U.S. Economic Activity

September 18, 2023
Output Growth Decomposition

Contributions to real growth, annual rate, percentage points

- Real GDP
- PCE
- Business Fixed Investment
- Residential Fixed Investment
- Government Spending
- Net Exports
- Private Inventories

- 2022Q4
- 2023Q1
- 2023Q2

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

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

Year-over-year percent change

- Quarterly GDP, Q2 2023 = 2.5
- Weekly Economic Index

Week ended Sep 09
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)

2004 2009 2014 2019 2024

Aug 2023 32.8% above Feb 2020

SOURCES: Census Bureau/Haver Analytics.
Consumer Confidence

Index

Consumer confidence (Conference Board)

Consumer sentiment (University of Michigan)

SOURCES: University of Michigan; The Conference Board.
Level of Employment

Level (thousands)

All employees: Total Nonfarm

Aug 2023
2.7% above
Feb 2020

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

% Percent

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


Federal Reserve Bank of Dallas
Potential Labor Force Participation

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

Jobless Claims

Thous.

200

300

400

500

600

7000


Initial Claims

Week ending Sep 09

SOURCE: Department of Labor.

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

Percent

Core CPI  Core PCE  Median CPI  Trimmed-mean PCE


Treasury Yield Curve

SOURCE: Federal Reserve Board.