Weekly Economic Digest

Joint Economic Committee

Sen. Amy Klobuchar, Vice Chair

Rep. Carolyn Maloney, Senior Democratic House Member

September 17, 2013

Retail Sales and Industrial Production Rose in August

Retail sales edged up last month

- Sales at retail and food service establishments increased 0.2 percent in August, according to the Census Bureau's advance estimates (see chart).

- The August rise in sales followed an increase of 0.4 percent in July.

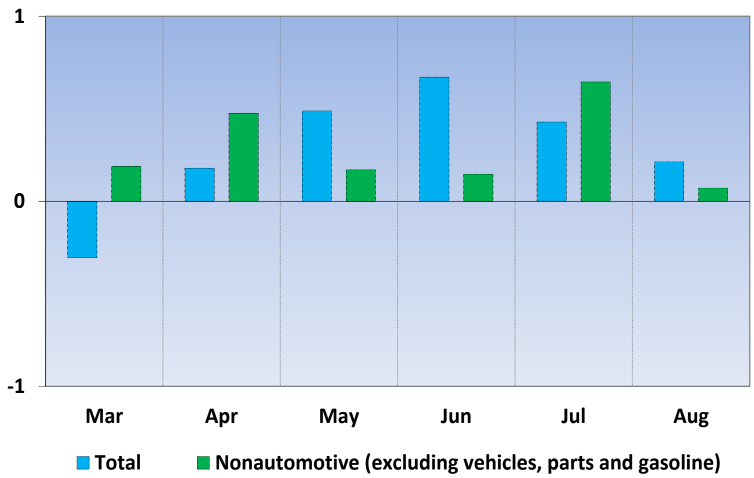
- The August gain reflected a rebound in automotive sales: motor vehicle and parts dealers reported a 0.9 percent rise in sales last month (following a 0.5 percent drop in July) while gasoline sales were flat.

- Nonautomotive retail sales rose 0.1 percent last month, following a gain of 0.6 percent in July.

- Over the 12 months through August, total retail sales rose by 4.7 percent while nonautomotive sales increased by 4.1 percent.

Sales at Retail & Food Service Establishments, Recent Months

Monthly percent change



Source: Staff calculations using data from the Census Bureau, U.S. Department of Commerce.

Industrial production grew in August

- Industrial output at the nation's factories, utilities and mines rose 0.4 percent in August following no change in July, according to the Federal Reserve Board.

- Factory output rose 0.7 percent last month, following a decline of 0.4 percent in July.

- Factories operated at an average 76.1 percent of capacity last month, just over 2½ percentage points above the long-run average rate of capacity utilization in manufacturing.

- Factories producing durable goods increased production by 1.2 percent in August, led by a rebound in motor vehicles and parts. Nondurable manufacturing edged up by 0.1 percent last month.

- Over the 12 months through August, total industrial production rose by 2.7 percent while manufacturing output increased by 2.6 percent.

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Hiring rose in July while job openings fell

- Hiring increased 2.3 percent in July, according to the latest available survey data from the Labor Department. (That survey is independent of the survey the Department uses to estimate unemployment.)

- Job openings declined 4.7 percent in July, after decreasing 1.0 percent in June.

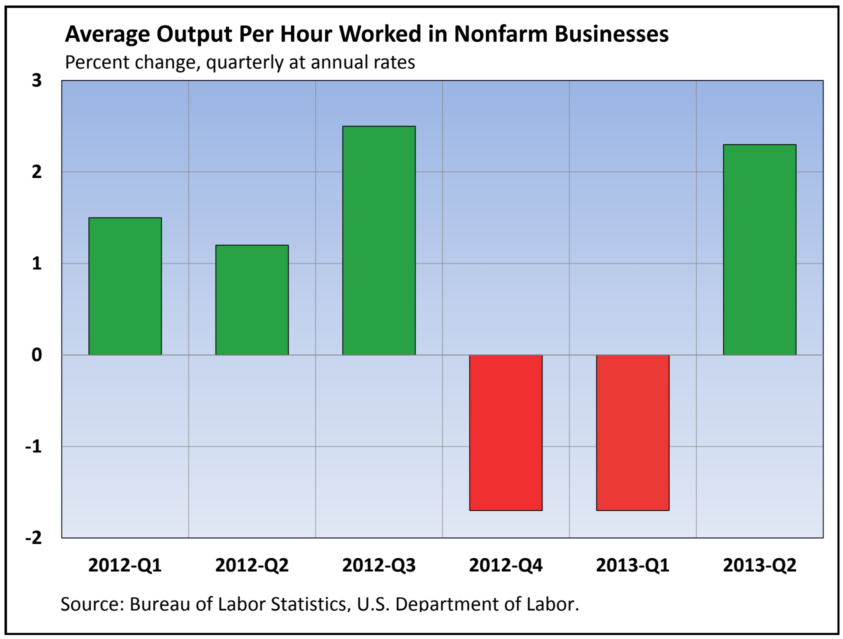
- On average, there were 3.1 unemployed workers and 6.0 underemployed workers for every job opening in July. Those rates have improved considerably since the depths of the downturn, when there were 6.7 unemployed workers and 11.9 underemployed workers per job opening.

Labor productivity resumed growth in the second quarter

- Average output per hour worked in nonfarm businesses rose at a 2.3 percent annual rate in the second quarter after declining in each of the previous two quarters, according to revised estimates by the Department of Labor (see chart).

- The second-quarter rebound in productivity reflected an acceleration in the output of nonfarm businesses, which rose 3.7 percent in the quarter following a 0.3 percent slide in the first quarter.

- Since the recovery began in mid-2009, productivity has increased at an average annual rate of 1.5 percent. However, the hourly compensation received by workers over that period has barely changed, after accounting for inflation.



The Week Ahead

DAY	SELECTED UPCOMING DATA RELEASES & EVENTS
Tuesday, Sep. 17	Consumer Price Index (Aug)
Wednesday, Sep. 18	Housing Starts (Aug)
	Federal Open Market Committee announcement on monetary policy
	JEC Hearing: “The Economic Costs of Debt-Ceiling Brinksmanship,” Hart Senate Office Building, Room 216, 2:30 p.m.
Thursday, Sep. 19	Sales of Existing Homes (Aug)