



## ECONOMIC UPDATE

October 28, 2024

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### This Week in Focus

This week the JEC Dems will be focused on two major economic indicator releases: Gross Domestic Product (GDP) and the employment situation summary. The advanced estimate of GDP for Q3 will be released Wednesday and is predicted to show the measure rose by 3.0%—matching Q2’s rate. On Friday the employment situation summary is expected to show that 110,000 jobs were added to the economy in October with the unemployment rate remaining at 4.1%. Notably these numbers are affected—and [depressed](#)—by hurricanes Helene and Milton as well as the Boeing strike.

Last week the JEC Dems released two important resources. The first highlights how [State and Local Fiscal Recovery Funds](#) gave governments across the country both the resources and the flexibility to invest in local needs during the pandemic recovery. The second is an interactive [map](#) with new state-level estimates showing that average wages and salaries outpaced price growth in nearly every state between January 2021 and September 2024.

Last but certainly not least, a new [working paper](#) out this week concluded that government spending in response to the COVID-19 pandemic "barely move[d] inflation," countering a common claim by Republicans about the recent increase in inflation. In fact, the authors find that these policies reduce inflation over time by boosting the supply-side of the economy.

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### JEC Resources

- [State Wage Growth Tracker](#)
- [State and Local Fiscal Recovery Funds: Harnessing Federal Investment for Locally-Led Growth](#)
- [The U.S. Economy Performs Better Under Democratic Presidents](#)
- [Broadening Registered Apprenticeships Can Boost America’s Workforce and Grow the Middle Class](#)

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### Economic Indicators This Week

*Below are a series of economic indicators that will be released later this week, along with the consensus estimates from a group of professional forecasters about what the data point will be once it is reported. Oftentimes, news coverage of these indicators will report whether the final number came in above or below the expectations set by the forecasters’ consensus.*

#### Tuesday, October 29<sup>th</sup>:

- **JOLTS Job Openings:** The consensus forecast for job openings anticipates a slight decrease to **7,935k** from **8,040k**.
- **Consumer Confidence:** Predictions for The Conference Board’s Consumer Confidence Index estimate an increase in the measure to **99.3** from **98.7**.

#### Wednesday, October 30<sup>th</sup>:

- **Q3 GDP (Advance Estimate):** The initial estimate of Q3 GDP predicts the measure rose by **3.0%** and the core PCE deflator measure of quarterly inflation rose by **2.1%**.

#### Thursday, October 31<sup>st</sup>:

- **Jobless Claims:** Jobless claims are expected to slightly increase to **235k** from **227k**.
- **Personal Consumption Expenditures (PCE):** The consensus forecast for PCE predicts **incomes** rose by **0.3%**, **real consumption** rose by **0.4%**, and the **core PCE deflator measure of inflation** rose by **0.3%**.

### Friday, November 1<sup>st</sup>:

- **Employment Report:** Non-farm payrolls are expected to increase by **110k** in October, with the unemployment rate remaining unchanged at **4.1%**.
- **Construction Spending:** Construction spending is expected to remain the same in September at around **\$2,131.9 billion**.

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### What You Need to Know

- The world's [embrace](#) of **industrial policy**, a major departure from the **economic consensus** of the **last couple decades**, was an important topic of conversation at last week's **International Monetary Fund** and **World Bank annual meetings**.
- **Yields on Treasury bonds** have [spiked](#) in recent weeks as **investors** worry about **rising government deficits after the election**.
- **Workers at Boeing** voted to [reject](#) a **tentative agreement** last **Wednesday**, saying Boeing must commit to deeper **cultural changes** to **protect workers** and **product quality**.
- **Existing home sales** have [dropped](#) after a **brief recovery** and are now on track for their **worst year** since **1995**.

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### What to Read From the Think Tank World

- [The National Women's Law Center \(NWLC\)](#) demonstrated how despite a strong economy, women still face economic roadblocks like food insecurity, expensive child care, and unaffordable housing.
- [The Center for Economic and Policy Research \(CEPR\)](#) found those with unstable income—including from job departures, irregular work schedules, and gig economy work—are more likely to have health care affordability issues and unsecured debt.
- [Georgetown Law's Center on Poverty and Inequality](#) found states with abortion bans often do not provide enough supportive resources for growing families like health care, food assistance, and cash support.
- [The Pew Research Center](#) released five facts about child care in the United States. Key facts include nearly one in five employed parents indicated they would be extremely or very worried about losing pay if they had to take a day or two off work to help a sick child or because of child care issues in the fall of 2022.
- [The Tax Policy Center](#) made the case for reinstating the expanded Earned Income Tax Credit that includes benefits for workers without children, showing how the 2021 expansion's gains were concentrated among younger workers and those in the South.

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### Latest Academic Articles Selected From NBER

*The National Bureau of Economic Research, a private research organization, circulates a series of working papers in economics every Monday morning. These offer an early look at the latest academic research findings. These are our selected recommendations from the latest papers out this morning.*

- [Does Unconventional Monetary and Fiscal Policy Contribute to the COVID Inflation Surge?](#)
- [How Big is the "Biggest Climate Spending Bill Ever?" Key Factors Influencing the Inflation Reduction Act's Clean Energy Impacts](#)
- [Preferences, Selection, and the Structure of Teacher Pay](#)
- [Nonbinary Gender Identities and Earnings: Evidence from a National Census](#)