



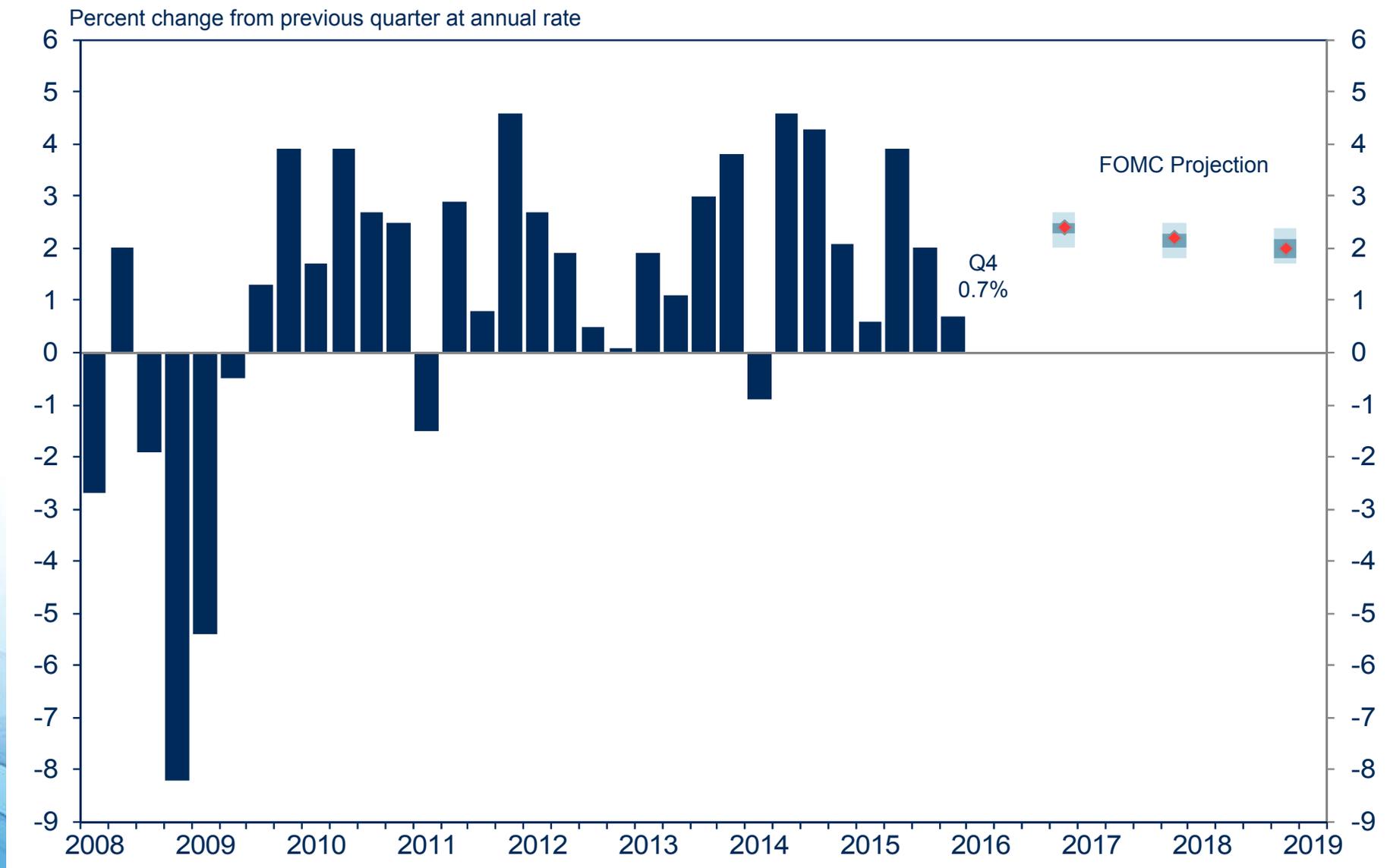
U.S. and North Carolina Economic Outlook

Black History Month Power Networking Event
February 18, 2016



Richard Kaglic
Senior Regional Economist

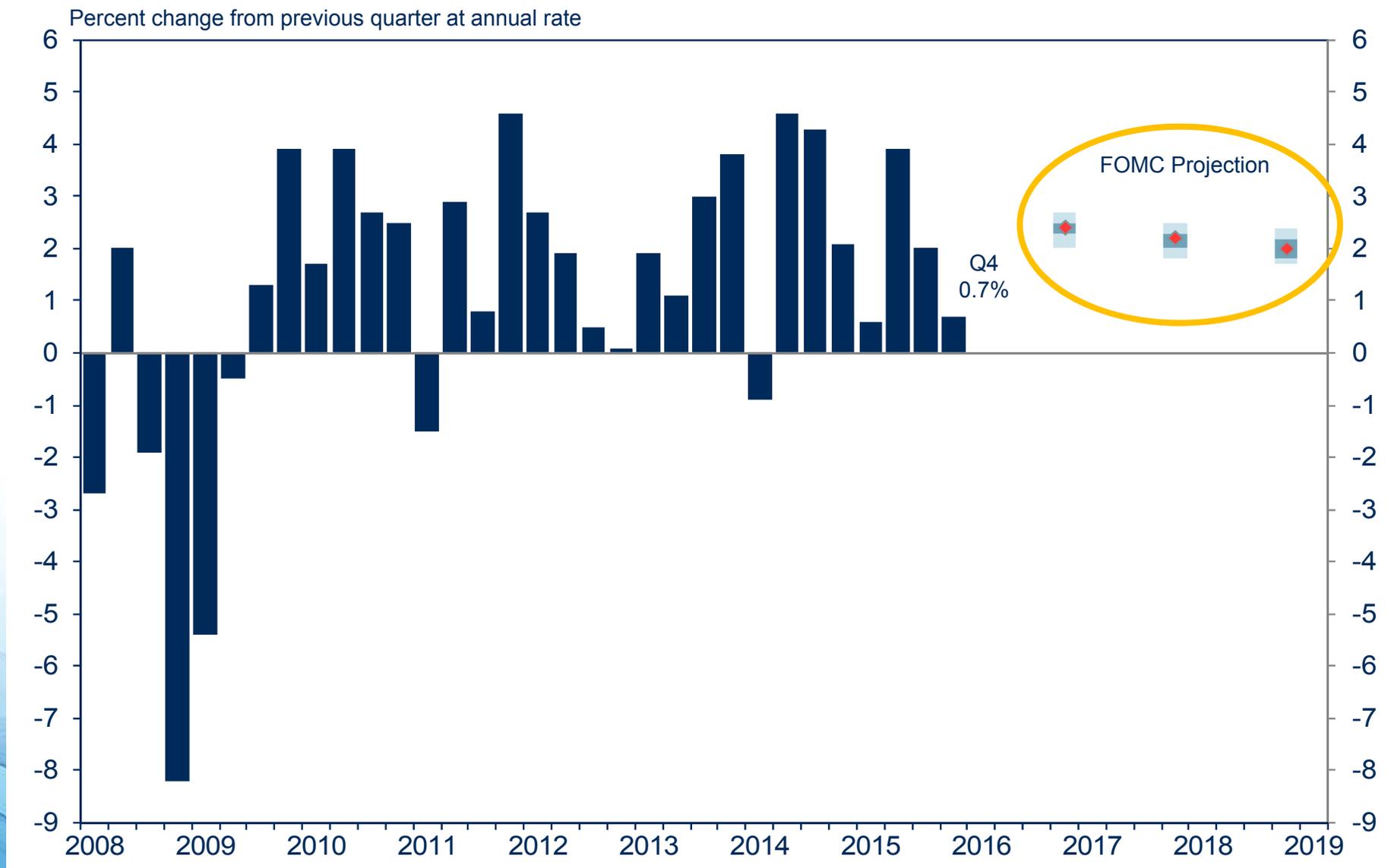
Real Gross Domestic Product



Note: Projection is the median, central tendency, and range from the December 2015 Summary of Economic Projections. Red dots indicate median projections. Projections of change in real gross domestic product (GDP) are from the fourth quarter of the previous year to the fourth quarter of the year indicated.

Source: Bureau of Economic Analysis via Haver Analytics & Federal Reserve Board

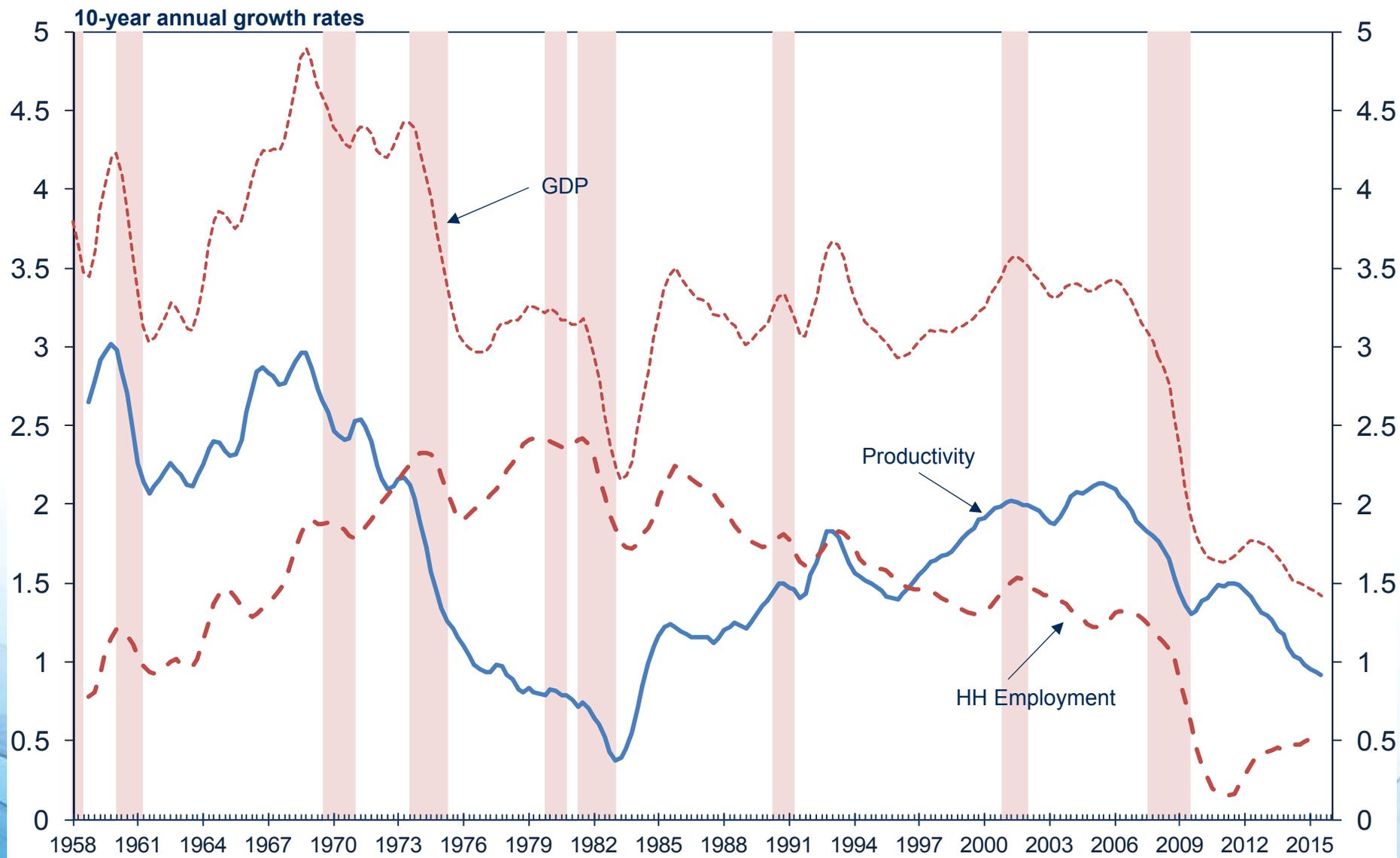
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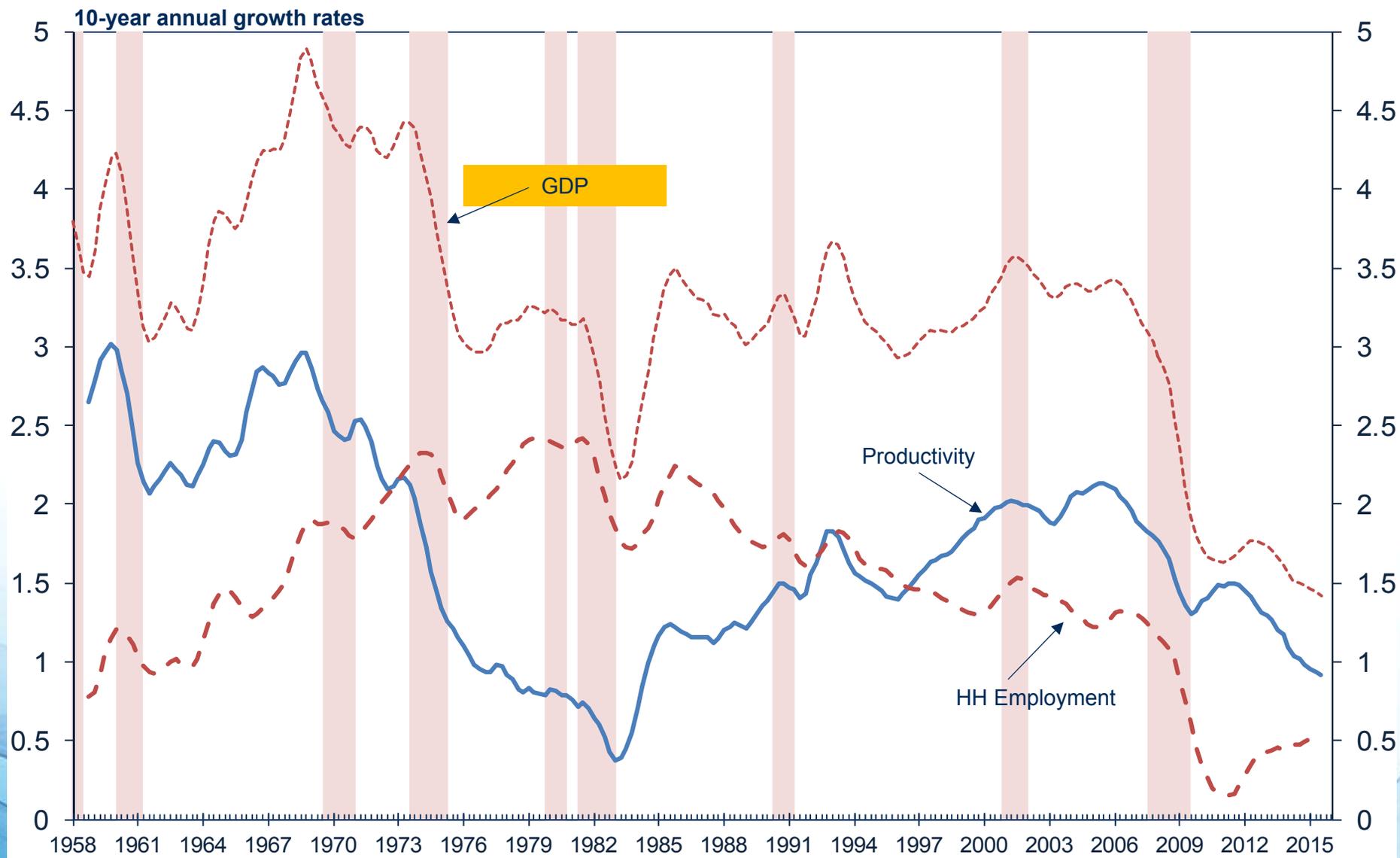
Source: Bureau of Economic Analysis via Haver Analytics & Federal Reserve Board

Decomposition of Real GDP



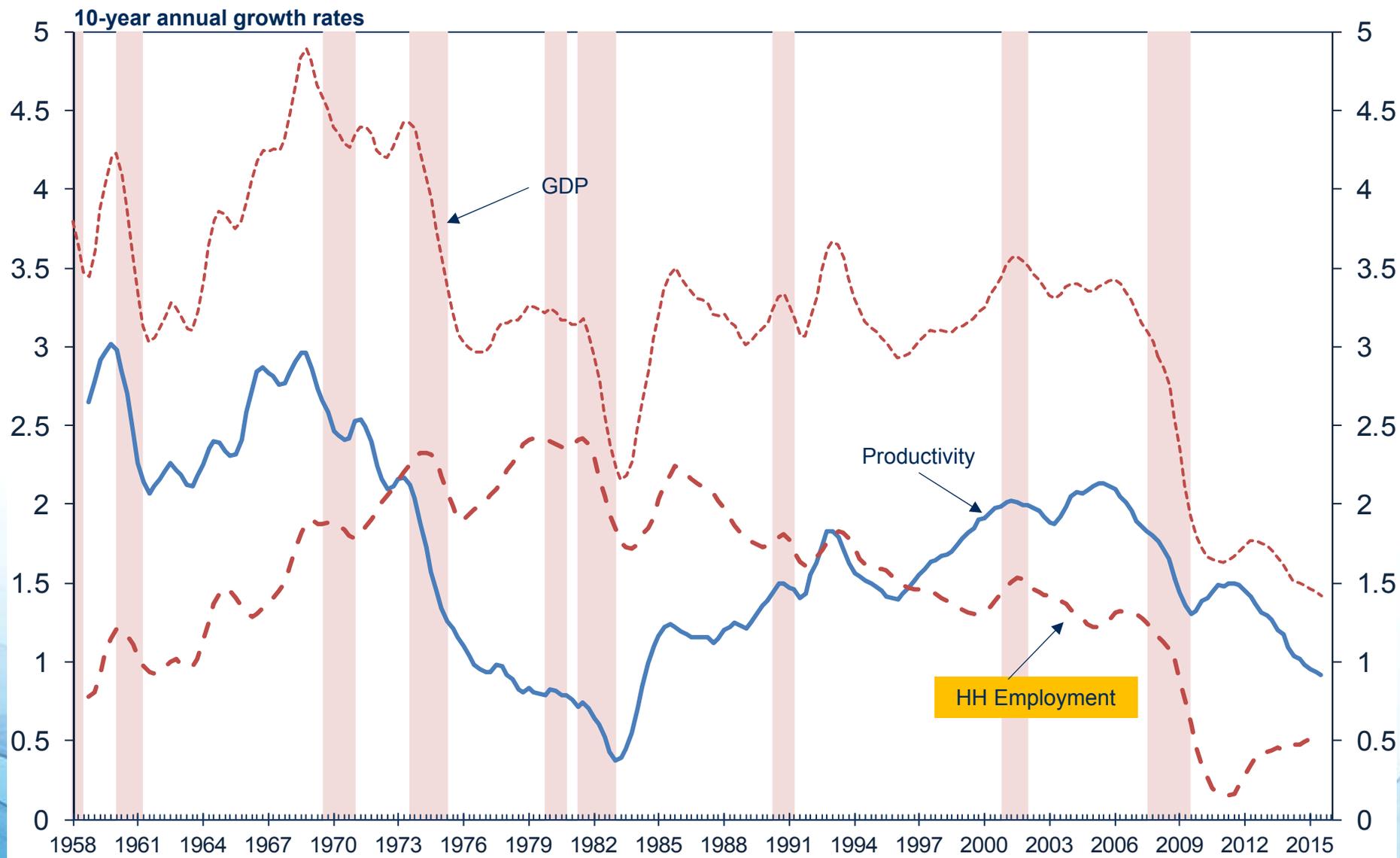
Note: Productivity is calculated as real GDP per employee, from the Household Survey.

Decomposition of Real GDP



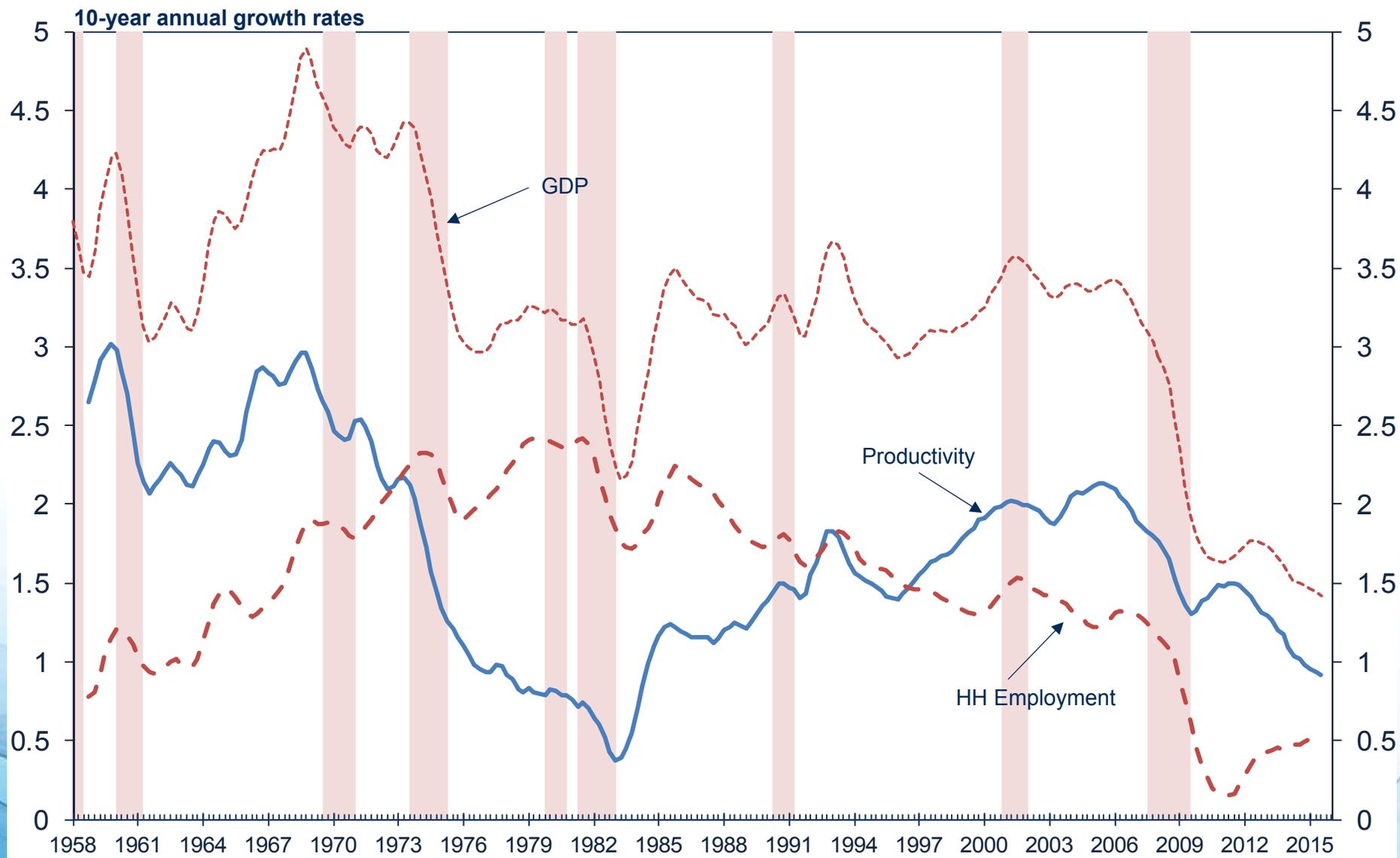
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Real Gross Domestic Product

	2014		2015		
Change from previous quarter at compound annual rate, %	Q4	Q1	Q2	Q3	Q4
Gross Domestic Product	2.1	0.6	3.9	2.0	0.7
Personal Consumption Expenditures	4.3	1.8	3.6	3.0	2.2
Nonresidential Fixed Investment	0.7	1.6	4.1	2.6	-1.8
Structures	4.3	-7.4	6.2	-7.2	-5.3
Equipment	-4.9	2.3	0.3	9.9	-2.5
Intellectual Property Products	6.9	7.4	8.3	-0.8	1.6
Residential Fixed Investment	10.0	10.1	9.3	8.2	8.1
Exports of Goods & Services	5.4	-6.0	5.1	0.7	-2.5
Imports of Goods & Services	10.3	7.1	3.0	2.3	1.1
Government Consumption Expenditures & Gross Investment	-1.4	-0.1	2.6	1.8	0.7
Final Sales to Domestic Purchasers	3.0	1.7	3.7	2.9	1.6
Billions of chained (2009) dollars					
Change in Private Inventories	78.2	112.8	113.5	85.5	68.6
Net Exports of Goods & Services	-463.6	-541.2	-534.6	-546.1	-566.5

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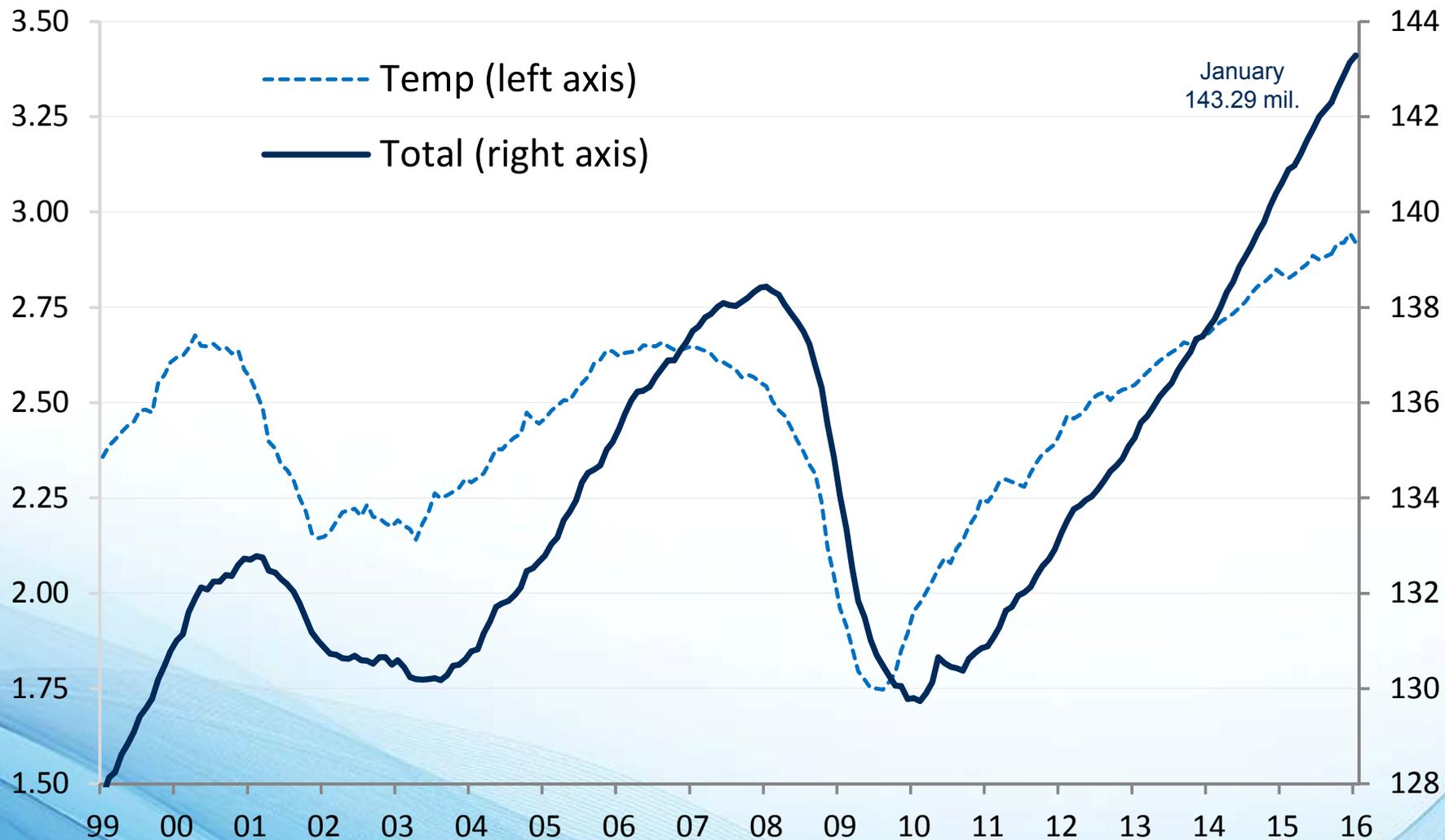
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The “dual mandate”

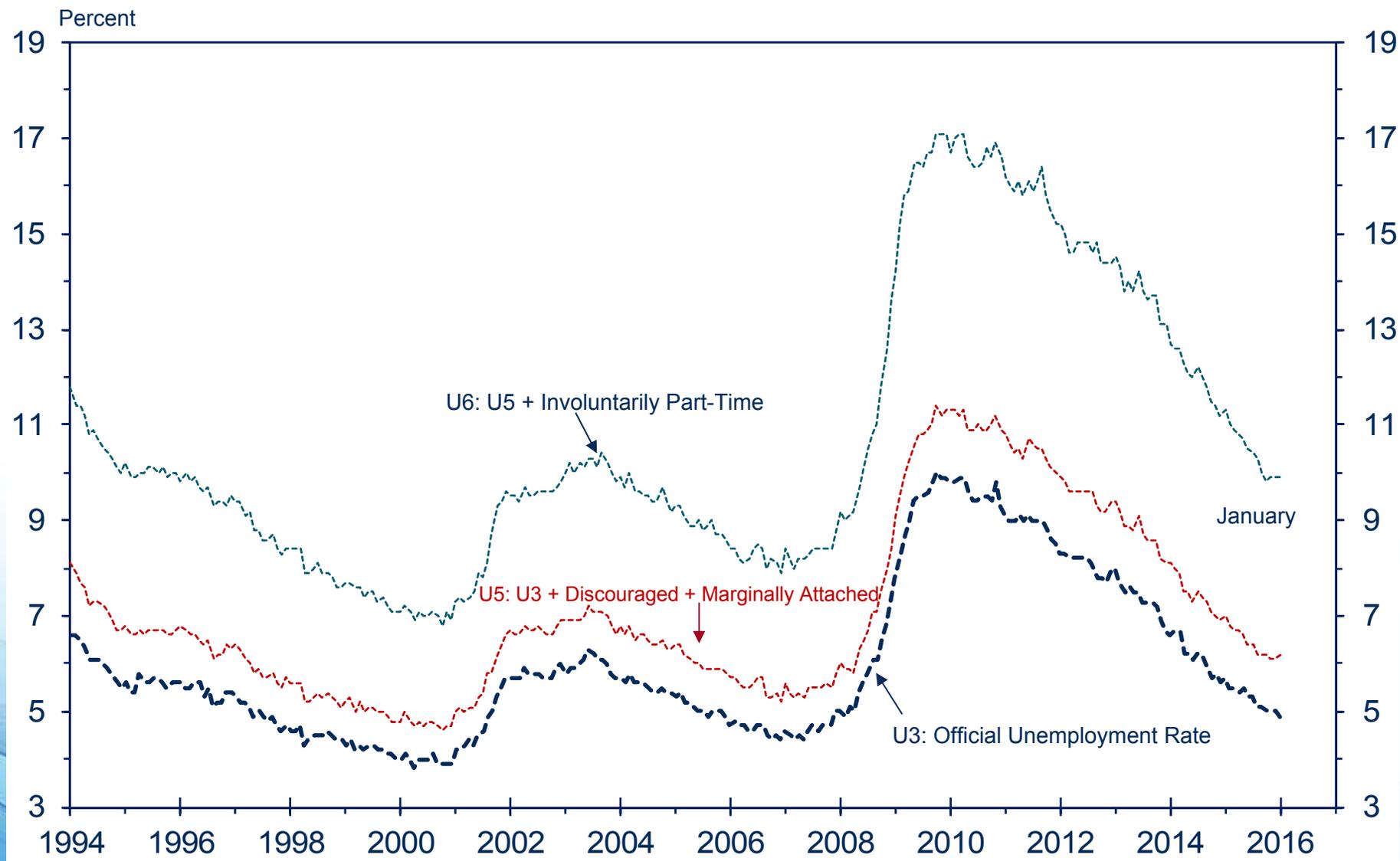
Nonfarm Payroll Employment

Millions of Persons



January
143.29 mil.

Measures of Labor Utilization



Gauges of Inflation

Expenditure Price Indexes	[Percent Change from Previous Month at Annual Rate]:		
	Nov.	Dec.	YoY %
Personal Consumption Expenditures	0.8	-1.1	0.6
Core (excludes Food and Energy)	1.9	0.5	1.4

Consumer Price Indexes	[Percent Change from Previous Month at Annual Rate]:		
	Nov.	Dec.	YoY %
All Items	0.3	-1.3	0.7
Core (excludes Food and Energy)	2.2	1.5	2.1

Producer Price Indexes	[Percent Change from Previous Month at Annual Rate]:		
	Nov.	Dec.	YoY %
Finished Goods	1.3	-9.0	-2.8
Core (excludes Food and Energy)	1.3	3.2	1.9
Core Intermediate Goods	-4.4	-3.2	-3.6
Crude Goods	-46.8	-30.3	-24.8

Spot Commodity Price Index	[Percent Change from Previous Month]:		
	Dec.	Jan.	YoY %
CRB Spot Commodity Price Index	-2.4	2.3	-9.3

Notes: Core PCE Price Index includes expenditures on food services.

Gauges of Inflation

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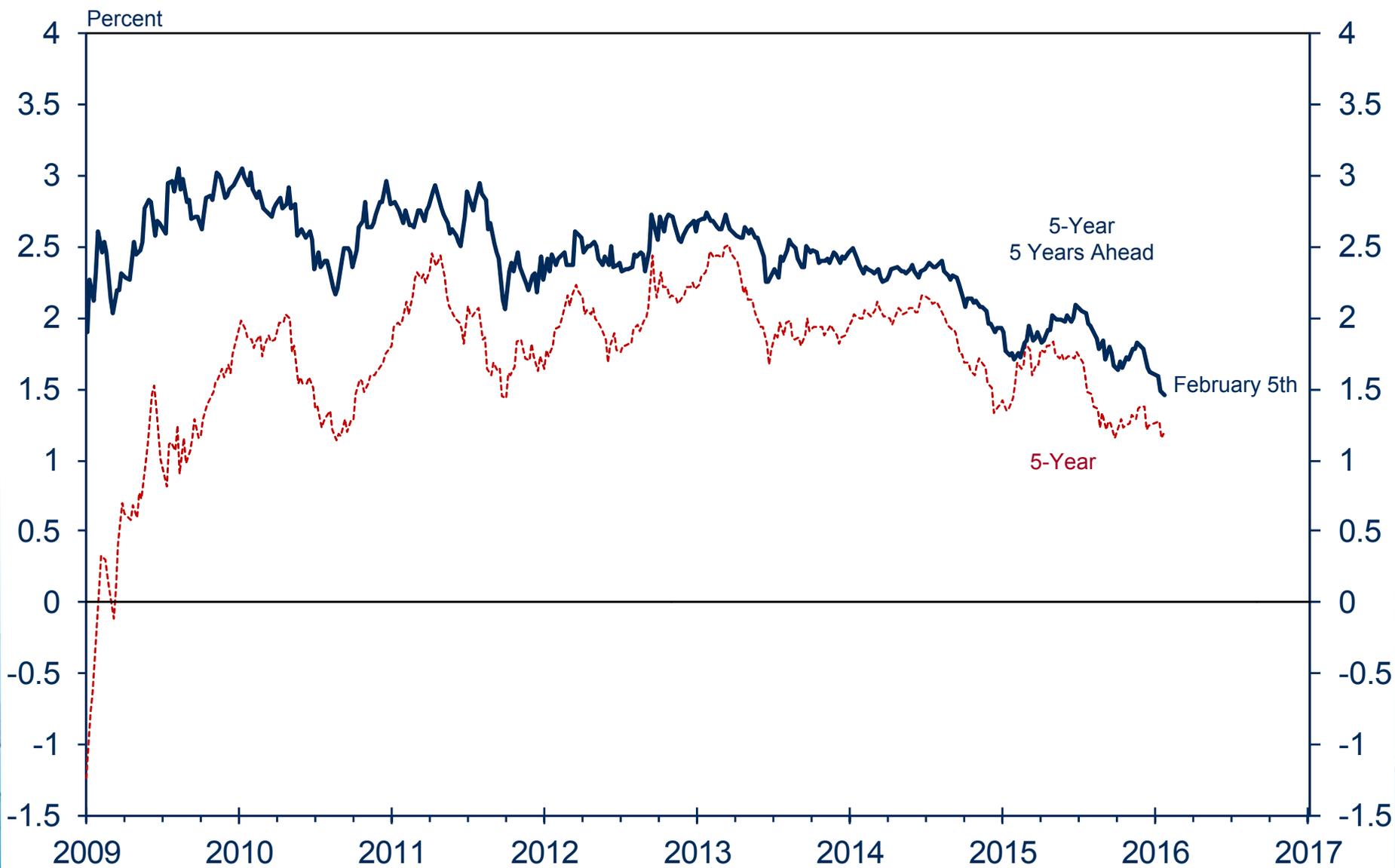
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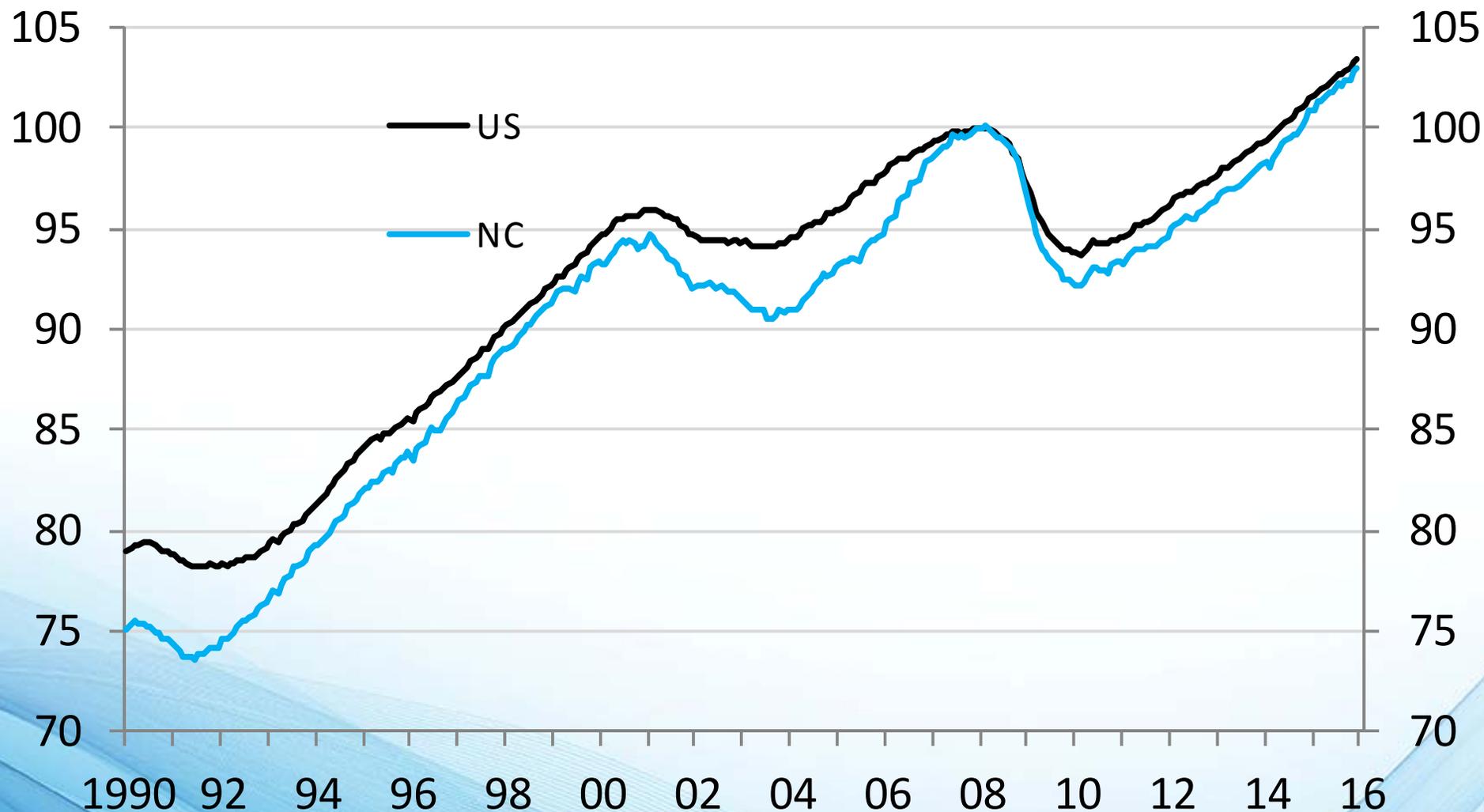
TIPS Inflation Compensation



North Carolina

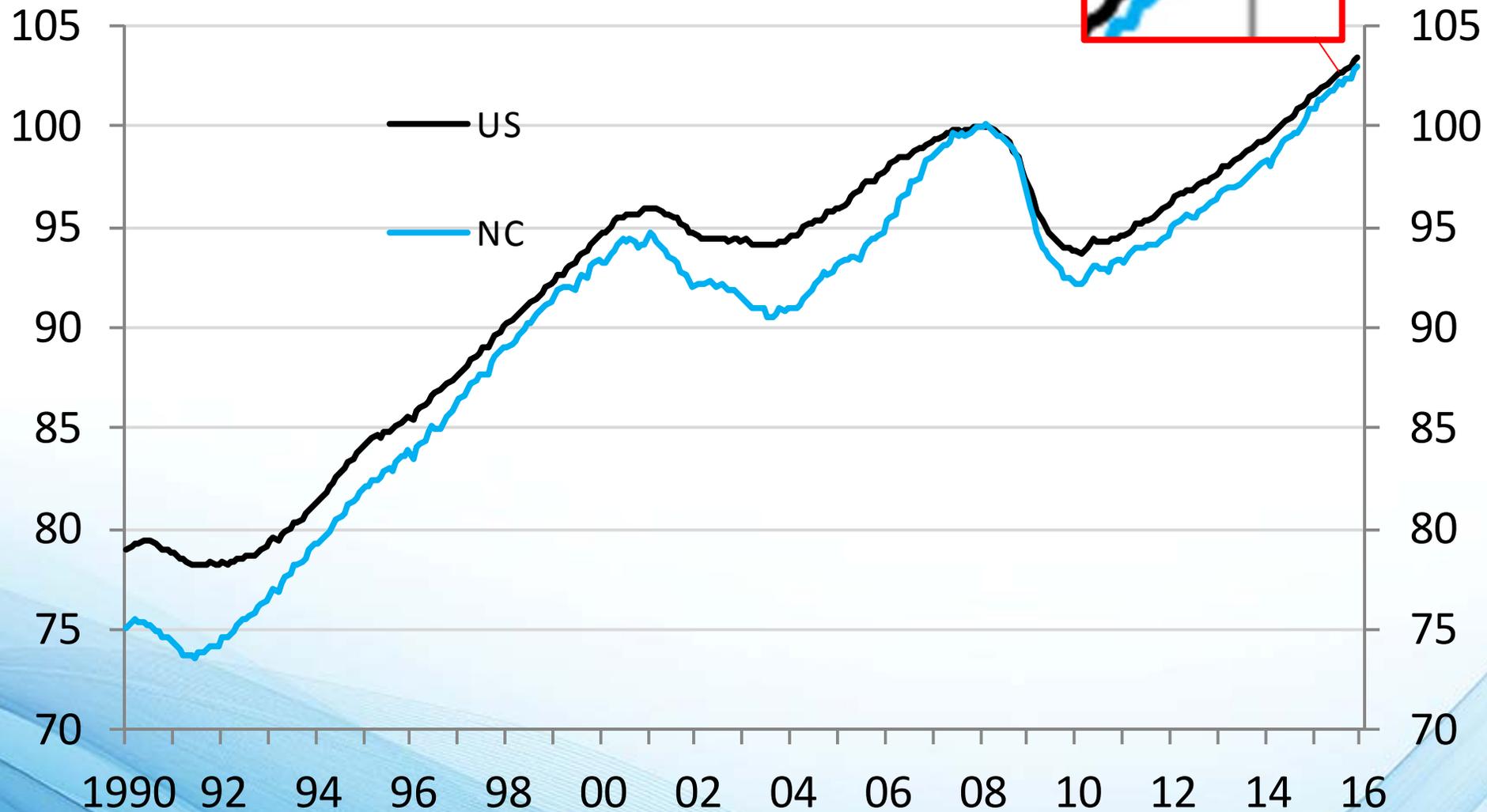
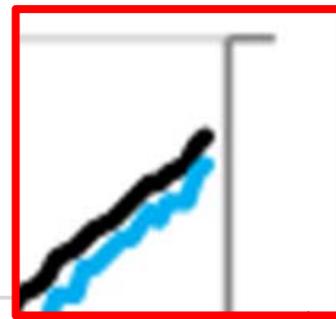
North Carolina Versus U.S. Employment

Index, Dec. 2007=100



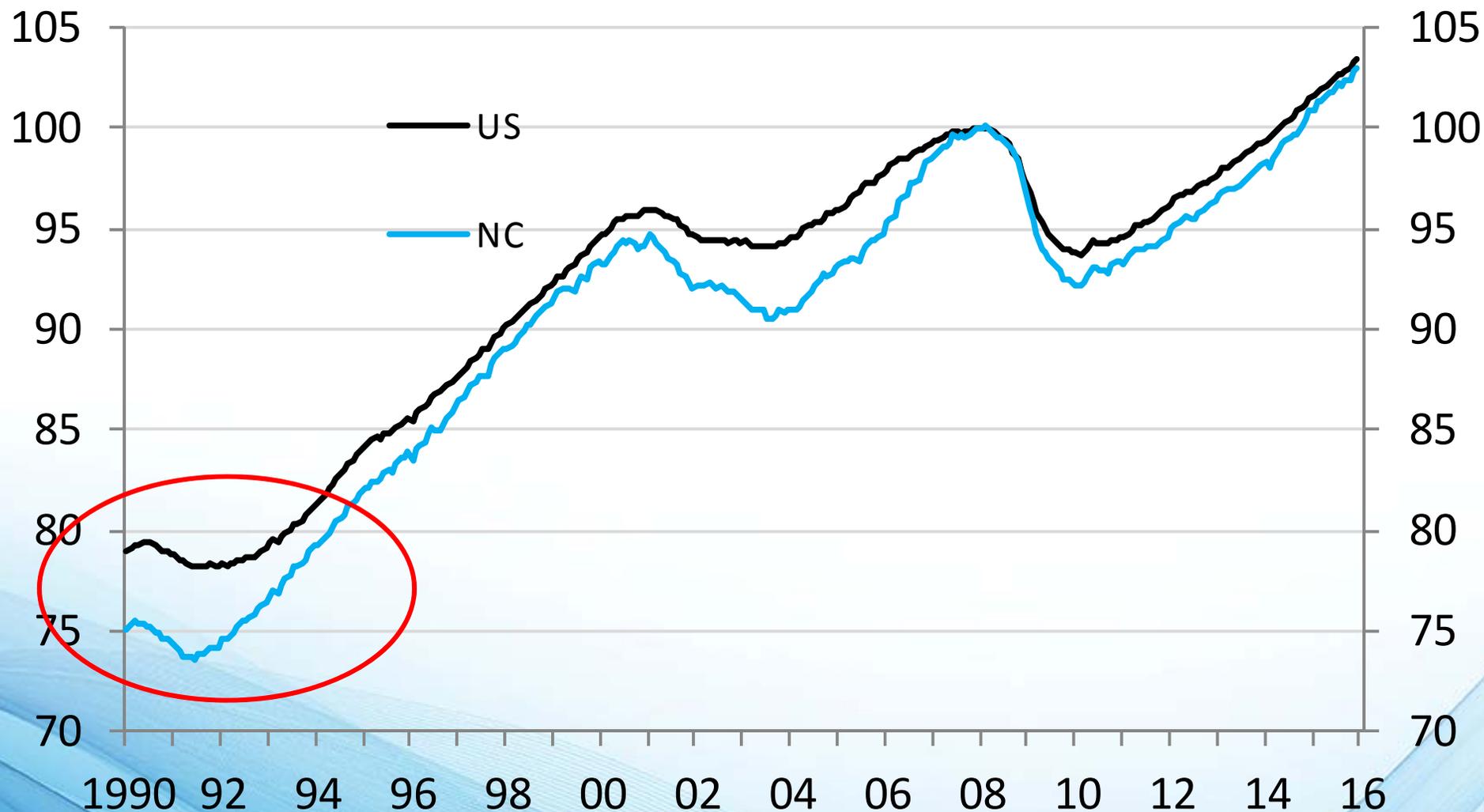
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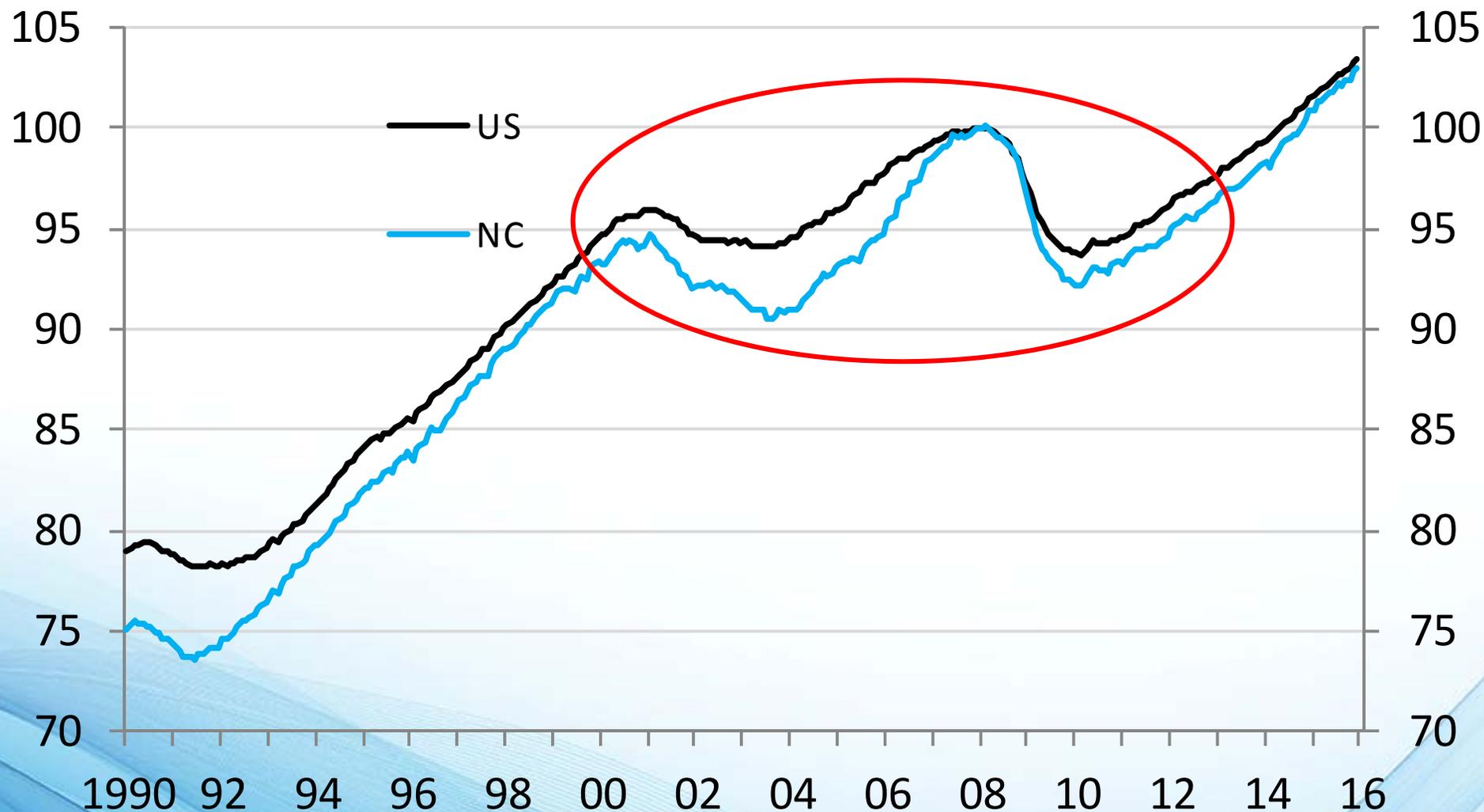
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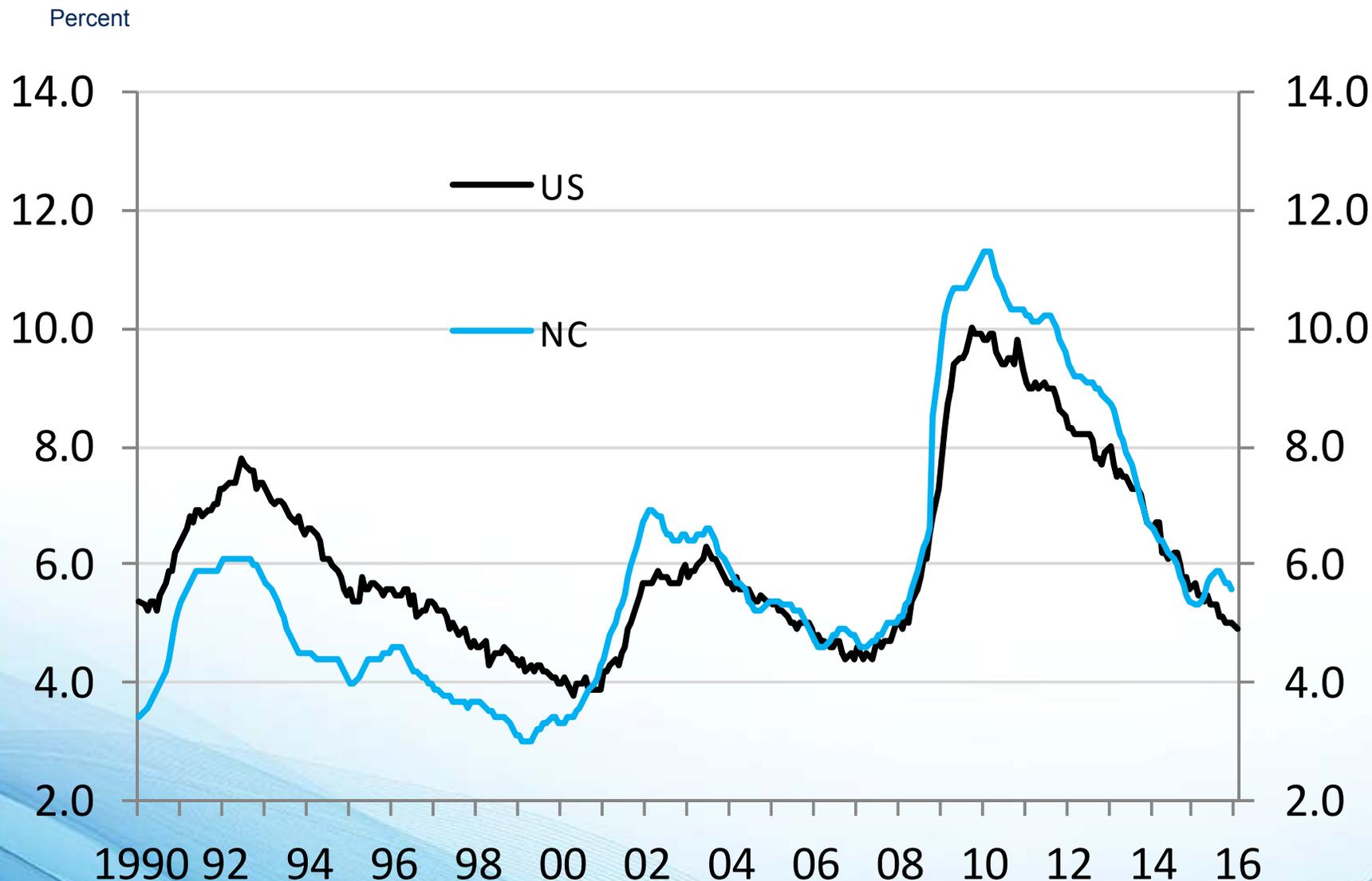


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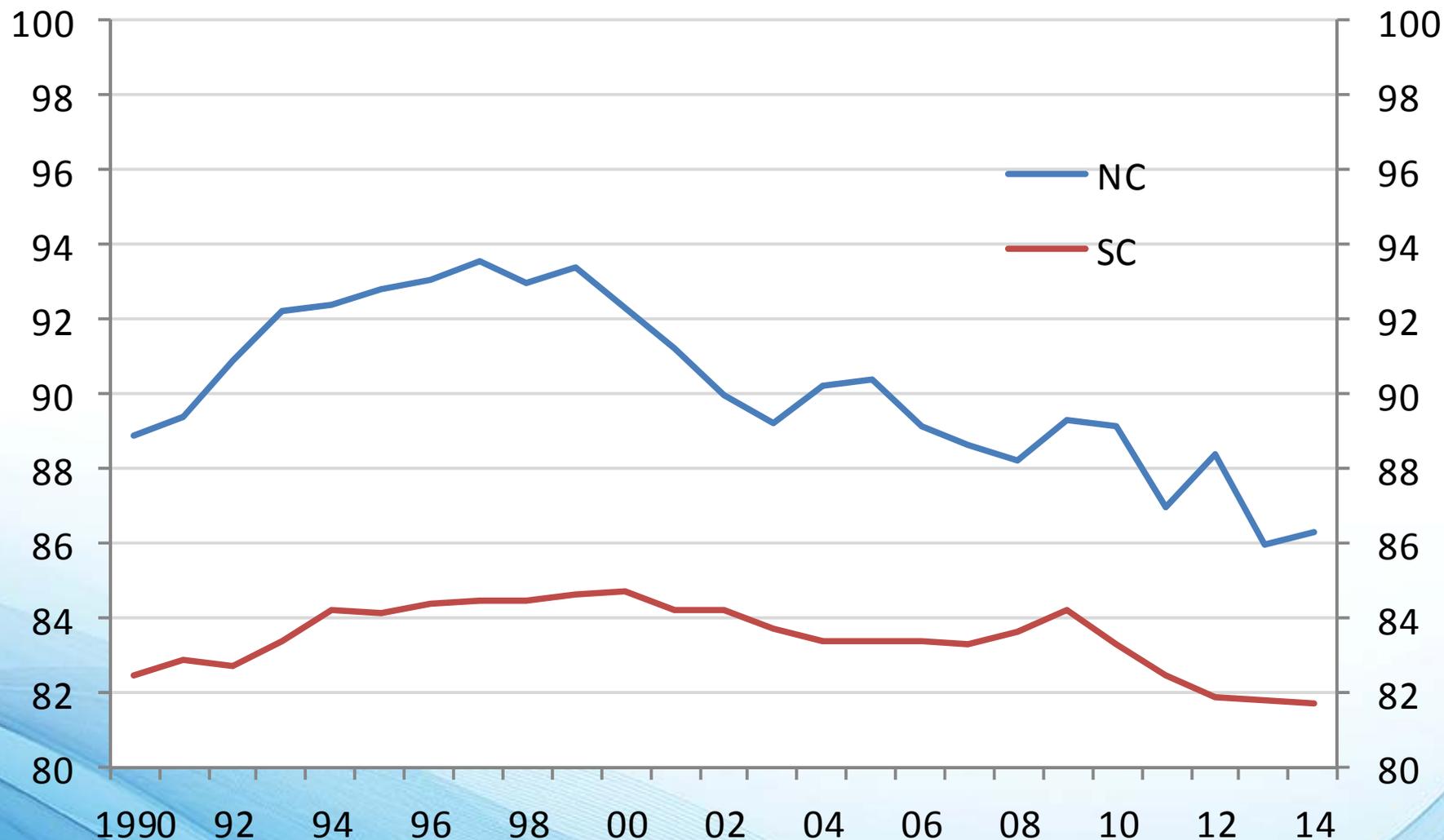


North Carolina Versus U.S. Unemployment



Per Capita Disposable Personal Income

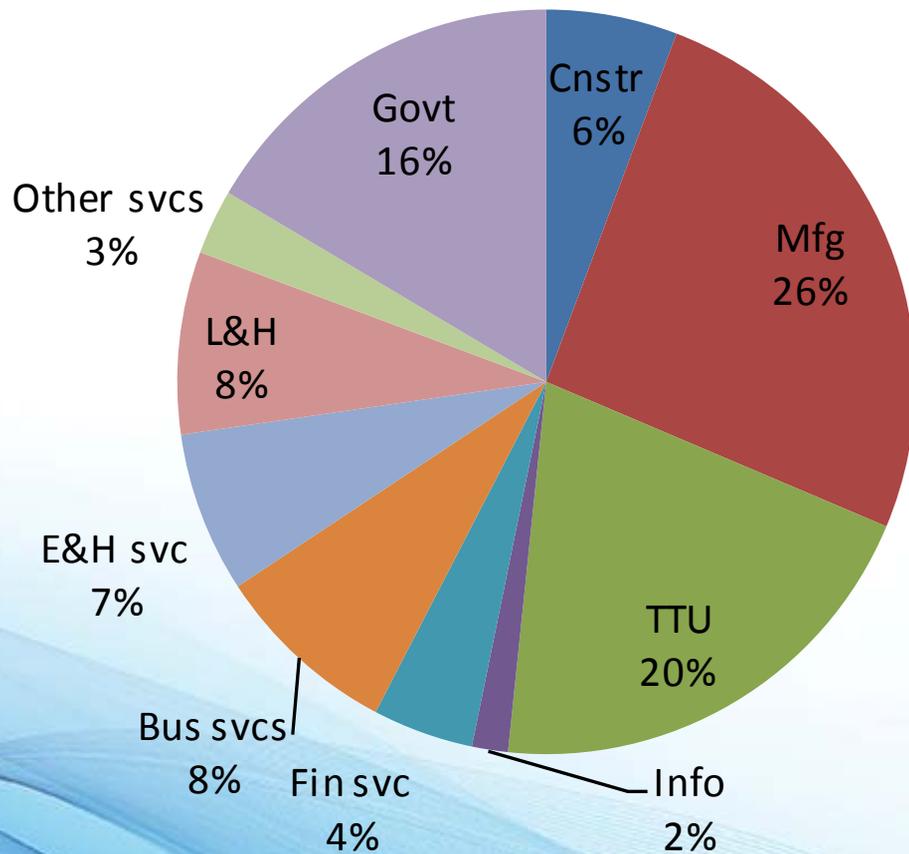
Percent, relative to the U.S. avg.



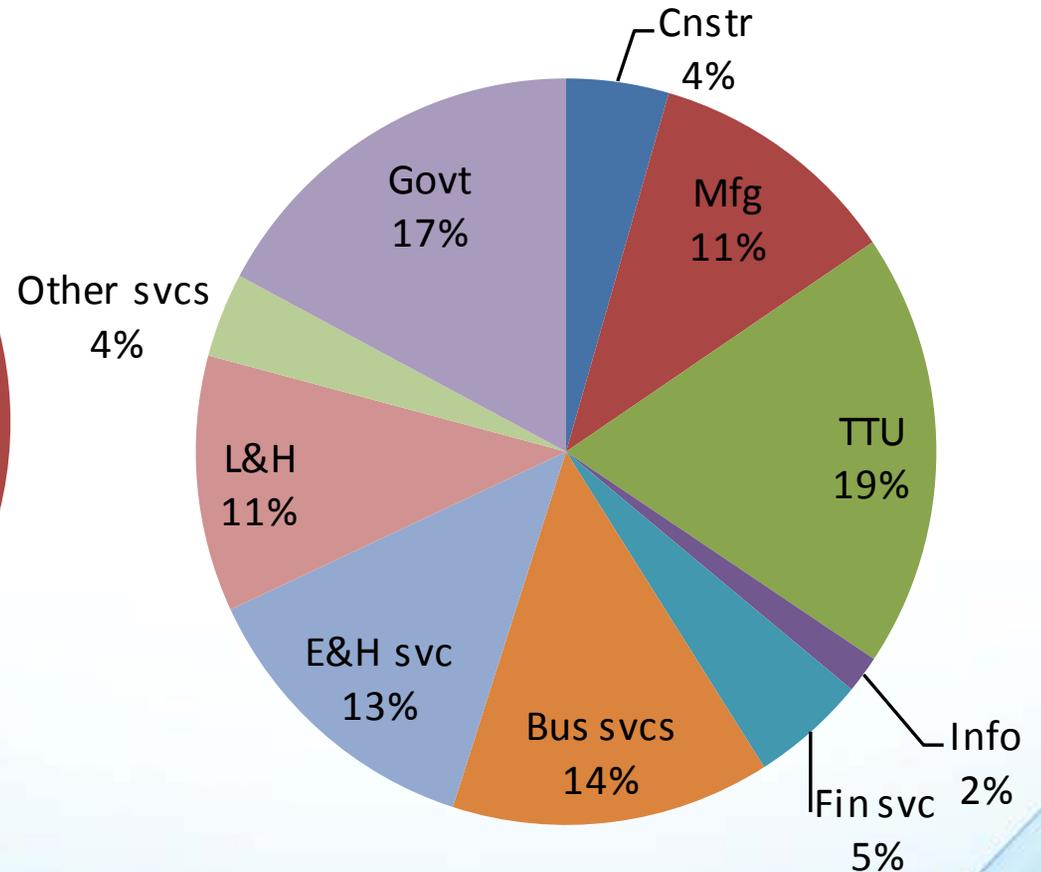
Employment Shares in the Carolinas, Then and Now

Percent of total employment

1990

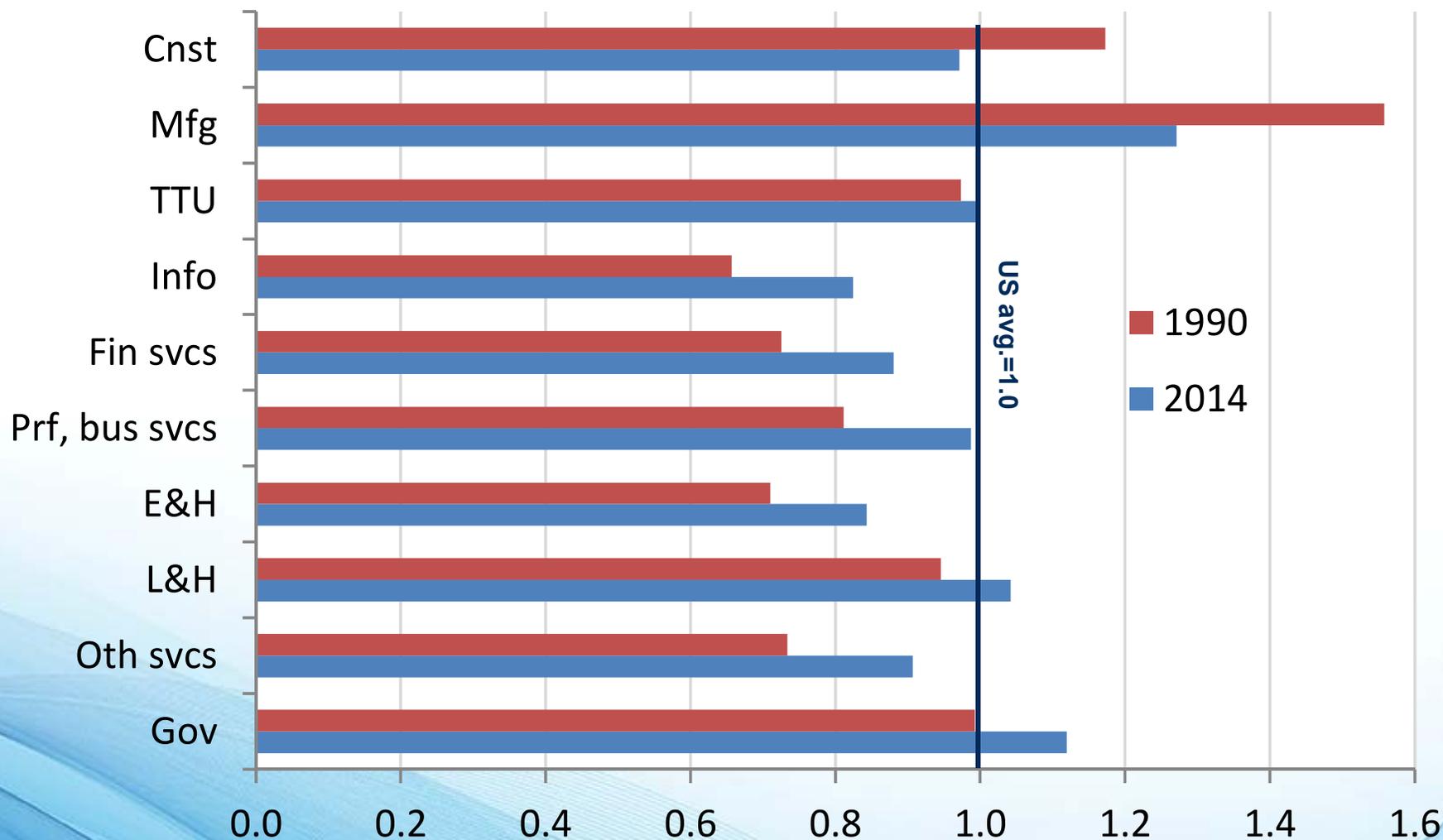


2014

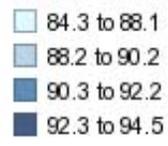
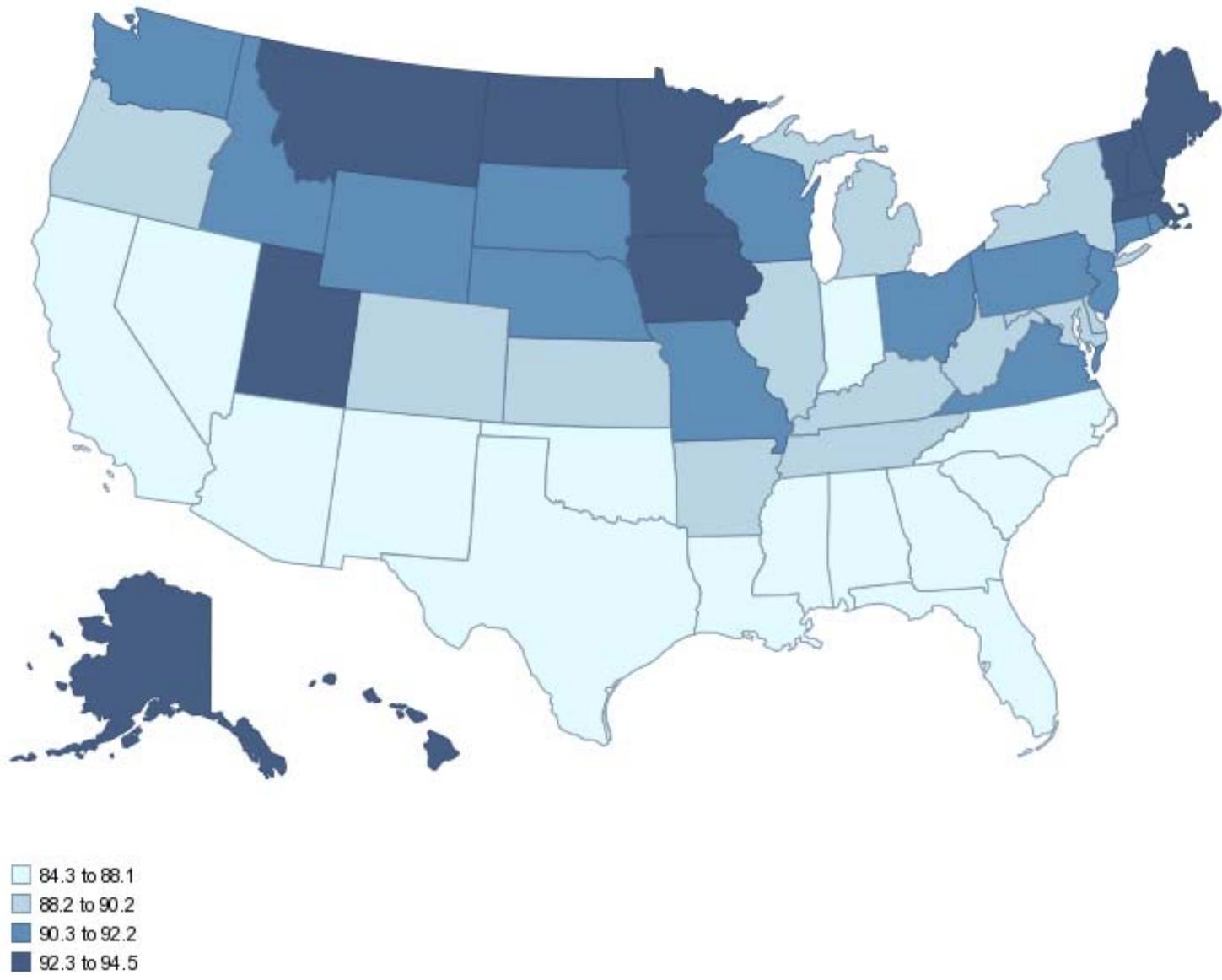


Carolinas Industry Concentration Relative to US Average

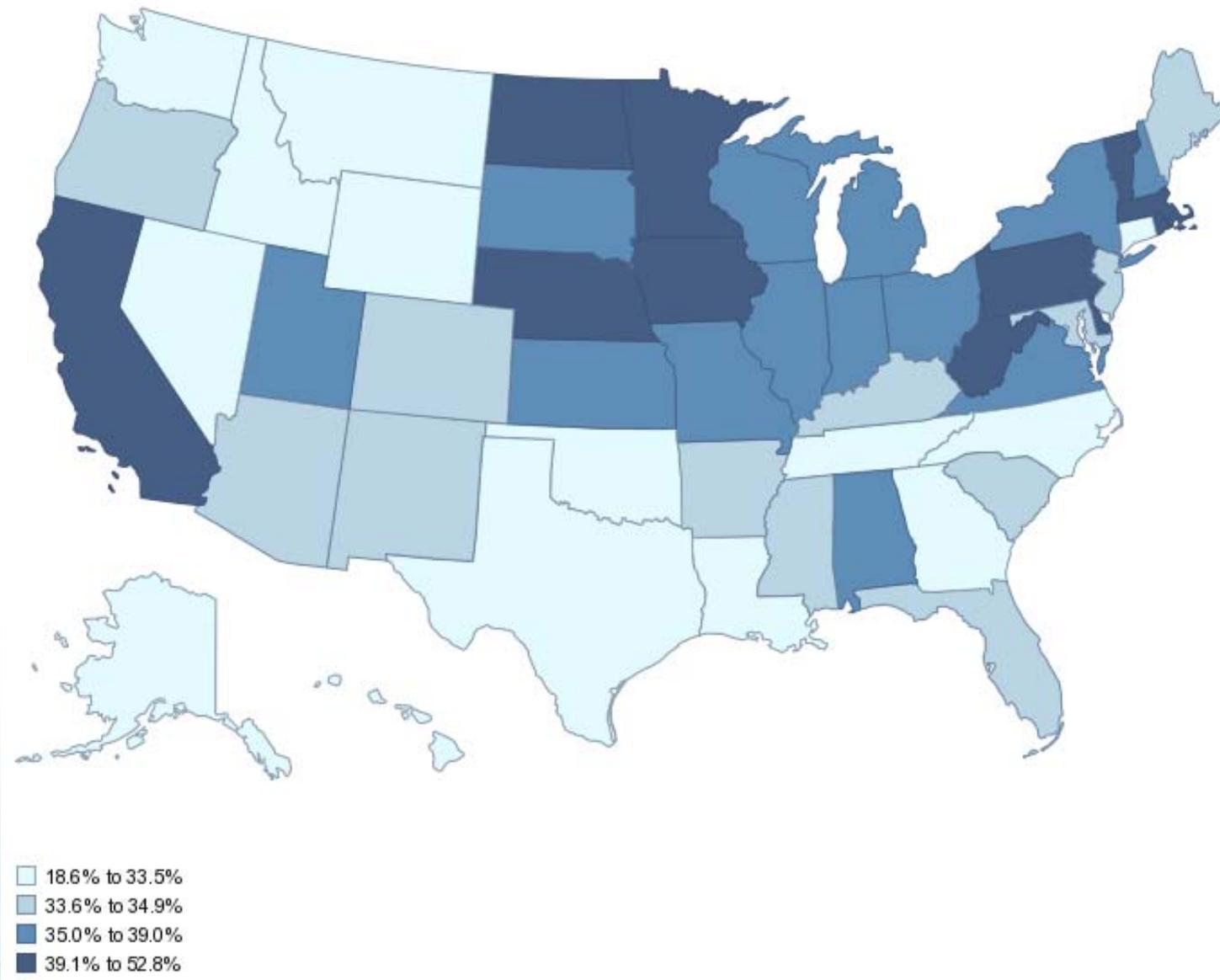
Location Quotients, (an LQ of 1.0 indicates average concentration)



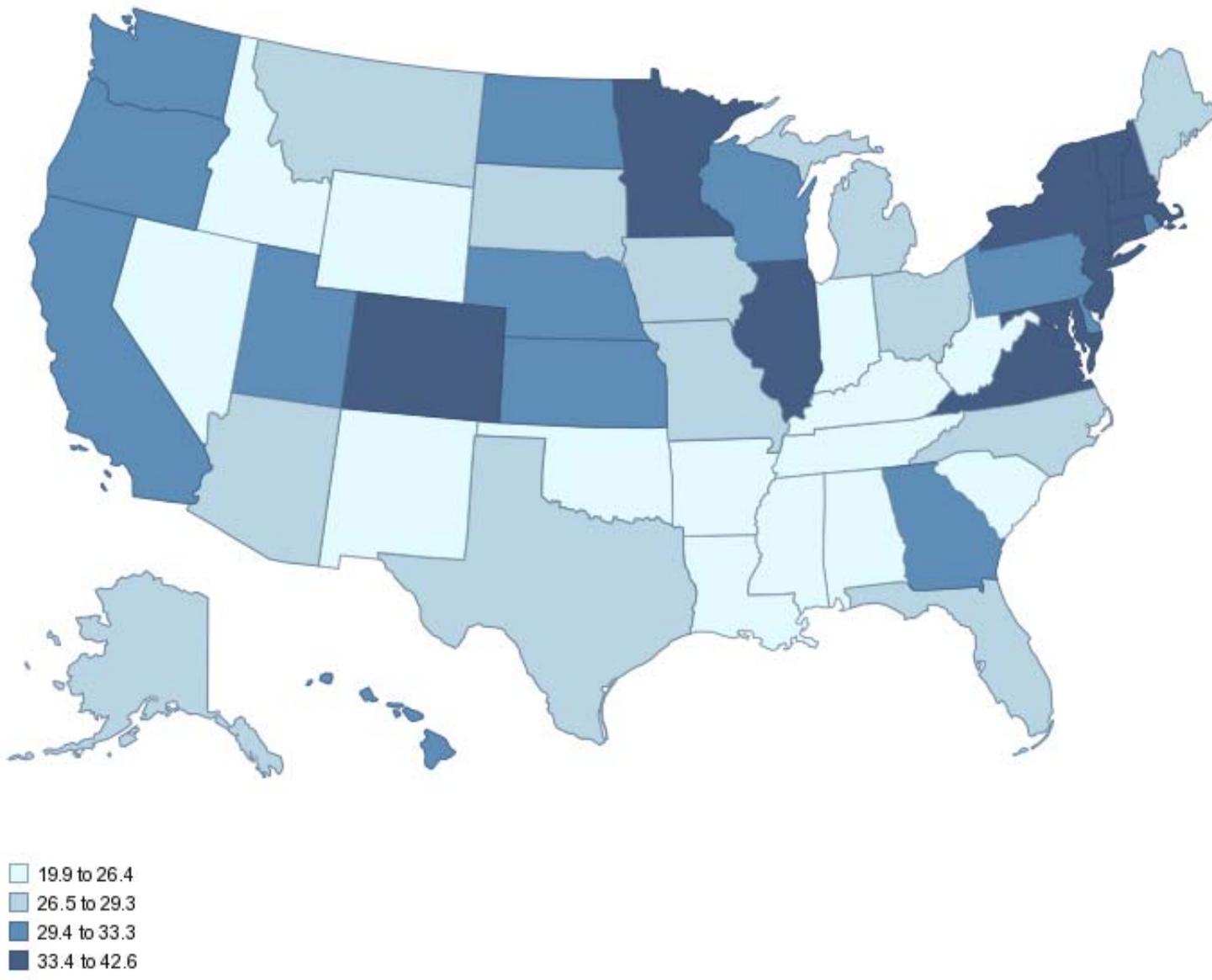
Population 25-34 With at Least a High School Diploma



Population 18-24 Enrolled in College



Population 25-64 with a Bachelor's Degree or Higher



Why is this important?



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.