WEEKLY ECONOMIC DIGEST

JOINT ECONOMIC COMMITTEE UNITED STATES CONGRESS

SENATOR ROBERT P. CASEY, JR., VICE CHAIRMAN DESIGNATE

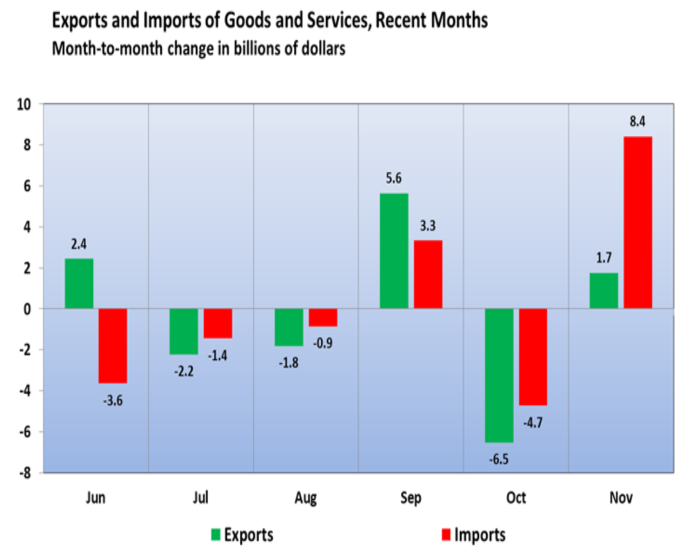
January 15, 2013

The U.S. Trade Gap Widened in November

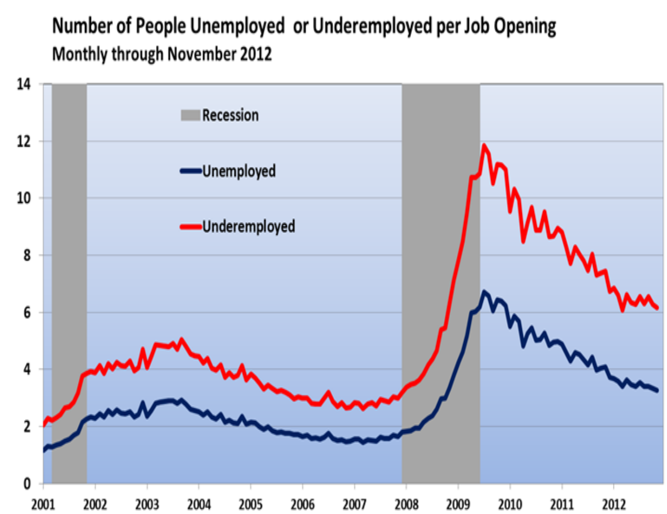
- The U.S. trade deficit grew in November. The volume of U.S. international trade bounced back in November from a decline in October. Exports of goods and services increased by $1.7 billion in November but imports increased by $8.4 billion, according to data released by the Census Bureau (see top chart). As a result, the U.S. trade deficit for goods and services (imports minus exports) increased by $6.6 billion to $48.7 billion.

- Job openings and hires were little changed in November. There were 3.676 million job openings in the private and public sectors on the last business day of November, up 0.3 percent from 3.665 million openings at the end of October. Total hires rose 0.1 percent to 4.319 million jobs at the end of November. The private-sector job vacancy rate was 2.9 percent of total private-sector jobs, filled or unfilled, in November (unchanged from October). The private-sector hiring rate remained at 3.6 percent of total private-sector employment in November. Both the vacancy and hiring rates remain below the levels that prevailed at the start of the recession. Workers continue to face difficulties in finding work: on average, there were 3.3 unemployed workers and 6.2 underemployed workers for every job opening in November (see bottom chart).

- Consumer credit rose in November. Consumer credit outstanding (which includes most short- and medium-term credit extended to individuals, except for loans secured by real estate) increased by $16.1 billion (7.0 percent at an annual rate) to $2.769 trillion in November. That increase is above what financial markets had been expecting. Total consumer credit outstanding has increased by 5.9 percent since November 2011.



SOURCE: Census Bureau, U.S. Department of Commerce.



SOURCE: Bureau of Labor Statistics, U.S. Department of Labor; and National Bureau of Economic Research.

NOTE: People are underemployed if they are either officially unemployed; are working part-time jobs for economic reasons (slack conditions or couldn't find full-time work); or are marginally attached to the labor force in the sense that, while they are not in the labor force (and are thus excluded from the official unemployment rate), they are able and willing to take a job and have searched for work in the past year.

THE WEEK AHEAD

DAY	SELECTED UPCOMING DATA RELEASES & EVENTS
Tuesday, Jan. 15	Advance Monthly Sales for Retail and Food Services (December) Producer Price Indexes (December) Manufacturing and Trade Inventories and Sales (November)
Wednesday, Jan. 16	Consumer Price Index (December) Industrial Production and Capacity Utilization (December) Summary of Commentary on Current Economic Conditions by Federal Reserve District (Beige Book)
Thursday, Jan. 17	New Residential Construction (December)

THE ECONOMY AT A GLANCE

	MONTH			QUARTER			YEAR	
KEY INDICATORS	Dec.	Nov.	Oct.	2012Q4	2012Q3	2012Q2	2012	2011
Economic Activity								
Real gross domestic product	—	—	—	n.a.	3.1	1.3	n.a.	1.8
Manufacturing production	n.a.	1.1	-1.0	n.a.	-1.1	0.8	n.a.	4.3
Factory utilization rate (percent of capacity)	n.a.	76.6	75.9	n.a.	77.0	77.5	n.a.	75.0
Civilian unemployment rate (percent of labor force)	7.8	7.8	7.9	7.8	8.0	8.2	8.1	8.9
Housing starts (thousands of units, annual rates)	n.a.	861	888	n.a.	774	736	n.a.	612
Light vehicle sales, domestic (millions of units, annual rates)	11.987	12.028	11.118	11.711	11.351	10.999	11.242	9.805
Retail & food service sales	n.a.	0.3	-0.3	n.a.	5.3	-1.0	n.a.	8.0
Real disposable personal income	n.a.	0.8	-0.1	n.a.	0.5	2.2	n.a.	1.3
Personal saving rate (percent of disposable income)	n.a.	3.6	3.4	n.a	3.6	3.8	n.a.	4.2
Inflation & Productivity								
CPI-U inflation	n.a.	-0.3	0.1	n.a.	2.3	0.8	n.a.	3.1
Core CPI-U inflation	n.a.	0.1	0.2	n.a.	1.5	2.6	n.a.	1.7
Output per hour, nonfarm bus.	—	—	—	n.a.	2.9	1.9	n.a.	0.7
Unit labor costs, nonfarm bus.	—	—	—	n.a.	-1.9	-0.5	n.a.	2.0
Employment Cost Index	—	—	—	n.a.	1.7	2.1	n.a.	2.0

Sources: Bureau of Economic Analysis, U.S. Department of Commerce; Bureau of the Census, U.S. Department of Commerce; and Bureau of Labor Statistics, U.S. Department of Labor.

Notes: Except where otherwise noted, values in the table represent simple percent changes for monthly data and percent changes at annual rates for quarterly data. Core CPI-U inflation is the percentage change in the CPI-U excluding food and energy prices as reported by the Bureau of Labor Statistics. The Employment Cost Index covers all civilian workers and the quarterly change is measured from the last month of the previous quarter to the last month of the indicated quarter. 'n.a.' denotes that data are not yet available. '—' denotes that data are not available monthly.