



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

June 17, 1987

STRICTLY CONFIDENTIAL (FR)  
CLASS II - FOMC

TO: Federal Open Market Committee  
FROM: Rosemary R. Loney *RL*

In preparation for the Committee's discussion at the July FOMC meeting and for use in the related Humphrey-Hawkins report, Chairman Volcker requests that you forward the following information to Mr. Kichline by close of business, Tuesday, June 30: (1) your projections of the percent change in nominal GNP, real GNP, and the implicit price deflator for the periods (a) from the fourth quarter of 1986 to the fourth quarter of 1987; and (b) from the fourth quarter of 1987 to the fourth quarter of 1988; (2) your projections of the average unemployment rate in the fourth quarters of 1987 and 1988.

With regard to assumptions for the projections, it is suggested that members individually assume a monetary policy that they believe will be appropriate for the remainder of 1987 and for 1988. It also should be assumed that fluctuations in the value of the dollar from this point through the end of the projection period will not be of sufficient magnitude to affect the projections significantly. Members will be given an opportunity to amend their projections immediately following the July 7-8 meeting.



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Mr. Kichline would appreciate receiving replies from the Reserve Banks via the System's Administrative Message System. Mr. Kichline's identification code is M1JLK00.