

STRICTLY CONFIDENTIAL (FR)
CLASS I - FOMC

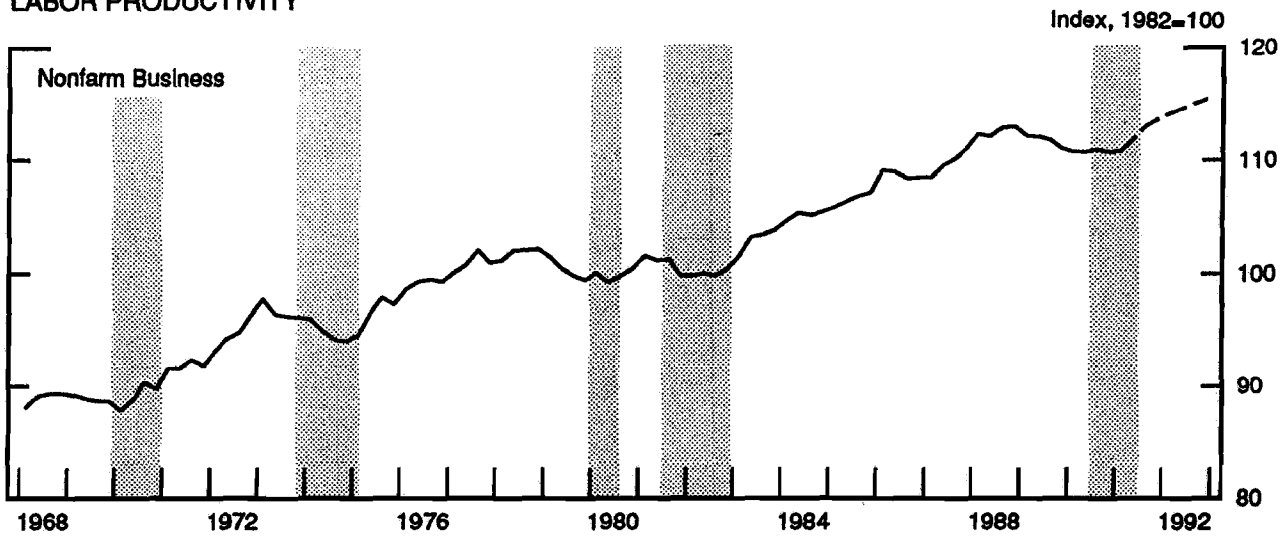
July 3, 1991

TO: Members of the FOMC
FROM: Mike Prell

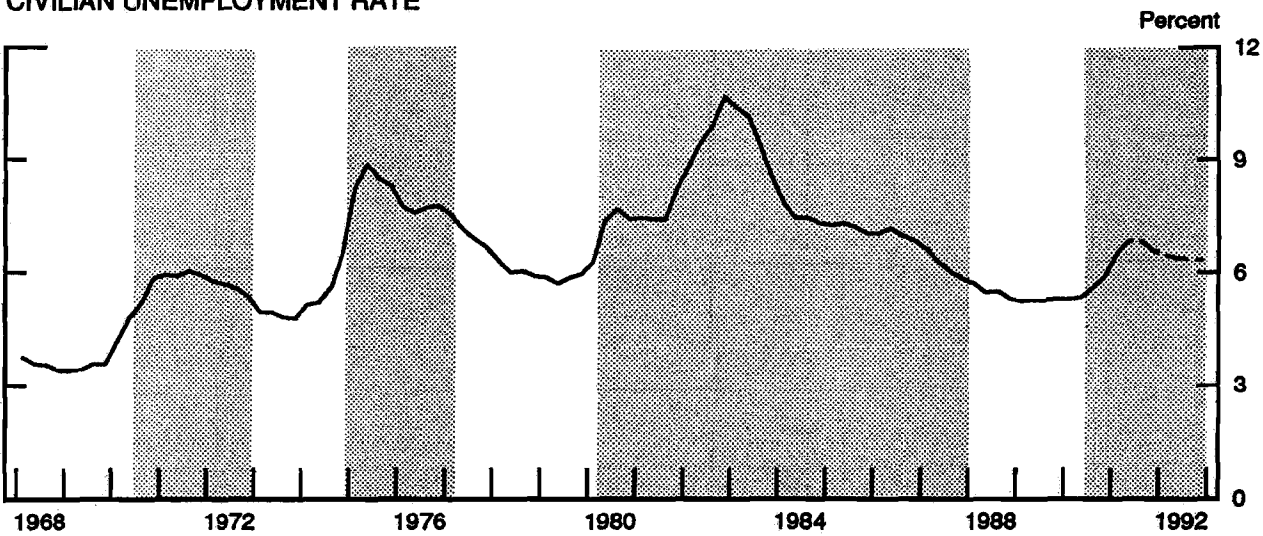
Attached is a corrected version of Chart 8 from our presentation on the economic outlook. In particular, the shading in the middle and bottom panels did not start early enough in the recent cycle.

Chart 8

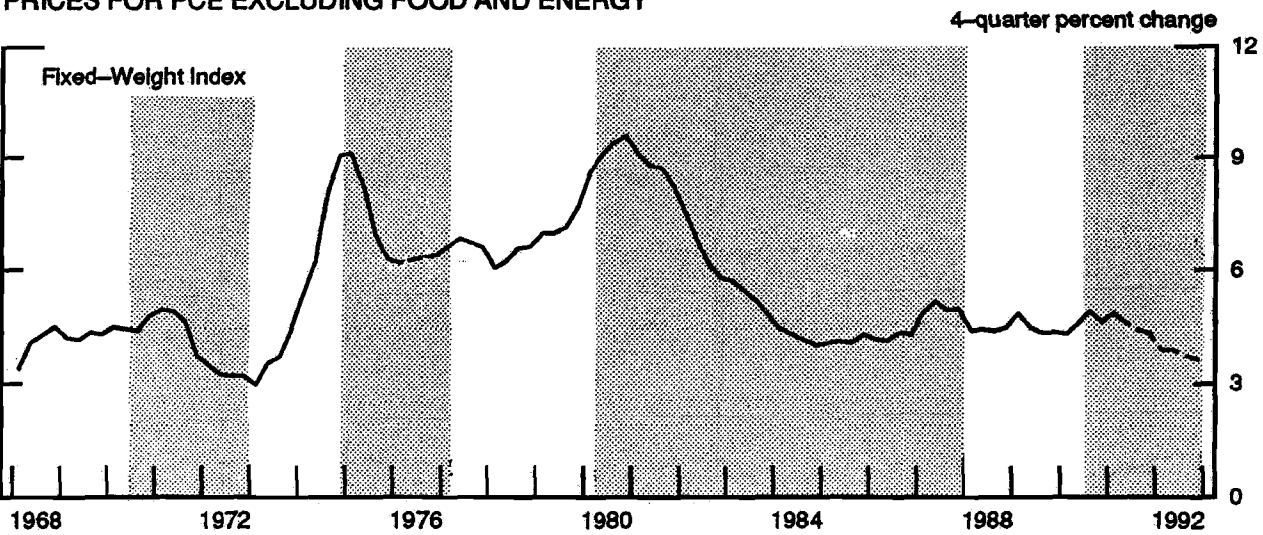
LABOR PRODUCTIVITY



CIVILIAN UNEMPLOYMENT RATE*



PRICES FOR PCE EXCLUDING FOOD AND ENERGY*



*Shading indicates periods when unemployment rate exceeds NAIRU.