

THE BUSINESS SITUATION

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REAL GROSS domestic product (GDP) increased 5.9 percent in the fourth quarter of 1993 after increasing 2.9 percent in the third quarter, according to the advance estimate of the national income and product accounts (NIPA's) (chart 1).¹ The acceleration reflected a sharp step-up in the production of goods and a smaller—but still sizable—step-up in the production of structures. The production of services increased less in the fourth quarter than in the third (table 1).

In the aftermath of floods in the Midwest and drought in the Southeast, farm inventories were adjusted down \$7.5 billion in the third quarter and \$2.5 billion in the fourth.² Quarter-to-quarter growth of GDP reflects quarter-to-quarter differences in the adjustments, namely -\$7.5 billion in the third quarter, +\$5.0 billion in the fourth quarter, and +\$2.5 billion in the first quarter of 1994. These constant-dollar amounts translate into effects on GDP growth rates as follows: -0.6 percentage point in the third quarter, +0.4 percentage point in the fourth quarter, and +0.2 percentage point in the first quarter of 1994.

Real gross domestic purchases increased 6.5 percent in the fourth quarter after increasing 3.7 percent in the third (table 2). The acceleration was more than accounted for by investment. Inventory investment (that is, change in business inventories) turned up; farm inventories more than accounted for the upturn. Nonresidential fixed investment and residential investment both stepped up sharply. The nonresidential step-up was mainly accounted for by producers' durable equipment; the residential step-up, by single-family construction.

Exports and imports are the link between goods and services produced in the United States (GDP) and goods and services purchased by U.S. residents (gross domestic purchases). Exports—

goods and services produced in the United States but not purchased by U.S. residents—posted a strong increase in the fourth quarter after decreasing slightly in the third. Imports—goods and services purchased by U.S. residents but not produced in the United States—increased much more in the fourth quarter than in the third.

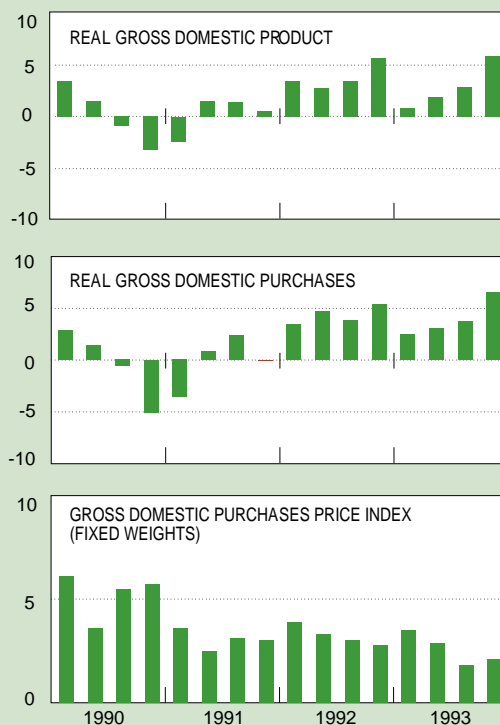
The fixed-weighted price index for gross domestic purchases increased 2.1 percent in the fourth quarter after increasing 1.8 percent in the third. The fixed-weighted price index for GDP increased 2.2 percent after increasing 2.1 percent.

Motor vehicles.—A fourth-quarter jump in motor vehicle output followed two quarters of

CHART 1

Selected Measures: Change From Preceding Quarter

Percent



Note—Percent change at annual rate from preceding quarter; based on seasonally adjusted estimates.

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1. Quarterly estimates in the national income and product accounts are expressed at seasonally adjusted annual rates, and quarterly changes are differences between these rates. Quarter-to-quarter percent changes are annualized. Real, or constant-dollar, estimates are expressed in 1987 dollars.

2. The Bureau of Economic Analysis does not attempt to quantify the total impact of disasters, but it does adjust for the effects of disasters when these effects are not adequately captured in the source data. For more information, see "Impact of the 1993 Floods and Drought," *SURVEY OF CURRENT BUSINESS* 73 (September 1993): 2.

decrease. A jump in sales continued a seven-quarter pattern of alternating increases and decreases. Inventories increased after two quarters of decrease.

Output increased 48.0 percent in the fourth quarter after falling 18.6 percent in the third (table 3). The increase was evenly split between autos and trucks.

Table 1.—Real Gross Domestic Product, by Major Type of Product: Change From Preceding Period

[Quarterly changes are at seasonally adjusted annual rates]

	Billions of 1987 dollars						Percent					
	1992	1993	1993				1992	1993	1993			
			I	II	III	IV			I	II	III	IV
Gross domestic product	124.9	146.4	9.9	23.9	36.2	73.8	2.6	2.9	0.8	1.9	2.9	5.9
Goods	59.2	75.6	2.5	8.9	5.8	46.1	3.0	3.8	.5	1.7	1.1	9.2
Motor vehicles	18.9	15.4	6.6	-2.6	-10.2	19.9	11.1	8.2	13.9	-4.9	-18.6	48.0
Other	40.3	60.2	-4.1	11.5	16.0	26.2	2.3	3.3	-9	2.5	3.5	5.7
Services	38.8	51.5	8.8	12.2	19.2	8.8	1.6	2.0	1.4	1.9	3.0	1.4
Structures	26.8	19.3	-1.5	2.8	11.1	19.0	6.4	4.3	-1.3	2.5	10.1	17.3
Addendum: Gross farm product	9.2	-5.7	-1.5	-2.0	-8.7	6.1	13.1	-7.2	-7.3	-9.8	-38.4	41.4

NOTE.—Most series are found in table 1.4 of the "Selected NIPA Tables"; gross farm product is found in table 1.8. Output of motor vehicles is the sum of auto output and truck output from tables 8.4 and 8.6, respectively.

Table 2.—Real Gross Domestic Product, Real Gross Domestic Purchases, and Real Final Sales to Domestic Purchasers: Change From Preceding Period

[Quarterly changes are at seasonally adjusted annual rates]

	Billions of 1987 dollars						Percent					
	1992	1993	1993				1992	1993	1993			
			I	II	III	IV			I	II	III	IV
Gross domestic product	124.9	146.4	9.9	23.9	36.2	73.8	2.6	2.9	0.8	1.9	2.9	5.9
Less: Exports of goods and services	34.6	18.4	-3.6	5.2	-1.3	20.6	6.4	3.2	-2.4	3.6	-9	14.7
Plus: Imports of goods and services	49.1	64.1	17.6	20.5	9.8	29.9	8.7	10.5	11.6	13.3	6.0	18.8
Equals: Gross domestic purchases	139.4	192.0	31.0	39.3	47.2	83.1	2.9	3.8	2.5	3.1	3.7	6.5
Less: Change in business inventories	14.9	8.9	20.6	-16.3	-6.5	6.2	.....	.....	.....	.....	.....	.....
Farm	3.6	-9.7	-1.2	-4.1	-8.8	6.2	.....	.....	.....	.....	.....	.....
Nonfarm	11.3	18.6	21.8	-12.2	2.3	0	.....	.....	.....	.....	.....	.....
Equals: Final sales to domestic purchasers	124.5	183.2	10.4	55.5	53.8	76.9	2.5	3.7	.8	4.4	4.2	6.0
Personal consumption expenditures	83.2	110.7	6.6	28.9	36.9	34.3	2.6	3.3	.8	3.4	4.4	4.0
Nonresidential fixed investment	14.7	62.1	18.6	22.0	10.5	29.0	2.9	11.7	14.4	16.6	7.4	21.0
Residential investment	27.6	17.1	.8	-5.2	5.9	15.1	16.3	8.7	1.5	-9.5	11.9	31.7
Government purchases	-1.1	-6.6	-15.6	9.8	.6	-1.6	-1	-7	-6.4	4.3	.3	-7

NOTE.—Dollar levels are found in tables 1.2 and 1.6 of the "Selected NIPA Tables." Percent changes are found in table 8.1.

Table 3.—Motor Vehicle Output, Sales, and Inventories: Change From Preceding Period

[Quarterly changes are at seasonally adjusted annual rates]

	Billions of 1987 dollars						Percent					
	1992	1993	1993				1992	1993	1993			
			I	II	III	IV			I	II	III	IV
Output	18.9	15.4	6.6	-2.6	-10.2	19.9	11.1	8.2	13.9	-4.9	-18.6	48.0
Autos	7.9	3.4	2.4	.9	-9.9	10.2	7.2	2.9	8.2	3.0	-28.4	41.1
Trucks	11.0	12.0	4.2	-3.5	-3	9.7	18.2	16.8	22.9	-15.7	-1.5	58.1
Final sales	16.6	12.7	-6.4	14.1	-7.7	11.6	9.7	6.7	-12.3	32.9	-14.2	25.6
Autos	7.9	-6	-5.6	7.2	-4.9	1.0	7.2	-5	-17.5	27.8	-15.2	3.5
Trucks	8.7	13.3	-8	6.9	-2.8	10.6	14.1	18.9	-4.0	40.8	-12.7	63.2
Change in business inventories	2.3	2.6	12.9	-16.7	-2.5	8.3	.....	.....	.....	.....	.....	.....
Autos	0	4.0	8.0	-6.3	-5.1	9.2	.....	.....	.....	.....	.....	.....
Trucks	2.3	-1.4	4.9	-10.4	2.6	-9	.....	.....	.....	.....	.....	.....

NOTE.—Dollar levels for autos and trucks are found in tables 8.4 and 8.6, respectively, of the "Selected NIPA Tables."

Sales increased 25.6 percent in the fourth quarter after dropping 14.2 percent in the third. The increase was mostly accounted for by truck sales, which jumped 63.2 percent after decreasing 12.7 percent. Light domestic trucks accounted for the jump, according to data on unit sales; sales of minivans, sport-utility vehicles, and full-size pickups were very strong. Auto sales increased 3.5 percent after dropping 15.2 percent; the increase was more than accounted for by domestic models, according to the unit sales data.

Most of the fourth-quarter increase in motor vehicle sales was accounted for by sales to consumers, which increased 26.9 percent after decreasing 6.2 percent. The increase in consumer sales was consistent with improvement in fac-

tors that underlie total consumer spending: Real disposable personal income increased 5.2 percent after increasing 1.6 percent. The Index of Consumer Sentiment (prepared by the University of Michigan's Survey Research Center) increased to its highest level in three quarters. The unemployment rate fell to 6.5 percent, its lowest level in 11 quarters. In addition, the increase in sales may have reflected falling interest rates on auto loans; commercial bank interest rates on 48-month loans fell to 7.6 percent in the fourth quarter from 8.0 percent in the third.

The fourth-quarter increase in motor vehicle inventories was more than accounted for by autos; in units, the inventory-sales ratio for new domestic autos decreased slightly to 2.5—just

Fourth-Quarter 1993 Advance GDP Estimate: Source Data and Assumptions

The advance GDP estimate for the fourth quarter is based on the following major source data, some of which are subject to revision. (The number of months for which data were available is shown in parentheses.)

Personal consumption expenditures: Sales of retail stores (3) and unit auto and truck sales (3);

Nonresidential fixed investment: Unit auto and truck sales (3), construction put in place (2), manufacturers' shipments of machinery and equipment (3), and exports and imports of machinery and equipment (2);

Residential investment: Construction put in place (2) and single-family housing starts (3);

Change in business inventories: Manufacturing and trade inventories (2) and unit auto and truck inventories (3);

Net exports of goods and services: Merchandise exports and merchandise imports (2);

Government purchases: Military outlays (3), other Federal outlays (2), State and local construction put in place (2), and State and local employment (3);

GDP prices: Consumer Price Index (3), Producer Price Index (3), summary price indexes for nonpetroleum merchandise exports and imports (3), and values and quantities of petroleum imports (2).

The Bureau of Economic Analysis (BEA) made assumptions for the source data that were not available. A table detailing these assumptions is available on the Department of Commerce's Economic Bulletin Board or from BEA; it is summarized in [table A](#).

Table A.—Summary of Major Data Assumptions for Advance Estimates, 1993:IV

[Billions of dollars, seasonally adjusted at annual rates]

	1993					
	July	August	September	October	November	December
Fixed investment:						
Nonresidential structures:						
Buildings, utilities, and farm:						
Value of new nonresidential construction put in place	129.9	131.9	133.1	135.8	137.3	137.8
Producers' durable equipment:						
Manufacturers' shipments of complete civilian aircraft less exports	5.7	11.1	6.3	1.8	1.4	6.8
Residential structures:						
Value of new residential construction put in place:						
1-unit structures	129.5	131.8	134.7	139.4	145.2	150.6
2-or-more-unit structures	11.6	11.2	11.1	10.5	11.1	11.6
Change in business inventories, nonfarm:						
Change in inventories for manufacturing and trade (except nonmerchant wholesalers) for industries other than motor vehicles and equipment in trade	18.1	23.9	19.0	12.8	48.3	-22.8
Net exports:						
Exports of merchandise:						
U.S. exports of merchandise, excluding gold, balance-of-payments basis	431.7	439.6	444.8	457.5	458.9	463.5
Imports of merchandise:						
U.S. imports of merchandise, excluding gold, balance-of-payments basis	570.1	576.8	593.8	612.0	598.4	608.0
Net merchandise trade (exports less imports)	-138.4	-137.2	-149.0	-154.6	-139.5	-144.5
Government purchases:						
State and local:						
Structures:						
Value of new construction put in place	115.2	113.7	119.9	116.1	120.4	116.5

above the traditional industry target of 2.4—from 2.6 in the third quarter. Truck inventories decreased slightly in the fourth quarter after increasing in the third.

The NIPA's in 1993.—From 1992 to 1993, real GDP increased 2.9 percent, up from the 2.6-percent increase from 1991 to 1992. The 1993 increase was the largest since 1988, but it was relatively modest for a period of economic recovery.

The small acceleration in GDP in 1993 reflected step-ups in the production of both goods and services; the production of structures increased less in 1993 than in 1992. The step-up in the production of goods was accounted for by durable goods other than motor vehicles. About half of the step-up in the production of services was accounted for by brokerage services. The slowdown in structures was more than accounted for by residential construction; nonresidential construction increased slightly in 1993 after decreasing in 1992.

Gross domestic purchases increased 3.8 percent in 1993 after increasing 2.9 percent in 1992. The pickup was accounted for by personal consumption expenditures and by nonresidential fixed investment; inventory investment and residential investment increased less than in 1992, and government purchases decreased more than in 1992.

Personal consumption expenditures increased more in 1993 than in 1992—3.3 percent, compared with 2.6 percent. A slowing in the rate of growth of real disposable personal income from 2.9 percent to 1.9 percent mainly reflected bonus payments that typically would have been paid in early 1993 but that were instead paid in late 1992.³ Saving financed at least part of the 1993 increase in expenditures; for example, personal saving as a percent of disposable personal income fell to 4.0 percent in 1993 from 5.3 percent in 1992.

Nonresidential fixed investment increased 11.7 percent after increasing 2.9 percent. The pickup was consistent with pickups in final sales and in corporate profits. Real final sales of domestic product increased 2.8 percent after increasing 2.3 percent. Corporate profits are not yet available for the fourth quarter of 1993; however, in the first three quarters of the year, profits (in current dollars) averaged 14.3 percent more than in the first three quarters of 1992.

Inventory investment increased \$8.9 billion after increasing \$14.9 billion. The slowdown was

more than accounted for by the effects of the floods and drought on farm inventories. Nonfarm inventory investment increased more than in 1992; however, the ratio of nonfarm inventories to final sales of domestic product changed little from 1992 to 1993.

Residential investment increased 8.7 percent after increasing 16.3 percent. The slowdown occurred despite a drop in the mortgage commitment rate from 8.4 percent to 7.3 percent; it reflected, at least in part, accelerating house prices and slower income growth.

Government purchases decreased 0.7 percent after decreasing 0.1 percent. Federal nondefense purchases increased much less in 1993 than in 1992. In both years, defense purchases decreased substantially, and State and local government purchases increased modestly.

Exports slowed to a 3.2-percent increase from a 6.4-percent increase; imports, in contrast, stepped up to a 10.5-percent increase from an 8.7-percent increase. Both services and merchandise contributed to the slowdown in exports; much of the merchandise slowdown was accounted for by foods, feeds, and beverages and by industrial supplies and materials. Both services and merchandise contributed to the step-up in imports; much of the merchandise step-up was accounted for by nonautomotive capital goods.

Prices

The fixed-weighted price index for gross domestic purchases increased 2.1 percent in the fourth quarter after increasing 1.8 percent in the third (table 4). Prices of gross domestic purchases less food and energy, which may be viewed as a measure of the underlying inflation rate in the U.S. economy, increased 2.0 percent after increasing 2.3 percent (chart 2).

Prices of personal consumption expenditures (PCE) increased 2.7 percent after increasing 1.4 percent. The step-up was spread across PCE categories. Food prices increased 3.9 percent after increasing 0.3 percent; much of the step-up reflected upturns in the prices of meat, fish, and fresh fruits and vegetables. Energy prices increased 1.1 percent after decreasing 4.2 percent. The price of gasoline and oil turned up, reflecting an increase in the Federal excise tax on gasoline that became effective October 1, 1993; in contrast, the price of fuel oil and coal decreased more than in the third quarter, and the price of electricity and gas turned down. The price of "other" PCE increased 2.6 percent after increasing 2.0 percent; much of the step-up was accounted for by the

3. See "Annual Revision of the U.S. National Income and Product Accounts," SURVEY 73 (August 1993): 28.

prices of furniture and household equipment and of housing services.

Prices of nonresidential fixed investment increased 1.3 percent after increasing 1.9 percent. Prices of nonresidential structures increased at about the same rate in both quarters. Prices of producers' durable equipment changed little after a small increase; prices of industrial, transportation, and "other" equipment slowed, and prices of information processing equipment decreased at the same rate as in the third quarter. Prices of

residential investment increased 2.8 percent after increasing 4.6 percent.

Prices of government purchases changed little after increasing 2.5 percent. Prices paid by the Federal Government decreased 0.6 percent after increasing 3.3 percent. Much of the third-quarter increase reflected retirement incentives ("buyouts") offered to civilian employees of the Defense Department; these buyouts are treated in the NIPA's as a one-time change in the price of employee services purchased by the Federal Government. Prices paid by State and local governments increased 0.7 percent after increasing 1.8 percent; the slowdown was accounted for by durable goods and by services (including employee compensation).

Table 4.—Price Indexes (Fixed Weights): Change From Preceding Quarter

[Percent change at annual rates; based on seasonally adjusted index numbers (1987=100)]

	1993			
	I	II	III	IV
Gross domestic product	4.3	2.8	2.1	2.2
Less: Exports of goods and services	1.5	2.8	.6	1.0
Plus: Imports of goods and services	-4.7	3.8	-2.7	.3
Equals: Gross domestic purchases	3.5	2.9	1.8	2.1
Less: Change in business inventories .....	.....	.....	.....	.....
Equals: Final sales to domestic purchasers	3.5	2.9	1.8	2.1
Personal consumption expenditures	3.4	2.9	1.4	2.7
Food	2.6	2.3	.3	3.9
Energy	1.5	-1.5	-4.2	1.1
Other personal consumption expenditures	3.7	3.4	2.0	2.6
Nonresidential fixed investment	1.6	2.5	1.9	1.3
Structures	2.5	3.8	3.4	3.3
Producers' durable equipment	1.2	1.8	1.0	.1
Residential investment	3.5	5.0	4.6	2.8
Government purchases	5.0	2.6	2.5	.1
Addenda:				
Merchandise imports	-5.3	4.1	-3.4	.6
Petroleum and products	-28.8	16.1	-36.6	-24.9
Other merchandise	-2.6	3.0	.5	3.2

NOTE.—Percent changes in major aggregates are found in table 8.1 of the "Selected NIPA Tables," and levels of most index numbers are found in tables 7.1 and 7.2.

The price index for GDP, which measures prices paid for goods and services produced in the United States, increased 2.2 percent after increasing 2.1 percent. This index differs from the price index for gross domestic purchases because it includes prices of exports and excludes prices of imports. Prices of exports increased 1.0 percent after increasing 0.6 percent; prices of imports increased 0.3 percent after decreasing 2.7 percent.

Personal income

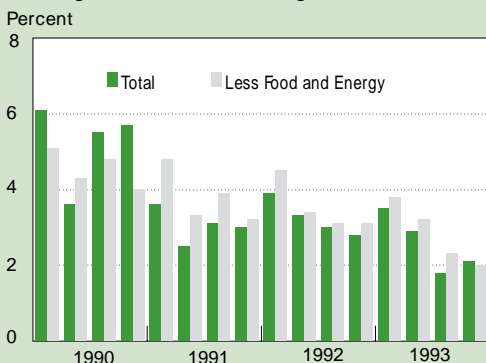
Real disposable personal income (DPI) increased 5.2 percent in the fourth quarter after increasing 1.6 percent in the third (chart 3). The acceleration was more than accounted for by a pickup in current-dollar DPI, which increased 7.6 percent after increasing 2.7 percent. The personal saving rate—saving as a percentage of current-dollar DPI—increased 0.3 percentage point, to 4.1 percent.

Personal income increased \$97.1 billion in the fourth quarter after increasing \$39.5 billion in the third (table 5). Flood and drought adjustments reduced personal income by about \$3 billion in the fourth quarter and about \$12 billion in the third.

Most of the step-up in personal income was accounted for by farm proprietors' income, which increased \$27.6 billion after decreasing \$22.2 billion. Federal subsidy payments to farm proprietors increased \$14.5 billion after decreasing \$11.0 billion; the increase reflected flood- and drought-related payments, Conservation Reserve Program payments, and deficiency payments. (Conservation Reserve Program payments and deficiency payments compensate farmers who remove land from production; deficiency payments are made when the market price of a crop is, or is projected to be, below the Federal target price.) Adjust-

CHART 2

Gross Domestic Purchases Prices (Fixed Weights): Change From Preceding Quarter



Note.—Percent change at annual rate from preceding quarter, based on seasonally adjusted index numbers (1987=100).

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ments for the floods and drought reduced farm proprietors' income \$3.2 billion in the fourth quarter after reducing it \$9.3 billion in the third. Excluding subsidies and the adjustments for the effects of the floods and drought, farm proprietors' income increased \$7.0 billion in the fourth quarter after decreasing \$1.9 billion in the third; crop prices and crop production both contributed to the upswing.

Table 5.—Personal Income and Its Disposition

[Billions of dollars; seasonally adjusted at annual rates]

	Level	Change from preceding quarter			
		1993			
		I	II	III	IV
	1993: IV				
Wage and salary disbursements	3,149.2	-121.5	108.4	32.7	33.8
Commodity-producing industries	779.0	-42.6	24.4	4.3	9.6
Manufacturing	587.5	-42.3	20.6	1.2	6.0
Other	191.5	-3	3.8	3.1	3.6
Distributive industries	719.2	-27.0	26.2	5.3	4.8
Service industries	1,055.5	-61.8	55.6	16.6	16.7
Government	595.5	9.9	2.2	6.5	2.7
Other labor income	362.9	7.0	8.1	8.1	8.2
Proprietors' income with IVA and CCAAdj	462.4	12.9	-4.7	-16.9	39.9
Farm	52.4	8.1	-8.7	-22.2	27.6
Nonfarm	410.1	4.8	4.0	5.2	12.5
Rental income of persons with CCAAdj	17.9	8.7	5.2	1.0	4.2
Personal dividend income	159.4	4.7	.8	1.2	.4
Personal interest income	699.2	.9	-2.3	2.6	3.5
Transfer payments to persons	927.9	17.0	11.1	13.0	9.4
Less: Personal contributions for social insurance	269.2	3.3	7.9	2.3	2.4
Personal income	5,509.8	-73.6	118.5	39.5	97.1
Less: Personal tax and nontax payments	699.1	-13.6	23.9	8.0	10.1
Equals: Disposable personal income	4,810.7	-60.1	94.7	31.5	87.0
Less: Personal outlays	4,615.5	41.8	63.9	60.4	71.5
Equals: Personal saving	195.2	-101.8	30.8	-29.0	15.5
Addenda: Special factors in personal income:					
In wages and salaries:					
Federal Government and Postal Service pay adjustments	6.4	-2.0	1.6	-1.0	
Profit sharing and bonus pay (including accelerated bonuses)	-164.6	79.8	0	.4	
In farm proprietors' income:					
Agricultural subsidy payments	8.3	-7.4	-11.0	14.5	
Uninsured losses to residential and business property and crop losses due to Midwest floods and Southeast drought ¹	0	0	-9.3	6.1	
In nonfarm proprietors' income:					
Uninsured losses to business property due to Midwest floods ¹	0	0	-7	.7	
In rental income of persons with CCAAdj:					
Uninsured losses to nonfarm residential and business property due to Midwest floods ¹	0	0	-1.9	1.9	
In transfer payments to persons:					
Social security retroactive payments	-1.1	0	0	1.1	
Cost-of-living increases in Federal transfer payments	10.8	0	0	0	
Emergency unemployment compensation payments	-2	-8	.2	-3.0	
Midwest floods	0	0	.3	-1	
In personal contributions for social insurance:					
Social security rate and base changes and increase in premium for supplementary medical insurance	3.9	0	0	0	

NOTE.—Most dollar levels are found in table 2.1 of the "Selected NIPA Tables."

IVA Inventory valuation adjustment

CCAAdj Capital consumption adjustment

1. These adjustments, prepared by BEA, reflect the effects of disasters that are not adequately captured in the source data; they are not estimates of the total impact of the disasters.

Nonfarm proprietors' income increased \$12.5 billion after increasing \$5.2 billion. The acceleration reflected pickups in construction and real estate.

Wage and salary disbursements increased \$33.8 billion after increasing \$32.7 billion. Wages and salaries in private industries increased more than in the third quarter; the step-up was concentrated in manufacturing industries. Government wages and salaries increased less than in the third quarter.

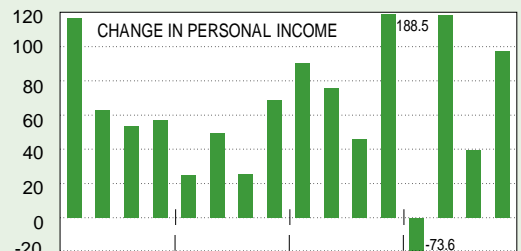
Rental income of persons increased \$4.2 billion after increasing \$1.0 billion. In the third quarter, rental income was reduced \$1.9 billion by a flood adjustment for uninsured losses of nonfarm residential property. Excluding this adjustment, rental income increased \$2.3 billion after increasing \$2.9 billion.

Transfer payments increased \$9.4 billion after increasing \$13.0 billion. Retroactive social security payments to recent retirees accounted for \$1.1 billion of the fourth-quarter increase. Emergency

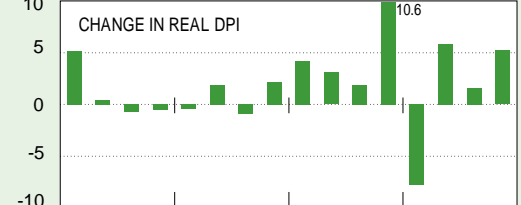
CHART 3

Selected Personal Income and Saving Measures

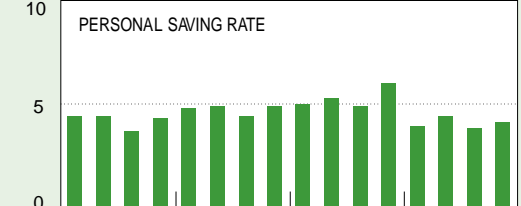
Billions \$



Percent



Percent



Based on Seasonally Adjusted Annual Rates

Note—Changes are from preceding quarter.

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unemployment benefits decreased \$3.0 billion in the fourth quarter.

Other labor income, personal dividend income, and personal interest income increased about as much in the fourth quarter as in the third. Personal contributions for so-

cial insurance, which are subtracted in the derivation of the personal income total, also increased about the same amount in both quarters. Personal tax and nontax payments increased \$10.1 billion after increasing \$8.0 billion. 