



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

January 14, 1987

STRICTLY CONFIDENTIAL (FR)  
CLASS II - FOMC

TO: Federal Open Market Committee

FROM: Rosemary Loney *RLX*

In preparation for the FOMC's discussion of its monetary growth objectives at the February meeting and the related Humphrey-Hawkins report, Chairman Volcker requests that you forward the following to Mr. Kichline: (1) your projections of the percent change in nominal GNP, real GNP, and the implicit price deflator for the period from the fourth quarter of 1986 to the fourth quarter of 1987 and (2) your projection of the average unemployment rate in the fourth quarter of 1987.

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. You will be given an opportunity to amend your projections immediately following the February 10-11 meeting.

Mr. Kichline would appreciate your replies by close of business on Tuesday, February 3 via the System's Administrative Message System. Mr. Kichline's identification code is M1JLK00.