

## Macro Roundup Article

**Headline:** [The Fed's Waiting Game: Is the US Economy Finally Starting to Crack?](#)

**Article Link:** <https://www.ft.com/content/7273f110-4c36-475a-8732-0a230f5dc533>

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**Tweet:** Unemployment rates have risen at least 0.5% above the prior 12 month low in DC and 18 states. Based on the “Sahm Rule,” which has been remarkably accurate at the national level, this would suggest these states have entered a recession.

**Summary:** Across the country, well over a dozen states are flashing warning signals, triggering the so-called Sahm rule, which links the start of a recession to when the three-month moving average of the unemployment rate rises at least half a percentage point above its low over the past 12 months. The Sahm rule traditionally applies to national unemployment — not state-level data, which can be distorted by small sample sizes — but the trend across the country suggests labour market conditions have softened. Still, the weakness is not yet broad-based and would need to intensify for the worst prognoses to be realised.

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**Primary Topic:** Business Cycle

**Topics:** Business Cycle, GDP, News article, Unemployment/Participation, Workforce

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