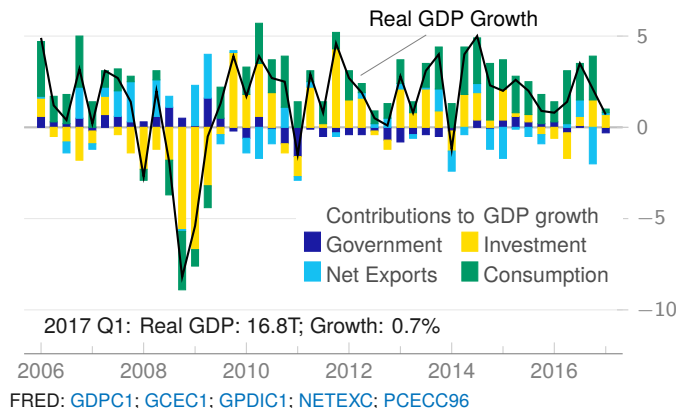


First quarter U.S. economic growth slowed considerably from lower consumption spending, despite an improvement in exports. The unemployment rate is gradually nearing its long-run full-capacity level. Inflation is around two percent in both the core CPI and the full index, with no expected acceleration. 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

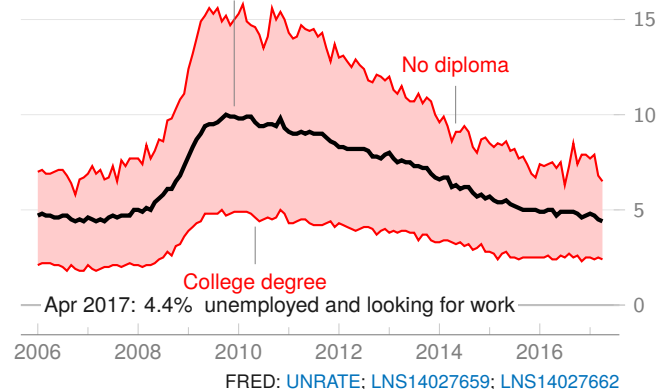
### Real Gross Domestic Product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



### Civilian unemployment rate (percent)

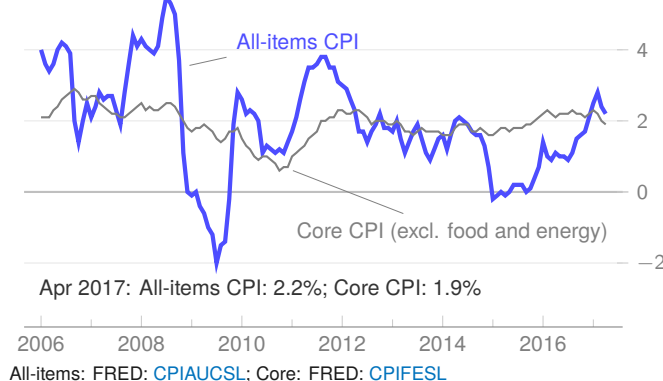
Unemployed and looking for work (U3 rate)



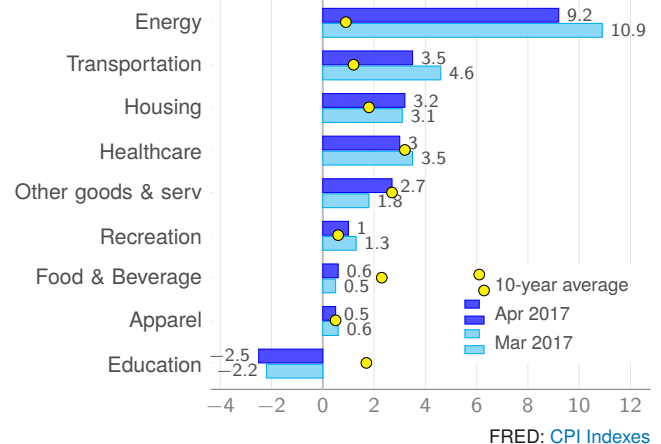
## Inflation and Prices

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

5-year expected annual inflation rate:  
May 18, 2017: 1.9% (FRED: [T5YIFR](#))

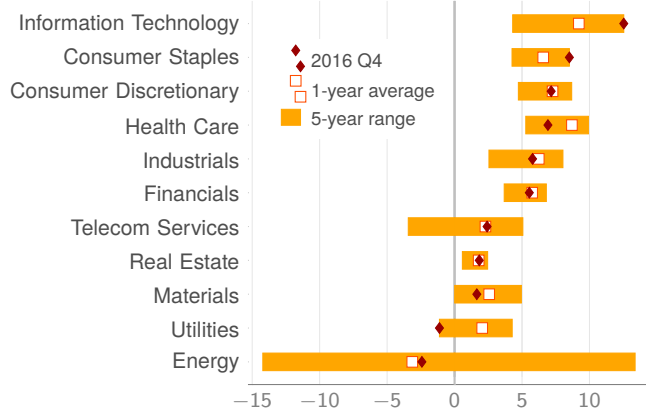


### CPI components (annual percent change)



## 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	2381.73	▲ 1.4%	▲ 16.3%	2017-05-19
CBOE volatility index (VIX)	12.04	▼ -17.7%	▼ -26.3%	2017-05-19
Bank deposit interest rate	0.17%	0.00	▲ 0.06	Apr 2017
3-month treasury bill yield	0.92%	▲ 0.13	▲ 0.64	2017-05-19
2-year treasury bond yield	1.28%	▲ 0.08	▲ 0.46	2017-05-19
10-year treasury bond yield	2.23%	▼ -0.01	▲ 0.47	2017-05-19
30-year mortgage rate	4.02%	▲ 0.05	▲ 0.44	2017-05-18
US Dollar, broad index	124.54	▲ 0.2%	▲ 3.2%	May 2017
Crude oil, US\$/barrel	\$50.53	▲ 1.8%	▲ 4.7%	2017-05-19
Industrial production index	105.1	▲ 1.0%	▲ 2.2%	Apr 2017
Consumer confidence index	97.0	▲ 0.1%	▲ 9.0%	Apr 2017

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