

US Economic Indicators From 1980- 2023

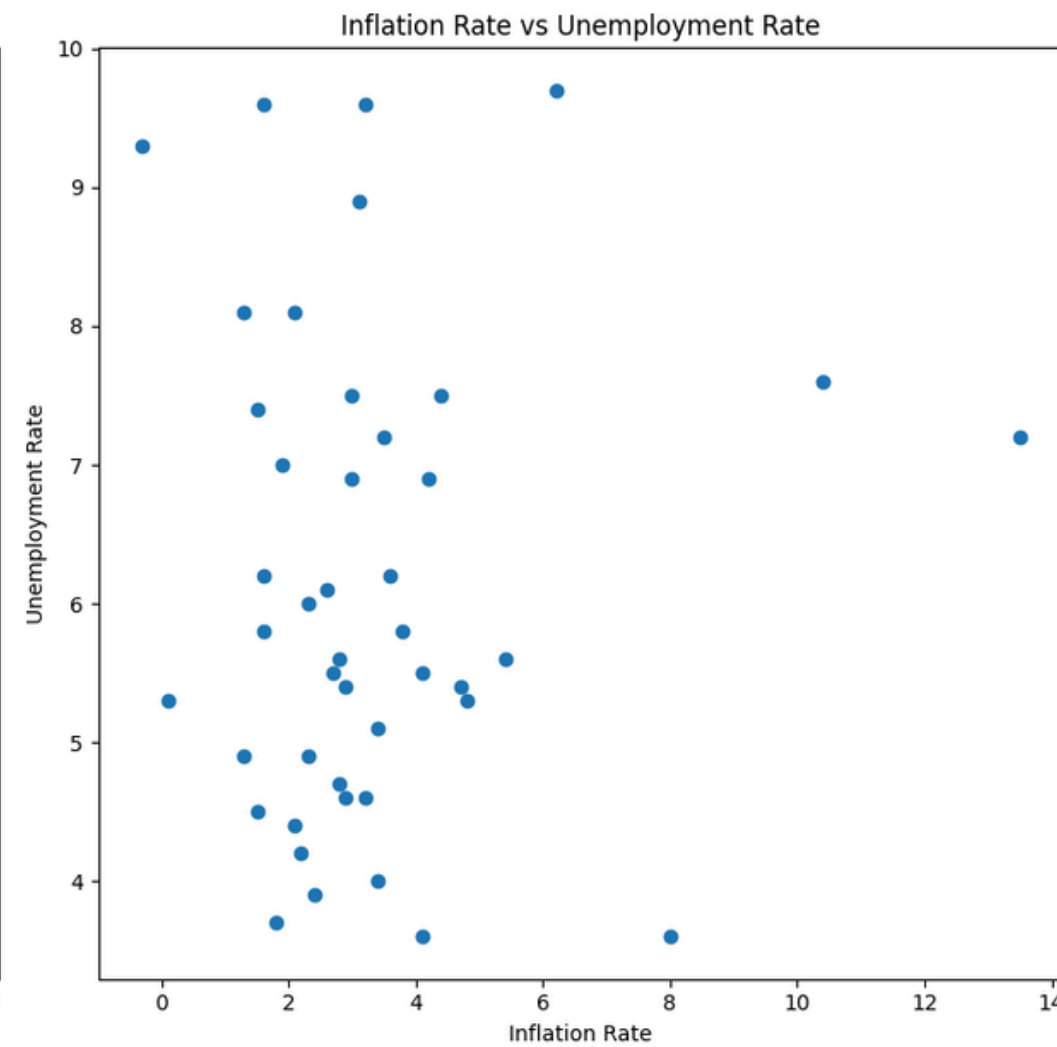
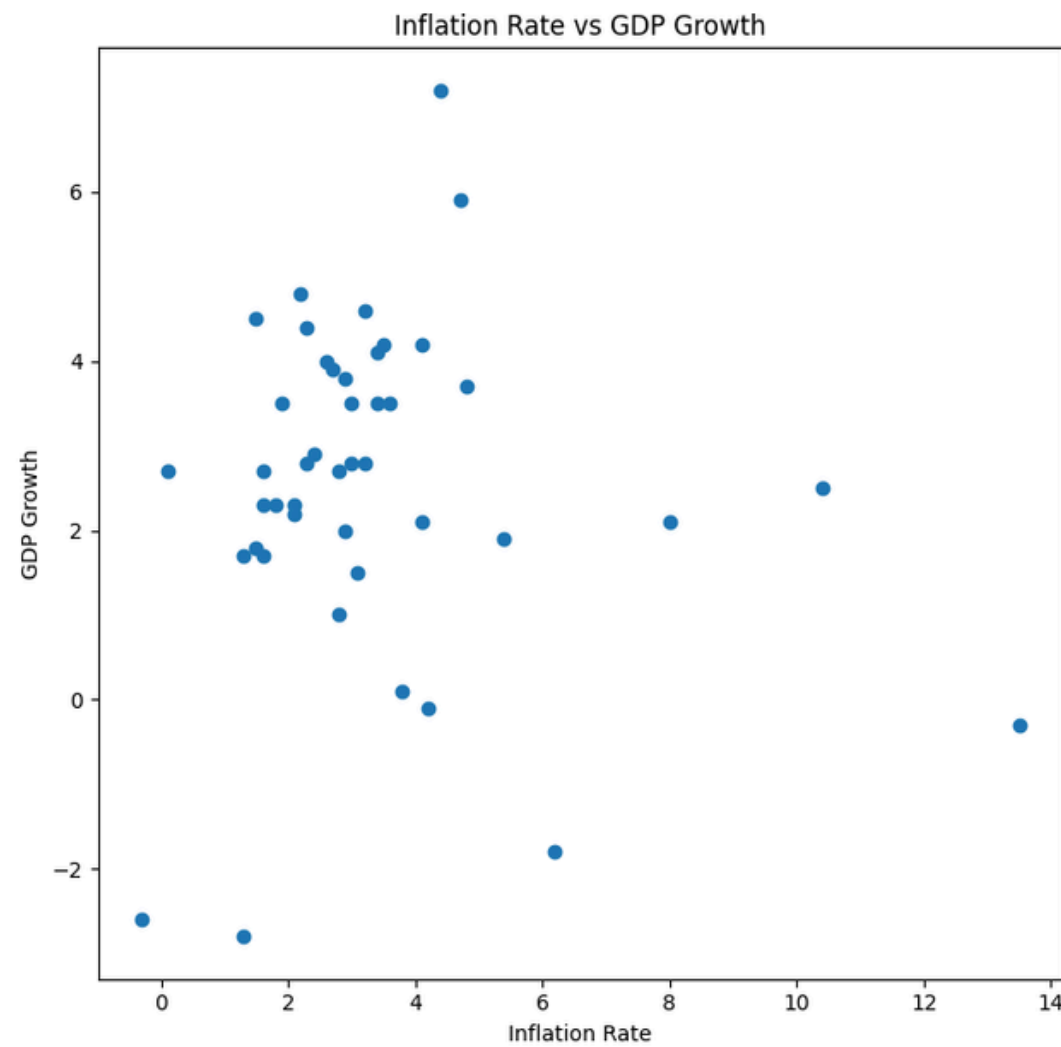
FedInsight Analytics

 Information available in audio.



Correlation Values

Briefly diving into the relationship between inflation rates, GDP growth and unemployment rates.



Correlation between inflation rates and GDP growth:

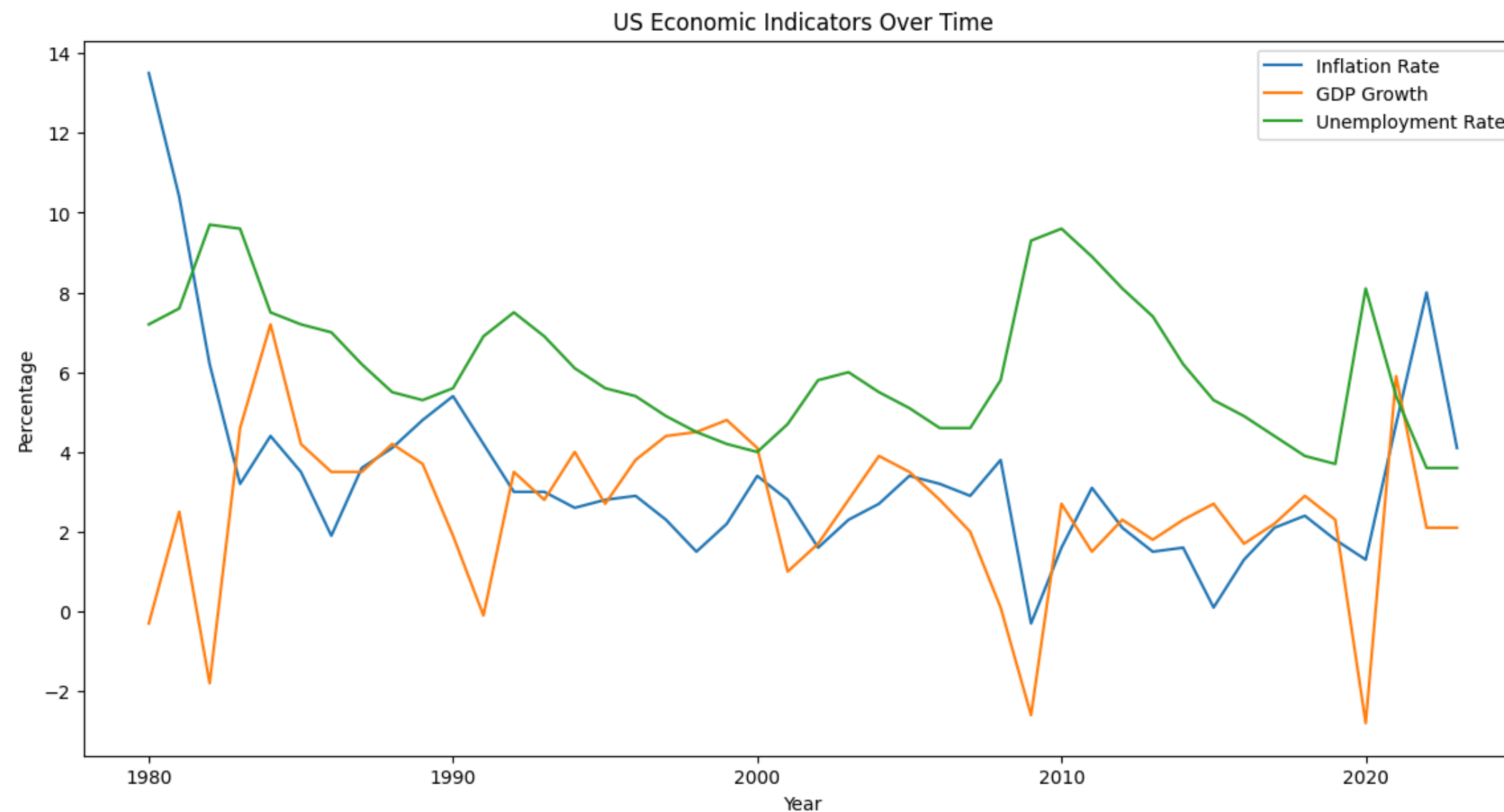
-0.06% *(negative)*

Correlation between inflation and unemployment rates:

0.05% *(positive)*

Economic Cycles

A brief look into the state of GDP growth and unemployment rates During periods of high and low inflation.



Periods of high inflation are associated with: (GDP growth & unemployment rate)

0.63% & 7.03%

Periods of high inflation are associated with: (GDP growth & unemployment rate)

0.05% & 7.3%



Policy Implications

My recommendation (to keep the correlation between Inflation and Unemployment rates positive) would be for the federal government to provide more jobs - when the Federal Reserve alters the inflation and interest rates: this could be done by supporting businesses to grow, funding start-up organisations, implementing policies that benefit companies when they hire more employees.

My suggestion (to sustain the negative correlation between Inflation rates and GDP Growth) to promote GDP Growth would be to increase nominal wages - this encourages consumer spending and business investment - due to more disposable income being available.