

Monthly Economic Indicators And Charts

May 2022

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Markets Increasingly Fear The FOMC, But Should They?

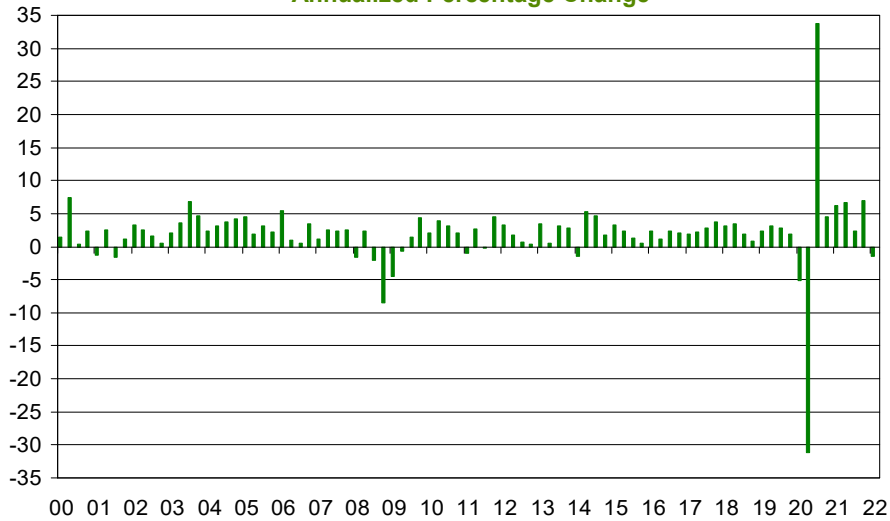
- The BEA's initial estimate shows real GDP contracted at an annualized rate of 1.4 percent in Q1 2022, an unwelcome but not all that worrisome surprise. Nonfarm business inventories rose at an annual rate of \$185.3 billion in Q1, but as this was smaller than the annualized increase of \$212.8 billion in Q4 2021, it led to a 0.75 percentage points deduction from the quarterly change in real GDP under GDP accounting conventions. The U.S. trade deficit widened substantially in Q1, which took 3.20 percentage points off the quarterly change in real GDP. Trade and inventories are often swing factors in the calculation of the quarterly change in real GDP while saying little about the underlying health of the U.S. economy, and this was the case in the Q1 data.
- Of more relevance is that private domestic demand rose at an annualized rate of 3.7 percent in Q1 after adjusting for inflation, the fastest growth since Q2 2021. Real business fixed investment rose at an annual rate of 9.2 percent, led by business spending on equipment, machinery, and intellectual property products. Business investment is expected to remain a key support for real GDP growth over coming quarters.
- Total nonfarm employment rose by 428,000 jobs in April, with job growth remaining notably broad based across private sector industry groups. Both the labor force participation rate and the level of household employment declined in April, leaving the unemployment rate unchanged at 3.6 percent. We think the April declines in the labor force and household employment are more noise than signal and look for the participation rate to increase further in the months ahead.
- Inflation accelerated further in March and continues to hover at rates last seen in the early-1980s. Against this backdrop, the FOMC raised the Fed funds rate by 50 basis points at their early-May meeting, and Chairman Powell noted that like-sized increases were "on the table for the next couple FOMC meetings." Having come to the realization that they were badly behind the curve on inflation, the FOMC wants to get back to a neutral policy stance as expeditiously as possible. Whether, or to what extent, they'll push past neutral remains to be seen.

ECONOMIC/FINANCIAL DATA HIGHLIGHTS – May 2022

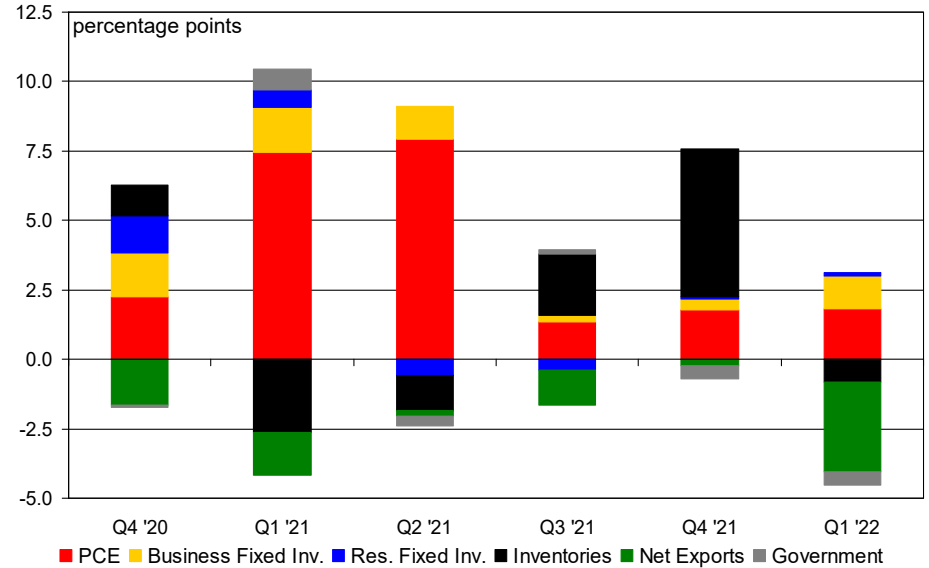
<u>Indicator:</u>	<u>Last Observation:</u>	<u>Reported As:</u>	<u>Value:</u>	<u>% Change Year Ago, or Year Ago Value:</u>
Real GDP	Q1 2022 (1 st est.)	Annualized % change	<1.41%>	3.57%
Total Payroll Employment	April 2022	Monthly change, thousands of jobs	+428	4.59%
Private Sector Payroll Employment	April 2022	Monthly change, thousands of jobs	+406	5.21%
Unemployment Rate	April 2022	% of labor force	3.6%	6.0%
“U6” Unemployment/Underemployment	April 2022	% of labor force	7.0%	10.3%
Unemployed 27 Weeks or More	April 2022	Millions of people	1.483	4.187
Aggregate Private Sector Earnings	April 2022	Monthly % change	0.63%	9.96%
Real Personal Disposable Income	March 2022	Monthly % change	<0.38%>	<19.93%>
Real Personal Disposable Income ex-Transfers	March 2022	Monthly % change	<0.30%>	1.87%
Real Personal Consumption Expenditures	March 2022	Monthly % change	0.24%	2.33%
Personal Savings Rate	March 2022	% of disposable personal income	6.20%	26.60%
Consumer Price Index – Total	March 2022	Monthly % change	1.24%	8.56%
Consumer Price Index – Core	March 2022	Monthly % change	0.32%	6.44%
Producer Price Index – Final Demand	March 2022	Monthly % change	1.38%	11.19%
Producer Price Index – Core Final Demand	March 2022	Monthly % change	0.97%	9.18%
Single Family Housing Permits	March 2022	Seasonally adjusted annual rate	1,147,000	1,194,000
Multi-Family Housing Permits	March 2022	Seasonally adjusted annual rate	726,000	561,000
Single Family Housing Starts	March 2022	Seasonally adjusted annual rate	1,200,000	1,255,000
Multi-Family Housing Starts	March 2022	Seasonally adjusted annual rate	593,000	470,000
Industrial Production	March 2022	Monthly % change	0.92%	5.47%
ISM Manufacturing Index	April 2022	Index value, %	55.4%	60.6%
ISM Manufacturing New Orders Index	April 2022	Index value, %	53.5%	64.3%
ISM Non-Manufacturing Index	April 2022	Index value, %	57.1%	62.7%
ISM Non-Manufacturing New Orders Index	April 2022	Index Value, %	54.6%	63.2%
Federal Funds Rate Target Range Mid-Point	May 6, 2022	Percent	0.875%	0.125%
3-Month LIBOR Rate	May 6, 2022	Percent	1.41%	0.16%
3-Month U.S. Treasury Bill Yield	May 6, 2022	Percent	0.79%	0.02%
2-Year U.S. Treasury Note Yield	May 6, 2022	Percent	2.69%	0.16%
10-Year U.S. Treasury Note Yield	May 6, 2022	Percent	3.10%	1.58%
Dollar-Euro Exchange Rate	May 6, 2022	Euros per U.S. dollar	0.9469	0.8299
Dollar-Yen Exchange Rate	May 6, 2022	Yen per U.S. dollar	130.51	109.17
Federal Reserve Broad U.S. Dollar Index	April 29, 2022	Index value, 1/1/2006 = 100	119.6421	111.7731

Real GDP

Annualized Percentage Change

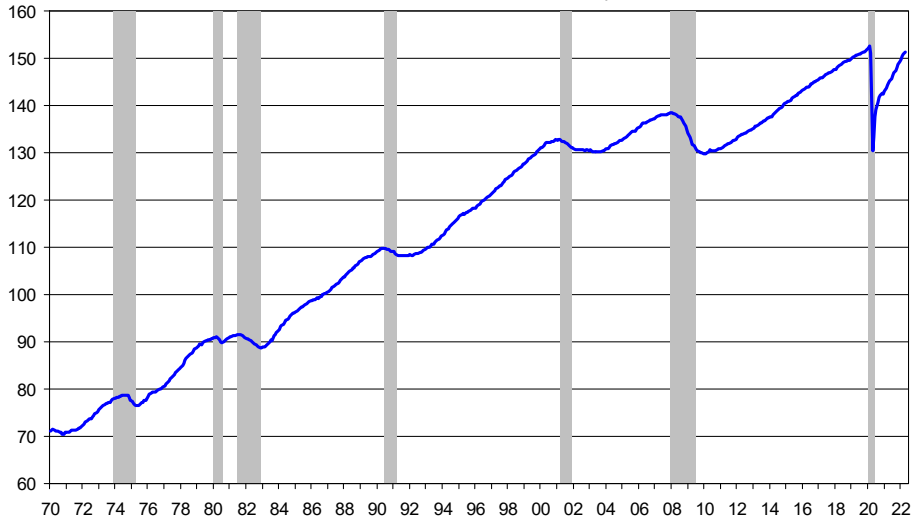


Contribution To Real GDP Growth

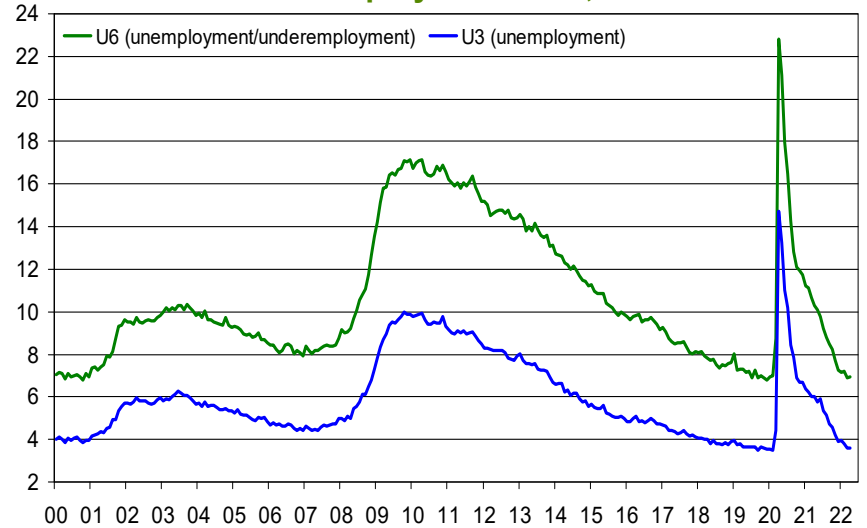


Total Payroll Employment

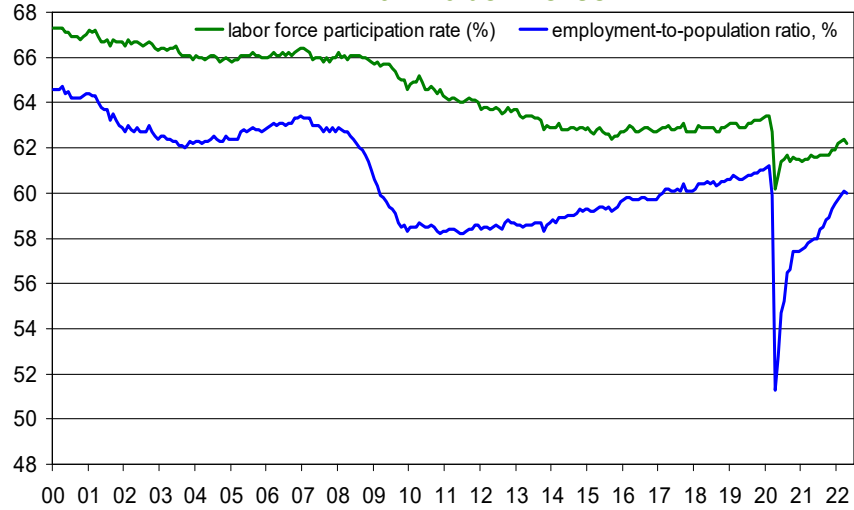
recession Total Nonfarm Employment, millions



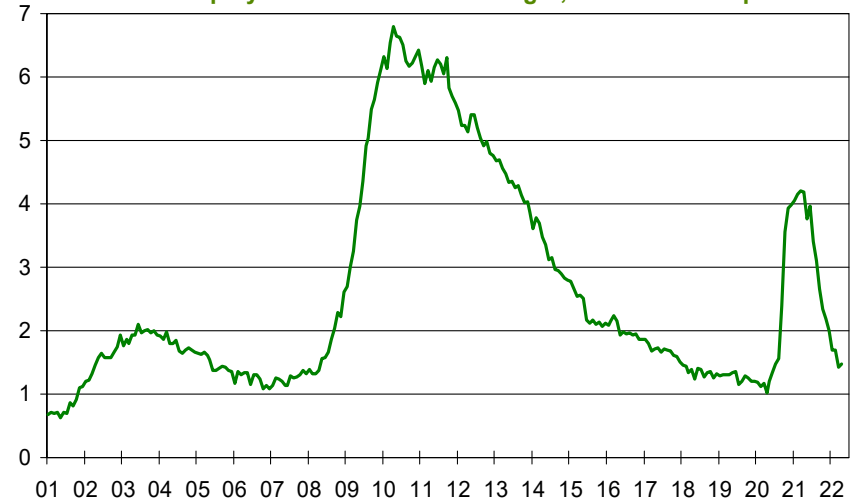
Unemployment Rate, %



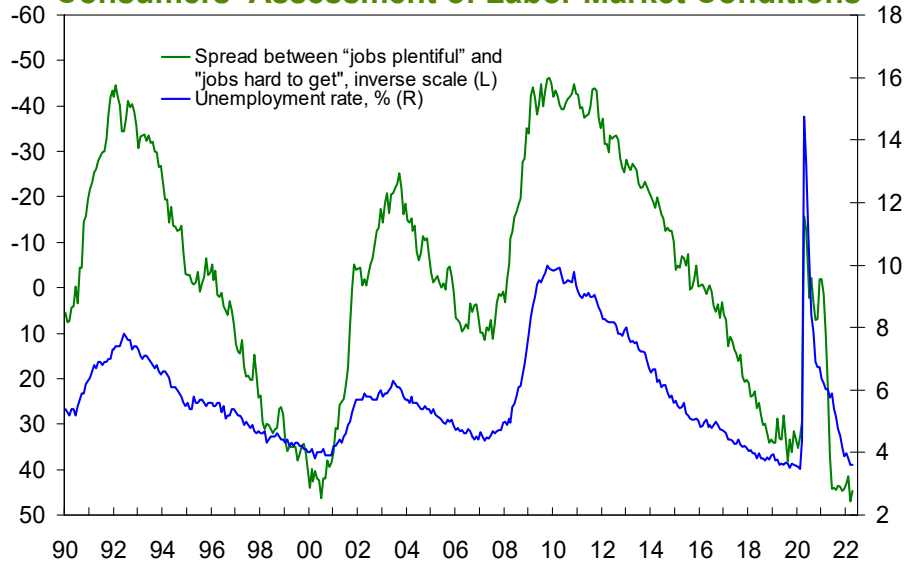
Civilian Labor Force



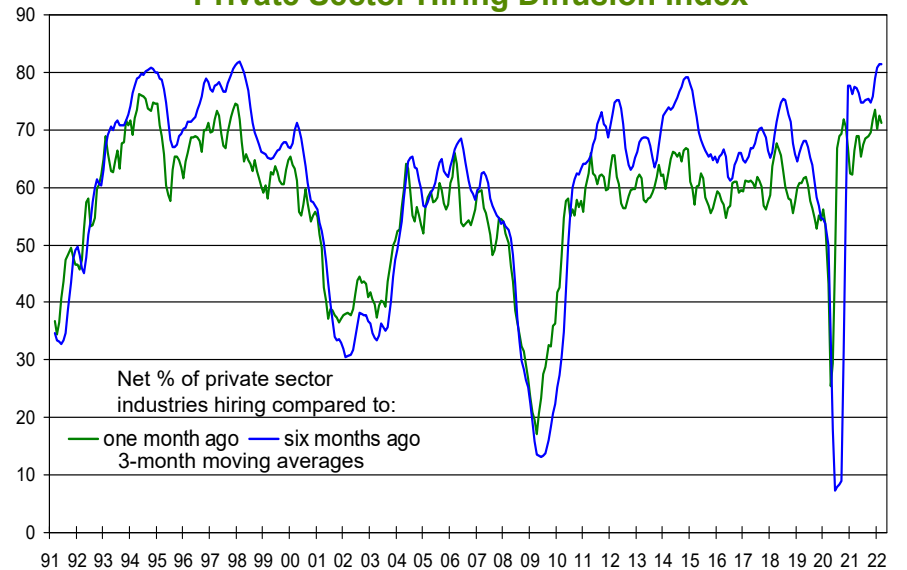
Long-Term Unemployed Unemployed for 27 Weeks or Longer, Millions of People



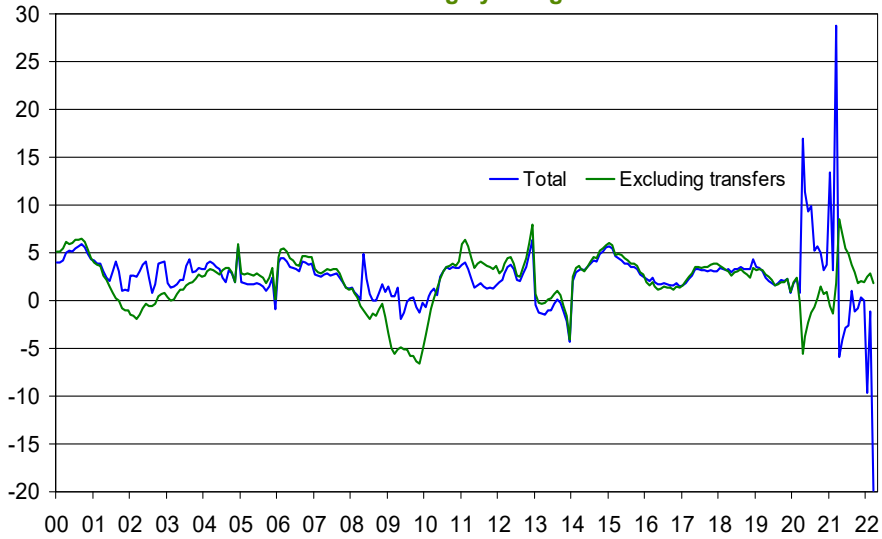
Consumers' Assessment of Labor Market Conditions



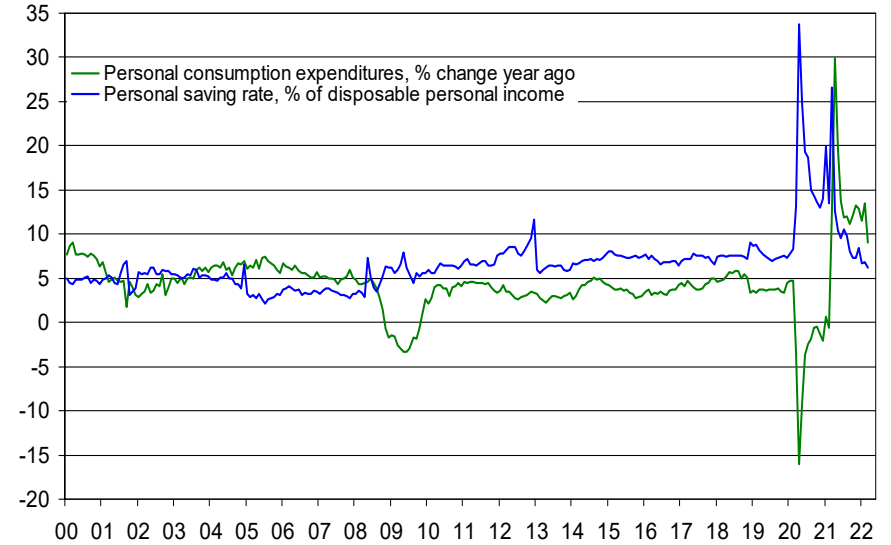
Private Sector Hiring Diffusion Index



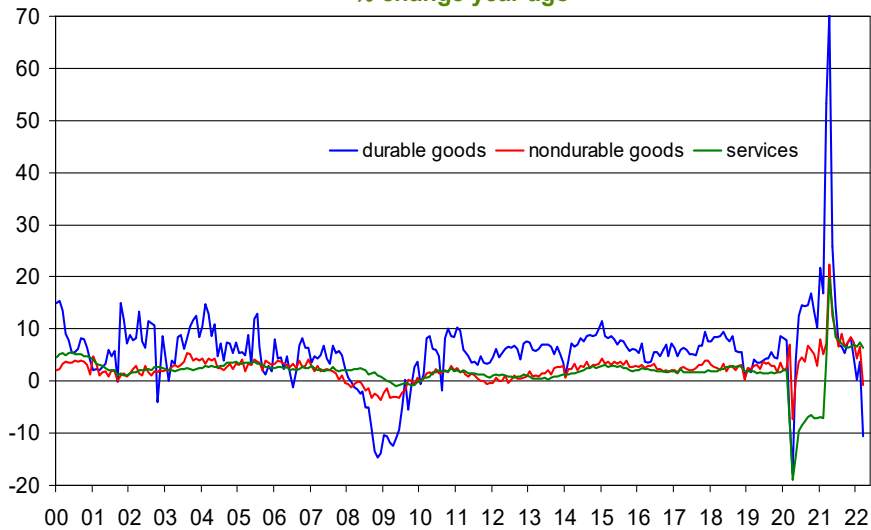
Real Disposable Personal Income % change year ago



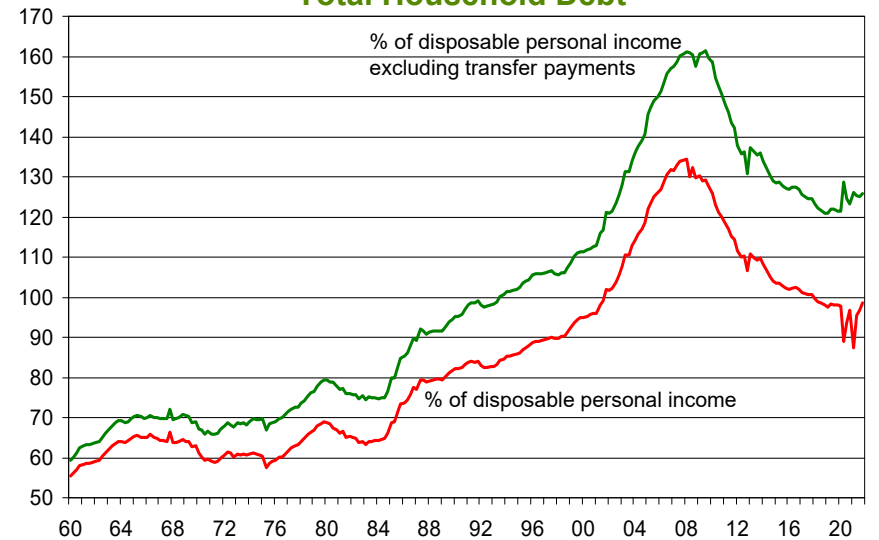
Personal Spending, Saving



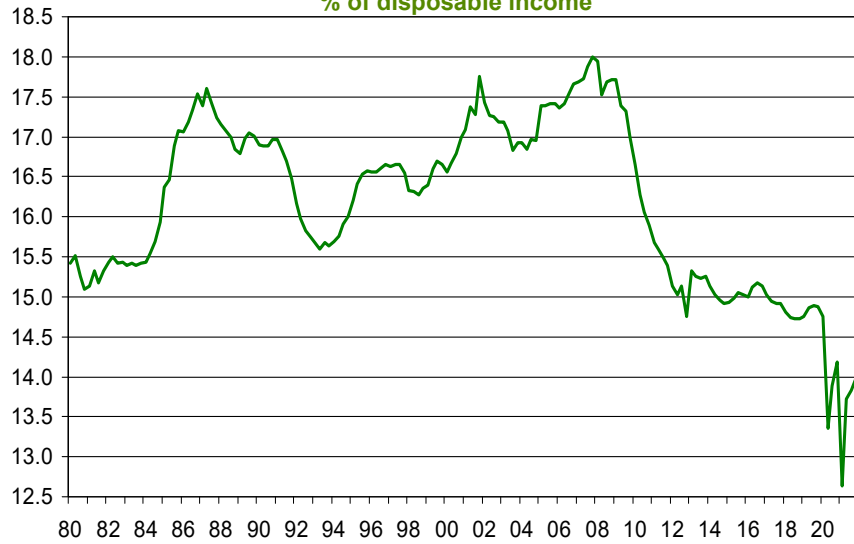
Real Consumer Spending % change year ago



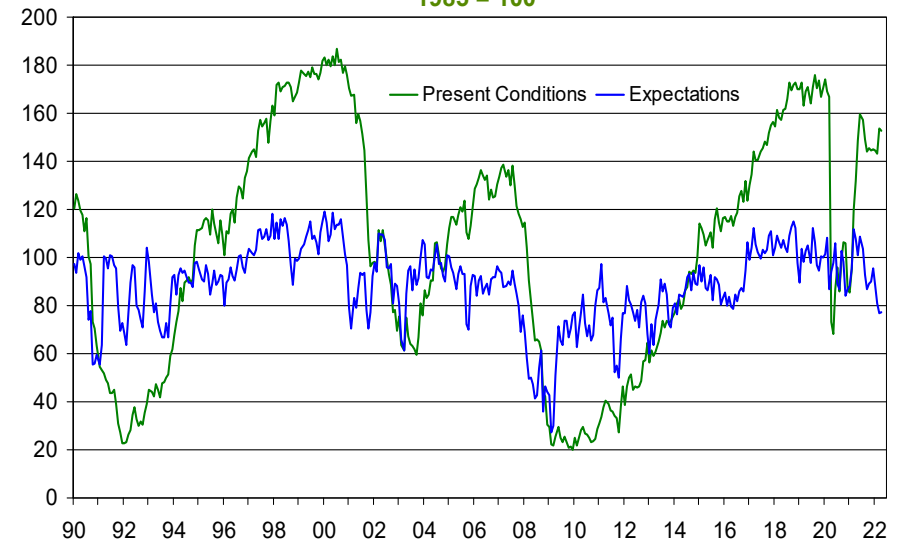
Total Household Debt



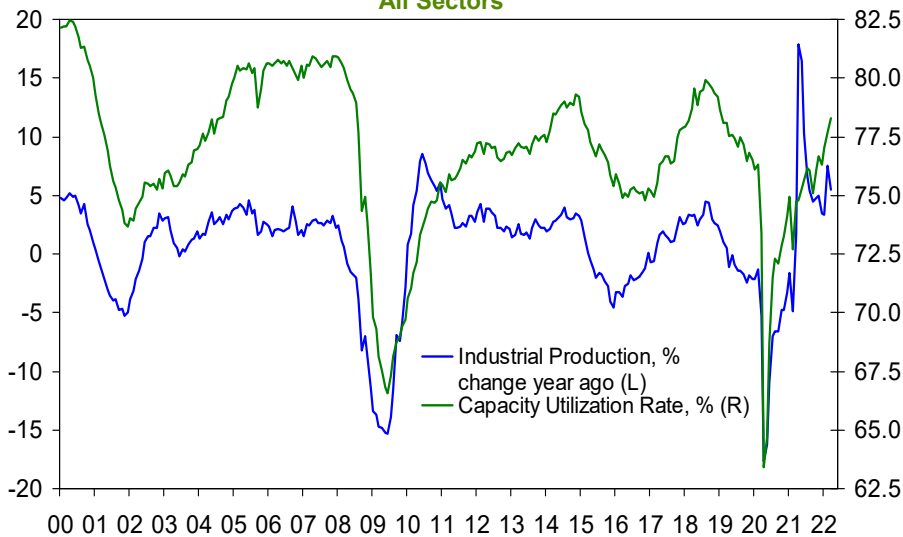
Household Financial Obligations Ratio
% of disposable income



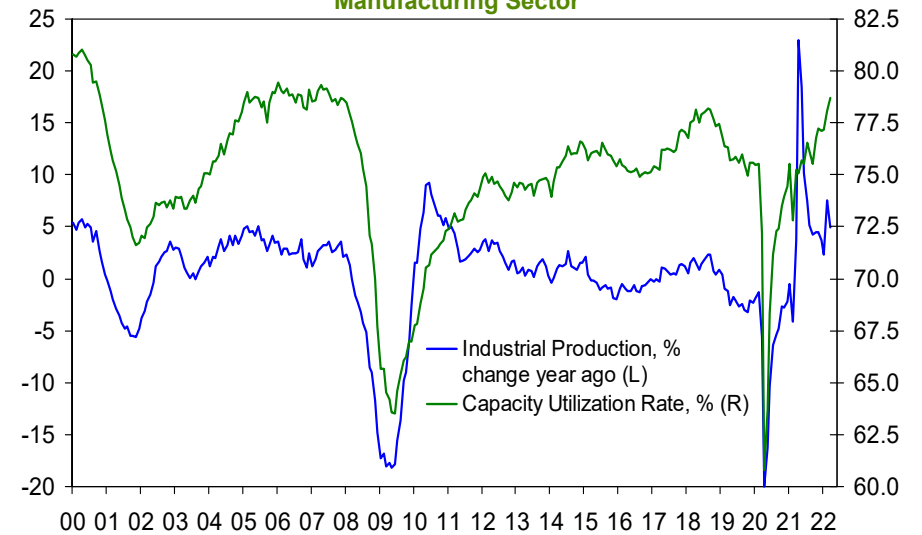
Consumer Confidence Index
1985 = 100



Industrial Production, Capacity Utilization
All Sectors

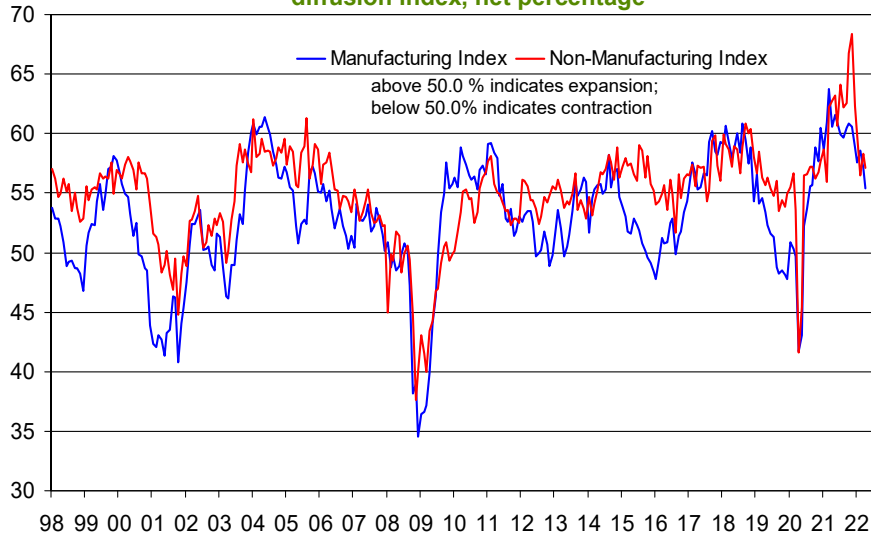


Industrial Production, Capacity Utilization
Manufacturing Sector



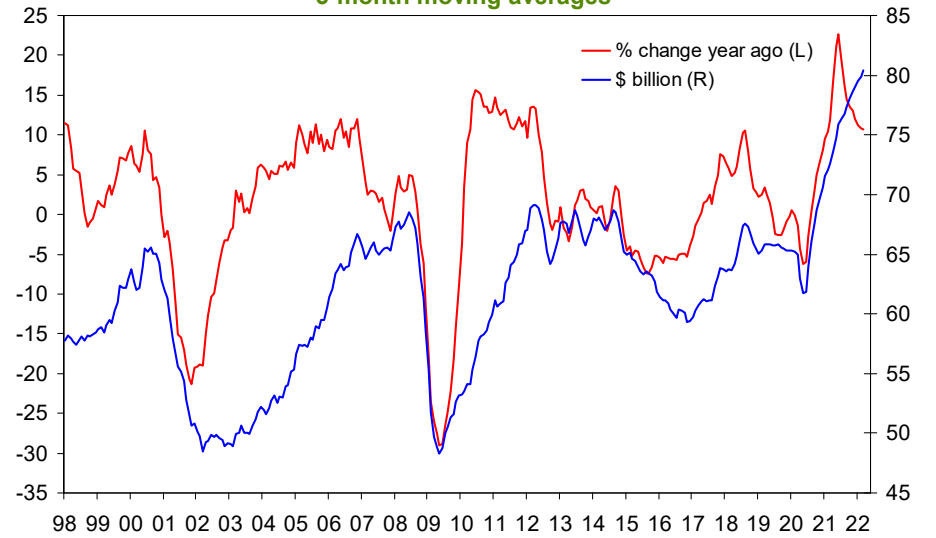
ISM Index

diffusion index, net percentage



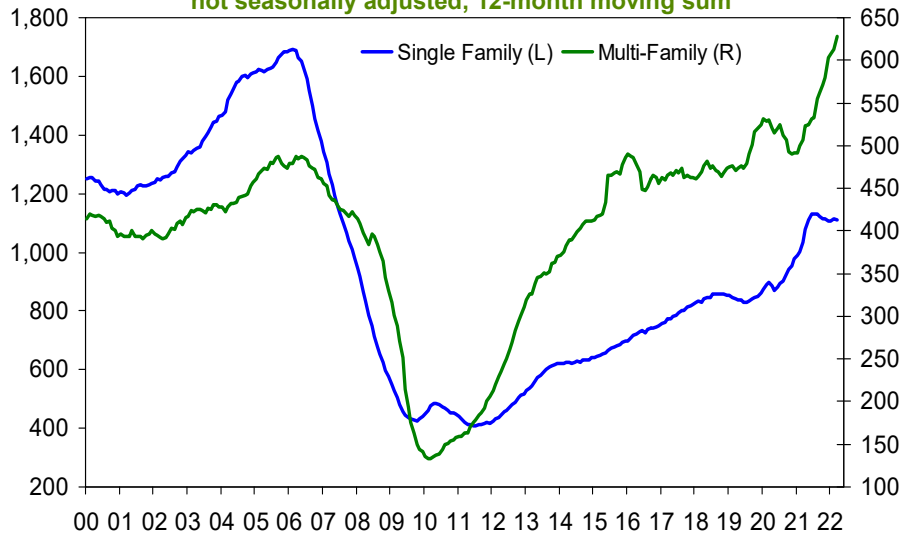
Core Capital Goods Orders

3-month moving averages



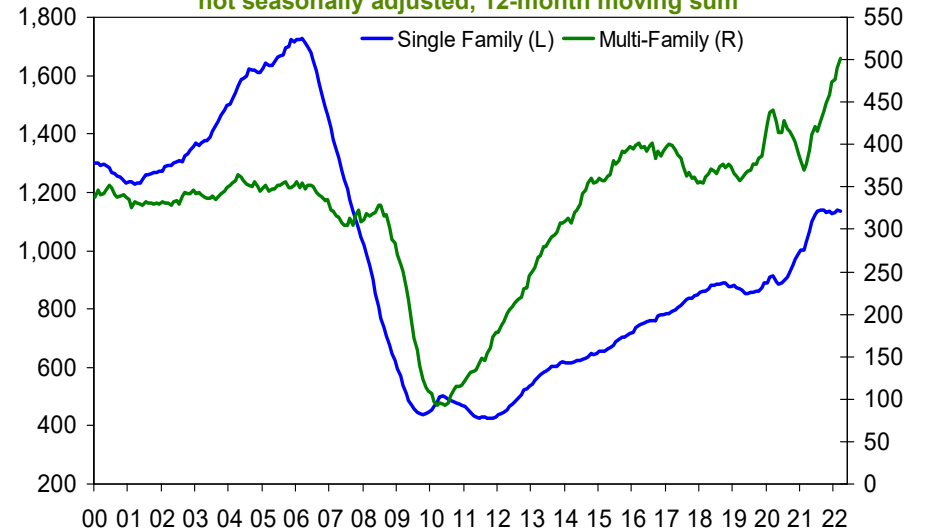
Housing Permits (000's of units)

not seasonally adjusted, 12-month moving sum



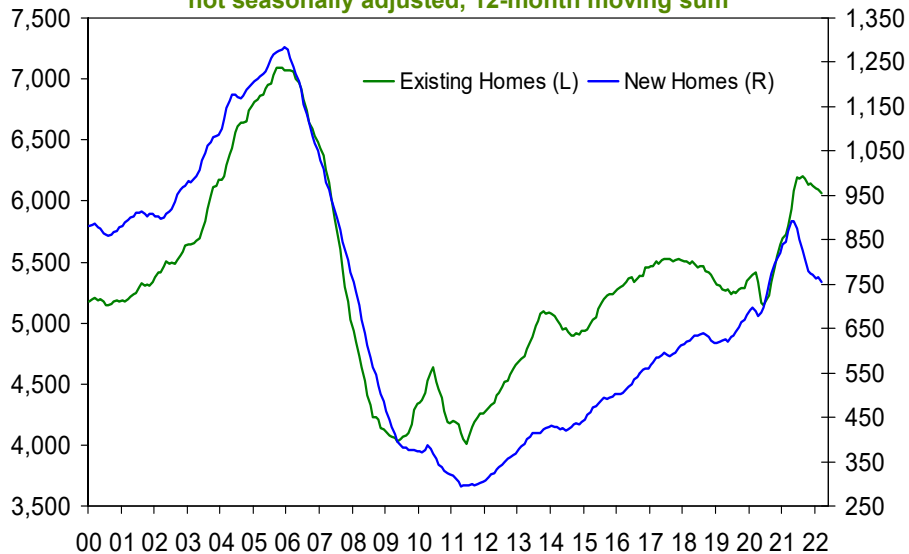
Housing Starts (000's of units)

not seasonally adjusted, 12-month moving sum



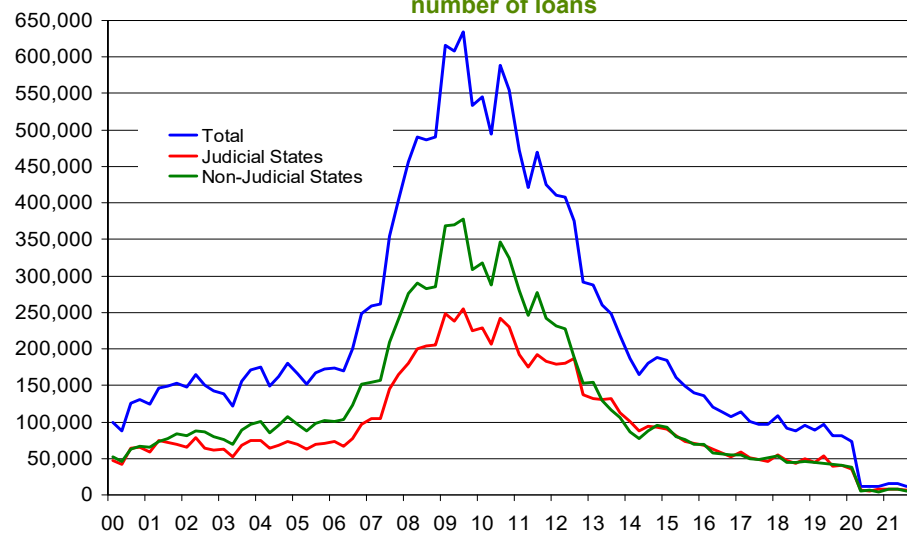
Home Sales (000's of units)

not seasonally adjusted, 12-month moving sum



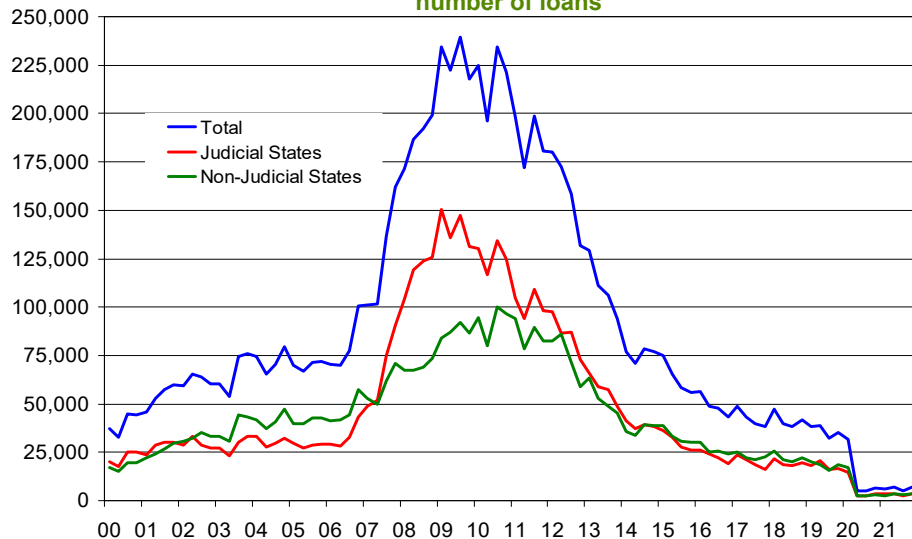
Foreclosure Starts – United States

number of loans



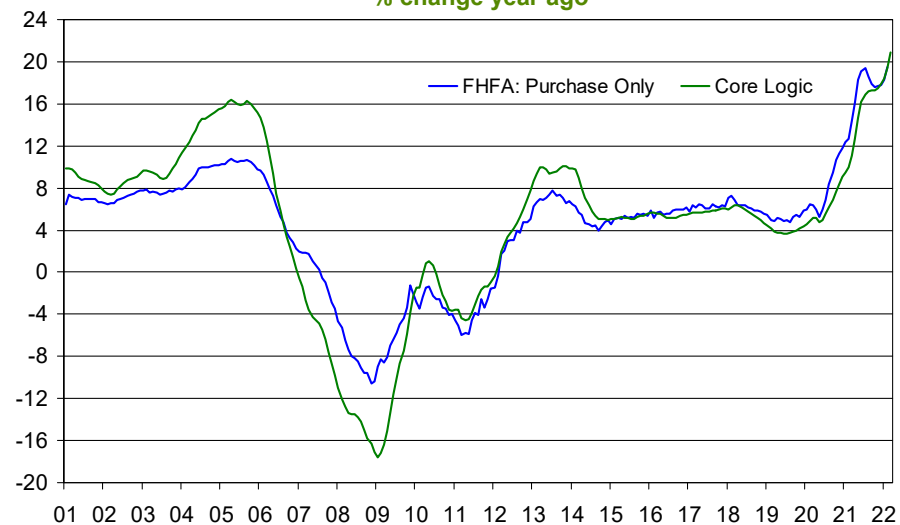
Foreclosure Starts – Regions Footprint

number of loans

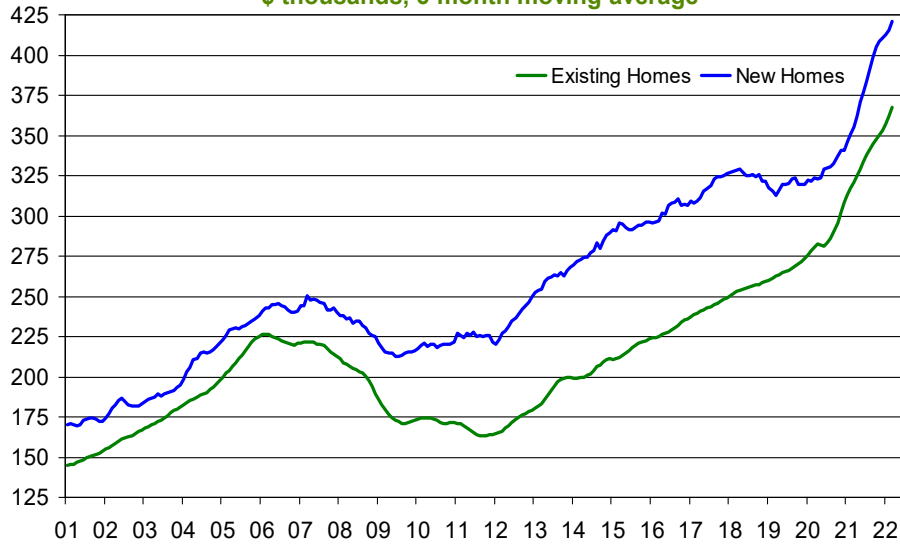


Index of House Prices

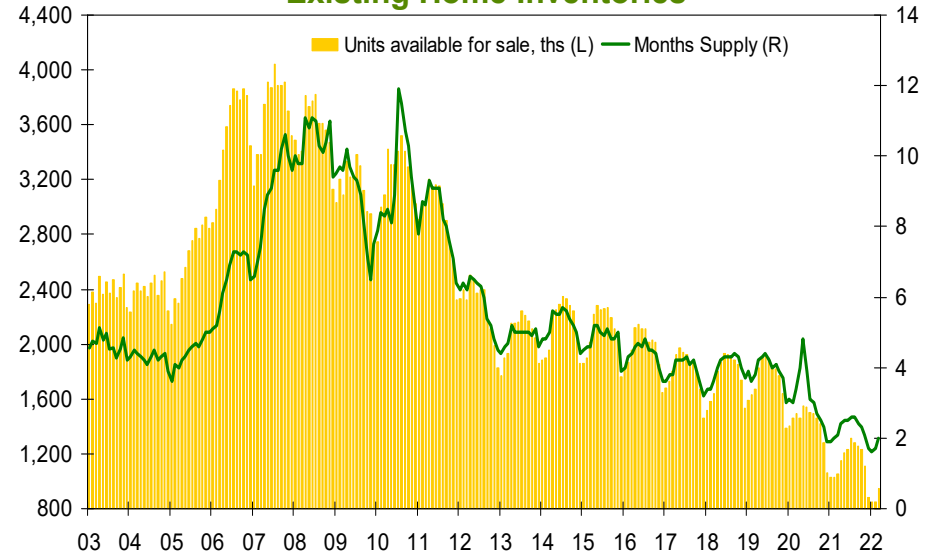
% change year ago



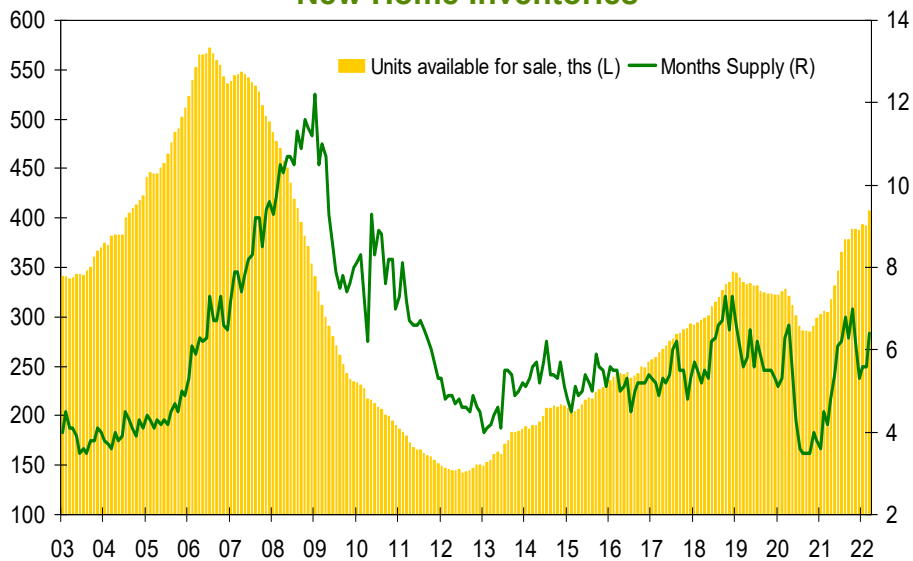
Median Home Prices
\$ thousands, 6-month moving average



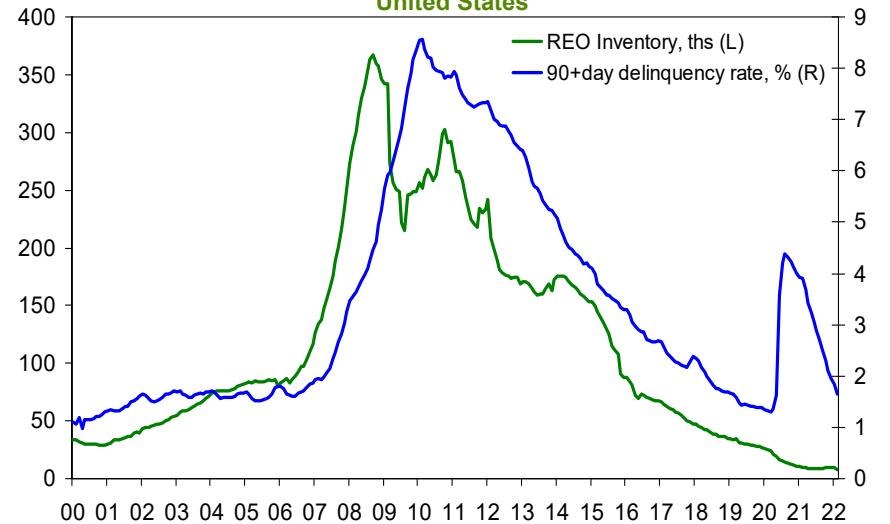
Existing Home Inventories



New Home Inventories

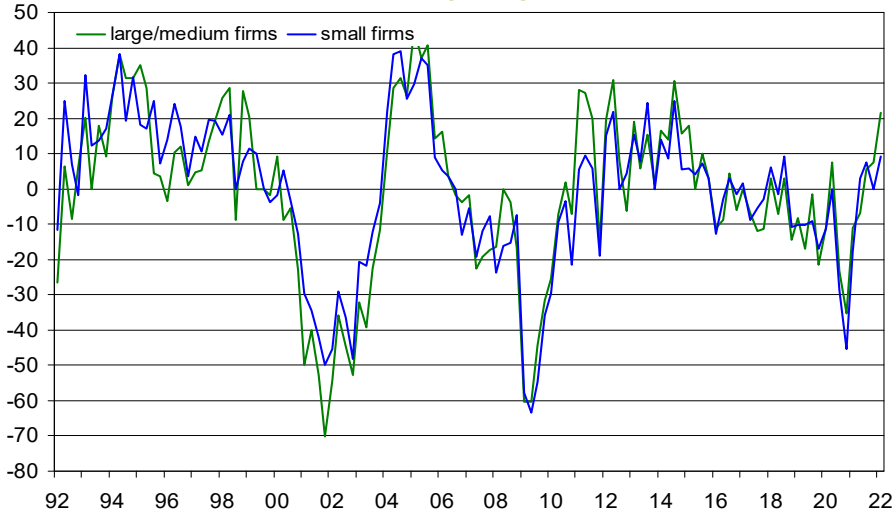


CoreLogic Mortgage Loan Performance Data
United States



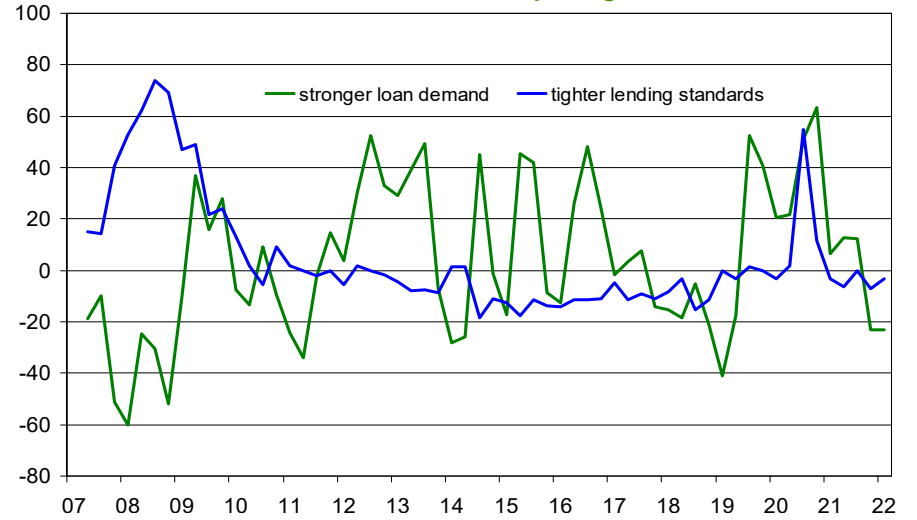
Survey of Senior Lending Officers – C&I Loans

net % of banks reporting rising loan demand from:

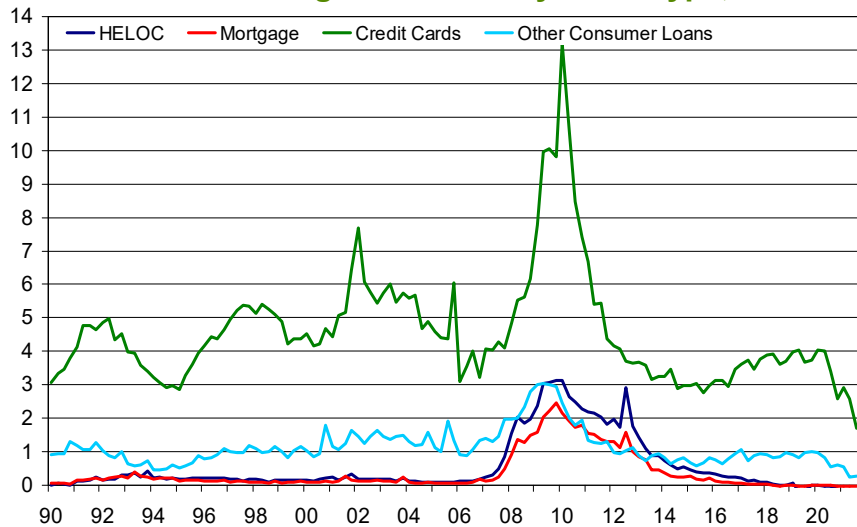


Survey of Senior Lending Officers – Prime Mortgages

net % of banks reporting:

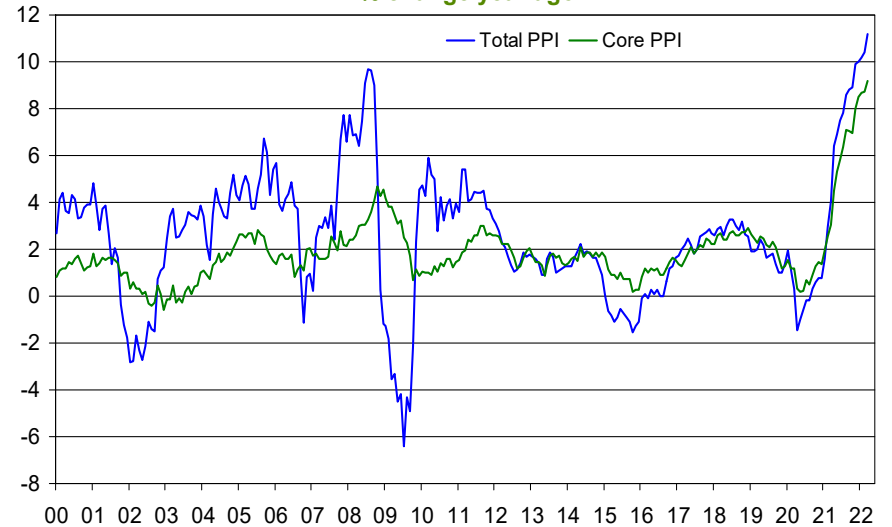


Bank Charge-Off Rates By Loan Type, %

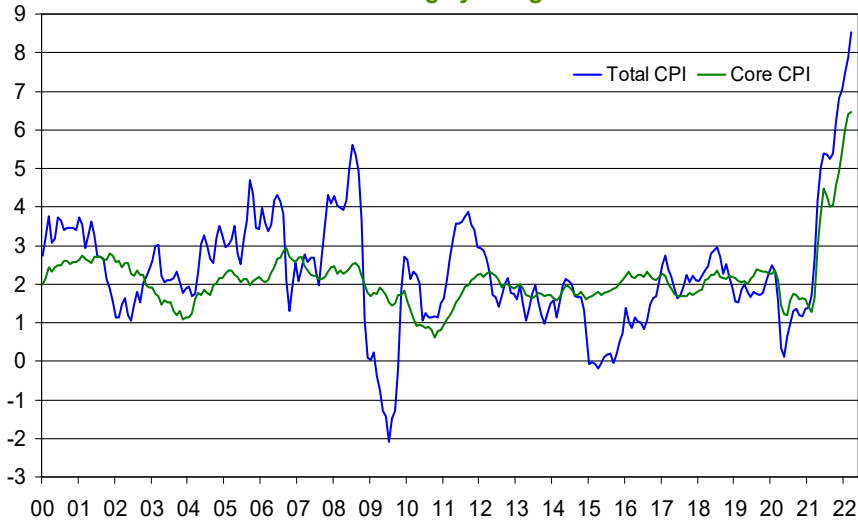


Producer Price Index

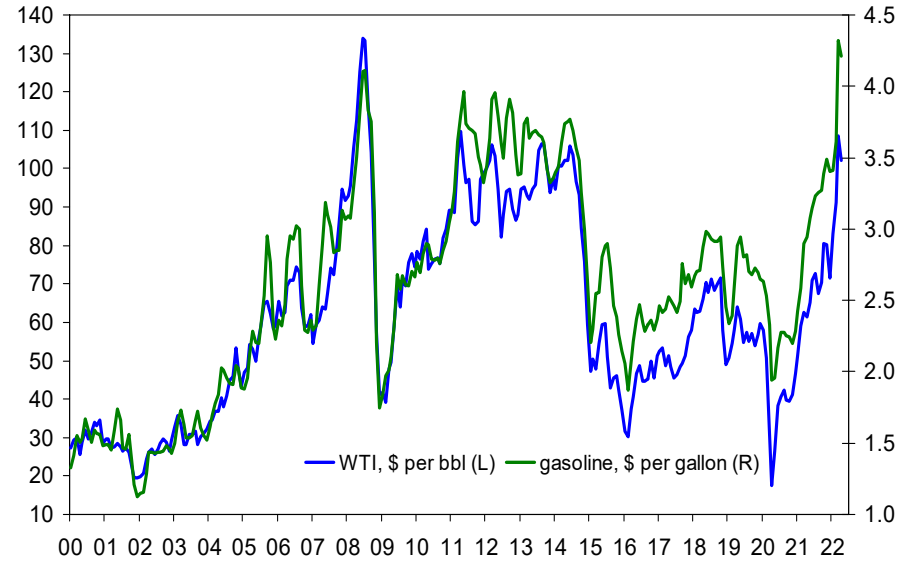
% change year ago



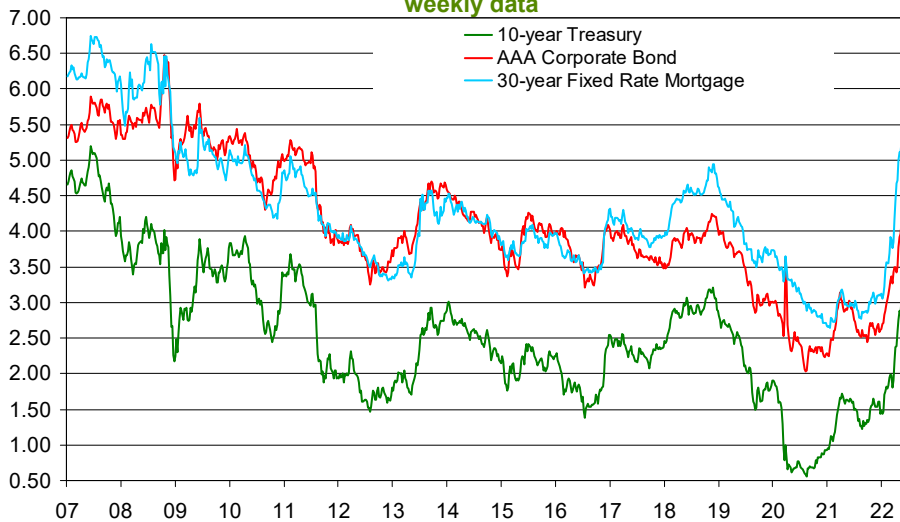
Consumer Price Index
% change year ago



WTI Crude Oil, Retail Gasoline Prices



Selected Interest Rates, %
weekly data

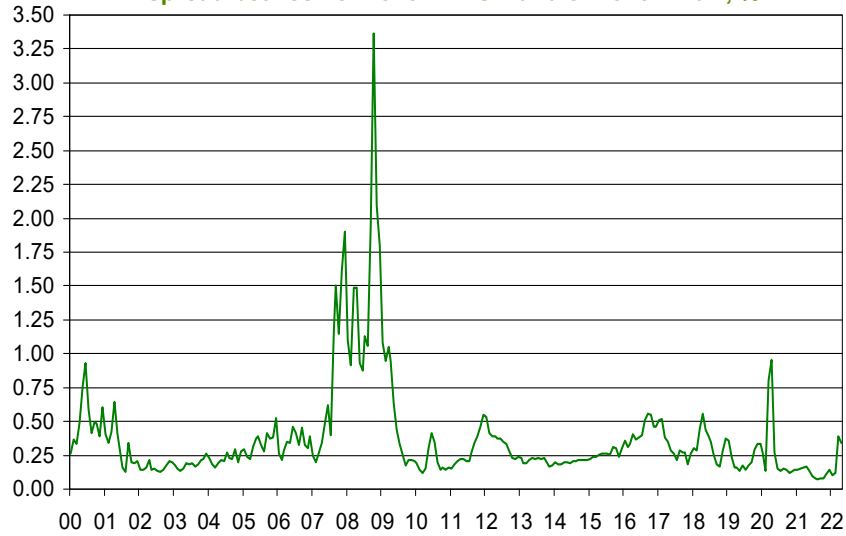


Spread Between Yields On 10-year and 2-year Treasury Notes
weekly data



TED Spread

spread between 3-month LIBOR and 3-month T-bill, %



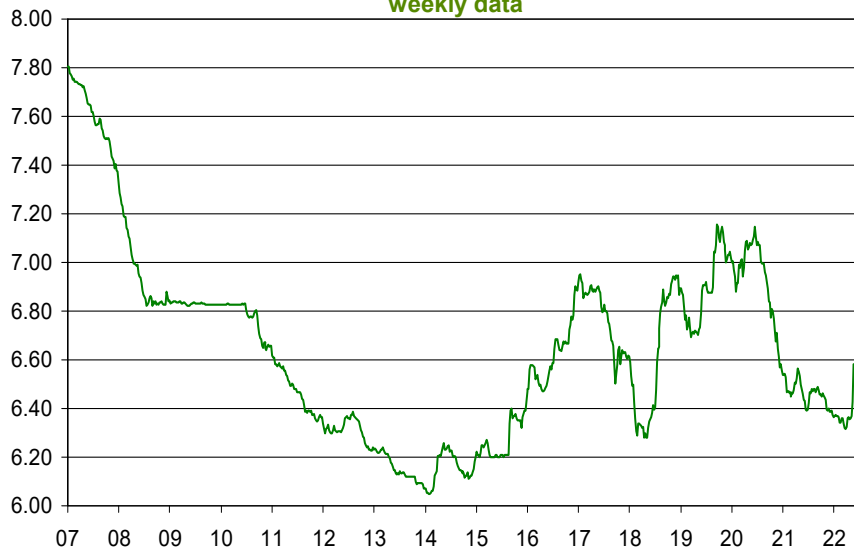
Japanese Yen per U.S. Dollar

weekly data



Chinese Yuan per U.S. Dollar

weekly data



Euros per U.S. Dollar

weekly data

