Recent Economic Developments and Longer-Term Challenges

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1. Inflation is moving up toward target

Percent change from 12 months earlier

2. Payroll employment growth is solid


*Excluding temporary Census Bureau workers.
3. Unemployment has returned to pre-crisis levels

4. Labor force participation rate has stabilized

5. Household and business surveys indicate a healthy job market

Source: Surveys database, Conference Board/Haver Analytics.

Source: Surveys database, National Federation of Independent Businesses (NFIB)/Haver Analytics.
6. The expansion in context of the past

Source: Department of Commerce, Bureau of Economic Analysis.

Source: Department of Labor, Bureau of Labor Statistics.
7. The expansion in international context

8. GDP growth has slowed over time

Source: Department of Commerce, Bureau of Economic Analysis.
9. Labor force has slowed

Source: Department of Labor, Bureau of Labor Statistics.
10. The population is aging

Ratio of those aged 65 and over to working-age population

Source. Department of Commerce, Census Bureau.
11. Labor productivity growth is low

Source: Department of Labor, Bureau of Labor Statistics.
12. Productivity slowdown is global

GDP per hour worked in OECD countries (growth rates, percent)

13. U.S. interest rates are very low

Source: Board of Governors of the Federal Reserve System, H.15.
14. Sovereign rates are low around the world

Percent

10-year Sovereign Yields


Japan  U.K.  U.S.  Germany

Source: Board of Governors of the Federal Reserve System, Reuters/Haver Analytics.