Output Growth Decomposition

Contributions to real growth, annual rate, percentage points

<table>
<thead>
<tr>
<th>Component</th>
<th>2021Q4</th>
<th>2022Q1</th>
<th>2022Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real GDP</td>
<td>7.0</td>
<td>-1.6</td>
<td>-0.6</td>
</tr>
<tr>
<td>PCE</td>
<td>2.1</td>
<td>0.9</td>
<td>1.4</td>
</tr>
<tr>
<td>Business Fixed Investment</td>
<td>0.2</td>
<td>0.0</td>
<td>-0.1</td>
</tr>
<tr>
<td>Residential Fixed Investment</td>
<td>-0.1</td>
<td>1.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Government Spending</td>
<td>-0.9</td>
<td>-0.4</td>
<td>-0.3</td>
</tr>
<tr>
<td>Net Exports</td>
<td>-3.1</td>
<td>-0.2</td>
<td>1.2</td>
</tr>
<tr>
<td>Private Inventories</td>
<td>5.0</td>
<td>-1.9</td>
<td>0.1</td>
</tr>
</tbody>
</table>

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

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

Year-over-year percent change

Quarterly GDP, Q2 2022 = 1.8
Weekly Economic Index

Week ended Oct 15
1.7

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)

SOURCES: Census Bureau/Haver Analytics.

Sep 2022
30.0% above
Feb 2020
Consumer Confidence

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

Level (thousands)

All employees: Total Nonfarm

Sources: Bureau of Labor Statistics.

Sep 2022
0.3% above
Feb 2020
Unemployment Rate

Percent

- Blue line: Unemployment rate, Sep 2022 = 3.5
- Red line: SEP longer run projection, Sep 2022 = 4.0
- Green line: CBO estimate of natural rate, Q4 2022 = 4.4

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

Potential Labor Force Participation

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

Sources: National Bureau of Economic Research; Congressional Budget Office; Bureau of Labor Statistics.
Jobless Claims

Thous.

initial Claims

Week ending Oct 15

214.0

SOURCE: Department of Labor.
PCE Inflation

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

Treasury Yield Curve

SOURCE: Federal Reserve Board.