

National Economic Conditions: Starting to Feel Like a Recovery?

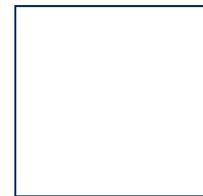
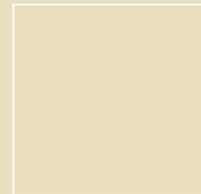
Rick Kaglic
Regional Economist
Research Department

Natl. Assn. of Economic Educators Professional Development Conference
February 25, 2011



THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE



Real Gross Domestic Product



	2009		2010		
	Q4	Q1	Q2	Q3	Q4
CHANGE FROM PREVIOUS QUARTER AT COMPOUND ANNUAL RATE [Percent]:					
Gross Domestic Product	5.0	3.7	1.7	2.6	2.8
Personal Consumption Expenditures	0.9	1.9	2.2	2.4	4.1
Nonresidential Fixed Investment	-1.4	7.8	17.2	10.0	5.3
Structures	-29.2	-17.8	-0.5	-3.5	4.5
Equipment & Software	14.6	20.4	24.8	15.4	5.5
Residential Fixed Investment	-0.8	-12.3	25.7	-27.3	2.8
Exports of Goods & Services	24.4	11.4	9.1	6.8	9.6
Imports of Goods & Services	4.9	11.2	33.5	16.8	-12.4
Government Consumption Expenditures & Gross Investment	-1.4	-1.6	3.9	3.9	-1.5
Final Sales to Domestic Purchasers	0.2	1.3	4.3	2.6	3.1
LEVEL IN QUARTER AT SEASONALLY ADJUSTED ANNUAL RATE [Billions of Chained (2005) Dollars]:					
Change in Private Inventories	-36.7	44.1	68.8	121.4	7.1
Net Exports of Goods & Services	-330.1	-338.4	-449.0	-505.0	-395.0

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ISM: Business Survey Indexes

MANUFACTURING BUSINESS:

	<u>Dec.</u>	<u>Jan.</u>
Purchasing Managers Index	58.5	60.8
Production	63.0	63.5
New Orders	62.0	67.8
Employment	58.9	61.7
Supplier Deliveries	56.7	58.6
Inventories	51.8	52.4
Prices	72.5	81.5
Backlog of Orders	47.0	58.0
New Export Orders	54.5	62.0
Imports	50.5	55.0

NONMANUFACTURING BUSINESS:

	<u>Dec.</u>	<u>Jan.</u>
NonManufacturing Index	57.1	59.4
Business Activity	62.9	64.6
New Orders	61.4	64.9
Employment	52.6	54.5
Supplier Deliveries	51.5	53.5
Inventories	52.5	49.0
Prices	69.5	72.1
Backlog of Orders	48.5	50.5
New Export Orders	56.0	53.5
Imports	51.0	53.5

DIFFUSION INDEXES: Numbers above 50 percent indicate a preponderance of expanding firm activity.



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NONMANUFACTURING BUSINESS:

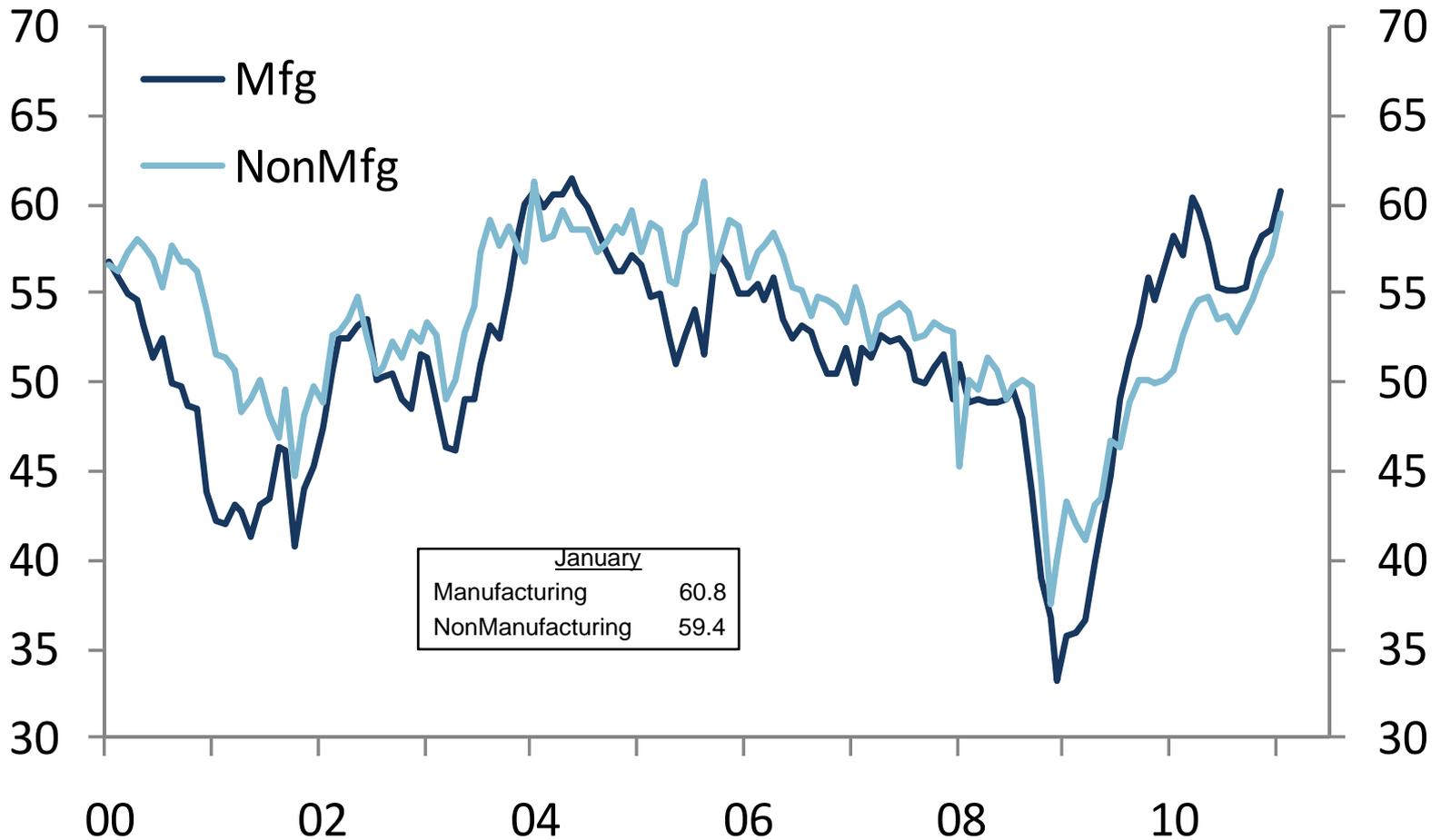
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ISM: Business Survey Indexes

Diffusion Index, %



ISM: Business Survey Indexes

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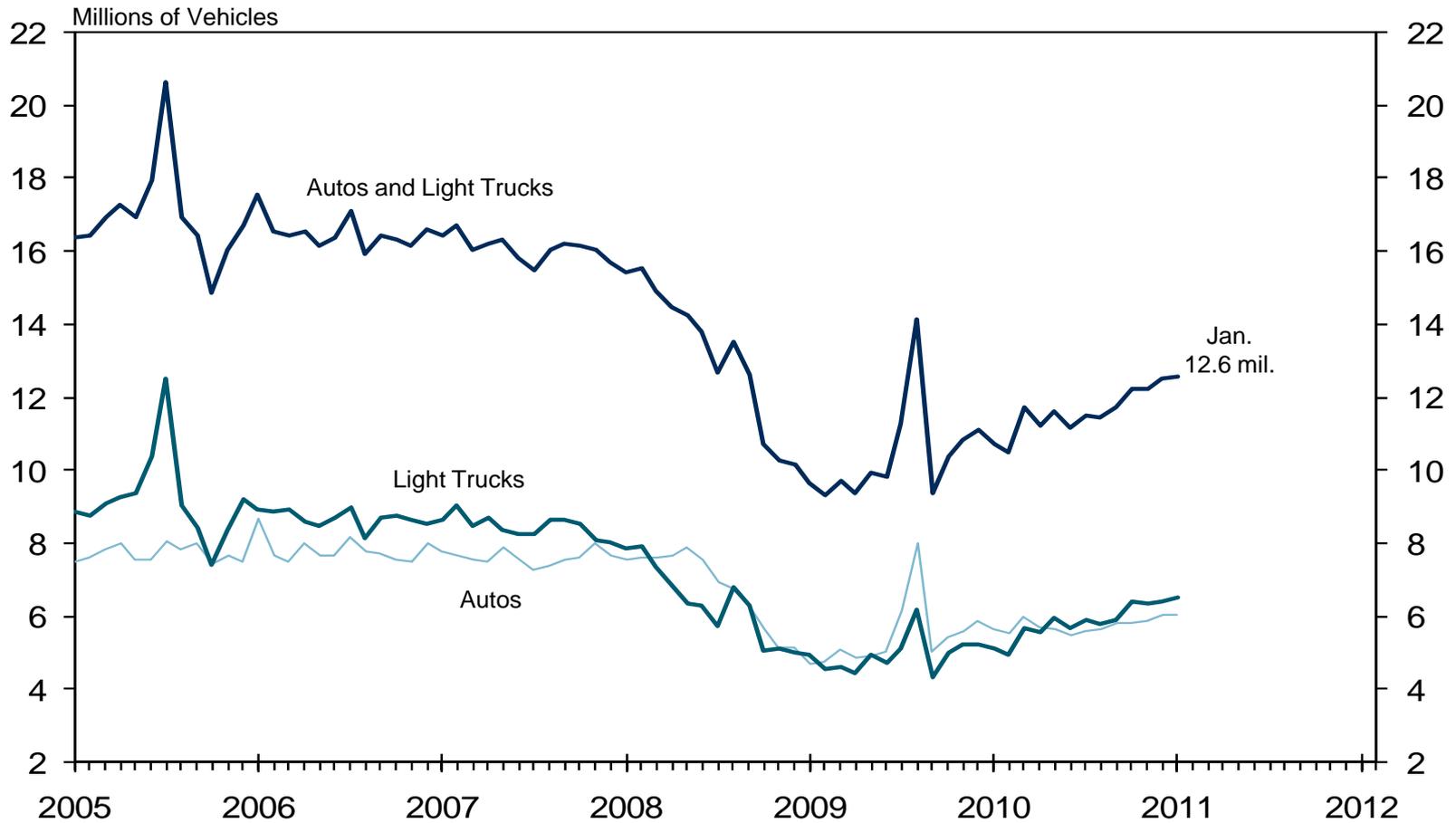
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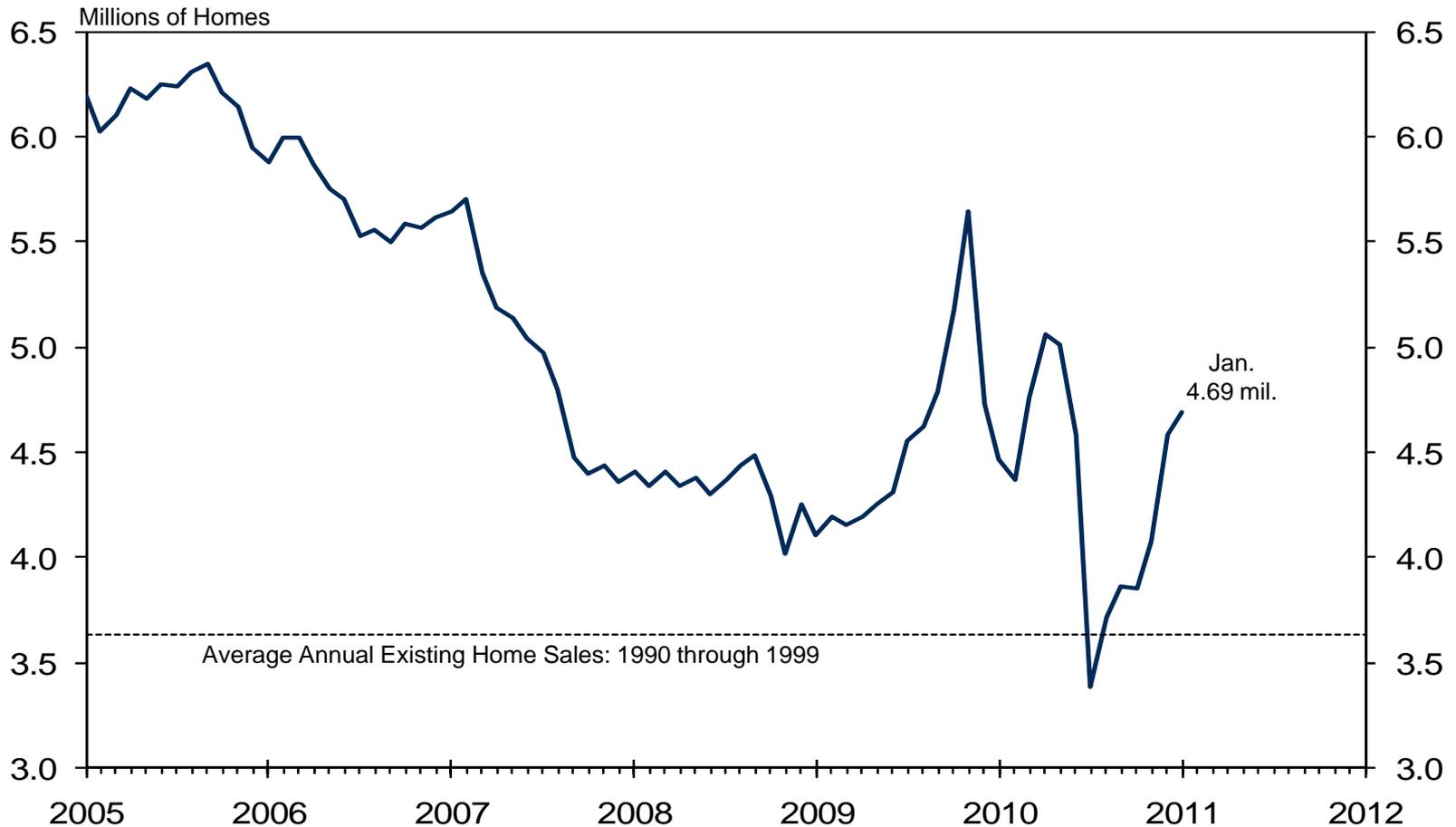
Household spending up, too ...



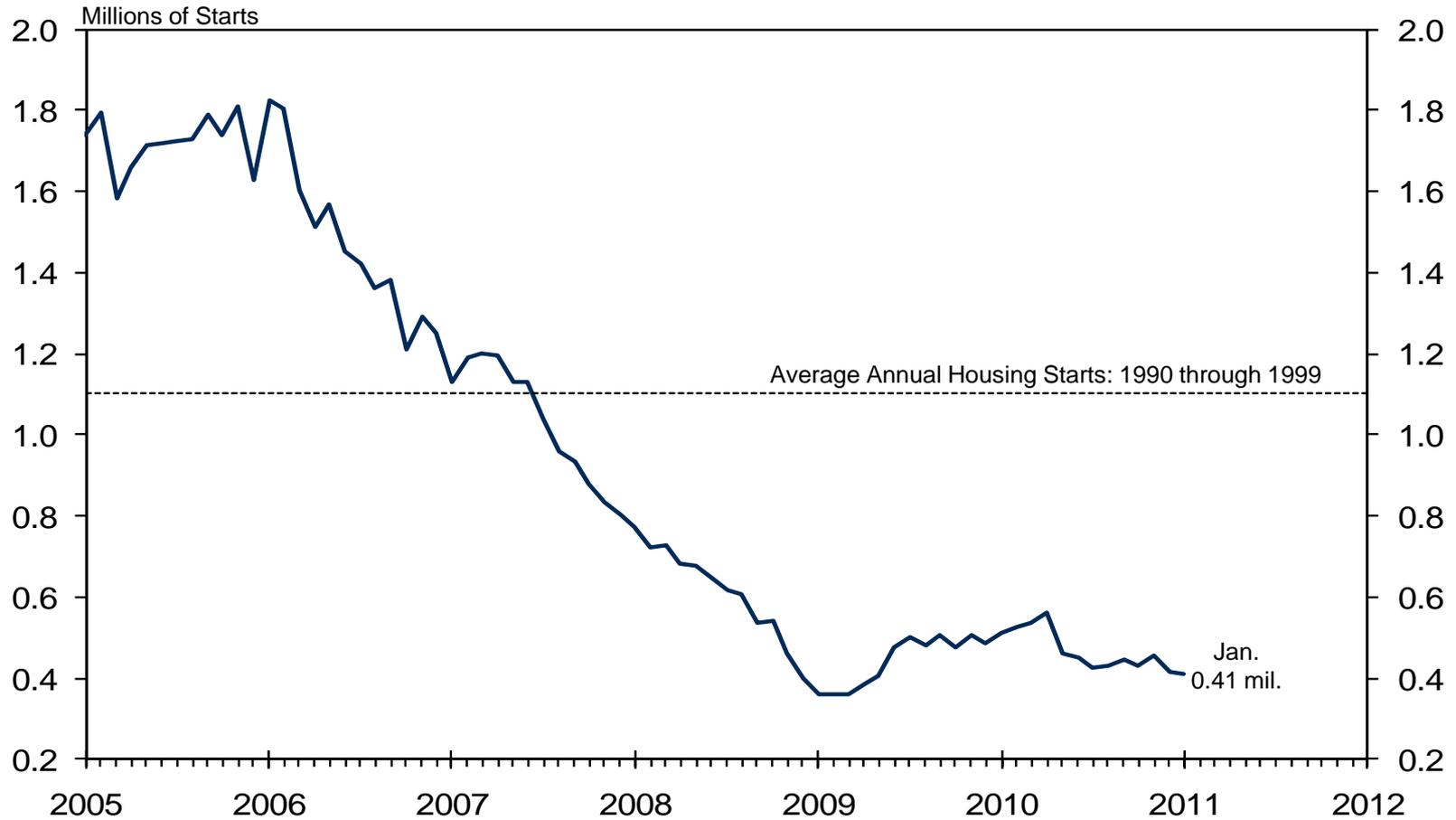
Sales of Automobiles & Light Trucks



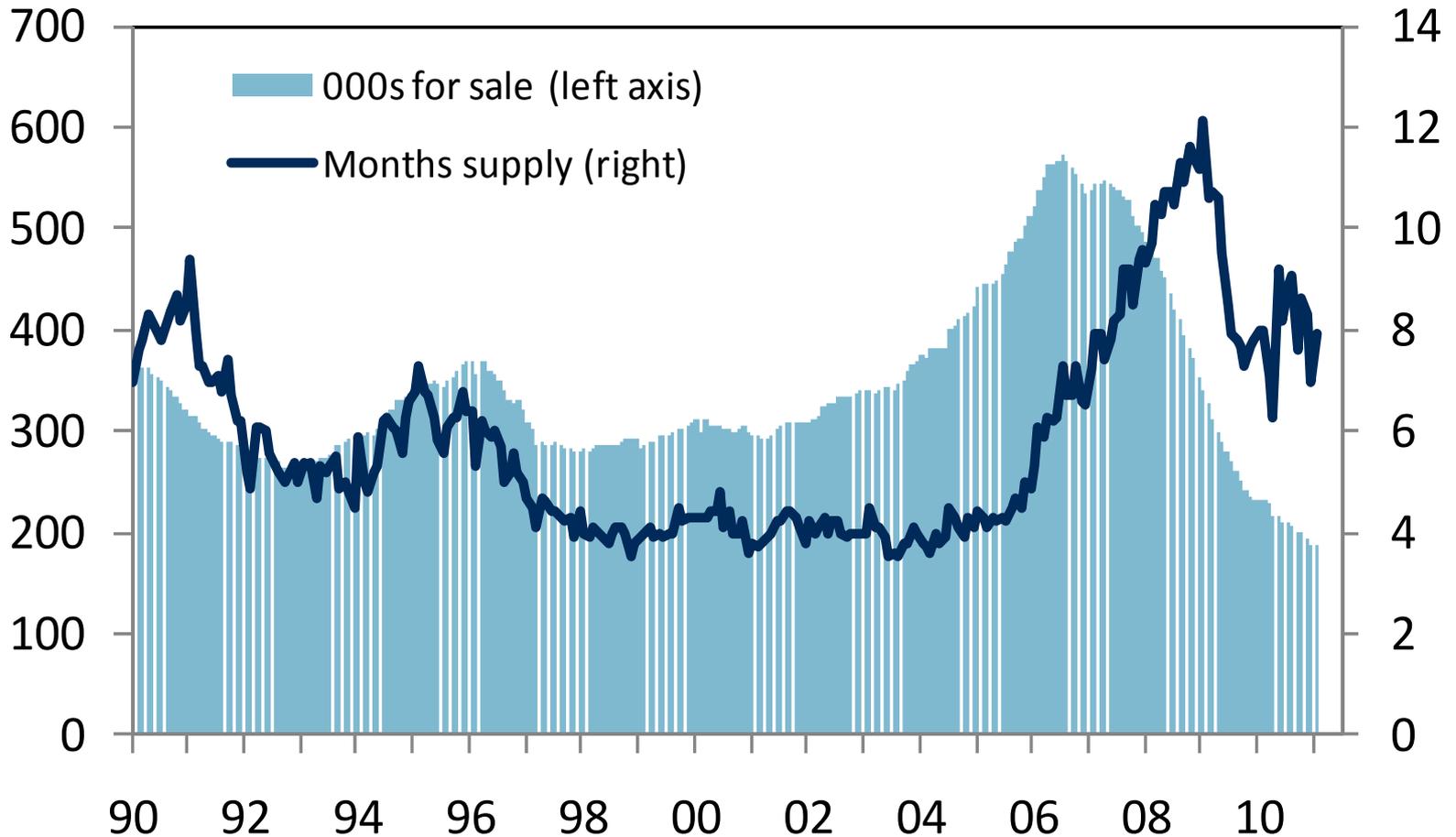
Existing Single-Family Home Sales



Private Single-Family Housing Starts

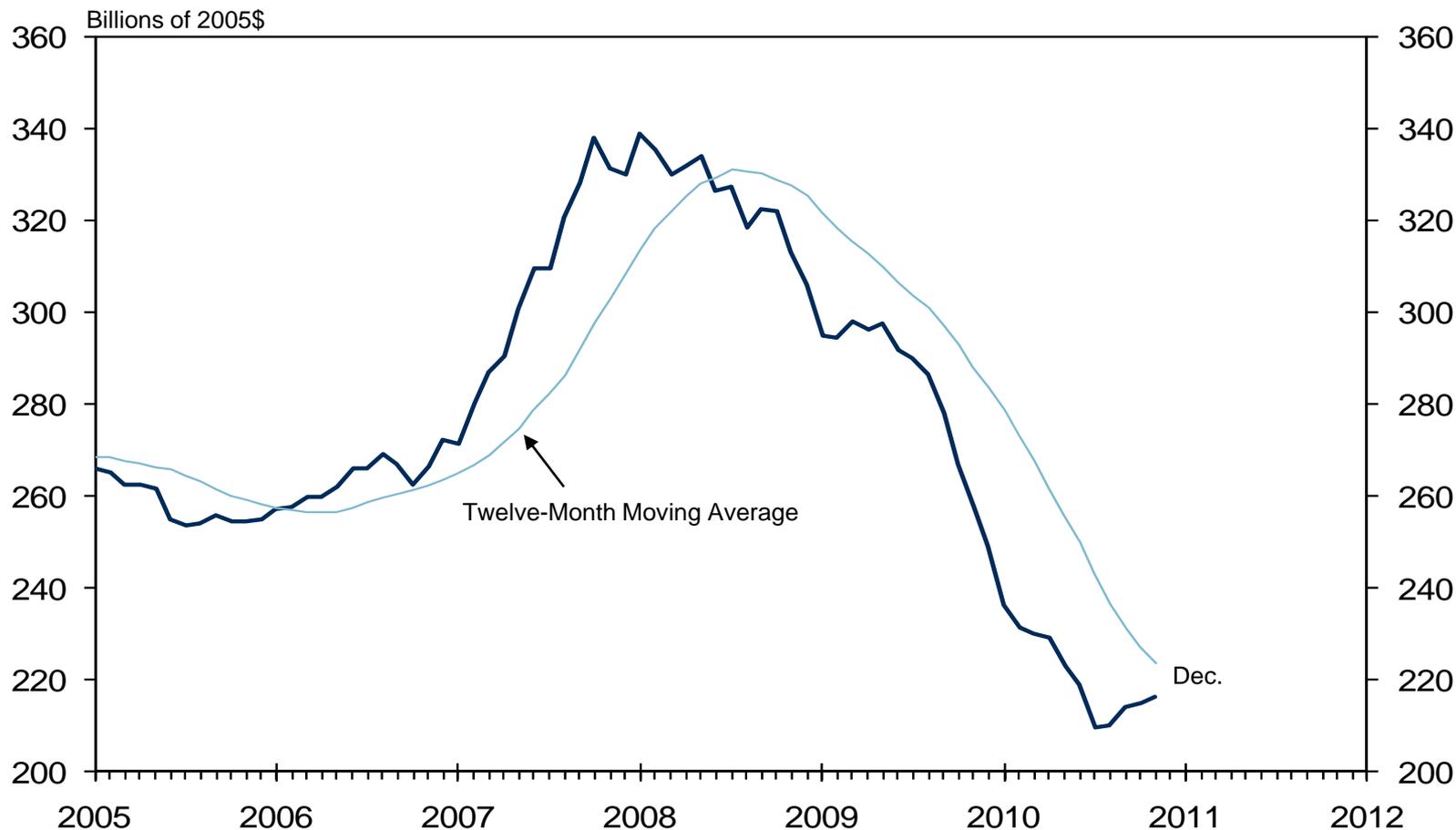


New Single Family Homes for Sale at Months End





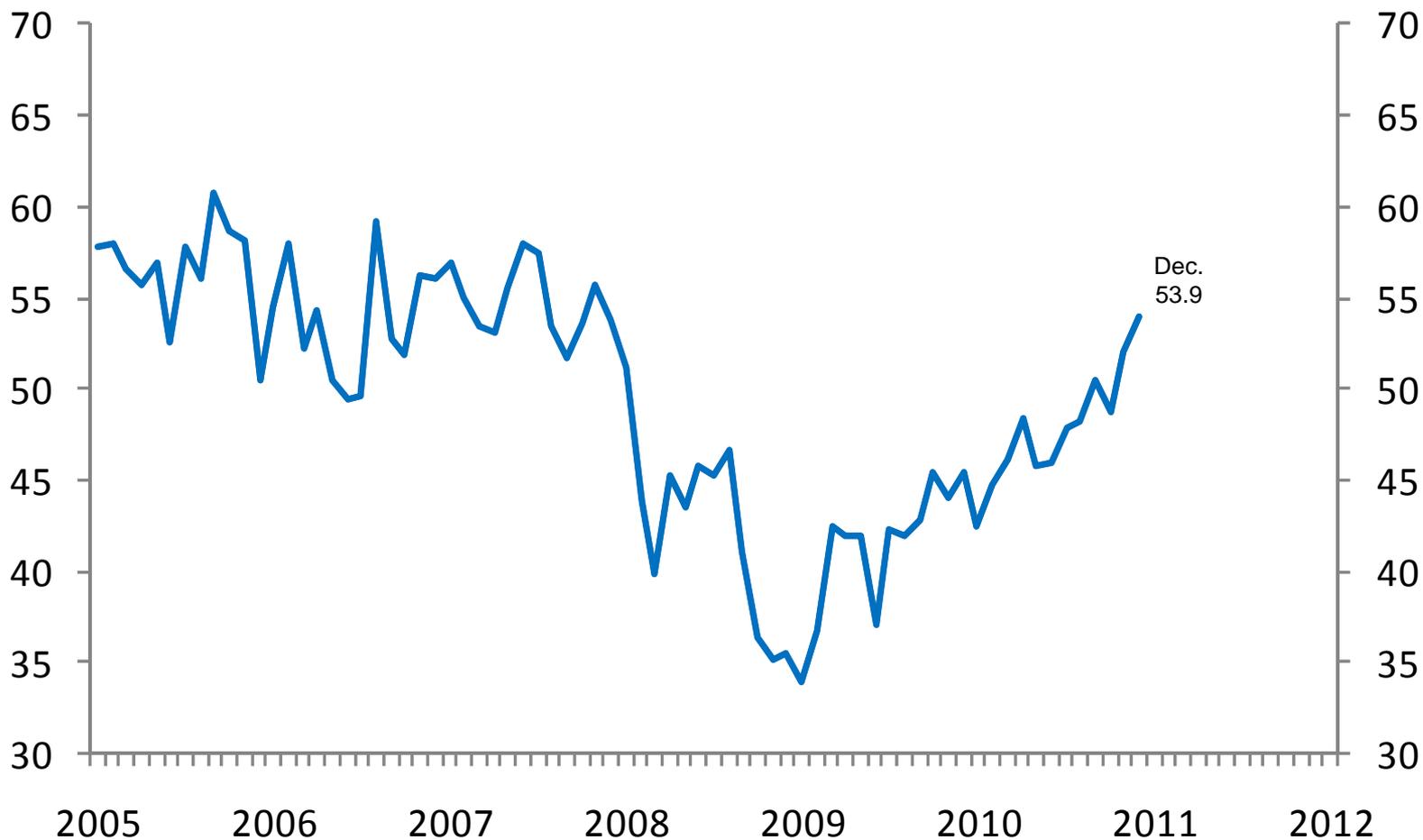
Real Private Nonresidential Construction Put In Place



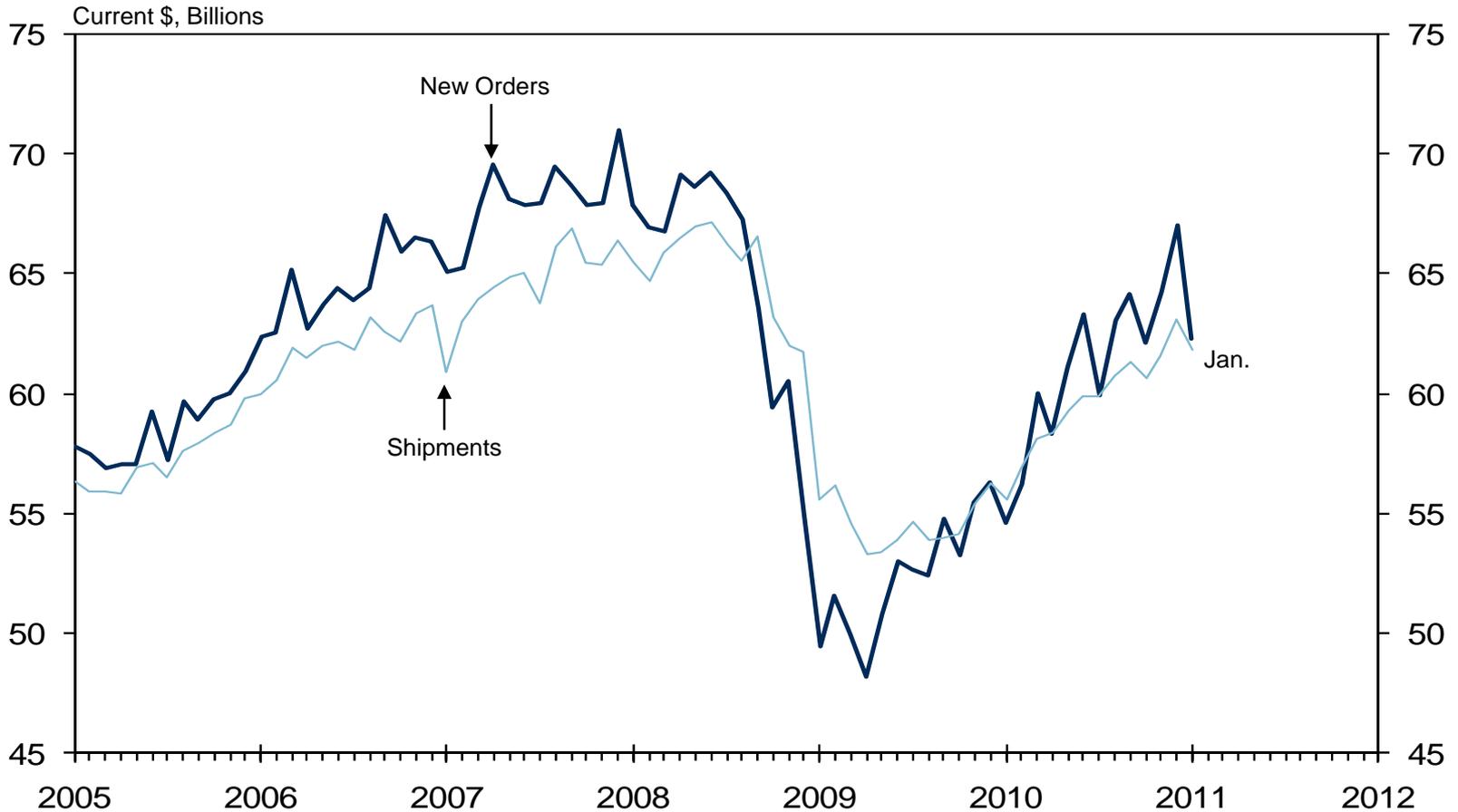
Notes: Deflated using the price index for private fixed investment in nonresidential structures.



Architecture Billings Index

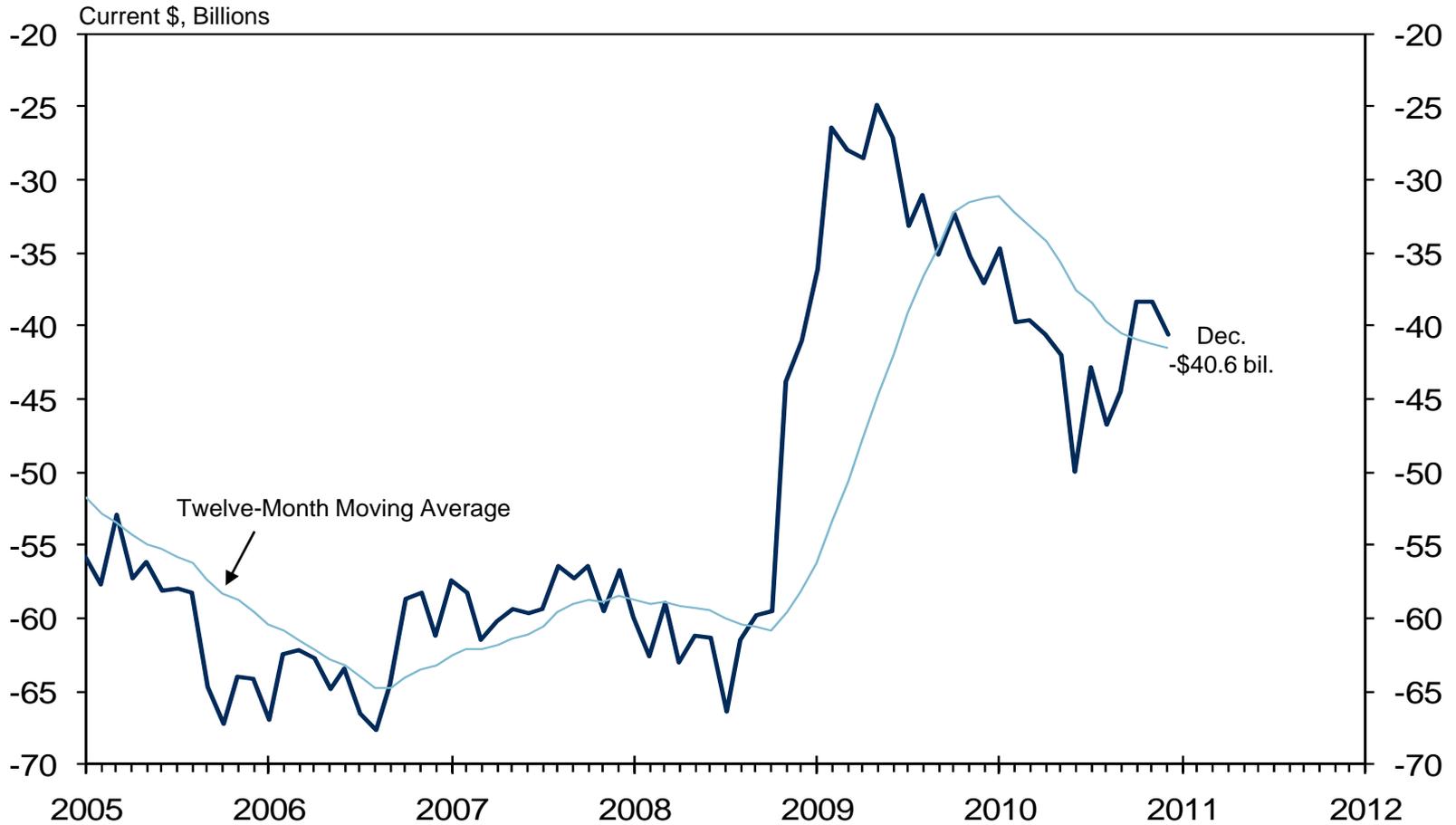


Core Capital Goods



Notes: Core capital goods are nondefense capital goods excluding aircraft.

Balance of International Trade



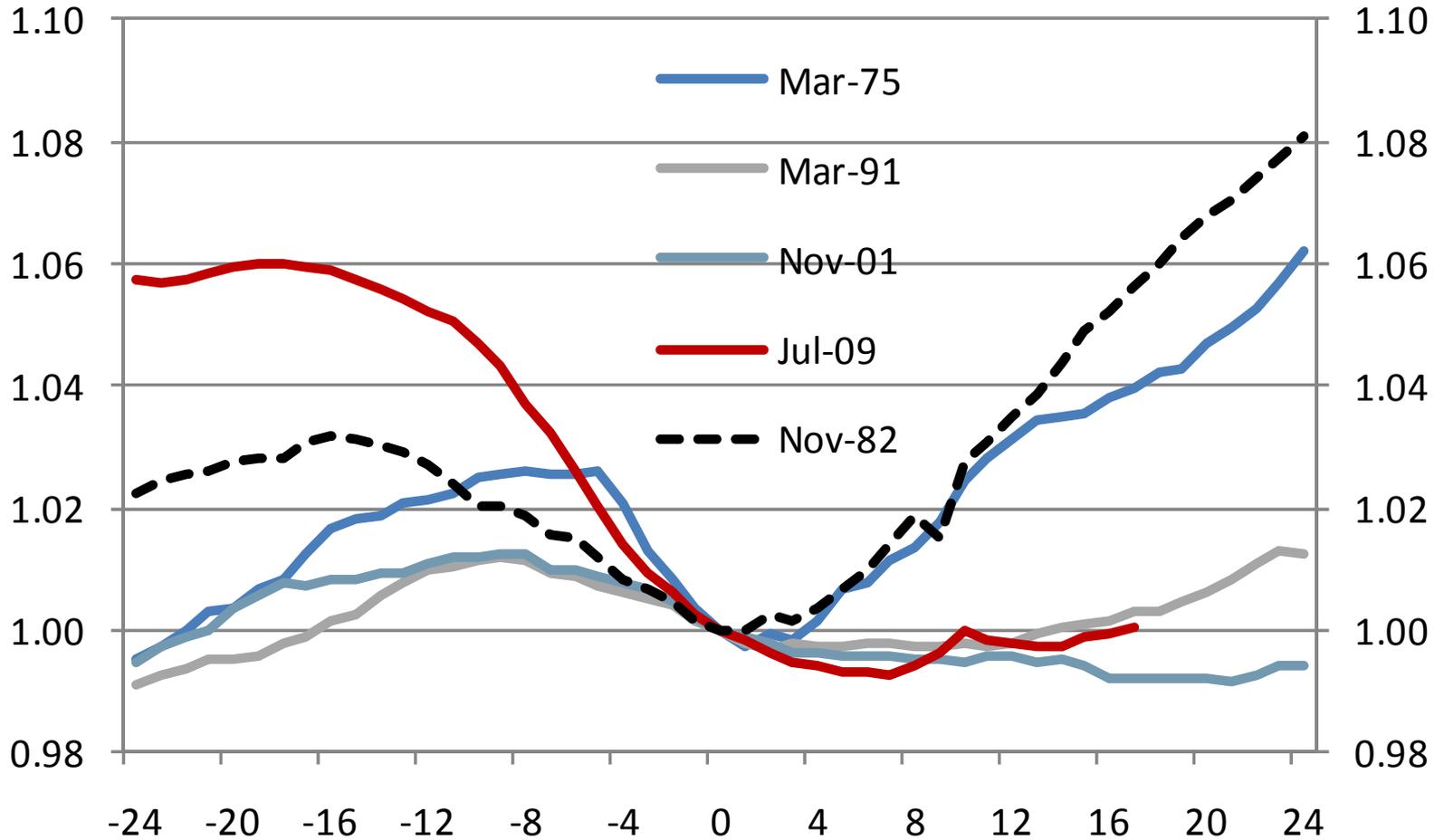


Business Inventory/Sales Ratio



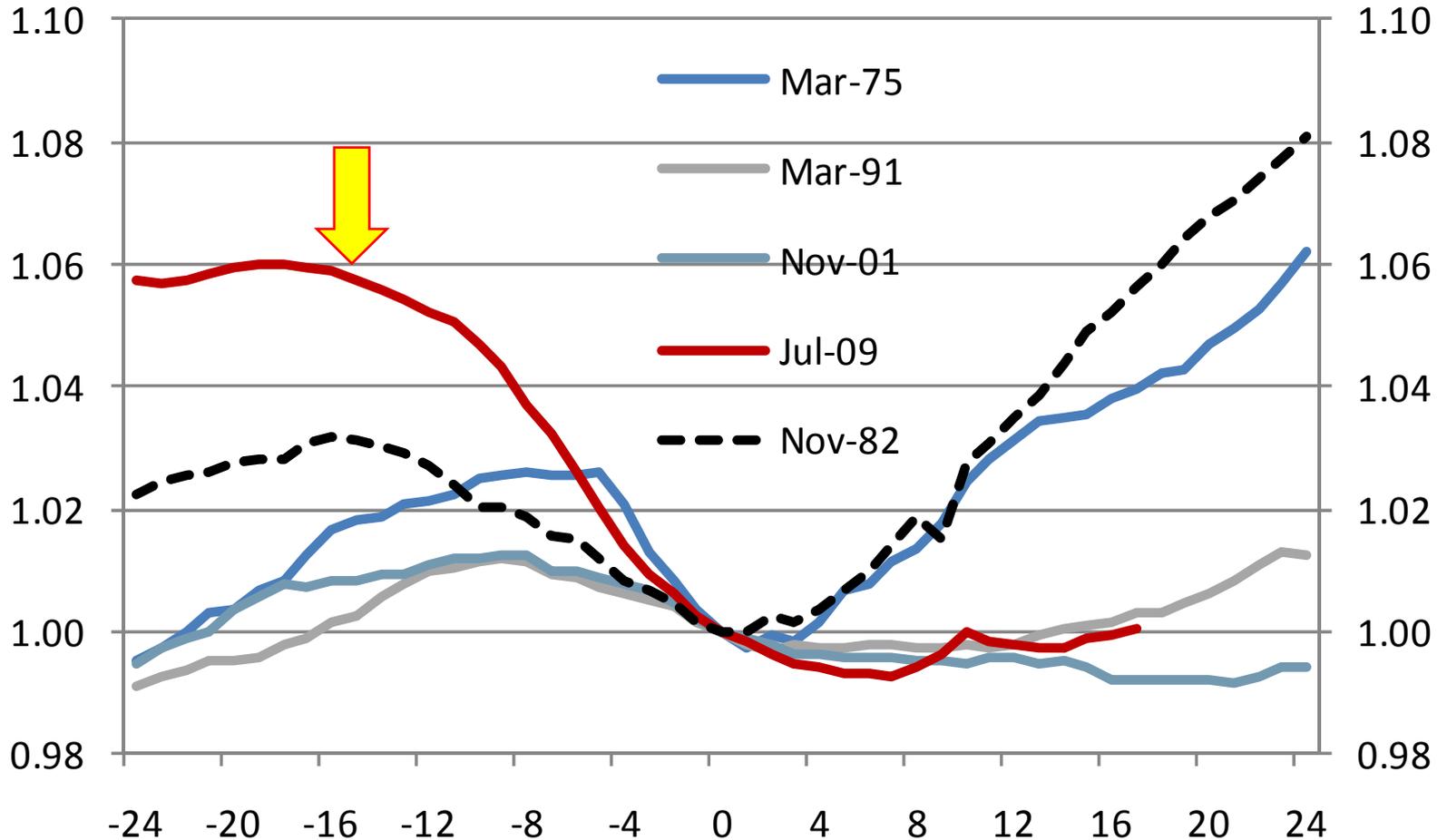
Nonfarm Payroll Employment

Recession trough = 1.00



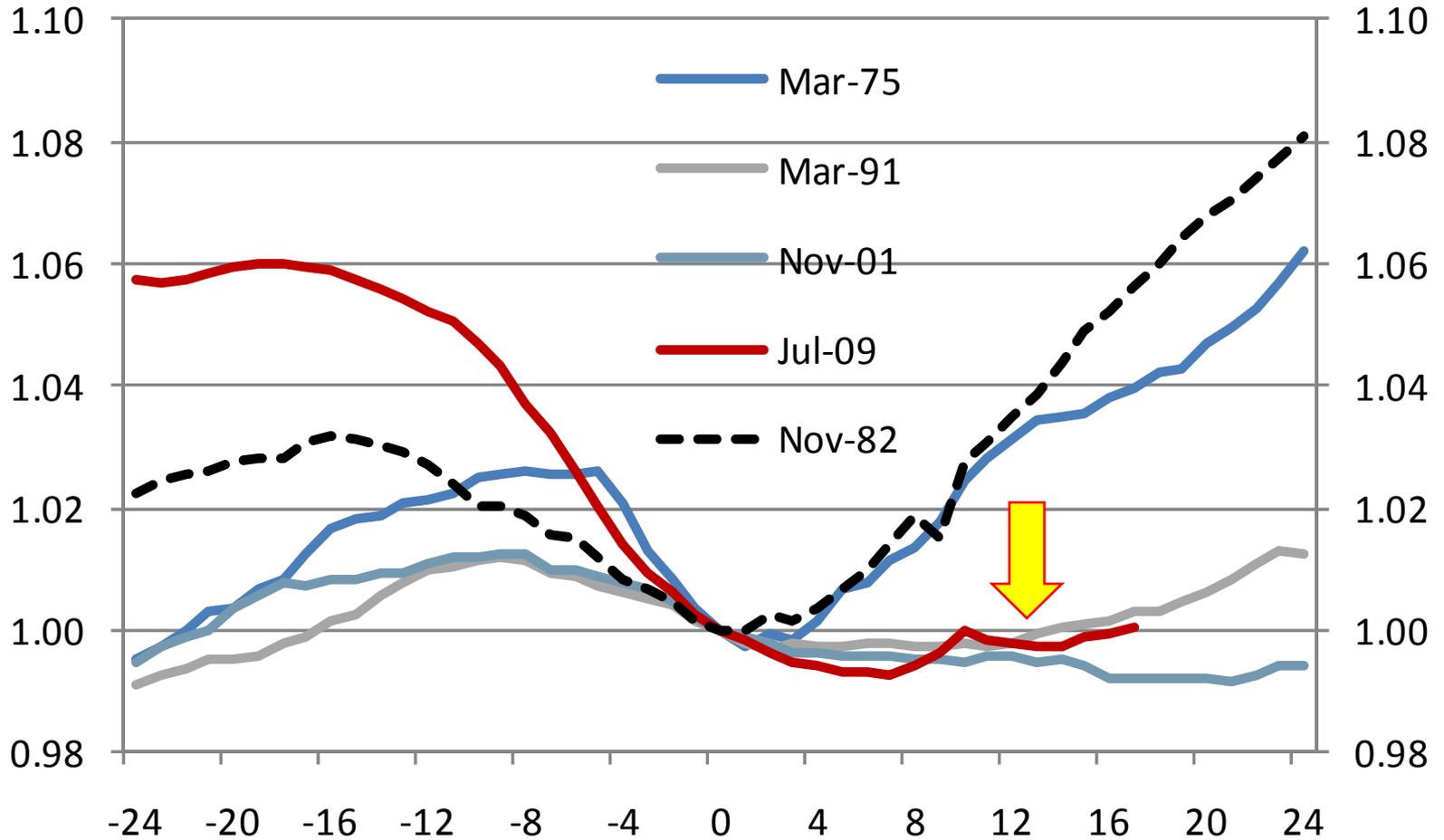
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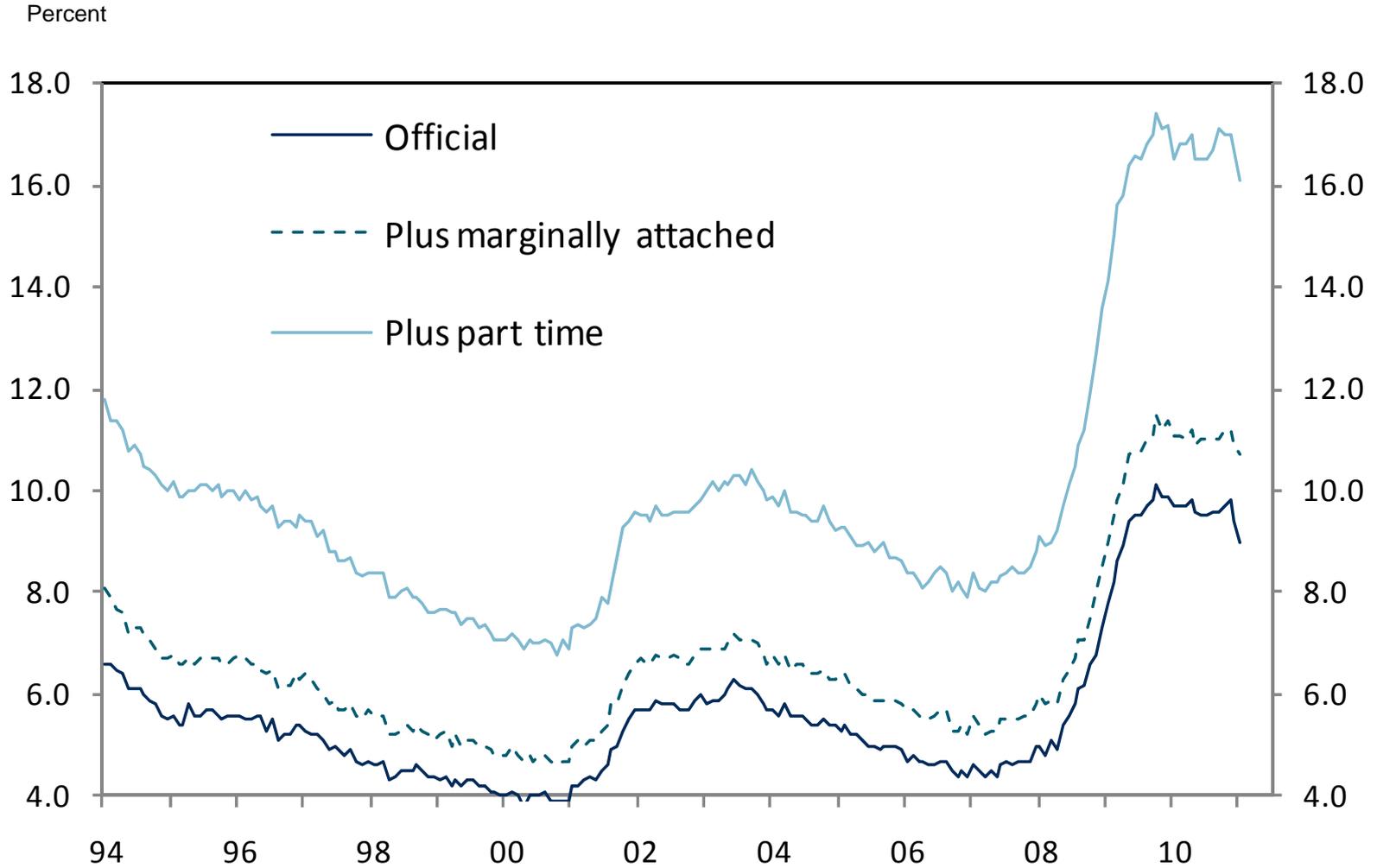


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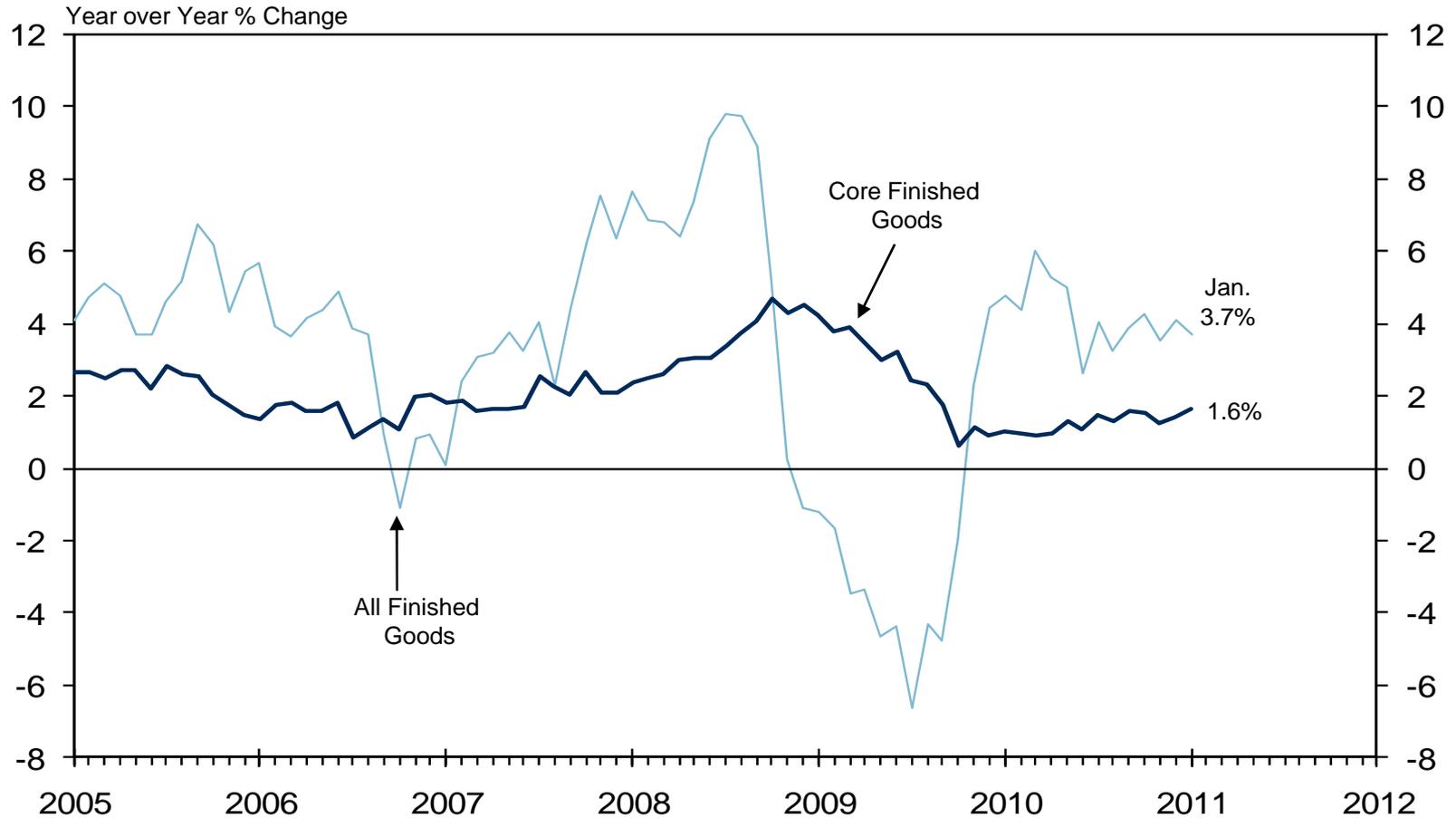
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Alternate Measures of Labor Force Slack



Producer Price Indexes



The views expressed here are those of the author, and do not necessarily represent those of the Federal Reserve Bank of Richmond or the Federal Reserve System.



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