Federal Reserve Bank of Dallas

U.S. Economic Activity

May 11, 2020
Output Growth Decomposition

Contributions to real growth, annual rate, percentage points

- Real GDP: 2.3% (2019Q1-2019Q4 avg.), -4.8% (2020Q1)
- PCE: 1.8% (2019Q1-2019Q4 avg.), -5.3% (2020Q1)
- Business Fixed Investment: 0.7% (2019Q1-2019Q4 avg.), -1.2% (2020Q1)
- Residential Fixed Investment: 0.5% (2019Q1-2019Q4 avg.), 0.1% (2020Q1)
- Government Spending: 0.4% (2019Q1-2019Q4 avg.), 1.3% (2020Q1)
- Net Exports: -0.1% (2019Q1-2019Q4 avg.), -0.3% (2020Q1)
- Private Inventories: -0.5% (2020Q1)

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

Tril. chained 2012 dollars

Real GDP
CBO Potential

Q % change, ann.

2.0 2.1 2.1 2.1 2.1 -4.8 2.1

2019Q2 2019Q3 2019Q4 2020Q1

SOURCES: Bureau of Economic Analysis; Congressional Budget Office.

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Weekly Economic Index

Year-over-year percent change

-12.5 -10.0 -7.5 -5.0 -2.5 0.0 2.5 5.0

Quarterly GDP
Weekly Economic Index

Week ended May 02
-11.9

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

Percent, annualized


Clothing & Accessory Stores 2020-03
Furniture & Home Furnishing Stores -50.72
Food Services & Drinking Places -26.74
Motor Vehicle & Parts Dealers -26.57

SOURCE: Census Bureau/Haver Analytics.
Consumer Confidence

Index

Consumer confidence (Conference Board)

Consumer sentiment (University of Michigan)

SOURCES: University of Michigan; The Conference Board.
New Residential Construction

- Blue line: Single family housing permits (3M moving average)
- Red line: Single family new houses sold (3M moving average)

SOURCES: Census Bureau.

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ISM Purchasing Manager Indices

Unemployment Rate

Percent

- Unemployment rate, Apr 2020 = 14.7
- SEP longer run projection, Apr 2020 = 4.1
- CBO estimate of natural rate, Q2 2020 = 4.4

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

Percent

68 - 66 - 64 - 62 - 60 - 58


Labor force participation rate, age 16+
Labor force participation rate, age 25-54


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Potential Labor Force Participation

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

Jobless Claims

Week ending May 02
4173.5

SOURCE: Department of Labor.
Wage Growth

Percent, year-over-year

- Atlanta Fed Wage Growth Tracker
- Average Hourly Earnings
- ECI: Wages and Salaries

PCE Inflation

Percent


12-month headline PCE
12-month core PCE
12-month trimmed mean PCE

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

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

SOURCE: Federal Reserve Board.