



WEEKLY ECONOMIC DIGEST

JOINT ECONOMIC COMMITTEE

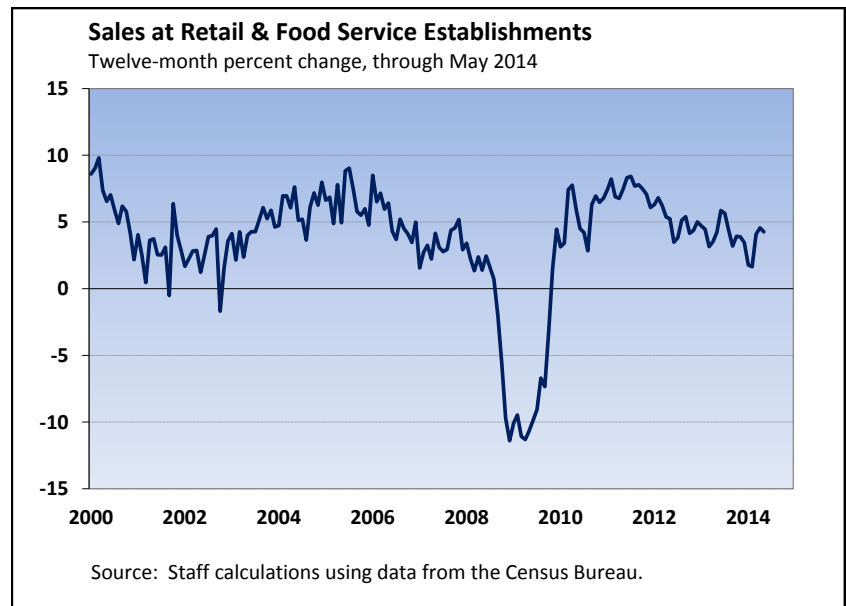
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June 17, 2014

Retail Sales and Factory Production Grew in May

Retail sales rose for the fourth consecutive month

- Sales at retail and food service establishments increased 0.3 percent in May, after growing at an average 1.0 percent monthly rate over the three preceding months, according to preliminary estimates from the Census Bureau.
- Sales of motor vehicles, parts and gasoline rose 1.0 percent last month.
- Nonautomotive sales were little changed in May, after growing by a total of 2.1 percent from February through April.
- Overall retail sales remain solid, up 4.3 percent over the 12 months through May (see chart).



Manufacturing production rebounded in May

- Manufacturing output rose 0.6 percent in May, following a decline of 0.1 percent in April, according to the Federal Reserve Board.
- Production of durable goods increased 0.9 percent in May—with particularly strong gains in motor vehicles and machinery—while production of nondurable goods rose 0.4 percent.
- Total factory production has risen 3.6 percent over the past year.
- Capacity utilization at all U.S. factories rose to 77.0 percent in May. That is the highest level since March 2008.
- For factories producing durable goods, operating rates are only 0.2 percentage point below the long-term average.

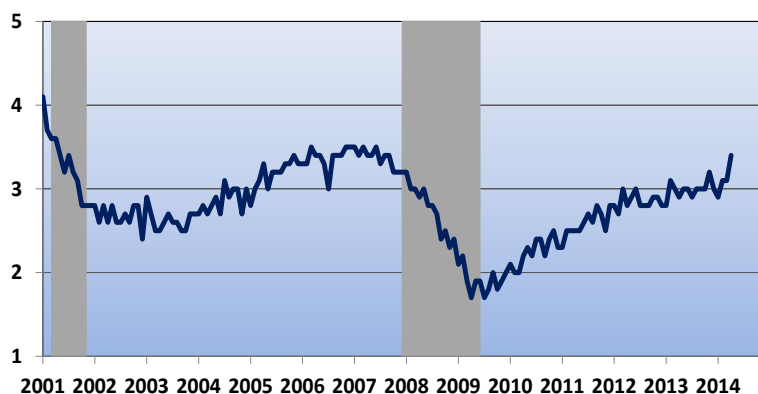
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Job openings rose sharply in April

- Private-sector job openings rose 7.6 percent in April, according to the latest available survey data from the Labor Department.
- Private-sector job openings now amount to 3.4 percent of all jobs (filled or unfilled), the highest rate since the recession began (see chart).
- The April increase in job openings means that, on average, there were 2.2 unemployed workers and 4.3 underemployed workers for every job opening in April.
- 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.

Job Openings in Private Industry

Openings as a percent of private-sector employment plus job openings, end of month values through April 2014



Note: Shaded regions mark periods of recession as determined by the National Bureau of Economic Research.

Source: Bureau of Labor Statistics.

Household wealth continued to rise in the first quarter

- The net worth of the household and nonprofit sector increased \$1.5 trillion (7.6 percent at an annual rate) in the first quarter following a \$2.7 trillion (14.4 percent) increase in the fourth quarter, according to data released by the Federal Reserve.
- After falling precipitously during the downturn, household wealth has now risen to \$13.9 trillion above the pre-recession peak.

THE ECONOMY AT A GLANCE

Key Indicators	Months			Quarters			Years	
	May	Apr.	Mar.	2014-Q1	2013-Q4	2013-Q3	2013	2012
Real GDP growth (%)	—	—	—	-1.0	2.6	4.1	2.6	2.0
Unemployment (% of labor force)	6.3	6.3	6.7	6.7	7.0	7.3	7.0	7.8
Long-term unemployment (% of labor force)	2.2	2.2	2.4	2.4	2.6	2.7	2.6	3.1
Inflation (%)	N/A	0.3	0.2	1.9	1.1	2.2	1.2	1.9
Core inflation (% excludes food & energy)	N/A	0.2	0.2	1.6	1.6	1.8	1.7	1.9

Sources: Staff estimates based on data from the Bureau of Economic Analysis and the Bureau of Labor Statistics.

Notes: (—) Real GDP data are not released on a monthly basis. (n.a.) Data are not yet available.

Real GDP growth is the change in gross domestic product after adjusting for inflation. Long-term unemployment refers to those workers who have been unemployed for 27 weeks or longer. Inflation and core inflation refer to changes in the relevant consumer price indexes for all urban consumers. Quarterly estimates of GDP growth and inflation are reported at annual rates. Yearly estimates of GDP growth and inflation are Q4-to-Q4.

Yearly unemployment rate estimates are Q4 averages.