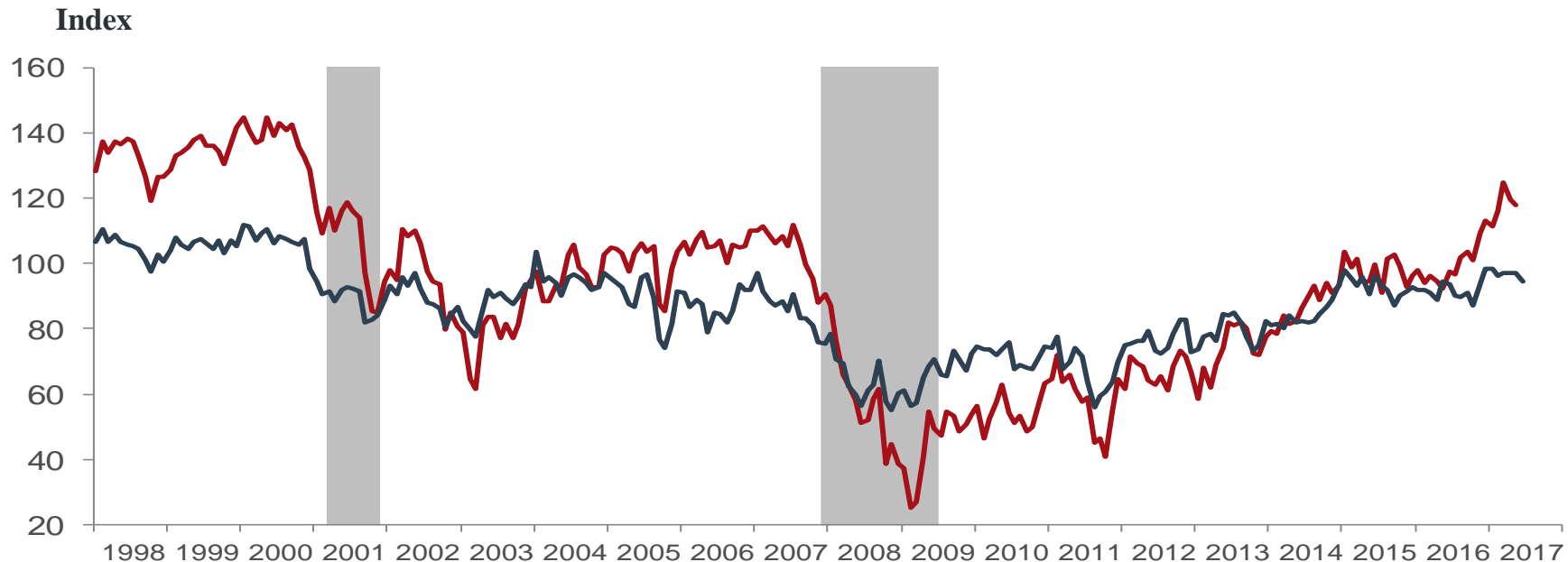




Federal Reserve
Bank of Dallas

U.S. Economic Activity

Consumer Confidence/Sentiment



■ Recession

— Confidence (May-30-release, May = 117.9)

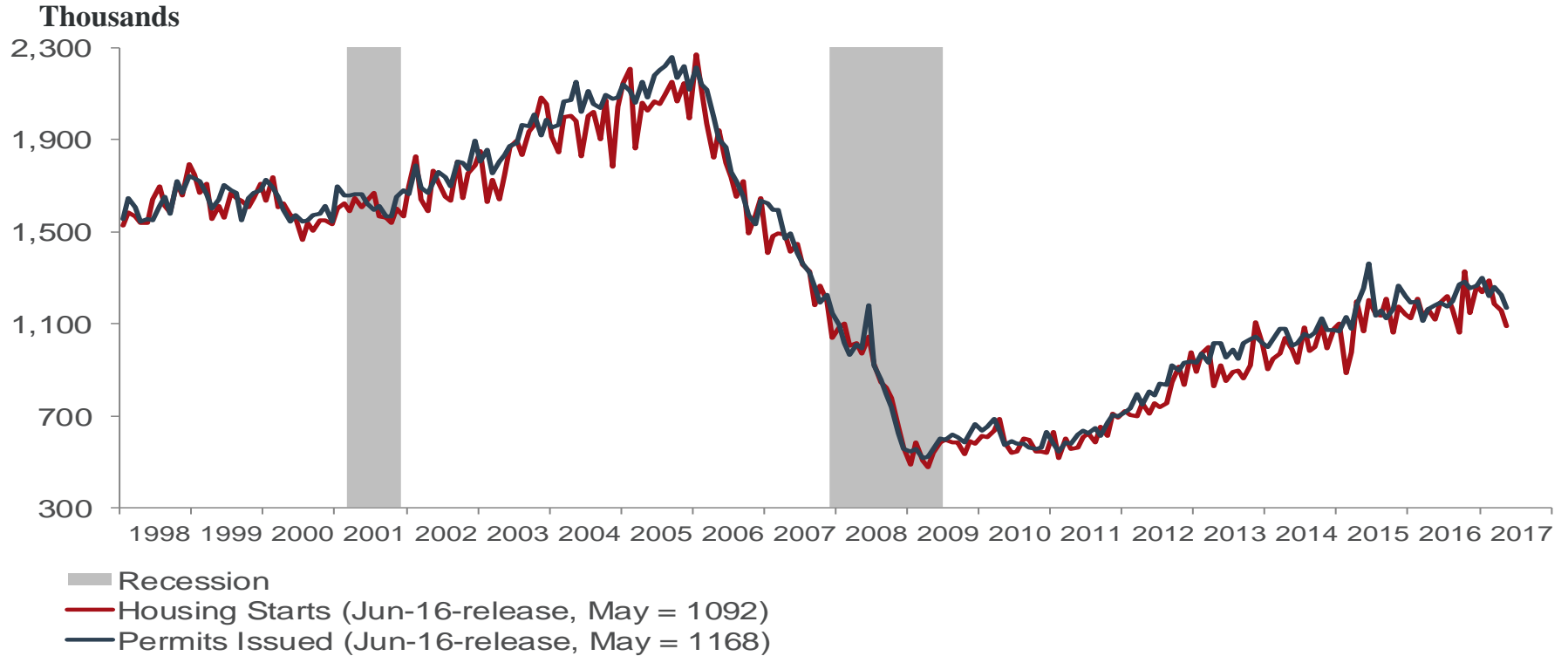
— Sentiment (Jun-16-release, Jun = 94.5)

Consumer Sentiment: Survey of Consumers, Survey Research Center, U. of Michigan

Consumer Confidence: The Conference Board

<http://www.dallasfed.org>

Housing Starts and Permits

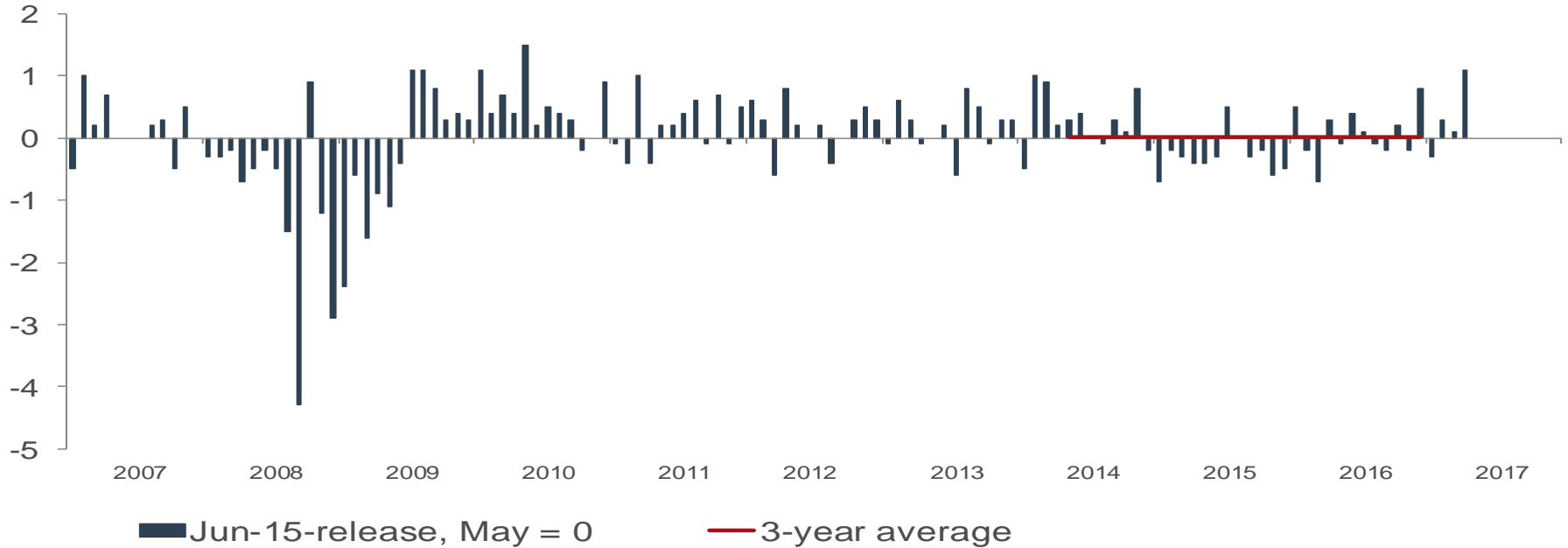


Source: Bureau of the Census

<http://www.dallasfed.org>

Industrial Production

1-month % change



Source: Federal Reserve Board

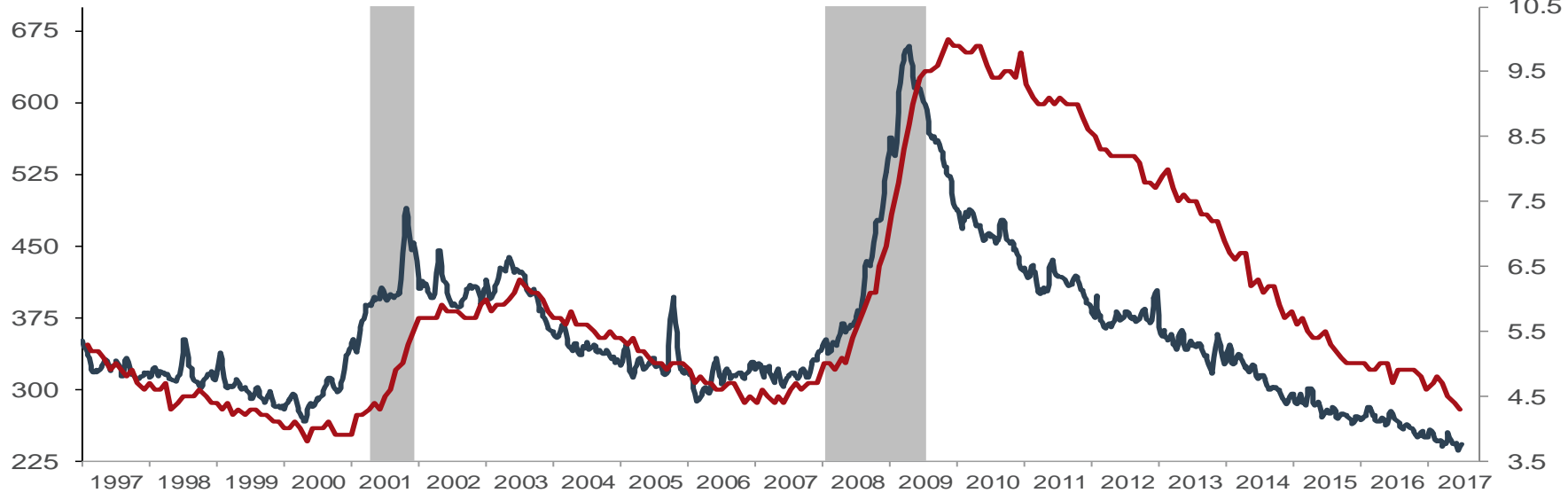
<http://www.dallasfed.org>

Initial Claims for Unemployment and Unemployment Rate

4-week MA

Thousands of Initial Claims

Percent Unemployment



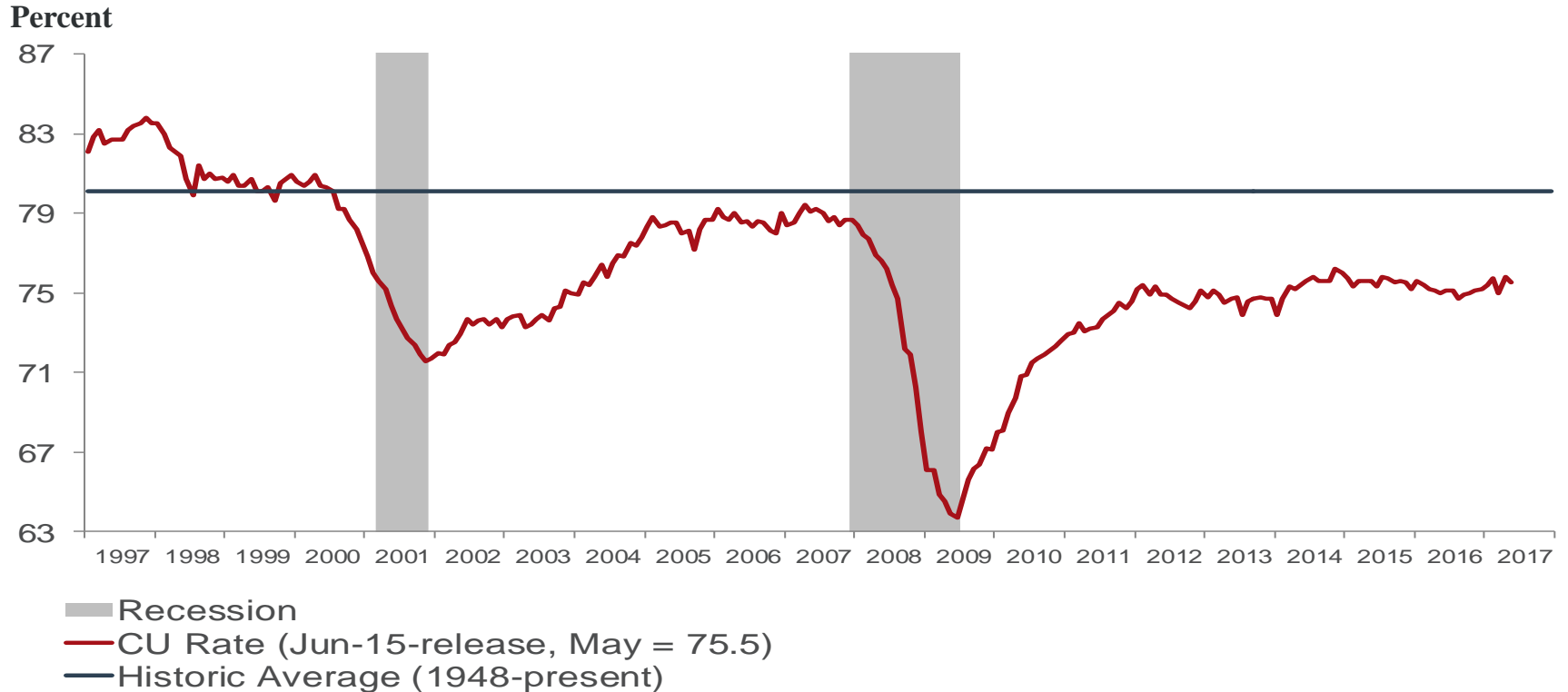
— Initial Claims (Jun-15-release, Jun 10=243)

■ Recession

— Unemployment Rate (Jun-02-release, May=4.3)

Source: Bureau of Labor Statistics, Department of Labor <http://www.dallasfed.org>

Manufacturing Capacity Utilization Rate

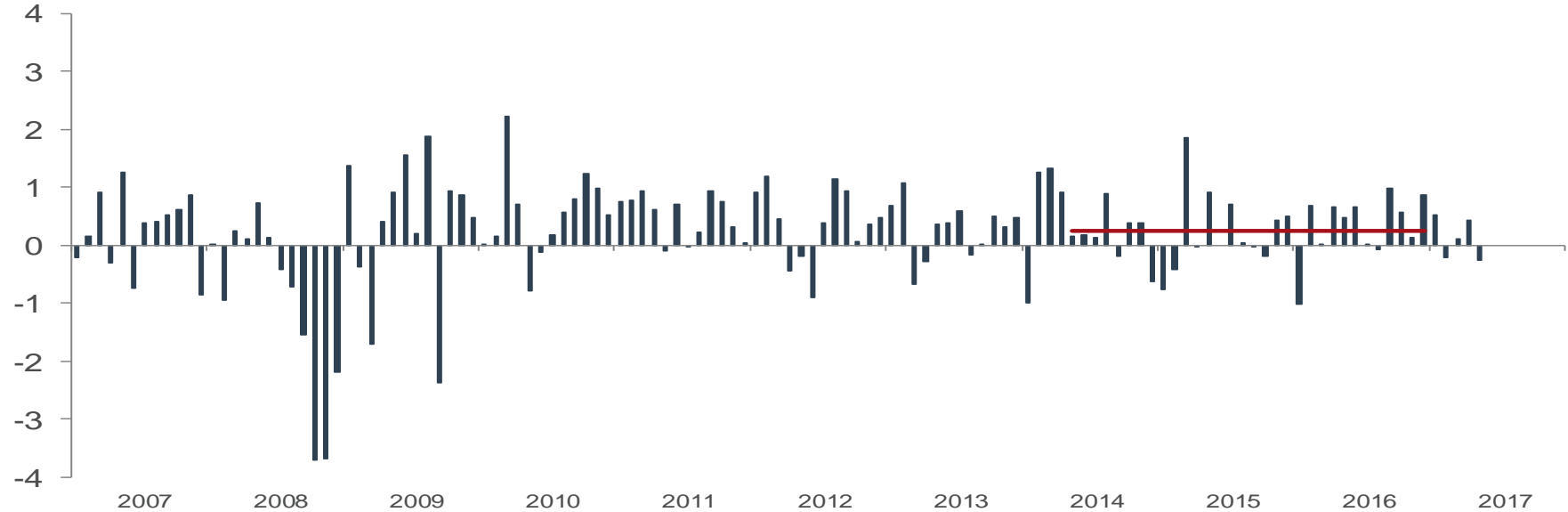


Source: Federal Reserve Board

<http://www.dallasfed.org>

Retail Sales

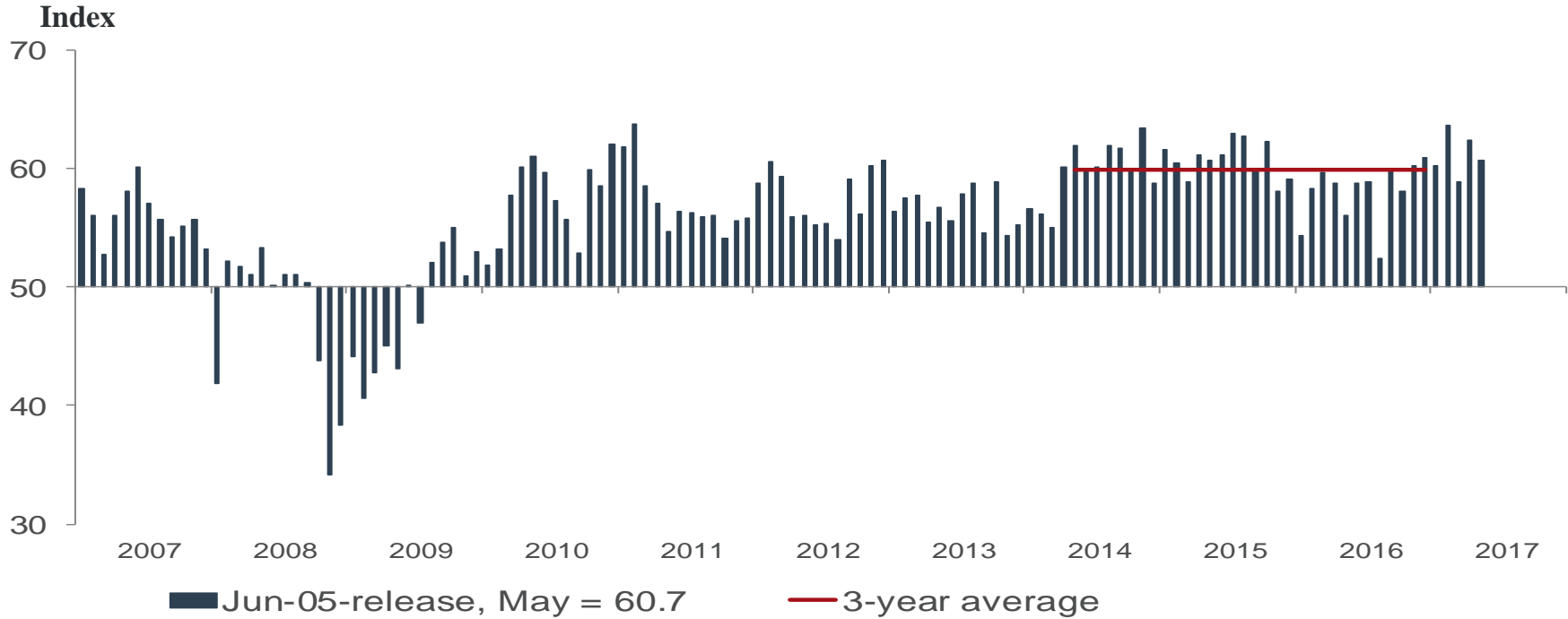
1-month % change



■ Jun-14-release, May = -0.25
Source: Bureau of the Census

— 3-year average
<http://www.dallasfed.org>

ISM Non-Manufacturing Activity Index

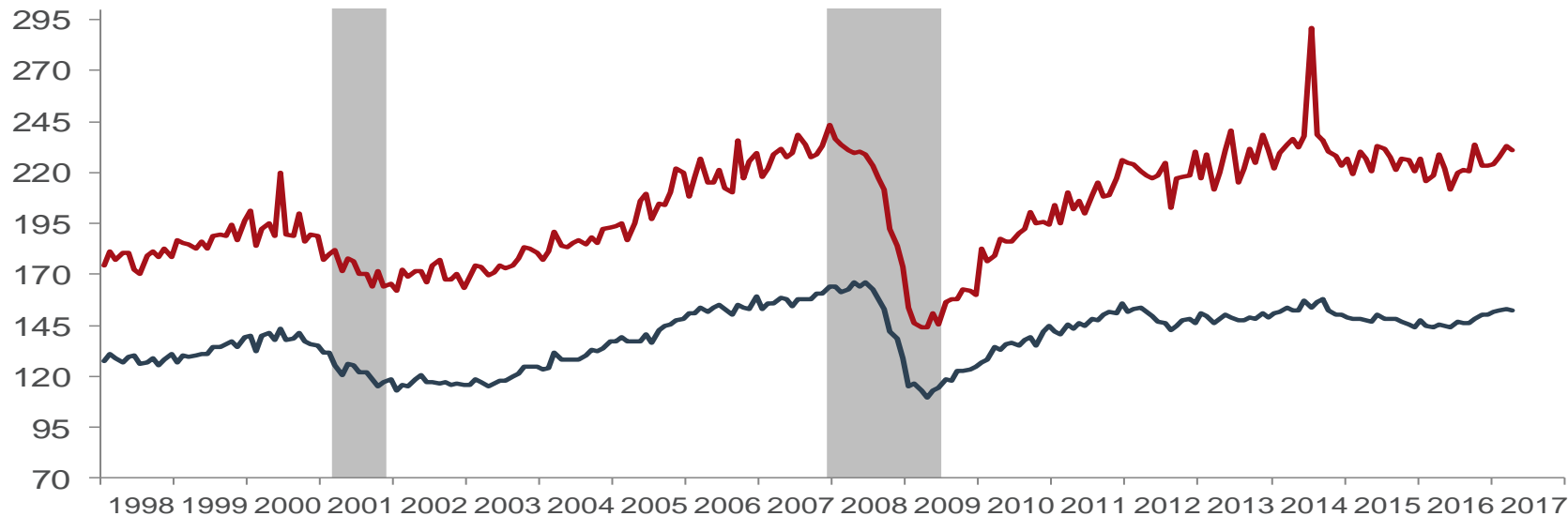


Source : Institute for Supply Management TM

<http://www.dallasfed.org>

New Orders for Durable Goods

Billions of Dollars



— Durable Goods (Jun-05-release, Apr = 231)

— Excl. Transportation (Jun-05-release, Apr = 152.6)

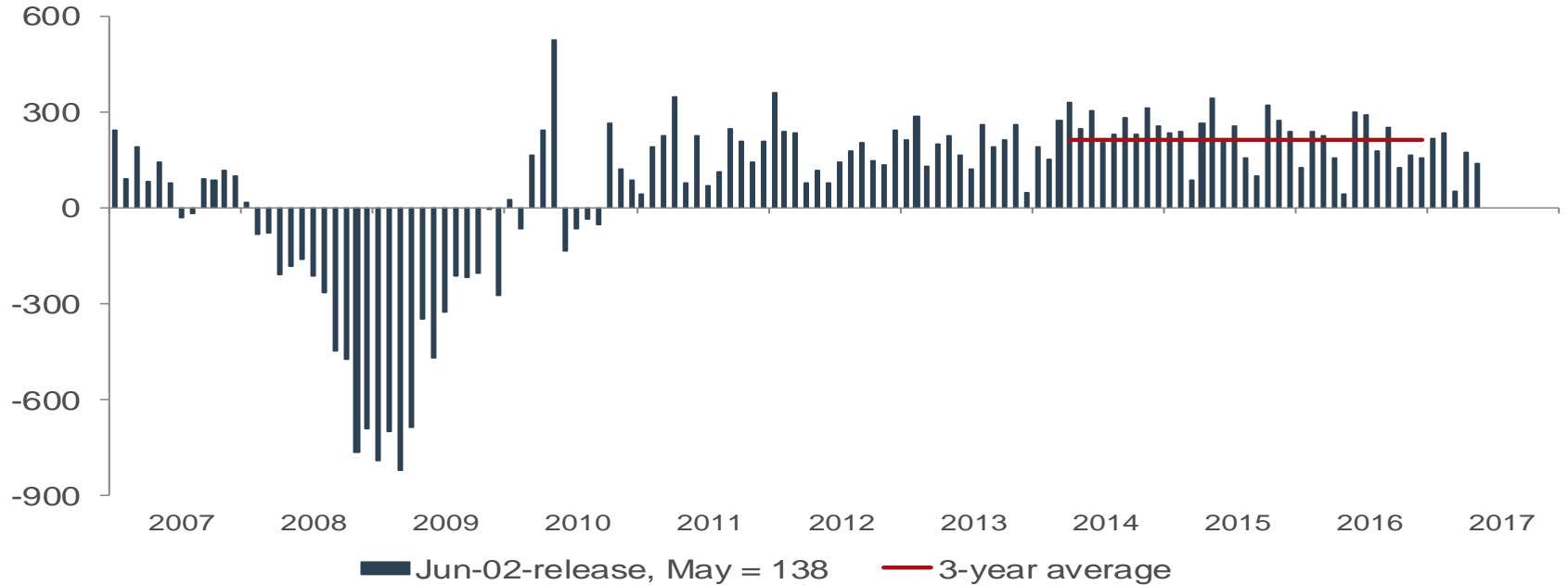
■ Recession

Source: Bureau of the Census

<http://www.dallasfed.org>

Change in Nonfarm Employment

Thousands of jobs

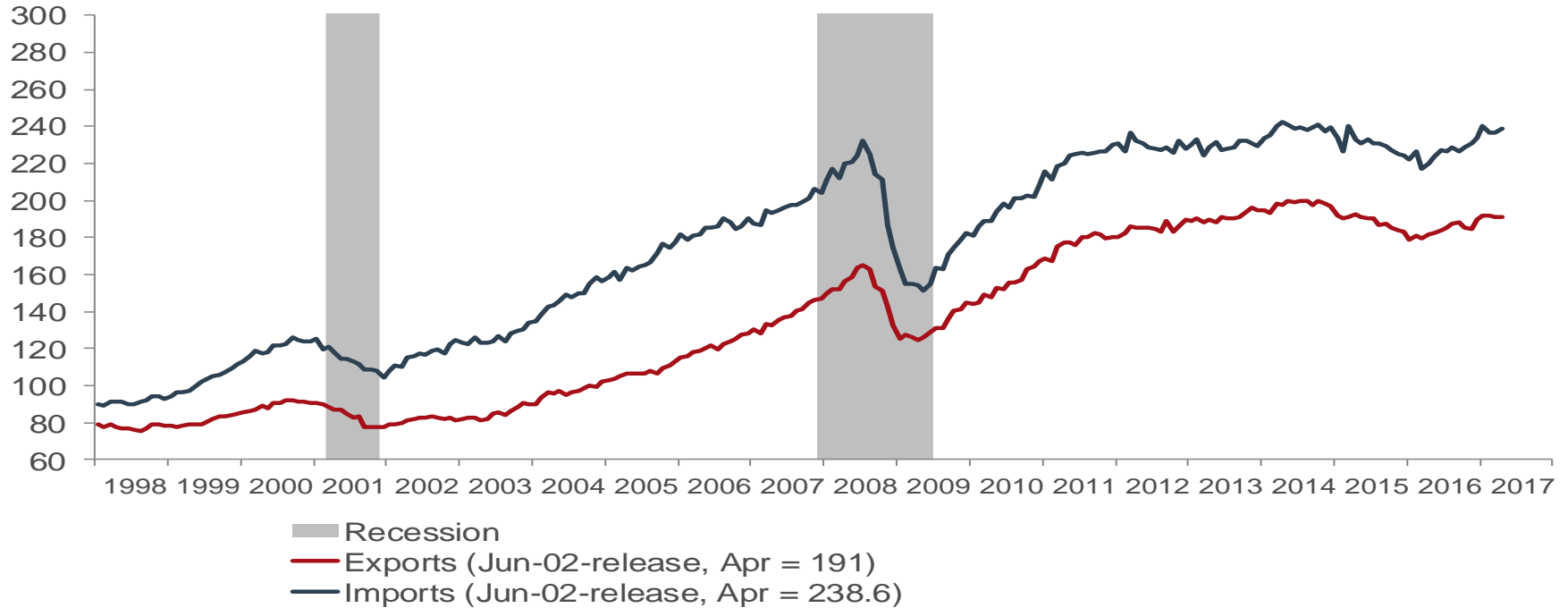


Source: Bureau of Labor Statistics

<http://www.dallasfed.org>

U.S. Imports and Exports

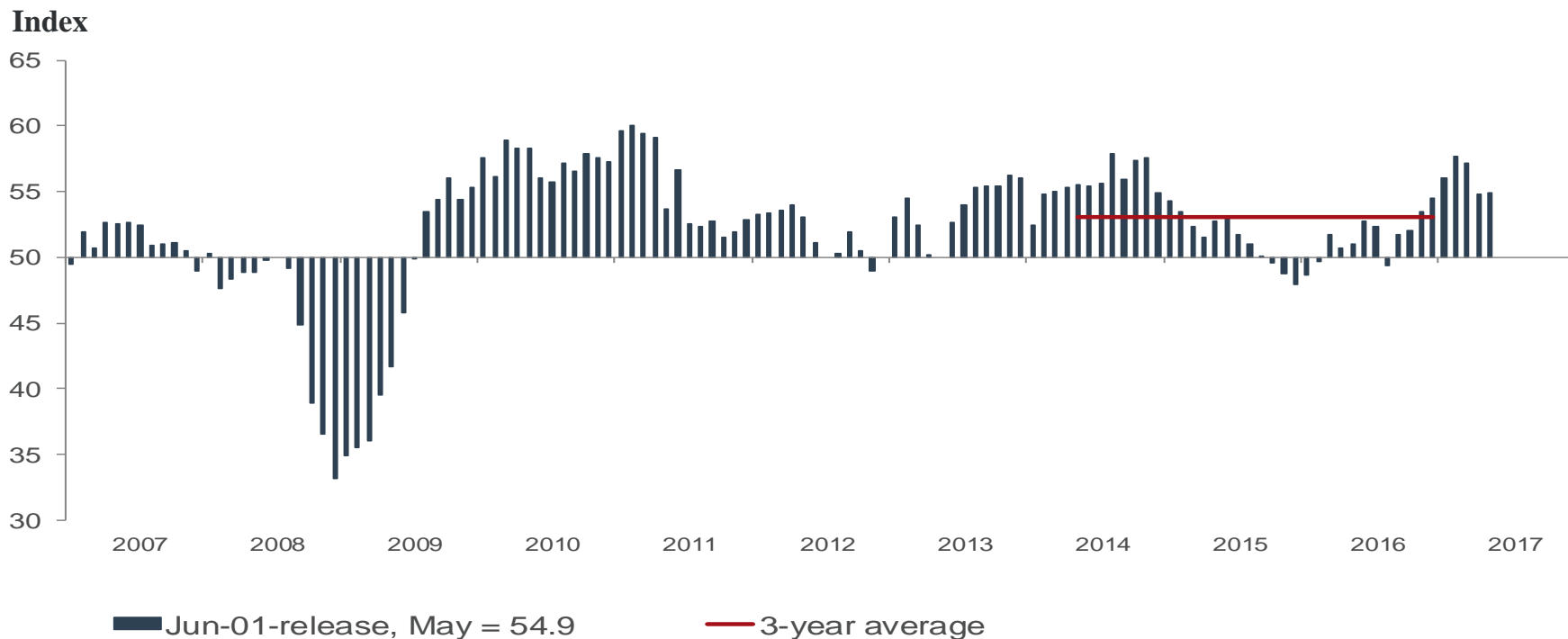
Billions of Dollars



Source: Bureau of the Census

<http://www.dallasfed.org>

Purchasing Managers' Index



Source: Institute for Supply Management TM

<http://www.dallasfed.org>

Real Value of the Dollar

March 1973 = 100



— Exchange Value of the US\$ (Jun-01- release, May=99.3)

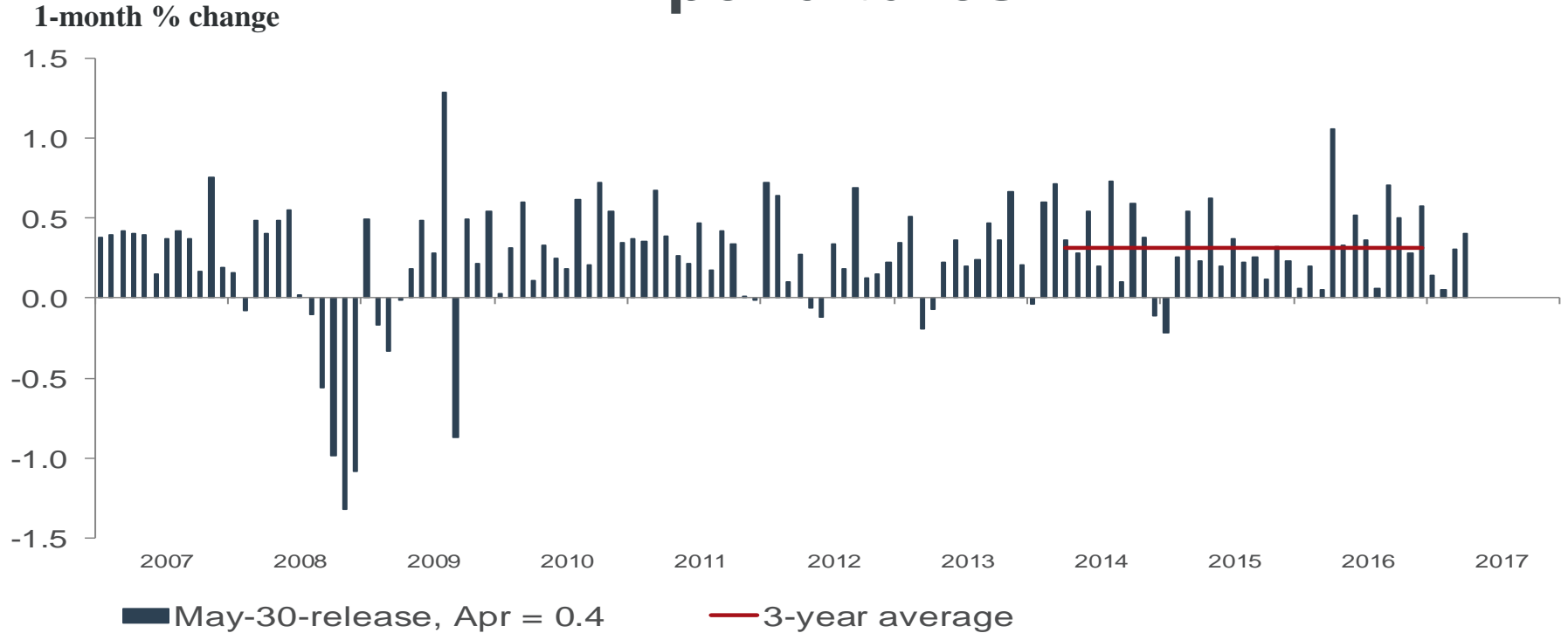
— US\$ vs Major Currencies* (Jun-01- release, May=106.5)

* Euro Area, Canada, Japan, UK, Switzerland, Australia, and Sweden

Source: Federal Reserve Board

<http://www.dallasfed.org>

Nominal Personal Consumption Expenditures

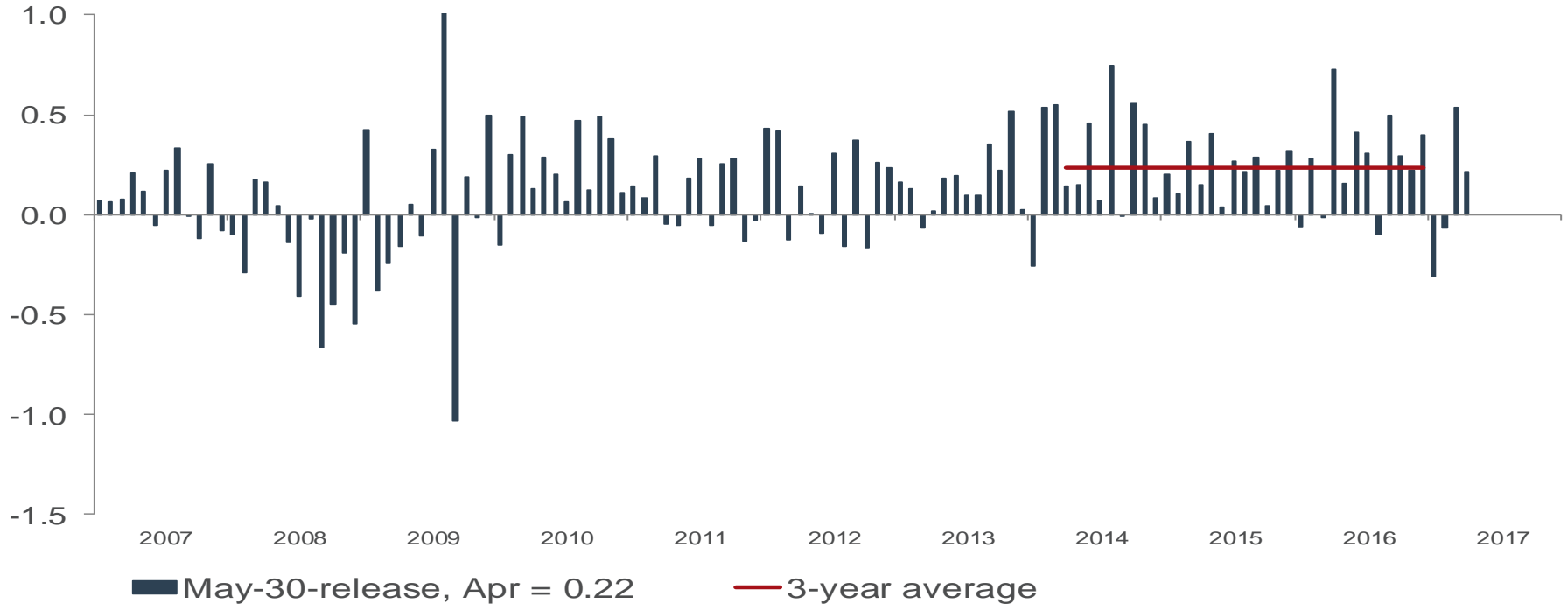


Source: Bureau of Economic Analysis

<http://www.dallasfed.org>

Real Personal Consumption Expenditures

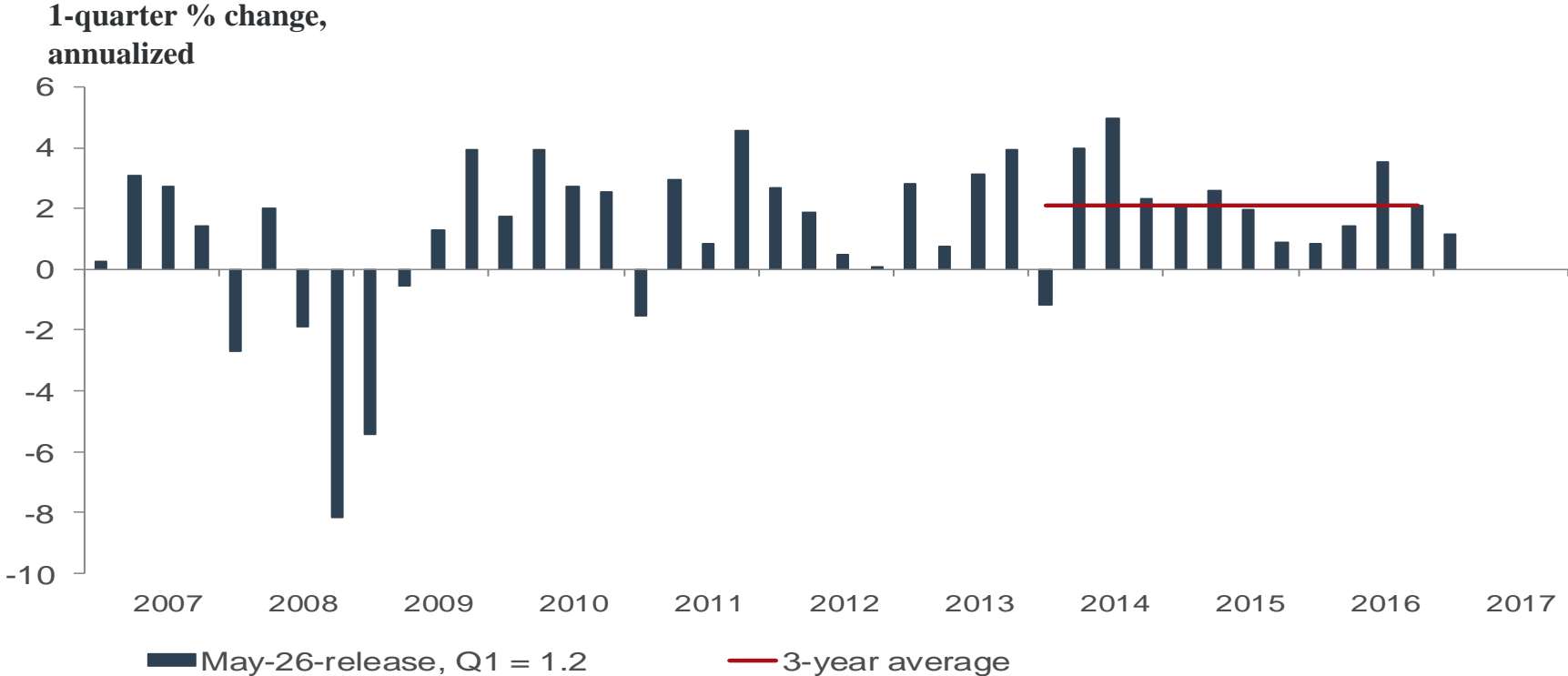
1-month % change



Source: Bureau of Economic Analysis

<http://www.dallasfed.org>

Real GDP



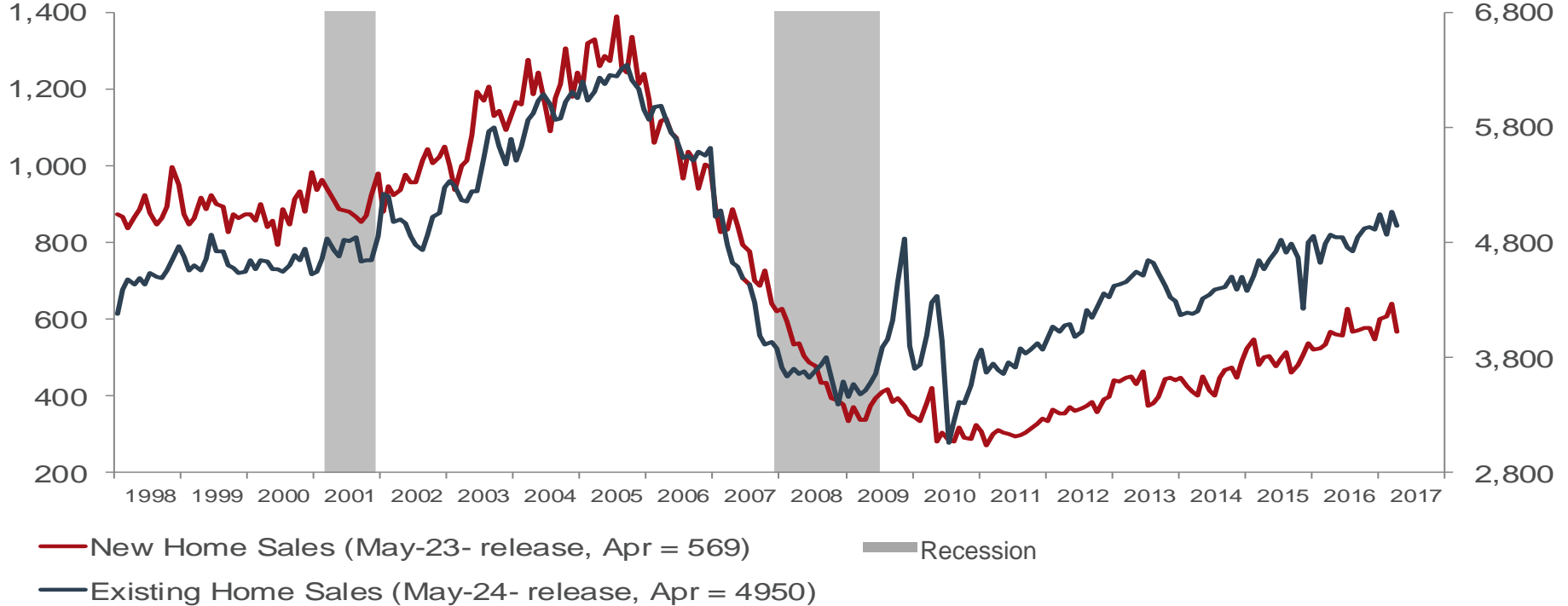
Source: Bureau of Economic Analysis

<http://www.dallasfed.org>

Home Sales

Thousands of New Homes

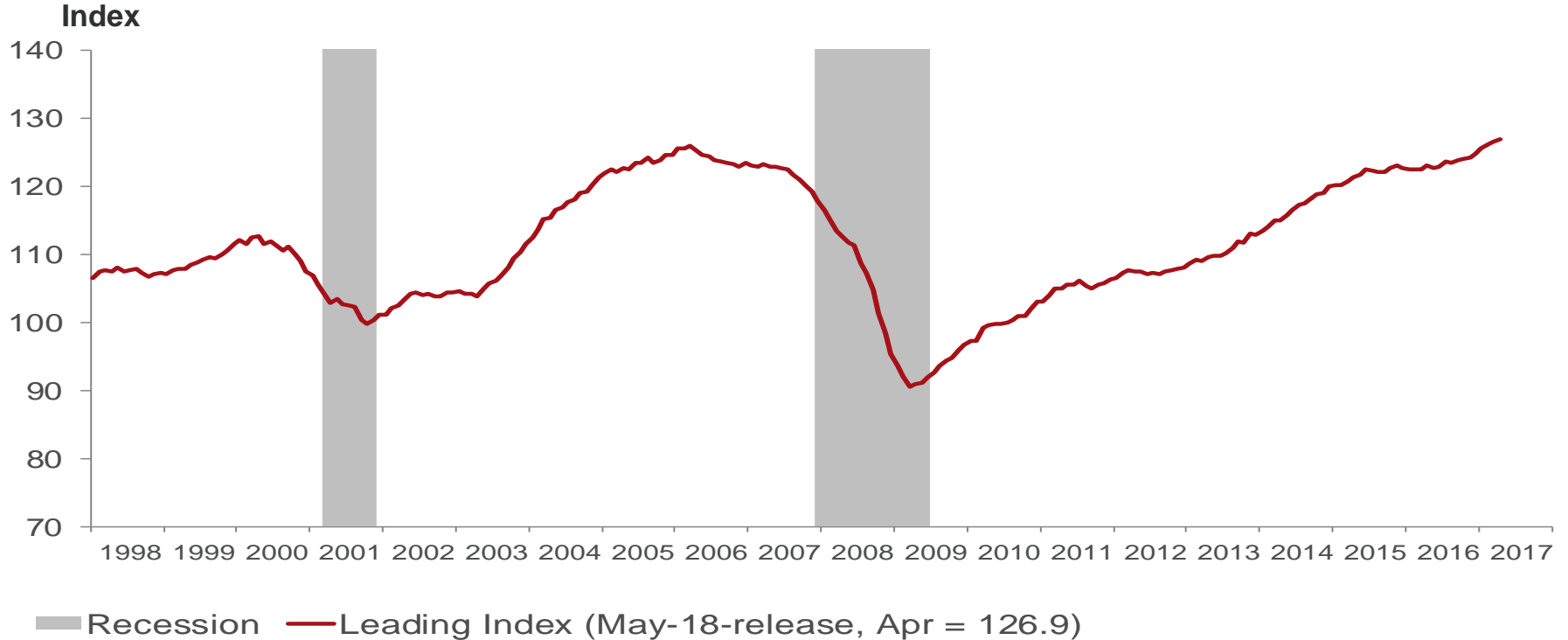
Thousands of Existing Homes



Source: Bureau of the Census; National Association of Realtors

<http://www.dallasfed.org>

Index of Leading Economic Indicators



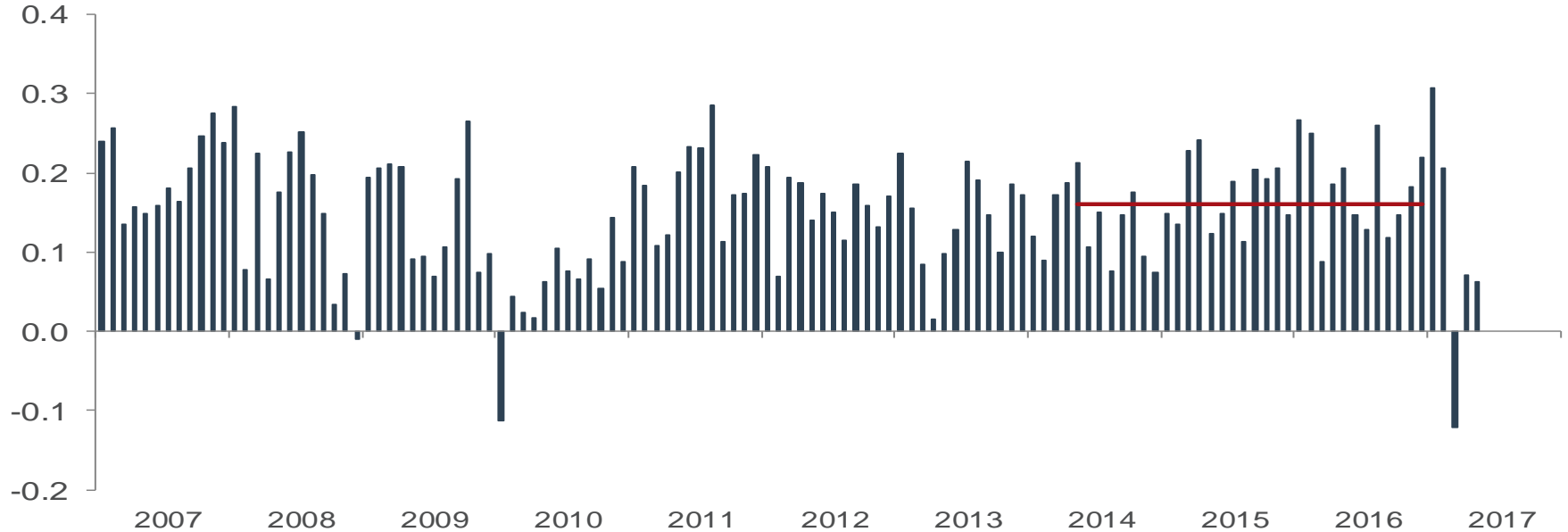
Source: The Conference Board

<http://www.dallasfed.org>

WAGES AND PRICES

Core Consumer Price Index

1-month % change



■ Jun-14-release, May = 0.06

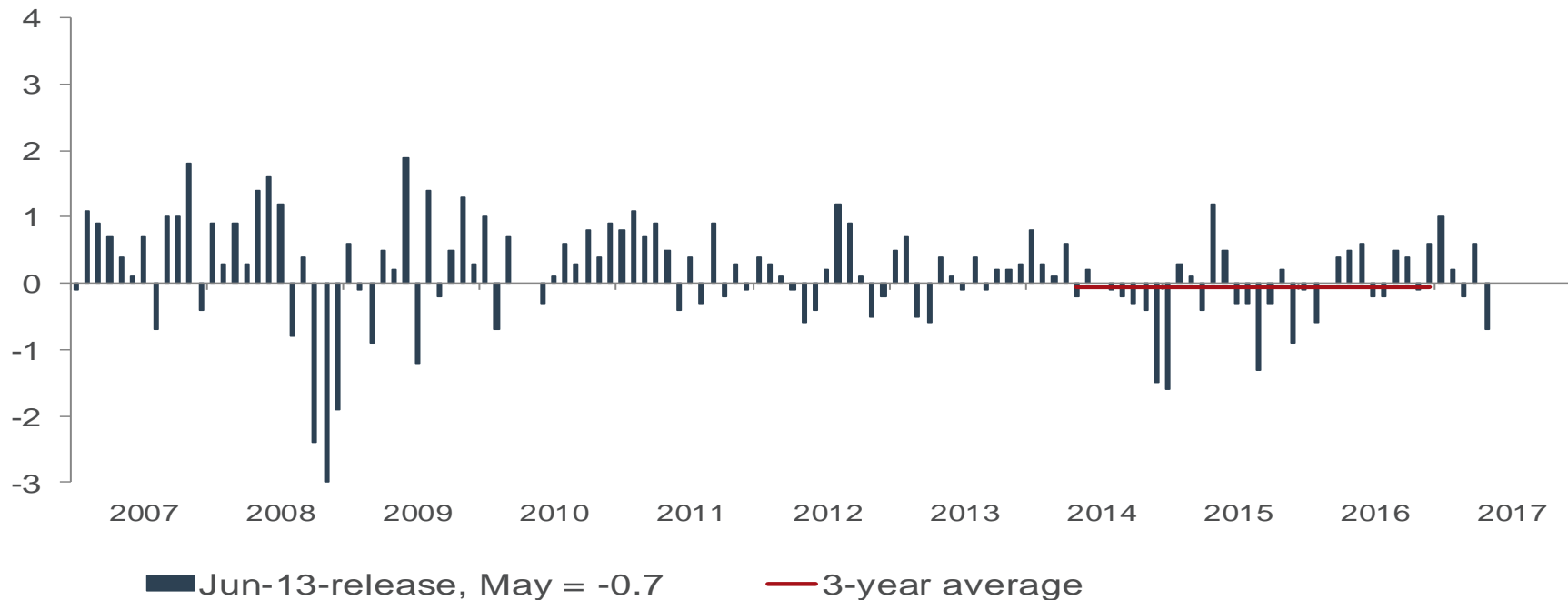
— 3-year average

Source: Bureau of Labor Statistics

<http://www.dallasfed.org>

Producer Price Index

1-month % change

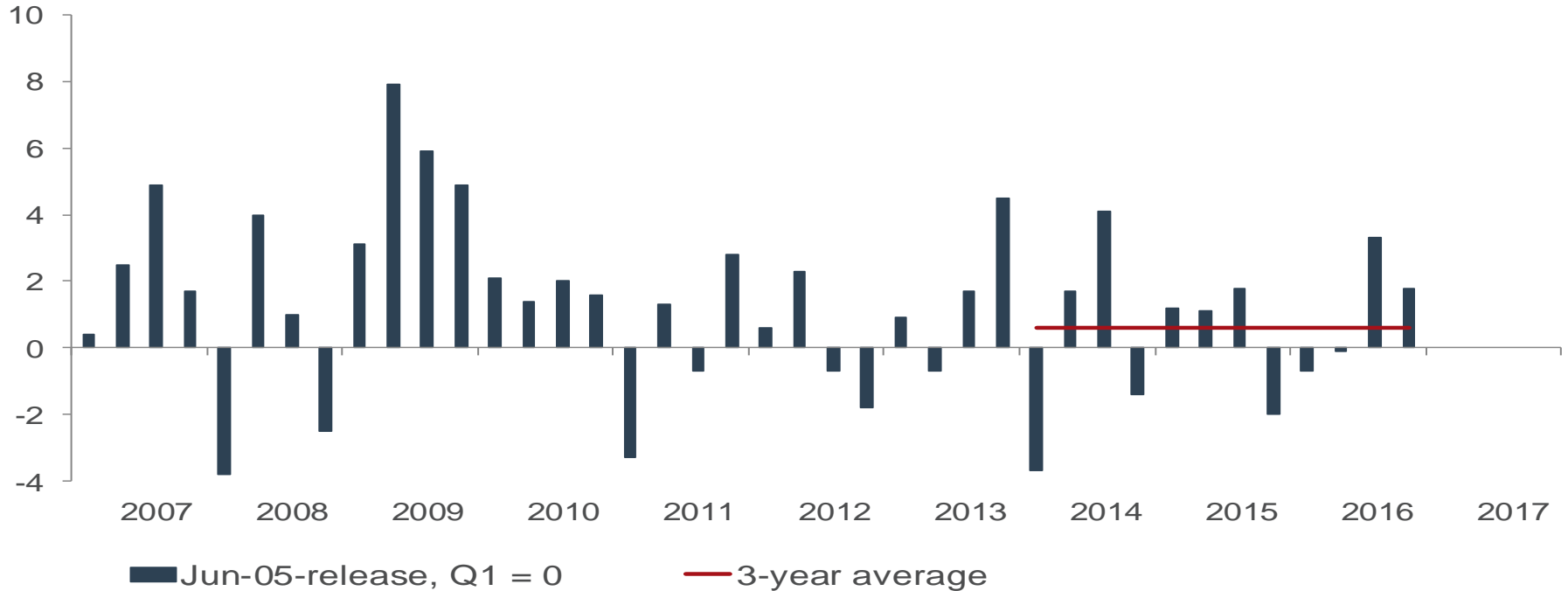


Source: Bureau of Labor Statistics

<http://www.dallasfed.org>

Nonfarm Business Productivity

1-quarter % change,
annualized

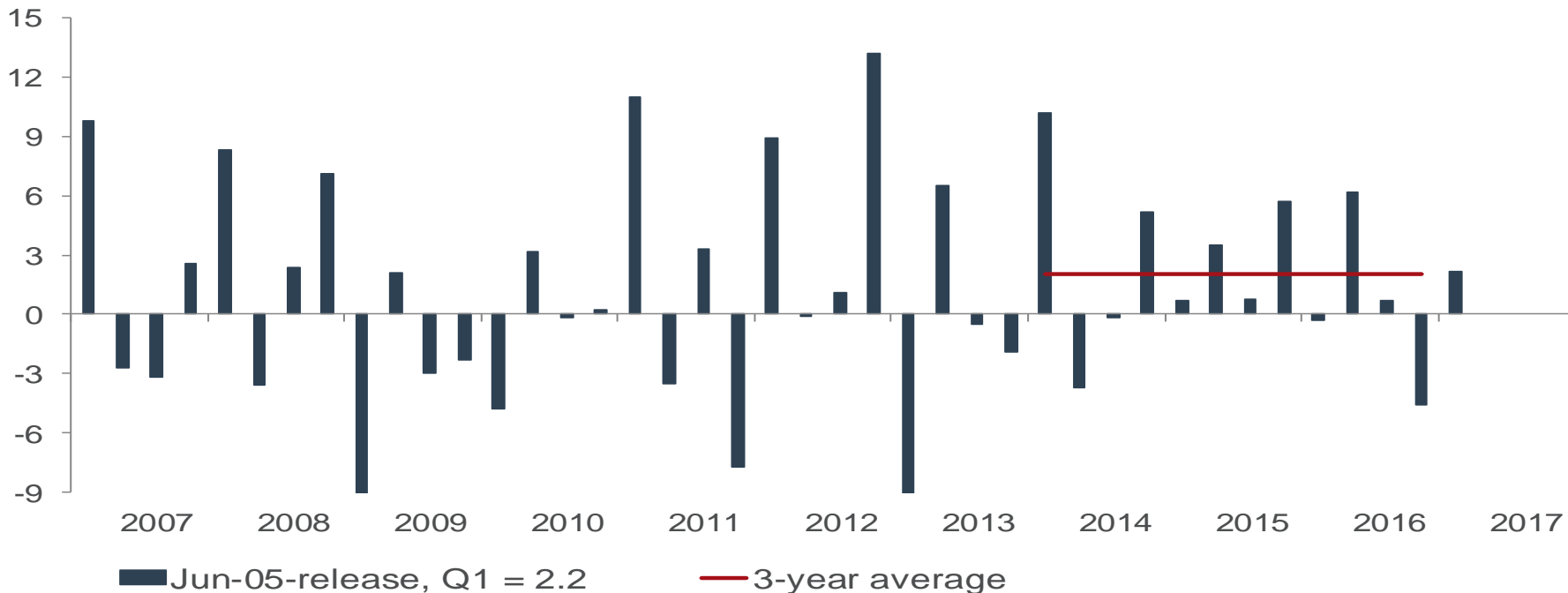


Source: Bureau of Labor Statistics

<http://www.dallasfed.org>

Nonfarm Business Unit Labor Cost

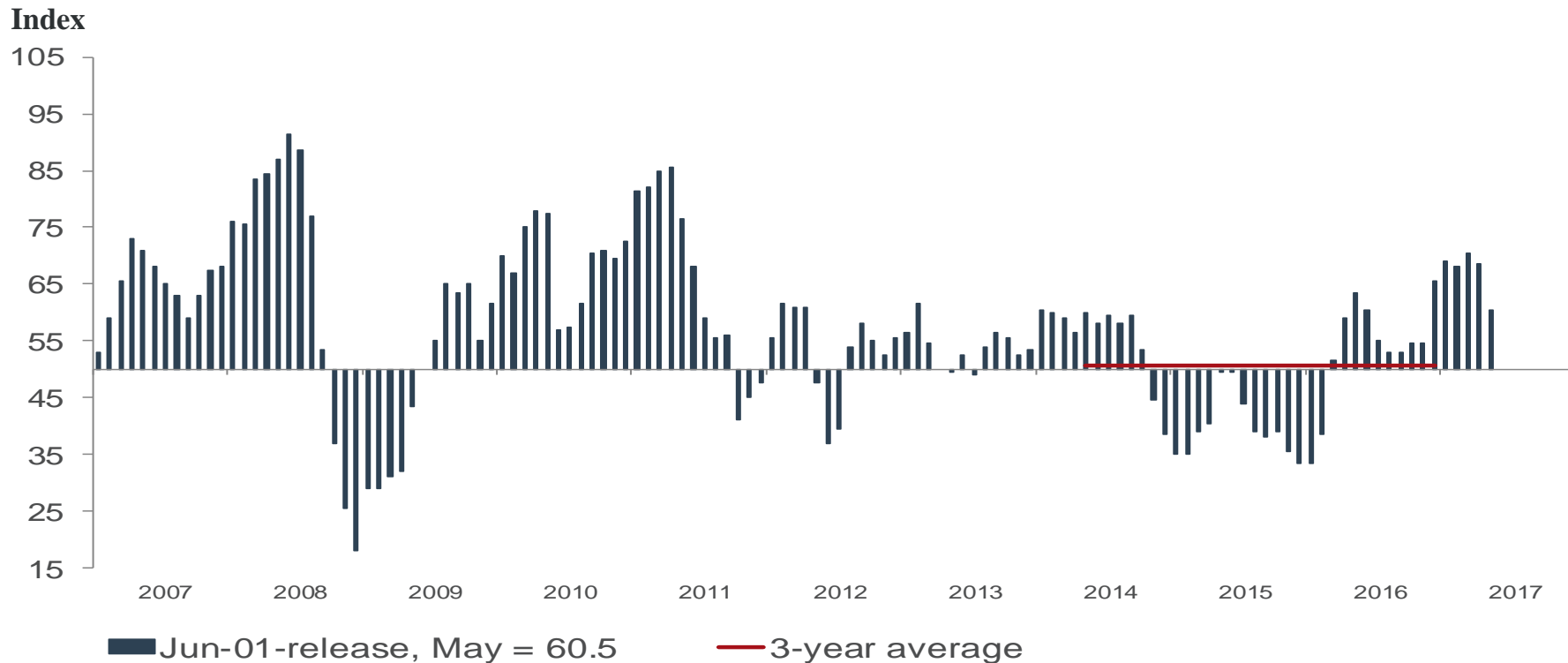
1-quarter % change,
annualized



Source: Bureau of Labor Statistics

<http://www.dallasfed.org>

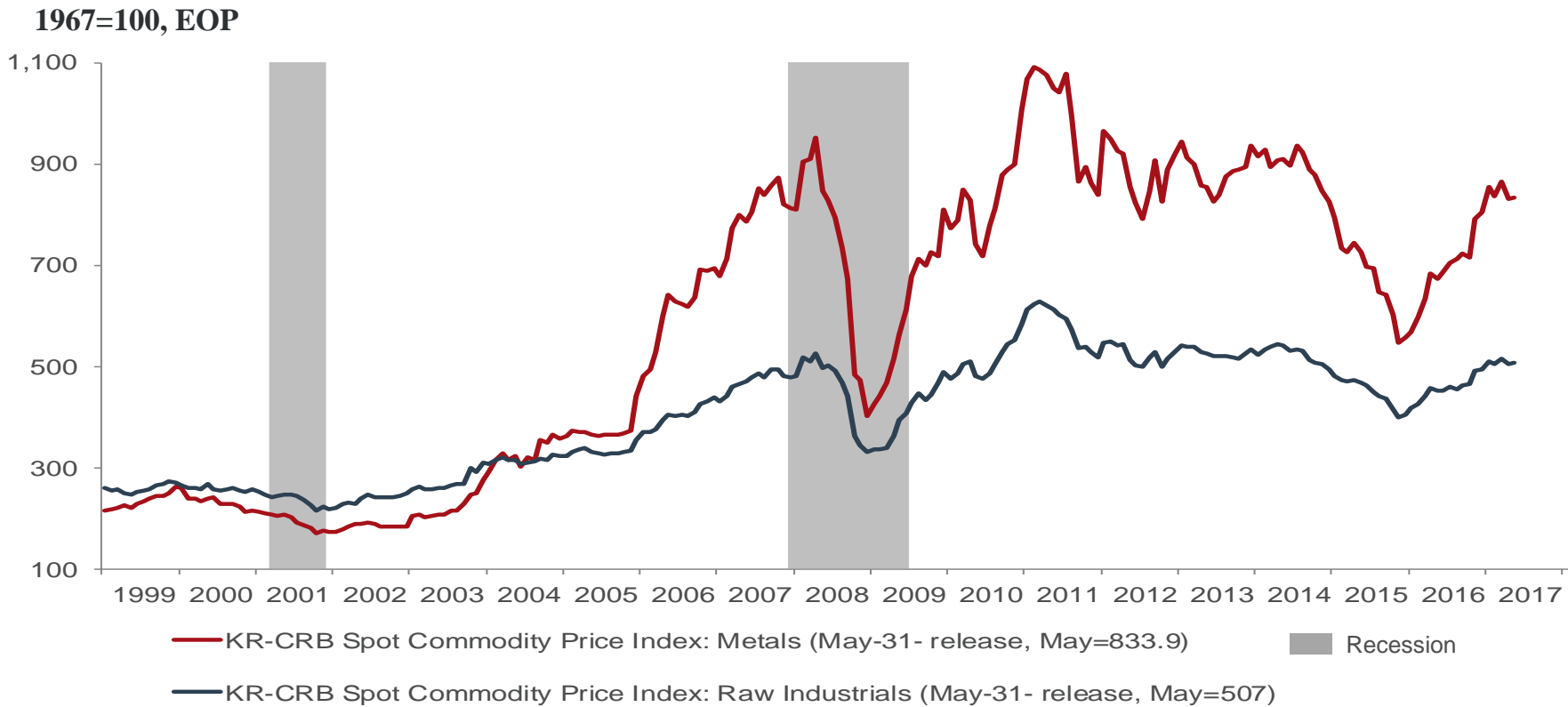
ISM Manufacturing Prices Index



Source : Institute for Supply Management™

<http://www.dallasfed.org>

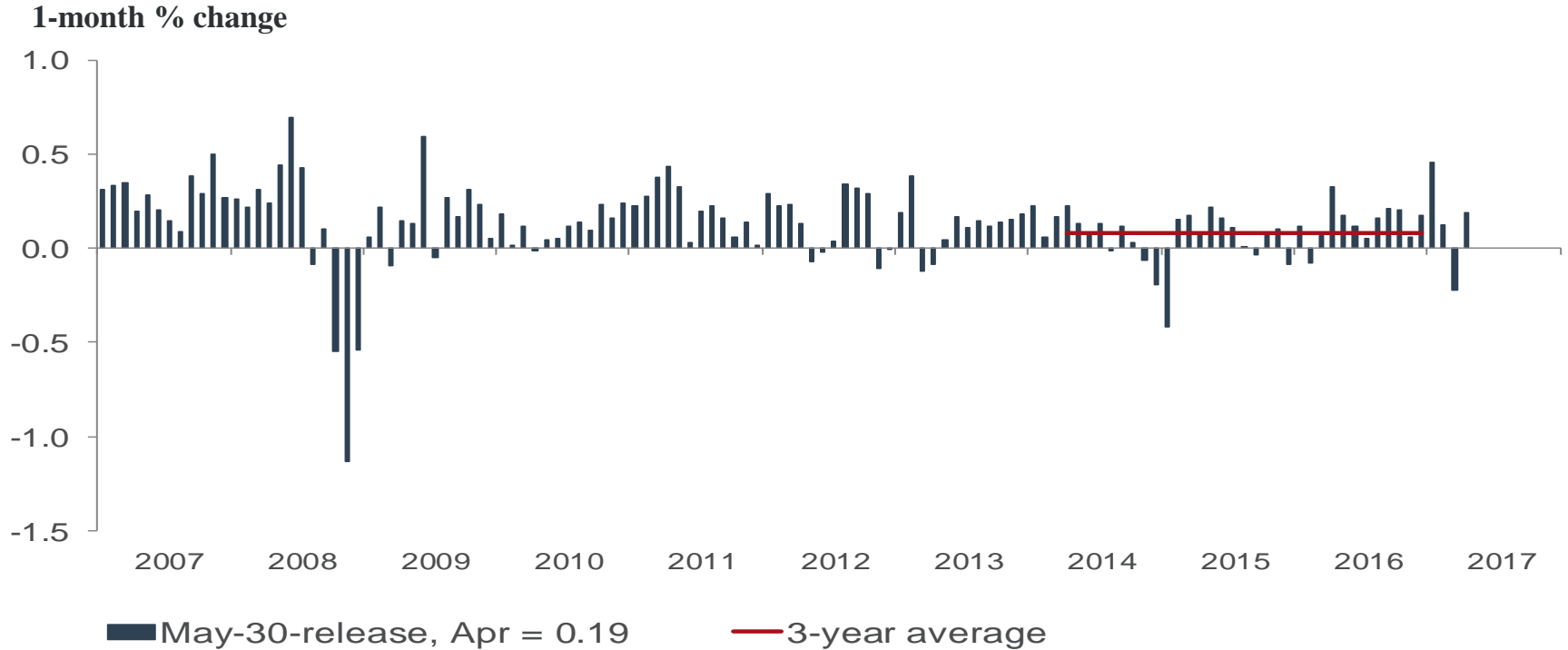
Commodity Prices



Source: Commodity Research Bureau

<http://www.dallasfed.org>

PCE Price Index

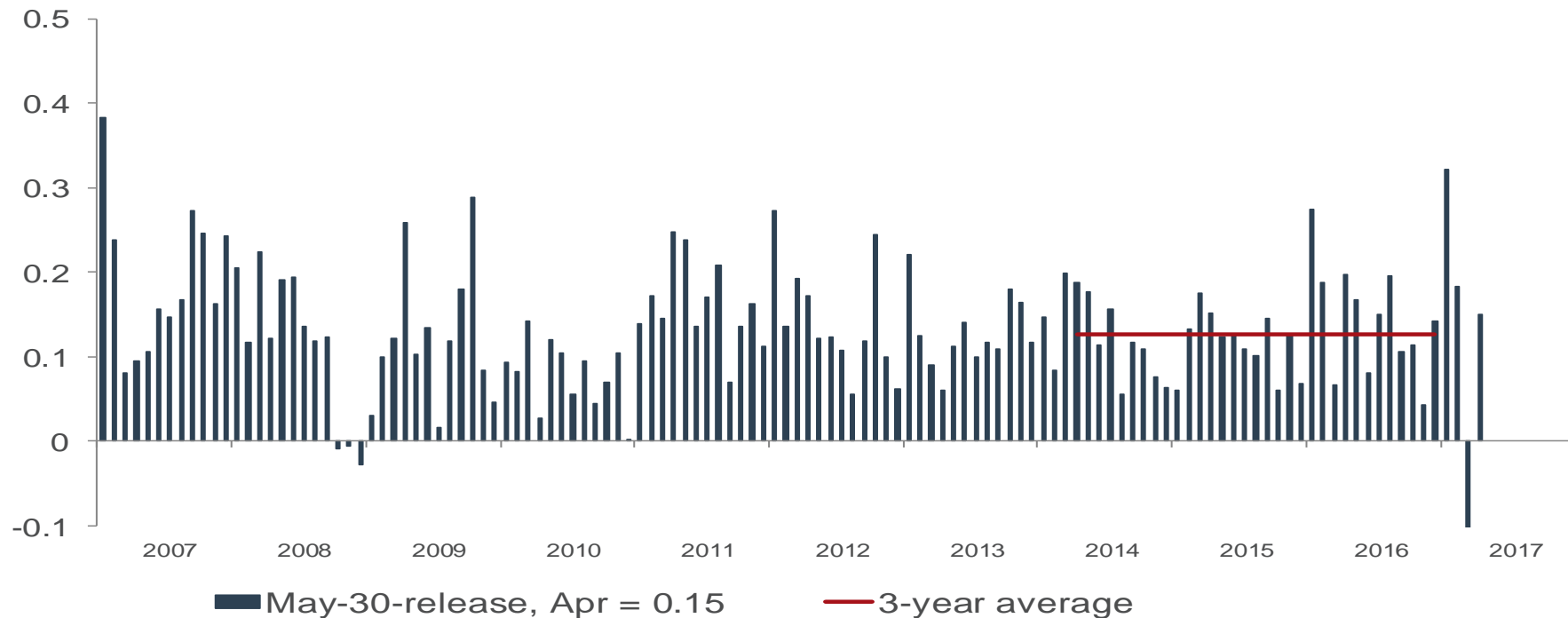


Source: Bureau of Economic Analysis

<http://www.dallasfed.org>

Core PCE Price Index

1-month % change

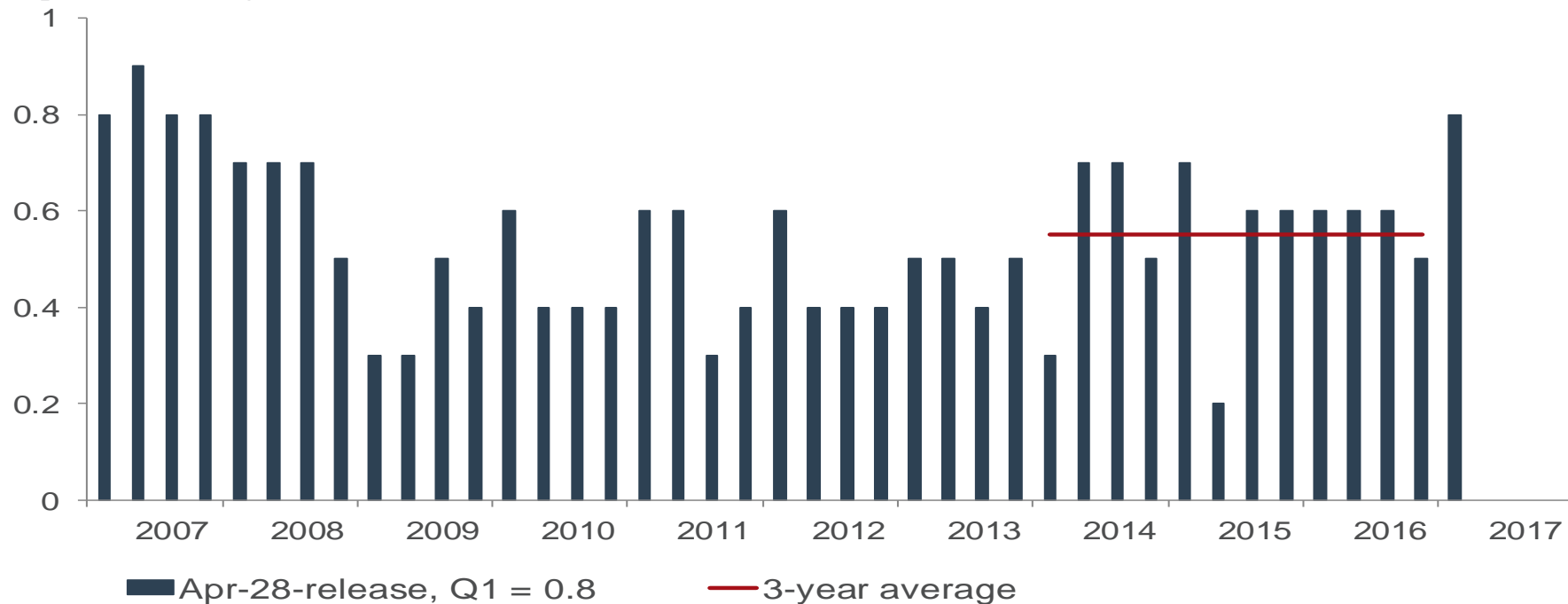


Source: Bureau of Economic Analysis

<http://www.dallasfed.org>

Employment Cost Index

1-quarter % change



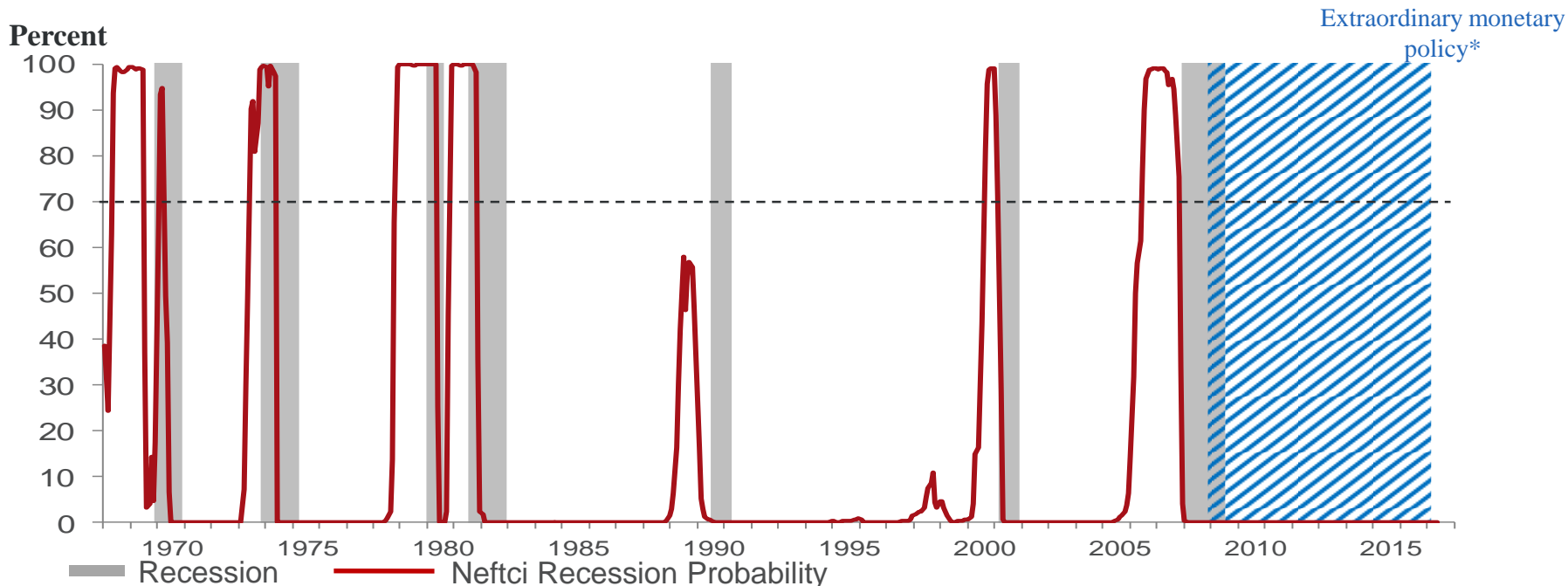
Source: Bureau of Labor Statistics

<http://www.dallasfed.org>

FINANCIAL-SECTOR DEVELOPMENTS

Recession Probability

Real-time Nefcni probability calculated from 10-yr. - 1-yr. Treasury yield spread



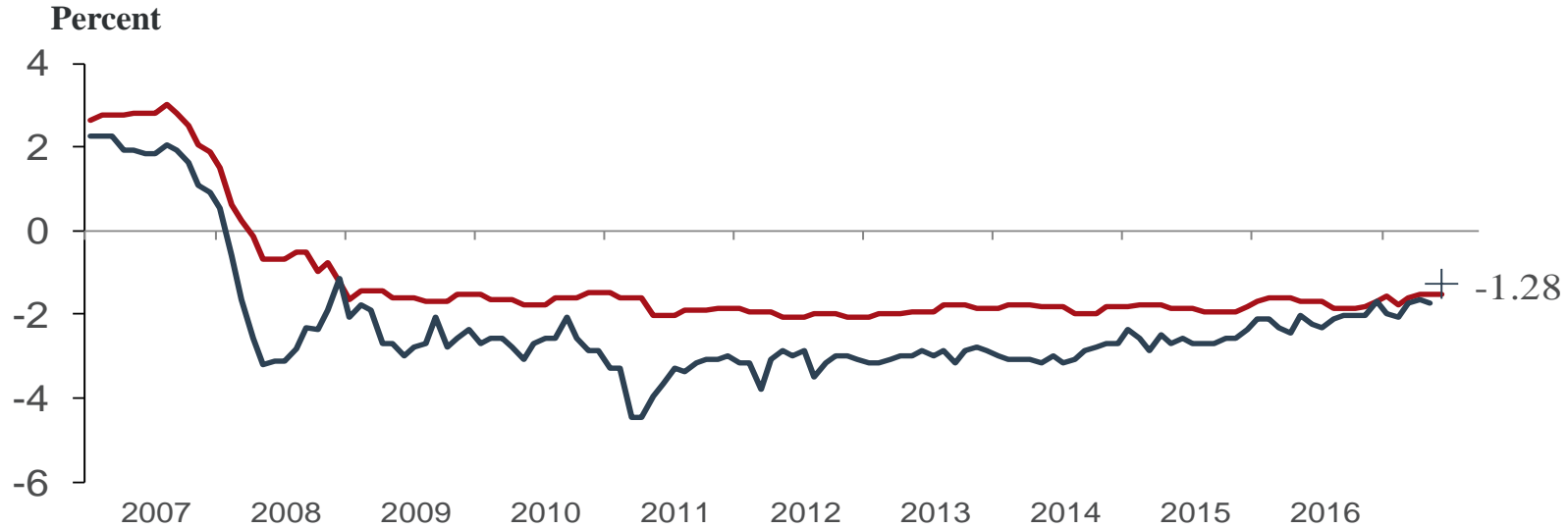
Crosses 70% threshold with a lead of between 5 and 18 months, and averaging 11 months.

*Indicator properties of the yield curve may be distorted during this period due to the zero bound on short-term interest rates and Federal Reserve purchases of long-term Treasuries.

Source: Federal Reserve Board; calculations by FRB Dallas

<http://www.dallasfed.org>

Real Federal Funds Rate



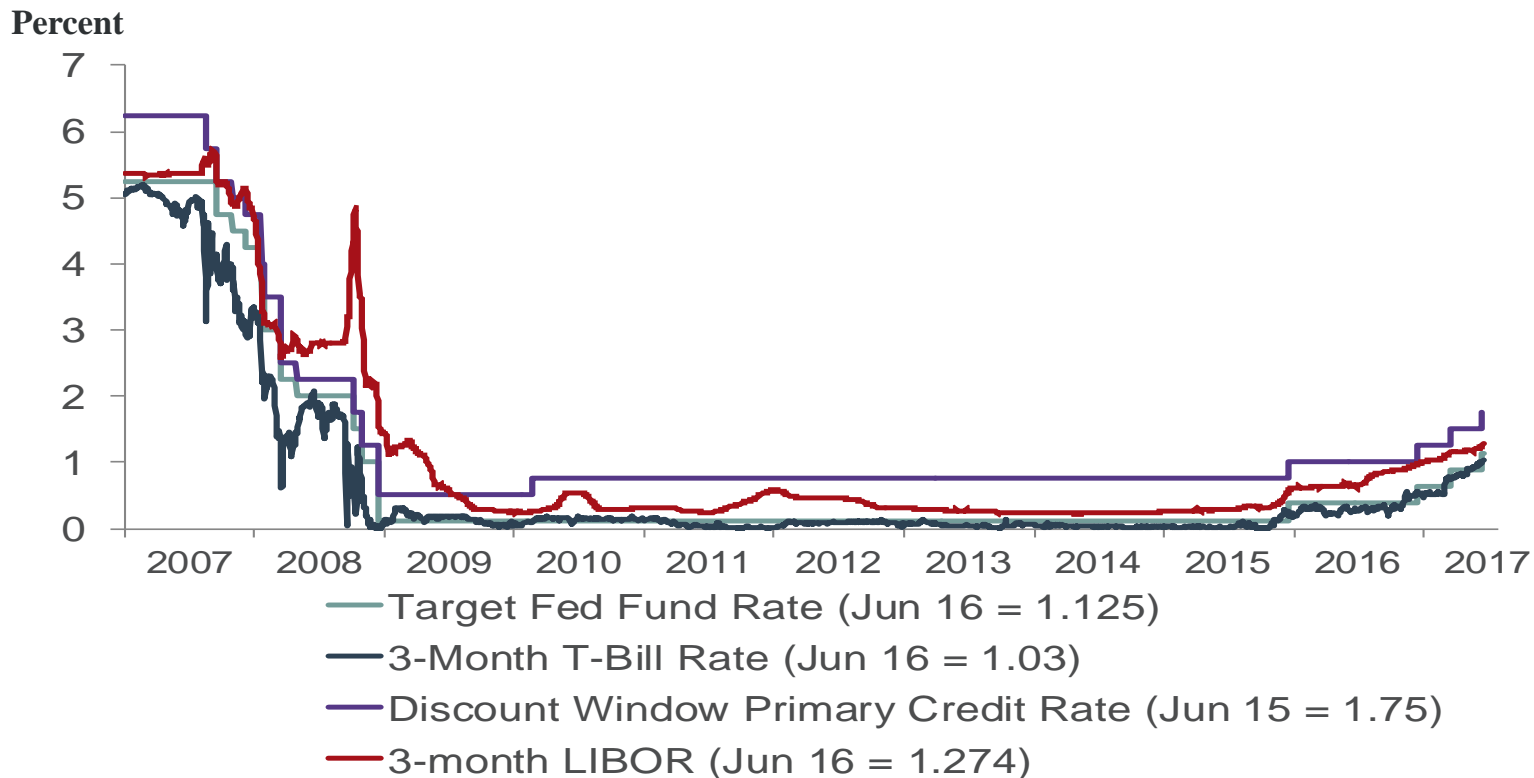
- End-of-Month Target Fed Funds Rate less SPF Expected Inflation
- + Target Fed Funds Rate (Jun-16) less SPF Expected Inflation (May-12)
- End-of-Month Target Fed Funds Rate less U. of Michigan Expected Inflation
- + Target Fed Funds Rate (Jun-16) less U. of Michigan Expected Inflation (Jun-16)

Sources: Target Fed Funds Rate: Federal Reserve Board; SPF Expected Inflation: FRB Philadelphia;

U. of Michigan Expected Inflation: Survey of Consumers, Survey Research Center, U. of Michigan

<http://www.dallasfed.org>

Short-Term Interest Rates



Source: Federal Reserve Board

<http://www.dallasfed.org>

Long-Term Interest Rates

Percent



Source: Federal Reserve Board

<http://www.dallasfed.org>

Yield Curve

Percent

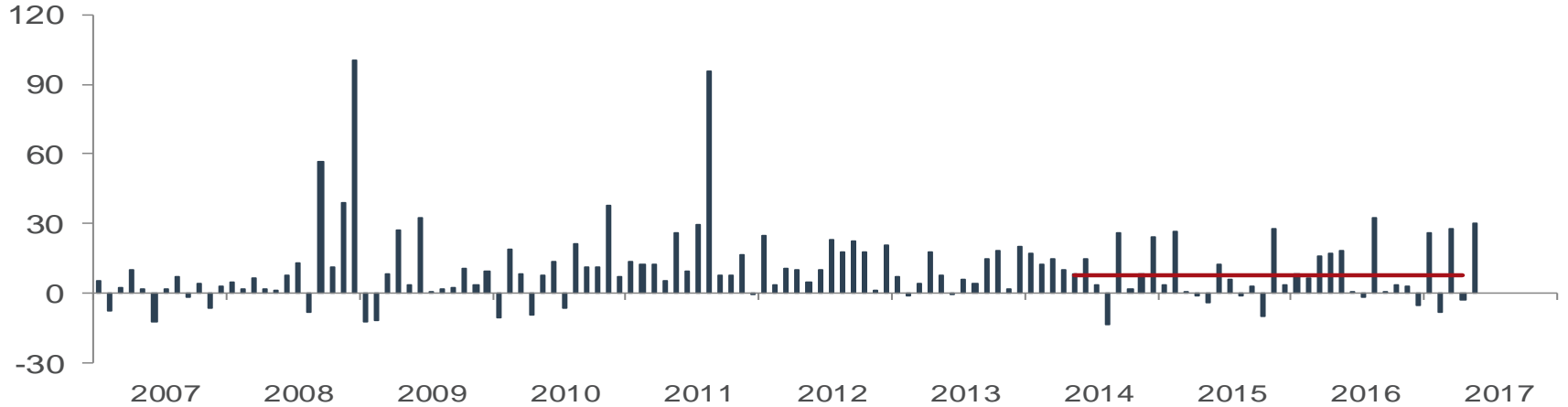


Source: Federal Reserve Board

<http://www.dallasfed.org>

Money Supply: M1

1-month % change,
annualized



■ Jun-15-release, May = 29.87

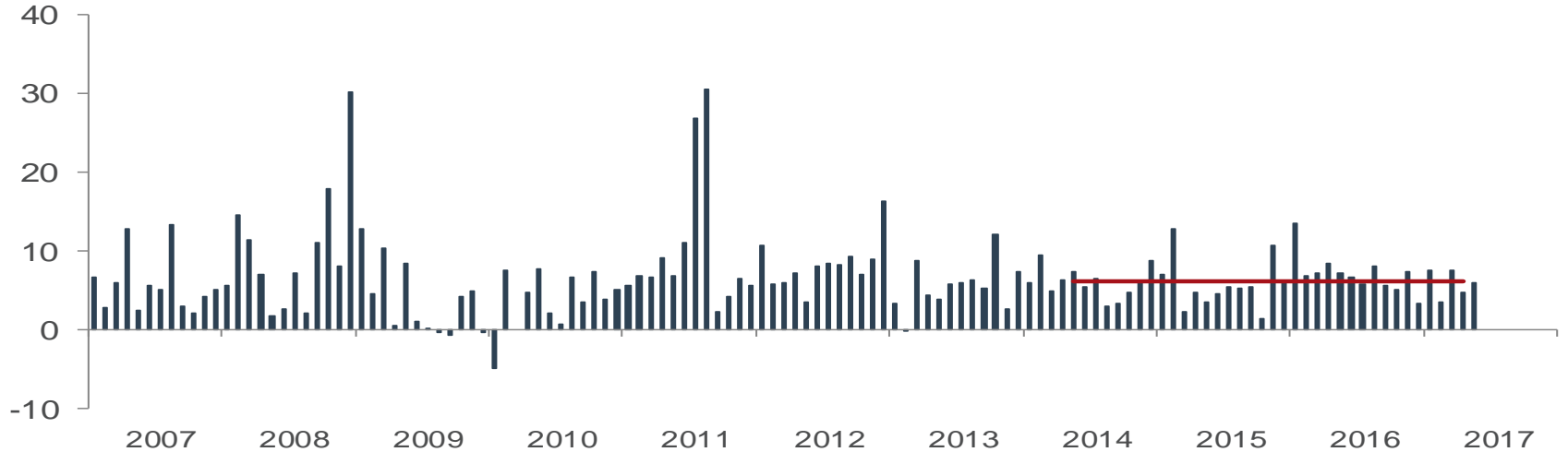
— 3-year average

Source: Federal Reserve Board

<http://www.dallasfed.org>

Money Supply: M2

1-month % change,
annualized



■ Jun-15-release, May = 5.89

— 3-year average

Source: Federal Reserve Board

<http://www.dallasfed.org>