The trend estimate is the % ΔRGDP for an economy to have no change in unemployment. The following chart illustrates three example states and the value of the trend estimates are shown by the red points:

ΔUE

State 2

State n

% ΔRGDP

State 1

…

…

The slopes of the regression lines are all equal based on the model, while the different ΔUE state intercepts are the sum of the model intercept plus the individual state fixed effect coefficient. As previously established, the trend estimate with the equation ΔUE = a + b\*(% ΔRGDP) is –a/b, which corresponds to the individual x-intercepts in the figure above. The (un-weighted) average of the 46 state x-intercepts (shown above as red points), that is, the average of the 46 state trend estimates, provides the estimated trend coefficients provided in the first six regressions.