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September 12, 2003

CURRENT ECONOMIC AND FINANCIAL CONDITIONS

Supplemental Notes

Prepared for the Federal Open Market Committee
by the staff of the Board of Governors of the Federal Reserve System

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Supplemental Notes

The Domestic Nonfinancial Economy

Personal Income and Consumer Spending

Total nominal retail sales rose 0.6 percent in August after having surged 1.3 percent in July. Sales rose 0.5 percent at motor vehicles and parts dealers but fell a touch at building material and supply stores. Nominal sales in the retail control group of stores, which excludes those outlets, advanced 0.8 percent in August. In addition, the increases in the retail control category in June and July were revised up slightly to 1 percent and 0.9 percent, respectively. These data are broadly consistent with the current-quarter estimate for real purchases of goods excluding cars and trucks that we wrote down in the September Greenbook.

The increase in nominal sales within the retail control category in August was fairly broad-based. Sales at general merchandise stores, electronics and appliance outlets, gasoline stations, and food services posted strong gains. The only downturns were recorded at clothing and accessories stores and at nonstore retailers (which include electronic shopping and mail order houses).

According to the preliminary report, the Michigan Survey Research Center's (SRC) index of consumer sentiment ticked down about 1 point in early September relative to August's final report. The SRC index has been relatively flat since June and stands well above its March low.

Both the current and expected conditions components of the overall index slipped in early September. For current conditions, consumers' assessments of buying conditions for large household appliances and of their current personal finances both dipped. For expected conditions, a drop in expected business conditions over the next twelve months was only partly offset by an improvement in consumers' appraisals of their expected personal finances.

Among those items not included in the overall index, expectations about the change in unemployment over the next twelve months deteriorated slightly, partly reversing their improvement in August. Assessments of buying conditions for houses dropped to their lowest level since March while appraisals of buying conditions for cars were unchanged.

In early September, the mean of expected inflation over the next twelve months jumped to 3.6 percent, and the median rose to 2.9 percent after having increased noticeably in August. Both measures are at their highest levels since March. In contrast, the mean of expected inflation over the next five to ten years slid to 2.8 percent while the median edged down to 2.6 percent, its lowest level since last September.

September 12, 2003

Retail Sales
(Percent change; seasonally adjusted)

	2002	2003		2003		
	Q4	Q1	Q2	June	July	Aug.
Total retail trade and food services	.5	1.4	1.4	.9	1.3	.6
Previous estimate			1.3	.9	1.4	
Retail control¹	1.1	1.9	.1	1.0	.9	.8
Previous estimate			.1	.8	.8	
Furniture and home furnishing	1.3	-1.0	4.7	1.3	.5	.7
Electronics and appliances	1.4	-1.0	3.5	1.5	1.6	1.4
Clothing and accessories	2.7	.3	.5	1.2	1.2	-1.4
General merchandise	1.0	1.0	.7	.8	1.3	1.1
Food and beverage stores	.3	2.1	.2	1.0	.8	.4
Gasoline stations	3.1	7.6	-6.4	1.2	1.8	2.7
Health & personal care	.7	1.6	1.3	1.3	1.1	.3
Nonstore retailers ²	2.2	2.5	-1.7	1.5	.0	-.5
Other retailers ³	-1.0	-.8	.7	.6	-.3	.8
Food services	1.1	2.3	2.3	.6	.5	1.4
Other aggregates of retail sales:						
Total excluding motor vehicles	1.1	1.7	.5	1.2	1.0	.7
Previous estimate			.4	1.0	.8	
GAF ⁴	1.3	.2	1.3	1.2	1.1	.6
Previous estimate			1.1	.7	.8	
Building material and supply stores	1.2	-.3	3.5	2.6	1.6	-.2
Motor vehicles and parts	-1.6	.4	4.3	.1	2.4	.5

1. Total retail trade and food services sales less sales at building material and supply stores and automobile and other motor vehicle dealers.

2. Includes electronic shopping and mail order houses.

3. Includes miscellaneous retailers and sporting goods, hobby, book, and music stores.

4. Comprises furniture and home furnishings, electronics and appliances, computers, clothing and accessories, sporting goods, hobby, book, music, and general merchandise.

September 12, 2003

University of Michigan Survey Research Center: Survey of Consumer Attitudes
Indexes of consumer sentiment
 (Not seasonally adjusted)

Category	2003							
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept. ^P
Composite of current and expected conditions ¹	79.9	77.6	86.0	92.1	89.7	90.9	89.3	88.2
Current conditions ¹	95.4	90.0	96.4	93.2	94.7	102.1	99.7	98.9
Expected conditions ¹	69.9	69.6	79.3	91.4	86.4	83.7	82.5	81.3
Personal financial situation								
Now compared with 12 months ago ²	102	96	111	97	102	110	109	108
Expected in 12 months ²	127	128	131	138	136	135	124	130
Expected business conditions								
Next 12 months ²	66	63	87	120	111	106	111	100
Next 5 years ²	86	87	99	110	100	95	97	96
Appraisal of buying conditions								
Cars	140	141	149	160	157	160	150	150
Large household appliances ²	145	136	139	144	143	155	150	148
Houses	165	153	157	175	166	169	165	155
Expected unemployment change - next 12 months	130	130	120	107	115	116	111	114
Prob. household will lose a job - next 5 years	26	24	25	26	25	24	24	26
Expected inflation - next 12 months								
Mean	3.2	3.8	2.7	2.5	2.5	2.3	2.8	3.6
Median	2.7	3.1	2.4	2.0	2.1	1.7	2.5	2.9
Expected inflation - next 5 to 10 years								
Mean	3.1	2.9	3.1	3.1	3.0	3.2	3.0	2.8
Median	2.7	2.8	2.7	2.8	2.7	2.7	2.7	2.6

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, plus 100.

P Preliminary.

1. Feb. 1966 = 100.

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

Producer Prices

The producer price index for finished goods rose 0.4 percent in August, led by an increase of 0.7 percent in food prices and a rise of 1.2 percent in energy prices. Excluding food and energy, the finished-goods PPI edged up 0.1 percent last month following July's rise of 0.2 percent. August's increase in the core was about in line with our expectations and left core PPI inflation at 0.4 percent on a twelve-month change basis, up 0.8 percentage point from a year earlier. Last month's increase in the PPI for energy reflected a jump of 6.3 percent in gasoline prices as well as smaller gains in fuel oil and electricity prices; by contrast, natural gas prices fell 1.5 percent.¹ Over the year ending in August, the PPI for energy rose more than 14 percent compared with a year-earlier decline of 5-1/2 percent.

The August rise in food prices came on the heels of a small decline in July; large increases in prices for fresh fruit and vegetables and for beef and veal contributed importantly to last month's jump. Over the twelve months ending in August, the PPI for food rose 5 percent after having fallen 2.3 percent over the year-earlier period.

Prices for consumer goods excluding food and energy ticked up 0.1 percent last month and were essentially unchanged relative to a year earlier. The PPI for capital equipment edged up 0.1 percent as well, with increases in car and light truck prices largely offsetting a decline in prices of communications equipment. After having fallen 1 percent between August 2001 and August 2002, prices for capital goods rose 0.8 percent over the twelve months ending in August 2003, reflecting an acceleration in prices in most categories.

At earlier stages of processing, the PPI for core intermediate materials edged up 0.1 percent in August and was up 1.8 percent from a year earlier. Prices of core crude material prices jumped 3.7 percent, boosted by large increases in scrap metal prices; core crude prices were up 8.3 percent relative to a year earlier.

1. Based on daily data on rack prices for gasoline, we expect to see a decline in the PPI for gasoline in September.

Recent Changes in Producer Prices
(Percent change; based on seasonally adjusted data)¹

Product	Weights ²	12-month change ³		2003		2003		
		Aug. 2002	Aug. 2003	Q1	Q2	June	July	Aug.
				Annual rate		Monthly rate		
Finished goods	100.0	-1.5	3.4	16.8	-5.9	.5	.1	.4
Consumer foods	20.7	-2.3	5.0	10.1	5.1	.4	-.2	.7
Consumer energy	15.0	-5.5	14.2	96.8	-27.8	3.4	.3	1.2
Other finished goods	64.4	-.4	.4	3.5	-2.4	-.1	.2	.1
Consumer goods	37.7	.0	.1	4.1	-3.0	-.1	.1	.1
Capital equipment	26.7	-1.0	.8	2.9	-1.7	-.1	.4	.1
Intermediate materials ⁴	96.0	-.9	4.3	24.0	-10.6	.5	.1	.6
Excluding food and energy	79.5	.2	1.8	6.0	-.9	.0	-.1	.1
Crude food materials	38.7	-8.6	11.8	18.0	10.1	-.5	-3.0	3.7
Crude energy	41.0	-1.8	38.2	579.5	-61.3	10.7	-4.4	-7.4
Other crude materials	20.3	9.0	8.3	19.0	-9.4	.6	.8	3.7

1. Changes are from final month of preceding period to final month of period indicated.

2. Relative importance weights for December 2002, which are based on 1997 shipment levels.

Years prior to 2002 are based on 1992 shipment weights.

3. Not seasonally adjusted.

4. Excludes materials for food manufacturing and animal feeds.

Recent Changes in Producer Prices -- Relative Contribution¹
(Percent change; based on seasonally adjusted data)²

Product	Weights ³	12-month change ⁴		2003		2003		
		Aug. 2002	Aug. 2003	Q1	Q2	June	July	Aug.
				Annual rate		Monthly rate		
Finished goods	100.0	-1.5	3.4	16.8	-5.9	.5	.1	.4
Consumer foods	20.7	-.5	1.0	2.0	1.0	.1	-.0	.1
Consumer energy	15.0	-.9	2.1	11.5	-5.2	.5	.0	.2
Other finished goods	64.4	-.3	.3	2.3	-1.5	-.1	.1	.1
Consumer goods	37.7	.0	.0	1.5	-1.1	-.0	.0	.0
Capital equipment	26.7	-.3	.2	.8	-.4	-.0	.1	.0

1. Data may not add due to rounding.

2. Changes are from final month of preceding period to final month of period indicated.

3. Relative importance weights for December 2002, which are based on 1997 shipment levels.

Years prior to 2002 are based on 1992 shipment weights.

4. Not seasonally adjusted.

Commercial Bank Credit

(Percent change, annual rate, except as noted; seasonally adjusted)

Type of credit	2002	Q4 2002	Q1 2003	Feb. 2003	Mar. 2003	Apr. ^p 2003	Level, Apr. 2003 ^p (\$ billions)
Total							
1. Adjusted¹	7.1	12.4	7.4	13.9	7.0	8.0	5,834
2. Reported	7.1	11.8	8.1	15.3	6.0	4.4	6,017
<i>Securities</i>							
3. Adjusted ¹	13.3	16.1	11.9	26.3	11.1	14.3	1,575
4. Reported	12.7	13.5	14.0	29.8	7.3	1.5	1,757
5. Treasury and agency	19.2	25.2	17.1	30.3	11.2	26.7	1,081
6. Other ²	4.4	-2.6	9.5	29.1	1.4	-36.6	677
<i>Loans³</i>							
7. Total	5.0	11.1	5.8	9.4	5.5	5.7	4,259
8. Business	-6.9	-4.0	-5.9	-9.7	-8.7	-2.5	944
9. Real estate	13.1	20.4	13.4	17.9	7.3	7.9	2,103
10. Home equity	36.7	24.7	26.2	25.4	38.3	19.9	233
11. Other	10.8	19.9	11.9	17.1	3.6	6.4	1,870
12. Consumer	5.5	8.6	4.2	2.2	-6.1	-3.7	589
13. Adjusted ⁴	4.1	4.9	7.7	7.4	.5	-.3	950
14. Other ⁵	1.4	8.5	.3	17.8	33.4	20.2	623

Note. All data are adjusted for breaks caused by reclassifications. Monthly levels are pro rata averages of weekly (Wednesday) levels. Quarterly levels (not shown) are simple averages of monthly levels. Annual levels (not shown) are levels for the fourth quarter. Growth rates are percentage changes in consecutive levels, annualized but not compounded. The conversion from a thrift to a commercial bank charter added approximately \$37 billion to the assets and liabilities of domestically chartered commercial banks in the week ending May 8, 2002.

1. Adjusted to remove effects of mark-to-market accounting rules (FIN 39 and FIN 115).

2. Includes private mortgage-backed securities, securities of corporations, state and local governments, and foreign governments and any trading account assets that are not Treasury or agency securities, including revaluation gains on derivative contracts.

3. Excludes interbank loans.

4. Includes an estimate of outstanding loans securitized by commercial banks.

5. Includes security loans and loans to farmers, state and local governments, and all others not elsewhere classified. Also includes lease financing receivables.

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Selected Financial Market Quotations
 (One-day quotes in percent except as noted)

Instrument	2001	2003			Change to Sept. 11 from selected dates (percentage points)		
	Sept. 10	May 5	Aug. 11	Sept. 11	2001 Sept. 10	2003 May 5	2003 Aug. 11
<i>Short-term</i>							
FOMC intended federal funds rate	3.50	1.25	1.00	1.00	-2.50	-.25	.00
Treasury bills ¹							
3-month	3.19	1.11	0.94	0.94	-2.25	-.17	.00
6-month	3.13	1.14	1.04	1.00	-2.13	-.14	-.04
Commercial paper (A1/P1 rates)							
1-month	3.42	1.21	1.04	1.02	-2.40	-.19	-.02
3-month	3.24	1.20	1.04	1.04	-2.20	-.16	.00
Large negotiable CDs ¹							
1-month	3.46	1.26	1.07	1.07	-2.39	-.19	.00
3-month	3.26	1.24	1.07	1.08	-2.18	-.16	.01
6-month	3.24	1.22	1.12	1.12	-2.12	-.10	.00
Eurodollar deposits ²							
1-month	3.41	1.25	1.05	1.06	-2.35	-.19	.01
3-month	3.26	1.21	1.07	1.06	-2.20	-.15	-.01
Bank prime rate	6.50	4.25	4.00	4.00	-2.50	-.25	.00
<i>Intermediate- and long-term</i>							
U.S. Treasury ³							
2-year	3.59	1.56	1.83	1.71	-1.88	.15	-.12
10-year	5.14	4.09	4.56	4.51	-.63	.42	-.05
30-year	5.55	4.97	5.46	5.36	-.19	.39	-.10
U.S. Treasury 10-year indexed note	3.28	2.18	2.31	2.23	-1.05	.05	-.08
Municipal revenue (Bond Buyer) ⁴	5.25	5.09	5.42	5.32	.07	.23	-.10
Private instruments							
10-year swap	5.62	4.29	4.80	4.77	-.85	.48	-.03
10-year FNMA ⁵	5.68	4.39	4.96	4.89	-.79	.50	-.07
10-year AA ⁶	6.30	4.83	5.24	5.22	-1.08	.39	-.02
10-year BBB ⁶	7.11	5.84	6.17	6.11	-1.00	.27	-.06
High-yield ⁷	12.72	9.54	9.69	9.05	-3.67	-.49	-.64
Home mortgages (FHLMC survey rate) ⁸							
30-year fixed	6.89	5.70	6.34	6.44	-.45	.74	.10
1-year adjustable	5.64	3.74	3.80	3.98	-1.66	.24	.18

Stock exchange index	Record high		2003			Change to Sept. 11 from selected dates (percent)		
	Level	Date	May 5	Aug. 11	Sept. 11	Record high	2003 May 5	2003 Aug. 11
Dow-Jones Industrial	11,723	1-14-00	8,532	9,217	9,460	-19.31	10.88	2.63
S&P 500 Composite	1,527	3-24-00	927	981	1,016	-33.46	9.70	3.65
Nasdaq (OTC)	5,049	3-10-00	1,504	1,662	1,846	-63.43	22.74	11.11
Russell 2000	606	3-9-00	410	459	507	-16.28	23.82	10.49
Wilshire 5000	14,752	3-24-00	8,817	9,431	9,853	-33.21	11.75	4.47

1. Secondary market.
2. Bid rates for eurodollar deposits collected around 9:30 a.m. Eastern time.
3. Derived from a smoothed Treasury yield curve estimated using off-the-run securities.
4. Most recent Thursday quote.
5. Constant maturity yields estimated from Fannie Mae domestic non-callable coupon securities.
6. Derived from smoothed corporate yield curves estimated using Merrill Lynch bond data.
7. Merrill Lynch Master II high-yield bond.
8. For week ending Friday previous to date shown.

NOTES:

September 10, 2001 is the day before the terrorist attacks.
 May 5, 2003 is the day before the May FOMC meeting.
 August 11, 2003 is the day before the most recent FOMC meeting.

The International Economy

Trade in Goods and Services

The U.S. international trade deficit in July was \$40.3 billion, which was about the same as in June but smaller than recorded during the previous three months (revised).

Net Trade in Goods and Services (Billions of dollars, seasonally adjusted)

	2002	Annual rate			Monthly rate		
		2002	2003		2003		
		Q4	Q1	Q2	May	June	July
<i>Real NIPA¹</i>							
Net exports of G&S	-488.5	-532.2	-510.3	-543.6	...	...	...
<i>Nominal BOP</i>							
Net exports of G&S	-418.0	-464.5	-486.5	-494.1	-41.6	-40.0	-40.3
Goods, net	-482.9	-529.0	-544.1	-552.4	-46.7	-45.1	-45.3
Services, net	64.8	64.5	57.6	58.3	5.0	5.0	5.0

1. Billions of chained (1996) dollars.

Source: U.S. Department of Commerce, Bureaus of Economic Analysis and Census.

n.a. Not available. ... Not applicable.

The value of exports of goods and services rose 2.0 percent in July, a third consecutive month of solid increases in both goods and services. Within goods, the largest increases were in agricultural products, aircraft, and automotive products. Exports of computers and semiconductors also rose, but other capital goods declined. In July, services receipts were boosted by increases in travel and passenger fares, continuing the rebound from the lows associated with SARS and the Iraq war. With the release of July data, the monthly value of services receipts was revised down in the first six months of the year by an average of about \$200 million per month. As a result, nominal services receipts fell 6½ percent (a.r.) in the first quarter of 2003, almost twice as much as previously published. In the second quarter, services receipts, which previously remained flat, edged down ½ percent (a.r.).

Nominal imports of goods and services rose 1.6 percent in July, reflecting a moderate rise in goods imports and a continuing rebound in services payments (largely from travel and passenger fares). The increase in imported goods in July was the largest rise since March, with consumer goods, oil, and industrial supplies accounting for most of the increase. The monthly value of services payments was revised beginning in January 2003. The first quarter was revised down and the second quarter was revised up. As a result, nominal services payments rose 3 percent (a.r.) in the first quarter, less than half the growth rate published before the revision. In the second quarter, services payments declined

1¾ percent (a.r.), compared with the previously published decline of nearly 6 percent (a.r.).

Prices of Internationally Traded Goods

Non-oil imports. In August, the prices of U.S. imports of non-oil goods and of core goods both fell 0.2 percent, following revised July growth rates of 0.0 and 0.1 percent, respectively. Within core goods, the largest price changes were in industrial supplies and foods, feeds and beverages. After a 0.9 percent increase in July, prices of foods, feeds and beverages fell 0.4 percent in August, led by lower prices for vegetables. The 0.6 percent decline in the price of industrial supplies was the result of a lower price for natural gas, which offset increases in metals, building materials, and paper. In other major trade categories within core goods, prices generally edged down, with the exception of automotive products which rose slightly. The prices of U.S. imports of computers continued to decline in August, and semiconductor prices also fell.

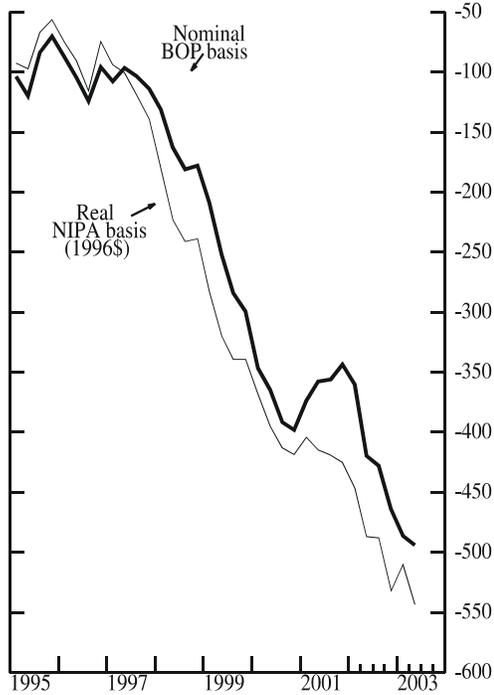
Oil. The BLS price of imported oil rose 3.9 percent in August, following a revised 4.5 percent increase in July. The spot price of West Texas Intermediate (WTI) crude oil was also higher in August, averaging \$31.60 per barrel, up about 80 cents from July. Thus far in September, the spot price has fallen, closing at \$28.83 per barrel on September 11. The recent decline may reflect the lack of supply disruptions from tropical storms and heightened market concern about expected increases in non-OPEC oil supply. However, prices remain elevated, relative to historical norms, owing to the slow return of Iraqi exports and low global oil inventories.

Exports. In August, for the second consecutive month, the prices of U.S. exports of total goods and of core goods both fell 0.1 percent. Falling prices of agricultural products, particularly soybeans and corn, were responsible for much of the August decline. However, from the first week of August when the BLS collected their price data to the end of the month, the spot prices of soybeans and corn each rose about 9 percent. Export prices also moved down slightly for consumer goods but edged upward for industrial supplies. The prices of U.S. exports of computers fell 0.5 percent; prices of semiconductors were unchanged.

U.S. International Trade in Goods and Services

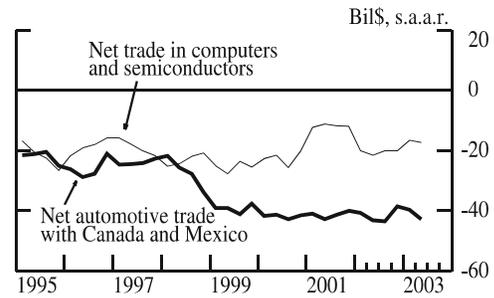
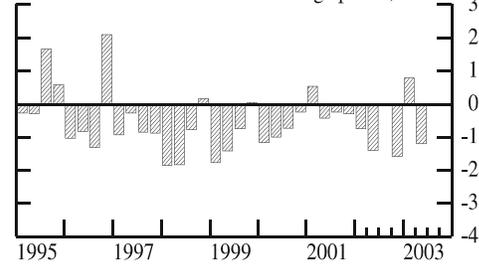
Net Exports

Bil\$, s.a.a.r.



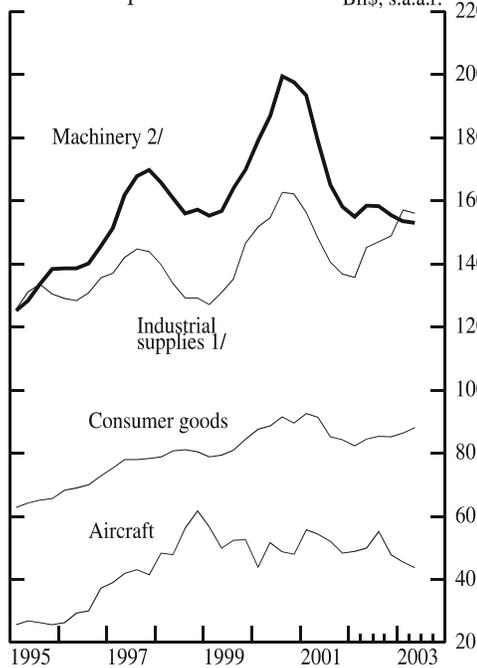
Contribution of Net Exports to Real GDP Growth

Percentage points, s.a.a.r.



Selected Exports

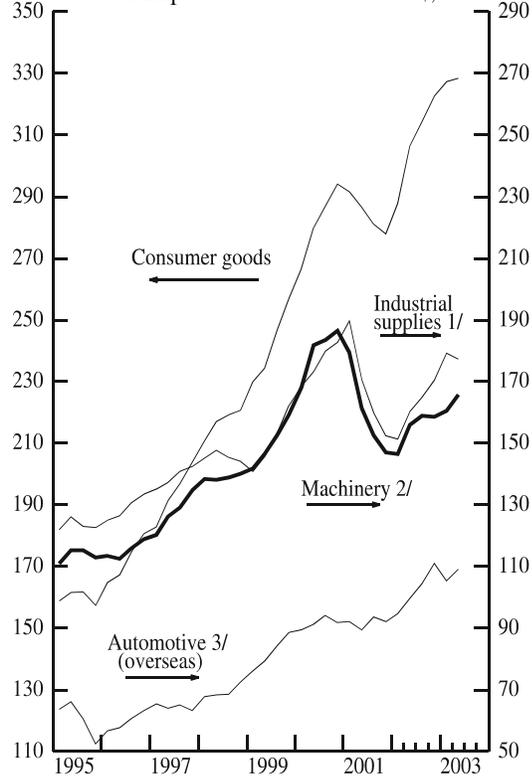
Bil\$, s.a.a.r.



1. Excludes agriculture and gold.
2. Excludes computers and semiconductors.

Selected Imports

Bil\$, s.a.a.r.



1. Excludes oil and gold.
2. Excludes computers and semiconductors.
3. Excludes Canada and Mexico.

U.S. Exports and Imports of Goods and Services

(Billions of dollars, s.a.a.r., BOP basis)

	Levels				Amount Change ¹			
	2003		2003		2003		2003	
	Q1	Q2	June	July	Q1	Q2	June	July
Exports of G&S	989.5	992.8	1013.5	1033.8	4.9	3.3	23.9	20.3
Goods exports	693.4	697.0	711.1	726.4	10.0	3.6	17.9	15.4
Gold	3.8	5.6	7.7	3.8	-0.1	1.8	2.5	-4.0
Other goods	689.6	691.4	703.3	722.7	10.1	1.8	15.4	19.3
Aircraft & parts	45.6	43.8	47.0	52.9	-2.3	-1.9	5.4	5.9
Computers & accessories	38.4	37.2	39.0	40.8	-0.5	-1.1	2.3	1.8
Semiconductors	42.8	45.3	45.4	47.9	2.4	2.5	-0.0	2.4
Other capital goods	156.2	155.7	158.4	155.9	-2.0	-0.5	2.4	-2.5
Automotive	79.8	79.8	78.6	81.8	1.3	-0.0	-2.4	3.2
to Canada	46.7	45.2	44.4	45.6	1.7	-1.5	-2.4	1.3
to Mexico	13.1	14.4	14.2	11.4	-1.7	1.3	-0.7	-2.8
to ROW	20.0	20.2	20.0	24.7	1.3	0.1	0.7	4.7
Agricultural	56.9	57.5	58.8	67.6	2.0	0.6	2.3	8.8
Ind supplies (ex. ag, gold)	157.1	156.0	155.5	157.0	8.2	-1.1	-0.4	1.5
Consumer goods	86.5	88.1	92.3	91.0	1.3	1.7	6.1	-1.2
All other goods	26.3	28.0	28.3	27.7	-0.3	1.7	-0.4	-0.6
Services exports	296.1	295.8	302.4	307.4	-5.1	-0.3	6.0	4.9
Imports of G&S	1476.0	1486.9	1493.9	1517.7	27.0	10.9	5.0	23.7
Goods imports	1237.5	1249.3	1252.0	1269.8	25.1	11.9	-1.0	17.8
Petroleum	135.9	130.5	132.8	141.2	18.4	-5.4	9.3	8.4
Gold	2.4	4.1	5.8	2.5	-0.6	1.7	2.2	-3.2
Other goods	1099.1	1114.7	1113.4	1126.0	7.3	15.6	-12.6	12.6
Aircraft & parts	23.5	23.7	24.0	23.7	-2.8	0.2	-0.1	-0.3
Computers & accessories	73.2	75.2	74.9	76.7	-1.3	2.0	-0.9	1.9
Semiconductors	24.5	24.6	24.6	24.7	-0.3	0.1	-0.2	0.1
Other capital goods	162.5	168.3	169.6	168.1	2.4	5.8	0.5	-1.4
Automotive	204.6	211.6	218.8	217.0	-4.8	7.0	5.3	-1.8
from Canada	59.2	59.6	62.1	63.5	1.8	0.4	2.5	1.4
from Mexico	40.1	42.8	43.3	37.1	-0.7	2.7	-0.8	-6.2
from ROW	105.3	109.2	113.5	116.5	-5.9	3.9	3.6	3.0
Ind supplies (ex. oil, gold)	179.3	177.3	175.3	179.4	9.0	-2.0	-6.0	4.1
Consumer goods	327.3	328.3	320.1	329.0	4.7	0.9	-12.5	8.9
Foods, feeds, bev.	54.3	55.0	53.5	54.9	2.4	0.7	-1.8	1.4
All other goods	49.9	50.8	52.7	52.4	-1.9	0.9	3.1	-0.4
Services imports	238.6	237.5	242.0	247.9	1.8	-1.0	6.0	6.0
<i>Memo:</i>								
Oil quantity (mb/d)	12.11	13.50	13.63	13.98	-0.38	1.39	0.28	0.34
Oil import price (\$/bbl)	30.74	26.46	26.67	27.66	4.98	-4.28	1.37	0.99

1. Change from previous quarter or month.

Source: U.S. Department of Commerce, Bureau of Economic Analysis and Census.

Prices of U.S. Imports and Exports
(Percentage change from previous period)

	Annual rates			Monthly rates		
	2003			2003		
	Q1	Q2	Q3 ^e	June	July	Aug.
	----- BLS prices (2000 weights)-----					
Merchandise imports	13.5	-9.3	3.8	0.8	0.5	0.2
Oil	133.7	-54.8	36.8	5.0	4.5	3.9
Non-oil	3.9	-1.0	0.4	0.4	0.0	-0.2
Core goods*	5.3	-0.5	0.9	0.4	0.1	-0.2
Cap. goods ex comp & semi	2.1	1.7	1.9	0.4	0.2	-0.1
Automotive products	-0.4	0.7	0.2	0.1	-0.1	0.1
Consumer goods	-0.3	0.1	0.1	0.2	0.0	-0.2
Foods, feeds, beverages	7.1	-1.0	-0.4	-0.6	0.9	-0.4
Industrial supplies ex oil	25.3	-5.1	2.7	1.8	0.0	-0.6
Computers	-5.7	-5.8	-6.1	-0.5	-1.0	-0.1
Semiconductors	-4.0	-1.0	-0.1	0.1	0.3	-0.2
Merchandise exports	2.7	1.1	-0.7	-0.1	-0.1	-0.1
Core goods*	3.6	1.6	0.3	0.3	-0.1	-0.1
Cap. goods ex comp & semi	0.9	0.1	0.7	0.2	0.0	0.1
Automotive products	0.7	0.1	0.7	0.1	0.2	-0.1
Consumer goods	-0.1	0.5	0.3	0.2	0.0	-0.2
Agricultural products	0.2	6.1	-1.1	-0.5	0.0	-1.5
Industrial supplies ex ag	12.4	3.4	0.3	0.7	-0.3	0.3
Computers	3.1	0.0	-2.7	-0.3	-0.2	-0.5
Semiconductors	-5.8	-5.9	-11.7	-4.4	0.0	0.0
Chain price index	---Prices in the NIPA accounts (1996 weights)---					
Imports of goods & services	11.7	-3.9	n.a.	...	...	...
Non-oil merchandise	4.6	-0.8	n.a.	...	...	...
Core goods*	5.5	-0.2	n.a.	...	...	...
Exports of goods & services	3.9	0.8	n.a.	...	...	...
Total merchandise	3.4	1.6	n.a.	...	...	...
Core goods*	4.6	2.1	n.a.	...	...	...

*/ Excludes computers and semiconductors.

e/ Average of two months.

n.a. Not available. ... Not applicable.

Oil Prices

