Federal Reserve
Bank of Dallas

U.S. Economic Activity
Output Growth Decomposition

Contributions to real growth, annual rate, percentage points

- Real GDP: 2.3, 1.9 (2018Q3:2019Q2 avg.)
- PCE: 1.8, 1.9 (2018Q3:2019Q2 avg.)
- Business Fixed Investment: 0.3, -0.4 (2019Q3)
- Residential Fixed Investment: 0.2, -0.1 (2019Q3)
- Government Spending: 0.4, 0.3 (2019Q3)
- Net Exports: -0.6, -0.1 (2019Q3)
- Private Inventories: 0.5, -0.1 (2019Q3)

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

SOURCES: Bureau of Economic Analysis; Congressional Budget Office.
Retail Sales Control

Percent, annualized

- Retail sales control, 1M%
- 3M% of 3M moving average

SOURCE: Census Bureau/Haver Analytics.
New Residential Construction

Thousands

SOURCES: Census Bureau.

Single family housing permits (3M moving average)
Single family new houses sold (3M moving average)

Sep 2019
861
690
ISM Purchasing Manager Indices

Source: Institute for Supply Management.
Nonfarm Payroll Employment Growth

Thousands

M/M nonfarm payroll gains
Annual averages


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Unemployment Rate

Unemployment rate, Oct 2019 = 3.6
SEP longer run projection, Oct 2019 = 4.2
CBO estimate of natural rate, Q3 2019 = 4.6

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

Sources: Bureau of Labor Statistics.
Potential Labor Force Participation

SOURCE: Bureau of Labor Statistics; Congressional Budget Office.

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Combined Unemployment and Participation Gaps

Jobless Claims

Source: Department of Labor.
Wage Growth

Percent, year-over-year

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

Wage Phillips Curve

- Detrended ECI wage growth*
- Unemployment gap**

*Four-quarter ECI wages and salaries growth less SPF 4-quarter-laged 10 year inflation expectations.
**Unemployment rate less CBO natural rate, lagged 4 quarters.
PCE Inflation

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

Treasury Yield Curve

Percent

1-year 1.53
10-year 1.73

SOURCE: Federal Reserve Board.
FOMC Summary of Economic Projections: GDP

SOURCES: Federal Reserve Board; Bureau of Economic Analysis.
FOMC Summary of Economic Projections: Inflation

SOURCES: Bureau of Economic Analysis; Federal Reserve Board.
FOMC Summary of Economic Projections: Core Inflation

Percent

Core PCE inflation (4-quarter rate)

FOMC median projection

Central tendency

Range

SOURCES: Federal Reserve Board; Bureau of Economic Analysis.