

Monthly Economic Indicators And Charts

March 2023

Richard F. Moody- Chief Economist
Steve Pfitzer – Investor Relations



Information contained herein is based on data obtained from recognized sources believed to be reliable. This information has not been verified by us, and we do not make any representations about accuracy, completeness or reliability. Any opinions expressed are solely those of the author and are subject to change without notice.

Signs Of Cracks In The Labor Market?

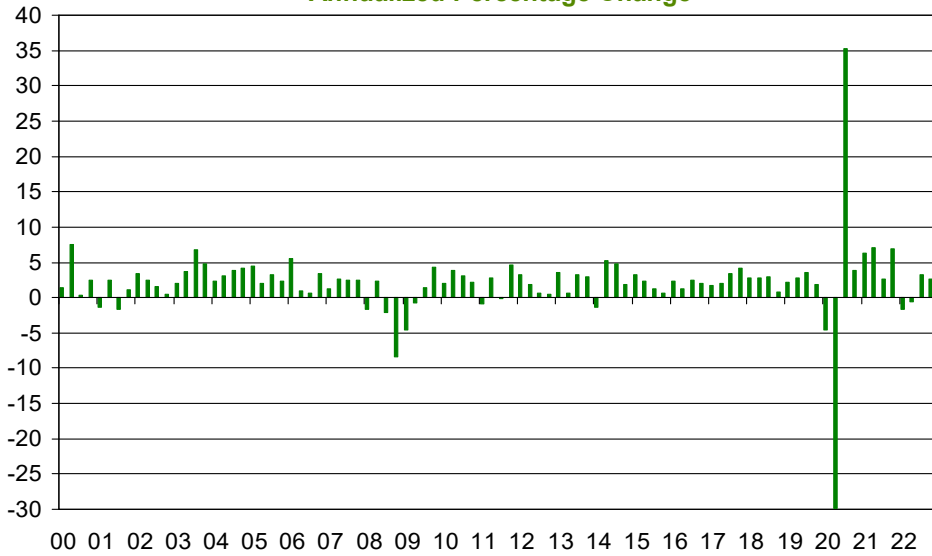
- The second estimate from the BEA shows real GDP grew at an annual rate of 2.7 percent in Q4 2022, down from the initial estimate of 2.9 percent growth. The revised data show much slower growth in real consumer spending and a wider trade deficit than was first reported, with partial offsets in the form of a larger inventory build and faster growth in business fixed investment.
- Total nonfarm employment rose by 311,000 jobs in February. Atypically warm winter weather boosted job growth in construction and leisure and hospitality services, but to the extent this was the case, there will be payback in the March data. Job growth was much less broad based across private sector industry groups in February, which is a concerning detail. To that point, the finance, transportation/warehousing, information services, and manufacturing industry groups all saw payrolls decline in February. A decline in the average length of the workweek and the narrower base of private sector hiring point to dimming demand for labor.
- The ISM Manufacturing Index edged up to 47.7 percent in February but nonetheless signals a fourth straight month of contraction, with new orders declining for the eighth time in the past nine months. In contrast, the ISM Non-Manufacturing Index came in at 55.1 percent in February, indicating continued expansion in the broad services sector. The inflation signals from the ISM's surveys continue to send conflicting signals, with firms in the manufacturing sector seeing further declines, albeit at a slower pace, in non-labor input costs while firms in the services sector report steadily rising input costs. This is consistent with the broader measures of inflation which show few signs that services sector inflation, the FOMC's primary concern at this point, is letting up.
- In his recent Congressional testimony, FOMC Chair Powell stressed that the FOMC is not yet satisfied that sufficient progress has been made in pushing inflation back down to the FOMC's 2.0 percent target rate. As such, a 50-basis point increase in the Fed funds rate is on the table for the March FOMC meeting, with the revised dot plot likely to signal a higher terminal funds rate than did the December edition.

ECONOMIC/FINANCIAL DATA HIGHLIGHTS – March 2023

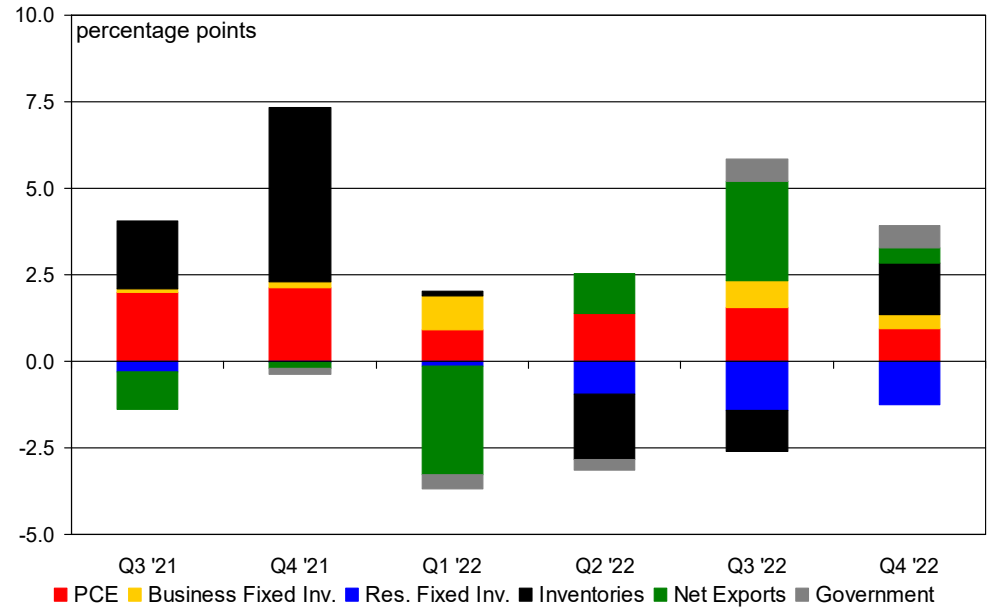
Indicator:	Last Observation:	Reported As:	Value:	% Change Year Ago, or Year Ago Value:
Real GDP	Q4 2022 (2 nd est.)	Annualized % change	2.68%	0.91%
Total Payroll Employment	February 2023	Monthly change, thousands of jobs	+311	2.91%
Private Sector Payroll Employment	February 2023	Monthly change, thousands of jobs	+265	3.06%
Unemployment Rate	February 2023	% of labor force	3.6	3.8%
“U6” Unemployment/Underemployment	February 2023	% of labor force	6.8	7.2%
Unemployed 27 Weeks or More	February 2023	Millions of people	1.057	1.691
Aggregate Private Sector Earnings	February 2023	Monthly % change	0.15%	7.18%
Real Personal Disposable Income	January 2023	Monthly % change	1.39%	2.84%
Real Personal Income ex-Transfers	January 2023	Monthly % change	0.09%	1.58%
Real Personal Consumption Expenditures	January 2023	Monthly % change	1.13%	2.41%
Personal Savings Rate	January 2023	% of disposable personal income	4.70%	4.70%
Consumer Price Index – Total	January 2023	Monthly % change	0.52%	6.41%
Consumer Price Index – Core	January 2023	Monthly % change	0.41%	5.58%
Producer Price Index – Final Demand	January 2023	Monthly % change	0.66%	6.03%
Producer Price Index – Core Final Demand	January 2023	Monthly % change	0.49%	5.39%
Single Family Housing Permits	January 2023	Seasonally adjusted annual rate	718,000	1,197,000
Multi-Family Housing Permits	January 2023	Seasonally adjusted annual rate	621,000	644,000
Single Family Housing Starts	January 2023	Seasonally adjusted annual rate	841,000	1,157,000
Multi-Family Housing Starts	January 2023	Seasonally adjusted annual rate	468,000	509,000
Industrial Production	January 2023	Monthly % change	0.03%	0.79%
ISM Manufacturing Index	February 2023	Index value, %	47.7%	58.4%
ISM Manufacturing New Orders Index	February 2023	Index value, %	47.0%	61.7%
ISM Non-Manufacturing Index	February 2023	Index value, %	55.1%	57.2%
ISM Non-Manufacturing New Orders Index	February 2023	Index Value, %	62.6%	56.1%
Federal Funds Rate Target Range Mid-Point	March 10, 2023	Percent	4.625%	0.125%
Secured Overnight Financing Rate (SOFR)	March 10, 2023	Percent	4.55%	0.05
3-Month U.S. Treasury Bill Yield	March 10, 2023	Percent	4.90%	0.39
2-Year U.S. Treasury Note Yield	March 10, 2023	Percent	4.63%	1.72
10-Year U.S. Treasury Note Yield	March 10, 2023	Percent	3.69%	1.98
Dollar-Euro Exchange Rate	March 10, 2023	Euros per U.S. dollar	0.9348	0.9085
Dollar-Yen Exchange Rate	March 10, 2023	Yen per U.S. dollar	134.12	116.05
Federal Reserve Broad U.S. Dollar Index	March 3, 2023	Index value, 1/1/2006 = 100	120.8531	116.0198

Real GDP

Annualized Percentage Change

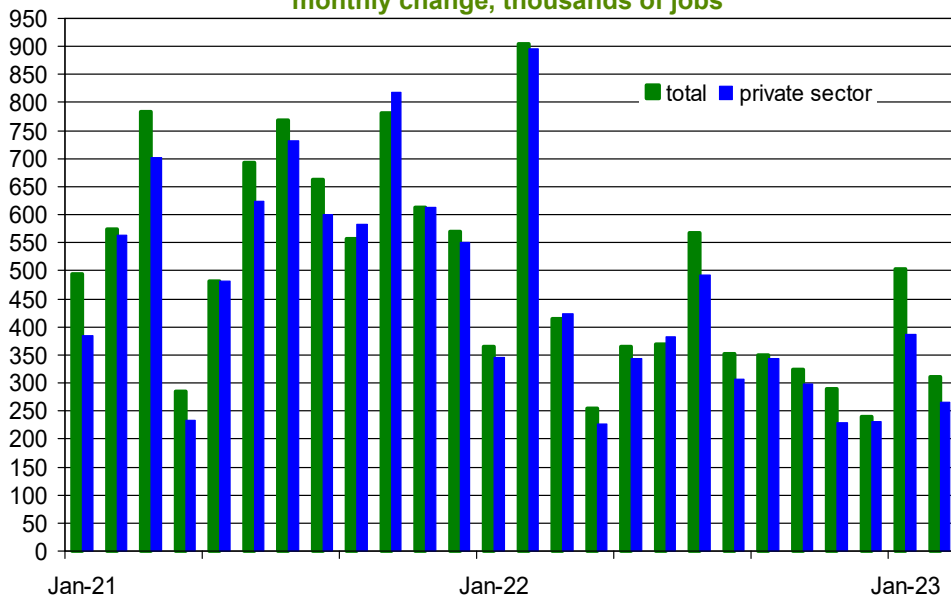


Contribution To Real GDP Growth

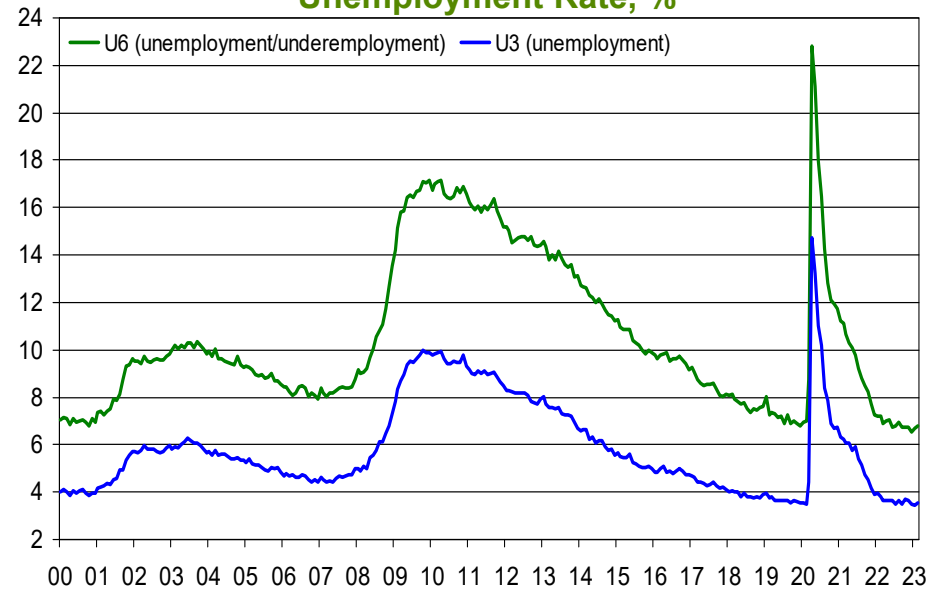


Payroll Employment

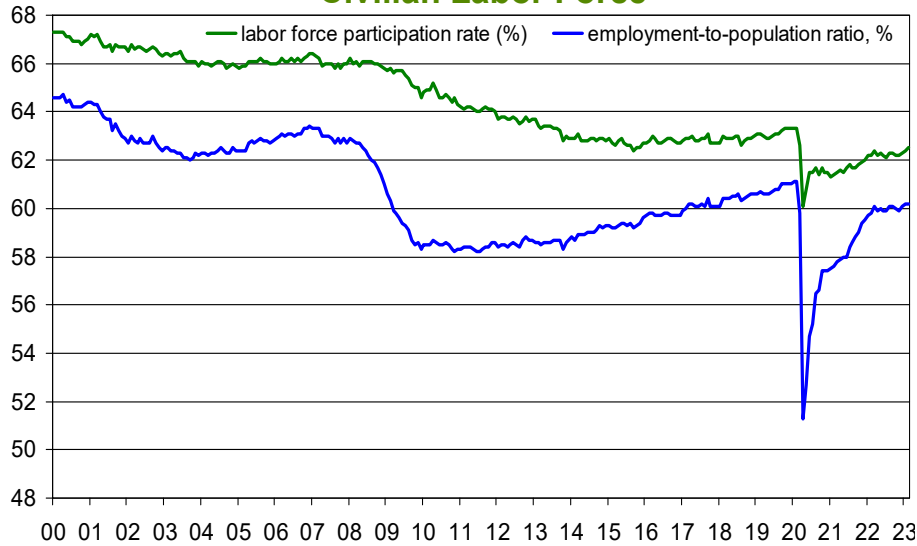
monthly change, thousands of jobs



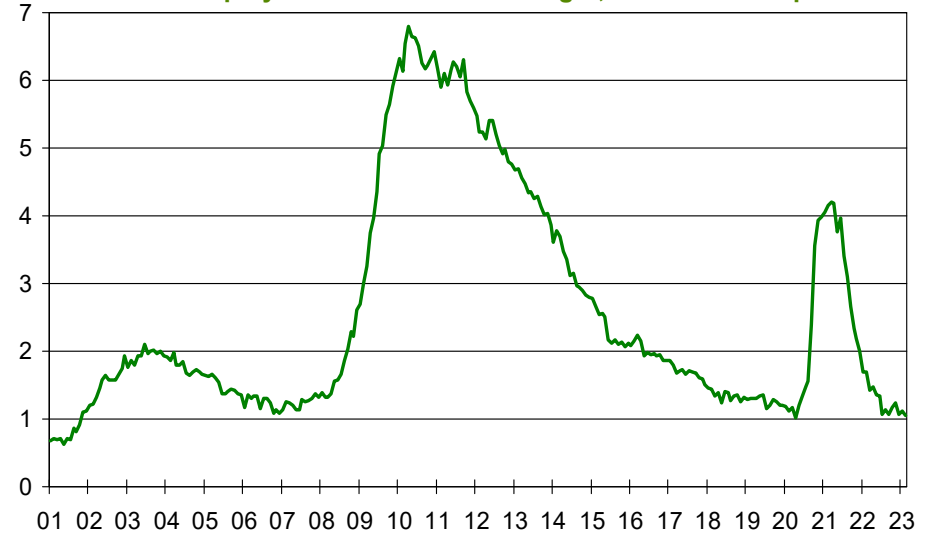
Unemployment Rate, %



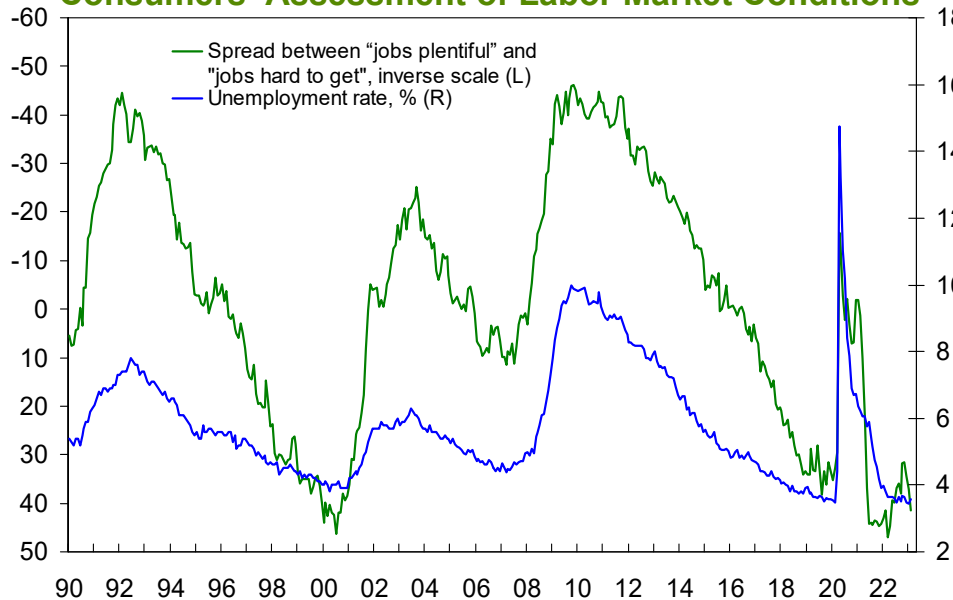
Civilian Labor Force



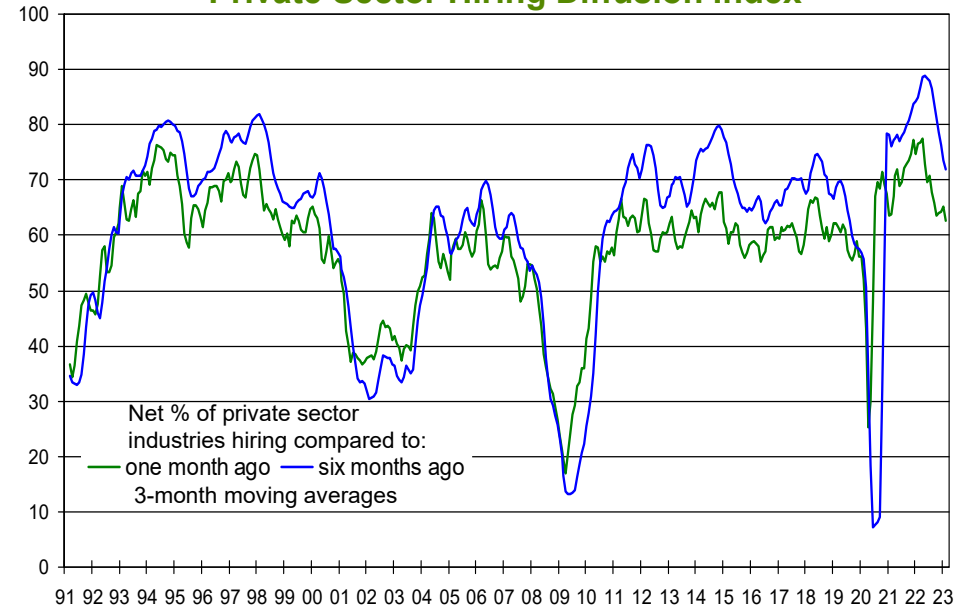
Long-Term Unemployed Unemployed for 27 Weeks or Longer, Millions of People



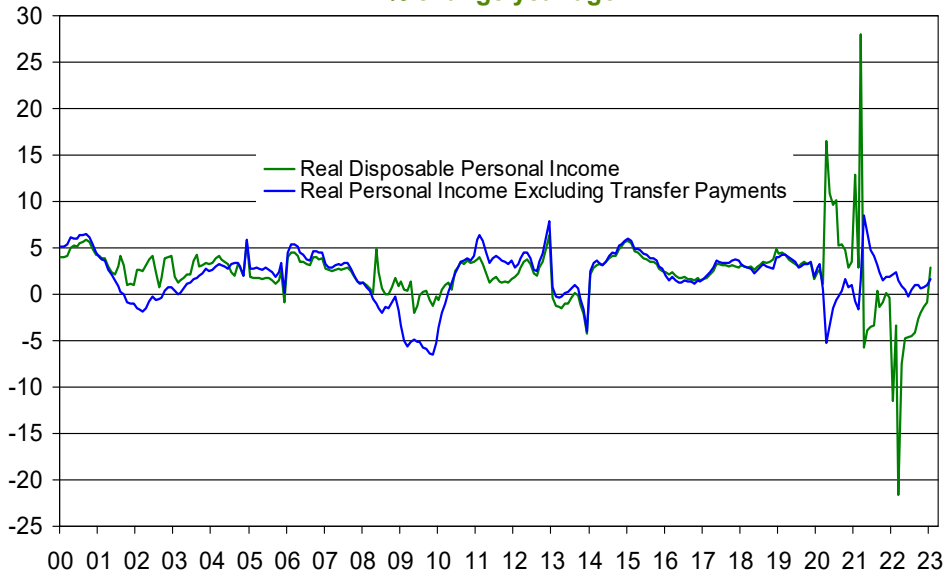
Consumers' Assessment of Labor Market Conditions



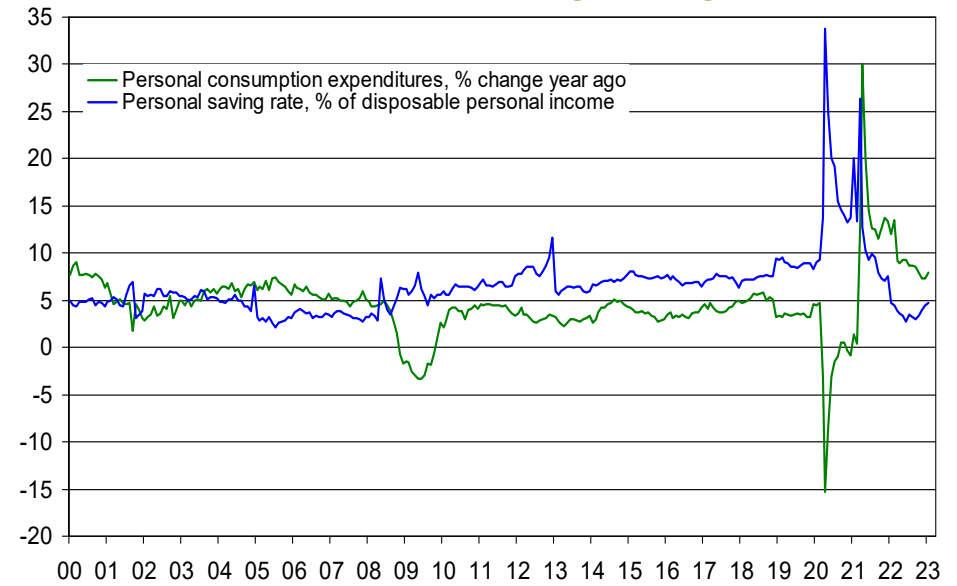
Private Sector Hiring Diffusion Index



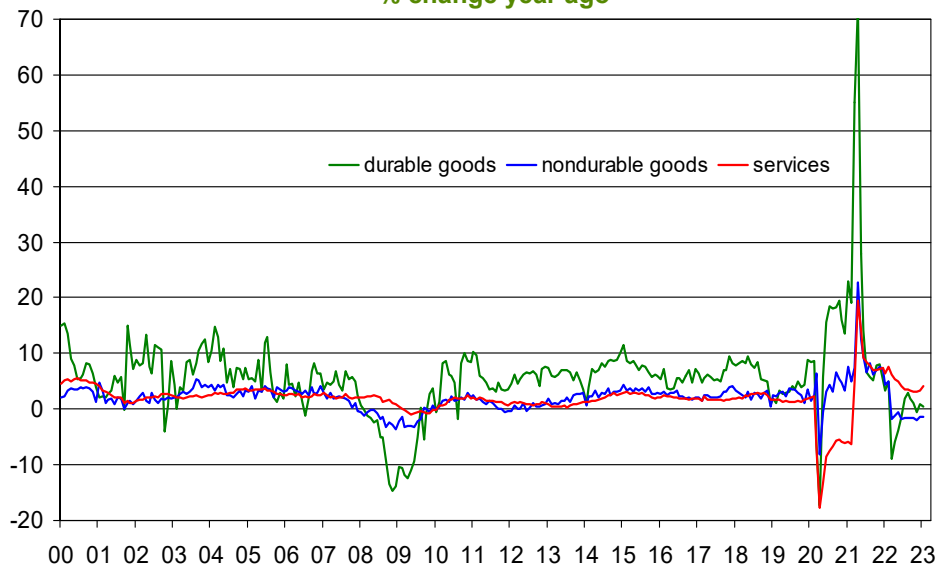
Real Personal Income % change year ago



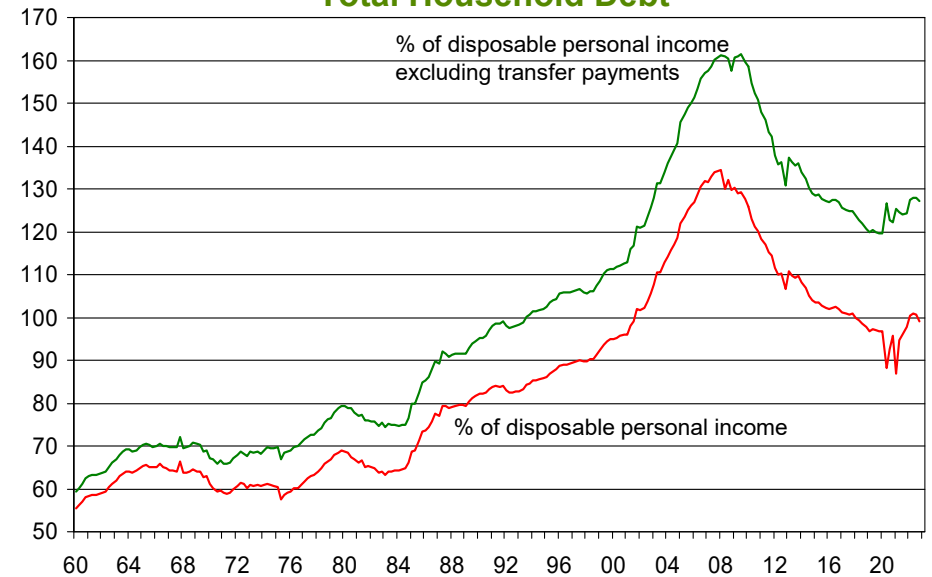
Personal Spending, Saving



Real Consumer Spending % change year ago

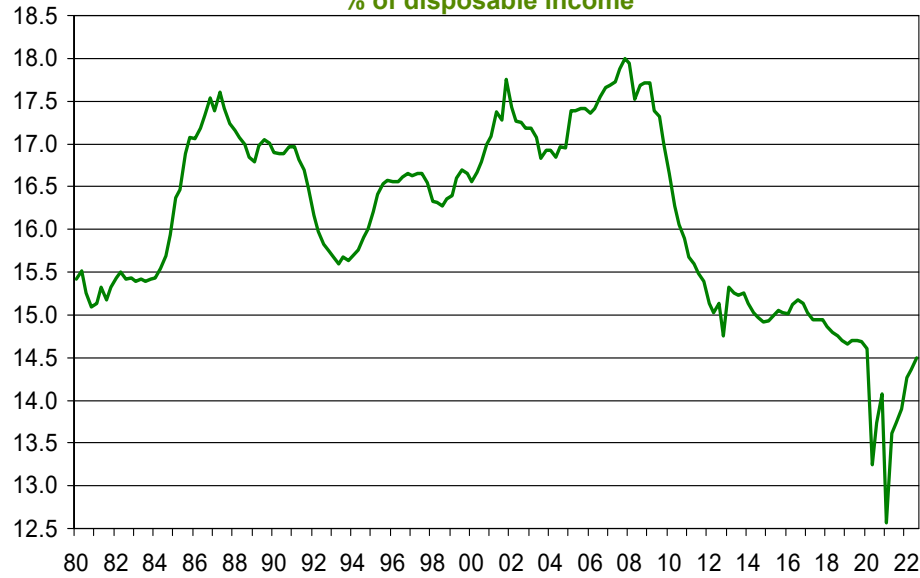


Total Household Debt



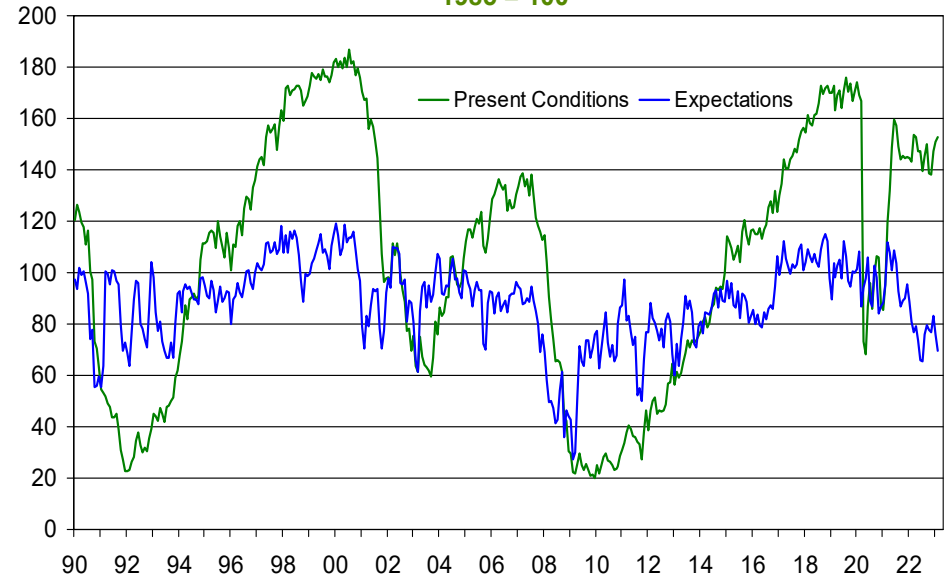
Household Financial Obligations Ratio

% of disposable income



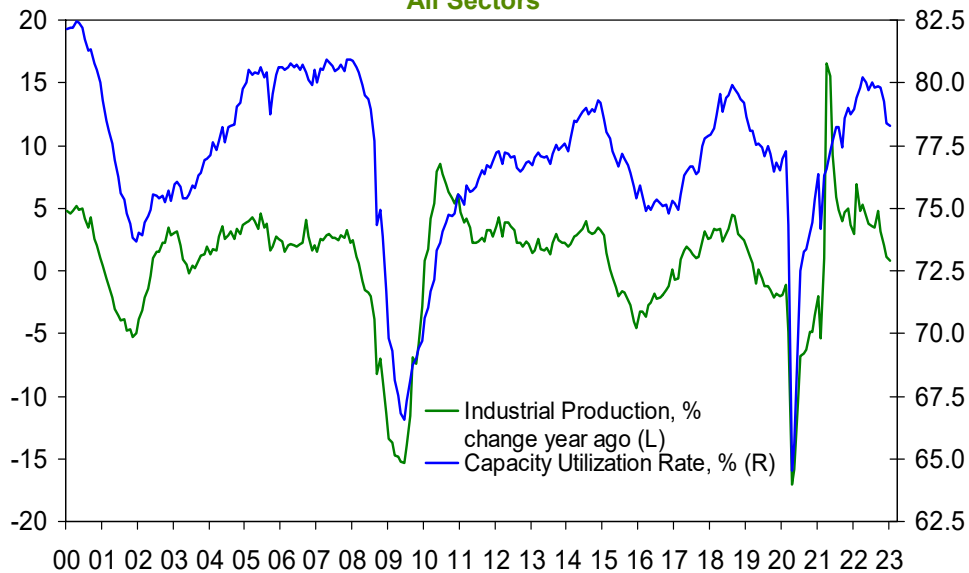
Consumer Confidence Index

1985 = 100



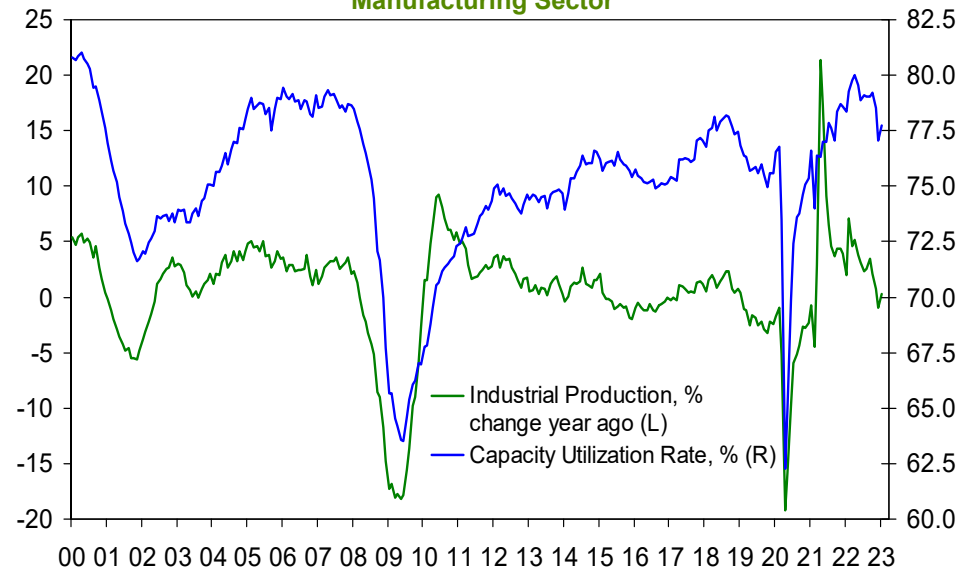
Industrial Production, Capacity Utilization

All Sectors



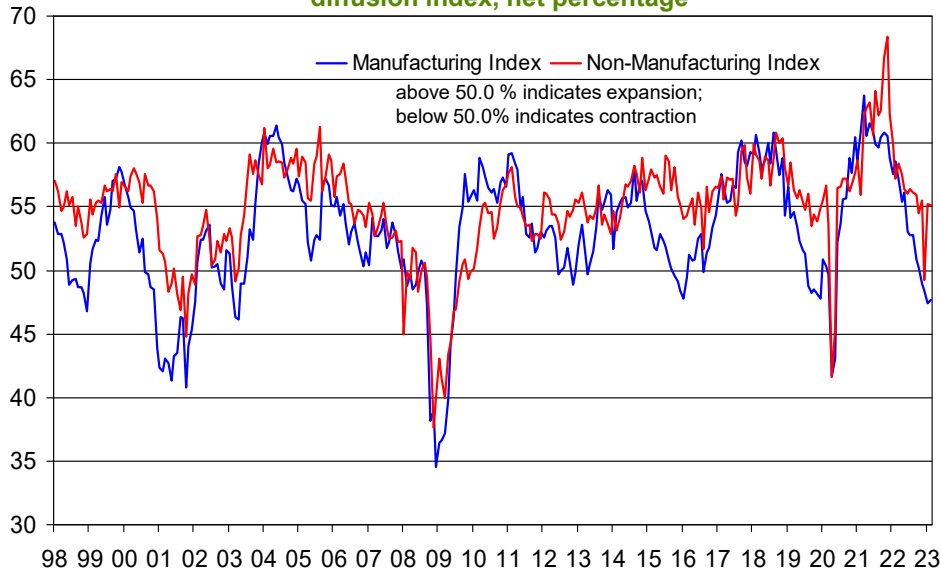
Industrial Production, Capacity Utilization

Manufacturing Sector



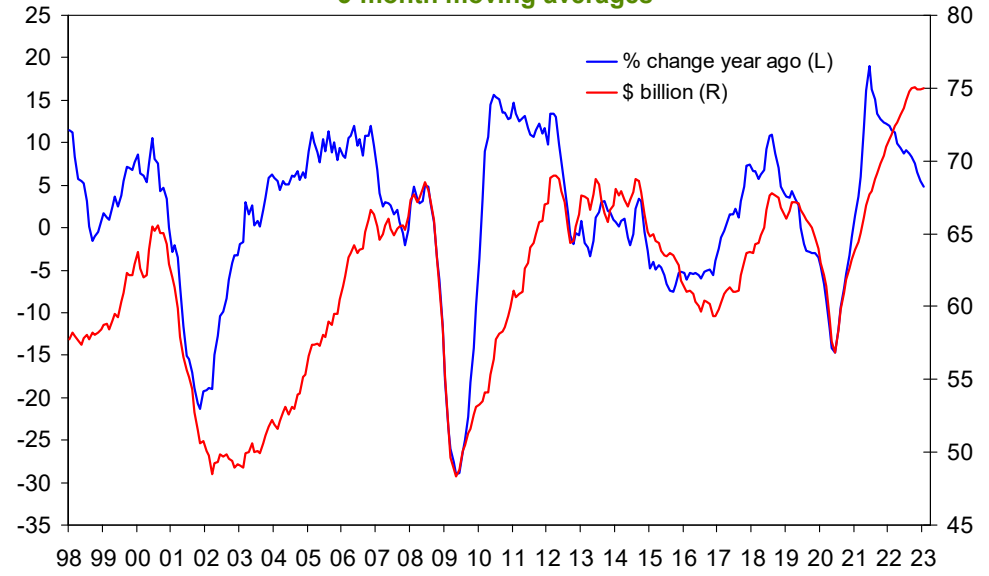
ISM Index

diffusion index, net percentage



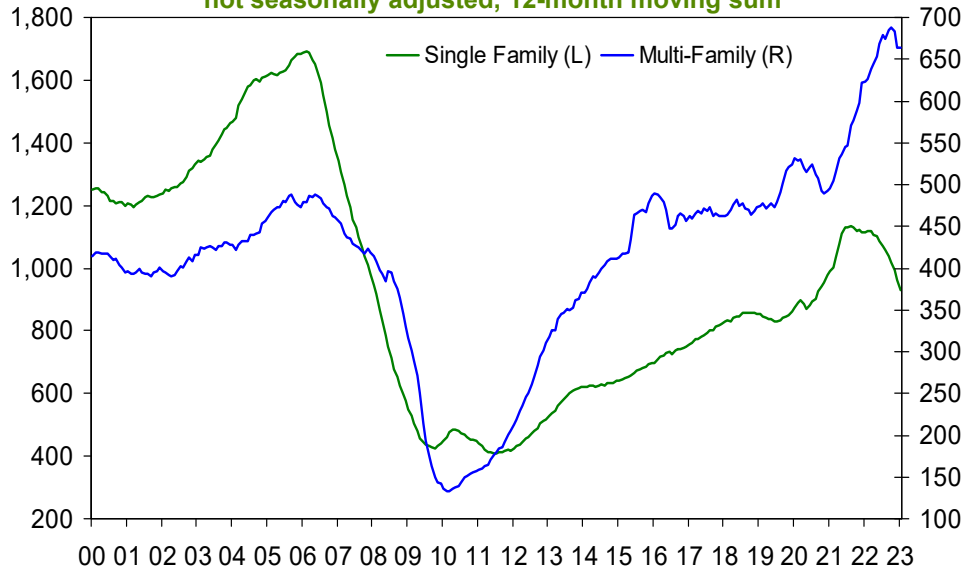
Core Capital Goods Orders

3-month moving averages



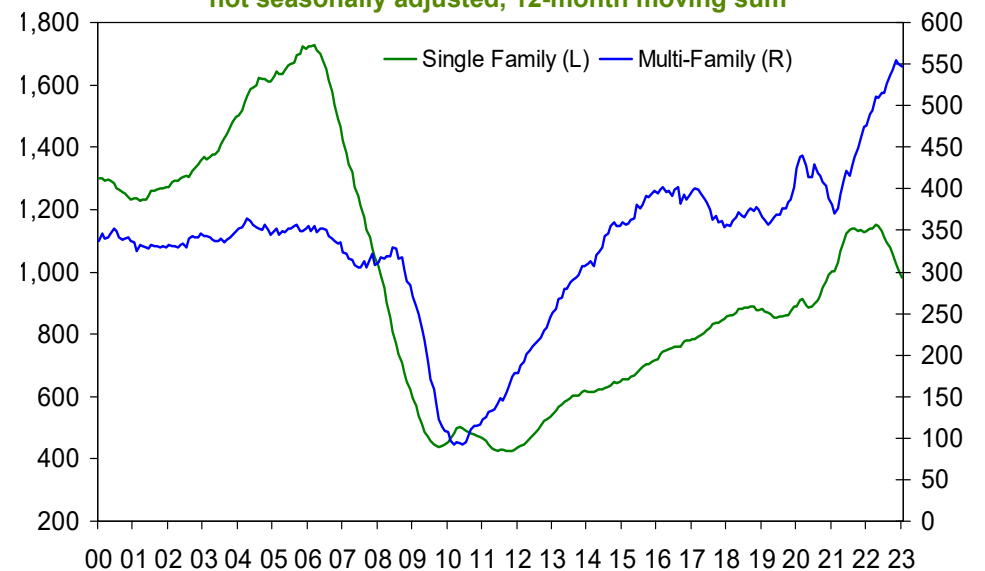
Housing Permits (000's of units)

not seasonally adjusted, 12-month moving sum



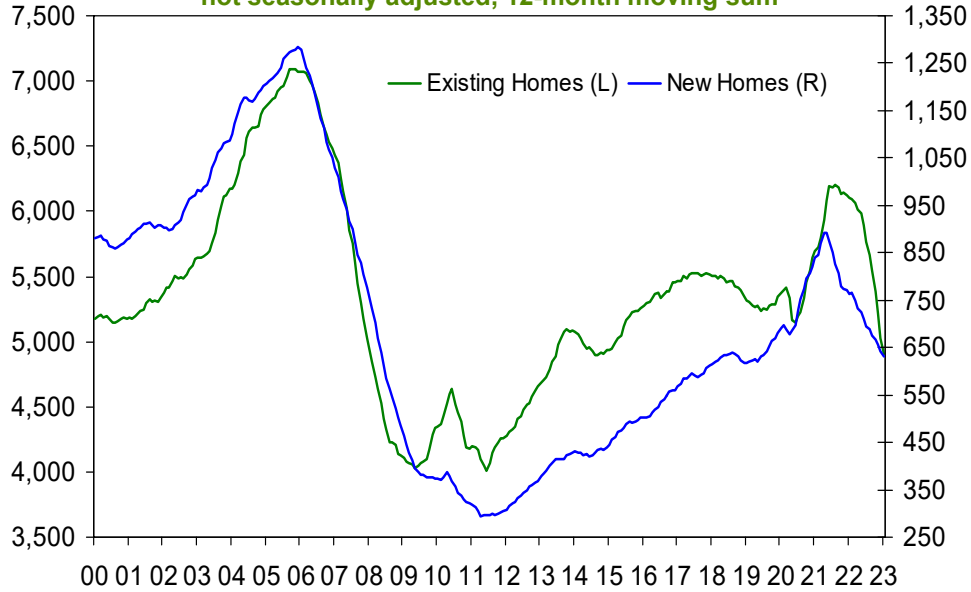
Housing Starts (000's of units)

not seasonally adjusted, 12-month moving sum



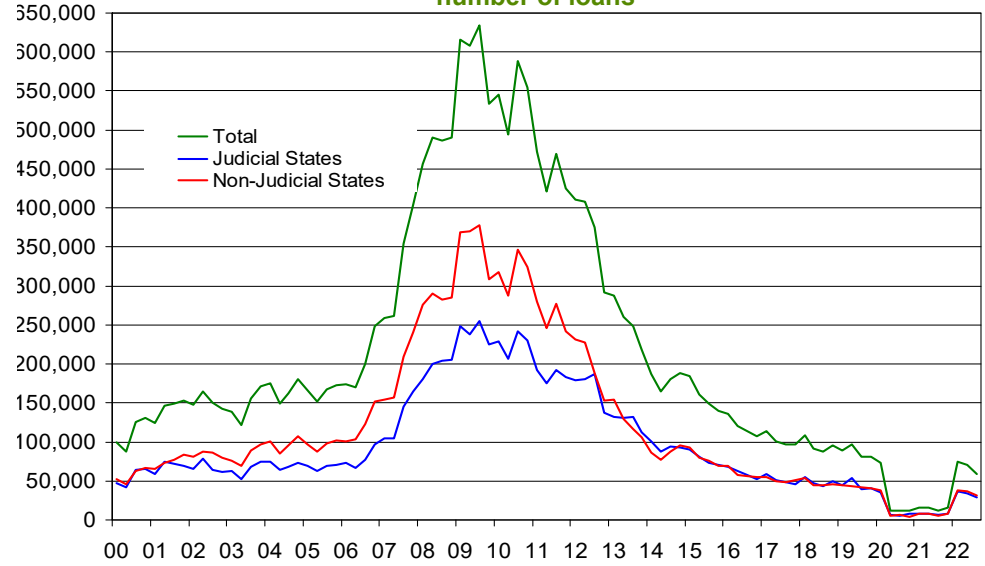
Home Sales (000's of units)

not seasonally adjusted, 12-month moving sum



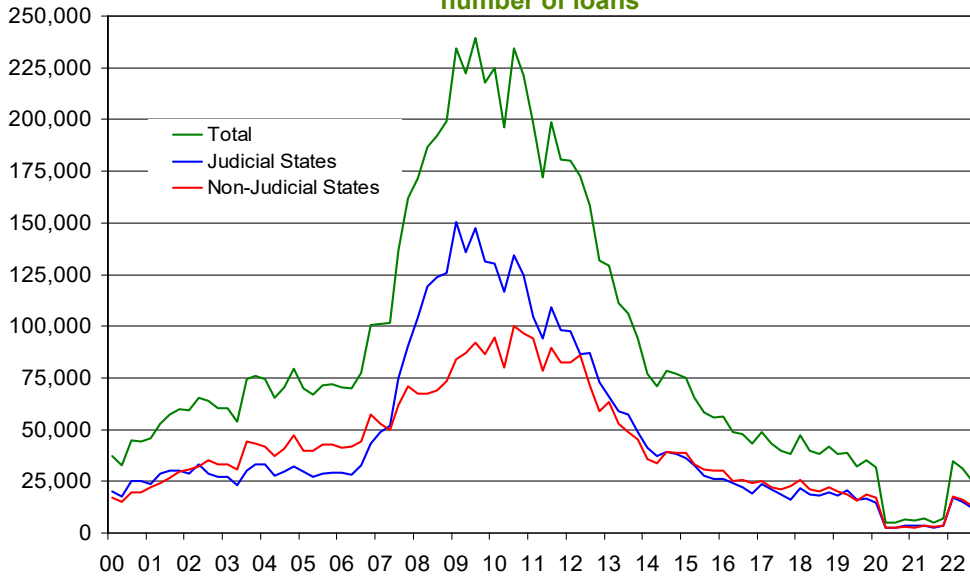
Foreclosure Starts – United States

number of loans



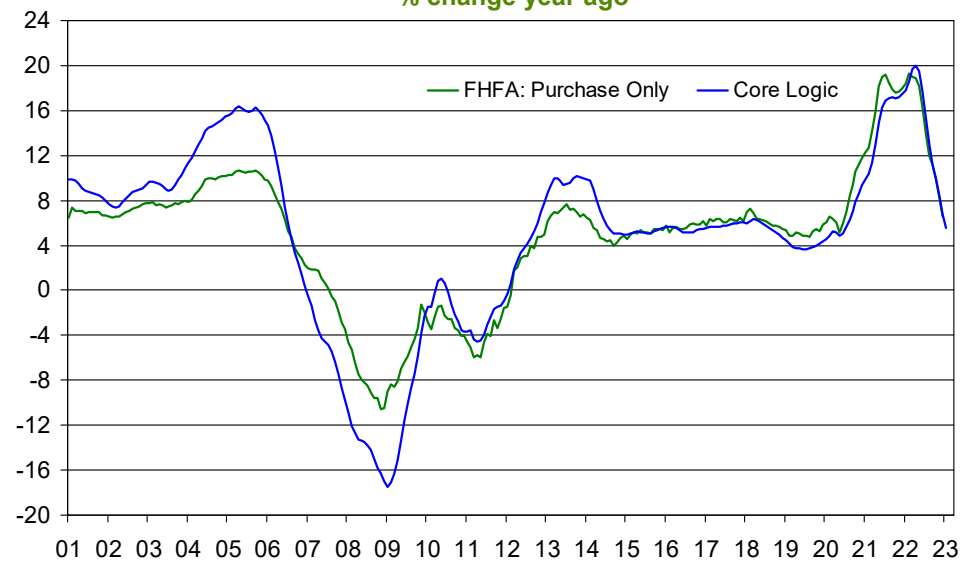
Foreclosure Starts – Regions Footprint

number of loans



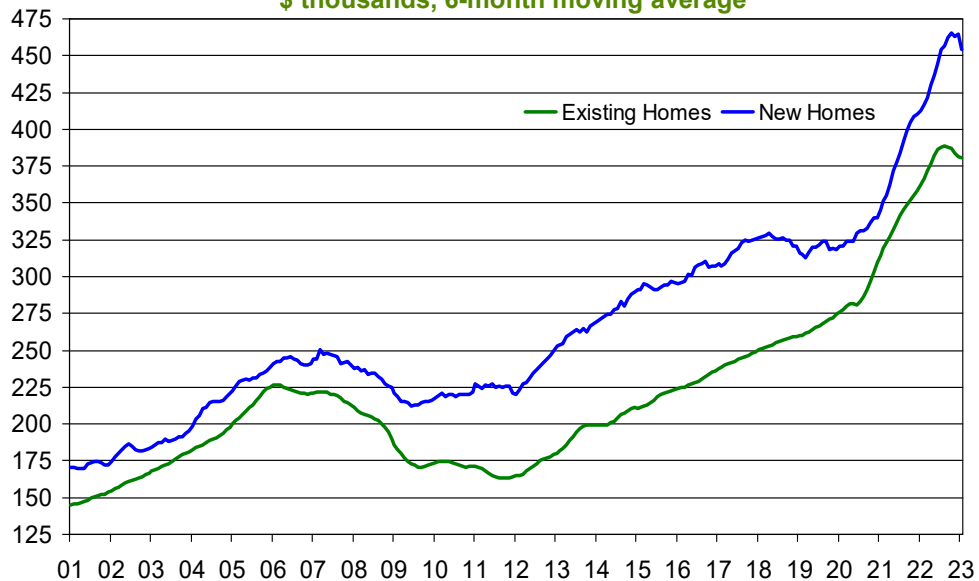
Index of House Prices

% change year ago

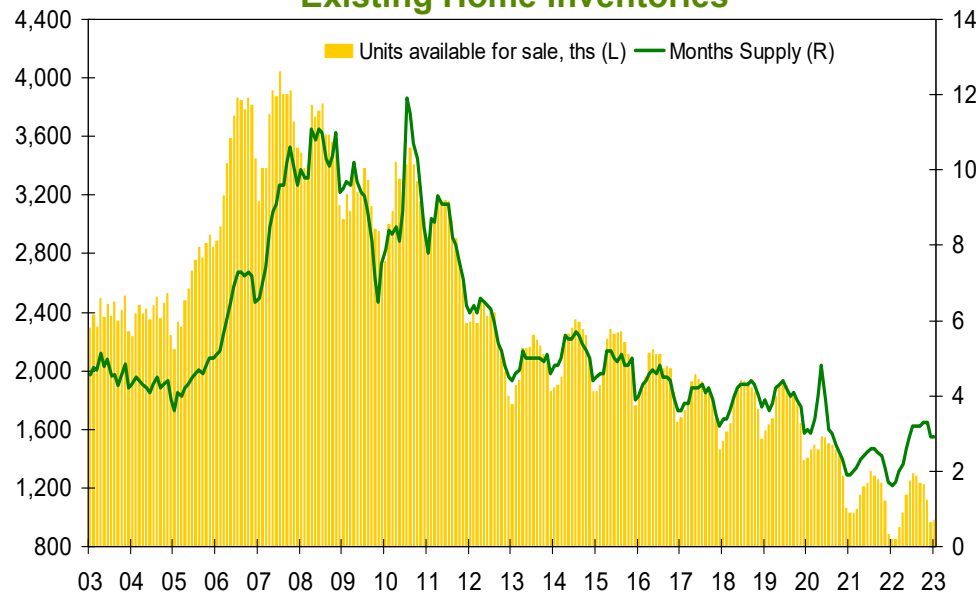


Median Home Prices

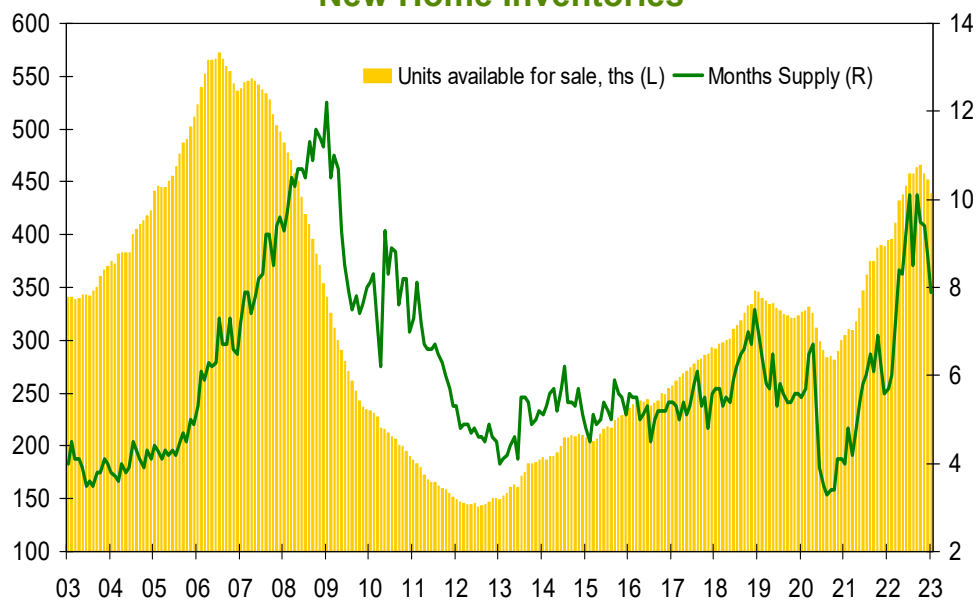
\$ thousands, 6-month moving average



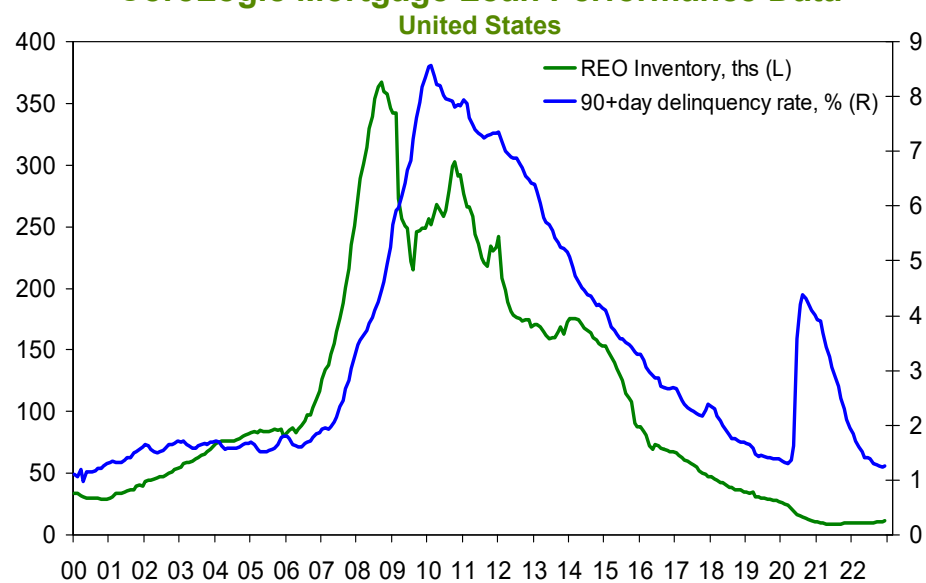
Existing Home Inventories



New Home Inventories

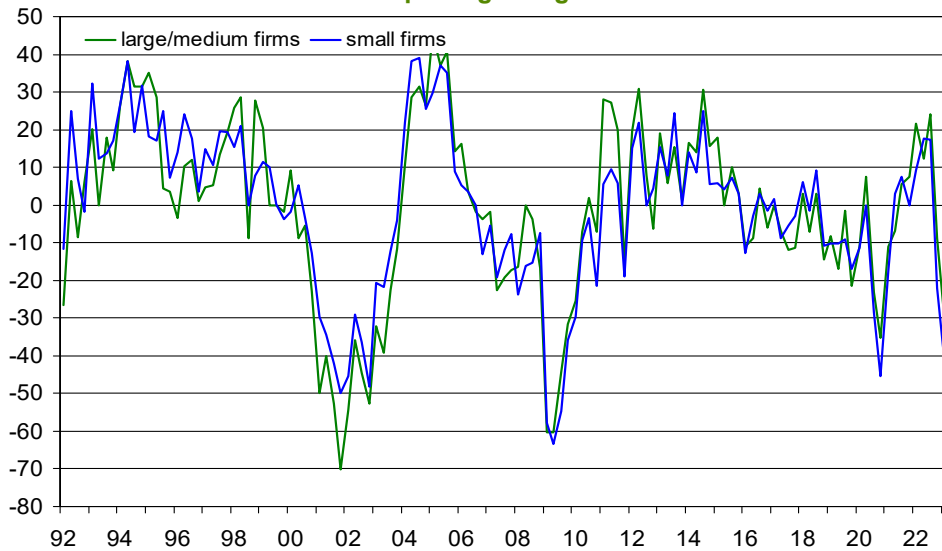


CoreLogic Mortgage Loan Performance Data



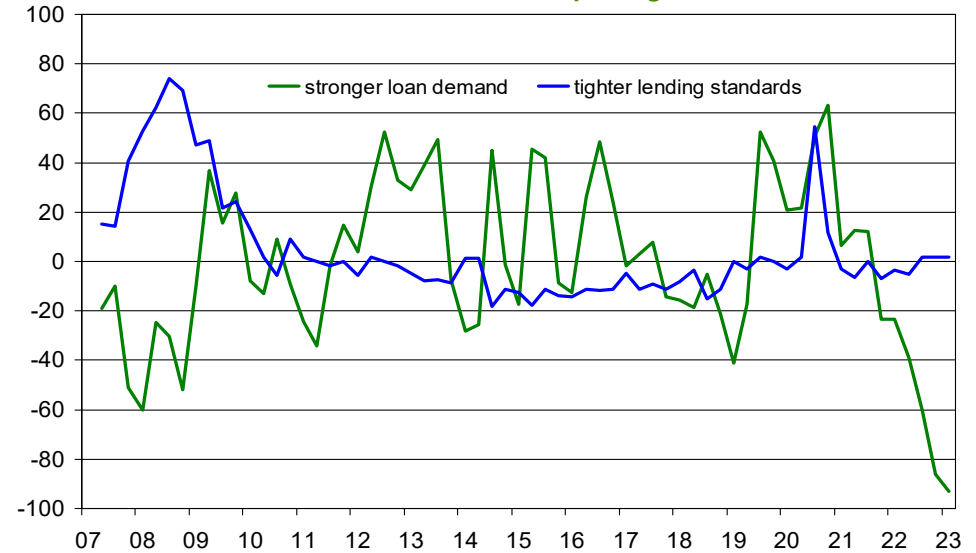
Survey of Senior Lending Officers – C&I Loans

net % of banks reporting rising loan demand from:

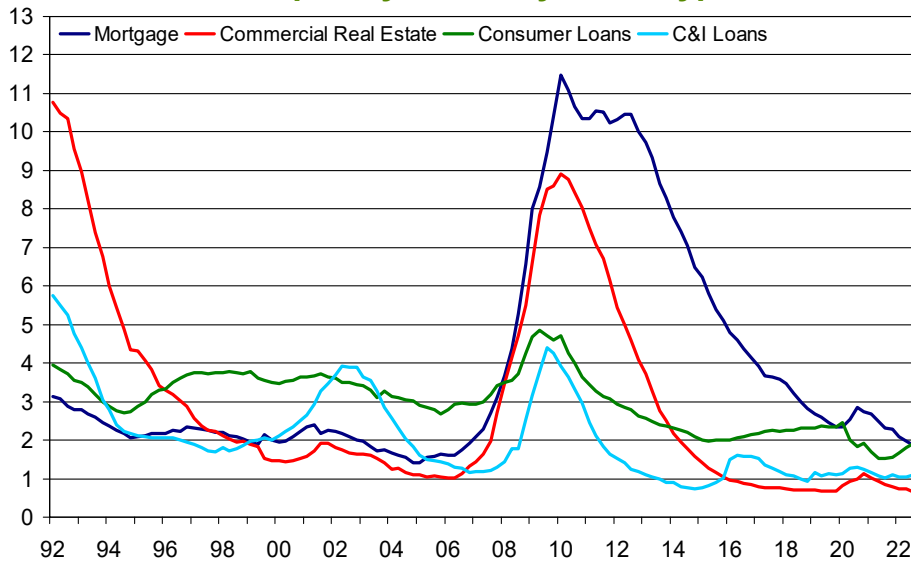


Survey of Senior Lending Officers – Prime Mortgages

net % of banks reporting:

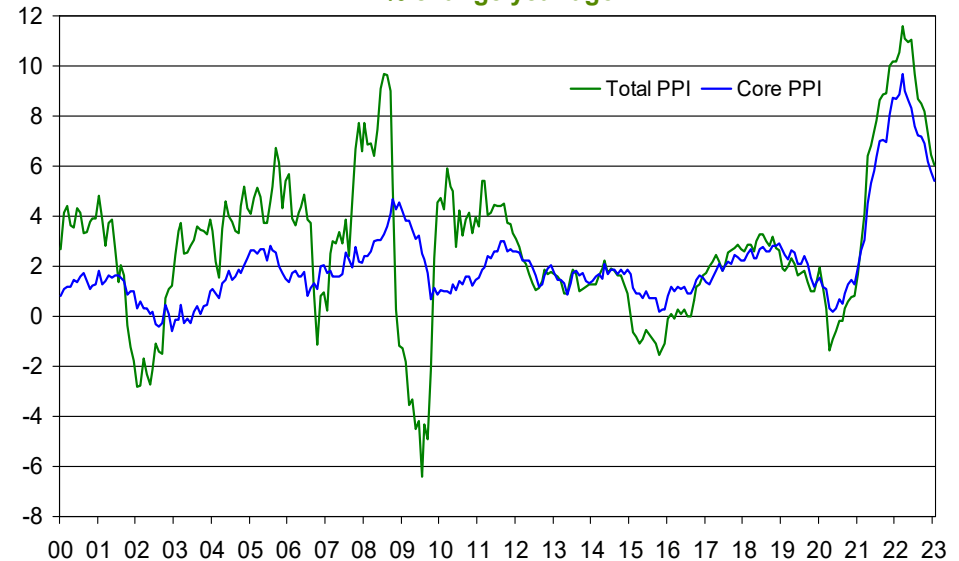


Delinquency Rates By Loan Type, %

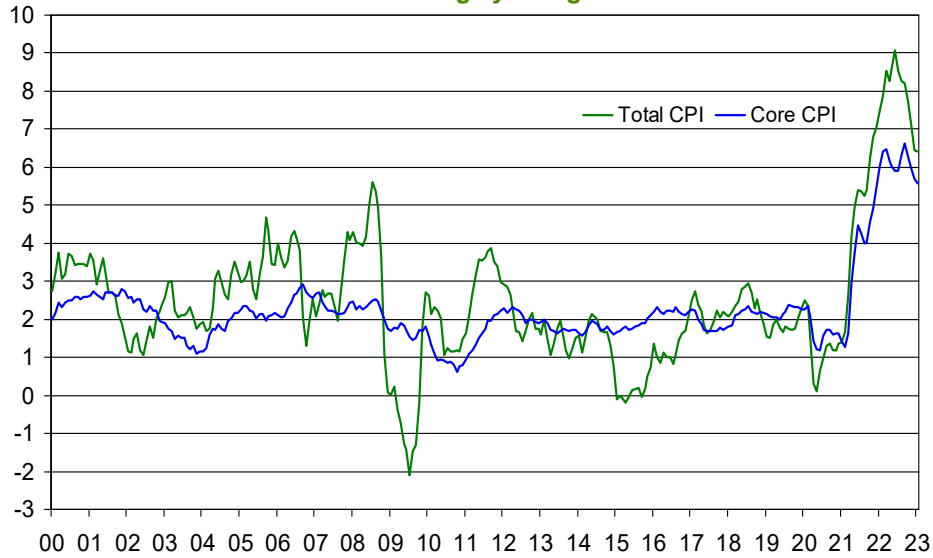


Producer Price Index

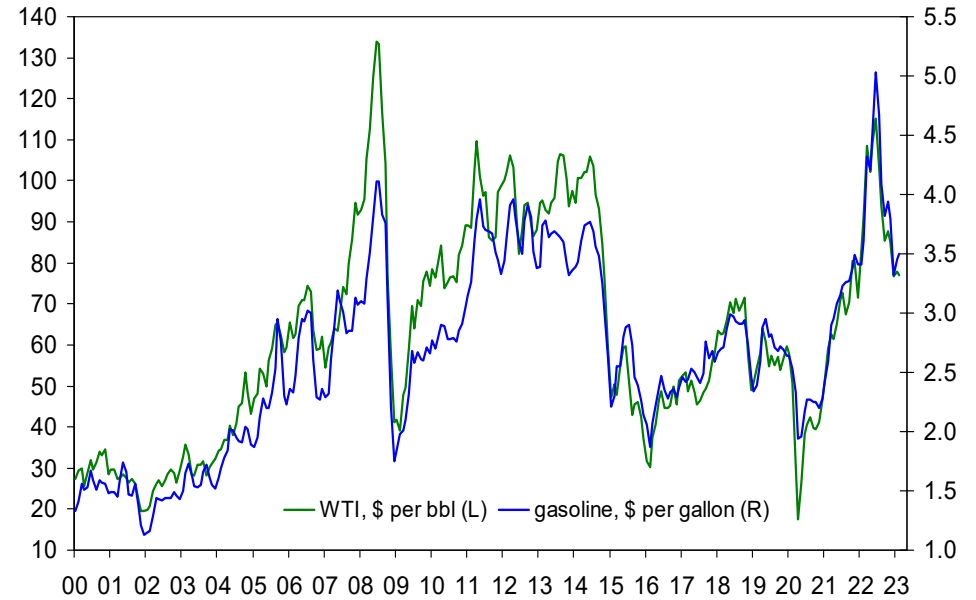
% change year ago



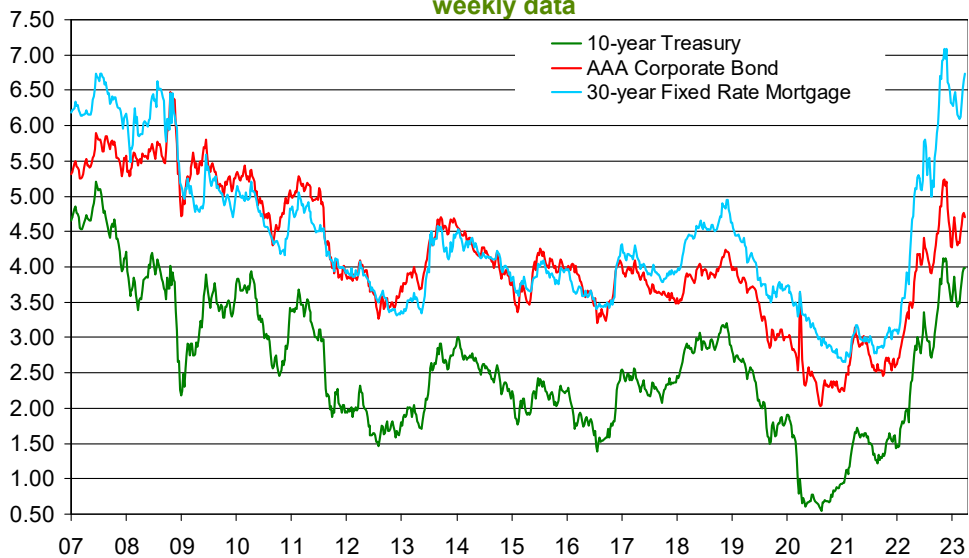
Consumer Price Index
% change year ago



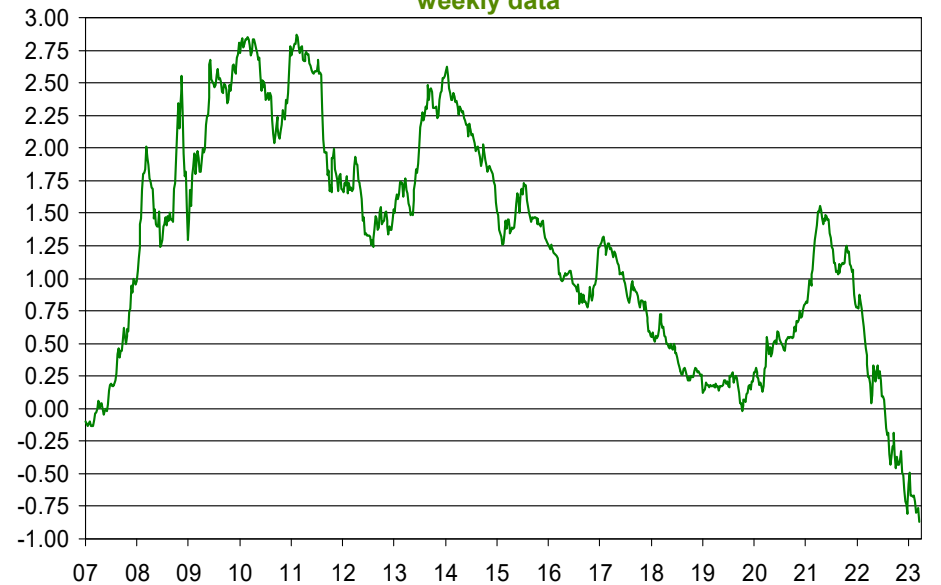
WTI Crude Oil, Retail Gasoline Prices



Selected Interest Rates, %
weekly data

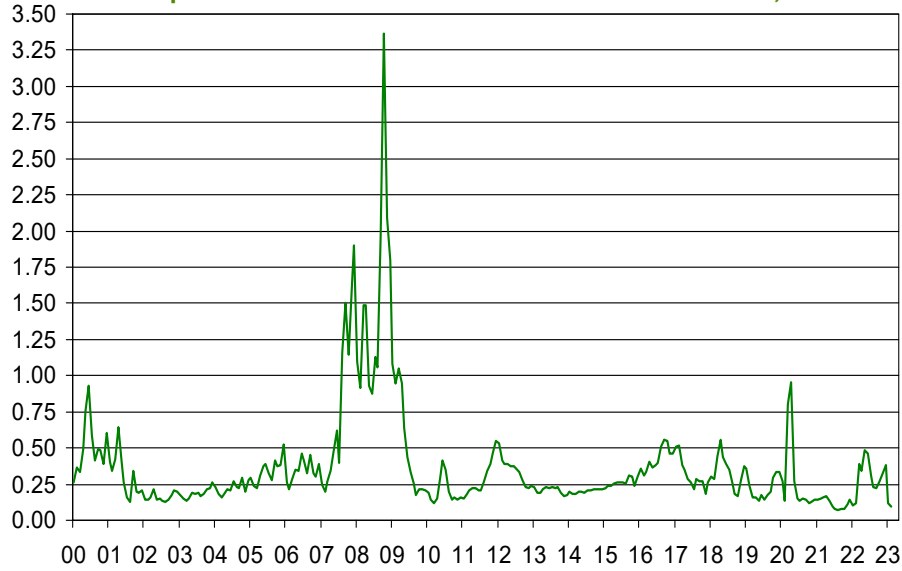


Spread Between Yields On 10-year and 2-invoice Treasury Notes
weekly data



TED Spread

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



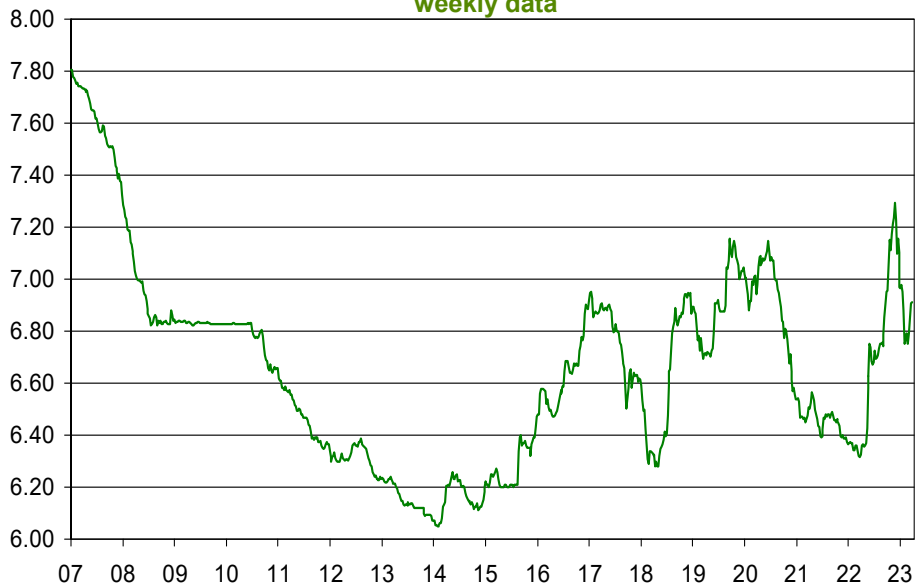
Japanese Yen per U.S. Dollar

weekly data



Chinese Yuan per U.S. Dollar

weekly data



Euros per U.S. Dollar

weekly data

