U.S. Economic Activity

September 5, 2023
Output Growth Decomposition

Contributions to real growth, annual rate, percentage points

SOURCE: Bureau of Economic Analysis.
Level of Actual and Potential GDP

Tril. chained 2012 dollars

Real GDP

CBO Potential

1Q % change, ann.

2022Q3 2022Q4 2023Q1 2023Q2

1.8 1.8 1.7 1.8


SOURCES: Congressional Budget Office; National Bureau of Economic Research; Bureau of Economic Analysis.
Weekly Economic Index

Year-over-year percent change

Quarterly GDP, Q2 2023 = 2.5
Weekly Economic Index

Week ended Aug 26
1.9

SOURCES: Lewis, Mertens and Stock; Bureau of Economic Analysis.
NOTE: WEI is an aggregate of 10 weekly indicators relevant to the current level of economic activity. It is scaled to match the 4-quarter change in real GDP growth.
Retail Sales

Level (Billions)

Sources: Census Bureau/Haver Analytics.

Jul 2023
32.5% above
Feb 2020
Consumer Confidence

Index

Consumer confidence (Conference Board)

Consumer sentiment (University of Michigan)

Sources: The Conference Board; University of Michigan.
ISM Purchasing Manager Indices

Diffusion index, 50+ = expansion

- ISM Manufacturing Index
- ISM Nonmanufacturing Index

Level of Employment

Level (thousands)

All employees: Total Nonfarm

Sources: Bureau of Labor Statistics.

Aug 2023
2.7% above
Feb 2020

Federal Reserve Bank of Dallas
Unemployment Rate

- Unemployment rate, Aug 2023 = 3.8
- SEP longer run projection, Aug 2023 = 4.0
- CBO estimate of natural rate, Q3 2023 = 4.4

SOURCES: Federal Reserve Board; Bureau of Labor Statistics.
Potential Labor Force Participation

SOURCE: Bureau of Labor Statistics; Congressional Budget Office.
Combined Unemployment and Participation Gaps

Percent

Unemployment gap
Labor force participation gap
Employment gap

PCE Inflation

SOURCES: Bureau of Economic Analysis; Federal Reserve Bank of Dallas.
Core Inflation

Sources: Federal Reserve Bank of Dallas; Bureau of Labor Statistics; Federal Reserve Bank of Cleveland; Bureau of Economic Analysis.