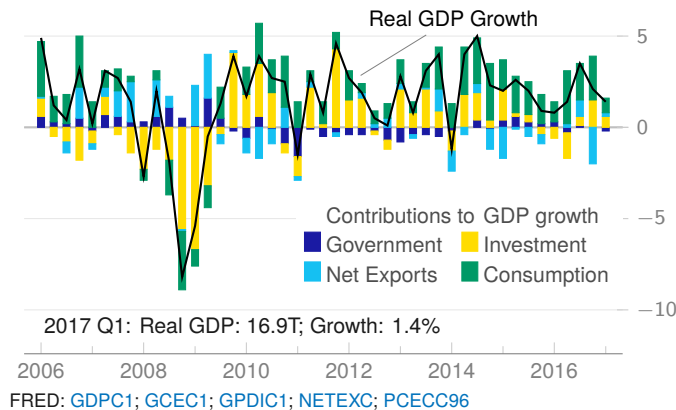


First quarter U.S. economic growth slowed from lower consumption spending growth, despite an improvement in exports. The unemployment rate is gradually nearing its long-run full-capacity level. Inflation is below two percent in both the core CPI and the full index, with no expected acceleration. Elevated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

## Economic Growth and Employment

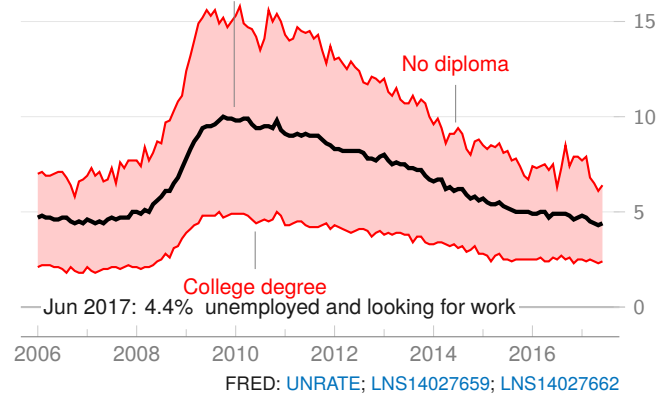
### Real Gross Domestic Product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



### Civilian unemployment rate (percent)

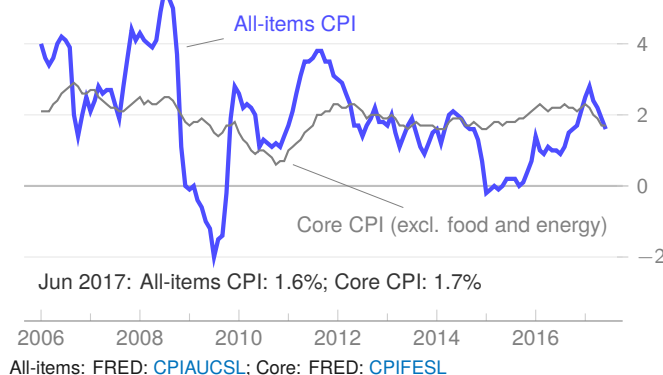
Unemployed and looking for work (U3 rate)



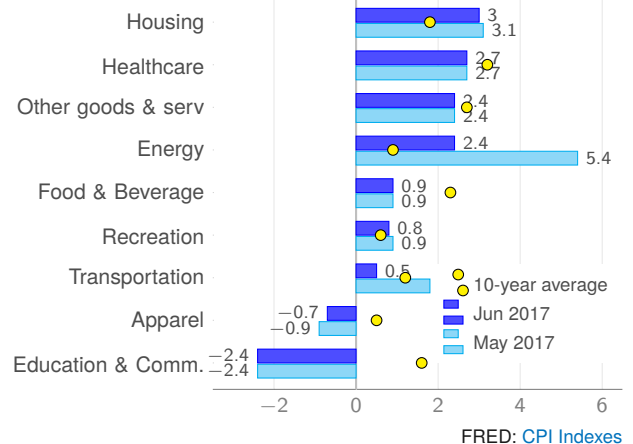
## Inflation and Prices

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

5-year expected annual inflation rate:  
Jul 20, 2017: 1.9% (FRED: [T5YIFR](#))

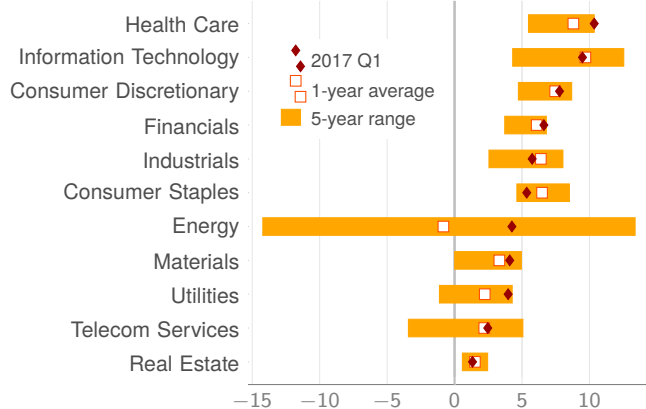


### CPI components (annual percent change)



## 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	2472.54	▲ 1.6%	▲ 14.2%	2017-07-21
CBOE volatility index (VIX)	9.36	▼ -10.7%	▼ -26.5%	2017-07-21
Bank deposit interest rate	0.17%	▲ 0.01	▲ 0.05	Jun 2017
3-month treasury bill yield	1.16%	▲ 0.20	▲ 0.85	2017-07-21
2-year treasury bond yield	1.36%	▲ 0.02	▲ 0.66	2017-07-21
10-year treasury bond yield	2.24%	▲ 0.09	▲ 0.68	2017-07-21
30-year mortgage rate	3.96%	▲ 0.06	▲ 0.51	2017-07-20
US Dollar, broad index	121.64	▼ -0.5%	▼ -0.3%	Jul 2017
Crude oil, US\$/barrel	\$46.73	▲ 9.9%	▲ 4.2%	2017-07-20
Industrial production index	105.2	▲ 0.4%	▲ 2.0%	Jun 2017
Consumer confidence index	95.1	▼ -2.1%	▲ 1.7%	Jun 2017

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