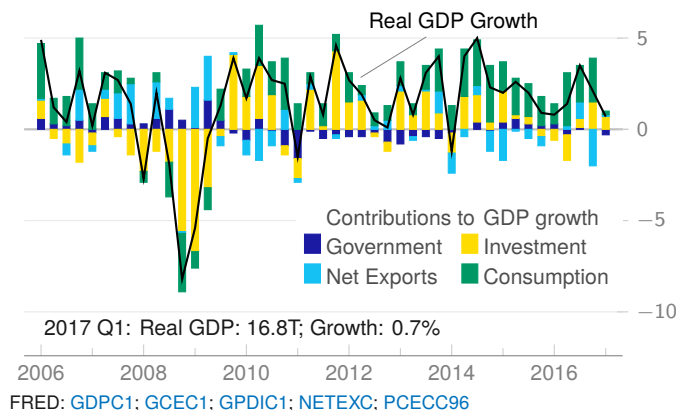


First quarter U.S. economic growth slowed considerably from lower consumption spending, despite an improvement in exports. The unemployment rate is gradually nearing its long-run full-capacity level. Inflation is around two percent in both the core CPI and the full index, with no expected acceleration. Elevated consumer confidence and P/E ratios, with near long-term low equity market volatility, show an extraordinary level of optimism. The yield curve for government debt has flattened while the dollar remains strong.

## Economic Growth and Employment

### Real Gross Domestic Product (annual percent change)

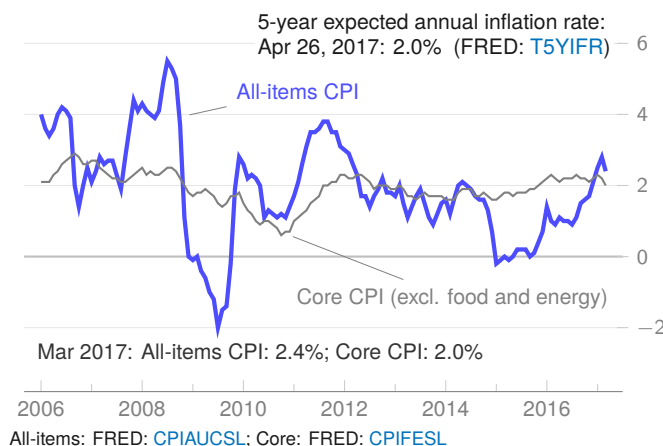


### Civilian unemployment rate (percent)



## Inflation and Prices

### Consumer price index (CPI) (annual percent change)



### CPI components (annual percent change)



## Markets, Interest Rates, and Other Indicators

### S&P 500 Reported Earnings per Share by Industry



### Recent market developments and other key indicators

|                             |         | one month | one year | as of:     |
|-----------------------------|---------|-----------|----------|------------|
| S&P 500 index               | 2388.77 | ▲ 1.2%    | ▲ 14.0%  | 2017-04-27 |
| CBOE volatility index (VIX) | 10.36   | ▼ -9.3%   | ▼ -24.8% | 2017-04-27 |
| Bank deposit interest rate  | 0.17%   | 0.00      | ▲ 0.06   | Apr 2017   |
| 3-month treasury bill yield | 0.81%   | ▲ 0.03    | ▲ 0.57   | 2017-04-27 |
| 2-year treasury bond yield  | 1.25%   | ▼ -0.03   | ▲ 0.39   | 2017-04-27 |
| 10-year treasury bond yield | 2.30%   | ▼ -0.12   | ▲ 0.36   | 2017-04-27 |
| 30-year mortgage rate       | 4.03%   | ▼ -0.11   | ▲ 0.37   | 2017-04-27 |
| US Dollar, broad index      | 124.36  | ▼ -0.7%   | ▲ 4.1%   | Apr 2017   |
| Crude oil, US\$/barrel      | \$49.24 | ▼ -0.7%   | ▲ 8.6%   | 2017-04-27 |
| Industrial production index | 104.1   | ▲ 0.5%    | ▲ 1.5%   | Mar 2017   |
| Consumer confidence index   | 97.0    | ▲ 0.1%    | ▲ 9.0%   | Apr 2017   |

Retrieved from [FRED](#), [CBOE](#), [Quandl](#), and [University of Michigan](#)