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CLASS III - FOMC

August 18, 1995

SUPPLEMENT
CURRENT ECONOMIC AND FINANCIAL CONDITIONS

Prepared for the
Federal Open Market Committee

By the Staff
Board of Governors
of the Federal Reserve System

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THE DOMESTIC NONFINANCIAL ECONOMY

Consumer Sentiment

According to preliminary results from the Michigan SRC survey, consumer sentiment was mixed in early August. Based on the first 60 percent of the final August sample, consumers' assessments of current conditions posted a large gain, but their expectations about future conditions deteriorated a bit. On net, the composite index rose to a level of 96.5 from a June reading of 94.4.

Among survey items not included in the composite index, consumers' assessments of buying conditions for cars and houses retreated only a bit after considerable improvements in July, but a sharp July rise in the proportion of consumers willing to use credit to finance big-ticket items was reversed. Unemployment expectations were essentially unchanged from July's level, which had shown a substantial rise in unemployment fears compared with the range that had prevailed over the previous year. However, even this higher level of unemployment expectations remains consistent with moderate consumption growth.

Mean expectations about both near-term inflation and longer-term inflation were 3.6 percent in early August, down from 3.8 percent and 4.3 percent, respectively, in July. Median inflation expectations edged down 0.1 percentage point for both near-term and long term inflation, to 2.8 percent and 3.0 percent, respectively.

August 18, 1995

UNIVERSITY OF MICHIGAN SURVEY RESEARCH CENTER: SURVEY OF CONSUMER ATTITUDES
(Not seasonally adjusted)

	1994 Dec	1995 Jan	1995 Feb	1995 Mar	1995 Apr	1995 May	1995 Jun	1995 Jul	1995 Aug (p)
Indexes of consumer sentiment (Feb. 1966=100)									
Composite of current and expected conditions	95.1	97.6	95.1	90.3	92.5	89.8	92.7	94.4	96.5
Current conditions	104.9	112.0	109.3	106.5	105.9	105.0	106.1	105.2	115.4
Expected conditions	88.8	88.4	85.9	79.8	83.8	80.1	84.1	87.4	84.4
Personal financial situation									
Now compared with 12 months ago*	113	120	119	110	116	113	116	113	128
Expected in 12 months*	130	127	128	119	130	125	127	130	126
Expected business conditions									
Next 12 months*	123	129	116	108	114	108	117	123	119
Next 5 years*	104	99	101	93	93	88	94	99	94
Appraisal of buying conditions									
Cars	134	139	129	136	123	129	131	141	137
Large household appliances*	158	170	164	166	159	159	159	160	172
Houses	144	136	134	141	140	147	139	166	160
Willingness to use credit	39	44	45	47	43	44	43	51	41
Willingness to use savings	62	65	66	76	69	64	70	70	70
Expected unemployment change - next 12 months	108	112	119	120	120	118	120	129	128
Expected inflation - next 12 months	4.0	3.7	4.0	4.6	4.3	4.0	4.0	3.8	3.6
Expected inflation - next 5 to 10 years	4.2	3.9	4.1	4.4	4.4	4.1	4.3	4.3	3.6

* -- Indicates the question is one of the five equally-weighted components of the index of sentiment.

(p) -- Preliminary

(f) -- Final

Note: Figures on financial, business, and buying conditions are the percent reporting 'good times' (or 'better') minus the percent reporting 'bad times' (or 'worse'), plus 100. Expected change in unemployment is the fraction expecting unemployment to rise minus the fraction expecting unemployment to fall.

THE FINANCIAL ECONOMY

The August Senior Loan Officer Opinion Survey on Bank Lending Practices

The August 1995 Senior Loan Officer Opinion Survey on Bank Lending Practices posed questions about changes in bank lending standards and terms, changes in loan demand by businesses and households, the improvement in measures of loan quality, and the reduction in deposit insurance premiums. Fifty-nine domestic commercial banks and twenty-four U.S. branches and agencies of foreign banks participated in the survey.

Credit supply conditions appear to have eased further over the past three months. As in the past two surveys, small fractions of banks reported having eased standards for commercial and industrial loans to firms of all sizes, while large fractions reported easing some terms. However, standards for approving commercial real estate loans tightened slightly. In the household sector, only a few banks reported increased willingness to make consumer installment loans, and standards for approving home mortgages remained unchanged.

Credit demand by businesses reportedly strengthened somewhat, and demand by households was up markedly. On net, domestic loan officers reported no change in demand for commercial and industrial loans by large and middle-market firms but increased demand by small firms. However, many foreign respondents, whose customers are typically large, reported an increase in demand for C&I loans. A large share of the banks indicated demand for credit by households had increased over the past three months. Demand from this sector declined marginally on the previous two surveys.

Commercial and Industrial Loans

The survey found only a little change in standards for approving non merger related business loans but a continued easing of the terms for such loans. Less than 10 percent of banks

indicated they had eased standards for commercial and industrial loans to large firms and, on net, even smaller fractions indicated they had eased standards for loans to small and middle-market borrowers. Foreign banks reported no change in standards. The fractions reporting easing on the current survey are similar to those on the May and February surveys.

Many of the domestic and foreign respondents reported they had eased their terms on business loans. Nearly half of the domestic respondents reported narrowing spreads over base rates for large and middle-market firms and a fifth reported easing these terms for small firms. In addition, significant, though smaller, fractions of the respondents reported having eased other terms, including the size of credit lines, loan covenants, and collateralization requirements. Foreign branches and agencies also noted having eased loan terms. The latest survey results regarding terms on business loans are similar to those reported since the end of 1993. Banks that reported an easing of terms or standards on business loans attributed the easing to increased competition from other banks and, to a lesser extent, from nonbank lenders.

Demand for business loans was mixed across firm size over the past three months. About equal fractions of loan officers at domestic banks indicated increases as did decreases in demand from both large and middle-market borrowers so that, on net, the survey found no change in demand from these customers. Between 20 and 40 percent of the respondents, on net, had been reporting increases in demand from these customers for business loans since the beginning of 1994. On the other hand, about a quarter of the banks reported increased demand from small customers, a larger fraction than the past two surveys. In contrast to the domestic banks' characterization of demand from large borrowers, two fifths of the

foreign respondents, whose customers are typically large, experienced increased demand. Both respondents that reported increases in demand and respondents that reported decreases in demand attributed them to changes in customers' inventory financing needs, investment in plant and equipment, and merger or acquisition financing.

Commercial Real Estate Loans

Domestic respondents reported a slight tightening of standards for commercial real estate loans, while foreign respondents indicated no change in their standards for these loans. Small fractions, on net, of domestic banks indicated that standards for approving loans to finance commercial offices and loans for other nonfarm, nonresidential structures had tightened. Standards for approving construction and land development loans and loans to finance industrial structures appear to have remained about unchanged. The survey has found little change in the standards for commercial real estate loans since the tightening found in 1990-91. Large fractions of both the domestic and foreign loan officers indicated that demand for commercial real estate loans had increased over the past three months.

Lending to Households

Only four of the respondents indicated that they are more willing now to make consumer installment loans than they were three months ago--less than half as many as in the May survey and the smallest number indicating increased willingness since August 1991. Similarly, banks reported no change, on net, in their standards for residential mortgages.

Demand for loans to individuals, however, appears to be up sharply over the past three months. A quarter of the respondents reported an increase in demand for consumer installment loans, and

over half reported an increase in demand for residential mortgages. Banks had indicated a decline in demand for both of these loan categories in the past two surveys.

Loan Quality

Special questions on the August survey asked about the substantial improvement in recent years in measures of loan quality, including delinquency rates, charge-off rates and provisioning for loan and lease losses. Domestic and foreign respondents answered that the robust health of the U.S. economy, tight lending standards, and the low level of interest rates during much of the current expansion have been important contributors to the improvement in loan quality at their banks. Banks described efforts by households and firms to improve their balance sheets as a less important factor and the shift toward new (unseasoned) loans because of recent rapid loan growth as not an important factor in the improvement. Perhaps because loan quality is, on average, better at domestic than at foreign respondents, the two groups differed on its likely future. Two-fifths of the domestic respondents believed measures of loan quality would worsen at their bank over the coming year while one-fifth believed the measures would improve. In contrast, three-fifths of the foreign respondents predicted measures would improve at their bank and less than 10 percent felt they would worsen. Loan officers that predicted a worsening of these measures did so because of a negative economic outlook and, to a lesser extent, because of the increased willingness of households and firms to take on debt. Those that predicted an improvement in the measures, however, pointed to a positive outlook for the economy and, at the branches and agencies, to continued tight lending standards. Finally, domestic banks placed about equal weight on surprisingly low current

and on low expected future loan losses as reasons for the low level of provisioning for such losses.

Deposit Insurance Premiums

An additional special question on the survey asked banks in which of their margins will lower deposit insurance premiums likely be reflected. The responses suggest banks will take the largest share of the reduction as increased profits, followed by increased rates paid on deposits, with the smallest share going toward lower loan rates.

1
SELECTED FINANCIAL MARKET QUOTATIONS
(Percent except as noted)

Instrument	1994		1995		Change to Aug 17, 1995:			
	Feb 3	High	FOMC, Jul 5	Aug 17	From 1994 Feb 3	From 1994 high	From FOMC, Jul 5	
SHORT-TERM RATES								
Federal funds ²	3.07	5.66	6.08	5.72	2.65	0.06	-0.36	
Treasury bills ³								
3-month	3.13	5.78	5.51	5.44	2.31	-0.34	-0.07	
6-month	3.27	6.38	5.44	5.48	2.21	-0.90	0.04	
1-year	3.52	6.84	5.31	5.55	2.03	-1.29	0.24	
Commercial paper								
1-month	3.16	6.13	6.06	5.87	2.71	-0.26	-0.19	
3-month	3.25	6.32	5.91	5.85	2.60	-0.47	-0.06	
Large negotiable CDs ³								
1-month	3.11	6.10	5.97	5.80	2.69	-0.30	-0.17	
3-month	3.25	6.39	5.88	5.80	2.55	-0.59	-0.08	
6-month	3.41	6.89	5.82	5.81	2.40	-1.08	-0.01	
Eurodollar deposits ⁴								
1-month	3.06	6.06	5.97	5.78	2.72	-0.28	-0.19	
3-month	3.25	6.38	5.88	5.81	2.56	-0.57	-0.07	
Bank prime rate	6.00	8.50	9.00	9.00	3.00	0.50	0.00	
INTERMEDIATE AND LONG-TERM RATES								
U.S. Treasury (constant maturity)								
3-year	4.60	7.82	5.84	6.24	1.64	-1.58	0.40	
10-year	5.81	8.04	6.19	6.57	0.76	1.47	0.38	
30-year	6.31	8.16	6.61	6.90	0.59	1.26	0.29	
Municipal revenue ⁵ (Bond Buyer)	5.49	7.37	6.28	6.44	0.95	-0.93	0.16	
Corporate--A utility, recently offered ⁶	7.35	9.05	7.83	7.91	0.56	-1.14	0.08	
Home mortgages ⁶								
FHLMC 30-yr. fixed rate	6.97	9.25	7.53	7.80	0.83	-1.45	0.27	
FHLMC 1-yr. adjustable rate	4.12	6.79	5.84	5.91	1.79	-0.88	0.07	
Stock exchange index	Record high		1989	1995		Percentage change to Aug 17:		
	Level	Date	Low, Jan. 3	FOMC, Jul 5	Aug 17	From record high	From 1989 low	From FOMC, Jul 5
Dow-Jones Industrial	4736.29	7/17/95	2144.64	4615.23	4630.63	-2.23	115.92	0.33
NYSE Composite	302.13	8/03/95	154.00	293.21	299.63	-0.83	94.56	2.19
NASDAQ (OTC)	1029.24	8/17/95	378.56	941.82	1029.24	0.00	171.88	9.28
Wilshire	5579.87	8/03/95	2718.59	5375.49	5570.48	0.17	104.90	3.63

1 One-day quotes except as noted.
 2 Average for two-week reserve maintenance period closest to date shown. Last observation is average for maintenance period ending August 16, 1995
 3 Secondary market.

4. Bid rates for Eurodollar deposits at 11 a.m. London time.
 5 Most recent observation based on one-day Thursday quote and futures market index changes
 6. Quotes for week ending Friday previous to date shown.

Commercial Bank Credit and Short- and Intermediate-Term Business Credit
(Percentage change; seasonally adjusted annual rate)¹

Type of credit	1994	1995 Q1	1995 Q2	1995 May	1995 Jun	1995 Jul	Level, Jul 1995 (billions of \$)
Commercial bank credit							
1. Total loans and securities	6.8	7.8	13.3	9.0	4.9	3.7	3,507.0
2. Securities	4.9	-4.9	17.4	-4.3	-.7	-13.8	969.8
3. U.S. government	0.0	-6.0	-4.7	4.6	-1.7	-12.9	698.9
4. Other	24.0	-1.6	87.0	-26.5	1.8	-16.6	270.8
5. Loans	7.5	12.9	11.7	14.1	7.2	10.5	2,537.2
6. Business	9.2	16.8	12.1	14.1	4.4	6.6	694.1
7. Real estate	6.5	11.9	7.5	4.9	8.4	11.1	1,057.2
8. Consumer	15.2	12.7	11.6	4.6	13.2	8.3	481.5
9. Security	-17.2	-9.1	71.0	185.5	11.4	-28.2	83.2
10. Other	3.5	13.2	12.2	21.0	-3.9	40.4	221.2
Short- and intermediate-term business credit							
11. Business loans net of bankers acceptances	9.4	17.8	12.5	15.7	3.3	6.1	686.8
12. Loans at foreign branches ²	5.1	17.6	21.9	14.6	9.6	14.3	25.5
13. Sum of lines 11 and 12	9.2	17.7	12.8	15.7	3.6	6.4	712.3
14. Commercial paper issued by nonfinancial firms	1.2	22.1	20.7	20.8	-29.1	27.8	181.3
15. Sum of lines 13 and 14	7.5	18.6	14.4	16.7	-3.0	10.6	893.6
16. Bankers acceptances, U.S. trade-related ^{3,4}	-8.3	-21.2	-4.5	-26.7	-13.6	n.a.	17.4 ⁵
17. Loans at finance companies ⁴	12.6	20.3	14.6	12.4	10.7	n.a.	385.8 ⁵
18. Total (sum of lines 15, 16, and 17)	8.7	18.5	14.2	14.8	.8	n.a.	1,289.0 ⁵

1. Except as noted, levels are averages of Wednesday data and percentage changes are based on averages of Wednesday data. For years, "percentage change" is percentage change in quarterly average from fourth quarter of preceding year to fourth quarter of specified year. For quarters, it is the percentage change in quarterly average from preceding quarter to specified quarter, annualized. Data are adjusted for breaks caused by reclassification.

2. Loans to U.S. firms made by foreign branches of domestically chartered banks.

3. Acceptances that finance U.S. imports, U.S. exports, and domestic shipment and storage of goods.

4. Levels and changes are based on averages of month-end data.

5. June 1995.

n.a. Not available.

THE INTERNATIONAL ECONOMY

U.S. International Trade in Goods and Services

In June, the deficit in trade in goods and services widened slightly from what was recorded in May as exports declined marginally more than imports decreased. A sharp drop in exports of automotive products was only partly offset by increased exports of industrial supplies and capital goods. The small decline in imports was spread among most major trade categories; the exception was imported machinery, which rose moderately.

In the second quarter, the deficit was substantially larger than in the first quarter. The value of exports was about 2-1/2 percent higher than in the first quarter; about half of the rise was in quantity. The sharpest increases were recorded for capital goods (almost all quantity) and industrial supplies (about half quantity). Partly offsetting these increases were declines in exported automotive products to Canada and Mexico (both vehicles and parts) and in agricultural products (particularly the quantity of wheat and cotton).

The value of imports in the second quarter was 4 percent higher than in the first quarter with increases spread across most major trade categories, especially oil (largely price), capital goods, and automotive products from Europe and Japan. Imported automotive products from Canada declined 11 percent (primarily vehicles), in part because of sluggish sales in the United States. The decline in imported foods (about half of the decrease was coffee) nearly reversed the run-up in value recorded in the first quarter. For non-oil imports other than computers, the quantity in the second quarter was about 2 percent higher than in the first quarter; this was about the same rate of increase as in the first quarter and slower than in any quarter of last year.

August 17, 1995

U.S. International Trade in Goods and Services
(in billions of dollars, seasonally adjusted)

Years	NIPA Real Net Exports G & S */ (1)	From the Monthly Press Release 1/								
		Balance			Exports			Imports		
		G & S (2)	Merch. (3)	Services (4)	G & S (5)	Merch. (6)	Services (7)	G & S (8)	Merch. (9)	Services (10)
1992	-32.4	-39.5	-96.1	56.6	619.0	440.4	178.6	658.4	536.5	122.0
1993	-74.0	-74.8	-132.6	57.8	644.6	456.8	187.8	719.4	589.4	130.0
1994	-110.0	-106.2	-166.1	59.9	701.2	502.5	198.7	807.4	668.6	138.8
Quarters (AR):										
1994 Qtr 1	-104.0	-92.1	-146.0	53.9	664.9	473.8	191.1	757.0	619.7	137.2
2	-111.8	-107.7	-166.0	58.3	687.3	490.9	196.4	795.0	656.9	138.1
3	-117.0	-115.2	-178.5	63.3	713.1	509.5	203.6	828.3	688.1	140.3
4	-107.1	-109.9	-174.0	64.1	739.5	535.7	203.8	849.4	709.7	139.7
1995 Qtr 1	-118.5	-120.1	-180.2	60.1	755.6	552.2	203.4	875.7	732.4	143.2
2	-125.0	-135.1	-196.4	61.2	774.9	570.0	204.9	910.0	766.3	143.7
Monthly Rates:										
1993 Jan		-4.0	-8.9	4.9	52.2	37.0	15.3	56.2	45.9	10.3
Feb		-3.3	-8.7	5.5	52.2	36.4	15.8	55.4	45.1	10.3
Mar		-6.3	-11.3	5.0	54.1	38.5	15.6	60.4	49.8	10.6
Apr		-6.4	-11.3	4.9	53.8	38.0	15.7	60.2	49.3	10.8
May		-4.9	-9.8	5.0	54.3	38.8	15.5	59.2	48.7	10.5
Jun		-7.6	-12.5	4.9	52.9	37.3	15.7	60.5	49.7	10.8
Jul		-7.5	-12.5	5.0	52.3	36.5	15.8	59.8	49.0	10.8
Aug		-6.6	-11.6	5.0	53.0	37.2	15.8	59.6	48.8	10.8
Sep		-7.9	-12.5	4.6	53.4	37.9	15.5	61.2	50.4	10.9
Oct		-8.0	-12.6	4.6	55.3	39.3	16.0	63.3	51.9	11.4
Nov		-7.7	-11.5	3.8	54.4	39.2	15.2	62.1	50.8	11.4
Dec		-4.8	-9.4	4.6	56.7	40.7	16.0	61.5	50.1	11.4
1994 Jan		-6.9	-11.3	4.4	54.4	38.9	15.4	61.3	50.3	11.0
Feb		-9.6	-13.6	4.1	53.1	37.4	15.6	62.6	51.1	11.6
Mar		-6.5	-11.5	5.0	58.8	42.1	16.7	65.3	53.6	11.7
Apr		-8.9	-13.4	4.6	56.3	40.4	16.0	65.2	53.8	11.4
May		-9.1	-14.1	4.9	56.8	40.4	16.4	66.0	54.5	11.5
Jun		-8.9	-14.0	5.1	58.6	41.9	16.7	67.6	55.9	11.6
Jul		-10.8	-15.8	5.0	57.0	40.4	16.6	67.8	56.3	11.6
Aug		-9.4	-14.2	4.9	60.3	43.7	16.6	69.7	57.9	11.7
Sep		-8.7	-14.6	5.9	60.9	43.3	17.7	69.6	57.8	11.8
Oct		-9.8	-14.9	5.1	60.0	43.3	16.7	69.8	58.2	11.6
Nov		-9.7	-15.3	5.6	61.7	44.4	17.3	71.4	59.7	11.7
Dec		-7.9	-13.3	5.4	63.2	46.2	17.0	71.1	59.4	11.6
1995 Jan		-10.6	-15.9	5.3	62.0	44.8	17.2	72.6	60.7	11.9
Feb		-9.6	-14.4	4.8	62.1	45.5	16.6	71.7	59.9	11.8
Mar		-9.8	-14.7	4.9	64.8	47.8	17.0	74.6	62.5	12.1
Apr		-11.4	-16.5	5.1	64.0	46.9	17.0	75.4	63.5	11.9
May		-11.0	-16.1	5.1	65.2	48.2	17.1	76.3	64.3	12.0
Jun		-11.3	-16.4	5.1	64.5	47.4	17.1	75.8	63.8	12.0

1/ U.S. Department of Commerce, Bureau of the Census and Bureau of Economic Analysis, BOP valuation.

*/ In billions of 1987 dollars.

Note: Details may not add to totals because of rounding.

August 17, 1995

U.S. TRADE IN GOODS AND SERVICES: SUMMARY DETAILS
(Millions of dollars, seasonally adjusted)

	1995 Feb	1995 Mar	1995 Apr	1995 May	1995 Jun	1994 Qtr-2	1994 Qtr-3	1994 Qtr-4	1995 Qtr-1	1995 Qtr-2
TRADE BALANCE (G&S)	-9,611	-9,793	-11,422	-11,049	-11,312	-26,924	-28,812	-27,470	-30,020	-33,783
EXPORTS, Total (G&S)	62,093	64,820	63,994	65,238	64,481	171,823	178,272	184,876	188,902	193,713
Services	16,611	17,015	17,048	17,084	17,091	49,095	50,889	50,948	50,843	51,223
Agricultural	4,662	4,828	4,692	4,467	4,291	10,877	11,666	13,556	14,023	13,450
Gold (BOP)	296	845	563	650	721	1,433	1,156	857	1,406	1,934
Nonag Goods ex Gold	40,523	42,132	41,691	43,036	42,378	110,418	114,561	119,515	122,630	127,106
Ind Supplies (Ex Ag, Gold)	10,365	10,711	10,779	10,906	11,263	25,663	27,779	29,181	31,395	32,948
Fuels (coal, petrol, etc)	1,048	1,155	1,189	1,148	1,085	2,827	3,137	3,309	3,337	3,422
Chemicals	3,457	3,565	3,523	3,588	3,881	8,552	9,095	9,613	10,409	10,992
Building Materials	788	745	817	731	817	2,116	2,283	2,314	2,292	2,366
Other Ind Supplies	5,071	5,246	5,249	5,439	5,479	12,169	13,263	13,945	15,357	16,168
Capital Goods	17,828	19,183	18,789	19,360	19,520	50,953	51,697	53,711	54,128	57,669
Aircraft & Parts	2,272	2,529	2,676	2,521	2,585	8,475	7,119	7,343	6,295	7,782
Computers & Access	3,052	3,055	2,992	3,105	3,172	8,007	8,506	8,949	9,084	9,269
Semiconductors	2,410	2,705	2,536	2,739	2,889	5,980	6,406	6,919	7,499	8,164
Other Capital Goods	10,096	10,893	10,585	10,996	10,873	28,490	29,666	30,500	31,250	32,453
Automotive Products	5,222	4,980	4,955	4,973	4,424	14,096	14,498	15,426	15,536	14,353
To Canada	3,014	2,684	2,725	2,670	2,436	7,774	7,894	8,726	8,944	7,831
To Mexico (NSA)	487	473	395	463	426	2,100	1,900	2,132	1,495	1,284
To Rest of World	1,722	1,823	1,836	1,841	1,562	4,223	4,704	4,568	5,097	5,238
Consumer Goods	5,301	5,354	5,272	5,475	5,395	14,808	15,241	15,917	15,770	16,143
All Other Merchandise	1,808	1,904	1,896	2,322	1,775	4,898	5,346	5,279	5,801	5,993
IMPORTS, Total (G&S)	71,704	74,613	75,416	76,287	75,793	198,747	207,084	212,346	218,922	227,496
Services	11,795	12,129	11,923	12,004	11,988	34,526	35,071	34,928	35,811	35,915
Petroleum	4,336	4,622	4,457	5,033	5,085	12,874	15,151	12,784	13,082	14,575
Gold (BOP)	144	807	797	1,033	869	1,169	706	665	1,099	2,699
Nonpetroleum Goods ex Gold	55,429	57,055	58,239	58,217	57,850	150,178	156,156	163,969	168,931	174,306
Ind Supplies (Ex Oil, Gold)	9,934	10,545	10,869	10,651	10,364	26,510	27,685	29,267	30,698	31,884
Chemicals	2,051	2,130	2,181	2,248	2,117	5,139	5,476	5,804	6,337	6,546
Iron & Steel Mill Prod	1,090	1,174	1,297	1,100	1,107	3,192	3,373	3,463	3,435	3,505
Building Materials	1,078	988	1,100	1,044	984	3,118	3,205	3,271	3,163	3,128
Other Ind Supplies	5,715	6,253	6,291	6,258	6,156	15,060	15,631	16,729	17,763	18,705
Capital Goods	16,852	17,557	17,979	18,107	18,733	44,860	47,036	49,967	51,461	54,819
Aircraft & Parts	826	1,028	951	932	929	3,060	2,443	2,957	2,633	2,811
Computers & Access	4,163	4,274	4,322	4,329	4,583	11,100	11,901	12,664	12,704	13,234
Semiconductors	2,588	2,723	2,863	3,125	3,316	6,064	6,792	7,555	7,992	9,303
Other Capital Goods	9,275	9,533	9,843	9,722	9,905	24,636	25,900	26,791	28,131	29,470
Automotive Products	10,806	10,675	11,034	10,724	10,370	29,001	30,640	31,776	32,459	32,128
From Canada	4,032	3,883	3,572	3,697	3,425	10,184	11,151	11,872	12,074	10,695
From Mexico (NSA)	1,423	1,609	1,385	1,504	1,508	3,553	3,474	4,284	4,438	4,397
From Rest of World	5,352	5,182	6,077	5,524	5,436	15,263	16,014	15,620	15,946	17,037
Consumer Goods	13,135	13,320	13,591	13,769	13,402	36,119	37,038	38,551	39,783	40,762
Foods, Feeds, and Beverages	2,782	2,901	2,736	2,691	2,750	7,623	8,008	7,985	8,524	8,177
All Other Merchandise	1,920	2,058	2,030	2,274	2,232	6,066	5,749	6,424	6,006	6,536
Memo Items, NSA:										
Oil Imports: Value (SITC)	3,782	4,601	4,202	4,930	4,834	12,371	14,788	12,376	12,321	13,966
Volume (mbd)	8.567	9.333	8.314	9.020	9.406	9.459	10.111	8.918	8.736	8.913
Price (\$/bbl)	15.77	15.90	16.85	17.63	17.13	14.38	15.90	15.09	15.66	17.22

August 17, 1995

U.S. TRADE IN GOODS AND SERVICES: SUMMARY OF MONTHS AND QUARTERS -- DOLLAR CHANGES
(Millions of dollars, seasonally adjusted)

	Amount Change from Prev. Month				Amount Change from Prev. Qtr.				\$ Change from Year Earlier Q2-Q2
	Mar	Apr	May	Jun	Qtr-3	Qtr-4	Qtr-1	Qtr-2	
EXPORTS, Total (G&S)	2,727	-826	1,244	-757	6,449	6,604	4,026	4,811	21,890
Services	404	33	36	7	1,794	59	-105	380	2,128
Agricultural	166	-136	-224	-177	788	1,891	466	-572	2,573
Gold (BOP)	549	-282	87	71	-277	-299	549	528	501
Nonag Goods ex Gold	1,609	-441	1,345	-658	4,144	4,953	3,116	4,475	16,688
Ind Supplies (Ex Ag, Gold)	346	68	127	357	2,116	1,403	2,213	1,553	7,285
Fuels (coal, petrol, etc)	107	34	-41	-62	310	172	28	86	596
Chemicals	108	-42	65	293	543	518	795	583	2,440
Building Materials	-43	73	-86	85	167	31	-22	73	250
Other Ind Supplies	175	3	189	41	1,095	682	1,412	811	3,986
Capital Goods	1,354	-394	572	160	745	2,014	417	3,541	6,717
Aircraft & Parts	258	146	-155	64	-1,356	223	-1,048	1,487	-693
Computers & Access	3	-62	113	67	499	443	135	185	1,262
Semiconductors	296	-169	202	151	427	513	580	665	2,185
Other Capital Goods	797	-309	411	-122	1,175	834	750	1,203	3,963
Automotive Products	-242	-24	17	-548	402	928	110	-1,184	257
To Canada	-330	41	-55	-233	121	832	218	-1,114	57
To Mexico (NSA)	-14	-78	68	-36	-199	231	-637	-211	-816
To Rest of World	101	13	5	-279	481	-136	529	141	1,015
Consumer Goods	53	-82	203	-80	433	676	-147	373	1,335
All Other Merchandise	97	-9	426	-546	448	-67	522	192	1,095
IMPORTS, Total (G&S)	2,909	803	871	-494	8,337	5,262	6,576	8,574	28,749
Services	334	-206	81	-16	545	-143	883	104	1,389
Petroleum	285	-165	577	52	2,276	-2,367	298	1,494	1,701
Gold (BOP)	663	-10	236	-163	-463	-41	434	1,601	1,531
Nonpetroleum Goods ex Gold	1,627	1,184	-22	-367	5,978	7,813	4,961	5,376	24,128
Ind Supplies (Ex Oil, Gold)	611	325	-218	-288	1,175	1,581	1,431	1,186	5,374
Chemicals	78	52	67	-132	337	328	533	210	1,407
Iron & Steel Mill Prod	84	123	-197	8	181	90	-27	69	312
Building Materials	-90	112	-56	-61	87	67	-109	-35	10
Other Ind Supplies	538	38	-32	-103	571	1,097	1,034	942	3,645
Capital Goods	706	421	128	627	2,176	2,931	1,494	3,358	9,958
Aircraft & Parts	202	-77	-19	-3	-616	514	-324	178	-248
Computers & Access	111	48	7	255	800	764	40	529	2,133
Semiconductors	135	140	262	191	728	763	438	1,311	3,240
Other Capital Goods	258	311	-122	184	1,264	891	1,340	1,339	4,834
Automotive Products	-132	359	-310	-354	1,639	1,136	683	-330	3,128
From Canada	-149	-311	125	-272	967	720	203	-1,380	510
From Mexico (NSA)	187	-224	118	5	-79	810	154	-41	844
From Rest of World	-169	895	-553	-88	751	-394	326	1,090	1,773
Consumer Goods	186	271	178	-367	919	1,512	1,233	979	4,643
Foods, Feeds, and Beverages	119	-165	-45	58	385	-23	538	-346	554
All Other Merchandise	137	-27	244	-43	-317	675	-418	529	470
Memo Items, NSA:									
Oil Imports: Value (SITC)	819	-399	727	-95	2,417	-2,412	-55	1,645	1,595
Volume (mbd)	0.767	-1.019	0.706	0.386	0.653	-1.194	-0.181	0.177	-0.545
Price (\$/bbl)	0.14	0.95	0.78	-0.50	1.52	-0.81	0.57	1.56	2.84

August 17, 1995

U.S. TRADE IN GOODS AND SERVICES: SUMMARY OF MONTHS AND QUARTERS -- PERCENT CHANGES
(Percent change from previous period)

	Percent Change from Prev. Month				Percent Change from Prev. Qtr.				% Change from Year Earlier Q2-Q2
	Mar	Apr	May	Jun	Qtr-3	Qtr-4	Qtr-1	Qtr-2	
EXPORTS, Total (G&S)	4.4	-1.3	1.9	-1.2	3.8	3.7	2.2	2.5	12.7
Services	2.4	0.2	0.2	0.0	3.7	0.1	-0.2	0.7	4.3
Agricultural	3.6	-2.8	-4.8	-4.0	7.2	16.2	3.4	-4.1	23.7
Gold (BOP)	185.2	-33.3	15.5	10.9	-19.3	-25.8	64.0	37.6	35.0
Nonag Goods ex Gold	4.0	-1.0	3.2	-1.5	3.8	4.3	2.6	3.6	15.1
Ind Supplies (Ex Ag, Gold)	3.3	0.6	1.2	3.3	8.2	5.0	7.6	4.9	28.4
Fuels (coal, petrol, etc)	10.2	2.9	-3.5	-5.4	11.0	5.5	0.8	2.6	21.1
Chemicals	3.1	-1.2	1.9	8.2	6.4	5.7	8.3	5.6	28.5
Building Materials	-5.5	9.8	-10.5	11.7	7.9	1.4	-0.9	3.2	11.8
Other Ind Supplies	3.5	0.1	3.6	0.7	9.0	5.1	10.1	5.3	32.9
Capital Goods	7.6	-2.1	3.0	0.8	1.5	3.9	0.8	6.5	13.2
Aircraft & Parts	11.3	5.8	-5.8	2.6	-16.0	3.1	-14.3	23.6	-8.2
Computers & Access	0.1	-2.0	3.8	2.2	6.2	5.2	1.5	2.0	15.8
Semiconductors	12.3	-6.2	8.0	5.5	7.1	8.0	8.4	8.9	36.5
Other Capital Goods	7.9	-2.8	3.9	-1.1	4.1	2.8	2.5	3.9	13.9
Automotive Products	-4.6	-0.5	0.4	-11.0	2.9	6.4	0.7	-7.6	1.8
To Canada	-10.9	1.5	-2.0	-8.7	1.6	10.5	2.5	-12.5	0.7
To Mexico (NSA)	-2.9	-16.5	17.2	-7.8	-9.5	12.2	-29.9	-14.1	-38.9
To Rest of World	5.9	0.7	0.3	-15.2	11.4	-2.9	11.6	2.8	24.0
Consumer Goods	1.0	-1.5	3.8	-1.5	2.9	4.4	-0.9	2.4	9.0
All Other Merchandise	5.4	-0.5	22.5	-23.5	9.1	-1.3	9.9	3.3	22.4
IMPORTS, Total (G&S)	4.1	1.1	1.2	-0.6	4.2	2.5	3.1	3.9	14.5
Services	2.8	-1.7	0.7	-0.1	1.6	-0.4	2.5	0.3	4.0
Petroleum	6.6	-3.6	12.9	1.0	17.7	-15.6	2.3	11.4	13.2
Gold (BOP)	460.4	-1.2	29.6	-15.8	-39.6	-5.8	65.2	145.7	131.0
Nonpetroleum Goods ex Gold	2.9	2.1	-0.0	-0.6	4.0	5.0	3.0	3.2	16.1
Ind Supplies (Ex Oil, Gold)	6.1	3.1	-2.0	-2.7	4.4	5.7	4.9	3.9	20.3
Chemicals	3.8	2.4	3.1	-5.9	6.5	6.0	9.2	3.3	27.4
Iron & Steel Mill Prod	7.7	10.5	-15.2	0.7	5.7	2.7	-0.8	2.0	9.8
Building Materials	-8.4	11.4	-5.0	-5.8	2.8	2.1	-3.3	-1.1	0.3
Other Ind Supplies	9.4	0.6	-0.5	-1.6	3.8	7.0	6.2	5.3	24.2
Capital Goods	4.2	2.4	0.7	3.5	4.9	6.2	3.0	6.5	22.2
Aircraft & Parts	24.4	-7.5	-2.0	-0.3	-20.1	21.0	-11.0	6.8	-8.1
Computers & Access	2.7	1.1	0.2	5.9	7.2	6.4	0.3	4.2	19.2
Semiconductors	5.2	5.1	9.2	6.1	12.0	11.2	5.8	16.4	53.4
Other Capital Goods	2.8	3.3	-1.2	1.9	5.1	3.4	5.0	4.8	19.6
Automotive Products	-1.2	3.4	-2.8	-3.3	5.7	3.7	2.1	-1.0	10.8
From Canada	-3.7	-8.0	3.5	-7.3	9.5	6.5	1.7	-11.4	5.0
From Mexico (NSA)	13.1	-13.9	8.6	0.3	-2.2	23.3	3.6	-0.9	23.8
From Rest of World	-3.2	17.3	-9.1	-1.6	4.9	-2.5	2.1	6.8	11.6
Consumer Goods	1.4	2.0	1.3	-2.7	2.5	4.1	3.2	2.5	12.9
Foods, Feeds, and Beverages	4.3	-5.7	-1.6	2.2	5.1	-0.3	6.7	-4.1	7.3
All Other Merchandise	7.1	-1.3	12.0	-1.9	-5.2	11.7	-6.5	8.8	7.8
Memo Items, NSA:									
Oil Imports: Value (SITC)	21.7	-8.7	17.3	-1.9	19.5	-16.3	-0.4	13.4	12.9
Volume (mbd)	8.9	-10.9	8.5	4.3	6.9	-11.8	-2.0	2.0	-5.8
Price (\$/bbl)	0.9	5.9	4.6	-2.8	10.6	-5.1	3.8	9.9	19.7