Updated: June 19, 2017

First quarter U.S. economic growth slowed from lower consumption spending growth, despite an improvement in exports. The unemployment rate is gradually nearing its long-run full-capacity level. Inflation is below 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.

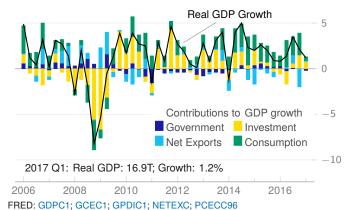
2006

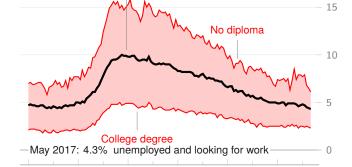
2008

Economic Growth and Employment

Real Gross Domestic Product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)





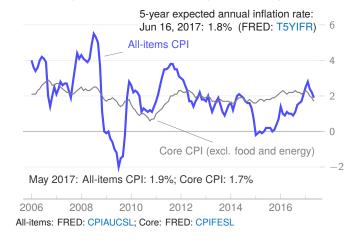
Unemployed and looking for work (U3 rate)

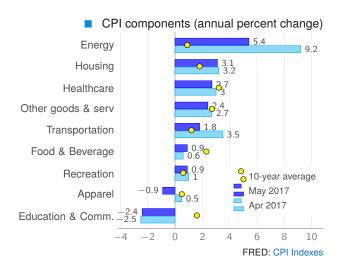
2010 2012 2014 2016 FRED: UNRATE; LNS14027659; LNS14027662

Civilian unemployment rate (percent)

Inflation and Prices

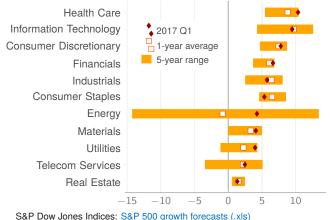
Consumer price index (CPI) (annual percent change)





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	2453.46	▲ 3.0%	▲ 18.5%	2017-06-19
CBOE volatility index (VIX)	10.37	▼ -13.9%	▼ -46.6%	2017-06-19
Bank deposit interest rate	0.17%	▲ 0.01	▲ 0.05	May 2017
3-month treasury bill yield	1.02%	▲ 0.10	▲ 0.76	2017-06-19
2-year treasury bond yield	1.36%	▲ 0.08	▲ 0.67	2017-06-19
10-year treasury bond yield	2.19%	▼ -0.04	▲ 0.59	2017-06-19
30-year mortgage rate	3.91%	▼ -0.11	▲ 0.37	2017-06-15
US Dollar, broad index	122.30	▼ -1.2%	▲ 1.0%	Jun 2017
Crude oil, US\$/barrel	\$44.10	▼ -12.7%	▼ -8.6%	2017-06-19
Industrial production index	105.0	-0.0%	▲ 2.2%	May 2017
Consumer confidence index	97.1	▲ 0.1%	▲ 2.5%	May 2017

Retrieved from FRED, CBOE, Quandl, and University of Michigan

