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<sup>1</sup> In some cases, original copies needed to be photocopied before being scanned into electronic format. All scanned images were deskewed (to remove the effects of printer- and scanner-introduced tilting) and lightly cleaned (to remove dark spots caused by staple holes, hole punches, and other blemishes caused after initial printing).

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CONFIDENTIAL (FR)

SUPPLEMENT

CURRENT ECONOMIC AND FINANCIAL CONDITIONS

Prepared for the  
Federal Open Market Committee

By the Staff  
Board of Governors  
of the Federal Reserve System

July 2, 1964.

## SUPPLEMENTAL NOTES

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### The Domestic Economy

The labor market in June showed less strength than in earlier months this year. The June statistics, together with the employment data for May, suggest that some tapering off is taking place in the rate of expansion in employment. Employment and the labor force which usually rise very sharply in June did not go up as much as seasonally expected. Seasonally adjusted employment declined by 400,000, but was still 1.8 million higher than last June.

Unemployment increased to 5.3 per cent from 5.1 per cent in the previous month, the first increase shown in the unemployment rate this year. All of the additional job seekers were males 20 years of age or over, with a large part of the increase in the 20-24 years of age group largely college students and graduates. For this age group unemployment rose to 9.2 per cent. In contrast, among teenagers unemployment did not increase in June and there was a relatively large decline in their numbers in the labor force; apparently those in the younger group who did not find jobs withdrew from the labor market and were not counted among the unemployed.

A rise in unemployment also occurred among male workers over 24 years of age, reversing the steady decline in unemployment in this group since late last year. This age group also experienced a decline in employment in June. The extent to which this reflects some easing in demand and the extent to which it reflects sampling variations or offsets to the unusually large employment gains reported in April of this year is difficult to say.

CHANGES, MAY - JUNE 1964  
(Seasonally adjusted, in thousands)

Males

Age	Labor Force	Employment	Unemployment
14-19	-184	-123	-61
20-24	60	- 31	91
25 and over	-142	-225	83

The Domestic Financial Situation

Consumer credit. Instalment credit outstanding rose \$493 million in May, after seasonal adjustment. This was well above the \$412 million increase reported for April, but still below the highs of February and March. The May rise was sparked by an expansion in auto credit, but the other major types of instalment credit also contributed to the over-all gain.

Errata

The 6-month bill rate for March 31, 1964, should be 3.72 per cent instead of the 3.94 per cent shown in text table on page III - 9.