U.S. Economic Activity

September 14, 2020
Output Growth Decomposition

Contributions to real growth, annual rate, percentage points

- PCE: -24.8 2020Q1
- Business Fixed Investment: -24.8 2020Q2
- Residential Fixed Investment: -24.8 2020Q2
- Government Spending: -1.7 2020Q2
- Net Exports: 0.3 2020Q2
- Private Inventories: -3.5 2020Q2

SOURCE: Bureau of Economic Analysis.
Weekly Economic Index

Year-over-year percent change


Quartely GDP
Weekly Economic Index

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)

- Retail Sales

Sources: Census Bureau/Haver Analytics.

Jul 2020
1.7% above
Feb 2020
Consumer Confidence

Index

SOURCES: University of Michigan; The Conference Board.
ISM Purchasing Manager Indices

Diffusion index, 50+=expansion


Aug 2020
56.9
56.0


Federal Reserve Bank of Dallas
Level of Employment


Aug 2020
7.6% below
Feb 2020
Unemployment Rate

- Unemployment rate, Aug 2020 = 8.4
- SEP longer run projection, Aug 2020 = 4.1
- CBO estimate of natural rate, Q3 2020 = 4.4

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

Labor force participation rate, age 16+

Labor force participation rate, age 25-54

August 2020:
- 81.4%
- 61.7%

Sources: Bureau of Labor Statistics.
Potential Labor Force Participation

![Graph showing the trend of potential civilian participation rate from 1989 to 2019. The graph indicates a decline in participation rate over time.](chart)

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

Jobless Claims

Thous.

0 1000 2000 3000 4000 5000 6000 7000


Initial Claims

Week ending Sep 05

884.0

SOURCE: Department of Labor.
Wage Growth

Percent, year-over-year

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


Federal Reserve Bank of Dallas
PCE Inflation

Percent


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

Percent


Core CPI  Median CPI  Core PCE  Trimmed-mean PCE

Jul 2020  Aug 2020

1.8  2.7

1.3  1.7

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