

Monthly Economic Indicators And Charts

August 2018

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.

“Strong” Is The (FOMC’s) Word For The U.S. Economy

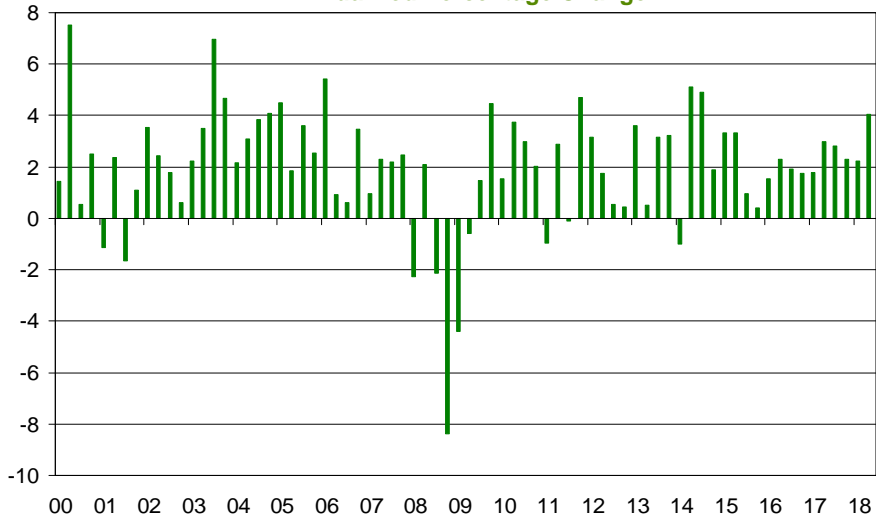
- The BEA’s initial estimate puts Q2 2018 real GDP growth at an annualized rate of 4.1 percent. Consumer spending and net exports were the main drivers of Q2 growth. The Q2 data incorporate the BEA’s comprehensive revisions to historical data as well as methodological changes. On the whole, the revisions don’t change the broader view of the U.S. economy, but the mix of growth over recent years is a bit different, with business investment making more of a contribution top-line growth than had been reported.
- Nonfarm payrolls rose by 157,000 jobs in July, well below expectations, but prior estimates of job growth in May/June were revised up by a net 59,000 jobs for the two-month period. There is more than the typical degree of noise in the July employment report, but despite the smaller than expected increase in July, trend job growth remains solid. Monthly job growth has averaged 201,000 jobs over the past 12 months. The U3 (or, headline) unemployment rate dipped to 3.9 percent in July with the broader U6 measure fell to 7.5 percent on a sharp decline in the number of those working part-time for economic reasons.
- The ISM Manufacturing Index fell to 58.1 percent in July from 60.2 percent in June, while the ISM Non-Manufacturing Index fell to 55.7 percent in July, an 11-month low. In each case, however, the underlying details are more robust than implied by the headline index. Firms continue to point to solid growth in demand, but report increasing transportation bottlenecks and difficulty in finding skilled labor, while trade policy continues to loom as a downside risk.
- As expected, the FOMC left the Fed funds rate target range unchanged at their meeting which concluded on August 1. In their post-meeting statement, however, the Committee teed up a September rate hike, with the use of the word “strong” (or a derivative thereof) six times to characterize the labor market and the broader economy. We’d find it hard to argue with that characterization, even acknowledging the downside risks to growth.

ECONOMIC/FINANCIAL DATA HIGHLIGHTS – August 2018

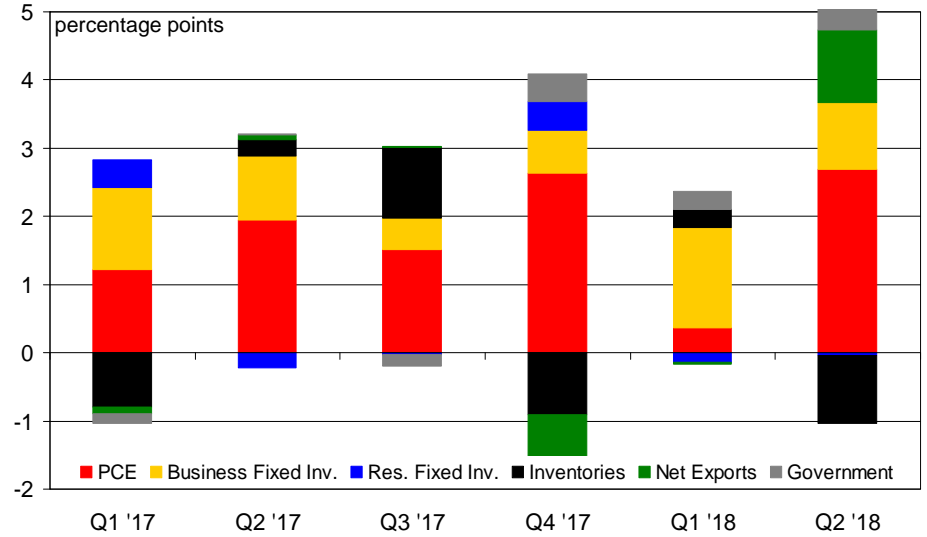
<u>Indicator:</u>	<u>Last Observation:</u>	<u>Reported As:</u>	<u>Value:</u>	<u>% Change Year Ago, or Year Ago Value:</u>
Real GDP	Q2 2018 (1 st est.)	Annualized % change	4.06%	2.85%
Payroll Employment	July 2018	Monthly change, thousands of jobs	+157	1.65%
Private Sector Employment	July 2018	Monthly change, thousands of jobs	+170	1.93%
Unemployment Rate	July 2018	% of labor force	3.9%	4.3%
“U6” Unemployment/Underemployment	July 2018	% of labor force	7.5%	8.5%
Unemployed 27 Weeks or More	July 2018	Millions of people	1.435	1.757
Aggregate Private Sector Earnings	July 2018	Monthly % change	0.10%	4.97%
Real Personal Disposable Income	June 2018	Monthly % change	0.32%	3.08%
Real Personal Disposable Income ex-Transfers	June 2018	Monthly % change	0.34%	2.75%
Real Personal Consumption Expenditures	June 2018	Monthly % change	0.31%	2.77%
Personal Savings Rate	June 2018	% of disposable personal income	6.80%	6.60%
Consumer Price Index – Total	June 2018	Monthly % change	0.13%	2.87%
Consumer Price Index – Core	June 2018	Monthly % change	0.16%	2.26%
Producer Price Index – Final Demand	June 2018	Monthly % change	0.26%	3.28%
Producer Price Index – Core Final Demand	June 2018	Monthly % change	0.35%	2.76%
Single Family Housing Permits	June 2018	Seasonally adjusted annual rate	850,000	813,000
Multi-Family Housing Permits	June 2018	Seasonally adjusted annual rate	423,000	499,000
Single Family Housing Starts	June 2018	Seasonally adjusted annual rate	858,000	860,000
Multi-Family Housing Starts	June 2018	Seasonally adjusted annual rate	315,000	365,000
Industrial Production	June 2018	Monthly % change	0.62%	3.80%
ISM Manufacturing Index	July 2018	Index value, %	58.1%	56.5%
ISM Manufacturing New Orders Index	July 2018	Index value, %	60.2%	60.4%
ISM Non-Manufacturing Index	July 2018	Index value, %	55.7%	54.3%
ISM Non-Manufacturing New Orders Index	July 2018	Index Value, %	57.0%	55.1%
Federal Funds Rate Target Range Mid-Point	August 3, 2018	Percent	1.875%	1.125%
One-Month LIBOR Rate	August 3, 2018	Percent	2.08%	1.23%
3-Month U.S. Treasury Bill Yield	August 3, 2018	Percent	2.00%	1.08%
2-Year U.S. Treasury Note Yield	August 3, 2018	Percent	2.64%	1.34%
10-Year U.S. Treasury Note Yield	August 3, 2018	Percent	2.94%	2.24%
Dollar-Euro Exchange Rate	August 3, 2018	Euros per U.S. dollar	0.8629	0.8418
Dollar-Yen Exchange Rate	August 3, 2018	Yen per U.S. dollar	111.17	110.12
Federal Reserve Broad U.S. Dollar Index	July 27, 2018	Index value, 1997 = 100	123.9449	119.4751

Real GDP

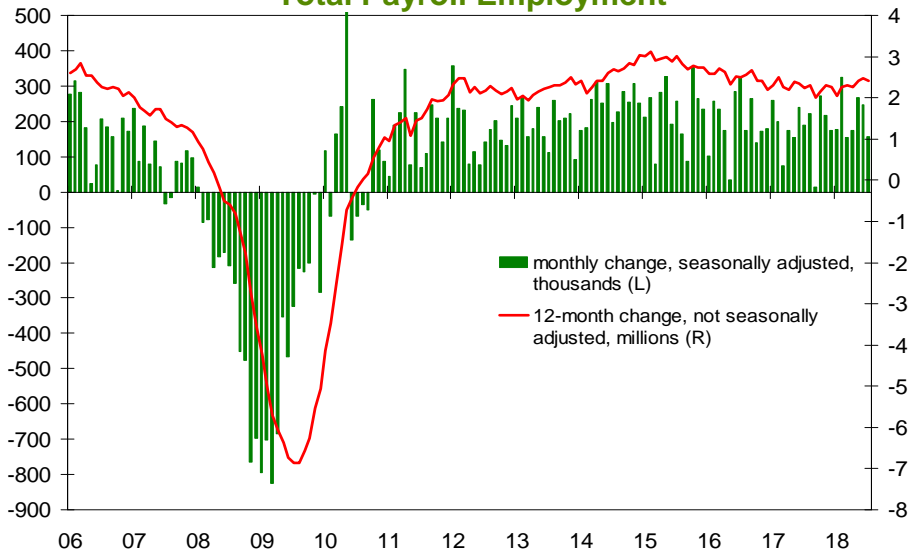
Annualized Percentage Change



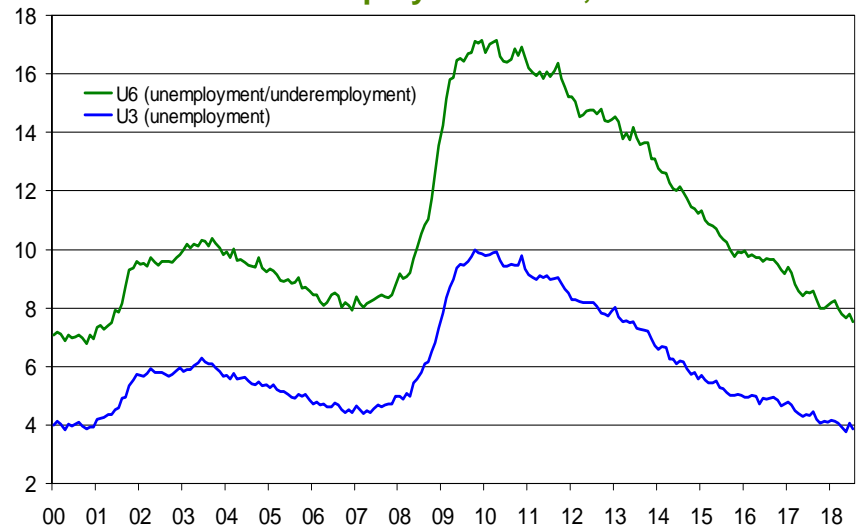
Contribution To Real GDP Growth



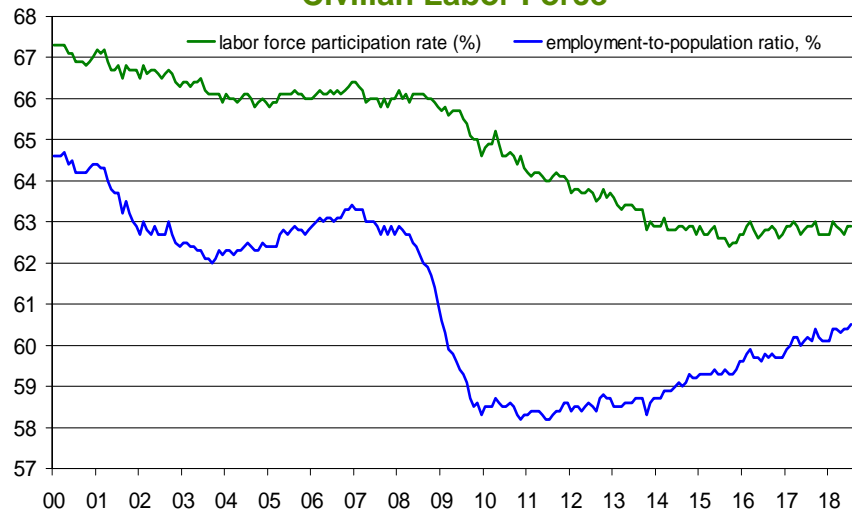
Total Payroll Employment



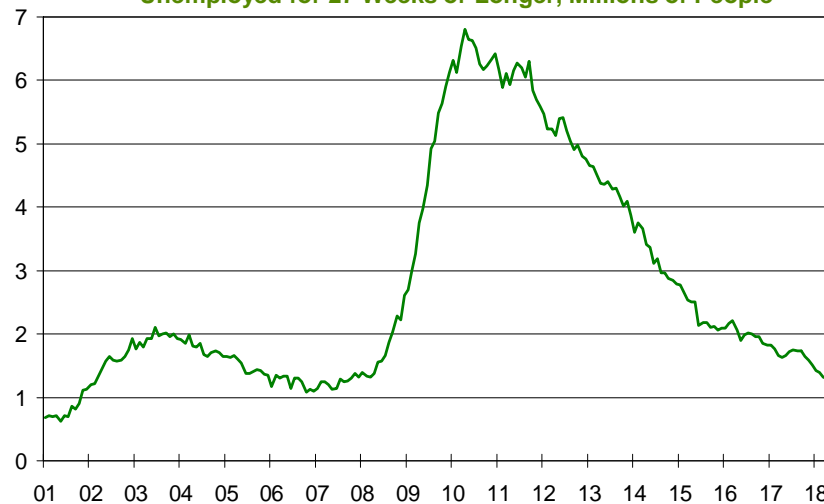
Unemployment Rate, %



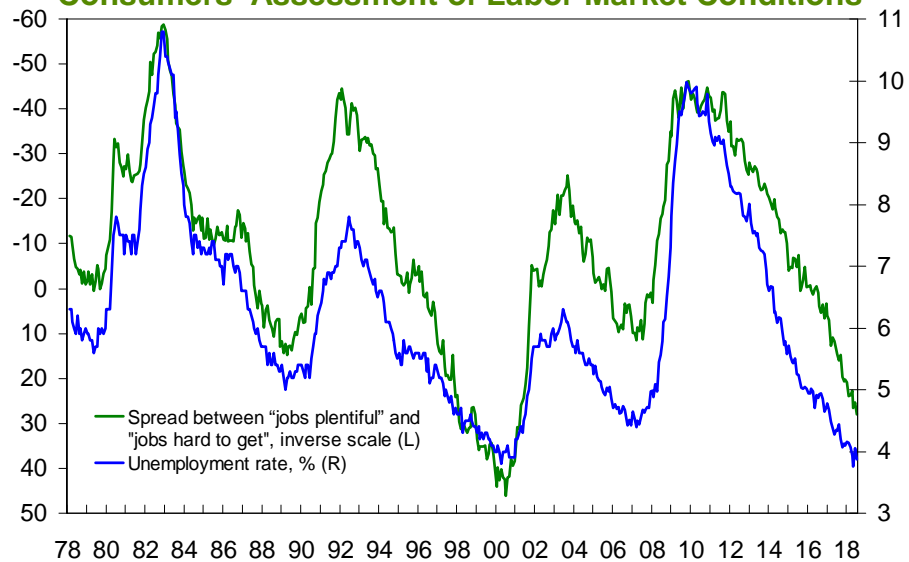
Civilian Labor Force



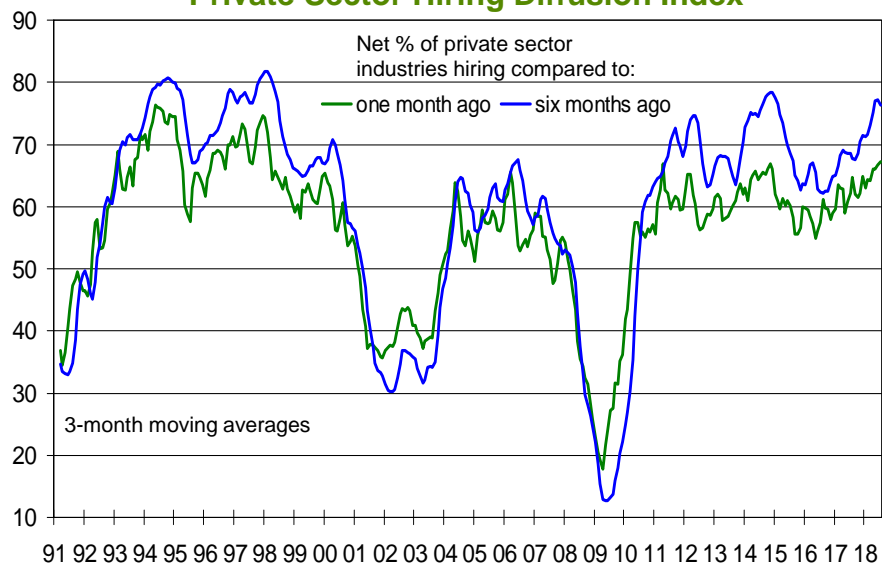
Long-Term Unemployed Unemployed for 27 Weeks or Longer, Millions of People



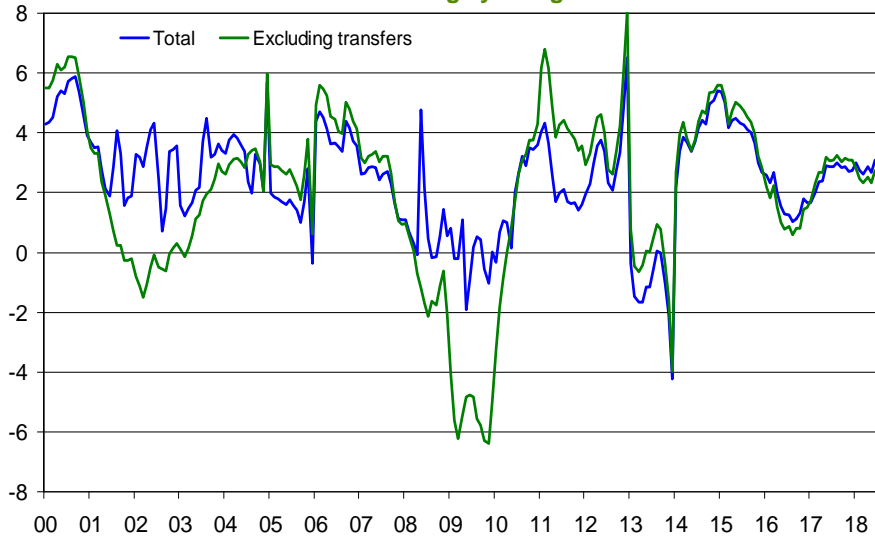
Consumers' Assessment of Labor Market Conditions



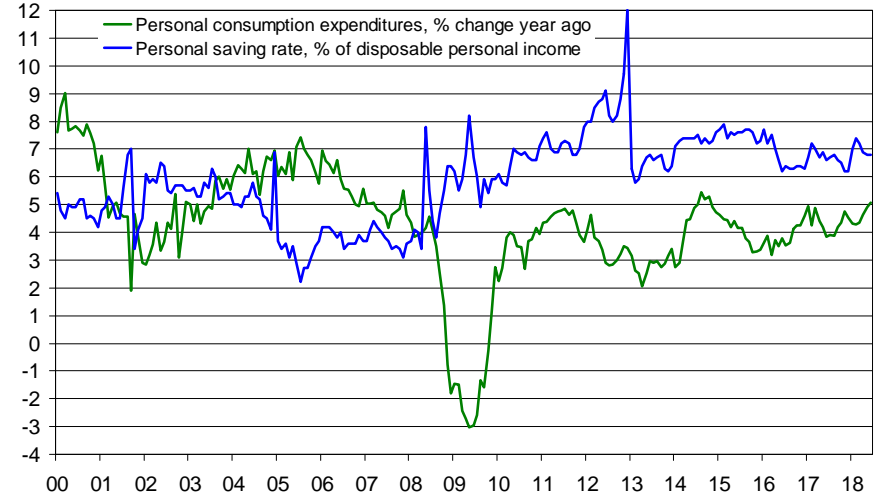
Private Sector Hiring Diffusion Index



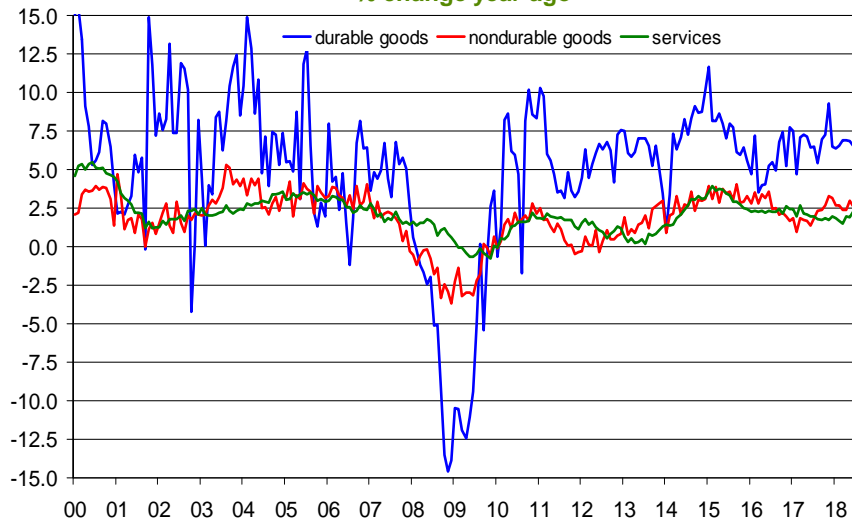
Real Disposable Personal Income % change year ago



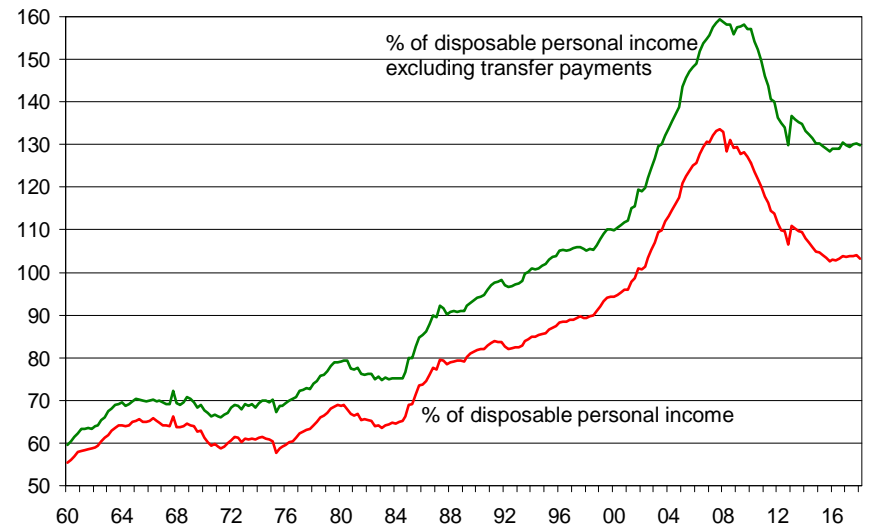
Personal Spending, Saving



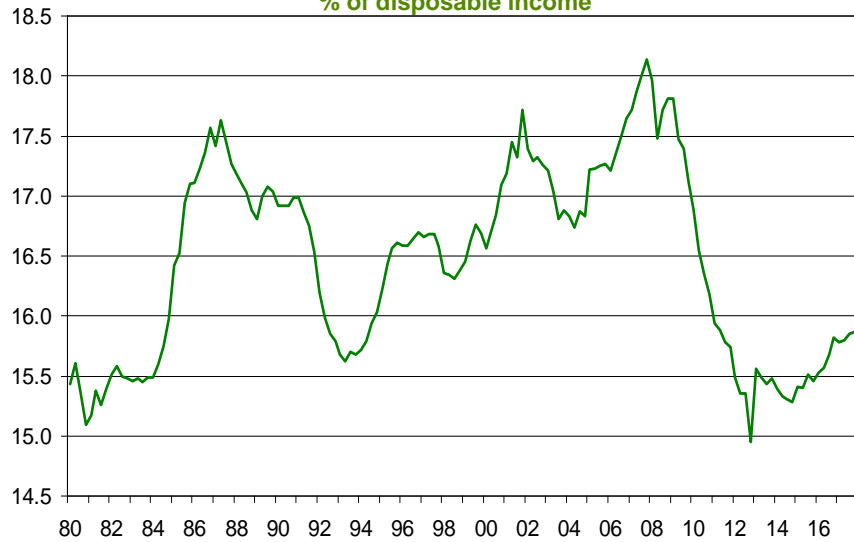
Real Consumer Spending % change year ago



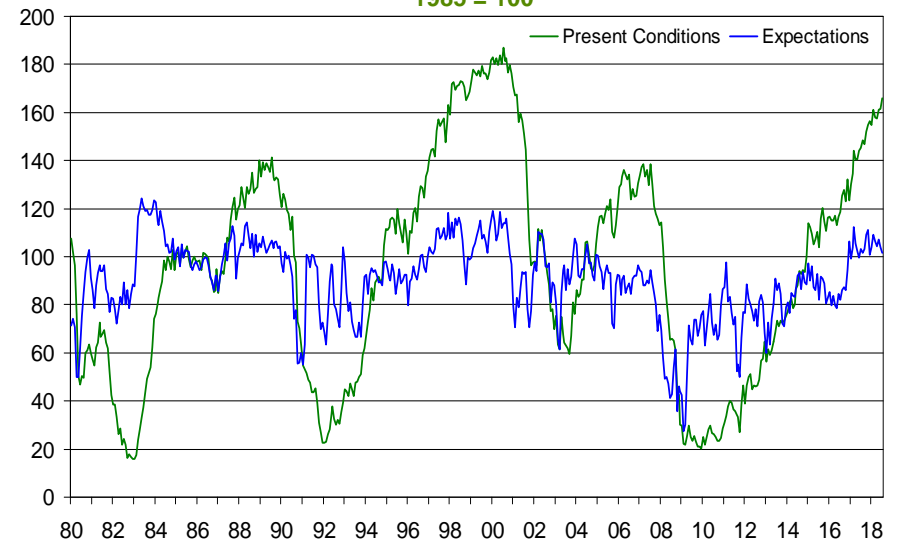
Total Household Debt



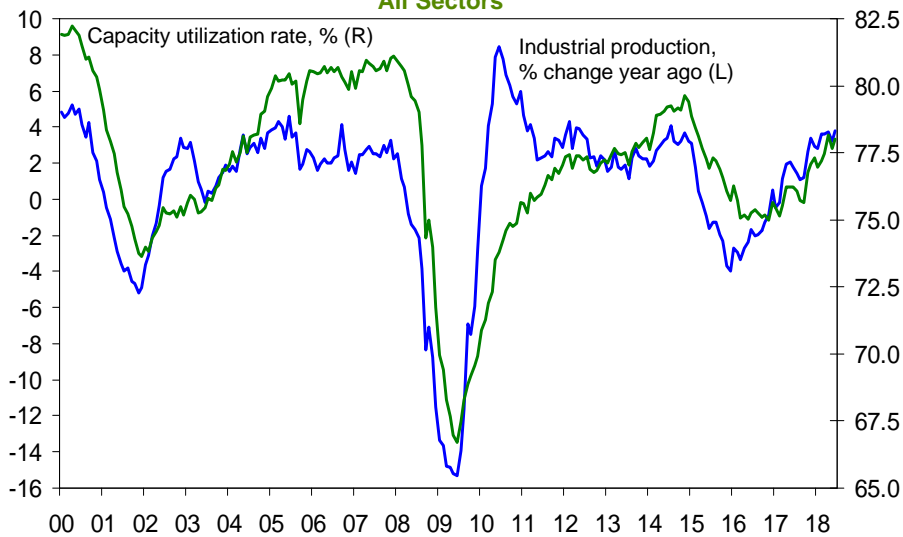
Household Financial Obligations Ratio
% of disposable income



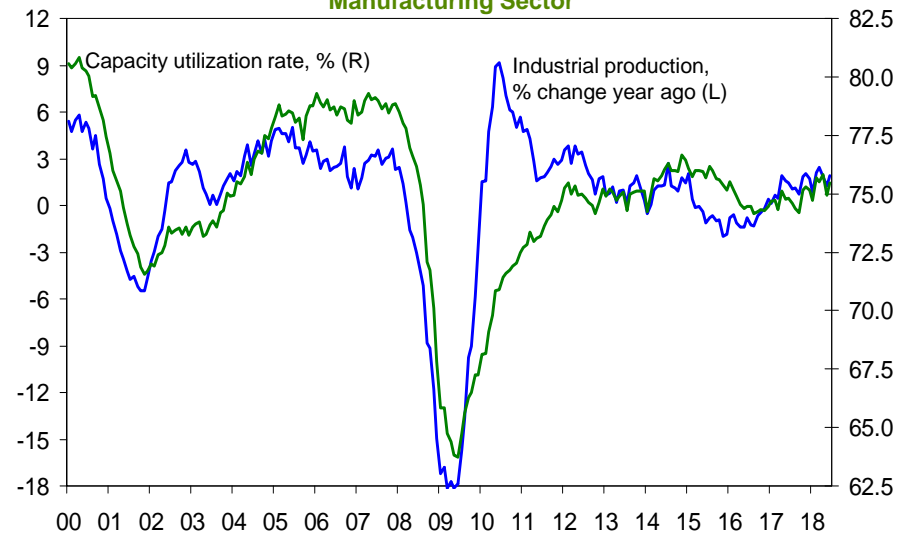
Consumer Confidence Index
1985 = 100



Industrial Production, Capacity Utilization
All Sectors

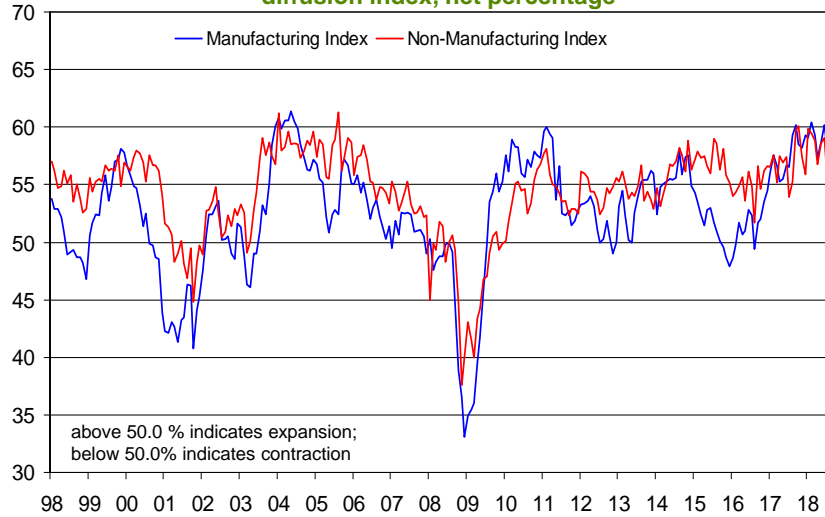


Industrial Production, Capacity Utilization
Manufacturing Sector



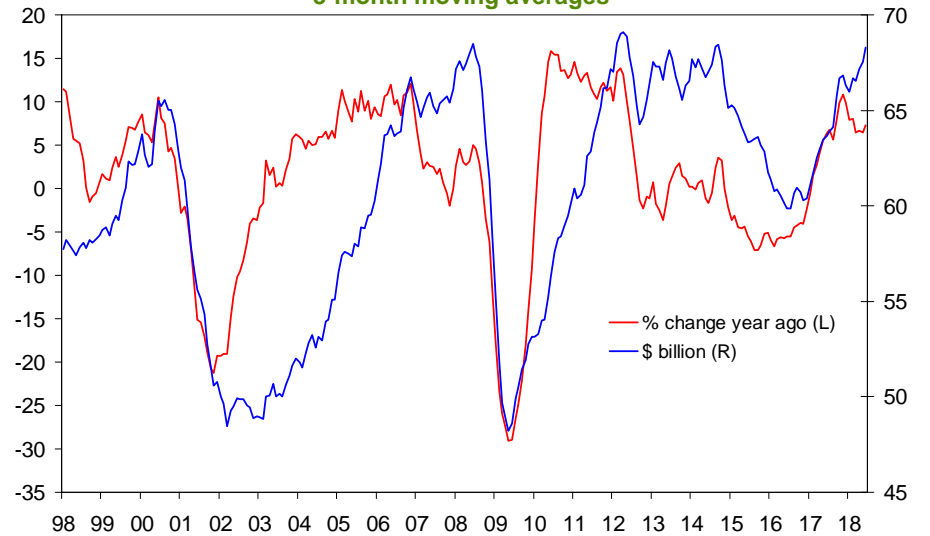
ISM Index

diffusion index, net percentage



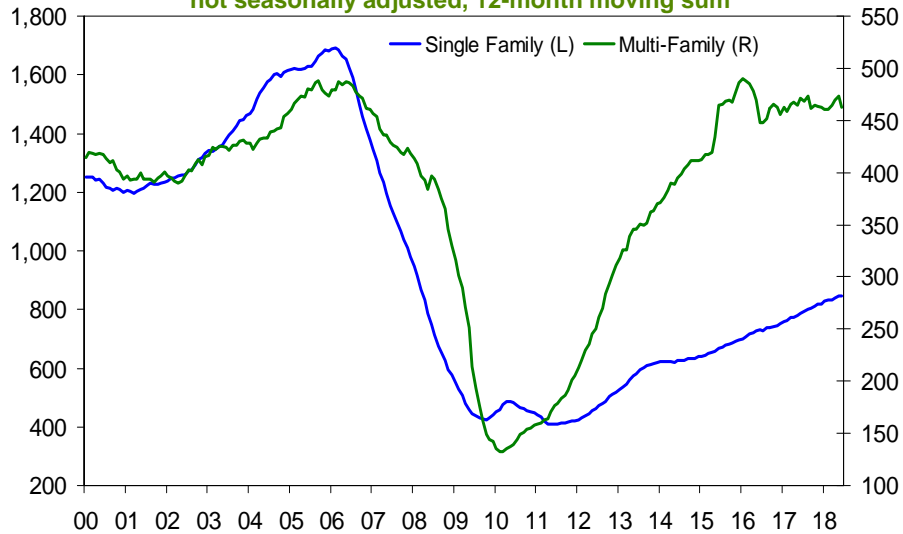
Core Capital Goods Orders

3-month moving averages



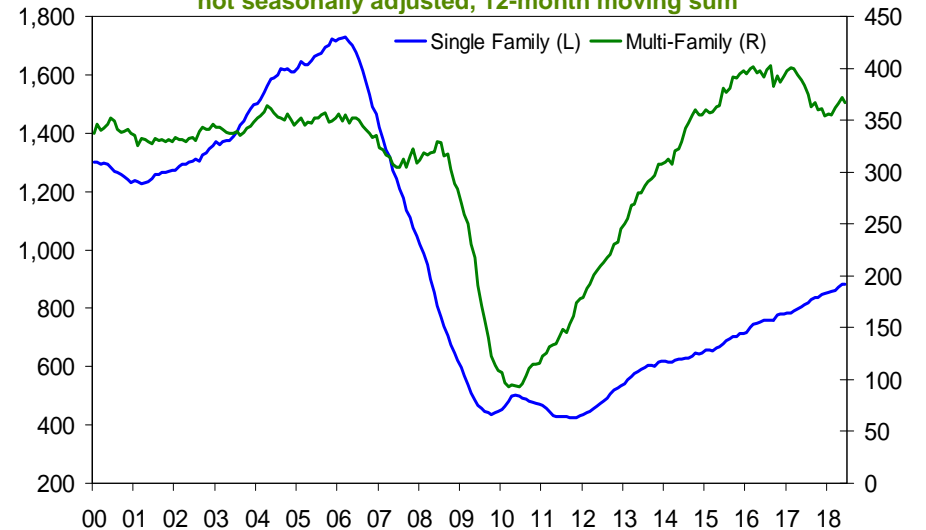
Housing Permits (000's of units)

not seasonally adjusted, 12-month moving sum



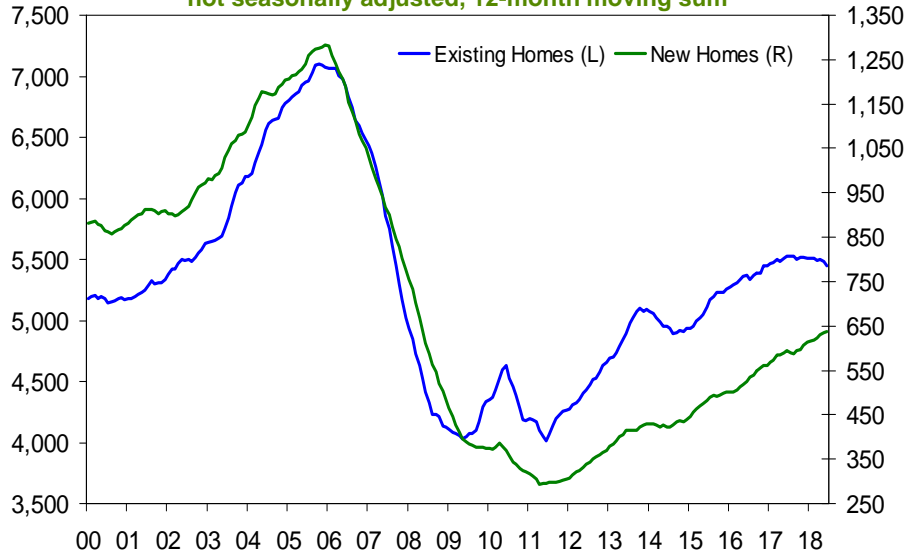
Housing Starts (000's of units)

not seasonally adjusted, 12-month moving sum



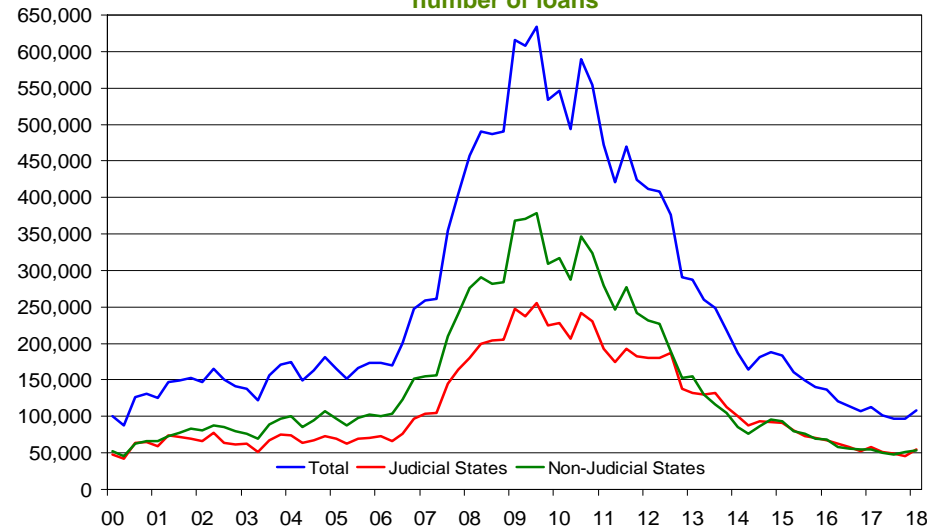
Home Sales (000's of units)

not seasonally adjusted, 12-month moving sum



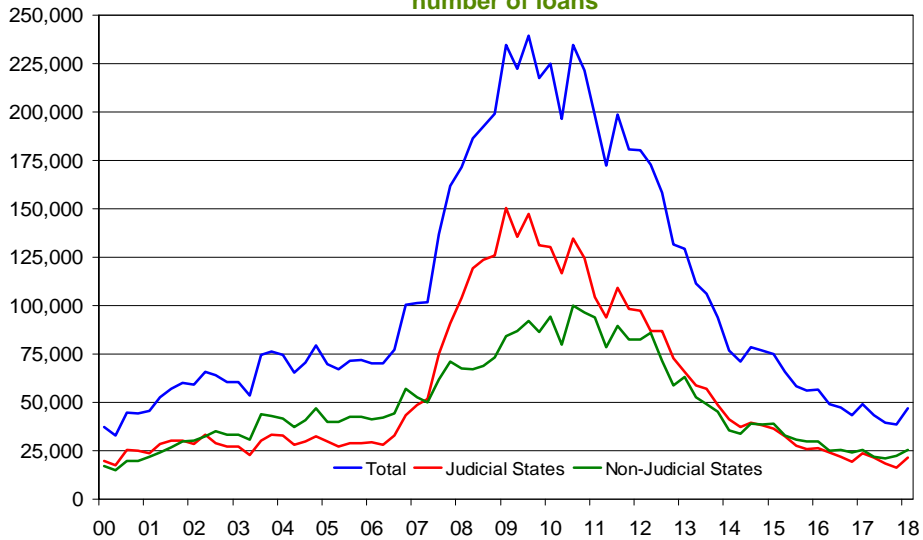
Foreclosure Starts – United States

number of loans



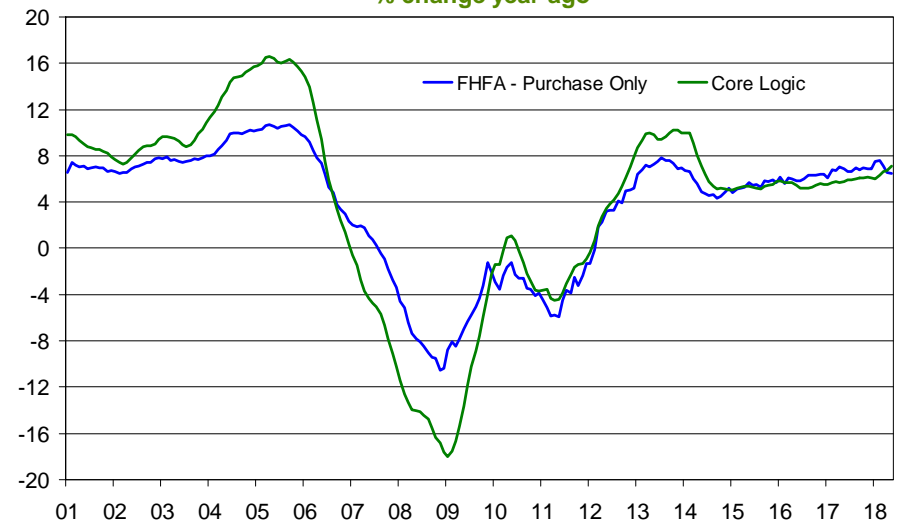
Foreclosure Starts – Regions Footprint

number of loans

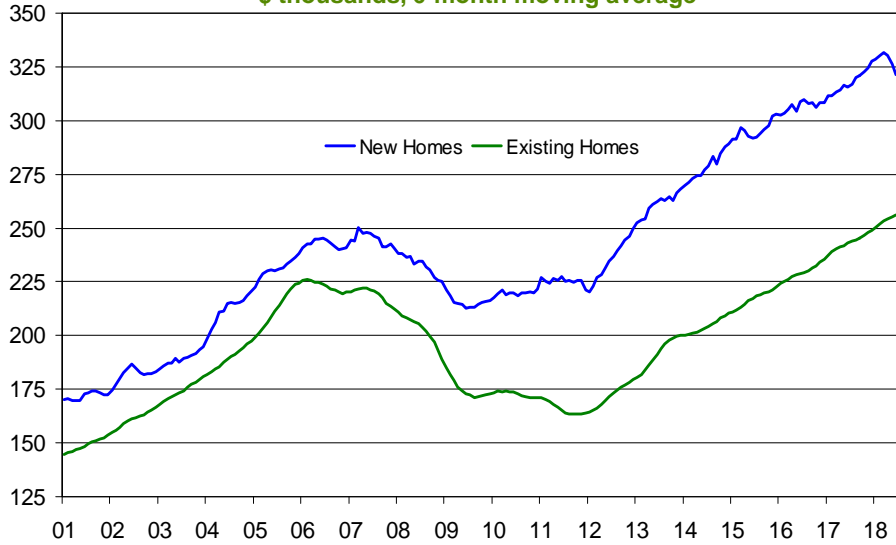


Index of House Prices

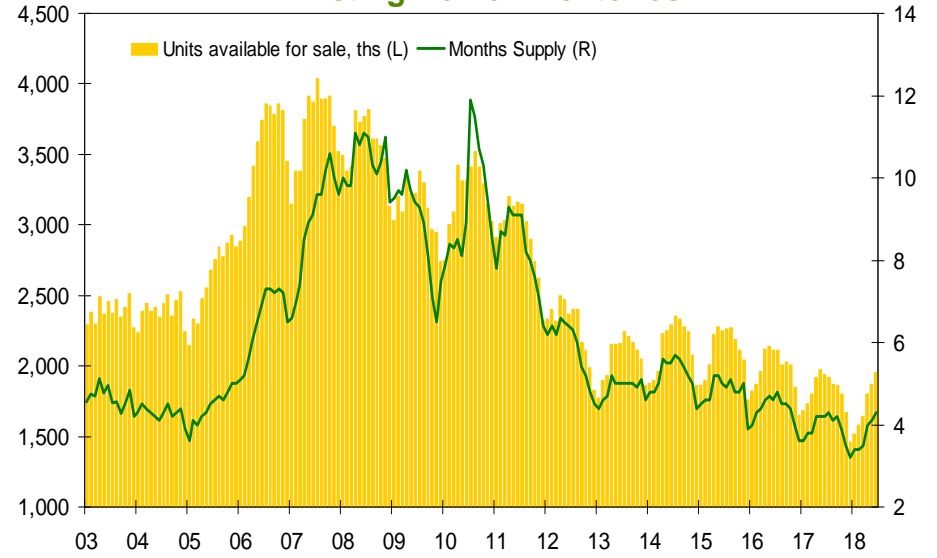
% change year ago



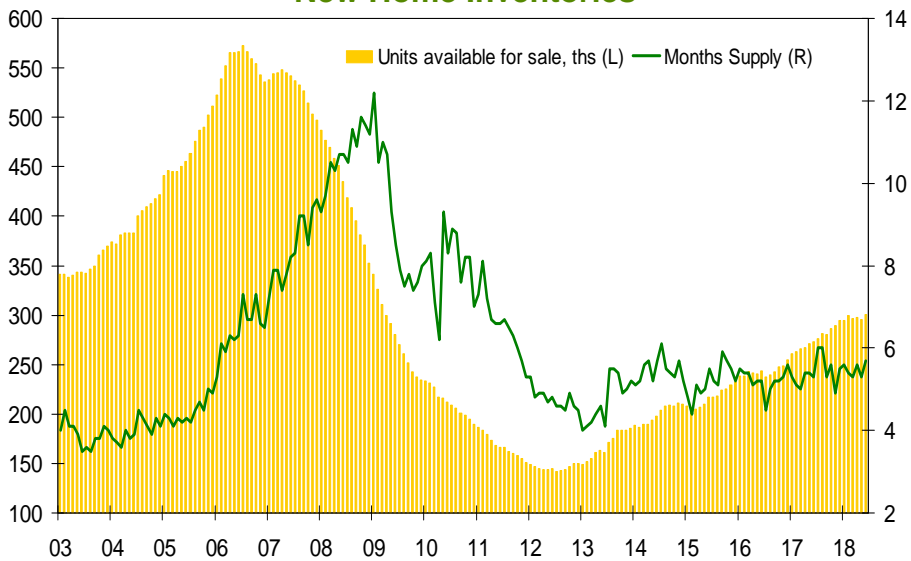
Median Home Prices
\$ thousands, 6-month moving average



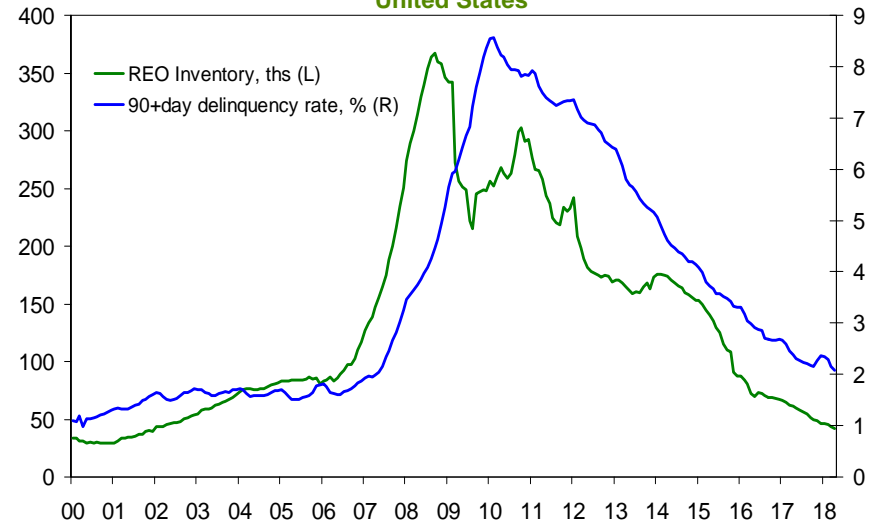
Existing Home Inventories



New Home Inventories

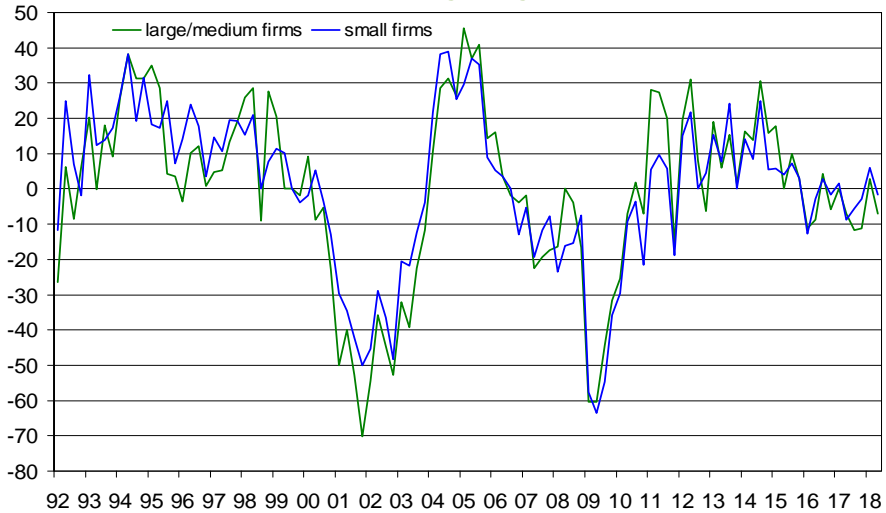


CoreLogic Loan Performance Data
United States



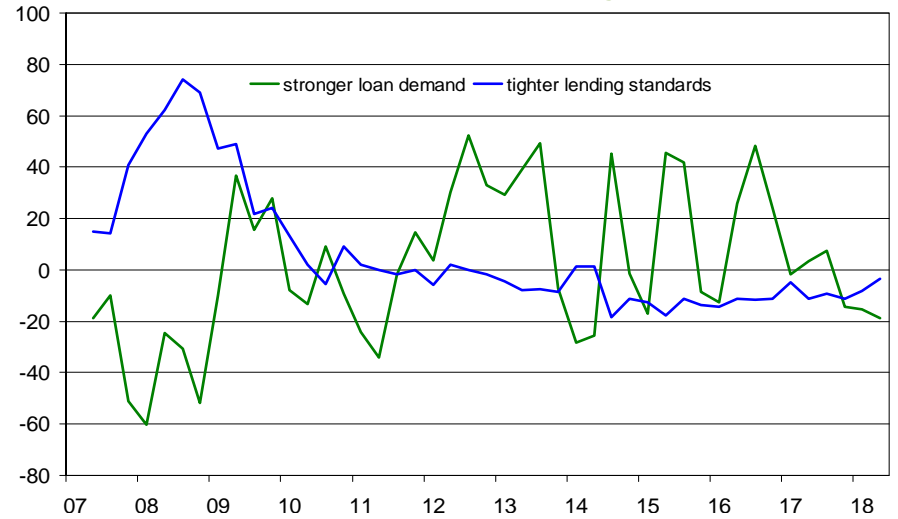
Survey of Senior Lending Officers – C&I Loans

net % of banks reporting rising loan demand from:

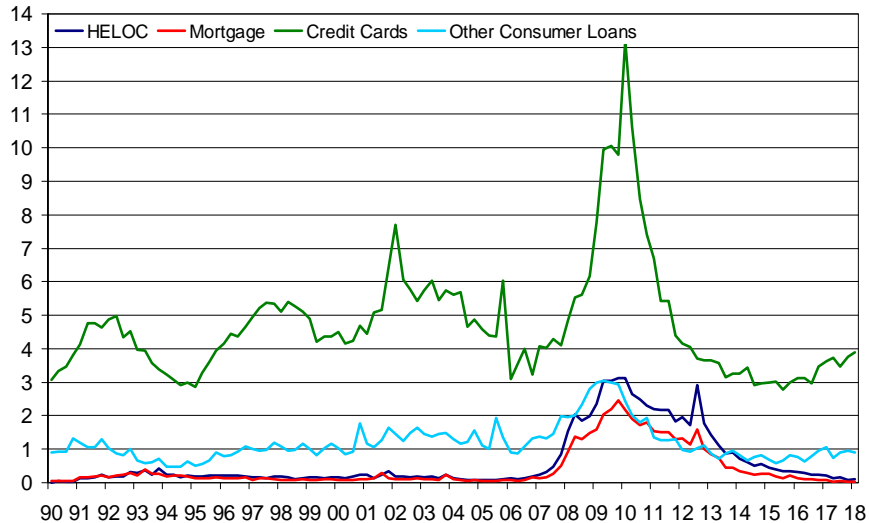


Survey of Senior Lending Officers – Prime Mortgages

net % of banks reporting:

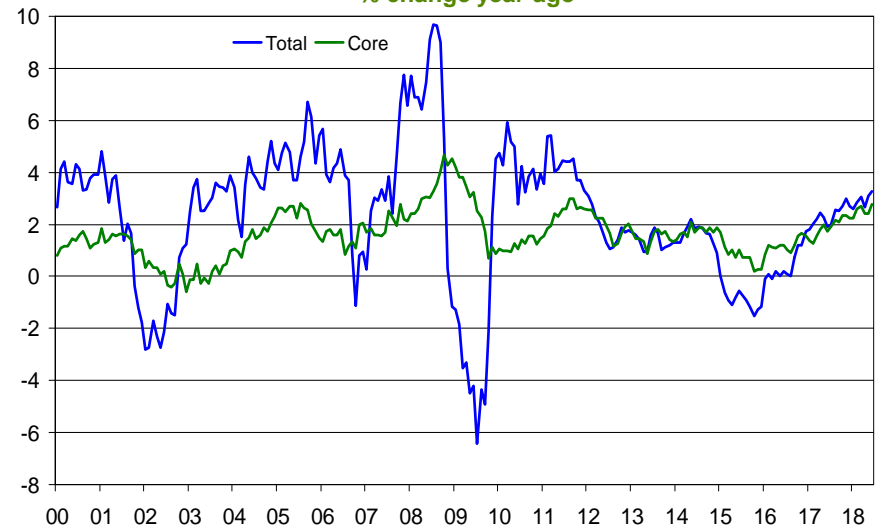


Bank Charge-Off Rates By Loan Type, %

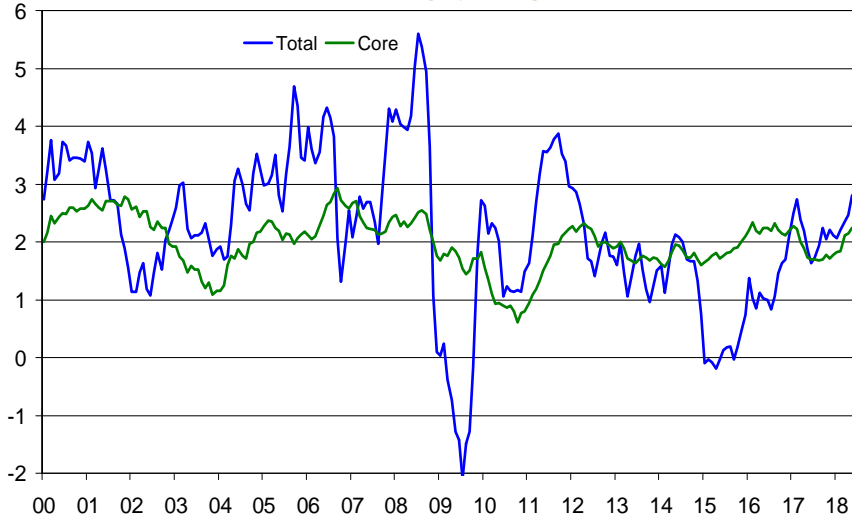


Producer Price Index

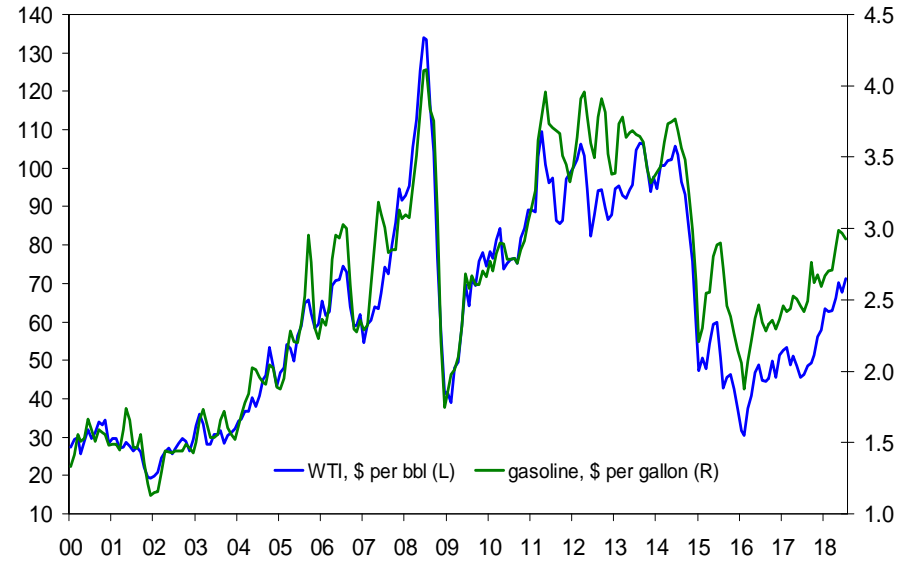
% change year ago



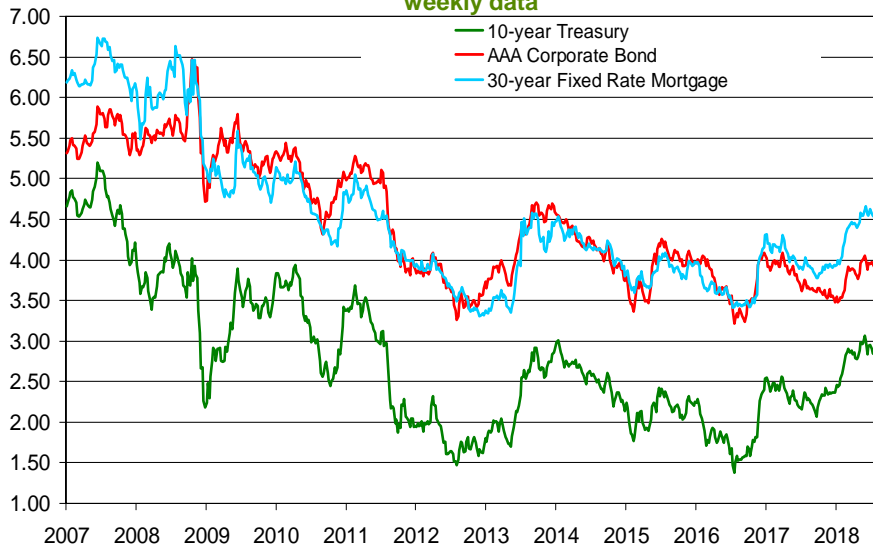
Consumer Price Index
% change year ago



WTI Crude Oil, Retail Gasoline Prices



Selected Interest Rates, %
weekly data

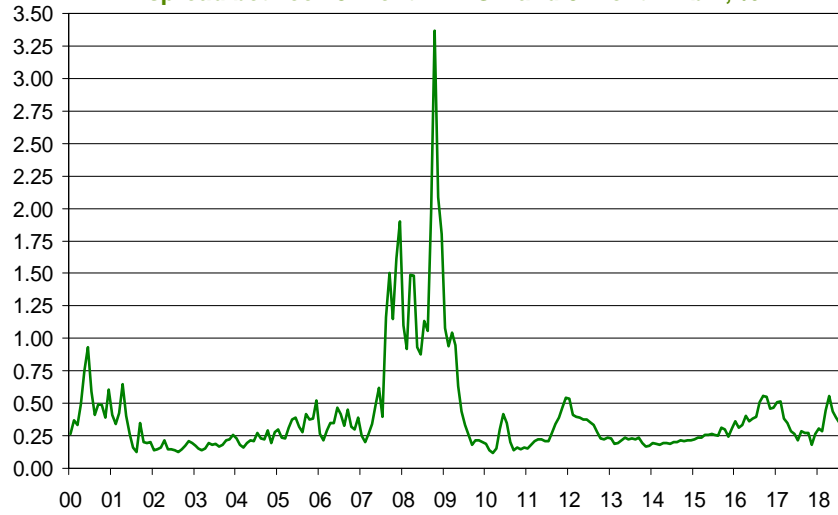


Spread Between Yields On 10-year and 2-year Treasury Notes
weekly data



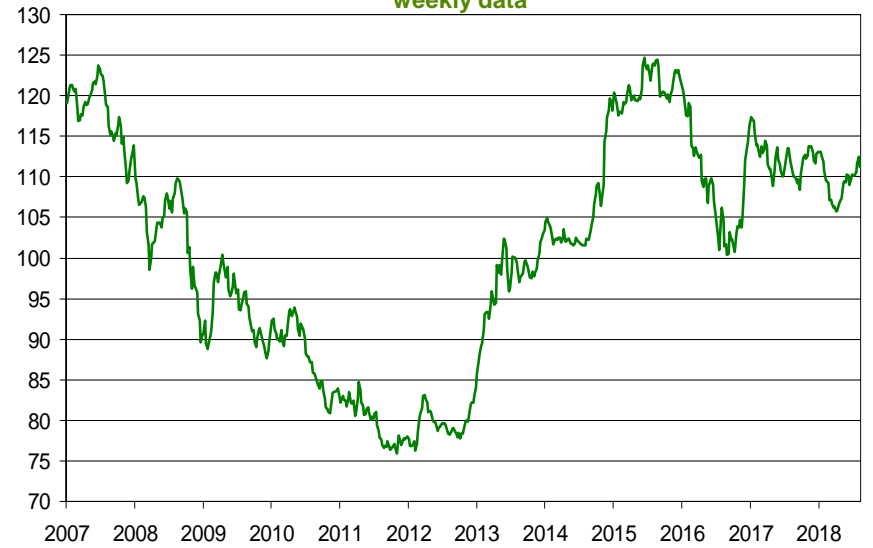
TED Spread

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



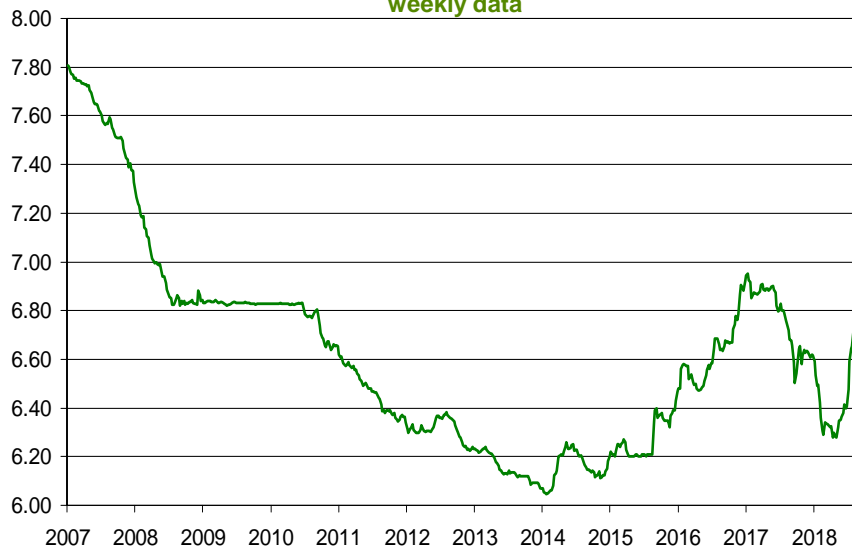
Japanese Yen per U.S. Dollar

weekly data



Chinese Yuan per U.S. Dollar

weekly data



Euros per U.S. Dollar

weekly data

