Output Growth Decomposition

Contributions to real growth, annual rate, percentage points

<table>
<thead>
<tr>
<th>Component</th>
<th>2018Q2:2019Q1 avg.</th>
<th>2019Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GDP</td>
<td>2.6</td>
<td>2.0</td>
</tr>
<tr>
<td>PCE</td>
<td>1.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Business Fixed Investment</td>
<td>0.6</td>
<td>-0.1</td>
</tr>
<tr>
<td>Residential Fixed Investment</td>
<td>-0.1</td>
<td>-0.1</td>
</tr>
<tr>
<td>Government Spending</td>
<td>0.3</td>
<td>0.8</td>
</tr>
<tr>
<td>Net Exports</td>
<td>-0.2</td>
<td>-0.7</td>
</tr>
<tr>
<td>Private Inventories</td>
<td>0.4</td>
<td>-0.9</td>
</tr>
</tbody>
</table>

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

Tril. chained 2012 dollars

- **Real GDP**
- **CBO Potential**

1Q % change, ann.

- 2018Q3: 2.9
- 2018Q4: 2.0
- 2019Q1: 3.1
- 2019Q2: 2.1

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.
Consumer Confidence

Index


SOURCES: University of Michigan; The Conference Board.

- Consumer confidence (Conference Board)
- Consumer sentiment (University of Michigan)

Sep 2019

125.1

93.2
Nonfarm Payroll Employment Growth

Unemployment Rate

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

Potential Labor Force Participation

Percent


 SOURCE: Bureau of Labor Statistics; Congressional Budget Office.

Civilian participation rate - 3MMA
Potential civilian participation rate

Aug 63.0
Combined Unemployment and Participation Gaps

Jobless Claims

Thous.

Initial Claims, 4-Week Moving Average

SOURCE: Department of Labor.

Week ending Sep 21
212.0
Wage Growth

Percent, year-over-year

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


Federal Reserve Bank of Dallas
Wage Phillips Curve

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

Treasury Yield Curve

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

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

SOURCES: Bureau of Economic Analysis; Federal Reserve Board.