U.S. Economic Activity

September 25, 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: 1.8
2022Q4: 1.8
2023Q1: 1.7
2023Q2: 1.8

SOURCES: Congressional Budget Office; Bureau of Economic Analysis; 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 16

2.4

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)

SOURCE: Census Bureau/Haver Analytics.

Aug 2023 32.8% above Feb 2020
Consumer Confidence

Index

Consumer confidence (Conference Board)

Index

Aug 106.1

Sep 67.7

Consumer sentiment (University of Michigan)


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

Thousands

- Blue line: Single family housing permits
- Red line: Single family new houses sold

SOURCES: Census Bureau.

Federal Reserve Bank of Dallas
ISM Purchasing Manager Indices

Diffusion index, 50+=expansion

- ISM Manufacturing Index
- ISM Nonmanufacturing Index


Federal Reserve Bank of Dallas
Unemployment Rate

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

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Labor force participation rate, age 16+</th>
<th>Labor force participation rate, age 25-54</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>68.0%</td>
<td>62.8%</td>
</tr>
<tr>
<td>1995</td>
<td>68.0%</td>
<td>62.8%</td>
</tr>
<tr>
<td>2000</td>
<td>68.0%</td>
<td>62.8%</td>
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<td>2005</td>
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<tr>
<td>2010</td>
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<tr>
<td>2015</td>
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<td>62.8%</td>
</tr>
<tr>
<td>2020</td>
<td>68.0%</td>
<td>62.8%</td>
</tr>
</tbody>
</table>

Combined Unemployment and Participation Gaps

Jobless Claims

Thous.


Week ending Sep 16

201.0

SOURCE: Department of Labor.
Wage Growth

Percent, year-over-year

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

PCE Inflation

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.