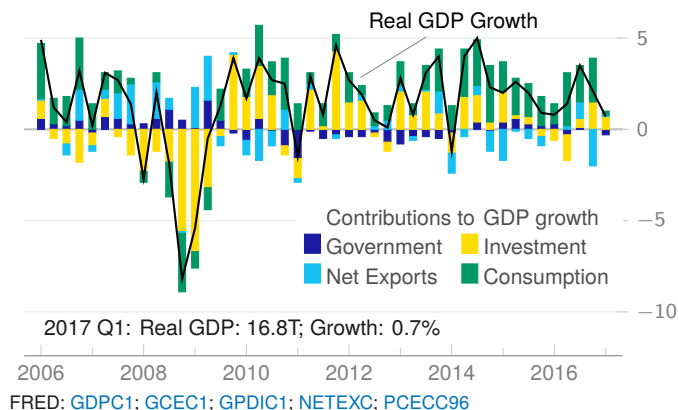


First quarter U.S. economic growth slowed considerably from lower consumption spending, despite an improvement in exports. The unemployment rate is gradually nearing its long-run full-capacity level. Inflation is around two percent in both the core CPI and the full index, with no expected acceleration.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

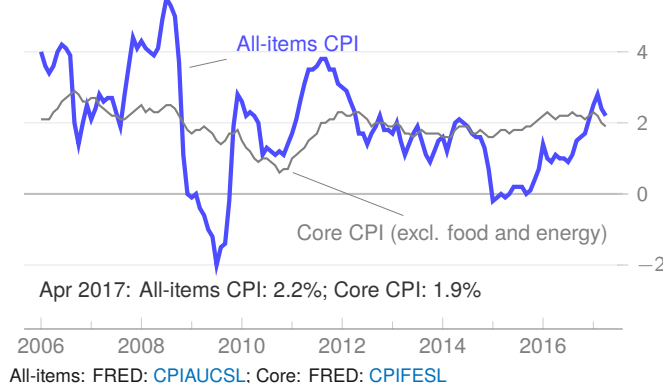
Unemployed and looking for work (U3 rate)



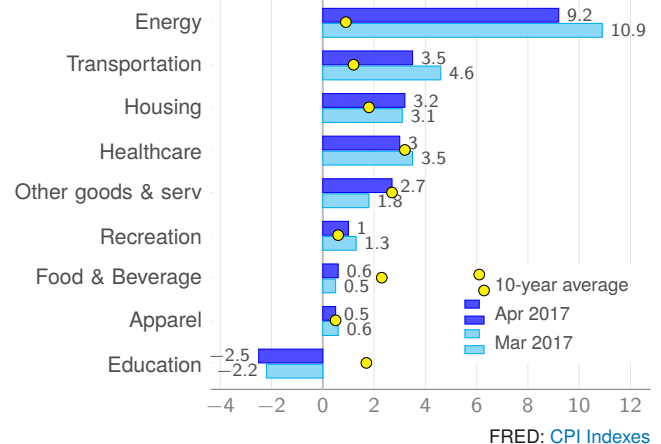
## Inflation and Prices

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

5-year expected annual inflation rate:  
May 12, 2017: 1.9% (FRED: [T5YIFR](#))

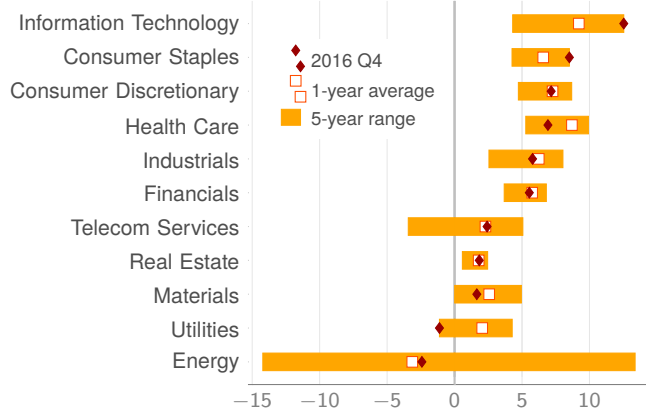


### CPI components (annual percent change)



## 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	2390.90	▲ 2.7%	▲ 15.8%	2017-05-12
CBOE volatility index (VIX)	10.42	▼ -28.9%	▼ -30.7%	2017-05-15
Bank deposit interest rate	0.17%	0.00	▲ 0.06	Apr 2017
3-month treasury bill yield	0.90%	▲ 0.07	▲ 0.64	2017-05-15
2-year treasury bond yield	1.31%	▲ 0.10	▲ 0.57	2017-05-15
10-year treasury bond yield	2.34%	▲ 0.08	▲ 0.61	2017-05-15
30-year mortgage rate	4.05%	▼ -0.03	▲ 0.48	2017-05-11
US Dollar, broad index	124.54	▲ 0.2%	▲ 3.2%	May 2017
Crude oil, US\$/barrel	\$47.82	▼ -9.6%	▲ 3.1%	2017-05-12
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](#)