



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

June 19, 1985

STRICTLY CONFIDENTIAL (FR)
CLASS II - FOMC

TO: Federal Open Market Committee

FROM: Nancy Steele *NMS*

In preparation for the FOMC's discussion of its monetary growth objectives at the July meeting and the related Humphrey-Hawkins report, Chairman Volcker requests that you forward the following to Mr. Kichline by noon on Tuesday, July 2: (1) your current projections of percent change for nominal GNP, real GNP, and the implicit price deflator for the periods (a) from the fourth quarter of 1984 to the fourth quarter of 1985; (b) from the fourth quarter of 1985 to the fourth quarter of 1986; (2) projections of the average unemployment rate in the fourth quarters of 1985 and 1986.

In arriving at your projections, two general assumptions are suggested: that monetary policy will represent continuity with the past, and that fluctuations in the value of the dollar will not be of sufficient magnitude to affect the projections significantly. The members will be given an opportunity to amend their projections immediately following the July 9-10 meeting.

Mr. Kichline would appreciate receiving replies from the Reserve Banks via the System's Administrative Message System: Mr. Kichline's identification code is MLJLK00.