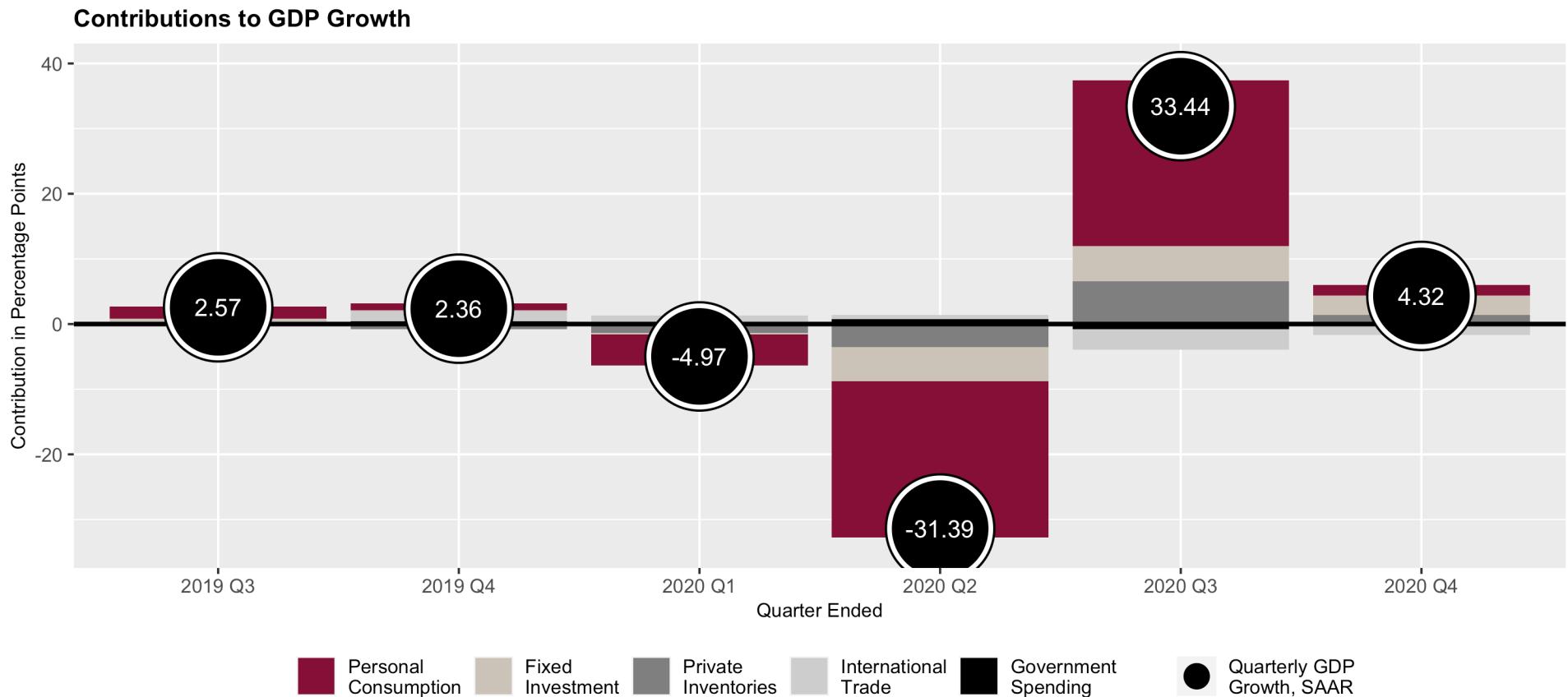


Gross Domestic Product

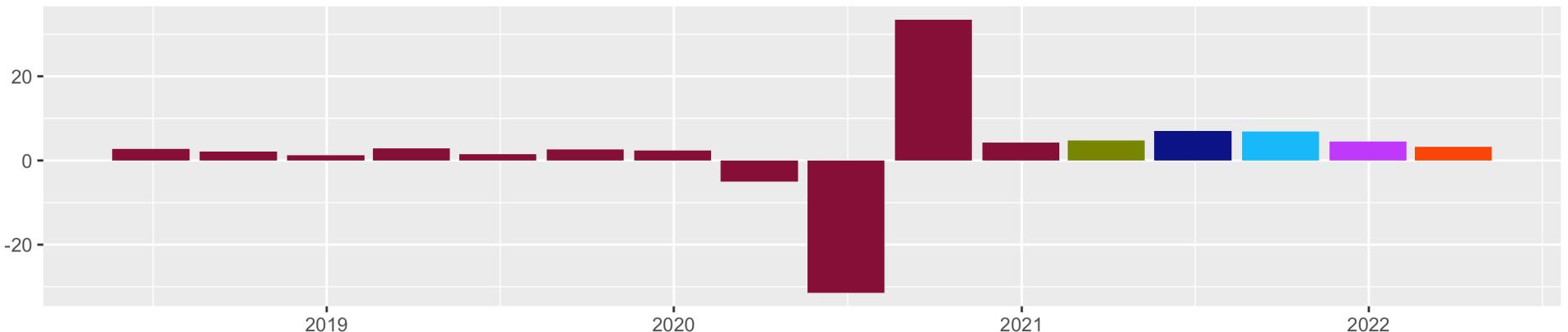
The full weight of the coronavirus weighed on US economic output during the second quarter. The economy contracted an annualized 31.4 percent from the first quarter. The 33.4 percent rebound in the third quarter was as dramatic. Personal consumption grew at a 41.0 percent annualized pace and accounted for about three-quarters of the total growth in the economy. Fixed investment and inventory replenishment both made positive contributions, while international trade subtracted roughly 3 percentage points from overall growth. Total economic output remains 3.5 percent below the pre-pandemic level.



Gross Domestic Product

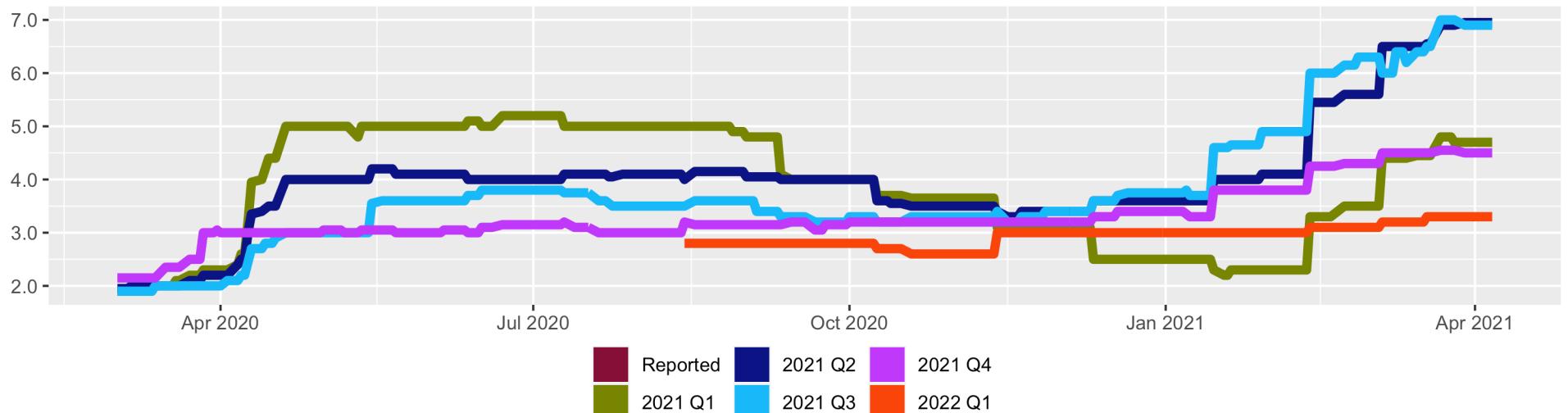
US Gross Domestic Product

QoQ SAAR

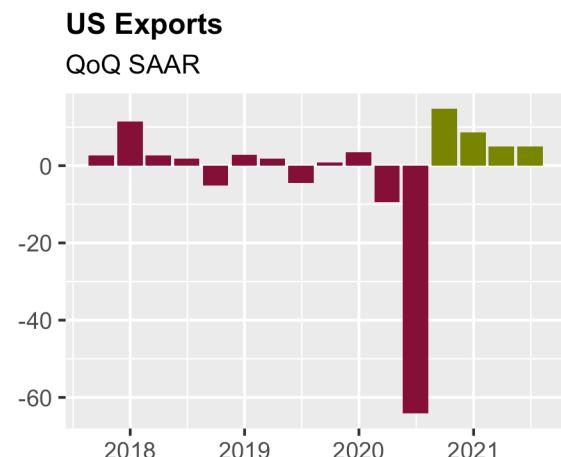
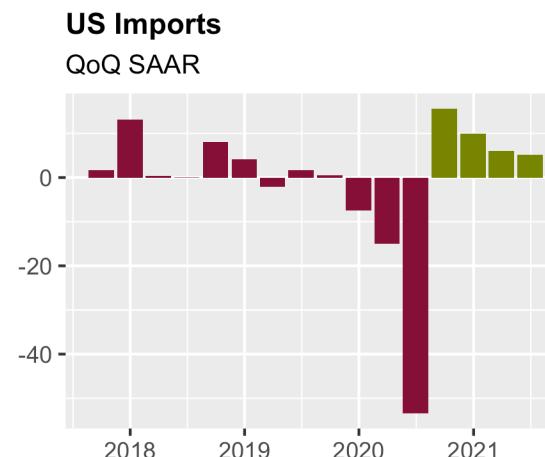
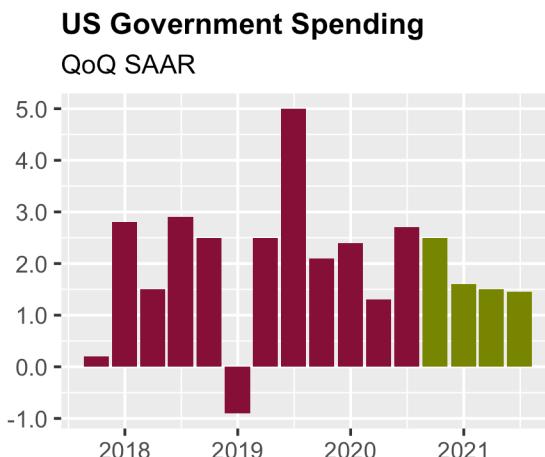
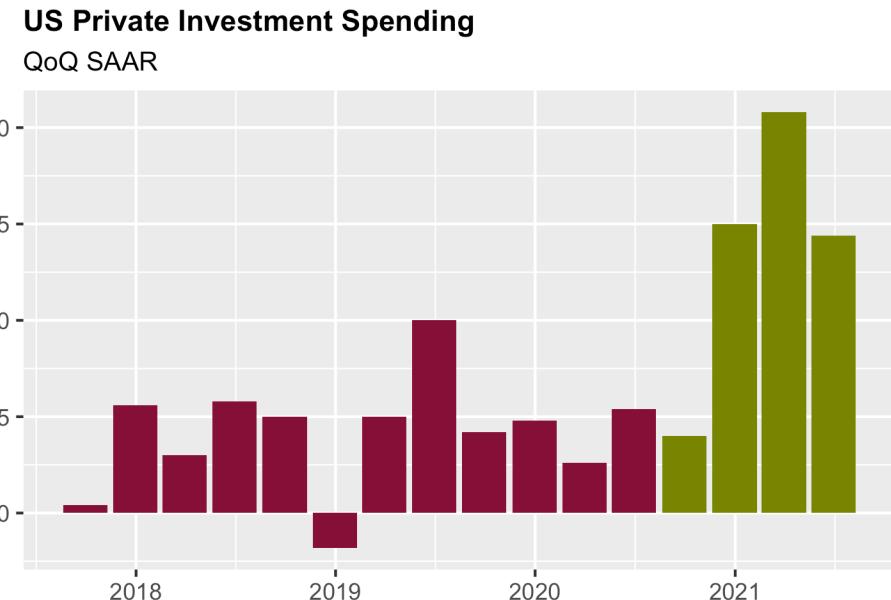
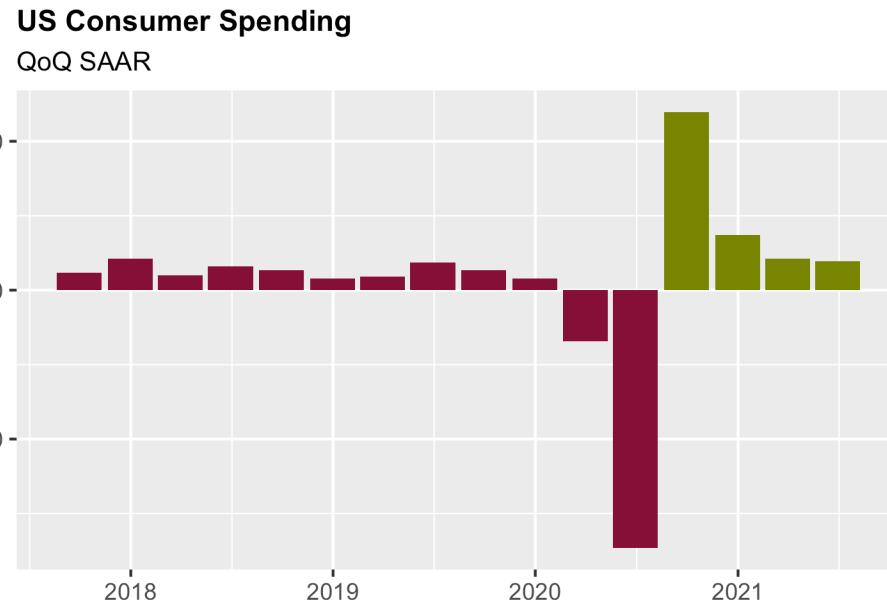


Consensus GDP Growth Estimates

Bloomberg Survey of Economists Median



Gross Domestic Product

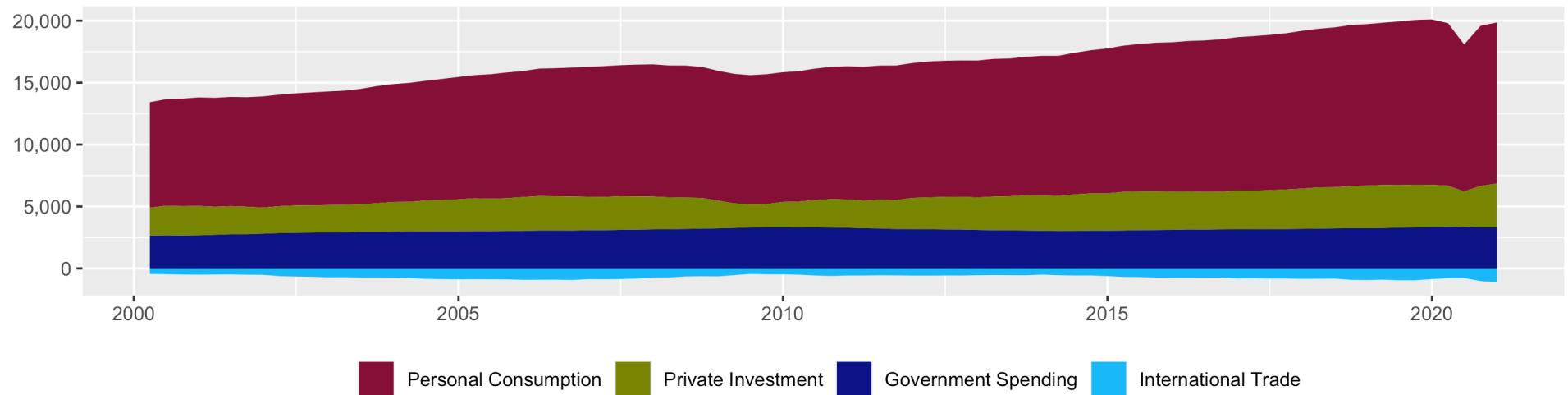


Reported Estimate

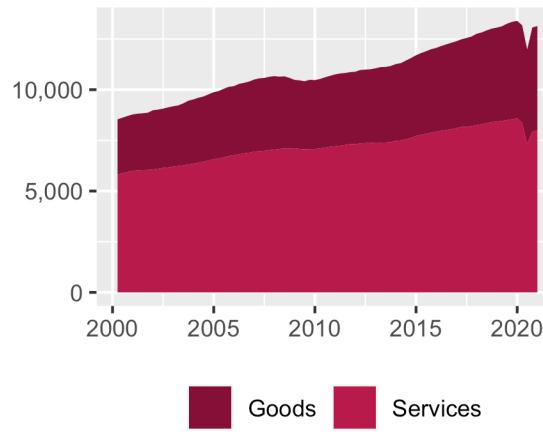
Gross Domestic Product

Composition of US Economy

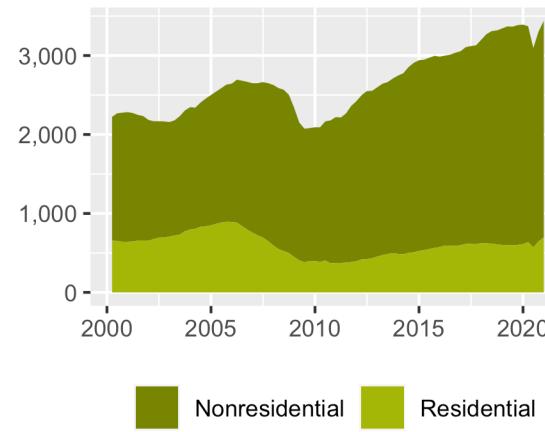
Billions of USD, Chain Linked 2012 Prices



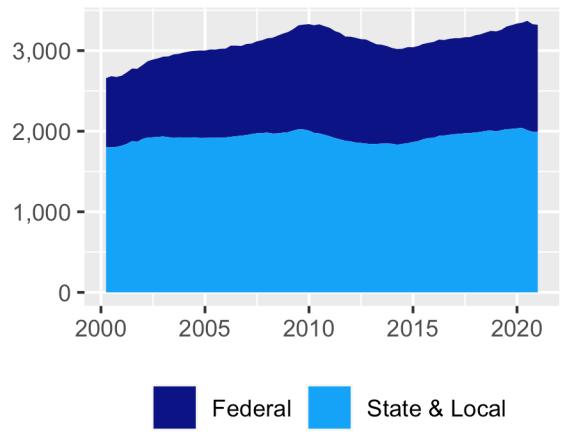
Personal Consumption



Fixed Investment

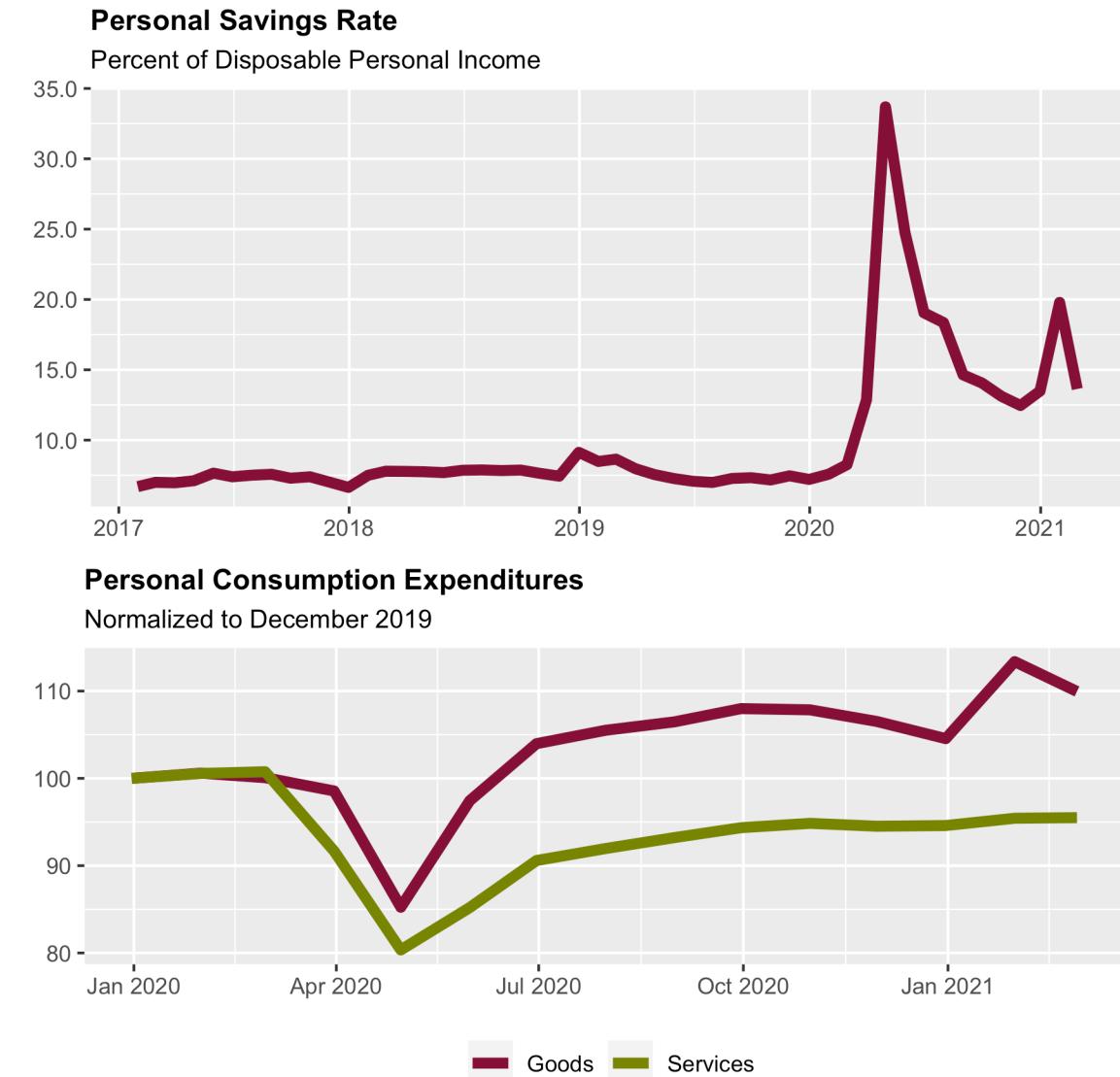


Government Spending



Consumption

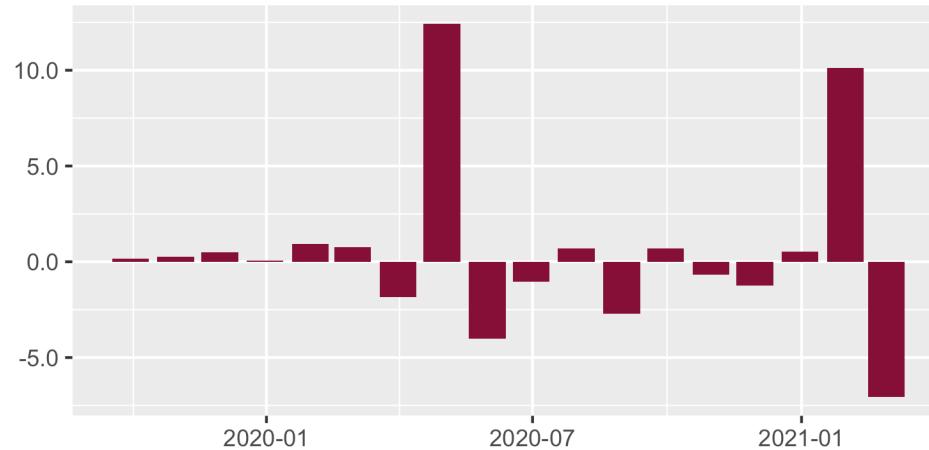
If a vaccine for COVID-19 is made available and accepted by Americans in early 2021, we could see a sharp acceleration in personal consumption led by service categories. These categories of consumption, such as spending at restaurants and hotels, were the hardest hit by the pandemic and have had the most difficulty accommodating social distancing requirements. Even though services spending has increased 16 percent from the April low point, it is still 5.3 percent below the pre-pandemic level. Meanwhile, goods spending has already surpassed pre-pandemic levels.



Consumption

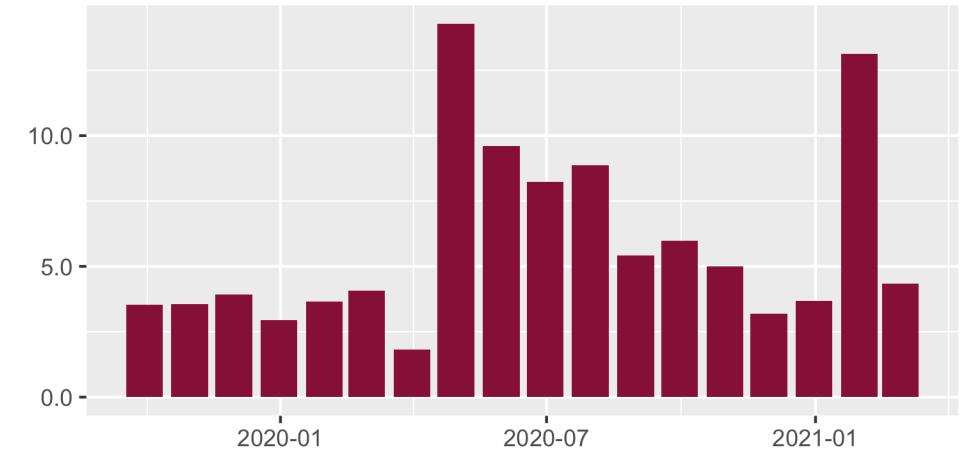
Personal Income

Monthly Percent Change



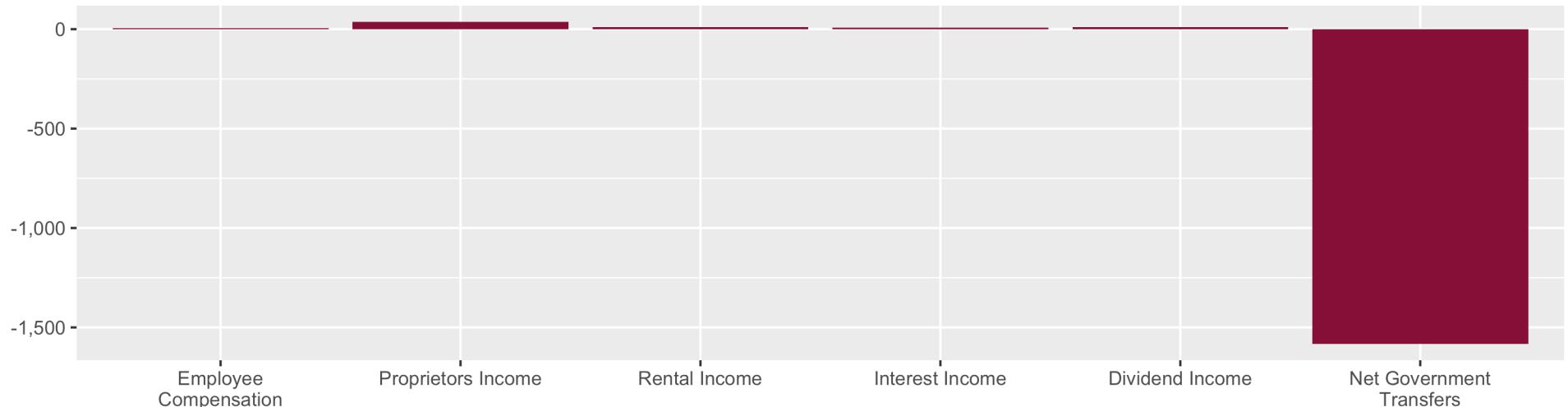
Personal Income

Annual Percent Change

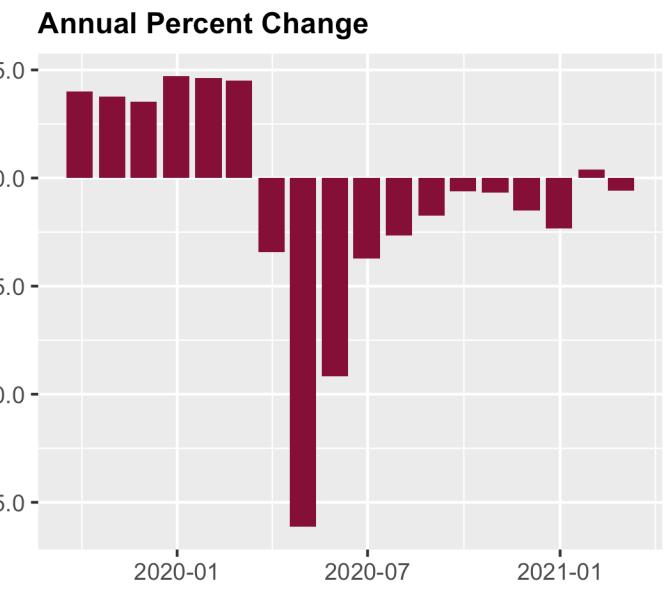
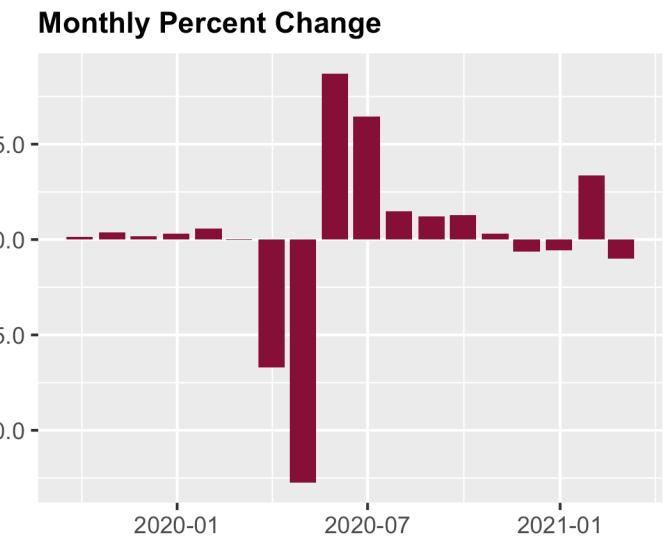
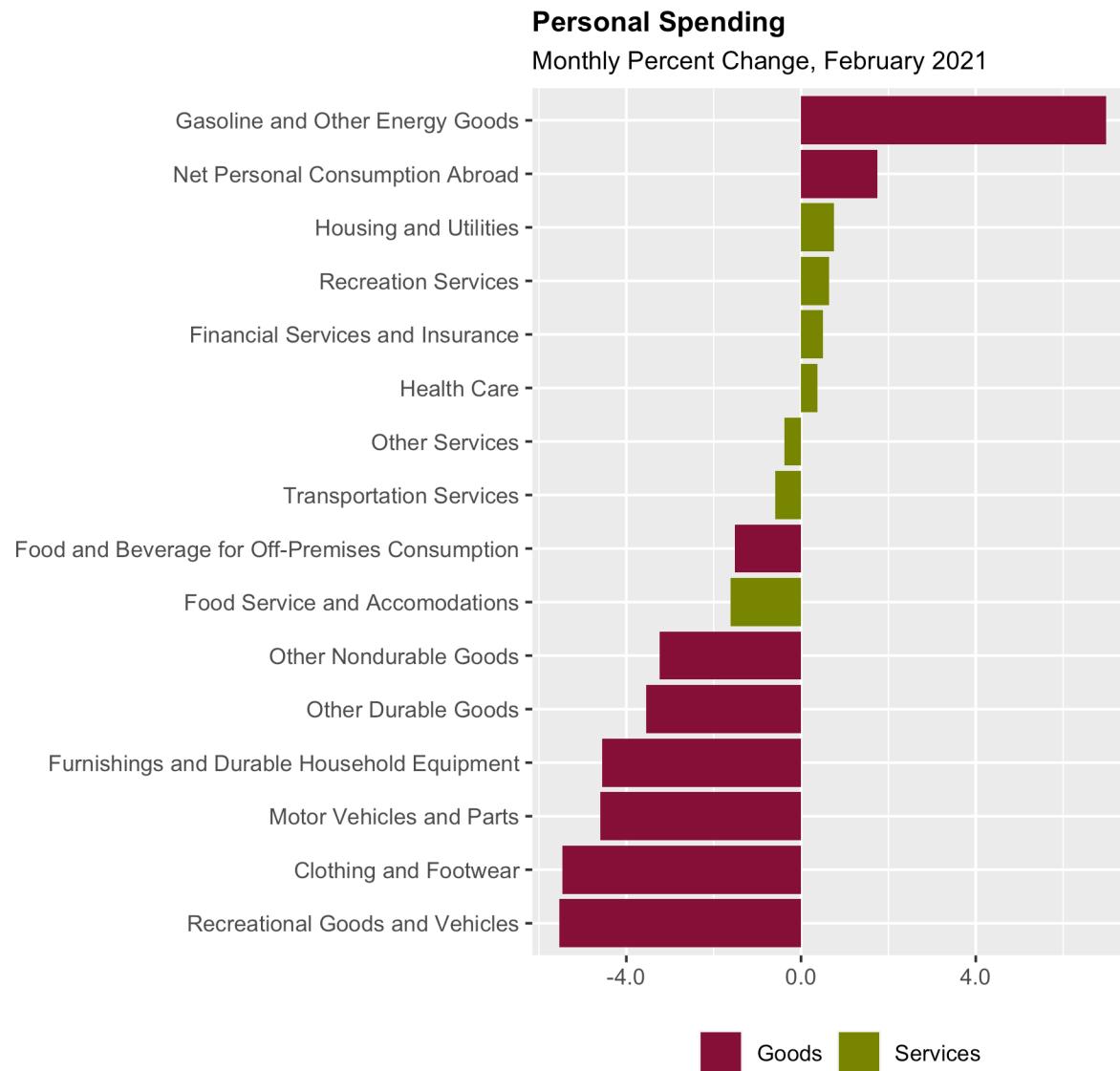


Change in Personal Income

February 2021, Billions of USD



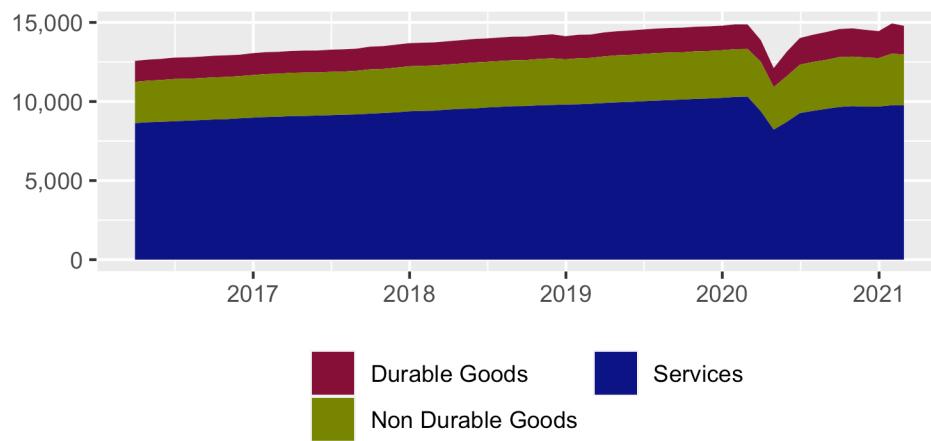
Consumption



Consumption

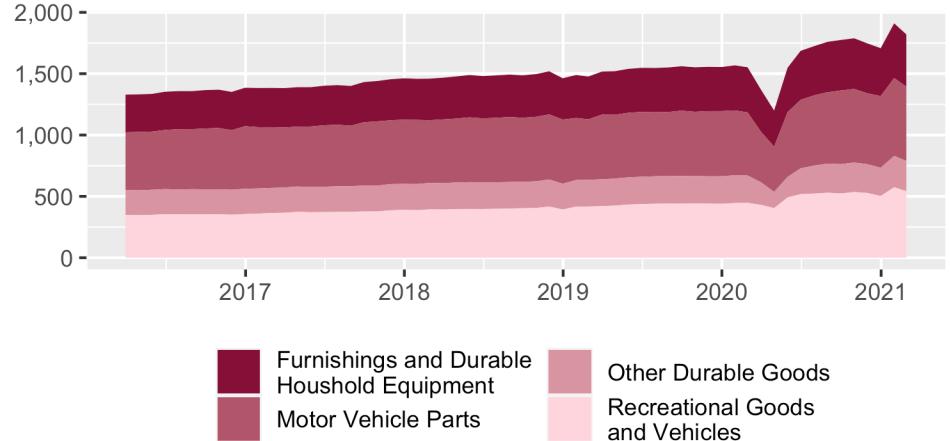
Personal Spending Composition

SAAR, USD Billions



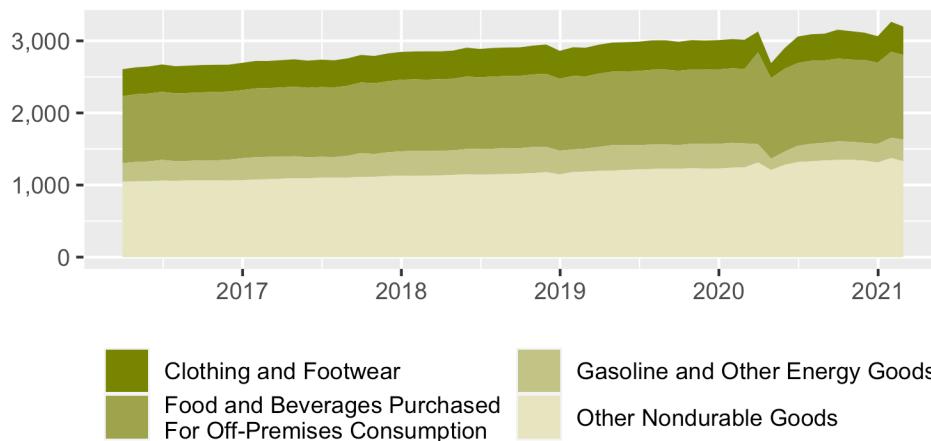
Durable Goods Composition

SAAR, USD Billions



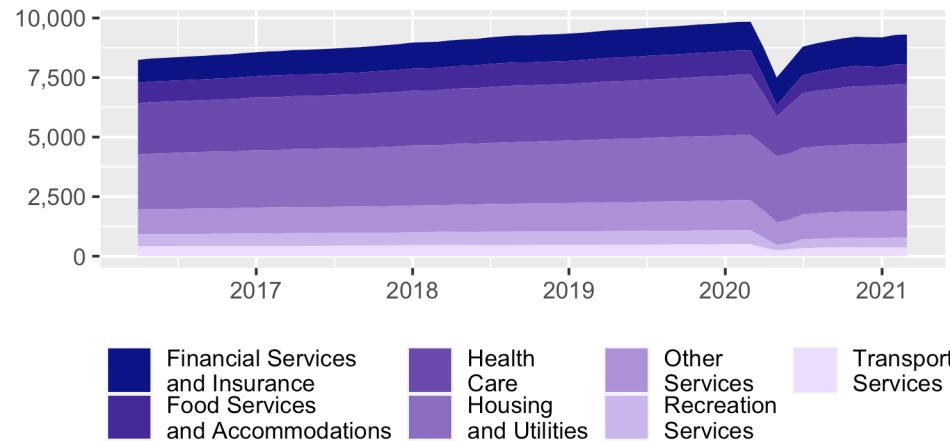
Nondurable Goods Composition

SAAR, USD Billions



Services Composition

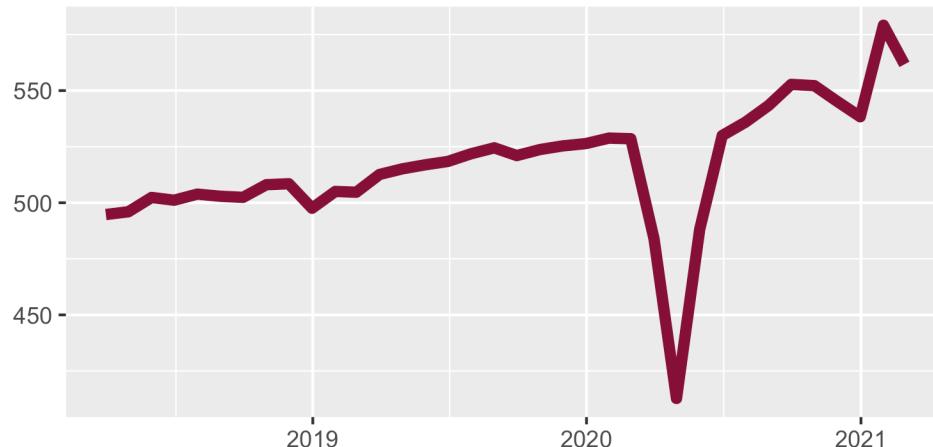
SAAR, USD Billions



Consumption

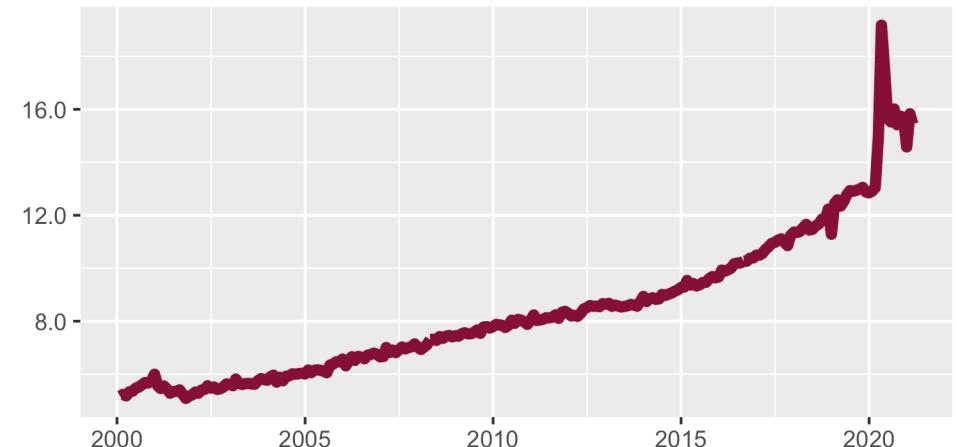
Retail Sales

Billions of USD



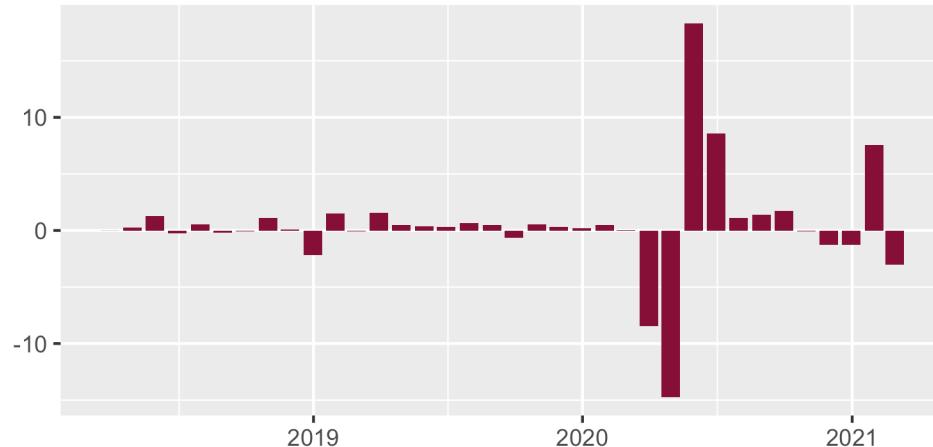
Nonstore Retail Sales

Share of Total Retail Sales



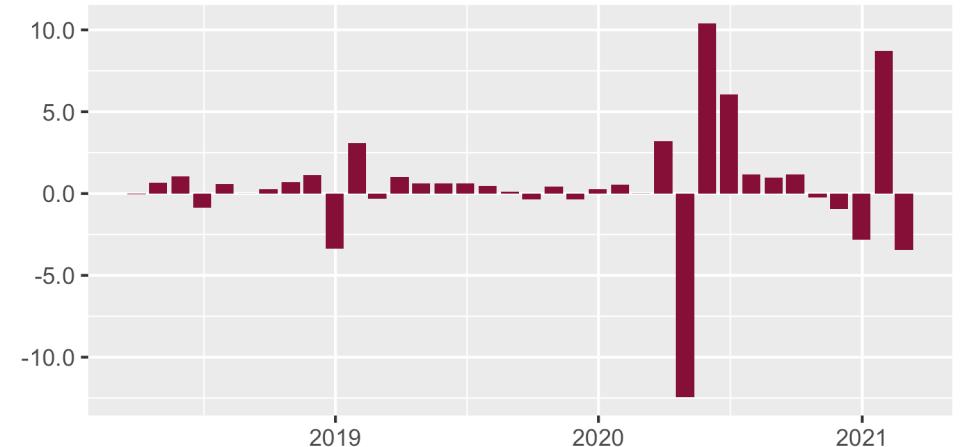
Retail Sales

Total Retail Sales Monthly Percent Change

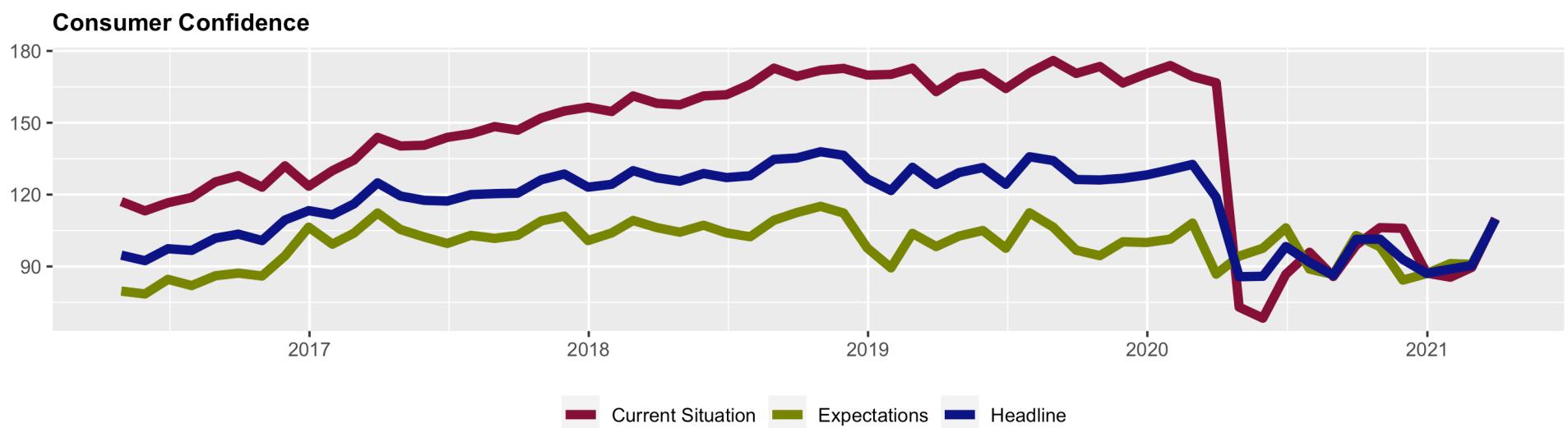
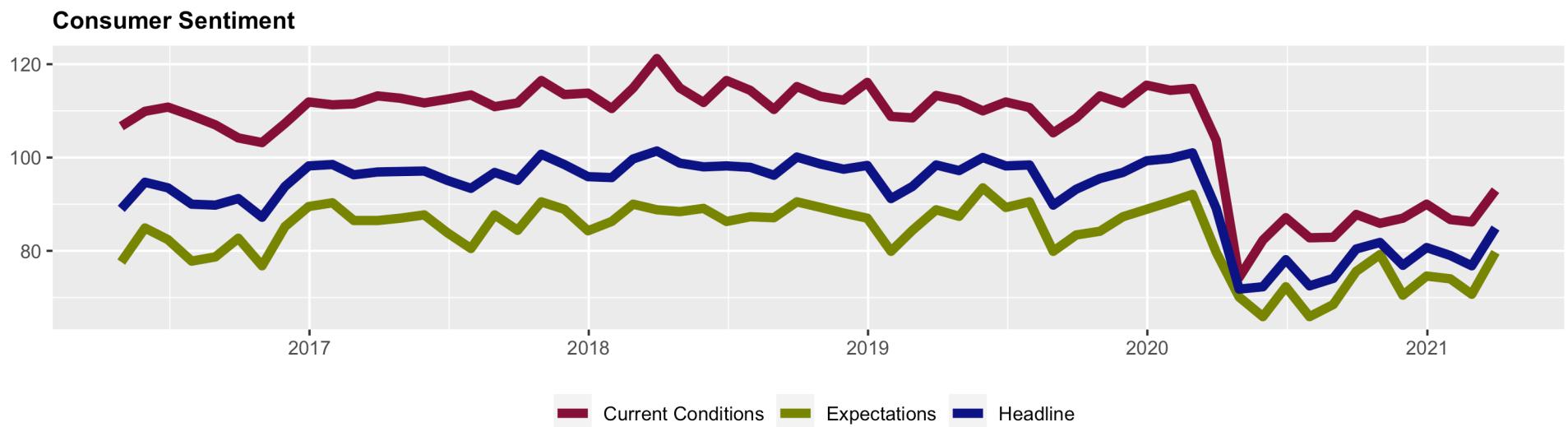


Retail Sales

Control Group Monthly Percent Change



Consumption

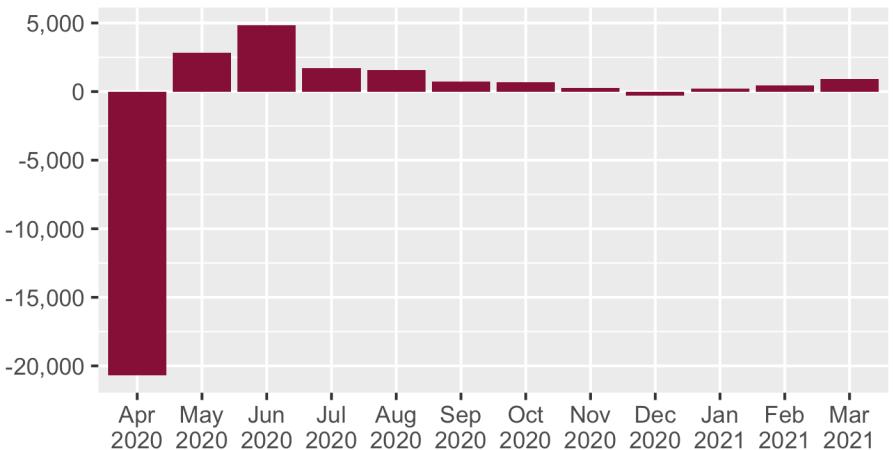


Labor Market

Though the labor market has seen extraordinary job growth in the second quarter, conditions are still dismal. Over the last seven months, monthly payroll growth has averaged 1.8 million after losing a net 22.2 million jobs in the March and April. The labor market is still 9.8 million jobs short of the pre-pandemic level. The unemployment rate has declined to 6.7 percent from 11.1 percent at the end of the first quarter and April's 14.7 percent. Though improving, this is still an extraordinarily high level. There are also worrying signs that the unemployed are increasingly losing touch with the labor market. For instance, labor force participation has nearly declined two percentage points from the January level and shows signs of stagnating at these low levels.

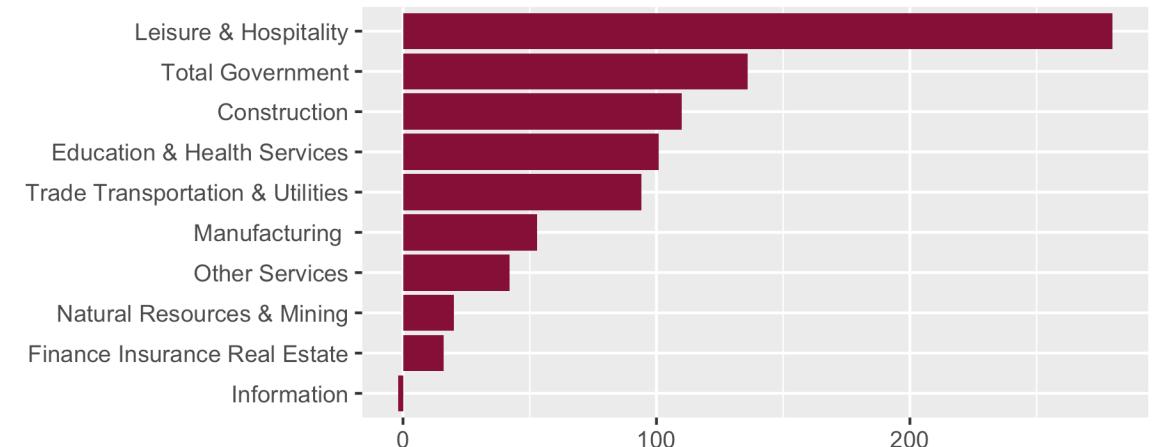
Monthly Change in Nonfarm Payrolls

Thousands



Change in Nonfarm Payrolls by Industry

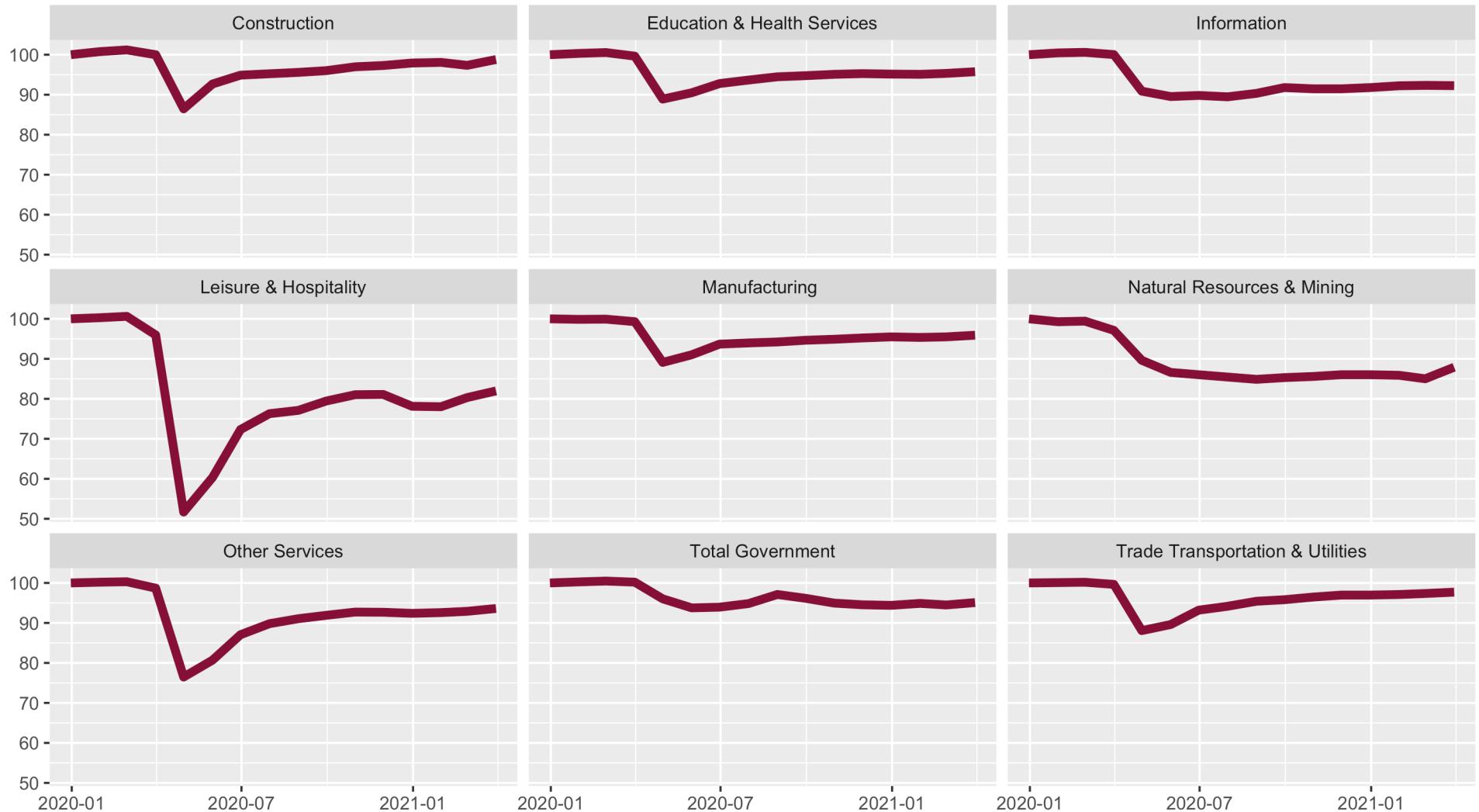
March 2021, Thousands



Labor Market

Employment by Occupation

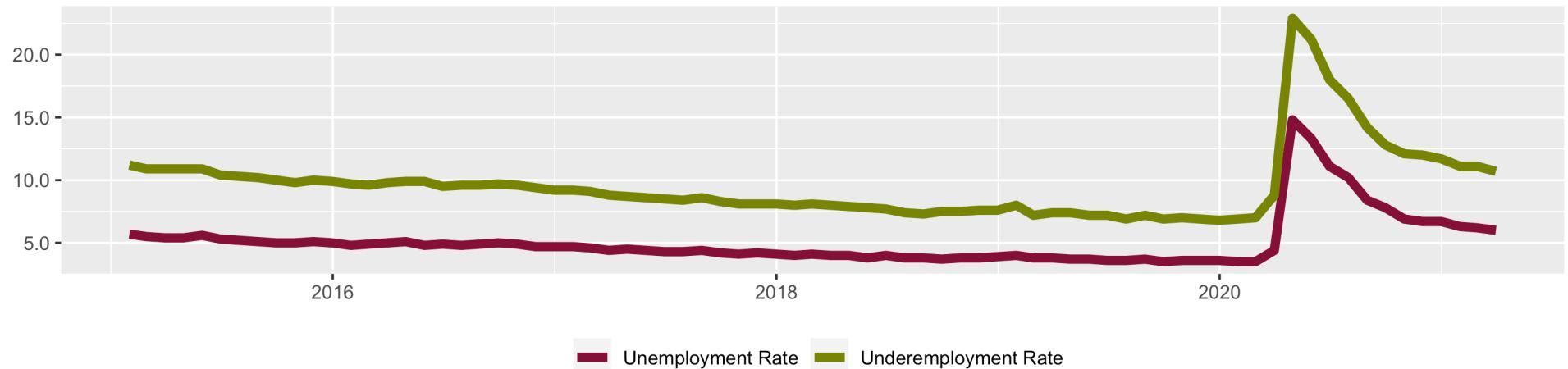
Normalized to December 2019



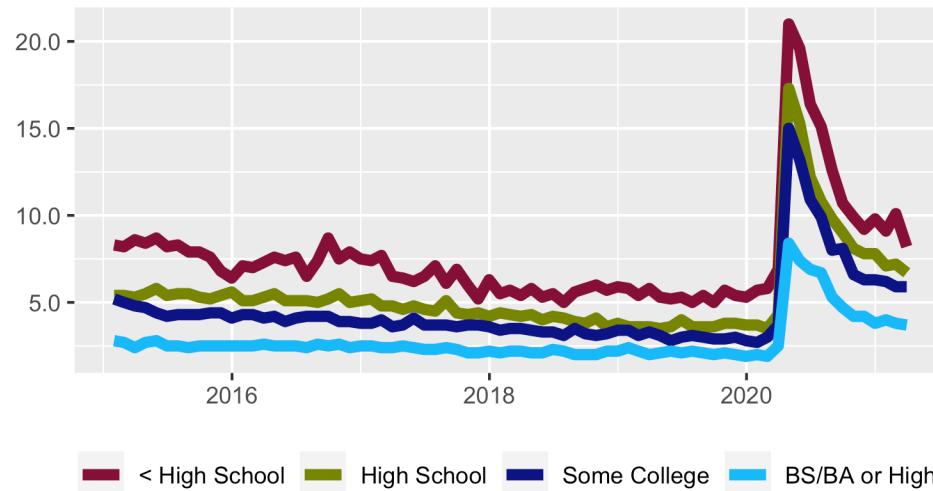
Labor Market

Unemployment Rate

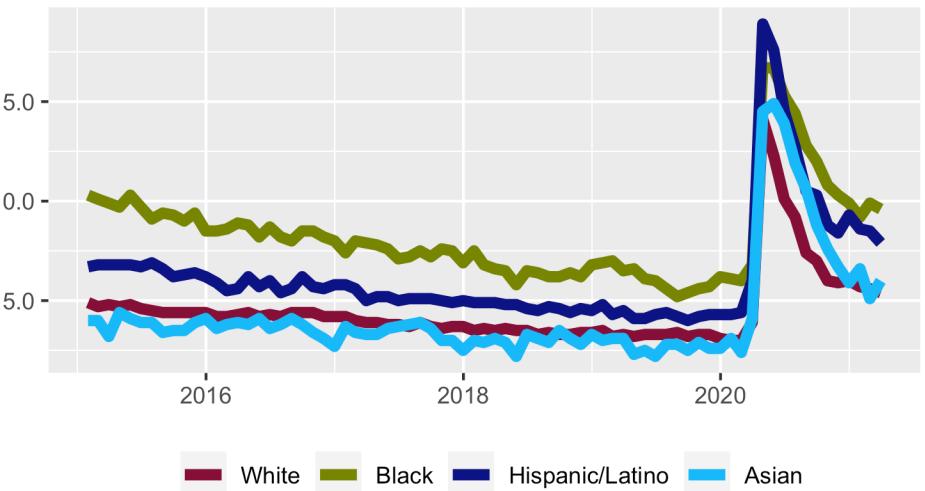
Percent of Labor Force



Unemployment Rate by Educational Attainment



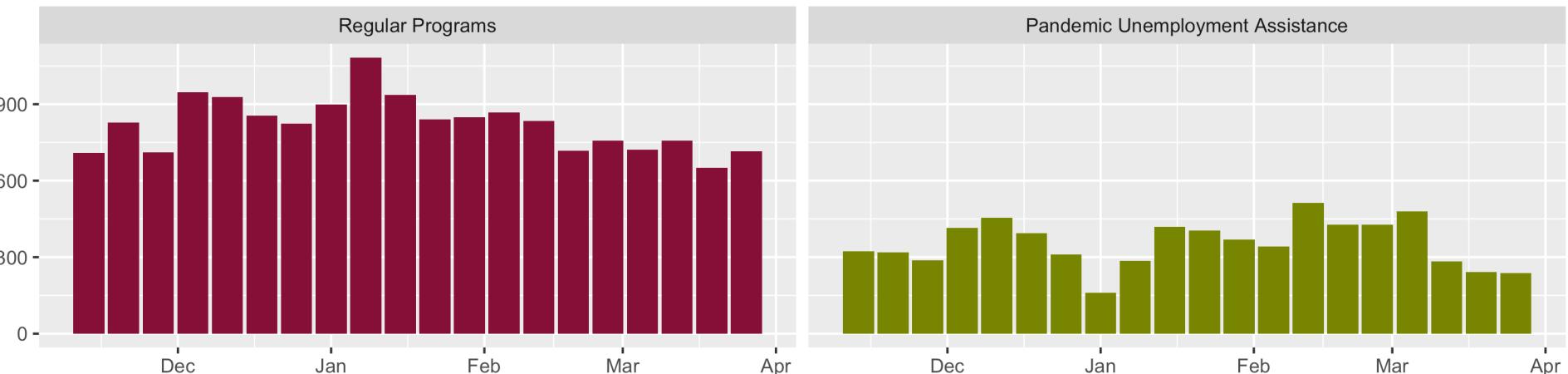
Unemployment Rate by Race



Labor Market

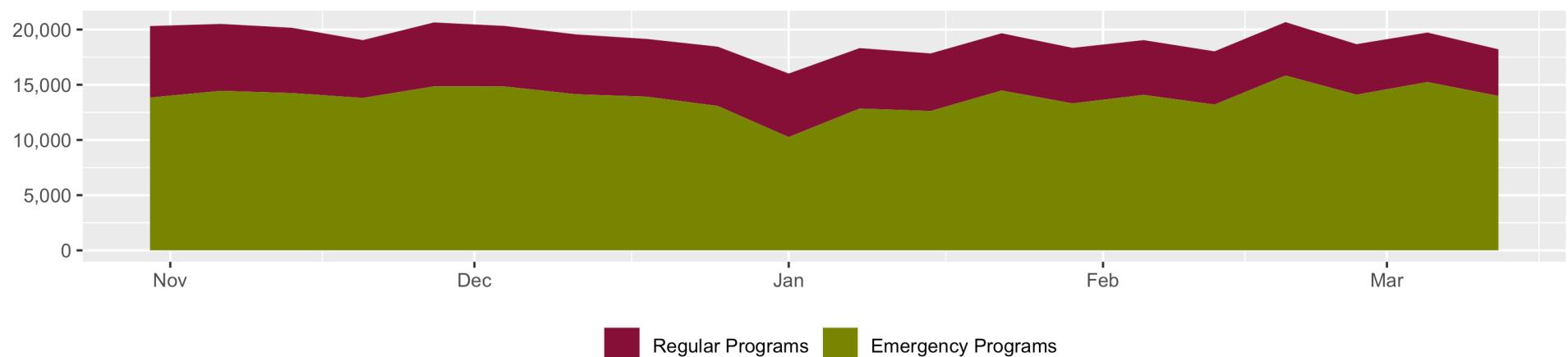
Initial Unemployment Claims

Thousands, Unadjusted, Though Mar 26



Continuing Unemployment Claims

Thousands, Unadjusted, Through Mar 12



Business Activity

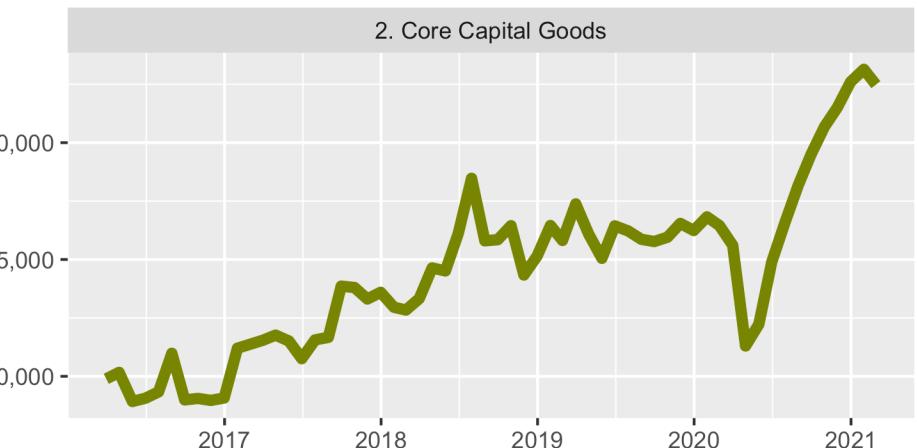
ISM Manufacturing Indexes

Index	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021
PMI	41.7	43.1	52.2	53.7	55.6	55.7	58.8	57.7	60.5	58.7	60.8	64.7
New Orders	27.3	31.9	56.7	60.9	66.2	60.9	66.9	65.7	67.5	61.1	64.8	68.0
Production	27.6	32.8	56.0	60.6	62.4	61.7	63.1	62.2	64.7	60.7	63.2	68.1
Employment	28.2	32.8	41.1	43.6	46.3	49.3	52.1	48.3	51.7	52.6	54.4	59.6
Supplier Deliveries	76.0	68.1	57.0	55.9	58.2	59.0	60.5	61.7	67.7	68.2	72.0	76.6
Inventories	49.5	50.1	50.2	47.2	44.8	47.7	51.6	50.8	51.0	50.8	49.7	50.8
Customers' Inventories	48.8	46.2	44.6	41.6	38.1	37.9	36.7	36.3	37.9	33.1	32.5	29.9
Prices Index	35.3	40.8	51.3	53.2	59.5	62.8	65.5	65.4	77.6	82.1	86.0	85.6
Backlog of Orders	37.8	38.2	45.3	51.8	54.6	55.2	55.7	56.9	59.1	59.7	64.0	67.5
Export Orders	35.3	39.5	47.6	50.4	53.3	54.3	55.7	57.8	57.5	54.9	57.2	54.5
Imports	42.7	41.3	48.8	53.1	55.6	54.0	58.1	55.1	54.6	56.8	56.1	56.7

Business Activity

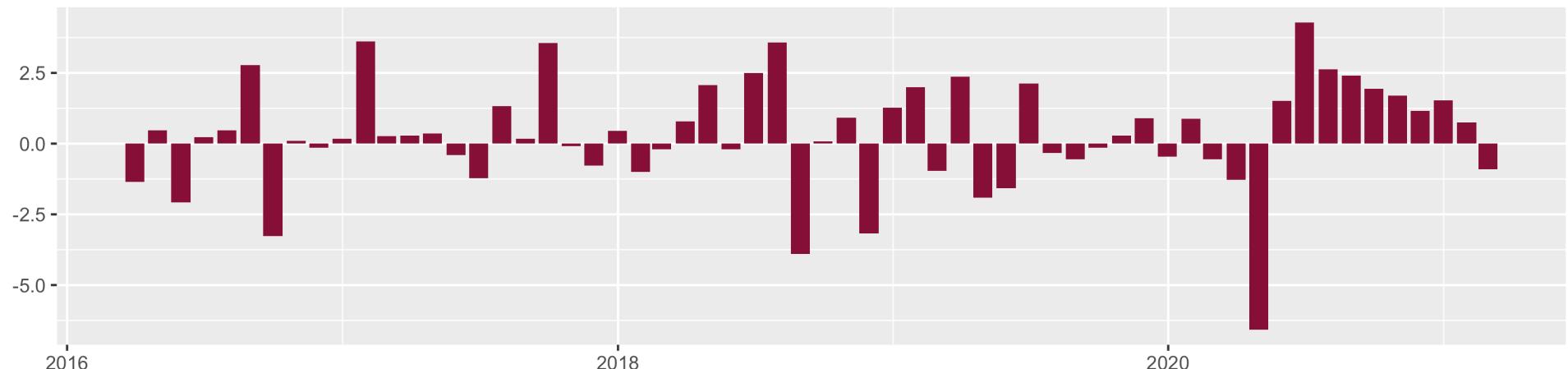
Durable Goods Orders

USD Millions



Core Capital Goods Orders

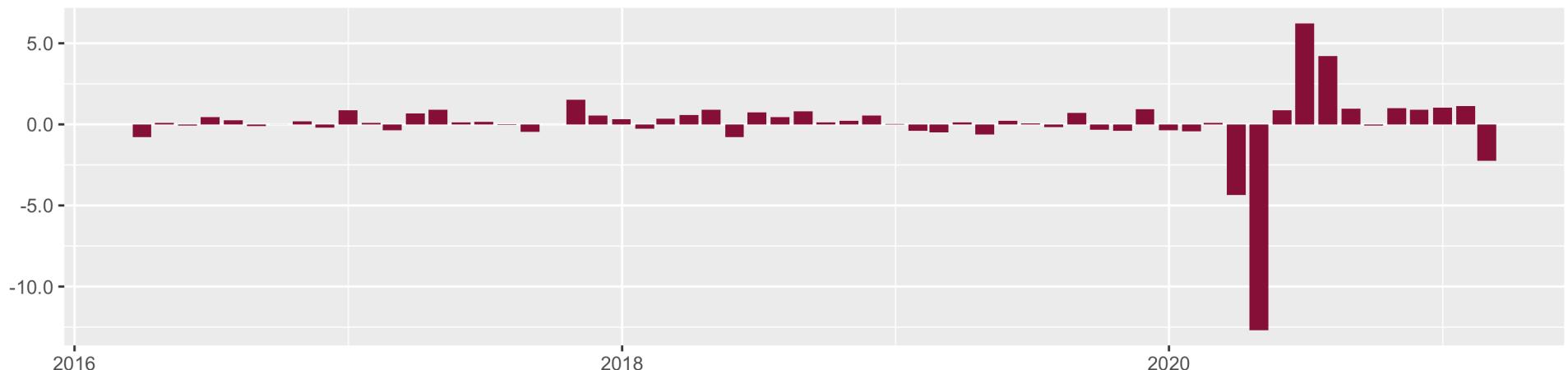
Monthly Change in Nondefense Capital Goods Orders ex Aircraft



Business Activity

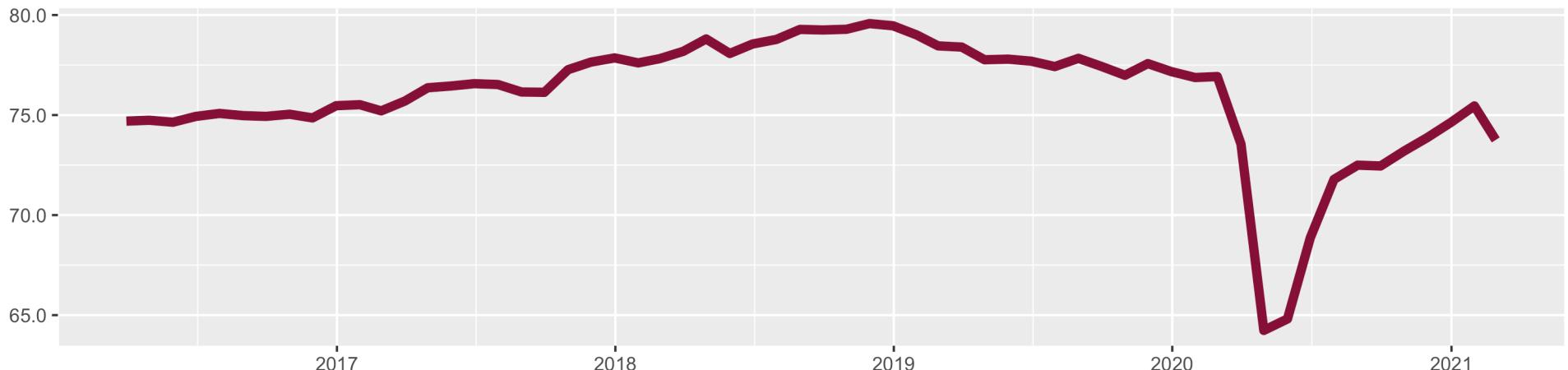
Industrial Production

Monthly Percent Change



Industrial Capacity Utilization

Percent



Business Activity

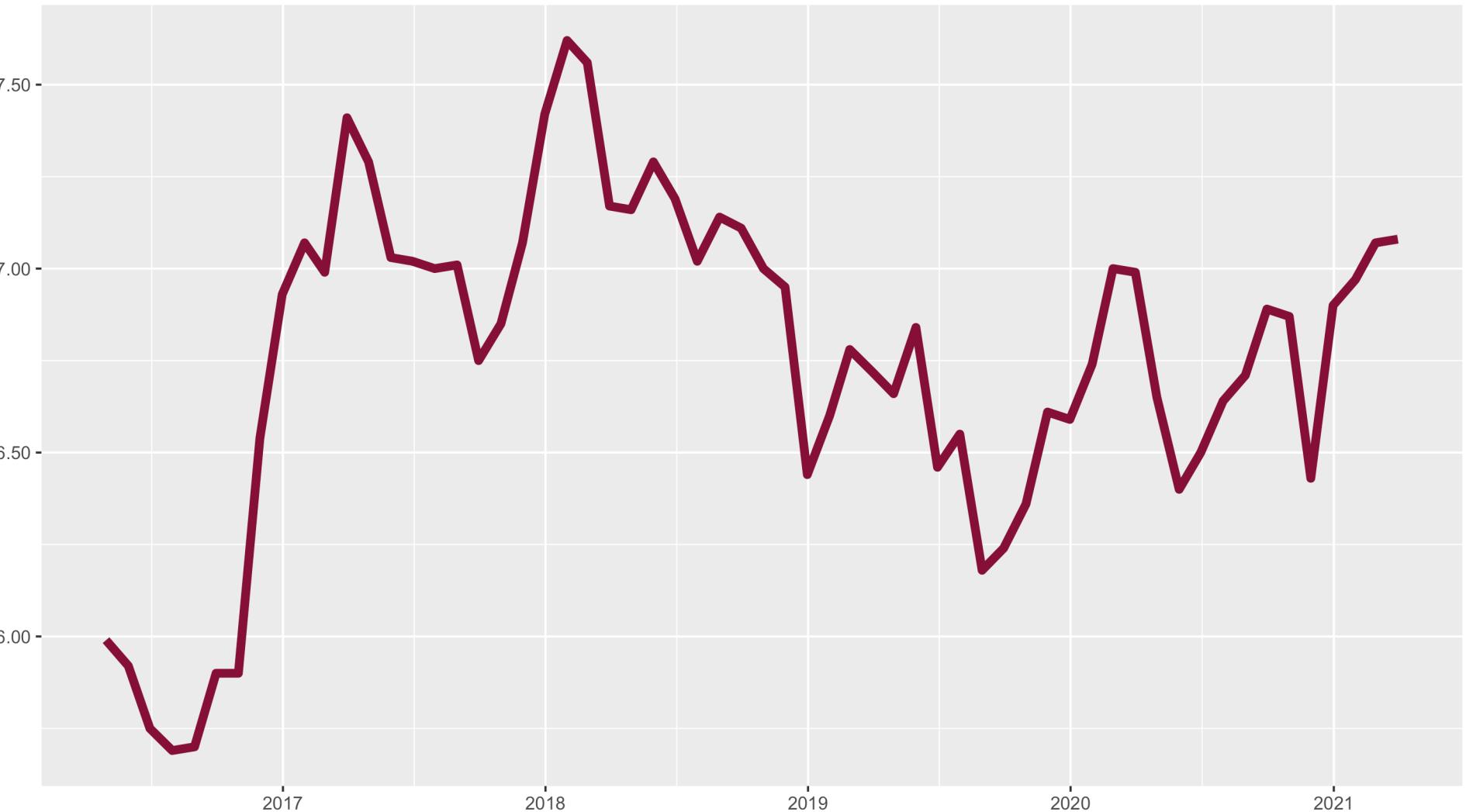
ISM Services Indexes

Index	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021
PMI	41.6	45.4	56.5	56.6	57.2	57.2	56.2	56.8	57.7	58.7	55.3	63.7
Business Activity Index	25.9	41.2	63.9	63.8	62.6	62.8	61.1	59.6	60.5	59.9	55.5	69.4
New Orders	32.5	41.3	61.8	64.8	58.5	61.4	57.3	59.0	58.6	61.8	51.9	67.2
Employment	29.7	32.2	42.7	42.6	47.4	49.8	50.1	51.5	48.7	55.2	52.7	57.2
Supplier Deliveries	78.3	67.0	57.5	55.3	60.5	55.0	56.1	57.1	62.8	57.8	60.8	61.0
Inventories	46.9	48.0	60.7	52.0	45.8	48.8	53.1	49.3	58.2	49.2	58.9	54.0
Prices	56.1	56.4	62.1	57.6	63.4	58.0	62.7	63.9	64.4	64.2	71.8	74.0
Backlog of Orders	47.7	46.4	51.9	55.9	56.6	50.1	54.4	50.7	48.7	50.9	55.2	50.2
New Export Orders	36.3	41.5	58.9	49.3	55.8	52.6	53.7	50.4	57.3	47.0	57.6	55.5
Imports	49.3	43.7	52.9	46.3	50.8	46.6	52.5	55.0	51.8	53.5	50.5	50.7
Inventory Sentiment	62.6	55.1	55.9	50.0	52.5	55.4	51.1	49.9	47.7	49.7	54.3	52.7

Business Activity

CEO Confidence

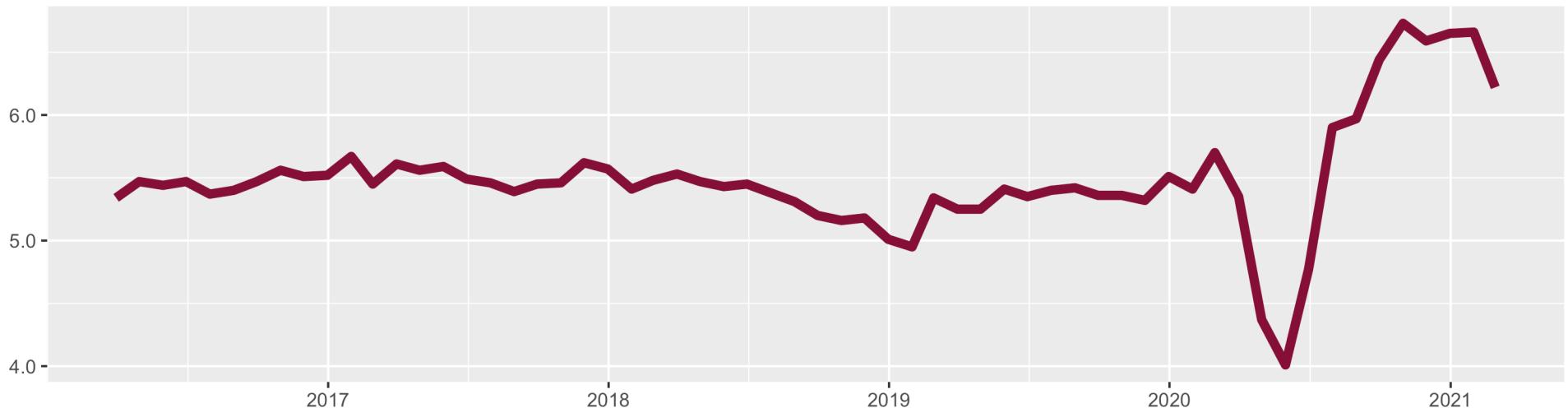
Scale from 1 to 10



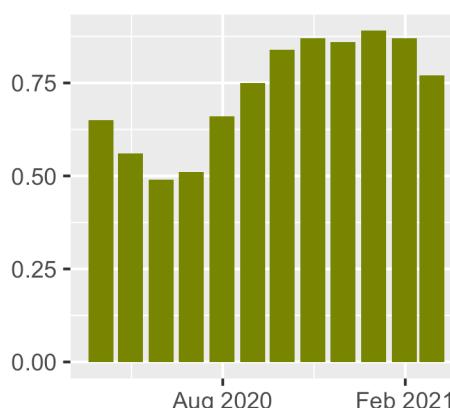
Existing Home Sales

US Existing Home Sales

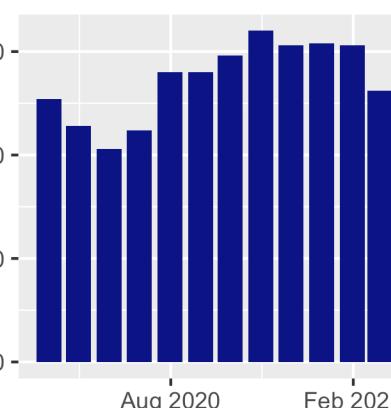
Millions, SAAR

**Northeast**

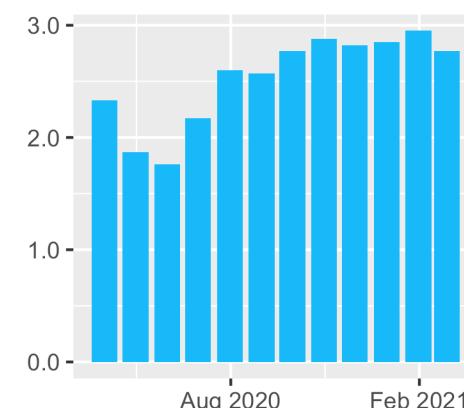
Millions, SAAR

**Midwest**

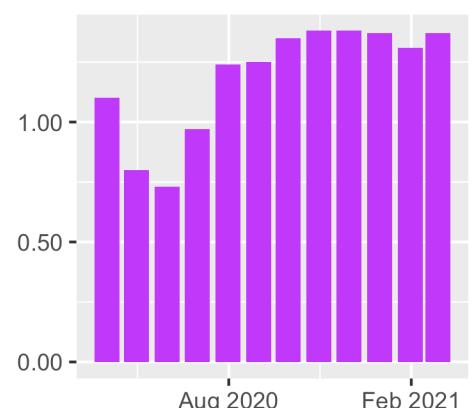
Millions, SAAR

**South**

Millions, SAAR

**West**

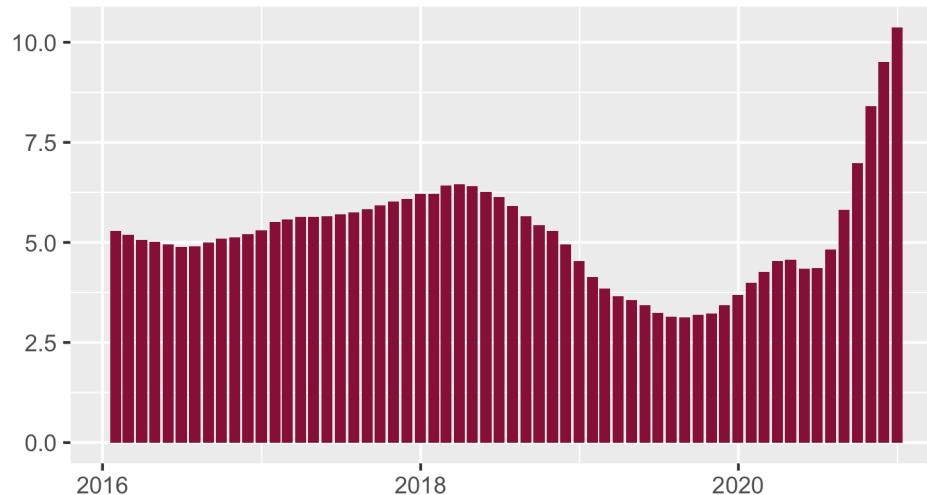
Millions, SAAR



Case Shiller Home Prices

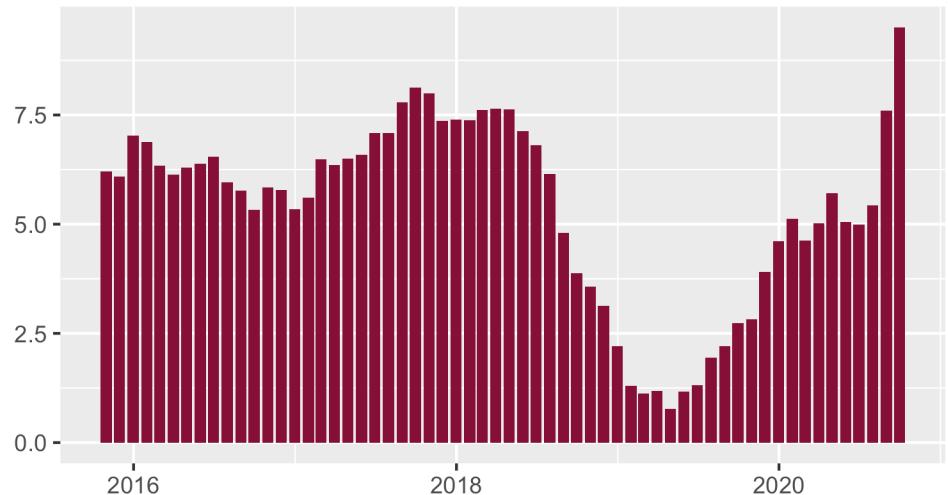
National Index

Annual Percent Change



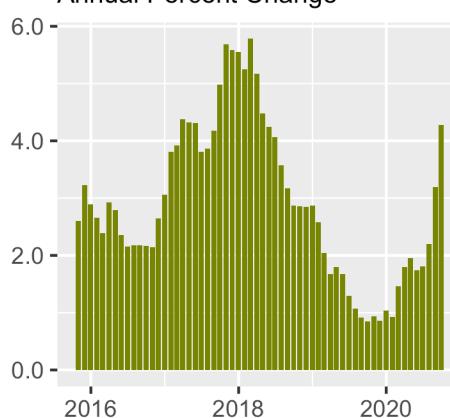
San Diego

Annual Percent Change



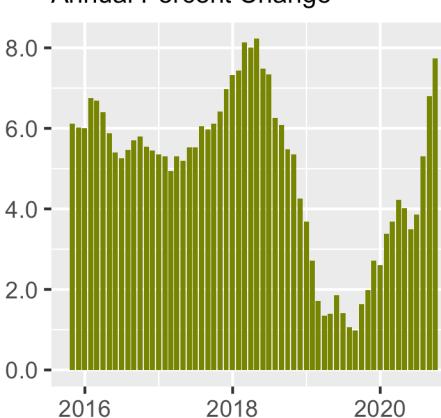
New York

Annual Percent Change



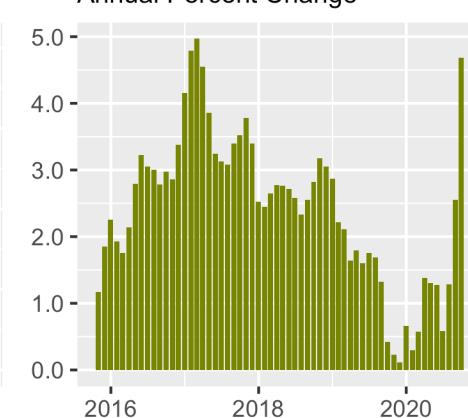
Los Angeles

Annual Percent Change



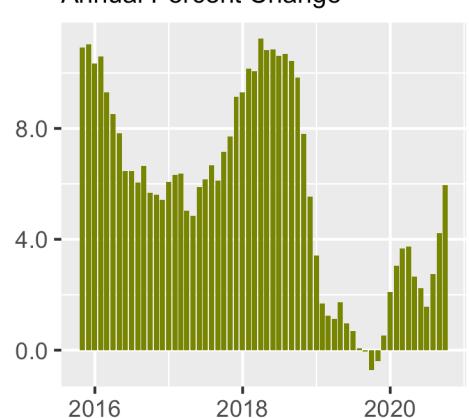
Chicago

Annual Percent Change

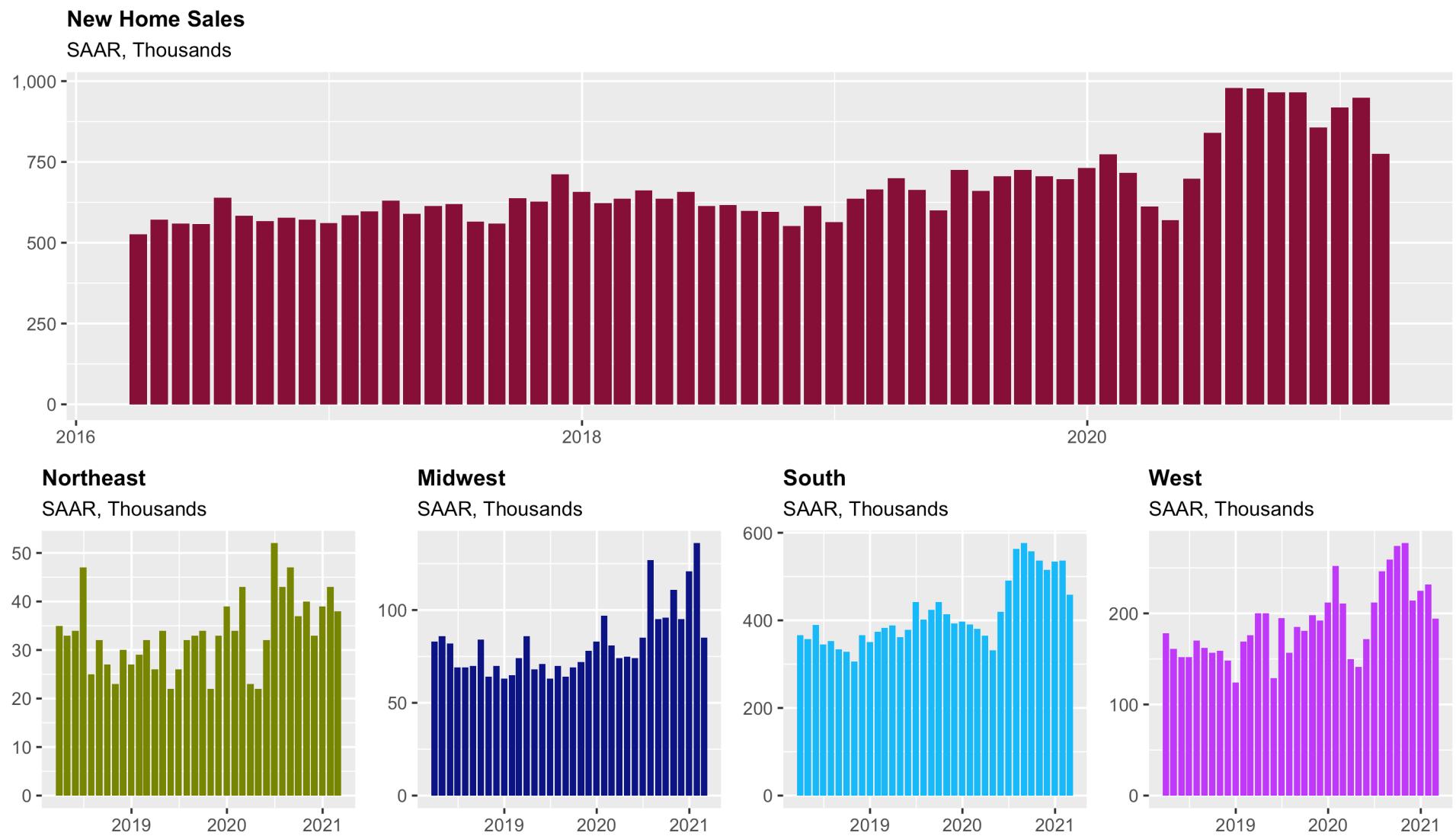


San Francisco

Annual Percent Change



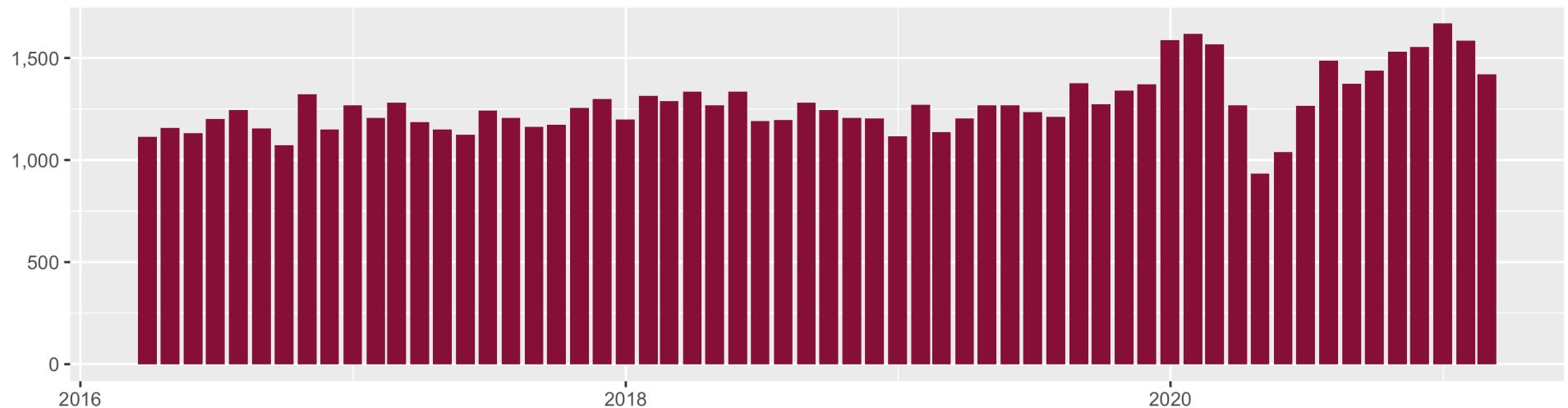
New Home Sales



Housing Starts

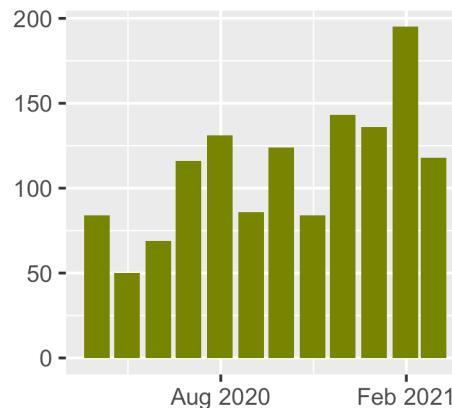
Housing Starts

Thousands, SAAR



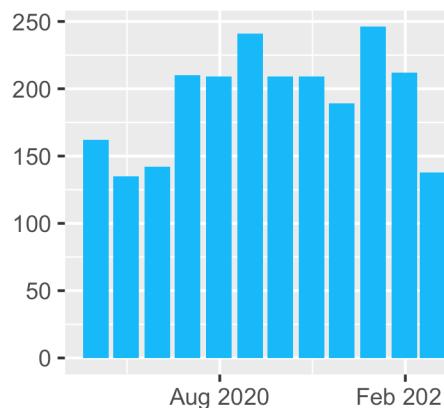
Northeast

Thousands, SAAR



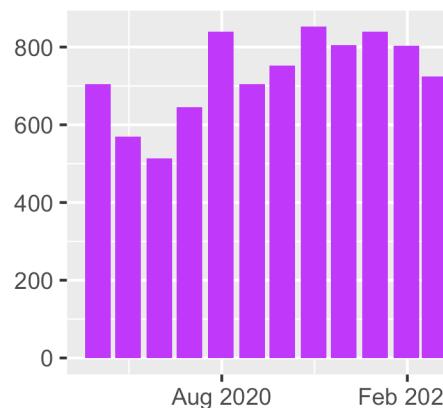
Midwest

Thousands, SAAR



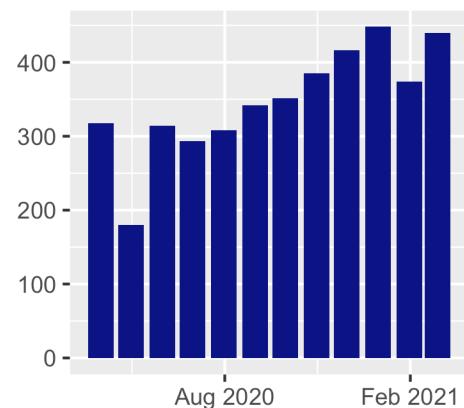
South

Thousands, SAAR

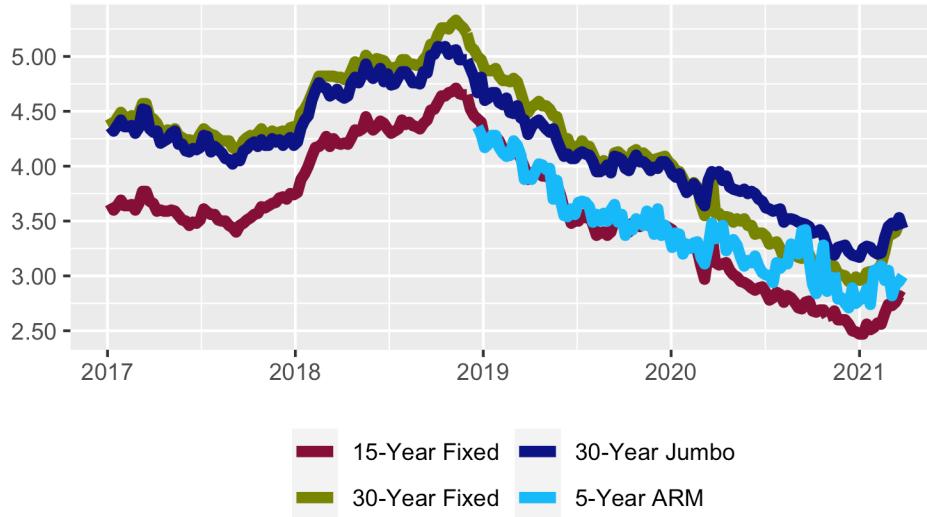
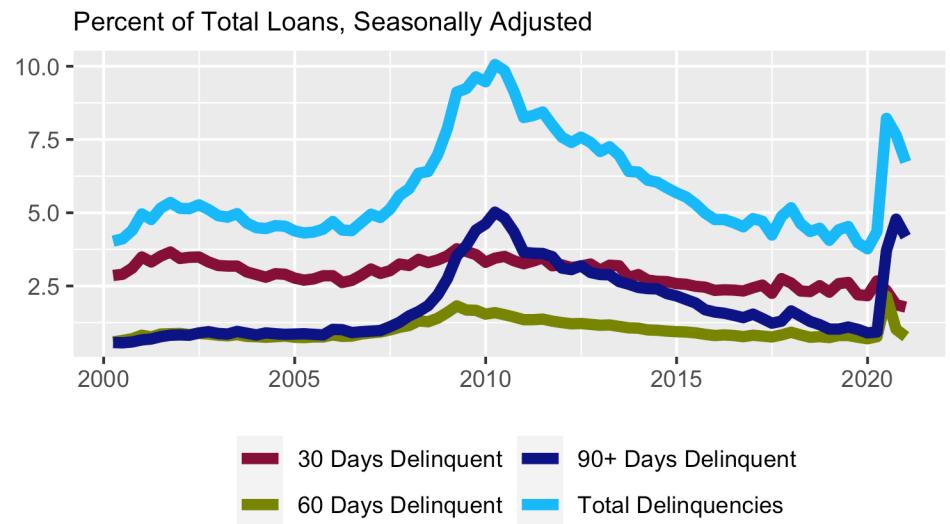
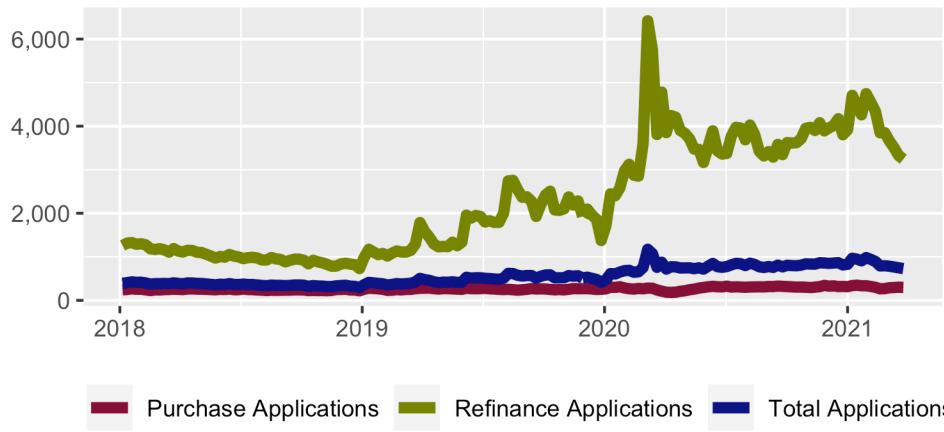
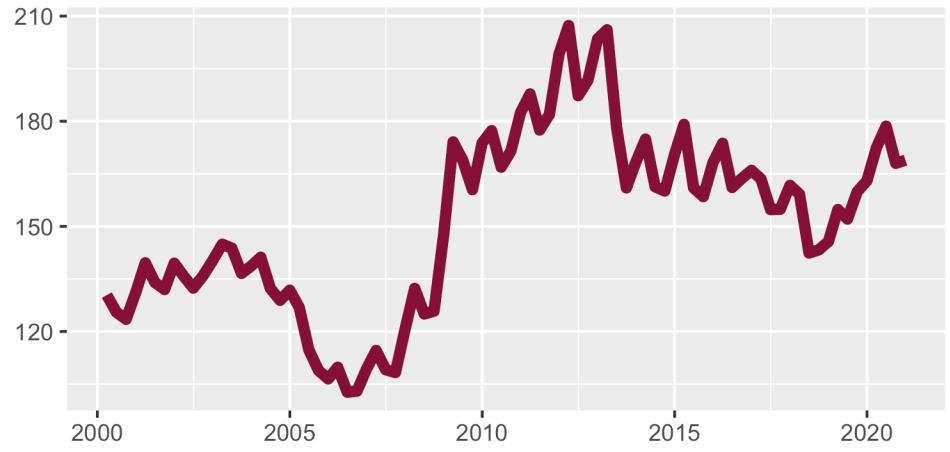


West

Thousands, SAAR



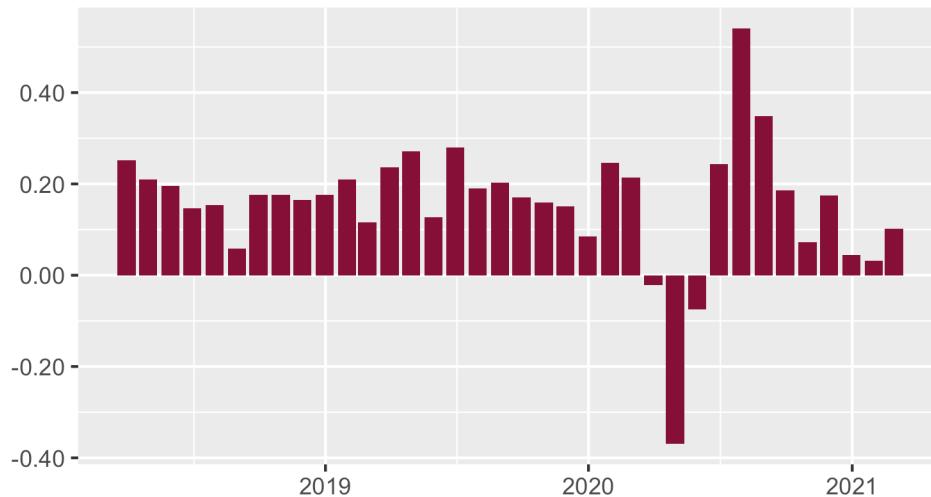
Housing Affordability

Effective Mortgage Interest Rates

Mortgage Delinquencies

Mortgage Applications

Housing Affordability Index


Inflation

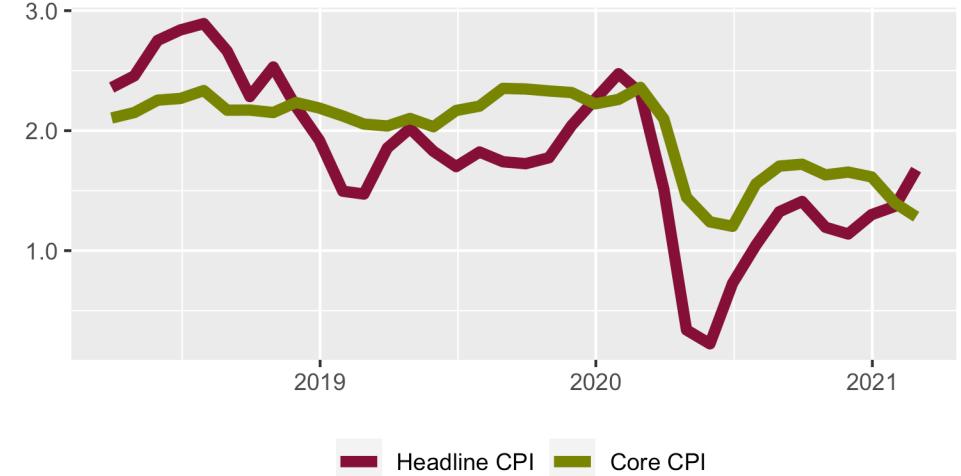
Consumer Price Index

Monthly Change in Core CPI



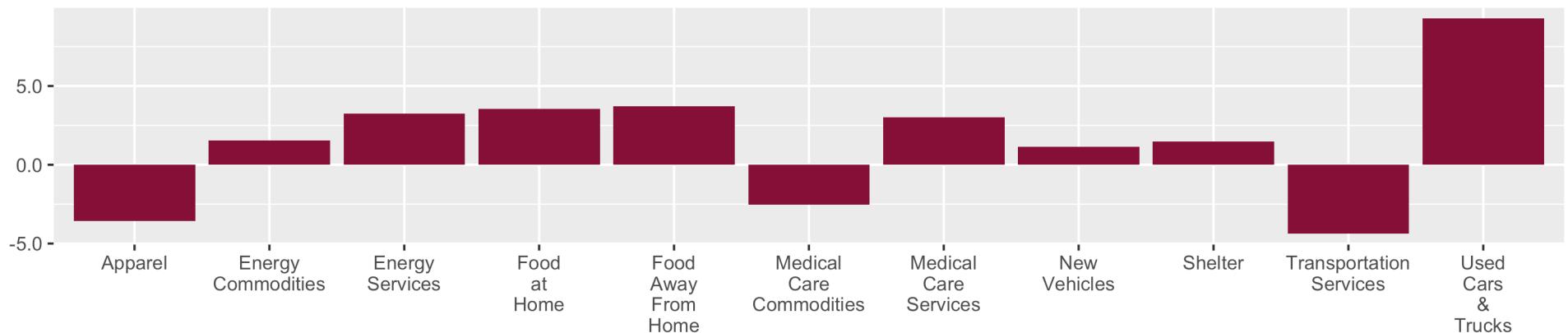
Consumer Price Index

Annual Percent Change, Seasonally Adjusted



Consumer Price Index

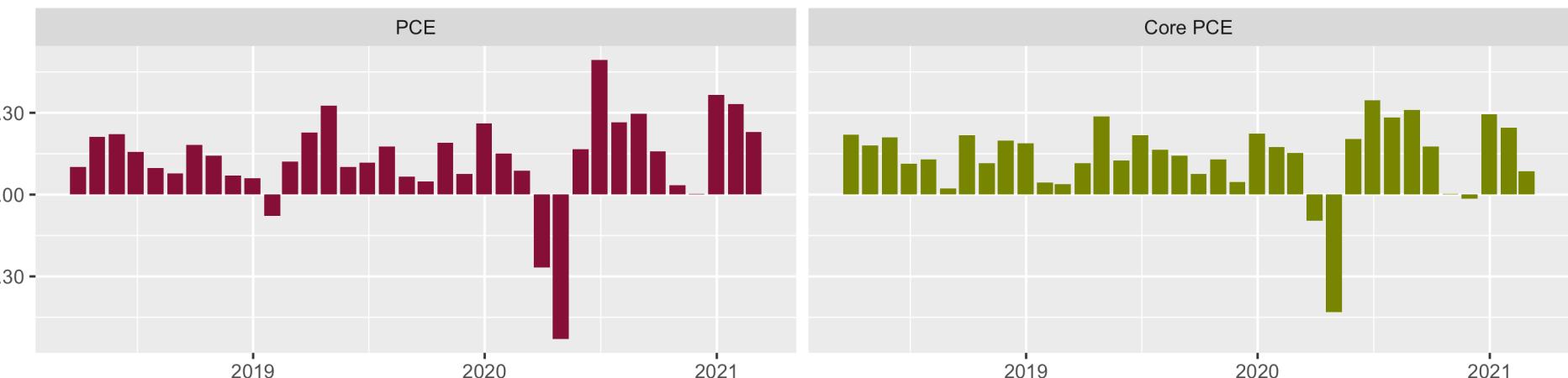
February 2021 Annual Percent Change, Seasonally Adjusted



Inflation

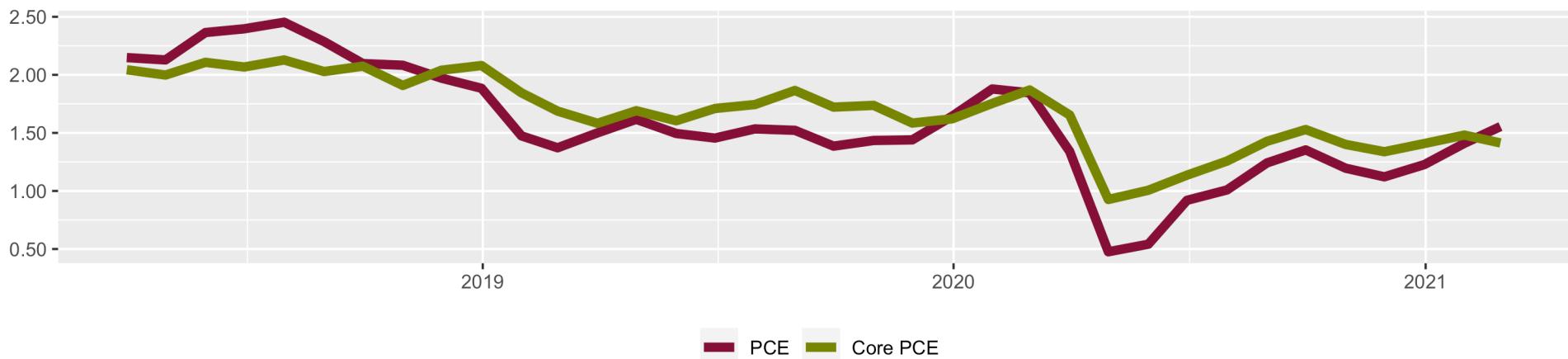
Personal Consumption Expenditure Price Index

Monthly Change in Core CPI



Personal Consumption Expenditure Price Index

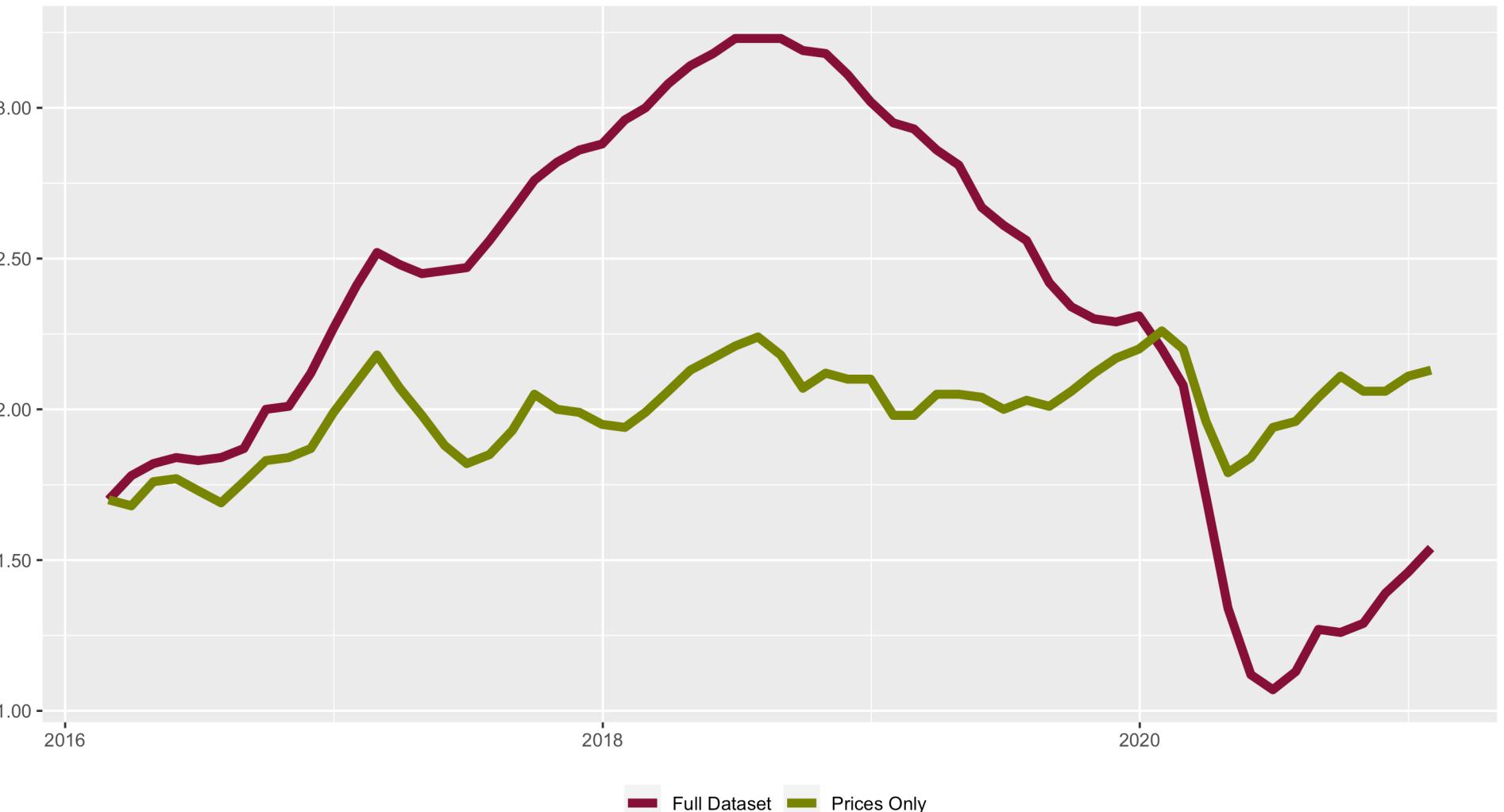
Annual Percent Change



Inflation

NY Fed Underlying Inflation Gauge

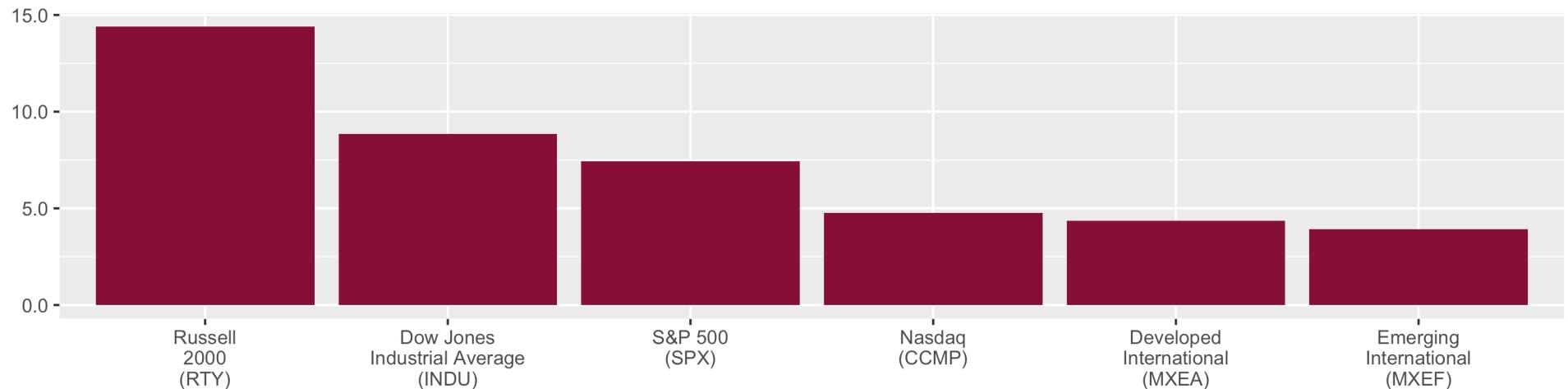
Annual Percent Change



Equity Index Returns

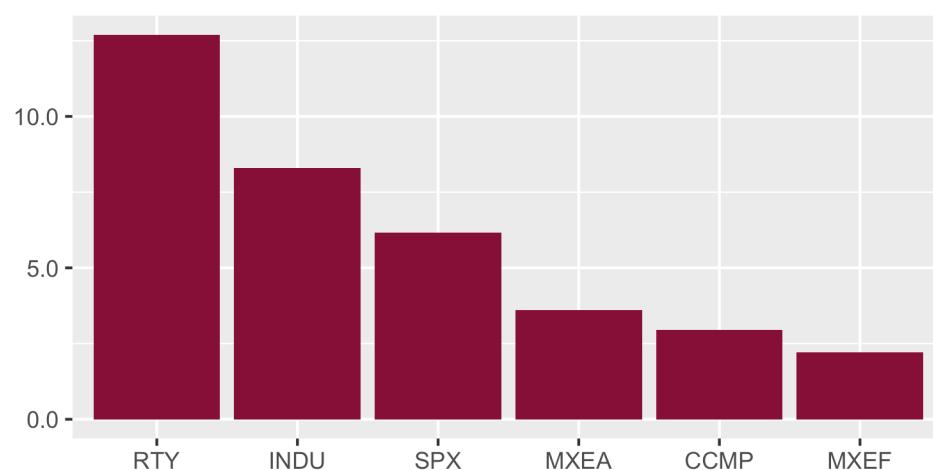
Index Total Returns

Year to Date



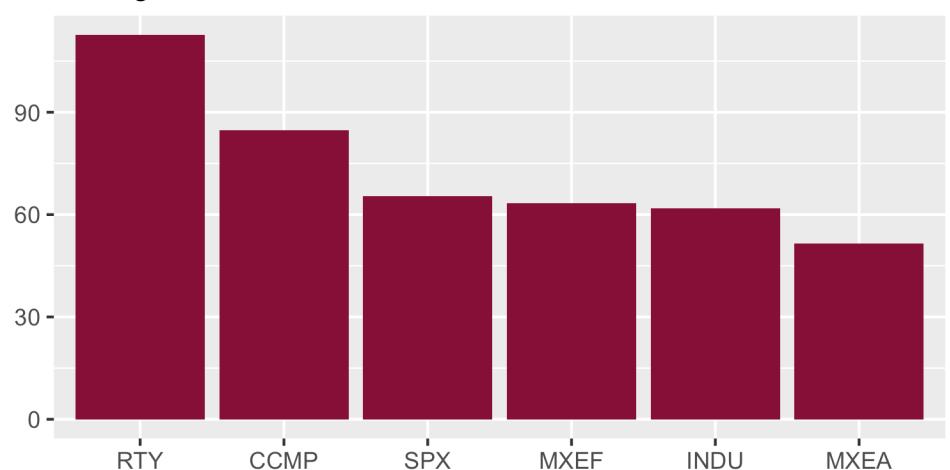
Index Total Returns

Last Quarter



Index Total Returns

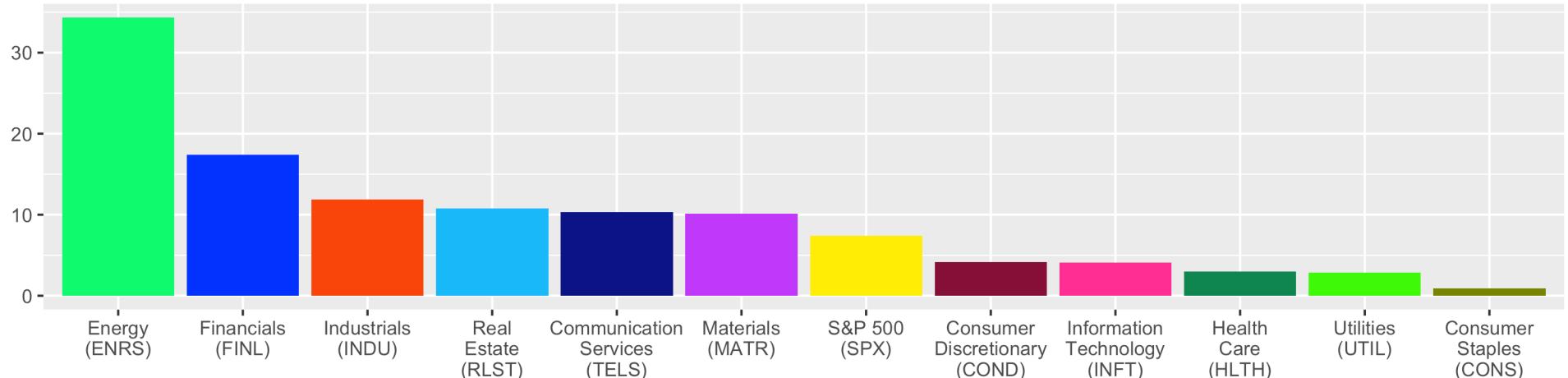
Trailing 12 Months



S&P 500 Sector Index Returns

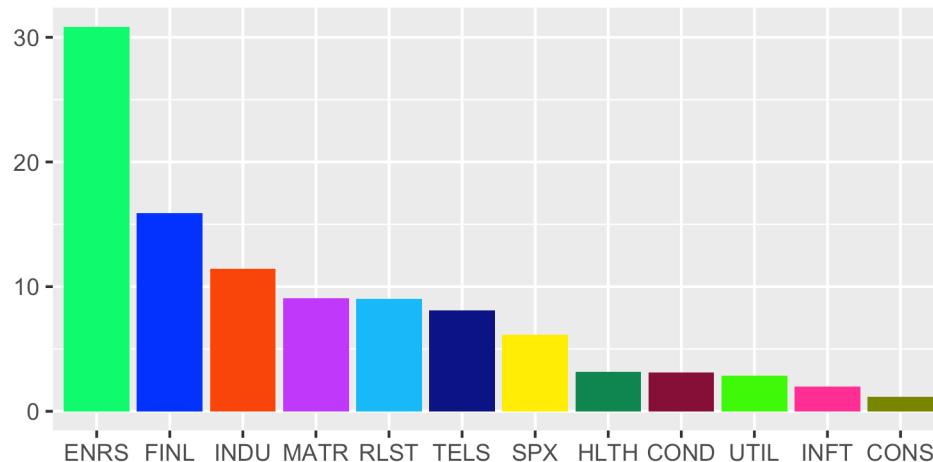
Index Total Returns

Year to Date



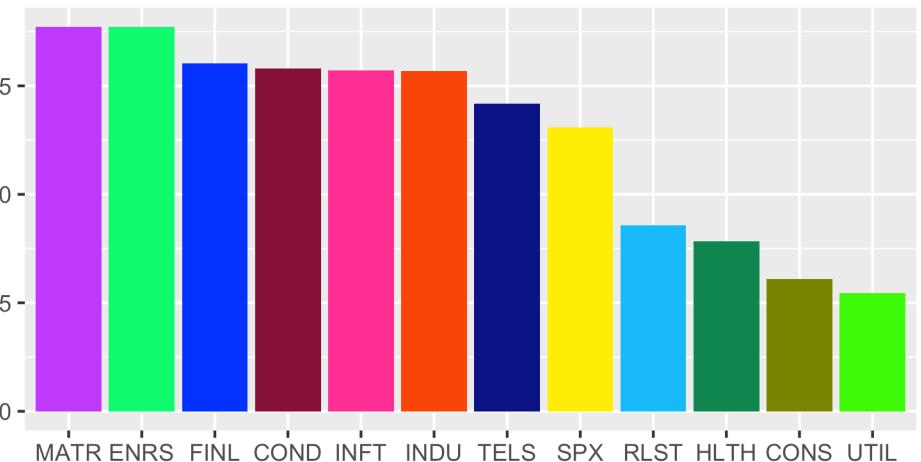
Index Total Returns

Last Quarter



Index Total Returns

Trailing 12 Months



Equity Markets

S&P 500 Sector Weights

