



ECONOMIC UPDATE

December 9, 2024

This Week in Focus

This week the JEC Dems will be analyzing CPI inflation data from November 2024. The consensus forecast is for both headline and core Consumer Price Index (CPI) to have increased by 0.3% last month. This follows last week, where the JEC analyzed the latest employment data, finding the U.S. economy added 227,000 jobs in November while the unemployment rate rose slightly to 4.2%. November was the 46th month of consecutive job growth under the Biden administration and showed how the labor market rebounded from October when job growth was depressed by the hurricanes and Boeing strike.

JEC Resources

- [Safety Net Programs Dramatically Reduce Child Poverty in New Mexico](#)
- [The Biden-Harris Bipartisan Infrastructure Law is Building a New Foundation for Economic Growth](#)
- [State and Local Fiscal Recovery Funds: Harnessing Federal Investment for Locally-Led Growth](#)
- [The U.S. Economy Performs Better Under Democratic Presidents](#)

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.

Wednesday, December 11th:

- **Consumer Price Index (CPI):** Forecasts anticipate a **0.3%** increase in both headline and core CPI.

Thursday, December 12th:

- **Jobless Claims:** Jobless claims are expected to have fallen to **220k** last week from **224k** the week prior.
- **Producer Price Index (PPI):** The consensus forecast for PPI predicts the headline measure increased by **0.3%** while the core measure increased by **0.2%**.

Friday, December 13th:

- **Import Prices:** Import prices are expected to have fallen by **0.2%** in November.

What You Need to Know

- There is **growing evidence** that rising **climate risks** are **impacting the portfolios** of Fannie Mae and Freddie Mac and that accounting for **climate risks** could further raise **U.S. housing costs**.
- As **layoffs** remain **below pre-pandemic levels** and **unemployment** remains at **historic lows**, **hiring** also **remains low**, with **signs emerging** that **those who are unemployed** are having a **hard time finding jobs**.

- The **Biden administration** is working to **finally end** a [policy](#) that allows **businesses to hire disabled workers for less than minimum wage**.
- The **OECD** is projecting a **3.3% growth rate** for the **global economy next year**, but is warning **Trump's planned tariffs** are a **threat to growth** across the world.
- A recent surge in U.S. [productivity](#) is **outpacing productivity growth in other developed countries** and is **allowing American workers to take home more pay without risking inflation**.

What to Watch This Week

Tuesday, December 10th:

- **Senate Judiciary Committee**, [Hearings to examine mass deportations](#) at 10:00 am (EST).
- **House Appropriations Committee**, [Budget and Oversight Hearing--District of Columbia Budget for Fiscal Year 2025](#) at 10:00 am (EST).

Wednesday, December 11th:

- **Senate Banking, Housing, and Urban Affairs Committee**, [A hearing to examine consumer protection, focusing on protecting workers' money and fighting for the dignity of work](#) at 9:45 am (EST).
- **House Budget Committee**, [Sounding the Alarm: Pathways and Possible Solutions to the U.S. Fiscal Crisis](#) at 10:00 am (EST).

What to Read From the Think Tank World

- [The Council of Economic Advisers \(CEA\)](#) highlighted takeaways from the labor market under President Biden, including that a hot labor market can settle without much unemployment increase.
- [The Economic Policy Institute \(EPI\)](#) covered ways workers' rights are on the chopping block under President Trump, including through ending proactive government support for the right to form a union, further cracking down on immigrants in the workplace, and rolling back pro-worker laws that would give employers more power.
- [The Urban Institute](#) modeled the impact of a national baby bond program, finding all families with children would experience a wealth increase and it would lead to a reduction in the racial-ethnic wealth gap.
- [The Center for American Progress \(CAP\)](#) laid out principles for the 2025 tax debate and noted how every income group outside of the top 1% would experience a tax increase from the combination of Trump's tax cuts and tariff proposals.
- [The Brookings Institution](#) emphasized how the softening labor market is still growing.

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. Because it takes a long time for articles to appear in peer-reviewed journals, many economists look to this series for the latest academic research findings. These are our selected recommendations from the latest papers out this morning.

- [Tearing the Paper Ceiling: The Impact of State Commitments to Remove Degree Requirements on Public Awareness and Job Opportunities for STARS](#)
- [Gender Composition and Group Behavior: Evidence from US City Councils](#)
- [Business Applications as a Leading Economic Indicator?](#)
- [Overcoming Racial Gaps in School Preferences: The Effect of Peer Diversity on School Choice](#)