	2.637	-37.327	40.447	-6.508	-1.584	15.302	3.663	0.504	12.947
1994	2	119.609	5.204	-15.944	29.353	3.163	-2.584	11.291	6.517	3.556	8.01
1994	3	6.681	5.008	-2.601	21.108	-2.469	-4.385	10.601	4.526	0.641	13.977
1994	4	-9.667	5.324	-0.651	17.304	-0.415	-6.728	9.426	3.421	0.205	15.514
1995	1	-29.017	5.501	-1.424	7.872	-1.59	-6.838	8.706	2.81	-0.671	9.789
1995	2	-29.182	5.288	-1.82	0.744	-1.256	-6.549	8.119	2.848	-1.438	3.656
1995	3	-37.411	4.509	-2.666	-8.011	-1.054	-6.303	7.504	1.903	-1.995	2.242
1995	4	-30.503	3.59	-2.769	-12.733	-0.326	-5.647	7.119	1.807	-2.562	2.405

		IRCM87	IRCO87	IRCS87	IRC87	JCAP	JCLH	JCLHD	JCU	JEXR	JIPM
1993	3	52.415	12.279	5.252	10.058	2.047	3.582	2.319	0.	12.759	1.445
1993	4	20.494	1.911	11.376	7.624	2.388	3.824	1.194	0.788	3.438	3.451
1994	1	28.161	-1.744	17.274	9.358	2.546	4.299	1.512	1.077	2.246	3.651
1994	2	47.333	0.42	4.114	4.477	2.619	3.793	0.64	0.679	-1.14	3.316
1994	3	70.93	4.142	9.288	9.997	2.646	3.866	0.444	0.355	-1.752	3.011
1994	4	64.477	4.931	11.1	11.374	2.641	3.953	0.264	0.276	-2.107	2.924
1995	1	49.94	2.762	3.369	5.887	2.617	4.239	0.437	-0.035	-2.359	2.581
1995	2	36.213	-0.209	-4.272	-0.003	2.584	4.262	0.406	-0.414	-2.19	2.16
1995	3	25.404	-1.17	-5.261	-1.407	2.543	4.346	0.44	-0.573	-1.943	1.956
1995	4	17.037	-0.566	-4.66	-1.316	2.499	4.437	0.498	-0.253	-1.588	2.239

		JIPROW	JIPROWQ	JIPROWQR	JQLH	JQLHT	JRAUTO	JULC	KCA	LCURRENT	LJUS.ROW
1993	3	0.239	0.239	NA	3.891	NA	-10.826	-0.578	10.457	NA	NA
1993	4	1.699	1.792	NA	1.895	NA	-5.117	1.883	-0.444	NA	NA
1994	1	2.499	2.115	130.437	1.705	31.949	0.023	2.55	-2.575	47.147	-31.074
1994	2	3.2	2.504	0.762	1.723	41.452	2.46	2.035	3.135	29.783	-0.
1994	3	3.5	2.967	-35.556	1.608	46.757	2.574	2.222	3.246	13.098	13.395
1994	4	2.999	3.126	-56.121	1.666	47.231	3.027	2.249	3.595	6.904	13.202
1995	1	2.499	2.301	-89.221	1.636	44.001	1.342	2.561	3.599	-1.24	13.022
1995	2	2.499	2.112	-88.129	1.598	38.572	1.791	2.622	3.588	-6.841	0.
1995	3	2.499	2.636	141.371	1.645	32.638	2.006	2.657	3.516	-13.645	-0.
1995	4	2.499	2.599	71.354	1.851	26.75	2.177	2.539	3.469	-17.681	0.

		M	MAUTO87	MBASE	MNOIL87	MULT	MYFAC87	M1	M2	M87	NIASF
1993	3	NA	2.6	12.735	3.248	NA	0.779	13.493	2.809	1.868	-39.401
1993	4	NA	-3.629	10.	10.051	NA	1.031	15.275	4.878	9.363	-25.423
1994	1	13.424	-6.516	8.	10.006	0.178	1.238	11.913	5.182	9.333	-30.763
1994	2	13.793	-7.419	6.	9.829	-0.555	0.719	9.324	4.523	9.182	-17.385
1994	3	12.764	-4.352	6.	8.085	-0.604	2.327	7.897	4.61	7.592	-17.889
1994	4	11.68	-3.191	6.	6.581	0.461	2.233	6.887	4.582	6.215	-10.9
1995	1	10.453	-2.694	5.	5.052	-0.47	2.194	6.294	4.667	4.817	17.145
1995	2	9.01	-2.366	5.	3.769	-0.708	2.257	5.442	4.28	3.63	-1.385
1995	3	7.259	-2.083	5.	2.248	-0.61	2.248	5.392	4.566	2.23	-9.34
1995	4	6.275	-1.855	5.	1.616	0.589	2.262	5.412	4.836	1.646	-7.746

		NIASSL	NINT	PC	PCDFE	PCDO	PCDV	PCDVA	PCDVO	PCDVT	PCN
1993	3	6207.76	-0.09	1.233	-2.701	0.315	4.618	2.932	5.717	6.83	-1.251
1993	4	-99.878	1.561	2.599	-2.098	1.905	4.138	2.985	5.051	4.306	2.287
1994	1	4.62E+04	0.935	2.745	-1.979	2.426	3.448	2.963	4.085	3.903	2.132
1994	2	224.021	3.344	3.133	-1.641	2.995	3.756	3.	4.563	3.87	2.766
1994	3	226.076	3.286	3.407	-1.136	3.48	3.689	2.979	4.42	3.841	3.053
1994	4	53.871	4.069	3.678	-0.856	3.793	4.386	3.939	4.605	4.714	3.332
1995	1	34.531	3.811	3.785	-0.758	3.986	4.417	3.93	4.623	4.842	3.386
1995	2	-11.164	4.218	3.84	-0.764	4.034	4.419	3.921	4.606	4.852	3.424
1995	3	-20.633	3.742	3.889	-0.783	4.016	4.452	3.94	4.665	4.866	3.452
1995	4	-51.342	3.305	3.919	-0.793	3.945	4.448	3.93	4.683	4.856	3.467

		PCNCS	PCNFC	PCNFD	PCNGO	PCNO	PCPI	PCROW	PCROWQ	PCROWQR	PCRUDE
1993	3	-0.671	-2.778	0.615	-13.627	-1.715	1.675	1.644	1.644	NA	-14.351
1993	4	-0.021	2.111	1.453	22.239	0.284	3.273	1.499	1.155	NA	3.309
1994	1	1.334	5.168	1.95	7.507	1.222	2.664	2.499	1.352	-41.961	5.848
1994	2	2.908	4.749	2.612	5.111	2.07	2.886	2.999	2.871	244.947	4.279
1994	3	2.658	4.652	3.073	4.453	2.732	3.38	3.5	3.176	61.225	4.445
1994	4	3.228	4.591	3.274	4.14	3.17	3.698	3.5	3.686	56.356	4.403
1995	1	3.018	4.574	3.345	4.048	3.448	3.89	3.5	3.454	-9.881	4.433
1995	2	3.053	4.572	3.341	4.027	3.588	3.964	3.5	3.436	-13.931	4.432
1995	3	3.095	4.566	3.35	4.012	3.66	4.032	3.5	3.438	-14.224	4.431
1995	4	3.119	4.576	3.361	4.018	3.681	4.057	3.5	3.438	-14.704	4.445

		PCS	PG	PGAS	PGDP	PGFD	PGFO	PGNP	PGSL	PIBF	PINC
1993	3	2.915	1.931	-13.745	1.524	1.741	0.582	1.525	2.143	-3.17	3.761
1993	4	3.268	2.294	22.221	1.599	1.993	-0.768	1.595	2.723	-1.26	4.009
1994	1	3.534	3.677	7.495	2.2	5.705	6.493	2.196	2.609	-2.189	2.699
1994	2	3.731	2.096	5.1	2.245	1.762	1.231	2.244	2.615	-1.274	3.09
1994	3	3.97	2.354	4.443	2.514	1.999	1.4	2.511	2.73	-1.08	2.929
1994	4	4.152	2.465	4.13	2.725	2.183	1.446	2.722	2.818	-0.695	3.115
1995	1	4.277	4.065	4.038	3.077	6.016	6.595	3.073	2.937	-0.662	3.108
1995	2	4.317	2.569	4.017	2.851	2.163	1.498	2.846	2.976	-0.66	3.128
1995	3	4.362	2.597	4.001	2.905	2.146	1.494	2.901	3.016	-0.701	3.113
1995	4	4.41	2.639	4.008	2.95	2.161	1.484	2.947	3.055	-0.734	3.085

		PIPD	PIPDAU	PIPDIE	PIPDIP	PIPDOE	PIPDT	PIRC	PM	PMNOIL	PMROW
1993	3	-5.645	3.616	2.756	-8.508	-5.449	4.68	4.824	-4.53	-1.636	10.917
1993	4	-2.606	3.225	2.51	-8.923	-1.756	4.546	4.413	6.717	6.923	10.599
1994	1	-3.728	2.942	1.995	-8.588	-1.519	4.139	3.281	3.741	3.671	6.
1994	2	-2.824	3.093	1.888	-7.912	-1.311	3.905	3.382	4.223	4.187	2.999
1994	3	-2.653	3.023	2.35	-7.293	-0.169	3.906	3.618	4.807	4.837	2.999
1994	4	-2.289	4.025	2.835	-7.181	0.477	3.909	3.717	5.145	5.216	2.999
1995	1	-2.318	4.001	3.164	-7.371	0.701	3.908	3.684	5.377	5.488	2.999
1995	2	-2.356	3.998	3.304	-7.603	0.704	3.906	3.66	5.192	5.306	2.999
1995	3	-2.411	4.014	3.318	-7.74	0.636	3.901	3.7	4.918	5.04	2.999
1995	4	-2.41	4.005	3.275	-7.819	0.589	3.908	3.771	4.554	4.661	2.999

		PMROWQ	PMROWQR	PMYFAC	POIL	POP2O	PPNF	PX	PXYFAC	QLHT1	RAAA
1993	3	10.917	NA	3.182	-44.991	0.97	1.178	-1.927	2.962	NA	-25.251
1993	4	-2.41	NA	2.941	13.866	0.949	1.778	2.063	2.631	NA	0.644
1994	1	16.31	41.611	2.729	12.183	0.929	1.512	1.801	2.417	51.719	-5.07
1994	2	3.988	-99.549	3.249	3.81	0.899	2.419	2.489	3.144	40.339	1.307
1994	3	2.04	-98.009	3.593	3.438	0.899	2.811	2.837	3.456	29.892	1.854
1994	4	1.937	6.35E+04	3.688	2.989	0.899	2.854	2.955	3.492	21.288	2.793
1995	1	2.919	26.072	3.699	2.927	0.899	2.841	3.064	3.481	15.277	2.834
1995	2	2.947	15.531	3.662	2.927	0.899	2.779	2.99	3.432	12.373	2.947
1995	3	3.377	-69.34	3.669	2.896	0.899	2.8	2.922	3.448	9.794	2.75
1995	4	3.02	-7.373	3.678	2.923	0.899	2.814	2.776	3.46	8.111	2.474

		RAUTOSF	RBAR	RCD	RCPCD	REM	RFF	RFHA	RG30	RG5	RHSAVE
1993	3	-0.521	NA	1.284	1.284	0.128	8.243	-18.64	-27.96	-16.612	-49.997
1993	4	-23.238	NA	21.341	21.341	0.56	6.327	3.385	-10.366	-0.298	-14.099
1994	1	-1.053	-5.761	12.73	12.73	0.23	11.055	-8.243	-4.138	-1.974	-4.092
1994	2	2.561	1.856	13.107	13.107	0.159	15.893	1.922	2.373	6.475	-8.731
1994	3	-2.928	2.279	13.227	13.227	0.066	17.185	0.281	2.727	6.936	-20.188
1994	4	-2.61	4.614	12.728	12.728	0.023	16.713	3.51	0.546	-4.989	-10.594
1995	1	-4.716	4.427	7.784	7.784	-0.052	10.157	3.1	3.484	5.392	9.591
1995	2	-3.309	3.735	4.721	4.721	-0.145	6.13	3.33	4.083	8.04	-7.361
1995	3	-2.899	3.134	3.052	3.052	-0.218	3.947	2.906	3.493	6.8	-12.848
1995	4	-2.795	2.727	2.157	2.157	-0.171	2.78	2.553	0.151	-6.122	-9.005

		RMORT	RM2	RPPERM	RROW3	RTB	RTRKLF	RUG	RUM	RVAC	SERVE87
1993	3	-18.434	-86.167	NA	-26.68	4.102	NA	-11.534	-1.845	-23.831	2.902
1993	4	-1.769	809.3	NA	-21.961	10.495	NA	-2.794	-7.892	2.858	2.166
1994	1	1.006	27.36	-5.277	-9.376	12.074	-11.556	-3.558	-3.376	3.102	2.149
1994	2	-3.259	-41.942	-2.283	-0.515	-0.515	1.907	-2.738	-2.366	3.548	2.075
1994	3	2.195	7.863	17.064	18.851	10.864	13.865	-1.629	-1.003	3.719	2.024
1994	4	2.47	-2.395	39.109	20.431	12.2	16.133	-1.092	-0.343	3.858	2.012
1995	1	3.746	7.636	21.604	15.687	7.642	16.517	-0.17	0.786	4.009	2.071
1995	2	3.444	-29.243	26.325	-3.757	-3.757	15.019	1.006	2.217	4.069	1.987
1995	3	3.143	29.538	24.075	2.818	2.818	12.843	1.925	3.327	4.008	1.94
1995	4	2.669	25.742	26.47	4.71	4.71	11.11	1.318	2.574	3.835	1.928

		SINVA87	SINVF87	SINVO87	SINVT87	SINV87	STKSLA	STKSLO	STKSLT	TC	TCF
1993	3	-16.176	-11.835	2.887	-7.796	0.725	-1.205	-2.832	9.656	NA	10.2
1993	4	2.922	-1.712	2.756	-2.012	2.294	-8.907	3.146	-15.317	NA	5.143
1994	1	2.025	0.977	2.844	11.701	2.808	0.033	0.724	18.72	12.788	15.454
1994	2	0.711	3.609	3.297	12.549	3.402	-3.311	1.657	9.184	2.627	2.554
1994	3	-1.001	3.577	3.401	11.687	3.429	-7.327	1.501	6.038	8.705	8.353
1994	4	2.229	3.545	3.199	9.685	3.314	-0.239	0.716	6.031	7.313	7.086
1995	1	2.481	3.514	2.897	7.169	3.013	0.444	0.515	3.971	6.023	6.008
1995	2	3.173	3.483	2.609	4.974	2.741	2.658	0.525	2.982	4.713	4.675
1995	3	3.173	3.453	2.271	3.556	2.419	2.932	0.138	2.336	5.698	5.632
1995	4	2.963	3.424	2.043	2.543	2.193	2.901	-0.624	1.916	8.995	8.794

		TCSL	TIB	TIBF	TIBSL	TP	TPF	TPSL	TRKH	TRKL	TRKLD
1993	3	-1.292	5.586	2.813	6.231	5.514	5.887	4.053	-6.855	-16.533	-17.043
1993	4	6.509	9.324	26.873	6.043	11.611	13.323	6.427	12.482	22.665	23.549
1994	1	0.785	5.444	3.996	5.74	12.619	14.641	6.109	0.693	-13.137	-12.744
1994	2	2.986	5.479	4.192	5.74	8.484	9.198	6.096	8.462	1.359	1.29
1994	3	10.443	5.568	4.174	5.851	5.436	5.416	5.503	2.954	6.469	5.959
1994	4	8.425	5.509	4.088	5.796	5.957	5.969	5.914	3.133	3.728	3.135
1995	1	6.094	5.522	3.846	5.859	4.674	4.291	5.985	1.666	3.641	3.011
1995	2	4.895	5.245	3.584	5.579	6.336	6.513	5.74	0.312	2.294	1.703
1995	3	6.019	5.136	3.423	5.477	5.695	5.708	5.648	-1.092	1.479	0.955
1995	4	9.978	5.197	3.435	5.548	5.891	5.919	5.795	-2.718	0.93	0.462

		TRKLF	TSI	TSIF	TSIP	UCKNC	UCKPDIE	UCKPDIP	UCKPDOE	UCKPDTH	VEHL
1993	3	0.	3.317	3.278	3.524	NA	NA	NA	NA	NA	NA
1993	4	-0.464	3.372	3.164	3.327	NA	NA	NA	NA	NA	NA
1994	1	-23.174	10.605	11.353	11.397	-0.111	7.533	-9.964	3.827	9.631	-5.222
1994	2	3.292	4.006	3.873	4.011	3.805	9.067	-7.564	5.643	11.334	1.691
1994	3	21.231	3.928	3.793	3.918	3.942	2.138	-6.796	-0.377	3.778	5.386
1994	4	20.463	3.936	3.802	3.922	4.645	-3.797	-6.43	-6.003	-2.695	1.526
1995	1	20.759	6.14	6.284	6.37	4.665	-1.011	-6.607	-3.376	-0.208	1.249
1995	2	17.658	3.845	3.701	3.806	4.753	-2.088	-6.806	-4.553	-1.438	-0.184
1995	3	14.512	3.822	3.668	3.776	4.634	2.482	-6.994	-0.177	3.166	-0.758
1995	4	12.143	3.965	3.83	3.929	4.459	4.188	-7.145	1.478	4.914	-0.996

		X	XYFAC87	X87	X87Q	X87QR	YCAT	YCBT	YCP	YD	YD87
1993	3	NA	-10.598	-1.141	-1.141	NA	-2.761	1.353	11.653	2.347	1.087
1993	4	NA	1.333	3.5	2.911	NA	3.456	4.212	-0.478	4.686	2.043
1994	1	7.91	3.515	6.	5.728	861.619	-7.779	-0.002	-0.002	5.007	2.201
1994	2	9.663	3.743	6.999	7.3	145.418	1.186	1.772	1.702	4.908	1.72
1994	3	10.337	3.404	7.293	7.881	66.872	6.942	7.66	7.351	4.755	1.304
1994	4	10.415	3.401	7.246	7.246	-2.574	5.734	6.38	6.127	5.157	1.427
1995	1	10.31	3.383	7.03	7.03	-11.392	3.883	4.758	4.574	6.076	2.207
1995	2	10.178	3.46	6.98	6.98	-2.797	3.408	3.944	3.793	5.298	1.403
1995	3	10.055	3.44	6.93	6.93	-2.838	4.396	4.932	4.745	4.994	1.064
1995	4	9.832	3.422	6.866	6.866	-3.659	7.619	8.187	7.876	5.168	1.201

		YFP	YNFP	YOL	YP	YPADJ	YPADJ87	YPDIV	YPERM87	YPINT	YPWS
1993	3	-89.109	3.93	9.68	2.744	NA	NA	3.076	NA	0.636	3.983
1993	4	347.491	7.984	9.484	5.552	NA	NA	3.802	NA	2.152	3.891
1994	1	14.007	7.161	9.322	5.969	5.263	2.45	4.633	1.56	2.464	4.82
1994	2	30.551	5.803	9.267	5.372	5.281	2.082	6.116	0.803	3.63	5.113
1994	3	-38.204	6.485	9.195	4.846	4.659	1.21	7.152	1.743	3.579	5.007
1994	4	-0.855	5.827	9.143	5.263	5.143	1.412	7.811	1.296	4.21	5.034
1995	1	-15.533	5.452	9.06	5.889	5.25	1.412	8.132	1.392	4.137	4.882
1995	2	-2.696	5.288	8.999	5.435	5.008	1.124	8.208	1.233	4.034	4.908
1995	3	-6.301	5.395	8.942	5.087	4.934	1.006	8.16	1.146	3.76	4.878
1995	4	-3.777	5.919	8.955	5.263	5.126	1.161	8.146	1.098	3.682	5.124

		YT87	YUNB
1993	3	NA	4.733
1993	4	NA	-7.311
1994	1	-36.058	-3.023
1994	2	215.532	-1.374
1994	3	-59.865	0.5
1994	4	6.104	1.405
1995	1	5.902	2.909
1995	2	-37.926	4.902
1995	3	-33.391	6.485
1995	4	-2.429	5.544