RSQE FORECASTS

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

Saul H. Hymans
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For Release: 5/9/85

May 1985 Forecast Update:
Executive Summary

A Sluggish First Quarter

Preliminary government data imply a meager 1.3 percent (annual rate) increase for real GNP in the first quarter of 1985. This was the second quarter of slow growth in the past three quarters -- following a 1.6 percent increase for 1984.3 and a 4.3 percent increase for 1984.4. Once again the major culprit was a substantial deterioration in our real foreign trade balance brought on by the strength of the dollar. Final sales to domestic purchasers -- a measure of the strength of local demand -- actually increased by 3.5 percent in 1985.1, but most of that increase was covered by rising imports as worldwide sales of U.S. production rose by only 4/10 of a percentage point.

Dollar Depreciation

The exchange value of the dollar slid between February and late April and then rose slightly from late April to early May. We are predicting that the dollar will wind up 10 percent below its February peak by the end of 1985, and be another 7 percent lower by the end of 1986. This depreciation of the dollar implies a modest further deterioration in our trade balance through the summer and then a slow but steady improvement in our real net export position from late '85 through the end of '86.

Improvement in the Current Quarter

We are projecting a 2.7 percent increase in output for the current quarter. The improvement is due in large part to our forecast of a much smaller drop in real net exports in the current quarter -- a drop of $3.8 billion (1972 dollars) in 1985.2 compared to a drop of $12.7 billion in 1985.1. Auto sales are forecast to improve slightly to an 11 million unit pace and residential building will pick up again after a two-quarter slide.

Further Ahead

Economic growth is forecast to remain in the 3-3 1/2 percent range during the second half of 1985 and all during 1986. Auto sales and home building activity are forecast to decline slightly during 1986, while real business capital spending continues to grow by 6-7 percent.

Our forecast for economic growth implies a small increase in the unemployment rate to a 7.4 percent average for the current quarter, followed by no further change over the rest of the forecast period as the modest overall growth rate of the economy implies a rough matching of job growth and labor force growth.

Inflation

Inflation is forecast to remain moderate over the next year and a half but to be trending upward as higher prices of imported goods resulting from the depreciation of the dollar contribute to an acceleration in the inflation rate.

As measured by the consumption deflator, we are forecasting price increases of 3.4 percent in the current quarter, 3.8 percent in the second half of 1985 and 4.8 percent during 1986.

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The Policy Bind at the Fed

The Federal Reserve has expressed concern about the softness of the manufacturing sector of the economy. This is largely the result of the strong dollar making imports more attractive here and our exports less attractive abroad. The Fed might be tempted to ease monetary policy, lowering domestic interest rates and, thereby, the exchange value of the dollar -- an attractive short-run solution. In the presence of the current, extremely expansionary fiscal policy, however, such monetary policy could rekindle at least the fear of a renewed inflation further down the road. If the Congress and the Administration are able to agree on a deficit reduction package, however, the Fed could ease monetary policy in the context of a shift in the policy mix so as to lower interest rates and keep inflation fears at bay at the same time. Such a policy mix would also permit an orderly depreciation of the dollar and a corresponding improvement in our trade balance.

The Bottom Line

The economic expansion is at risk now because our long delay in dealing decisively with the federal deficit has kept enough upward pressure on the dollar to produce an enormous deterioration in our net export position. That has weakened our own economy to the point where the long-awaited depreciation of the dollar may now be at hand. We can avoid recession in the near term if permanent deficit reduction actions are taken so that the Fed can adopt a more expansionary policy which supports the domestic economy both by keeping interest rates lower and by allowing the dollar to continue downward and thereby to improve our international competitiveness.

	Actual		RSQE Forecast	
	1983	1984	1985	1986
GNP (bill. of current $'s)	3304.8	3662.8	3892.8	4142.9
Inflation (GNP Deflator, % Change)	3.8	3.8	3.3	3.1
Real GNP (bill. of '72 $'s)	1534.7	1639.3	1686.9	1741.4
% Change	3.7	6.8	2.9	3.2
Civilian Unemployment Rate (%)	9.6	7.5	7.4	7.4
Capacity Utilization, Manufacturing (%)	75.2	81.6	81.5	83.5
Auto Sales (mill. of units)	9.2	10.4	10.8	9.9
Private Housing Starts (thous. of units)	1702	1764	1847	1864
3-Month Treasury Bill Rate (%)	8.6	9.5	8.0	8.1
Aaa Corporate Rate (%)	12.0	12.7	12.0	11.6
Real Disposable Income (bill. of 72 $'s)	1095.4	1169.0	1205.7	1229.1
% Change	3.5	6.7	3.1	1.9
Corporate Profits Before Tax (bill. of current $'s)	203.2	235.7	216.4	229.0
Federal Deficit (Fiscal Year, bill. of current $'s)	186.1	171.5	199.2	198.1

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The U.S. Economic Outlook for 1985-86: May 1985 Forecast Update

Introduction

The growth of real output has seesawed over the past three quarters from a 1.6 percent annualized rate in 1984.3 to 4.3 percent in 1984.4 and back down to a preliminary 1.3 percent in 1985.1. The growth rate for the most recent quarter was considerably weaker than most economists had expected and was 8/10 of a percentage point below the flash estimate for the quarter reported in March.

The weakness in both 1984.3 and 1985.1 can be traced to the sharp deterioration in the trade balance which occurred in each of those two quarters. In both of the low-growth quarters real imports rose sharply. Real exports, on the other hand, moved up a bit in 1984.3 and then slipped back again in 1985.1. In fact, the quantity of U.S. exports in 1985.1 was slightly below its year-earlier level, while U.S. imports of goods and services rose by 11 percent over the same period.

Final sales to domestic purchasers have remained strong throughout the past three quarters, but in the two quarters of weak domestic growth much if not all of the increase in domestic purchases was covered by rising imports:

Changes in Real GNP and Components (billions of '72 $'s)	1984.2-1984.3	1984.3-1984.4	1984.4-1985.1
GNP	6.4	17.2	5.6
Inventory Investment	10.3	-13.8	3.9
Final Sales	-3.9	31.0	1.7
Final Sales to Domestic Purchasers	11.7	17.4	14.3
Net Exports	-15.6	13.6	-12.7

The continued strong growth in final sales to domestic purchasers would normally be expected to rule out the onset of a recession in the near term, but the continued deterioration of the trade balance is a significant cause for concern and it is likely to continue to act as a drag on domestic production in the coming months.

Inputs to the Forecast

The Senate is in the midst of trying to hammer out the details of a deficit reduction bill by modifying a package -- supported by both the White House and the Senate Republican leadership -- designed to cut about $50 billion from the deficit for fiscal 1986. At the present time the final outcome of the bill is unclear and we have maintained our assumption of a $30 billion deficit reduction package for fiscal 1986. We continue to believe that tax increases will not be part of the deficit reduction package for next year. In the context of our forecast, these assumptions produce federal deficits totalling close to $200 billion for both fiscal 1985 and fiscal 1986 but declining to $185 billion by the beginning of fiscal 1987.

In recent weeks the Federal Reserve has expressed concern over the weakness in some sectors of the economy -- especially the manufacturing sector which has borne the brunt of rising imports. In light of that concern we have assumed that the Fed will allow the monetary base to grow at a 7 percent annual rate through the summer. This is somewhat slower than the 9.2 percent average rate of growth

during the first quarter of 1985 but above the 5 percent average growth rate for the last six months of 1984. We have assumed that the growth rate of the monetary base will return to 5 percent later this year -- a policy move consistent with our overall forecast in which a recession is avoided and the trade balance begins to show some improvement.

The Forecast for 1985-86

Real GNP is forecast to grow by 2.7 percent (annual rate) in the current quarter, by 3.4 percent (annual rate) during the second half of 1985 and by 3.3 percent during 1986. After the current quarter the growth rate remains steady in the 3 - 3 1/2 percent range throughout the forecast period.

Consumer durables are forecast to show some weakness after the current quarter as auto sales -- which are forecast to peak this quarter at an annual rate of 11 million units -- decline to a 10 1/2 million unit pace by the end of 1985 and to 9.7 million units by the end of 1986. Auto sales are forecast to total 10.8 million units for 1985 and just under 10 million units for 1986.

Residential building is projected to improve through the end of 1985, but it, too, is expected to weaken during 1986. Housing starts are forecast to rise from a 1.8 million unit pace in the current quarter to a 1.92 million unit pace by the end of this year and then to decline to a 1.85 million unit pace by the second half of 1986.

Real business capital spending is forecast to grow steadily over the forecast period at a rate of 6 - 7 percent per year which is nearly double the 3 1/2 percent rate of growth posted for 1985.1 but well below the nearly 16 percent recorded during 1984.

Our trade balance is forecast to continue to deteriorate through the summer of this year, and to begin a slow but steady improvement thereafter through the end of the forecast period. We are forecasting that the exchange value of the dollar will decline by just over 10 percent from its peak in February through the end of this year, and will drop by another 7 percent during 1986.

While we are projecting relatively steady growth in output at a 3 - 3 1/2 percent rate over the forecast period, that is not sufficient to reduce the civilian unemployment rate below the 7.4 percent that we are forecasting for the current quarter. We are forecasting no net change in the unemployment rate during the forecast period.

Inflation, as measured by the consumption deflator is forecast to rise from 3.4 percent (annual rate) in the current quarter to an average of 3.8 percent for the second half of 1985 and 4.8 percent during 1986. Much of the acceleration in prices during 1986 is due to higher import prices resulting from the declining value of the dollar.

Short term interest rates change very little over the forecast period with the three-month treasury bill rate remaining close to 8 percent. Long-term rates are forecast to decline slowly with one exception -- the mortgage rate is projected to remain steady at about 13 1/4 percent through the end of 1986.

The principal economic indicators in our 1985-86 forecast are summarized in the enclosed Executive Summary. Full quarterly detail on the forecast is contained in the computer output attached to this update.

Prepared by
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U.S. Economic Outlook for 1985-86
RSQE Forecast, May 9, 1985

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

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

	1985:1 Actual	1985:2	1985:3	1985:4	1986:1	1986:2	1986:3	1986:4	1985 Average	1986 Average	84-85 %Change	85-86 %Change
GNP	3819.9	3864.0	3914.9	3972.4	4038.0	4104.3	4176.4	4252.9	3892.8	4142.9	6.3	6.4
Consumption	2442.3	2488.2	2527.8	2571.3	2616.8	2661.4	2708.9	2757.7	2507.4	2686.2	7.1	7.1
Durables	333.1	338.6	337.2	339.3	341.5	342.9	346.1	349.1	337.1	344.9	5.7	2.3
Autos + parts	155.1	157.5	154.8	155.6	156.1	156.5	158.1	159.5	155.7	157.6	4.0	1.2
Furn + HH Equip.	123.1	124.8	125.5	126.1	127.0	127.6	128.7	129.8	124.9	128.3	6.7	2.7
Other	55.0	56.3	56.9	57.7	58.3	58.8	59.3	59.9	56.5	59.1	8.7	4.6
Nondurables	878.0	892.9	908.5	923.8	939.7	954.6	969.4	984.2	900.8	962.0	5.1	6.8
Services	1231.6	1256.6	1282.1	1308.1	1335.6	1363.9	1393.5	1424.3	1269.6	1379.3	8.9	8.6
Investment	657.5	661.9	673.0	686.0	697.7	710.7	725.3	741.9	669.6	718.9	5.0	7.4
Nonresidential	455.9	463.7	471.7	482.3	493.7	505.0	516.6	528.1	468.4	510.9	10.0	9.1
Prod. durables	291.5	294.9	299.4	306.7	314.2	321.5	328.9	336.0	298.1	325.1	8.3	9.1
Farm Equipment	8.7	8.3	8.2	8.2	8.2	8.3	8.5	8.7	8.3	8.4	-11.7	0.8
Prod Equipment	65.0	66.8	69.5	72.7	74.9	76.6	78.5	80.3	68.5	77.6	11.9	13.3
Other Equip.	217.7	219.8	221.7	225.8	231.2	236.6	241.9	247.0	221.3	239.2	8.1	8.1
Construction	164.6	168.9	172.3	175.6	179.5	183.5	187.7	192.1	170.3	185.7	13.3	9.0
Residential	155.0	160.0	166.3	171.9	174.8	175.3	176.2	178.3	163.3	176.2	6.1	7.9
Inventory change	46.6	38.1	35.1	31.7	29.1	30.4	32.5	35.5	37.9	31.9	NA	NA
Net Exports	-73.0	-94.1	-111.2	-124.2	-132.4	-138.6	-143.5	-147.6	-100.6	-140.5	NA	NA
Exports	361.4	365.3	370.1	376.2	384.0	392.9	403.1	414.6	368.2	398.7	1.1	8.3
Imports	434.4	459.3	481.3	500.4	516.4	531.5	546.6	562.2	468.9	539.2	9.4	15.0
Govt Purchases	792.7	808.0	825.3	839.4	855.9	870.7	885.8	900.9	816.3	878.3	9.2	7.6
Federal	320.2	325.2	332.0	335.9	342.7	347.5	352.4	357.2	328.3	349.9	11.1	6.6
Defense	234.5	239.0	244.0	248.8	255.0	259.8	264.6	269.4	241.6	262.2	9.1	8.5
Nondefense	85.7	86.2	88.0	87.1	87.7	87.7	87.8	87.8	86.7	87.7	17.4	1.2
State + local	472.5	482.8	493.3	503.5	513.2	523.2	533.4	543.7	488.0	528.4	8.0	8.3
ADDENDA												
GNP deflator '72=100	229.0	230.1	231.2	232.7	234.7	236.7	238.9	241.2	230.8	237.9	3.3	3.1
Unemployment rate	7.3	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	NA	NA

5/9/85 :RSQE Forecast

TABLE 2 : RSQE FORECAST
GROSS NATIONAL PRODUCT IN CONSTANT DOLLARS
(Billions of 1972 dollars, SAAR)

	1985:1 Actual	1985:2	1985:3	1985:4	1986:1	1986:2	1986:3	1986:4	1985 Average	1986 Average	84-85 %Change	85-86 %Change
GNP	1668.0	1679.0	1693.6	1707.0	1720.4	1733.6	1748.3	1763.4	1686.9	1741.4	2.9	3.2
Consumption	1087.9	1099.1	1107.6	1114.7	1121.5	1127.3	1134.1	1140.9	1102.3	1131.0	3.8	2.6
Durables	186.0	189.9	191.2	191.7	192.0	191.8	192.6	193.2	189.7	192.4	6.5	1.4
Autos + parts	77.4	79.5	80.0	79.9	79.7	79.4	79.7	79.9	79.2	79.7	4.5	0.6
Furn + HH Equip.	79.7	81.0	81.6	82.0	82.4	82.5	82.9	83.2	81.1	82.8	8.4	2.1
Other	28.9	29.4	29.5	29.8	29.9	29.9	29.9	30.0	29.4	29.9	6.9	1.8
Nondurables	399.1	402.4	405.7	408.3	410.7	412.8	414.8	416.9	403.9	413.8	2.6	2.5
Services	502.9	506.8	510.8	514.7	518.8	522.7	526.7	530.8	508.8	524.8	3.7	3.1
Investment	295.4	296.0	300.1	303.8	306.8	310.4	314.5	319.3	298.8	312.8	3.1	4.7
Nonresidential	215.6	218.7	222.3	226.0	229.9	233.6	237.2	240.6	220.6	235.3	7.7	6.6
Prod. durables	154.0	155.5	158.1	161.1	163.9	166.6	169.2	171.6	157.2	167.9	6.2	6.8
Farm Equipment	3.0	2.9	2.8	2.8	2.8	2.8	2.8	2.9	2.9	2.8	-12.3	-2.4
Prod Equipment	25.6	26.2	27.1	28.1	28.7	29.1	29.6	30.0	26.7	29.4	9.4	9.8
Other Equip.	125.3	126.4	128.2	130.1	132.4	134.7	136.8	138.8	127.5	135.7	6.0	6.4
Construction	61.7	63.2	64.2	65.0	66.0	66.9	67.9	69.0	63.5	67.4	11.7	6.2
Residential	59.1	60.4	62.2	63.7	64.0	63.4	63.0	62.9	61.4	63.3	2.0	3.2
Inventory change	20.7	16.9	15.6	14.1	12.9	13.5	14.4	15.8	16.8	14.2	NA	NA
Net Exports	-26.1	-29.9	-31.3	-30.8	-29.0	-27.1	-25.2	-23.4	-29.5	-26.2	NA	NA
Exports	144.0	145.1	146.3	147.8	149.6	151.8	154.4	157.4	145.8	153.3	-0.2	5.1
Imports	170.1	174.9	177.6	178.6	178.6	178.8	179.5	180.7	175.3	179.4	8.8	2.3
Govt Purchases	310.6	313.8	317.3	319.4	321.0	322.9	324.8	326.6	315.3	323.9	4.4	2.7

5/9/85 :RSQE Forecast

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

	1985:1 Actual	1985:2	1985:3	1985:4	1986:1	1986:2	1986:3	1986:4	1985 Average	1986 Average	84-85 %Change	85-86 %Change
PERSONAL INCOME	3141.6	3188.1	3236.5	3283.9	3334.6	3384.1	3435.9	3491.6	3212.6	3411.6	6.7	6.2
Wage + salary disb.	1882.6	1913.2	1941.4	1967.4	1996.0	2024.6	2054.9	2089.0	1926.1	2041.1	6.8	6.0
Private	1517.3	1542.6	1566.7	1590.7	1615.6	1641.9	1670.1	1699.9	1554.3	1656.9	6.9	6.6
Government	365.3	370.6	374.7	376.7	380.4	382.7	384.8	389.1	371.8	384.2	6.3	3.3
Other Labor Income	206.3	210.2	214.5	219.2	224.0	229.2	234.6	240.3	212.5	232.0	8.7	9.2
Proprietors' Income	156.8	158.1	161.0	164.0	167.3	170.8	174.3	177.9	160.0	172.6	3.6	7.9
Farm	22.4	20.2	20.4	20.6	20.8	21.0	21.2	21.4	20.9	21.1	-25.8	0.9
Nonfarm	134.4	137.9	140.6	143.5	146.6	149.8	153.1	156.5	139.1	151.5	10.2	8.9
Rental Income	65.2	66.2	67.2	68.2	69.2	70.2	71.2	72.2	66.7	70.7	6.7	6.0
Dividends	81.4	82.7	83.9	85.1	86.2	87.4	88.7	90.0	83.3	88.1	7.1	5.8
Interest Income	456.2	461.1	469.9	480.1	489.6	498.5	508.0	517.3	466.8	503.4	7.6	7.8
Transfers	439.6	445.2	449.2	452.7	459.8	463.2	466.4	469.4	446.7	464.7	7.2	4.0
Unemploy Benefits	17.9	19.2	19.9	20.0	20.0	20.1	20.2	20.1	19.3	20.1	21.0	4.4
Other	421.7	426.0	429.3	432.7	439.8	443.1	446.2	449.3	427.4	444.6	6.6	4.0
Less: Pers Soc Ins Cont	146.5	148.6	150.6	152.6	157.6	159.8	162.1	164.5	149.6	161.0	12.9	7.6
Less: PERSONAL TAXES	489.0	440.7	472.4	477.7	482.2	488.9	495.5	503.1	469.9	492.4	8.0	4.8
Equals: DISP PERSONAL INCOME	2652.6	2747.5	2764.2	2806.3	2852.4	2895.2	2940.4	2988.5	2742.6	2919.1	6.4	6.4
Less: Personal Outlays	2531.0	2580.9	2624.3	2671.4	2720.4	2768.5	2819.5	2871.6	2601.9	2795.0	7.5	7.4
Equals: PERSONAL SAVING	121.6	166.6	139.8	134.9	132.1	126.7	120.8	116.9	140.7	124.1	-10.0	-11.8
ADDENDA												
Disp Pers Income 72$	1181.4	1213.7	1211.1	1216.6	1222.5	1226.4	1231.0	1236.3	1205.7	1229.1	3.1	1.9
Pers Saving Rate, %	4.6	6.1	5.1	4.8	4.6	4.4	4.1	3.9	5.1	4.3	NA	NA

5/9/85 :RSQE Forecast

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

	1985:1 Actual	1985:2	1985:3	1985:4	1986:1	1986:2	1986:3	1986:4	1985 Average	1986 Average	84-85 %Change	85-86 %Change
GROSS NATIONAL PROD	3819.9	3864.0	3914.9	3972.4	4038.0	4104.3	4176.4	4252.9	3892.8	4142.9	6.3	6.4
Less:												
CCA w/ Consump Adj	422.1	428.3	434.1	442.0	450.9	460.0	469.5	479.3	431.6	464.9	7.0	7.7
Equals:												
NET NATIONAL PRODUCT	3397.8	3435.6	3480.9	3530.4	3587.2	3644.3	3707.0	3773.6	3461.2	3678.0	6.2	6.3
Less:												
Indirect Busn. Tax	318.0	322.5	326.6	329.9	334.8	339.9	345.4	351.0	324.2	342.8	6.7	5.7
Business Transfers	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	19.2	21.2	11.1	10.4
Stat Discrepancy	-9.9	-9.9	-9.9	-9.9	-9.9	-9.9	-9.9	-9.9	-9.9	-9.9	NA	NA
Plus:												
Sub less Cur Surpl of Govt Enterprise	10.3	10.2	10.2	5.6	3.6	3.5	2.0	1.9	9.1	2.7	NA	NA
Equals:												
NATIONAL INCOME	3081.5	3114.3	3154.8	3196.0	3245.3	3296.8	3352.0	3412.4	3136.7	3326.6	6.0	6.1
Less:												
Corp. Profits	298.1	291.2	290.2	290.4	294.0	301.0	309.6	319.3	292.5	306.0	2.4	4.6
Net Interest	288.8	288.9	291.2	294.5	296.3	299.5	302.6	305.5	290.9	301.0	2.4	3.5
Social Ins Contrib	330.1	335.0	339.9	344.9	356.1	361.4	366.9	372.7	337.5	364.3	10.3	7.9
Wage Acc less Disb	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	NA
Plus:												
Govt Transfers	421.1	426.2	429.7	432.7	439.3	442.2	444.9	447.4	427.4	443.5	7.0	3.7
Interest Income	456.2	461.1	469.9	480.1	489.6	498.5	508.0	517.3	466.8	503.4	7.6	7.8
Dividends	81.4	82.7	83.9	85.1	86.2	87.4	88.7	90.0	83.3	88.1	7.1	5.8
Business Transfers	18.5	19.0	19.5	20.0	20.5	21.0	21.5	22.0	19.2	21.2	11.1	10.4
Equals:												
PERSONAL INCOME	3141.6	3188.1	3236.5	3283.9	3334.6	3384.1	3435.9	3491.6	3212.6	3411.6	6.7	6.2

5/9/85 :RSQE Forecast

TABLE 5 : RSQE FORECAST
FEDERAL GOVERNMENT RECEIPTS AND EXPENDITURES
(Billions of current dollars, SAAR)

	1985:1 Actual	1985:2	1985:3	1985:4	1986:1	1986:2	1986:3	1986:4	1985 Average	1986 Average	84-85 %Change	85-86 %Change
RECEIPTS	773.0	724.1	757.5	764.3	778.9	793.9	807.6	822.4	754.7	800.7	7.1	6.1
Personal Taxes	362.1	311.9	341.7	345.1	347.6	352.4	357.0	362.4	340.2	354.8	8.0	4.3
Corp Profit Tax	69.1	66.4	65.9	66.2	67.5	72.6	76.1	79.6	66.9	74.0	-5.4	10.5
Indirect Busn. Tax	56.4	56.2	56.3	55.2	55.7	56.3	57.1	57.9	56.0	56.7	0.9	1.3
Social Ins Contrib.	285.4	289.5	293.6	297.8	308.2	312.7	317.4	322.4	291.6	315.2	10.7	8.1
EXPENDITURES	935.1	952.9	966.0	970.3	980.1	989.3	997.3	1007.0	956.1	993.4	8.6	3.9
Purchases	320.2	325.2	332.0	335.9	342.7	347.5	352.4	357.2	328.3	349.9	11.1	6.6
Defense	234.5	239.0	244.0	248.8	255.0	259.8	264.6	269.4	241.6	262.2	9.1	8.5
Nondefense	85.7	86.2	88.0	87.1	87.7	87.7	87.8	87.8	86.7	87.7	17.4	1.2
Transfers	372.2	377.8	380.3	382.2	387.7	389.5	391.1	392.5	378.1	390.2	7.1	3.2
To Persons	363.7	367.8	370.3	372.3	377.9	379.8	381.5	383.0	368.5	380.6	7.0	3.3
To Foreigners	8.5	10.0	10.0	9.9	9.8	9.7	9.6	9.5	9.6	9.6	13.6	0.5
Grants in Aid	97.5	102.5	102.5	101.1	95.1	94.2	93.2	92.4	100.9	93.7	8.2	-7.1
Net Interest Paid	126.8	128.8	132.6	137.1	142.6	146.1	150.1	154.4	131.3	148.3	12.5	12.9
Sub less Cur Surplus of Gov't Enterprises	18.5	18.5	18.5	14.0	12.0	12.0	10.5	10.5	17.4	11.2	NA	NA
Less:												
Wage Acc less Disb	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	NA
SURPLUS (NIPA)	-162.0	-228.7	-208.5	-206.0	-201.2	-195.4	-189.7	-184.6	-201.3	-192.7	NA	NA

5/9/85 :RSQE Forecast

TABLE 6 : RSQE FORECAST
STATE AND LOCAL GOVERNMENT RECEIPTS AND EXPENDITURES
(Billions of current dollars, SAAR)

	1985:1 Actual	1985:2	1985:3	1985:4	1986:1	1986:2	1986:3	1986:4	1985 Average	1986 Average	84-85 %Change	85-86 %Change
RECEIPTS	549.2	560.7	567.4	573.1	574.7	581.7	588.9	596.6	562.6	585.5	7.4	4.1
Personal Taxes	126.9	128.7	130.7	132.6	134.6	136.5	138.6	140.7	129.7	137.6	7.8	6.1
Corp Profit Tax	18.5	17.8	17.6	17.6	18.0	18.6	19.3	20.1	17.9	19.0	-6.2	6.2
Indirect Busn. Tax	261.6	266.2	270.4	274.7	279.2	283.7	288.3	293.1	268.2	286.1	7.9	6.7
Social Ins Contrib.	44.7	45.5	46.3	47.1	47.9	48.7	49.5	50.3	45.9	49.1	7.9	7.0
Grants in Aid	97.5	102.5	102.5	101.1	95.1	94.2	93.2	92.4	100.9	93.7	8.2	-7.1
EXPENDITURES	495.3	505.9	516.7	527.1	537.1	547.3	557.8	568.3	511.2	552.6	8.0	8.1
Purchases	472.5	482.8	493.3	503.5	513.2	523.2	533.4	543.7	488.0	528.4	8.0	8.3
Transfers	57.4	58.4	59.4	60.4	61.4	62.4	63.4	64.4	58.9	62.9	7.4	6.8
Net Interest Paid	-26.4	-27.0	-27.7	-28.4	-29.1	-29.8	-30.5	-31.2	-27.4	-30.1	8.2	10.1
Less:												
Div rec'd by Gov't	3.0	3.1	3.2	3.3	3.4	3.5	3.6	3.7	3.1	3.5	13.5	12.7
Sub less Cur Surplus of Gov't Enterprises	-8.2	-8.3	-8.3	-8.4	-8.4	-8.5	-8.5	-8.6	-8.3	-8.5	NA	NA
Less:												
Wage Acc less Disb	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	NA
SURPLUS (NIPA)	56.9	58.0	53.9	49.3	41.0	37.9	34.7	31.9	54.5	36.4	NA	NA

5/9/85 :RSQE Forecast

TABLE 7 : RSQE FORECAST
SUPPLEMENTARY DATA
(SAAR where applicable)

	1985:1 Actual	1985:2	1985:3	1985:4	1986:1	1986:2	1986:3	1986:4	1985 Average	1986 Average	84-85 %Change	85-86 %Change
Agg GNP Deflator (1972=100)	229.0	230.1	231.2	232.7	234.7	236.7	238.9	241.2	230.8	237.9	3.3	3.1
Pers Cons Deflator (1972=100)	224.5	226.4	228.2	230.7	233.3	236.1	238.9	241.7	227.4	237.5	3.2	4.4
CPI (1967=100)	317.4	320.7	323.8	327.5	331.5	335.8	340.1	344.6	322.4	338.0	3.6	4.9
PRIVATE NONFARM SECTOR												
Price Deflator (1972=100)	227.2	228.9	230.6	232.4	234.6	236.6	238.8	240.9	229.8	237.7	3.8	3.5
Compensation/Hour (1977=100)	173.5	175.3	177.2	179.2	181.7	184.0	186.4	188.9	176.3	185.2	4.5	5.1
Output/Hour (1977=100)	106.5	106.7	107.1	107.5	107.9	108.4	108.9	109.4	107.0	108.7	0.7	1.6
Unit Labor Cost (1977=100)	162.9	164.3	165.4	166.7	168.3	169.7	171.2	172.7	164.8	170.5	3.8	3.4
Indust Prod 1967=100	166.8	168.1	170.4	173.0	175.4	177.9	180.7	183.5	169.6	179.4	2.9	5.8
Capacity Util Rate, %	81.1	81.1	81.6	82.1	82.6	83.1	83.7	84.3	81.5	83.5	NA	NA
UNEMPLOYMENT RATES												
Aggregate	7.3	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	NA	NA
Male 20 and over	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.2	6.3	6.3	NA	NA
MONETARY SECTOR												
90 Day Treas Rate, %	8.2	7.9	7.9	8.0	8.1	8.0	8.1	8.1	8.0	8.1	NA	NA
90 Day CD Rate, %	8.6	8.4	8.5	8.7	8.7	8.8	9.0	9.0	8.5	8.9	NA	NA
Corp Aaa Rate, %	12.3	12.1	12.0	11.8	11.7	11.7	11.6	11.5	12.0	11.6	NA	NA
5 Year Govt Rate, %	11.2	10.9	10.8	10.6	10.7	10.7	10.8	10.6	10.9	10.7	NA	NA
M2+ (Billions of $)	2716.5	2778.8	2843.2	2906.5	2971.9	3028.1	3090.5	3154.9	2811.2	3061.3	10.0	8.9
M2+ growth rate, %	11.6	9.5	9.6	9.2	9.3	7.8	8.5	8.6	10.0	8.5	NA	NA
Change in Par Value Of Govt Debt (Bill $)	38.4	24.9	58.8	56.0	73.7	23.7	56.0	50.7	44.5	51.0	NA	NA
AUTOMOTIVE SECTOR												
Unit car sales (mil)	10.8	11.0	10.8	10.5	10.2	9.9	9.8	9.7	10.8	9.9	3.8	-8.3

5/9/85 :RSQE Forecast

SIMULATION OUTPUT BY DSET

NON-ZERO ADJUSTMENT CONSTANTS

		A.AUTOS	A.CDAN72	A.CDAO72	A.CDFE72	A.CDO72	A.CN72	A.CS72	A.FDCUR	A.GCBDD	A.HOUSES
1985	2	-1.15	-0.2	-0.4	2.25	0.	-4.5	-2.5	-0.25	1.5	30.
1985	3	-0.85	-0.1	-0.4	2.	0.3	-0.8	-0.5	-0.25	1.5	15.
1985	4	-0.85	0.	-0.4	1.75	0.2	-1.8	-1.	-0.25	1.5	0.
1986	1	-0.85	0.	-0.4	1.75	0.1	-1.8	-1.	-0.25	1.5	0.
1986	2	-0.85	0.	-0.4	1.75	0.	-1.8	-1.	-0.25	1.5	0.
1986	3	-0.85	0.	-0.4	1.75	0.	-1.8	-1.	-0.25	1.5	0.
1986	4	-0.85	0.	-0.4	1.75	0.	-1.8	-1.	-0.25	1.5	0.

		A.HOUSEX	A.IINV72	A.INC72	A.IPDA72	A.IPDO72	A.IPDQ72	A.JCAP	A.JCMH	A.JIPM	A.KCA
1985	2	-100.	-5.	2.8	-0.2	0.	-2.	0.2	-0.2	-4.5	-1.5
1985	3	-100.	-5.	2.4	-0.2	0.5	-1.5	0.2	-0.2	-4.	-1.2
1985	4	-100.	-5.	2.	-0.2	0.5	-1.1	0.2	-0.2	-4.	-0.9
1986	1	-100.	-5.	2.	-0.2	0.5	-1.1	0.2	-0.2	-4.	-0.6
1986	2	-100.	-5.	2.	-0.2	0.5	-1.1	0.2	-0.2	-4.	-0.6
1986	3	-100.	-5.	2.	-0.2	0.5	-1.1	0.2	-0.2	-4.	-0.6
1986	4	-100.	-5.	2.	-0.2	0.5	-1.1	0.2	-0.2	-4.	-0.6

		A.KCAC	A.MNOIL7	A.MOIL72	A.PCDA	A.PCDFE	A.PCPI	A.PCS	A.PG	A.PHOUSN	A.PINC
1985	2	-0.7	5.	-0.8	-0.5	-0.7	0.5	0.7	-0.3	0.03	0.
1985	3	-0.7	4.5	-0.8	-0.5	-0.5	0.25	0.7	-0.1	0.03	-0.2
1985	4	-0.7	4.	-0.8	-0.5	-0.3	0.	0.7	0.	0.03	-0.4
1986	1	-0.7	3.5	-0.8	-0.5	-0.1	0.	0.7	0.	0.03	-0.6
1986	2	-0.7	3.5	-0.8	-0.5	0.	0.	0.7	0.	0.03	-0.6
1986	3	-0.7	3.5	-0.8	-0.5	0.	0.	0.7	0.	0.03	-0.6
1986	4	-0.7	3.5	-0.8	-0.5	0.	0.	0.7	0.	0.03	-0.6

		A.PIPDAG	A.PIPDQ	A.PPNF	A.QMH77	A.RAAA	A.RCD	A.RG5	A.RMTG	A.RTB	A.SERV72
1985	2	-0.4	-0.5	1.8	-0.4	0.2	-0.48	-0.1	0.4	0.55	-1.
1985	3	-0.3	0.	1.4	-0.3	0.2	-0.4	0.	0.3	0.6	-1.
1985	4	-0.2	0.	1.	-0.3	0.2	-0.3	0.1	0.25	0.65	-1.
1986	1	-0.1	0.	1.	-0.3	0.2	-0.3	0.1	0.25	0.7	-1.
1986	2	0.	0.	1.	-0.3	0.2	-0.3	0.1	0.25	0.7	-1.
1986	3	0.	0.	1.	-0.3	0.2	-0.3	0.1	0.25	0.7	-1.
1986	4	0.	0.	1.	-0.3	0.2	-0.3	0.1	0.25	0.7	-1.

		A.TPF	A.TSIF	A.YFP	A.YNFP	A.YOL	A.YPDIV	A.YPWS	A.YUNB
1985	2	-54.	0.	-2.	1.5	-1.	0.6	3.	1.
1985	3	27.	0.	0.	1.	-0.5	0.6	0.	0.5
1985	4	0.	0.	0.	1.	-0.5	0.6	0.	0.
1986	1	0.	-1.	0.	1.	-0.5	0.6	0.	0.
1986	2	0.	0.	0.	1.	-0.5	0.6	0.	0.
1986	3	0.	0.	0.	1.	-0.5	0.6	0.	0.
1986	4	0.	0.	0.	1.	-0.5	0.6	0.	0.

SIMULATION OUTPUT BY DSET

EXOGENOUS VARIABLES

		AUTOSIZE	BTRP	DASTRIKE	DATE	DAUTO	DEMB1	DEX65	DFROFF	DFRZ1	DFRZ2
1985	1	0.609	18.5	0.	1985.1	1.	0.	0.	0.	0.	0.
1985	2	0.59	19.	0.	1985.2	1.	0.	0.	0.	0.	0.
1985	3	0.59	19.5	0.	1985.3	1.	0.	0.	0.	0.	0.
1985	4	0.59	20.	0.	1985.4	1.	0.	0.	0.	0.	0.
1986	1	0.59	20.5	0.	1986.1	1.	0.	0.	0.	0.	0.
1986	2	0.59	21.	0.	1986.2	1.	0.	0.	0.	0.	0.
1986	3	0.59	21.5	0.	1986.3	1.	0.	0.	0.	0.	0.
1986	4	0.59	22.	0.	1986.4	1.	0.	0.	0.	0.	0.

		DFRZ3	DGPAY	DINDEX	DJGPM	DM72DOCK	DOILCON	DOILDCON	DPGAS	DPROP13	DSEAS1
1985	1	0.	1.	1.	1.	0.	0.	1.	0.	0.	1.
1985	2	0.	0.	1.	1.	0.	0.	1.	0.	0.	0.
1985	3	0.	0.	1.	1.	0.	0.	1.	0.	0.	0.
1985	4	0.	0.	1.	1.	0.	0.	1.	0.	0.	-1.
1986	1	0.	1.	1.	1.	0.	0.	1.	0.	0.	1.
1986	2	0.	0.	1.	1.	0.	0.	1.	0.	0.	0.
1986	3	0.	0.	1.	1.	0.	0.	1.	0.	0.	0.
1986	4	0.	0.	1.	1.	0.	0.	1.	0.	0.	-1.

		DSEAS2	DSEAS3	DSPRD	DSW.TPF	DTCF	DTEX	DTIB	DTP	DTSI	DUBEXT
1985	1	0.	0.	0.	1.	8.1	0.	-1.2	1.9	7.9	0.
1985	2	1.	0.	0.	1.	9.	0.	-0.6	-2.2	0.	0.
1985	3	0.	1.	0.	1.	9.2	0.	-0.5	-3.9	0.	0.
1985	4	-1.	-1.	0.	1.	9.5	0.	-1.6	-2.7	0.	0.
1986	1	0.	0.	0.	1.	9.3	0.	-0.2	-3.8	5.2	0.
1986	2	1.	0.	0.	1.	11.9	0.	-0.1	-1.4	0.	0.
1986	3	0.	1.	0.	1.	12.6	0.	0.	-2.1	0.	0.
1986	4	-1.	-1.	0.	1.	13.	0.	0.	-1.9	0.	0.

		DUM75	DVNDOWN	DVNUP	D5467	D5864	D66	D674	D6873	D7074	D711
1985	1	1.	0.	0.	0.	0.	1.	1.	0.	0.	1.
1985	2	1.	0.	0.	0.	0.	1.	1.	0.1	0.	1.
1985	3	1.	0.	0.	0.	0.	1.	1.	0.15	0.	1.
1985	4	1.	0.	0.	0.	0.	1.	1.	0.2	0.	1.
1986	1	1.	0.	0.	0.	0.	1.	1.	0.3	0.	1.
1986	2	1.	0.	0.	0.	0.	1.	1.	0.4	0.	1.
1986	3	1.	0.	0.	0.	0.	1.	1.	0.5	0.	1.
1986	4	1.	0.	0.	0.	0.	1.	1.	0.5	0.	1.

		D763	D81.2	D82	EGOV	GAID	GDIVSL	GFD	GFO	GINTFF	GINTSL
1985	1	0.	1.	0.	18.14	97.5	3.	234.5	85.7	20.6	-26.4
1985	2	0.	1.	0.	18.2	102.5	3.1	239.	86.2	21.1	-27.
1985	3	0.	1.	0.	18.2	102.5	3.2	244.	88.	21.6	-27.7
1985	4	0.	1.	0.	18.1	101.1	3.3	248.8	87.1	22.1	-28.4
1986	1	0.	1.	0.	18.	95.1	3.4	255.	87.7	22.6	-29.1
1986	2	0.	1.	0.	17.9	94.2	3.5	259.8	87.7	23.1	-29.8
1986	3	0.	1.	0.	17.8	93.2	3.6	264.6	87.8	23.6	-30.5
1986	4	0.	1.	0.	17.8	92.4	3.7	269.4	87.8	24.1	-31.2

		GOLD	GSL	GTRF	GTROF	GTRSL	GWALDF	GWALDSL	HINT	HTRF	IVA
1985	1	11.093	472.5	8.5	345.8	57.4	0.1	0.	87.5	1.2	-0.6
1985	2	11.093	482.79	10.	348.6	58.4	0.	0.	91.5	1.2	-1.
1985	3	11.093	493.3	10.	350.4	59.4	0.	0.	95.3	1.2	-2.
1985	4	11.093	503.47	9.9	352.3	60.4	0.	0.	98.9	1.2	-3.
1986	1	11.093	513.25	9.8	357.9	61.4	0.	0.	102.4	1.2	-4.
1986	2	11.093	523.22	9.7	359.7	62.4	0.	0.	105.9	1.2	-5.
1986	3	11.093	533.38	9.6	361.3	63.4	0.	0.	109.4	1.2	-6.
1986	4	11.093	543.75	9.5	362.9	64.4	0.	0.	112.7	1.2	-7.

		JGPM	JICS	JUS.EUR	KCCA	PAUTO	PCRUDE	PFARM	PFOREIGN	PGAS	PHOUSEX
1985	1	0.505	94.5	0.915	71.	212.3	520.2	181.3	366.2	354.4	73.7
1985	2	0.505	93.	0.902	76.7	208.8	520.02	181.3	362.4	359.	75.5
1985	3	0.505	95.	0.87	80.8	202.	523.59	181.98	362.4	360.78	76.4
1985	4	0.505	95.	0.84	82.5	203.5	527.98	182.65	364.2	363.46	74.8
1986	1	0.505	95.	0.84	82.5	205.	533.68	184.01	366.9	367.04	76.3
1986	2	0.505	95.	0.84	82.5	206.53	539.44	185.37	369.62	370.66	78.4
1986	3	0.505	95.	0.84	82.5	208.06	546.13	186.75	372.36	374.31	79.6
1986	4	0.505	95.	0.84	82.5	209.6	552.89	188.13	375.12	378.	78.1

		PIINV	PINDEX	PMOIL	PNGAS	RBASE	RDIS	RLFSEC	SDR	SLCSF	SLCSSL
1985	1	225.12	221.5	1042.3	1063.7	9.2	8.	47.83	4.618	18.5	-8.2
1985	2	225.	221.5	1042.3	1050.	7.	8.	47.7	4.618	18.5	-8.3
1985	3	225.	221.5	1047.5	1055.2	7.	8.	47.7	4.618	18.5	-8.3
1985	4	225.	221.5	1055.2	1063.	6.	8.	47.7	4.618	14.	-8.4
1986	1	225.	221.5	1065.6	1073.5	5.	8.	47.7	4.618	12.	-8.4
1986	2	225.	221.5	1076.1	1084.1	5.	8.	47.7	4.618	12.	-8.5
1986	3	225.	221.5	1086.7	1097.4	5.	8.	47.7	4.618	10.5	-8.5
1986	4	225.	221.5	1097.5	1110.9	5.	8.	47.7	4.618	10.5	-8.6

		STAT	TCFR	TCO	TDEPRAG	TDEPRNC	TDEPRO	TDEPRQ	TIME	TITCR	TPNS
1985	1	-9.9	0.46	16.594	0.375	0.14	0.319	0.3	125.	0.1	0.
1985	2	-9.9	0.46	16.7	0.375	0.14	0.319	0.3	126.	0.1	0.
1985	3	-9.9	0.46	16.8	0.375	0.14	0.319	0.3	127.	0.1	0.
1985	4	-9.9	0.46	16.9	0.375	0.14	0.319	0.3	128.	0.1	0.
1986	1	-9.9	0.46	17.	0.375	0.14	0.319	0.3	129.	0.1	0.
1986	2	-9.9	0.46	17.1	0.375	0.14	0.319	0.3	130.	0.1	0.
1986	3	-9.9	0.46	17.2	0.375	0.14	0.319	0.3	131.	0.1	0.
1986	4	-9.9	0.46	17.3	0.375	0.14	0.319	0.3	132.	0.1	0.

		TSIFR	TSISL	WALD	WCEIL	WUSMIN	X72	YGWS	YPRENT
1985	1	0.141	44.7	0.1	39.6	3.35	144.	365.3	65.2
1985	2	0.141	45.5	0.	39.6	3.35	145.07	370.6	66.2
1985	3	0.141	46.3	0.	39.6	3.35	146.32	374.7	67.2
1985	4	0.141	47.1	0.	39.6	3.35	147.76	376.7	68.2
1986	1	0.143	47.9	0.	41.4	3.35	149.58	380.4	69.2
1986	2	0.143	48.7	0.	41.4	3.35	151.77	382.7	70.2
1986	3	0.143	49.5	0.	41.4	3.35	154.36	384.8	71.2
1986	4	0.143	50.3	0.	41.4	3.35	157.36	389.1	72.2

SIMULATION OUTPUT BY DSET

ENDOGENOUS VARIABLES

		AUTOS	C	CDAN72	CDAO72	CDA72	CDFE72	CDO72	CN72	CS72	C72
1985	1	10.84	NA	40.5	36.9	77.4	79.7	28.9	399.1	502.9	1087.9
1985	2	11.001	2488.15	41.81	37.686	79.496	81.013	29.397	402.426	506.772	1099.1
1985	3	10.824	2527.81	41.001	38.976	79.977	81.633	29.542	405.673	510.753	1107.58
1985	4	10.476	2571.27	39.804	40.1	79.904	82.009	29.762	408.292	514.707	1114.67
1986	1	10.174	2616.76	38.684	41.023	79.707	82.398	29.896	410.736	518.786	1121.52
1986	2	9.894	2661.43	37.686	41.738	79.424	82.516	29.902	412.799	522.706	1127.35
1986	3	9.792	2708.95	37.402	42.333	79.735	82.896	29.944	414.82	526.71	1134.11
1986	4	9.684	2757.69	37.1	42.807	79.906	83.245	30.023	416.883	530.799	1140.86

		DISC	FDCUR	FS	FSMF72	FSNMF72	FS72	GCBDD	GDEBTM	GDEBTP	GINTF
1985	1	NA	4.4	3773.3	NA	NA	1647.3	13.8	1242.12	1250.	126.8
1985	2	1.027	3.434	3825.83	470.759	34.904	1662.08	14.44	1278.07	1274.9	128.822
1985	3	1.027	3.64	3879.86	476.759	37.294	1678.04	14.516	1332.59	1333.7	132.643
1985	4	1.026	3.153	3940.65	483.628	38.639	1692.92	14.129	1393.18	1389.65	137.119
1986	1	1.027	2.442	4008.91	491.184	38.949	1707.42	14.505	1457.64	1463.4	142.555
1986	2	1.027	2.45	4073.88	498.441	38.323	1720.14	15.007	1484.51	1487.09	146.09
1986	3	1.027	2.667	4143.99	506.436	37.887	1733.87	14.973	1530.58	1543.05	150.112
1986	4	1.027	2.736	4217.43	513.042	38.592	1747.63	14.497	1587.25	1593.72	154.357

		GNP	GNPAVEQ	GNPERM72	GNP72	GTRP	HASSET	HOUSCOMP	HOUSES	HOUSEX	IBF
1985	1	3819.9	NA	1650.9	1668.	NA	NA	NA	1791.7	2963.	455.9
1985	2	3863.96	1650.72	1663.16	1679.03	426.233	-0.058	1776.29	1801.36	3162.17	463.745
1985	3	3914.94	1664.51	1674.6	1693.64	429.737	-0.061	1829.3	1871.86	3309.06	471.665
1985	4	3972.39	1675.88	1687.1	1707.03	432.68	-0.063	1886.3	1924.27	3393.84	482.312
1986	1	4038.04	1688.41	1699.4	1720.37	439.324	-0.064	1910.83	1904.28	3496.46	493.737
1986	2	4104.27	1700.28	1712.64	1733.65	442.218	-0.059	1887.86	1859.36	3518.18	505.035
1986	3	4176.45	1713.67	1726.52	1748.29	444.853	-0.05	1858.34	1845.91	3641.37	516.585
1986	4	4252.91	1727.73	1740.69	1763.4	447.412	-0.05	1847.24	1845.87	3680.81	528.136

		IBFNC	IBFNC72	IBFPD	IBFPD72	IBF72	IINV	IINV72	IPDAG72	IPDO72	IPDQ72
1985	1	NA	61.7	NA	154.	215.6	NA	20.7	3.042	125.342	25.583
1985	2	168.867	63.19	294.878	155.465	218.655	38.13	16.947	2.913	126.384	26.168
1985	3	172.264	64.15	299.401	158.107	222.258	35.088	15.595	2.848	128.182	27.077
1985	4	175.642	64.991	306.67	161.055	226.046	31.748	14.11	2.811	130.116	28.128
1986	1	179.525	65.956	314.212	163.938	229.894	29.136	12.949	2.799	132.402	28.736
1986	2	183.539	66.931	321.496	166.621	233.552	30.389	13.506	2.811	134.684	29.126
1986	3	187.724	67.928	328.861	169.224	237.152	32.457	14.425	2.841	136.802	29.581
1986	4	192.146	68.965	335.99	171.635	240.599	35.482	15.77	2.881	138.771	29.982

		IRC	IRC72	JCAP	JCMH	JCMHD	JCU	JEXR	JIPM	KCA	KCAC
1985	1	155.	59.1	205.7	173.5	77.28	0.811	156.51	166.8	422.1	257.4
1985	2	160.007	60.429	207.302	175.326	77.447	0.811	150.056	168.064	428.346	261.162
1985	3	166.282	62.204	208.917	177.241	77.659	0.816	145.023	170.388	434.082	264.602
1985	4	171.928	63.67	210.569	179.218	77.693	0.821	140.688	172.972	442.027	269.229
1986	1	174.844	63.998	212.268	181.658	77.857	0.826	137.245	175.38	450.86	274.317
1986	2	175.27	63.371	214.007	183.962	77.924	0.831	134.455	177.941	459.984	279.583
1986	3	176.212	62.955	215.785	186.399	78.036	0.837	132.172	180.651	469.488	285.075
1986	4	178.283	62.921	217.604	188.935	78.162	0.843	130.304	183.482	479.336	290.775

		M	MBASE	MNOIL72	MOIL72	MULT	M1PLUS	M2PLUS	M72	NIASF	NIASSL
1985	1	NA	203.1	165.6	4.5	NA	860.8	2716.5	170.1	-162.	56.9
1985	2	459.319	206.565	170.341	4.599	13.19	875.631	2778.85	174.939	-228.711	57.957
1985	3	481.294	210.089	172.964	4.685	13.204	889.927	2843.16	177.649	-208.488	53.927
1985	4	500.422	213.171	173.827	4.78	13.248	902.099	2906.45	178.607	-206.04	49.337
1986	1	516.403	215.788	173.72	4.879	13.231	913.906	2971.88	178.6	-201.159	40.994
1986	2	531.475	218.436	173.846	4.978	13.227	922.787	3028.05	178.824	-195.41	37.866
1986	3	546.612	221.117	174.444	5.076	13.203	933.867	3090.5	179.52	-189.712	34.712
1986	4	562.211	223.831	175.569	5.174	13.244	944.754	3154.85	180.743	-184.609	31.939

		NINT	PC	PCDA	PCDFE	PCDO	PCN	PCPI	PCS	PG	PGNP
1985	1	288.8	224.5	200.4	154.4	190.2	220.	317.4	244.9	255.2	229.01
1985	2	288.897	226.38	198.123	154.062	191.404	221.891	320.711	247.967	257.517	230.131
1985	3	291.219	228.228	193.539	153.784	192.591	223.956	323.774	251.013	260.074	231.156
1985	4	294.535	230.675	194.687	153.758	193.833	226.26	327.527	254.149	262.814	232.708
1986	1	296.315	233.322	195.891	154.089	195.17	228.786	331.534	257.447	266.628	234.719
1986	2	299.454	236.079	197.102	154.645	196.544	231.257	335.824	260.927	269.635	236.742
1986	3	302.614	238.862	198.322	155.264	197.95	233.687	340.104	264.558	272.701	238.887
1986	4	305.51	241.721	199.561	155.916	199.388	236.092	344.56	268.341	275.827	241.177

		PHOUSN.E	PIBF	PINC	PIPD	PIPDAG	PIPDO	PIPDQ	PIRC	PM	PMNOIL
1985	1	1.122	211.4	266.7	189.3	285.83	173.7	254.	262.1	255.4	NA
1985	2	1.116	212.09	267.236	189.675	286.631	173.891	255.115	264.786	262.559	241.509
1985	3	1.11	212.215	268.531	189.366	287.979	172.976	256.581	267.318	270.925	249.892
1985	4	1.159	213.369	270.257	190.413	289.901	173.568	258.396	270.031	280.181	258.871
1986	1	1.149	214.768	272.19	191.666	292.42	174.583	260.562	273.201	289.14	267.332
1986	2	1.155	216.241	274.221	192.951	295.309	175.685	262.911	276.578	297.206	274.902
1986	3	1.14	217.829	276.359	194.334	298.431	176.809	265.386	279.9	304.485	281.724
1986	4	1.178	219.508	278.615	195.759	301.725	177.956	267.975	283.342	311.056	287.879

		PPNF	PX	QHT1	QMHT	QMH77	RAAA	RCD	RCP	RCPCD	REM
1985	1	227.2	251.	NA	NA	106.5	12.26	8.62	8.34	8.62	93.73
1985	2	228.913	251.782	0.007	0.018	106.686	12.1	8.351	8.129	8.351	93.67
1985	3	230.553	252.937	0.008	0.02	107.128	11.965	8.546	8.336	8.546	93.656
1985	4	232.433	254.599	0.008	0.022	107.519	11.792	8.678	8.474	8.678	93.68
1986	1	234.562	256.74	0.009	0.024	107.94	11.737	8.719	8.523	8.719	93.702
1986	2	236.638	258.892	0.01	0.027	108.385	11.662	8.798	8.602	8.798	93.712
1986	3	238.759	261.135	0.011	0.03	108.909	11.628	8.986	8.782	8.986	93.736
1986	4	240.94	263.464	0.011	0.033	109.417	11.533	8.969	8.769	8.969	93.777

		REURDR3	RG5	RHSAVE	RMTG	RM2PLUS	RPPERM	RTB	RUG	RUM	SERVE72
1985	1	8.94	11.19	4.6	13.21	11.56	NA	8.18	7.32	6.27	750.
1985	2	8.721	10.852	6.065	13.263	9.501	0.767	7.866	7.369	6.33	753.99
1985	3	9.09	10.788	5.059	13.255	9.583	0.774	7.909	7.401	6.344	758.317
1985	4	9.482	10.59	4.807	13.157	9.206	0.777	7.965	7.398	6.32	762.362
1986	1	9.663	10.667	4.631	13.166	9.313	0.855	8.117	7.395	6.298	766.553
1986	2	9.55	10.685	4.375	13.146	7.778	0.921	8.022	7.397	6.288	770.576
1986	3	9.647	10.79	4.109	13.178	8.507	0.997	8.103	7.386	6.264	774.726
1986	4	9.684	10.609	3.912	13.134	8.593	1.038	8.135	7.36	6.223	779.112

		SINV72	TC	TCF	TCSL	TIB	TIBF	TIBSL	TP	TPF	TPSL
1985	1	1466.	NA	69.1	18.5	318.	56.4	261.6	489.	362.1	126.9
1985	2	1482.95	84.224	66.441	17.783	322.451	56.235	266.216	440.667	311.92	128.748
1985	3	1498.54	83.477	65.897	17.581	326.621	56.252	270.369	472.387	341.711	130.677
1985	4	1512.65	83.838	66.217	17.621	329.86	55.171	274.689	477.67	345.074	132.596
1986	1	1525.6	85.504	67.513	17.991	334.846	55.666	279.181	482.161	347.589	134.572
1986	2	1539.11	91.147	72.559	18.587	339.926	56.273	283.653	488.938	352.391	136.547
1986	3	1553.53	95.403	76.108	19.295	345.366	57.052	288.314	495.533	356.951	138.582
1986	4	1569.3	99.708	79.632	20.076	350.975	57.877	293.098	503.123	362.408	140.715

		TSI	TSIF	TSIP	UCEAVEQ	UCKIPDAG	UCKNC	UCKPDQ	ULC77	X	YCBT
1985	1	330.1	285.4	146.5	NA	NA	48.7	NA	162.9	NA	227.7
1985	2	335.048	289.548	148.561	0.102	0.455	48.37	14.122	164.337	365.259	215.533
1985	3	339.933	293.633	150.587	0.098	0.453	48.242	14.005	165.447	370.097	211.358
1985	4	344.896	297.796	152.645	0.092	0.452	48.085	15.436	166.684	376.195	210.922
1986	1	356.052	308.152	157.555	0.087	0.451	48.279	15.197	168.295	384.031	215.498
1986	2	361.374	312.674	159.764	0.087	0.451	48.434	17.137	169.729	392.921	223.489
1986	3	366.942	317.442	162.081	0.085	0.452	48.715	16.594	171.151	403.087	233.111
1986	4	372.743	322.443	164.5	0.086	0.452	48.848	15.662	172.674	414.587	243.758

		YCP	YD	YD72	YFP	YGWS72	YNFP	YOL	YP	YPADJ	YPADJ72
1985	1	298.1	2652.6	1181.4	22.4	NA	134.4	206.3	3141.6	NA	NA
1985	2	291.233	2747.48	1213.66	20.24	143.913	137.897	210.151	3188.15	2910.48	1285.66
1985	3	290.158	2764.16	1211.14	20.4	144.074	140.619	214.507	3236.54	2957.39	1295.8
1985	4	290.422	2806.28	1216.55	20.552	143.333	143.473	219.158	3283.95	3003.91	1302.23
1986	1	293.998	2852.44	1222.54	20.767	142.671	146.558	224.047	3334.6	3052.83	1308.42
1986	2	300.989	2895.2	1226.37	20.969	141.932	149.792	229.182	3384.13	3101.68	1313.83
1986	3	309.611	2940.36	1230.99	21.192	141.107	153.075	234.588	3435.89	3153.12	1320.06
1986	4	319.258	2988.49	1236.34	21.427	141.067	156.465	240.273	3491.61	3208.7	1327.44

		YPDIV	YPERM72	YPINT	YPWS	YT72	YUNB
1985	1	81.4	987.6	456.2	1517.3	6.19	17.9
1985	2	82.711	1001.06	461.119	1542.56	24.314	19.233
1985	3	83.912	1009.43	469.863	1566.69	13.411	19.937
1985	4	85.06	1016.54	480.055	1590.72	12.436	19.98
1986	1	86.234	1022.85	489.57	1615.56	11.396	20.024
1986	2	87.421	1028.47	498.545	1641.87	10.581	20.119
1986	3	88.685	1035.35	508.025	1670.05	9.401	20.153
1986	4	90.043	1040.36	517.268	1699.93	10.881	20.113

PERCENT CHANGES AT ANNUAL RATES

	AUTOS	C	CDAN72	CDAO72	CDA72	CDFE72	CDO72	CN72	CS72	C72
1985 2	6.079	NA	13.583	8.797	11.282	6.752	7.052	3.375	3.115	4.183
1985 3	-6.282	6.529	-7.522	14.409	2.439	3.1	1.995	3.267	3.179	3.12
1985 4	-12.269	7.057	-11.173	12.04	-0.364	1.854	3.017	2.607	3.133	2.587
1986 1	-11.046	7.265	-10.791	9.533	-0.982	1.912	1.799	2.416	3.208	2.48
1986 2	-10.541	7.005	-9.927	7.156	-1.413	0.571	0.08	2.024	3.056	2.093
1986 3	-4.083	7.336	-2.979	5.828	1.577	1.853	0.571	1.972	3.1	2.419
1986 4	-4.315	7.394	-3.194	4.547	0.86	1.696	1.055	2.003	3.141	2.402

	DISC	FDCUR	FS	FSMF72	FSNMF72	FS72	GCBDD	GDEBTM	GDEBTP	GINTF
1985 2	NA	-62.886	5.686	NA	NA	3.637	19.888	12.088	8.209	6.531
1985 3	-0.062	26.216	5.769	5.196	30.331	3.897	2.125	18.187	19.765	12.403
1985 4	-0.193	-43.72	6.416	5.889	15.225	3.594	-10.243	19.467	17.867	14.197
1986 1	0.074	-64.	7.111	6.397	3.253	3.47	11.062	19.83	22.976	16.824
1986 2	0.017	1.291	6.642	6.042	-6.278	3.012	14.594	7.58	6.635	10.293
1986 3	0.103	40.381	7.063	6.571	-4.477	3.231	-0.921	13.005	15.923	11.474
1986 4	-0.176	10.818	7.279	5.32	7.657	3.212	-12.124	15.653	13.795	11.803

	GNP	GNPAVEQ	GNPERM72	GNP72	GTRP	HASSET	HOUSCOMP	HOUSES	HOUSEX	IBF
1985 2	4.694	NA	3.003	2.67	NA	NA	NA	2.174	29.721	7.062
1985 3	5.383	3.383	2.779	3.526	3.328	18.726	12.482	16.597	19.917	7.009
1985 4	6.	2.76	3.02	3.201	2.767	13.904	13.057	11.677	10.648	9.339
1986 1	6.776	3.024	2.947	3.163	6.285	9.128	5.305	-4.09	12.654	9.817
1986 2	6.723	2.843	3.153	3.122	2.661	-29.47	-4.722	-9.107	2.507	9.472
1986 3	7.222	3.185	3.28	3.423	2.405	-46.428	-6.11	-2.862	14.759	9.466
1986 4	7.526	3.323	3.323	3.501	2.32	-3.269	-2.368	-0.009	4.403	9.248

	IBFNC	IBFNC72	IBFPD	IBFPD72	IBF72	IINV	IINV72	IPDAG72	IPDO72	IPDQ72
1985 2	NA	10.016	NA	3.859	5.789	NA	-55.077	-15.935	3.368	9.46
1985 3	8.294	6.219	6.278	6.974	6.755	-28.293	-28.293	-8.555	5.812	14.64
1985 4	8.078	5.344	10.069	7.667	6.993	-32.98	-32.98	-5.106	6.172	16.446
1986 1	9.139	6.072	10.207	7.355	6.985	-29.062	-29.062	-1.696	7.216	8.938
1986 2	9.248	6.047	9.6	6.709	6.519	18.343	18.343	1.666	7.072	5.545
1986 3	9.438	6.09	9.482	6.398	6.31	30.121	30.121	4.317	6.442	6.397
1986 4	9.759	6.247	8.957	5.82	5.942	42.826	42.826	5.814	5.883	5.529

	IRC	IRC72	JCAP	JCMH	JCMHD	JCU	JEXR	JIPM	KCA	KCAC
1985 2	13.562	9.302	3.152	4.276	0.869	-0.138	-15.502	3.065	6.052	5.976
1985 3	16.633	12.276	3.153	4.442	1.099	2.417	-12.758	5.646	5.464	5.372
1985 4	14.29	9.766	3.201	4.536	0.172	2.913	-11.43	6.207	7.524	7.18
1986 1	6.959	2.08	3.266	5.559	0.849	2.341	-9.436	5.684	8.236	7.776
1986 2	0.977	-3.865	3.318	5.17	0.342	2.568	-7.886	5.971	8.343	7.902
1986 3	2.168	-2.597	3.364	5.405	0.577	2.773	-6.622	6.231	8.524	8.092
1986 4	4.783	-0.216	3.415	5.554	0.647	2.903	-5.532	6.418	8.658	8.241

	M	MBASE	MNOIL72	MOIL72	MULT	M1PLUS	M2PLUS	M72	NIASF	NIASSL
1985 2	NA	7.	11.952	9.051	NA	7.072	9.501	11.874	297.269	7.638
1985 3	20.554	7.	6.304	7.69	0.434	6.692	9.583	6.34	-30.947	-25.046
1985 4	16.87	6.	2.01	8.389	1.347	5.584	9.206	2.174	-4.614	-29.939
1986 1	13.399	5.	-0.245	8.586	-0.518	5.339	9.313	-0.016	-9.146	-52.337
1986 2	12.195	5.	0.29	8.349	-0.119	3.944	7.778	0.504	-10.95	-27.197
1986 3	11.888	5.	1.382	8.113	-0.715	4.89	8.507	1.565	-11.163	-29.385
1986 4	11.912	5.	2.604	7.938	1.233	4.745	8.593	2.753	-10.333	-28.325

	NINT	PC	PCDA	PCDFE	PCDO	PCN	PCPI	PCS	PG	PGNP
1985 2	0.134	3.392	-4.469	-0.872	2.556	3.483	4.238	5.105	3.681	1.972
1985 3	3.255	3.305	-8.938	-0.721	2.503	3.775	3.876	5.005	4.032	1.793
1985 4	4.632	4.357	2.393	-0.067	2.604	4.179	4.717	5.091	4.28	2.712
1986 1	2.438	4.669	2.497	0.864	2.788	4.54	4.984	5.292	5.932	3.502
1986 2	4.306	4.811	2.495	1.451	2.846	4.389	5.277	5.517	4.588	3.492
1986 3	4.287	4.8	2.499	1.61	2.892	4.27	5.196	5.685	4.626	3.673
1986 4	3.883	4.874	2.522	1.689	2.939	4.182	5.344	5.842	4.663	3.89

	PHOUSN.E	PIBF	PINC	PIPD	PIPDAG	PIPDO	PIPDQ	PIRC	PM	PMNOIL
1985 2	-2.211	1.311	0.805	0.795	1.125	0.441	1.768	4.162	11.692	NA
1985 3	-2.058	0.237	1.953	-0.651	1.895	-2.088	2.317	3.88	13.367	14.623
1985 4	18.852	2.193	2.595	2.231	2.696	1.375	2.861	4.121	14.383	15.165
1986 1	-3.361	2.647	2.891	2.657	3.52	2.359	3.395	4.779	13.416	13.729
1986 2	1.944	2.772	3.018	2.709	4.011	2.55	3.654	5.036	11.633	11.816
1986 3	-5.054	2.969	3.155	2.899	4.296	2.583	3.819	4.892	10.163	10.302
1986 4	13.985	3.12	3.306	2.964	4.489	2.62	3.96	5.01	8.914	9.029

	PPNF	PX	QHT1	QMHT	QMH77	RAAA	RCD	RCP	RCPCD	REM
1985 2	3.05	1.251	NA	NA	0.702	-5.119	-11.896	-9.739	-11.896	-0.255
1985 3	2.897	1.848	43.769	42.6	1.667	-4.38	9.641	10.553	9.641	-0.061
1985 4	3.301	2.654	33.255	50.245	1.468	-5.655	6.314	6.824	6.314	0.104
1986 1	3.714	3.406	45.318	52.537	1.574	-1.857	1.918	2.304	1.918	0.094
1986 2	3.587	3.396	39.975	53.63	1.659	-2.533	3.662	3.792	3.662	0.042
1986 3	3.634	3.51	36.536	51.595	1.947	-1.183	8.826	8.606	8.826	0.1
1986 4	3.704	3.616	8.281	47.963	1.876	-3.229	-0.74	-0.598	-0.74	0.175

	REURDR3	RG5	RHSAVE	RMTG	RM2PLUS	RPPERM	RTB	RUG	RUM	SERVE72
1985 2	-9.448	-11.54	202.161	1.61	-54.365	NA	-14.482	2.705	3.875	2.145
1985 3	18.05	-2.344	-51.573	-0.222	3.481	3.838	2.168	1.736	0.902	2.315
1985 4	18.368	-7.138	-18.484	-2.943	-14.818	1.441	2.867	-0.125	-1.526	2.15
1986 1	7.874	2.935	-13.917	0.269	4.705	47.171	7.874	-0.208	-1.386	2.217
1986 2	-4.587	0.658	-20.296	-0.597	-51.339	34.585	-4.587	0.134	-0.628	2.115
1986 3	4.106	4.021	-22.231	0.968	43.091	37.202	4.106	-0.575	-1.493	2.172
1986 4	1.561	-6.551	-17.846	-1.329	4.107	17.203	1.561	-1.408	-2.599	2.284

	SINV72	TC	TCF	TCSL	TIB	TIBF	TIBSL	TP	TPF	TPSL
1985 2	4.704	NA	-14.525	-14.623	5.717	-1.163	7.246	-34.051	-44.937	5.953
1985 3	4.273	-3.501	-3.239	-4.474	5.274	0.119	6.388	32.053	44.033	6.128
1985 4	3.82	1.741	1.96	0.92	4.026	-7.471	6.547	4.549	3.996	6.006
1986 1	3.468	8.185	8.061	8.653	6.185	3.637	6.702	3.813	2.946	6.095
1986 2	3.588	29.129	33.419	13.943	6.207	4.438	6.562	5.742	5.642	5.998
1986 3	3.802	20.029	21.043	16.132	6.557	5.649	6.738	5.505	5.277	6.096
1986 4	4.122	19.306	19.85	17.18	6.656	5.912	6.804	6.268	6.257	6.3

	TSI	TSIF	TSIP	UCEAVEQ	UCKIPDAG	UCKNC	UCKPDQ	ULC77	X	YCBT
1985 2	6.132	5.941	5.746	NA	NA	-2.686	NA	3.575	NA	-19.72
1985 3	5.96	5.763	5.569	-12.914	-1.487	-1.048	-3.278	2.729	5.404	-7.526
1985 4	5.969	5.793	5.578	-21.94	-1.224	-1.297	47.588	3.023	6.754	-0.823
1986 1	13.58	14.652	13.501	-20.037	-0.283	1.622	-6.069	3.923	8.595	8.964
1986 2	6.114	6.	5.728	-2.213	-0.071	1.286	61.732	3.453	9.586	15.678
1986 3	6.306	6.24	5.928	-6.967	0.753	2.348	-12.101	3.391	10.758	18.366
1986 4	6.475	6.452	6.103	1.626	0.1	1.096	-20.634	3.609	11.909	19.559

	YCP	YD	YD72	YFP	YGWS72	YNFP	YOL	YP	YPADJ	YPADJ72
1985 2	-8.901	15.093	11.377	-33.337	NA	10.82	7.679	6.059	NA	NA
1985 3	-1.468	2.449	-0.829	3.196	0.449	8.132	8.551	6.211	6.605	3.194
1985 4	0.363	6.236	1.801	3.015	-2.041	8.369	8.959	5.988	6.442	1.998
1986 1	5.016	6.744	1.981	4.237	-1.837	8.883	9.227	6.314	6.674	1.915
1986 2	9.856	6.132	1.26	3.955	-2.054	9.121	9.487	6.075	6.555	1.664
1986 3	11.96	6.387	1.514	4.32	-2.307	9.06	9.774	6.259	6.8	1.908
1986 4	13.057	6.71	1.75	4.513	-0.113	9.157	10.052	6.646	7.239	2.255

	YPDIV	YPERM72	YPINT	YPWS	YT72	YUNB
1985 2	6.598	5.565	4.383	6.826	2.37E+04	33.289
1985 3	5.935	3.386	7.804	6.406	-90.742	15.47
1985 4	5.587	2.848	8.963	6.276	-26.07	0.856
1986 1	5.636	2.503	8.167	6.394	-29.487	0.891
1986 2	5.622	2.216	7.536	6.676	-25.67	1.899
1986 3	5.906	2.701	7.826	7.044	-37.704	0.691
1986 4	6.266	1.951	7.478	7.349	79.492	-0.809