

Monthly Economic Indicators And Charts

October 2020

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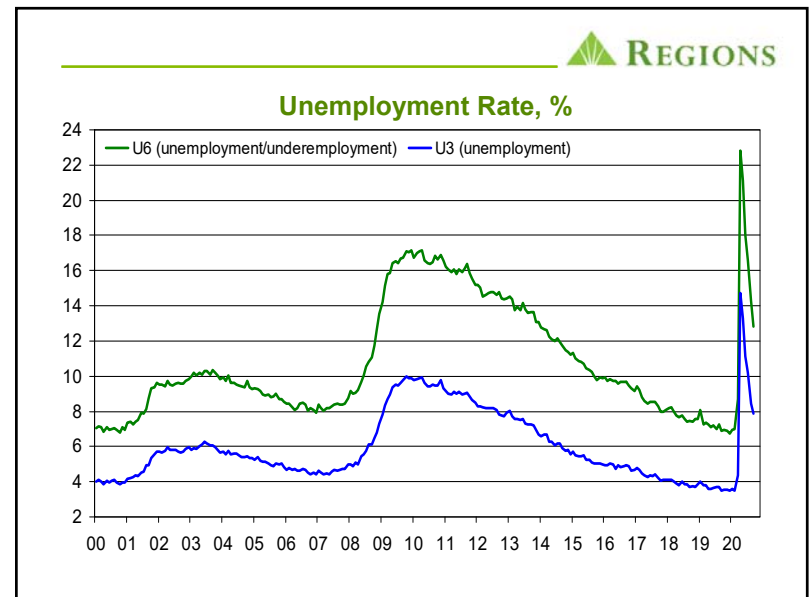
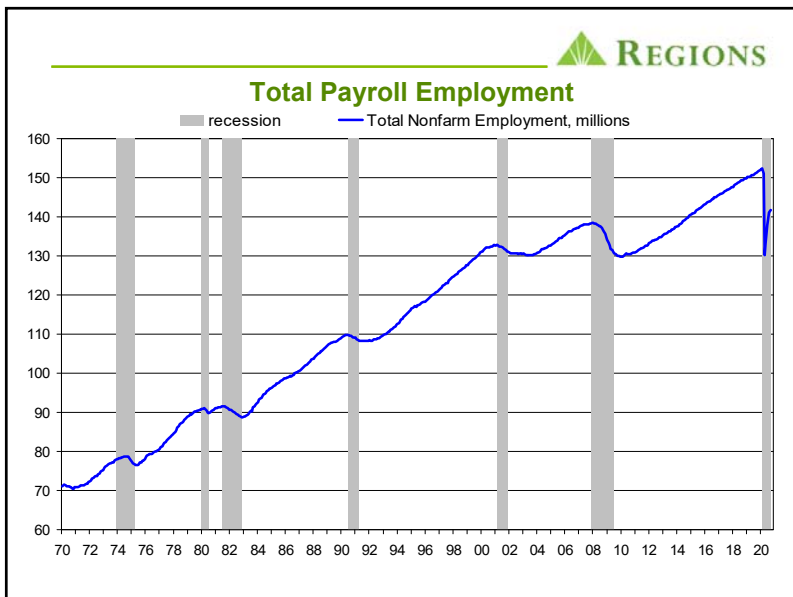
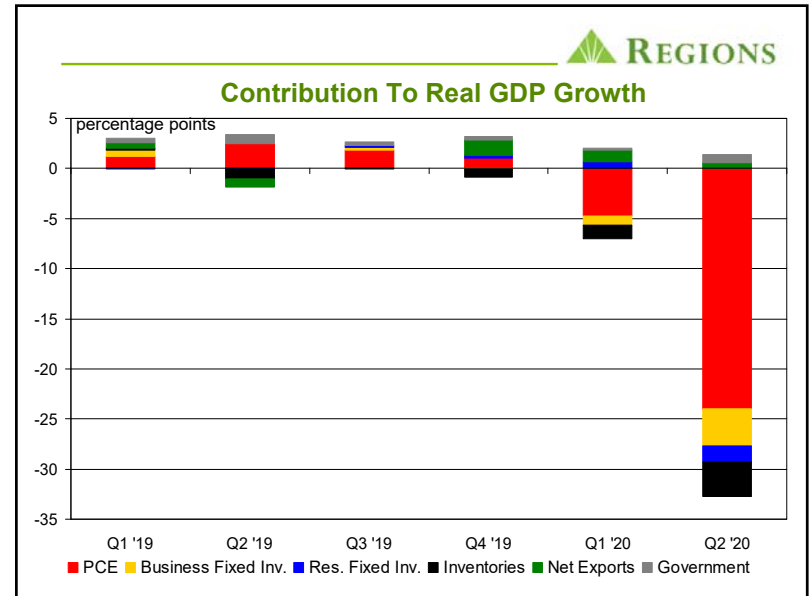
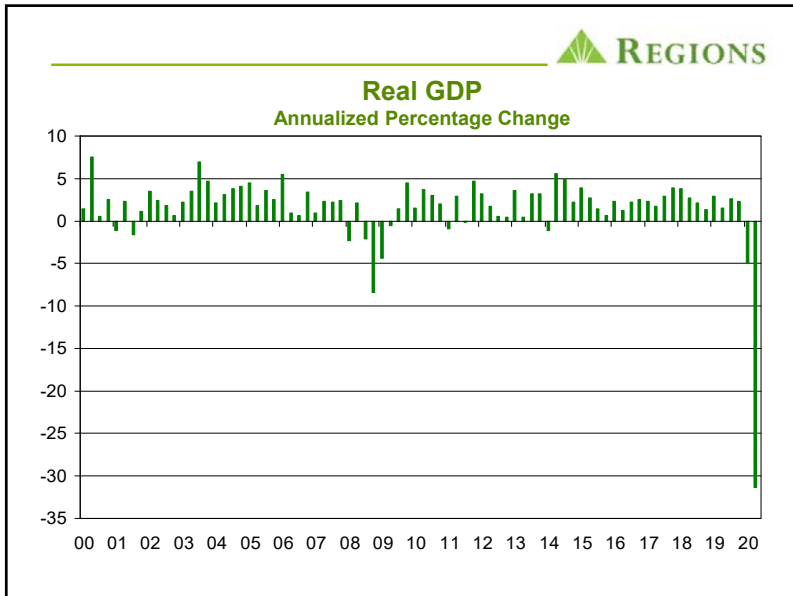
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Labor Market Recovery: Two Steps Forward, One Step Back

- The BEA's third estimate shows real GDP contracted at an annualized rate of 31.4 percent in Q2, a slightly less harsh contraction than had previously been estimated. Based on how the monthly data have evolved, we now anticipate annualized real GDP growth of just over 30 percent for Q3 2020. For full-year 2020, we anticipate real GDP contracting by 3.8 percent, followed by growth of 3.6 percent in 2021, though it should be noted that the outlook for growth in 2021 and beyond could be impacted by the outcome of the November elections.
- Disposable (or, after-tax) personal income fell by 3.2 percent in August due to a 14.8 percent decline in transfer payments. This reflects the late-July expiration of the \$600 per week in supplemental unemployment insurance benefits provided by the CARES Act. Still, disposable personal income excluding transfer payments rose by 1.2 percent in August, mainly due to a solid increase in wage and salary earnings, the largest single component of personal income.
- Business investment spending surprised to the upside in Q3, adding support for top-line real GDP growth. This is consistent with the ISM Manufacturing Index which, despite dipping to 55.4 percent in September, shows further growth in the factory sector. What is not yet clear is whether the strength in the factory sector over the past few months is simply a bounce from the steep declines seen in the spring as companies replenish inventories or whether it is the start of a prolonged period of steady growth. Time will tell, but the answer has implications for the broader economy.
- The September employment report was far more noise than signal, with estimates of private and public sector job growth and the unemployment rate distorted by seasonal adjustment noise. Beneath this noise, a rising duration of unemployment and a growing incidence of permanent job losses, as opposed to temporary layoffs, are discouraging signs, and several large corporations have announced plans for large-scale job cuts. While the labor market is healing, progress will be harder to come by in the months ahead.

ECONOMIC/FINANCIAL DATA HIGHLIGHTS – October 2020

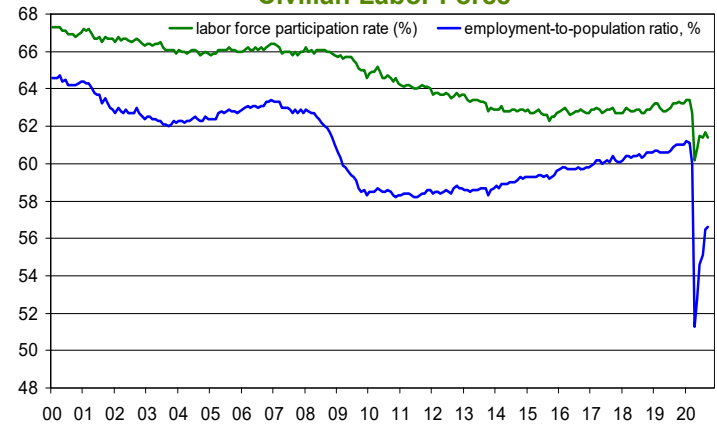
Indicator:	Last Observation:	Reported As:	Value:	% Change Year Ago, or Year Ago Value:
Real GDP	Q2 2020 (3 rd est.)	Annualized % change	<31.38%>	<9.03%>
Total Payroll Employment	September 2020	Monthly change, thousands of jobs	+661	<6.40%>
Private Sector Payroll Employment	September 2020	Monthly change, thousands of jobs	+877	<6.87%>
Unemployment Rate	September 2020	% of labor force	7.9%	3.5%
“U6” Unemployment/Underemployment	September 2020	% of labor force	12.8%	6.9%
Unemployed 27 Weeks or More	September 2020	Millions of people	2.405	1.318
Aggregate Private Sector Earnings	September 2020	Monthly % change	1.10%	<1.65%>
Real Personal Disposable Income	August 2020	Monthly % change	<3.50%>	3.96%
Real Personal Disposable Income ex-Transfers	August 2020	Monthly % change	0.88%	<2.32%>
Real Personal Consumption Expenditures	August 2020	Monthly % change	0.67%	<3.24%>
Personal Savings Rate	August 2020	% of disposable personal income	14.10%	7.30%
Consumer Price Index – Total	August 2020	Monthly % change	0.37%	1.31%
Consumer Price Index – Core	August 2020	Monthly % change	0.39%	1.73%
Producer Price Index – Final Demand	August 2020	Monthly % change	0.34%	<0.17%>
Producer Price Index – Core Final Demand	August 2020	Monthly % change	0.42%	0.59%
Single Family Housing Permits	August 2020	Seasonally adjusted annual rate	1,036,000	896,000
Multi-Family Housing Permits	August 2020	Seasonally adjusted annual rate	434,000	575,000
Single Family Housing Starts	August 2020	Seasonally adjusted annual rate	1,021,000	911,000
Multi-Family Housing Starts	August 2020	Seasonally adjusted annual rate	395,000	466,000
Industrial Production	August 2020	Monthly % change	0.36%	<7.73%>
ISM Manufacturing Index	September 2020	Index value, %	55.4%	48.2%
ISM Manufacturing New Orders Index	September 2020	Index value, %	60.2%	47.3%
ISM Non-Manufacturing Index	September 2020	Index value, %	57.8%	53.5%
ISM Non-Manufacturing New Orders Index	September 2020	Index Value, %	61.5%	53.7%
Federal Funds Rate Target Range Mid-Point	October 2, 2020	Percent	0.125%	1.875%
3-Month LIBOR Rate	October 2, 2020	Percent	0.23%	2.06
3-Month U.S. Treasury Bill Yield	October 2, 2020	Percent	0.09%	1.79
2-Year U.S. Treasury Note Yield	October 2, 2020	Percent	0.13%	1.48
10-Year U.S. Treasury Note Yield	October 2, 2020	Percent	0.69%	1.60
Dollar-Euro Exchange Rate	October 2, 2020	Euros per U.S. dollar	0.8536	0.9132
Dollar-Yen Exchange Rate	October 2, 2020	Yen per U.S. dollar	105.38	107.21
Federal Reserve Broad U.S. Dollar Index	September 25, 2020	Index value, 1/1/2006 = 100	118.2650	117.6986



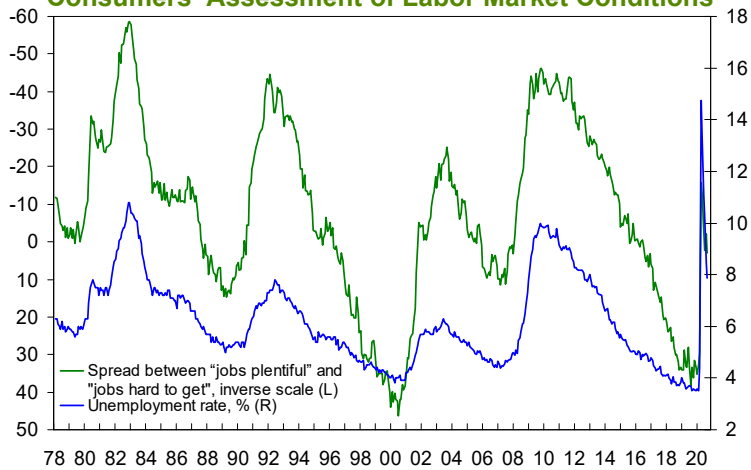
Long-Term Unemployed Unemployed for 27 Weeks or Longer, Millions of People



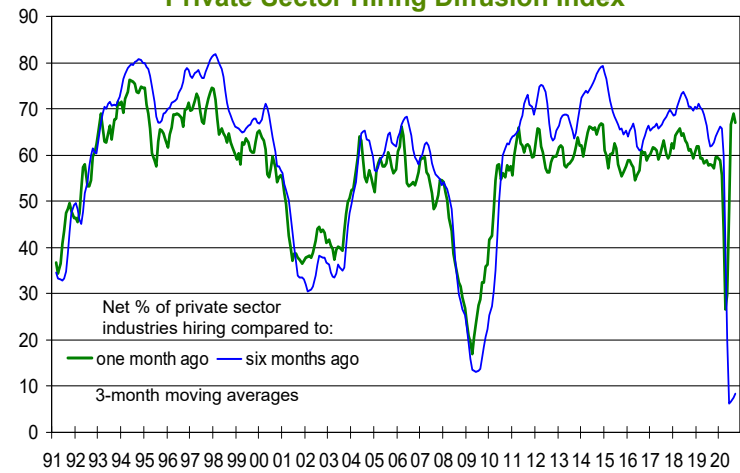
Civilian Labor Force

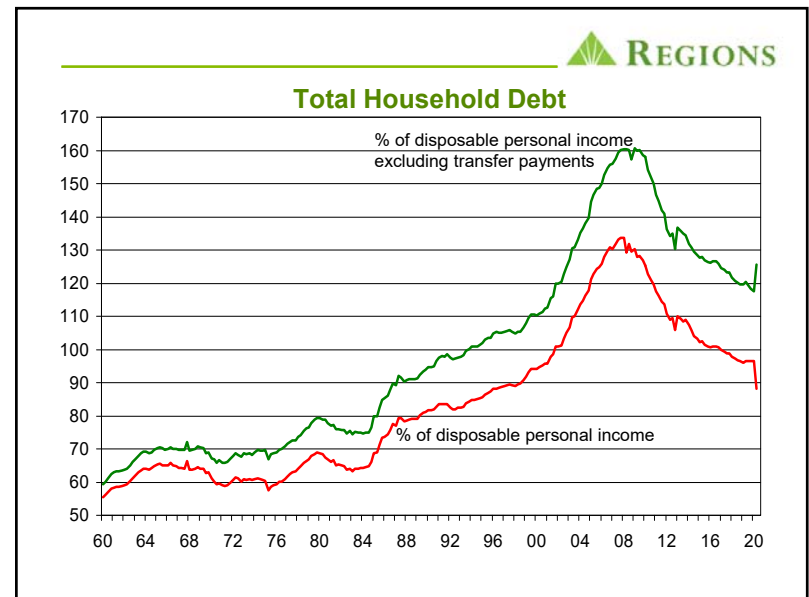
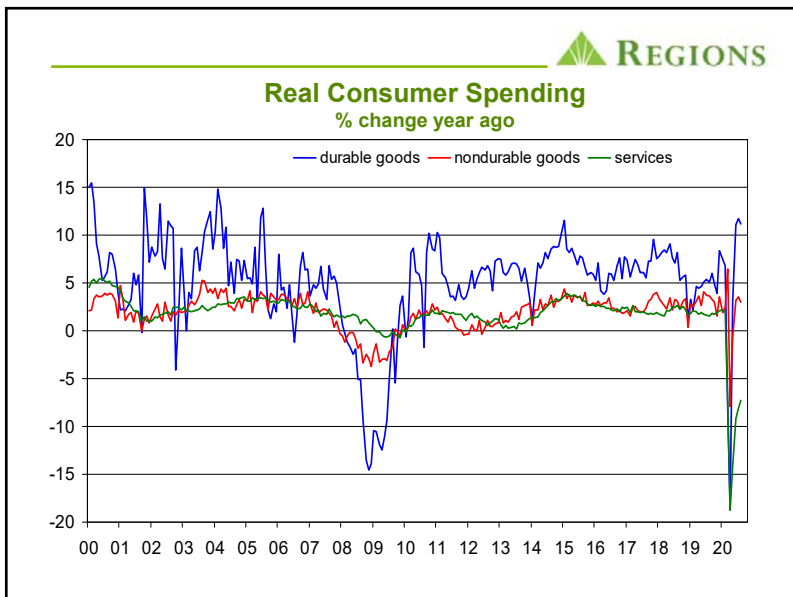
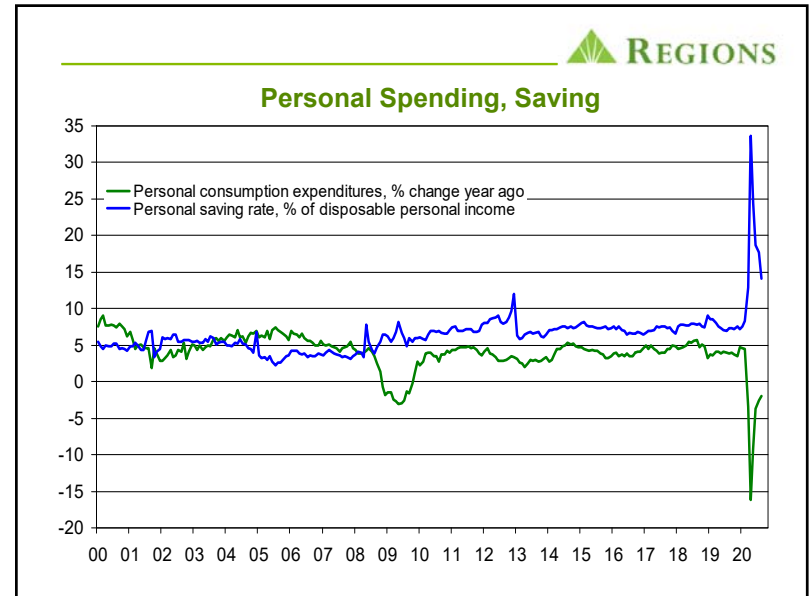
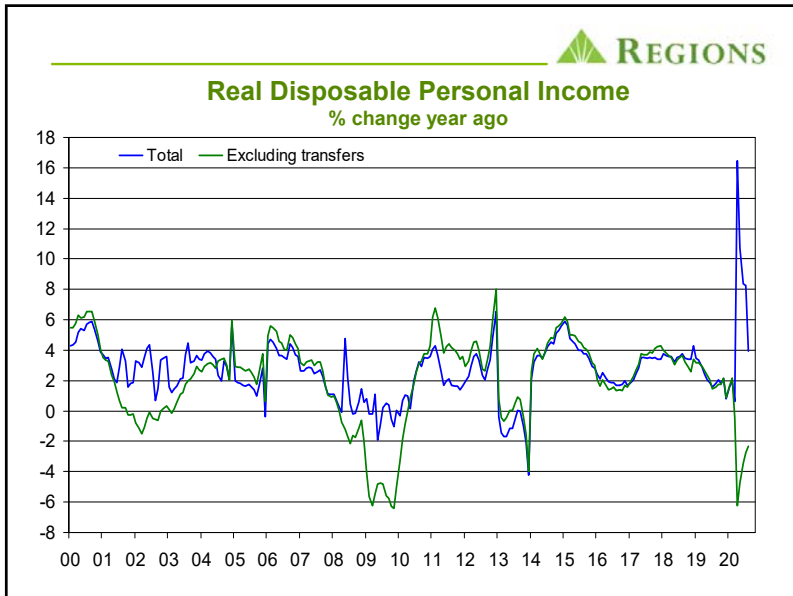


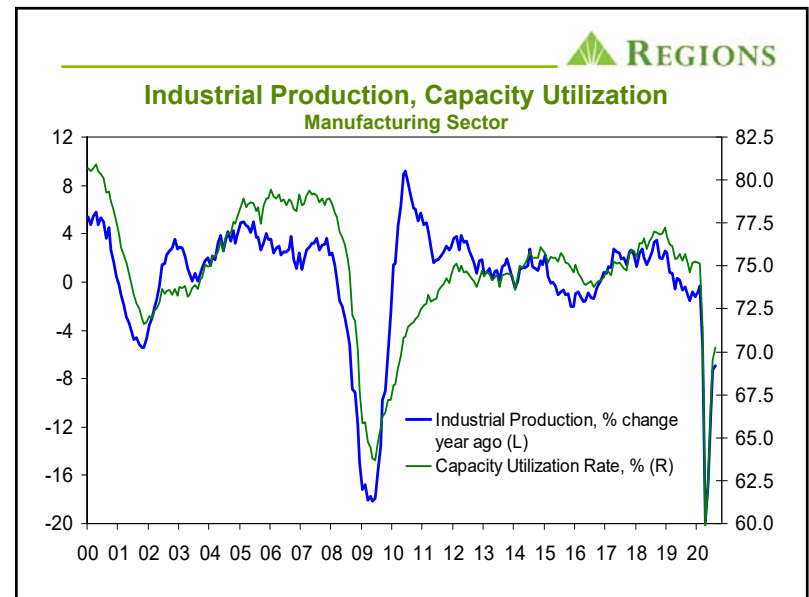
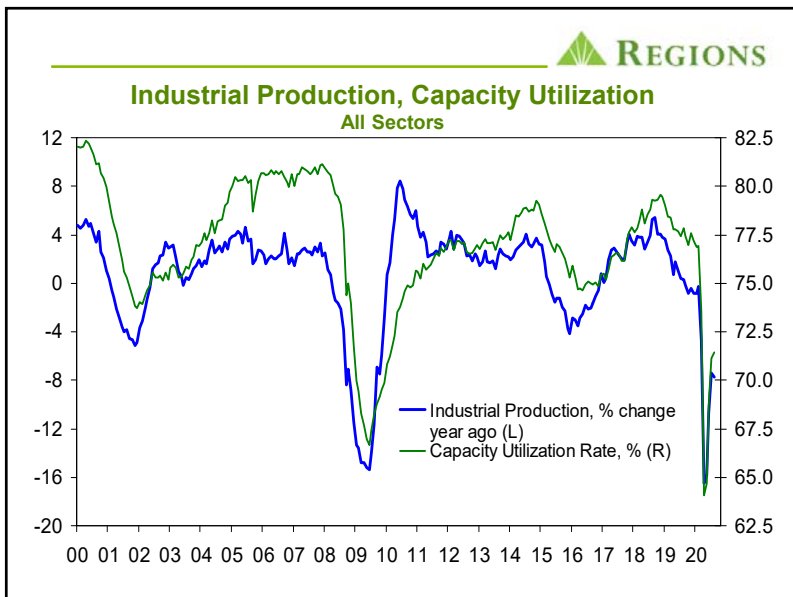
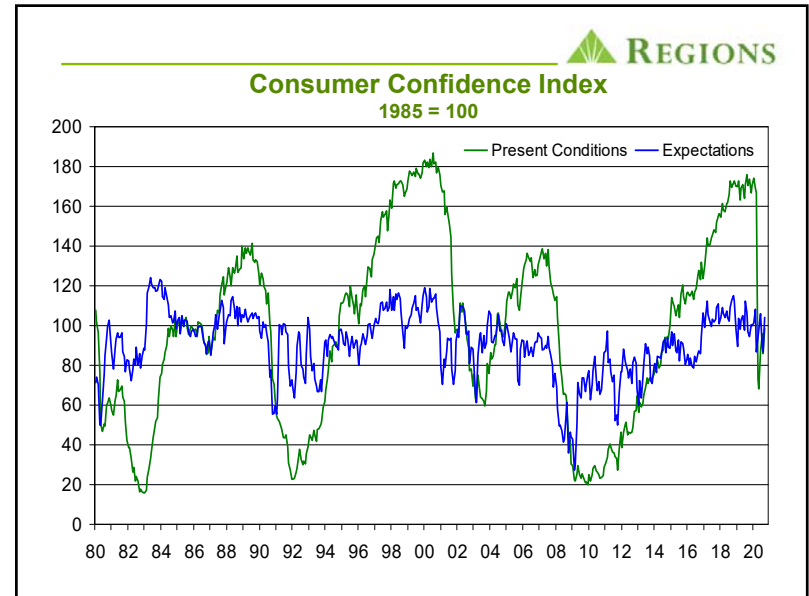
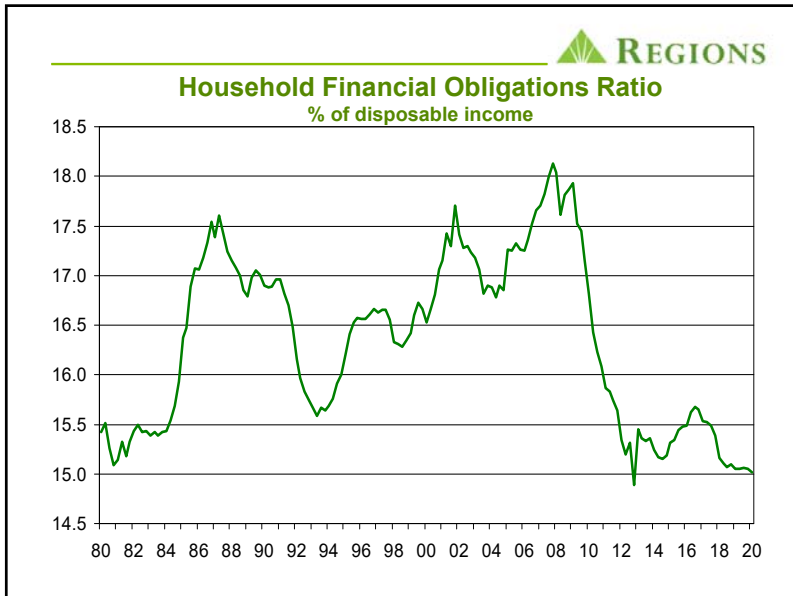
Consumers' Assessment of Labor Market Conditions

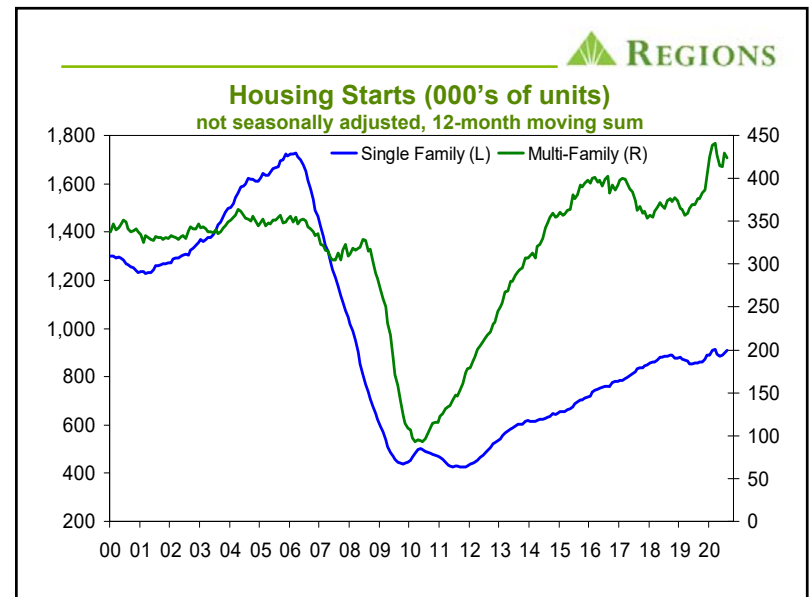
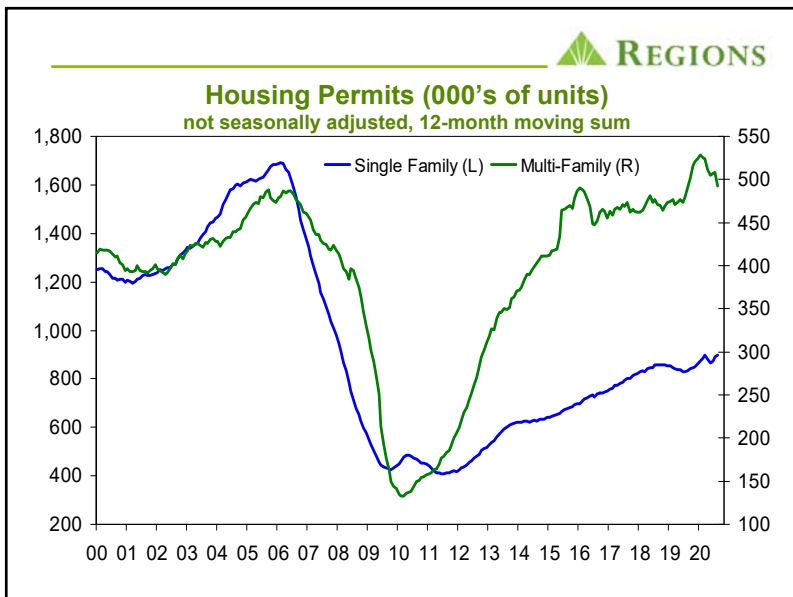
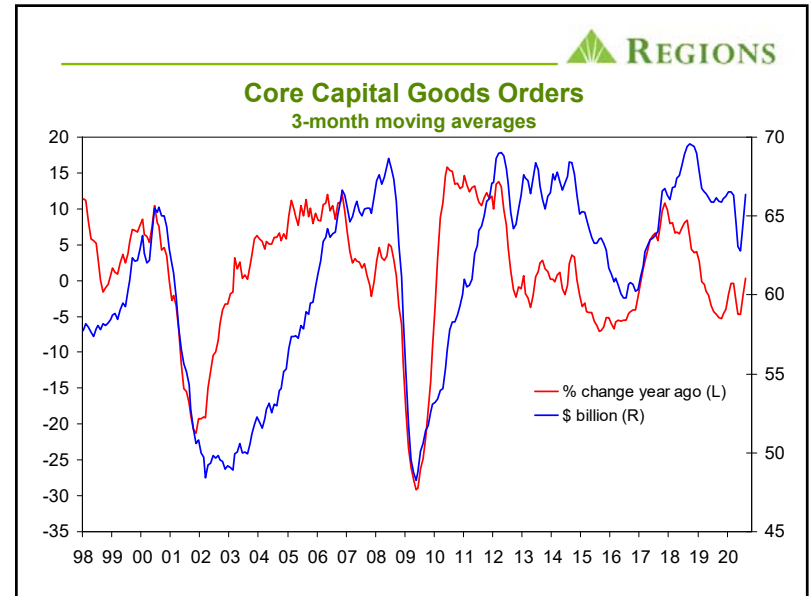
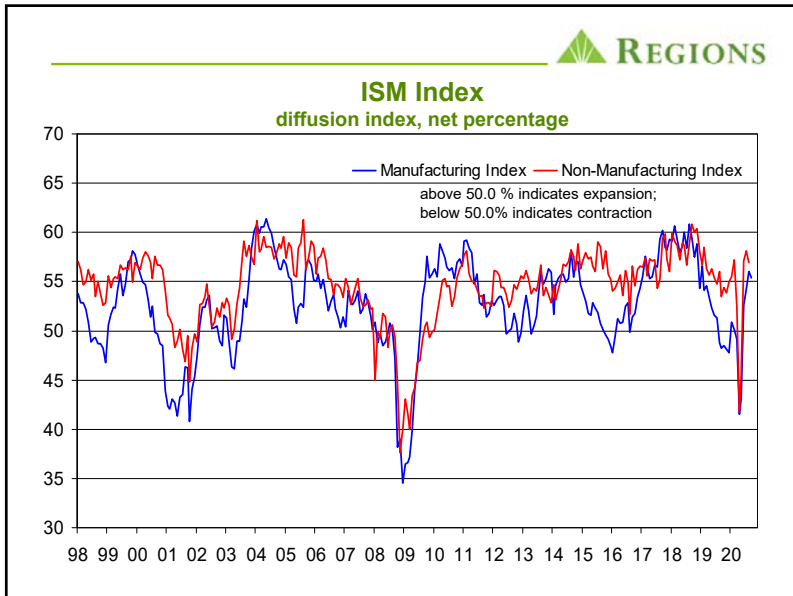


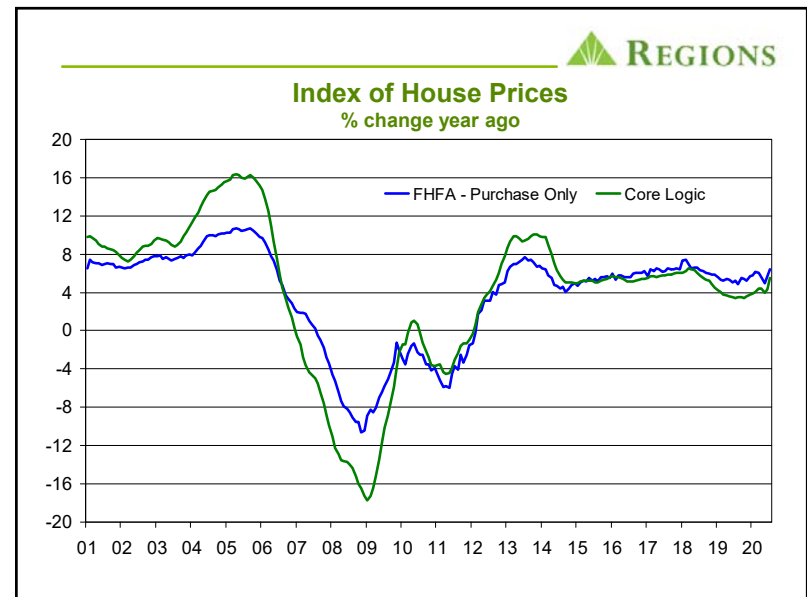
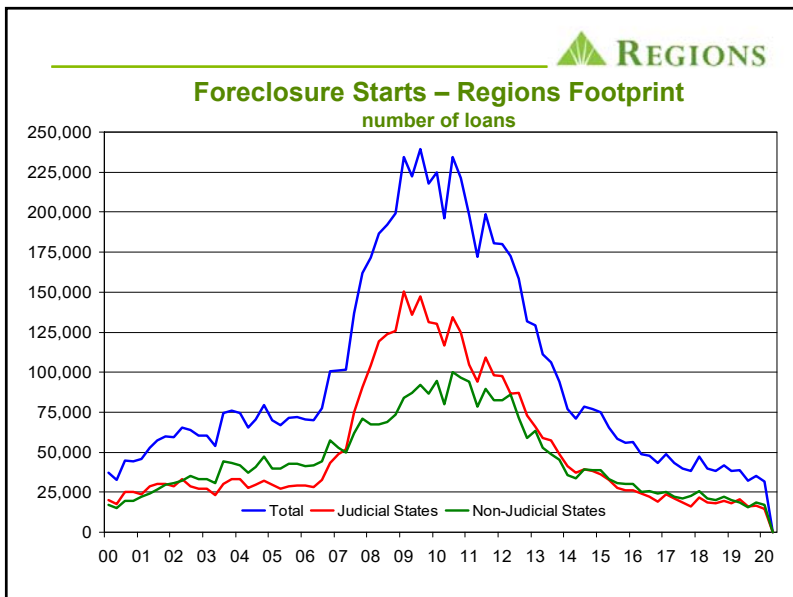
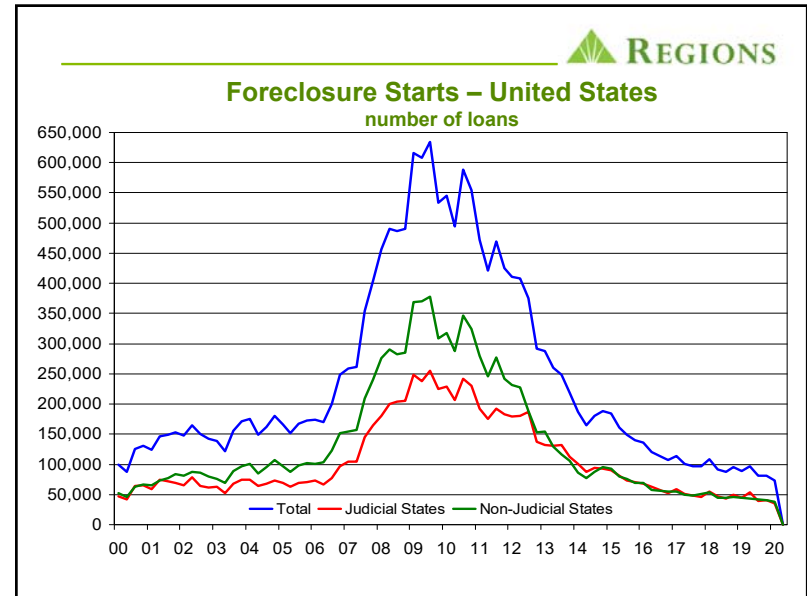
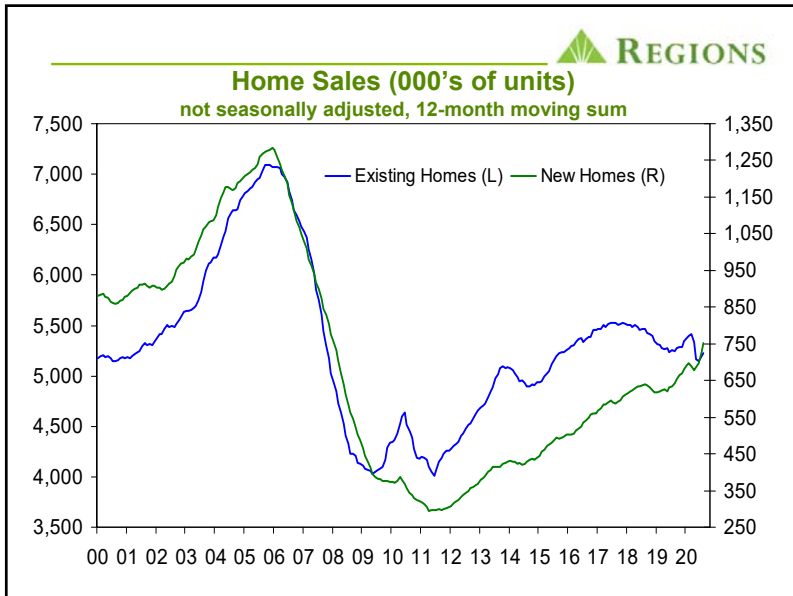
Private Sector Hiring Diffusion Index

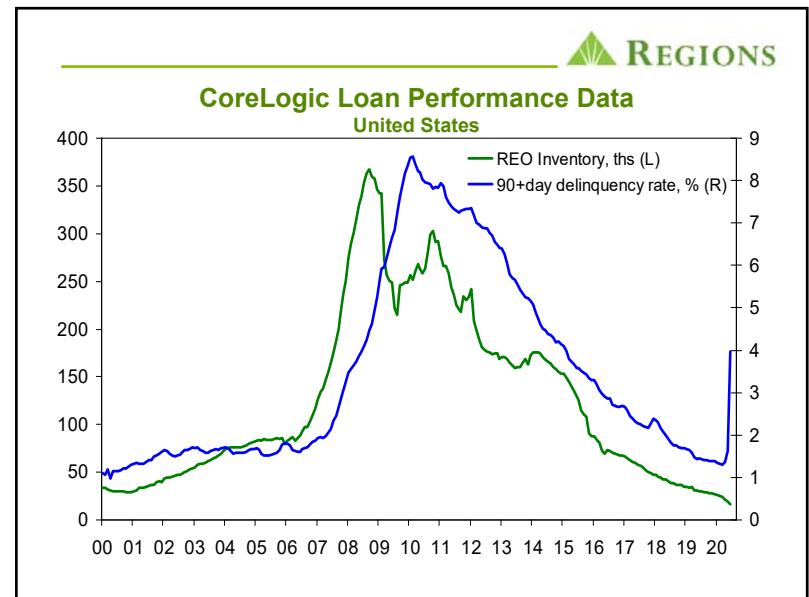
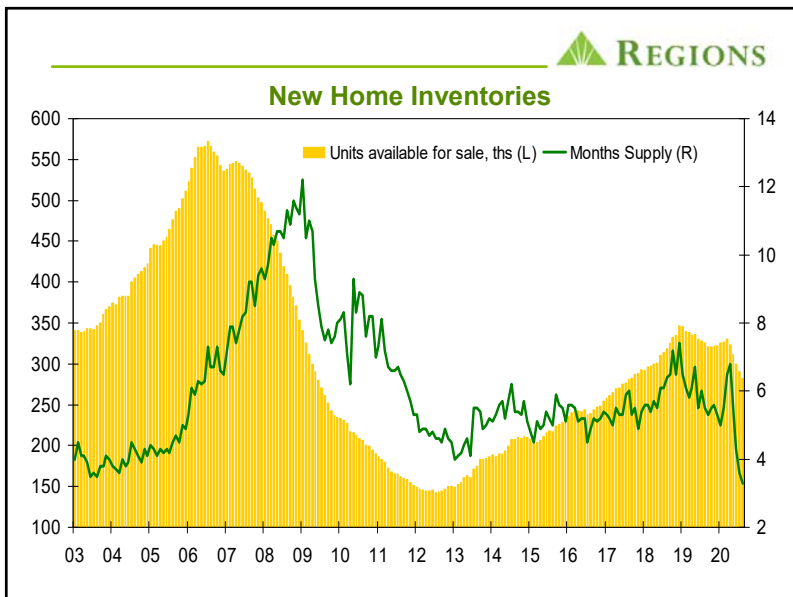
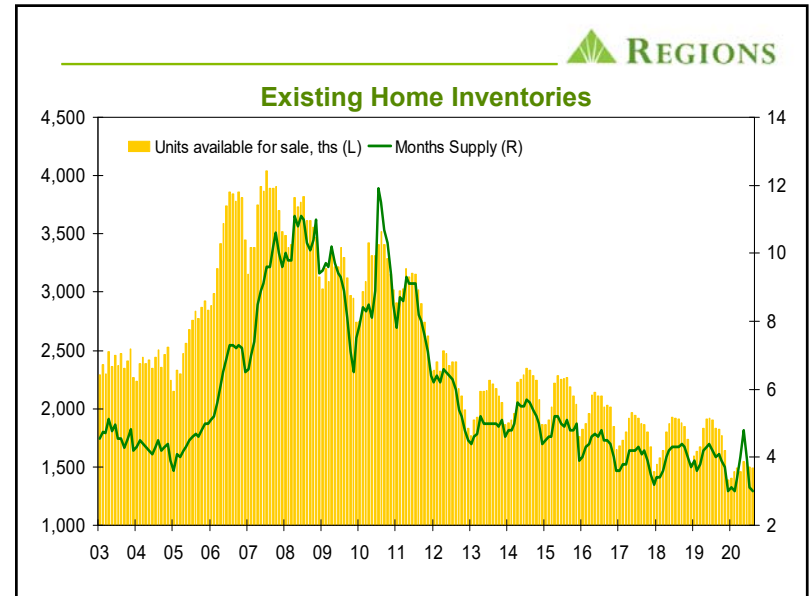
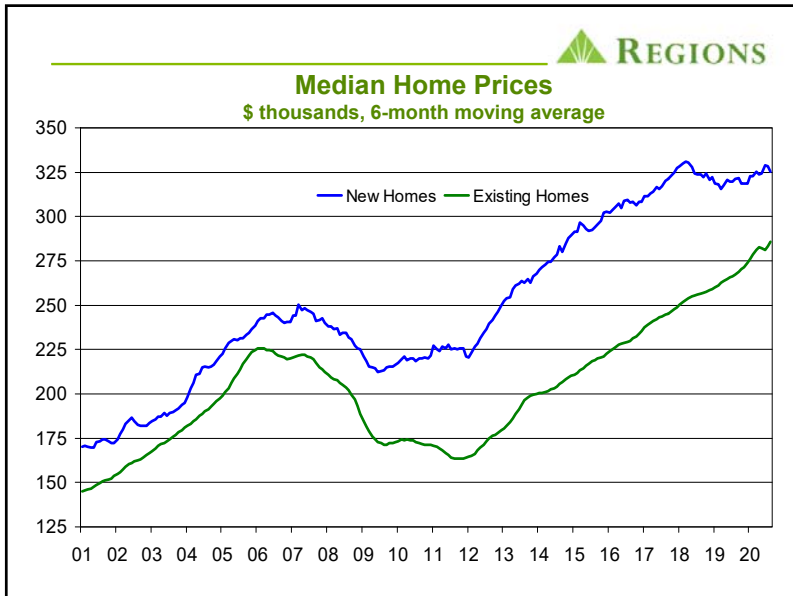




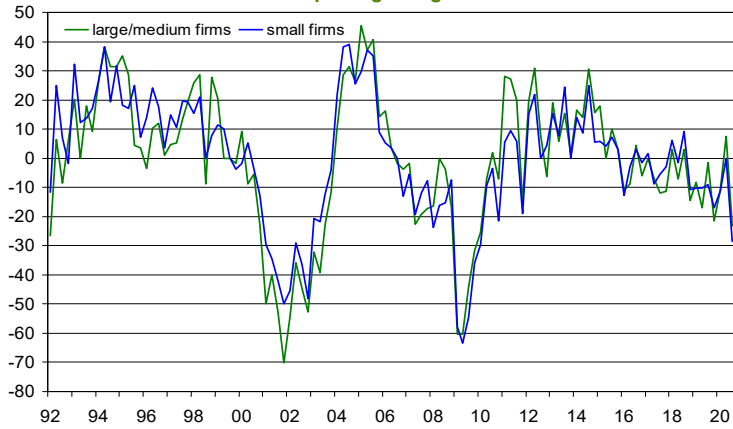




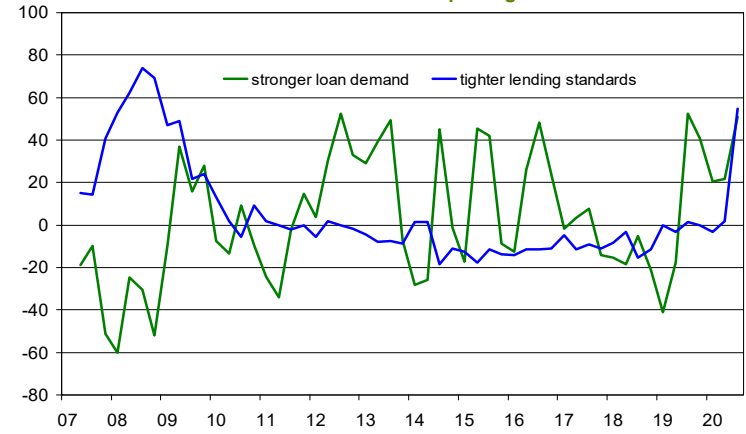




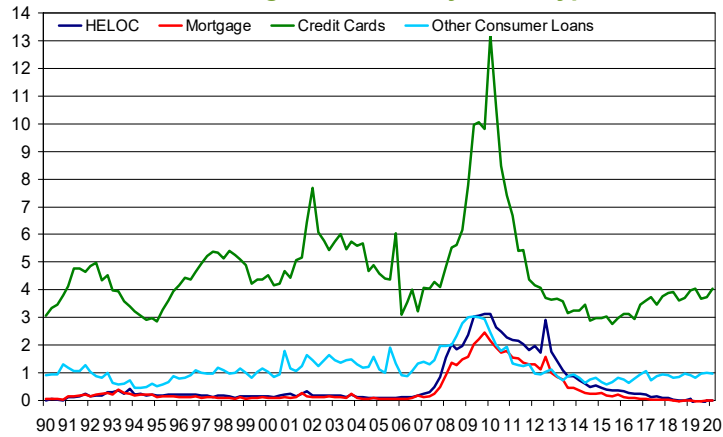
Survey of Senior Lending Officers – C&I Loans
net % of banks reporting rising loan demand from:



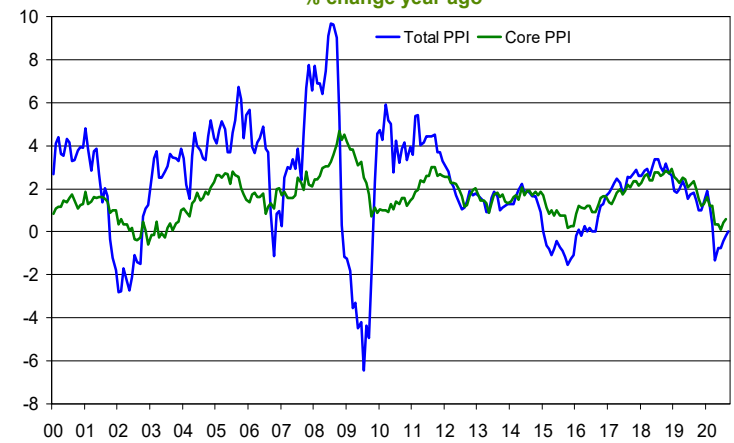
Survey of Senior Lending Officers – Prime Mortgages
net % of banks reporting:



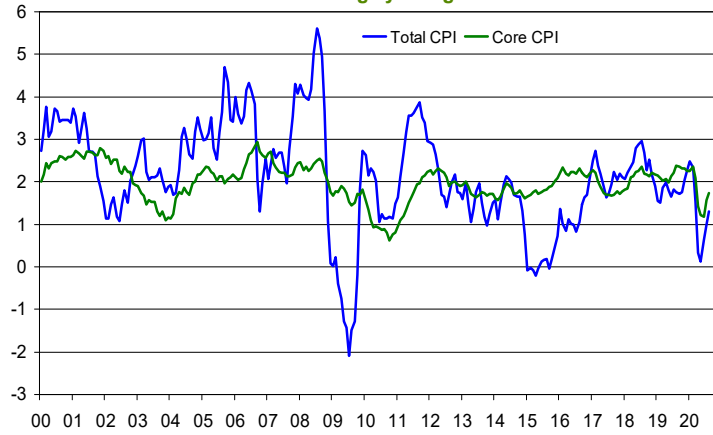
Bank Charge-Off Rates By Loan Type, %



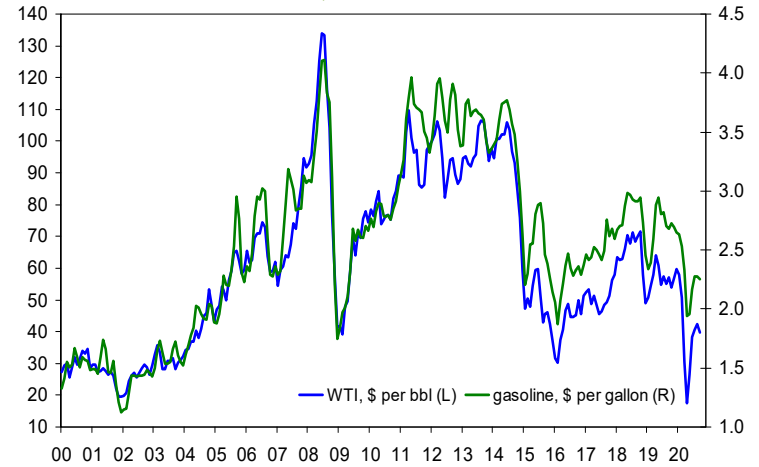
Producer Price Index
% change year ago



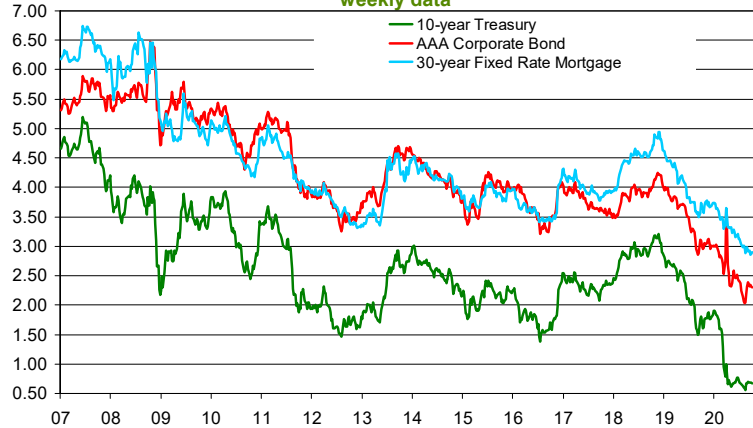
Consumer Price Index % change year ago



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

