

ence shows that purchase rates of nonplanners are particularly affected by changes in economic conditions, while purchase rates of planners show somewhat more stability.

Senator DOUGLAS. Is this an argument for planning?

Miss DINGLE. We would certainly appreciate it if all consumers did plan definitely far in advance. I hope that you as a consumer will do so.

The interpretation of buying plans data is complicated by their seasonality. Plans show seasonal movements that are not identical with those of purchases, and unfortunately the Quarterly Survey of Consumer Buying Intentions has not been in existence long enough to enable us to develop seasonally adjusted series. This is the fourth year of interviews, but all four of these years have shown different types of economic developments.

The year 1959 was one of general economic expansion characterized by strong consumer demand, but expansion was interrupted by a prolonged steel strike in the second half of the year. The first half of 1960 was strong, and the decline in economic activity in the second half was tempered by continued strength in the automobile market. Most of 1961 was characterized by recovery, but consumer expenditures for durable goods lagged compared with other recent cyclical recoveries.

This year has shown mixed developments, with consumer purchases of durable goods declining in the first quarter and picking up in the second and with the strong demand for automobiles accounting for a substantial part of the second quarter rise. These differences among years create problems of comparison by affecting quarter-to-quarter movements in plans as well as the relationship between plans and purchases.

There are special problems involved in relating plans to buy automobiles at this time of year to developments over the coming months. Important factors in realized purchases are the supply of old model automobiles, and of new ones once they are introduced, and consumer reception of new model automobiles. Shortages due in part to strikes kept purchases down in 1959 and to a lesser extent in 1961, while in 1960 sales were encouraged by the large supply of old model automobiles which were sold at discounts from list prices.

As is illustrated in the material that has been distributed, information is obtained in the Quarterly Survey of Consumer Buying Intentions covering buying plans reported for varying time periods and with varying degrees of certainty, and data are tabulated for various groups of consumers. We have always considered it desirable to make the data available in detail in order to enable analysts to make their own interpretations.

I hope the other members of the panel and the committee will take advantage of that. I tried to show as much detail as I could, given the limitations of time.

Tables 1, 2, and 3 and the chart showing the movements of buying plans are being released today with our quarterly press release on buying plans data. Additional tabular material will be included in an article which will appear in the Federal Reserve Bulletin for August and which will be released earlier in preprint form.