U.S. ECONOMIC ACTIVITY

http://www.dallasfed.org
Initial Claims for Unemployment and Unemployment Rate

4-week MA
Thousands of Initial Claims

Percent Unemployment

Recession

Initial Claims (Mar-05-release, Feb 28=305)  Unemployment Rate (Mar-06-release, Feb=5.5)

Change in Nonfarm Employment

Thousands of jobs

Mar-06-release, Feb = 239
3-year average

Source: Bureau of Labor Statistics
http://www.dallasfed.org
U.S. Imports and Exports

Billions of Dollars

Source: Bureau of the Census

http://www.dallasfed.org
New Orders for Durable Goods

Billions of Dollars

Durable Goods (Mar-05-release, Jan = 236.3)
Excl. Transportation (Mar-05-release, Jan = 163.7)

Source: Bureau of the Census
http://www.dallasfed.org
ISM Non-Manufacturing Activity Index

Source: Institute for Supply Management™

http://www.dallasfed.org
Personal Income

1-month % change

Source: Bureau of Economic Analysis
http://www.dallasfed.org
Real Personal Consumption Expenditures

1-month % change

Mar-02-release, Jan = 0.3

3-year average

Source: Bureau of Economic Analysis

http://www.dallasfed.org
Nominal Personal Consumption Expenditures

1-month % change

Source: Bureau of Economic Analysis

http://www.dallasfed.org
Real Value of the Dollar

March 1973 = 100

- Exchange Value of the US$ (Mar-02- release, Feb=93.2)
- US$ vs Major Currencies* (Mar-02- release, Feb=100.3)

* Euro Area, Canada, Japan, UK, Switzerland, Australia, and Sweden

Source: Federal Reserve Board

http://www.dallasfed.org
Consumer Confidence/Sentiment

Index

Recession  Confidence (Feb-24-release, Feb = 96.4)  Sentiment (Feb-27-release, Feb = 95.4)

Consumer Sentiment: Survey of Consumers, Survey Research Center, U. of Michigan
Consumer Confidence: The Conference Board

http://www.dallasfed.org
Real GDP

1-quarter % change, annualized

Source: Bureau of Economic Analysis

http://www.dallasfed.org
Housing Starts and Permits

Thousands


- Recession
- Housing Starts (Feb-18-release, Jan = 1065)
- Permits Issued (Feb-27-release, Jan = 1060)

Source: Bureau of the Census
http://www.dallasfed.org
New Home Sales (Feb-25-release, Jan = 481)  Existing Home Sales (Feb-23-release, Jan = 4270)

Source: Bureau of the Census, National Association of Realtors  http://www.dallasfed.org
Index of Leading Economic Indicators

Source: The Conference Board

http://www.dallasfed.org
Industrial Production

1-month % change

Source: Federal Reserve Board

http://www.dallasfed.org
Manufacturing Capacity Utilization Rate

Percent

Recession
CU Rate (Feb-18-release, Jan = 78.1)
Historic Average (1948-present)

Source: Federal Reserve Board
http://www.dallasfed.org
Retail Sales

1-month % change

Feb-12-release, Jan = -0.79

3-year average

Source: Bureau of the Census

http://www.dallasfed.org
Retail Sales, Excluding Autos

1-month % change

Feb-12-release, Jan = -0.87

3-year average

Source: Bureau of the Census
http://www.dallasfed.org
WAGES AND PRICES

http://www.dallasfed.org
Average Hourly Earnings

1-month % change

Mar-06-release, Feb = 0.39
3-year average

Source: Bureau of Labor Statistics
http://www.dallasfed.org
Nonfarm Business Productivity

1-quarter % change, annualized

Source: Bureau of Labor Statistics

http://www.dallasfed.org
Nonfarm Business Unit Labor Cost

1-quarter % change, annualized

Source: Bureau of Labor Statistics

http://www.dallasfed.org
Commodity Prices

1967=100, EOP

KR-CRB Spot Commodity Price Index: Metals (Mar-03- release, Feb=794.3)
KR-CRB Spot Commodity Price Index: Raw Industrials (Mar-03- release, Feb=481.4)

Recession

Source: Commodity Research Bureau
http://www.dallasfed.org
ISM Manufacturing Prices Index

Source: Institute for Supply Management™

http://www.dallasfed.org
PCE Price Index

1-month % change

Source: Bureau of Economic Analysis
http://www.dallasfed.org
Core PCE Price Index

1-month % change

Source: Bureau of Economic Analysis
http://www.dallasfed.org
Consumer Price Index

1-month % change

Source: Bureau of Labor Statistics

http://www.dallasfed.org
Core Consumer Price Index

1-month % change

Source: Bureau of Labor Statistics

http://www.dallasfed.org
Producer Price Index

1-month % change

Feb-18-release, Jan = -2.1

Source: Bureau of Labor Statistics

http://www.dallasfed.org
Core Producer Price Index

1-month % change

Feb-18-release, Jan = 0.2

3-year average

Source: Bureau of Labor Statistics

http://www.dallasfed.org
Employment Cost Index

1-quarter % change

Source: Bureau of Labor Statistics

http://www.dallasfed.org
FINANCIAL-SECTOR DEVELOPMENTS

http://www.dallasfed.org
Recession Probability

Real-time Neftci probability calculated from 10-yr.--1-yr. Treasury yield spread

Percent

Crosses 70% threshold with a lead of between 5 and 18 months, and averaging 11 months.

*Indicator properties of the yield curve may be distorted during this period due to the zero bound on short-term interest rates and Federal Reserve purchases of long-term Treasuries.

Source: Federal Reserve Board; calculations by FRB Dallas    http://www.dallasfed.org
Real Federal Funds Rate


http://www.dallasfed.org
Short-Term Interest Rates

Source: Federal Reserve Board  http://www.dallasfed.org
Long-Term Interest Rates

Source: Federal Reserve Board
http://www.dallasfed.org
Merrill Lynch’s Yield on Low-Grade Corporate Bonds,
Moody’s AAA and BAA Corporate

Low-Grade Corporate less AAA Corporate (week of Mar 06 = 2.64)
Daily (Mar 06 = 2.626)
BAA Corporate less AAA Corporate (week of Mar 06 = 0.86)
Daily (Mar 06 = 0.88)

Source: Moody’s Investors Service, Merrill Lynch  http://www.dallasfed.org
Yield Curve

Source: Federal Reserve Board

http://www.dallasfed.org
Money Supply: M1

Source: Federal Reserve Board

http://www.dallasfed.org
Money Supply: M2

1-month % change, annualized

Source: Federal Reserve Board
http://www.dallasfed.org