

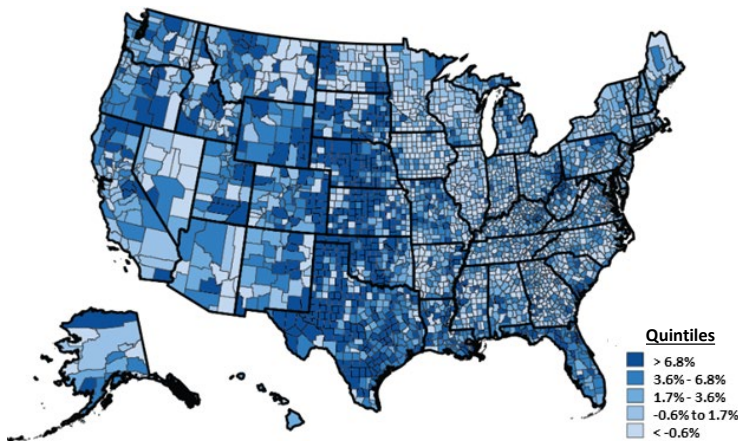
Economic & Market Watch Intelligence Brief

Briefing

- GDP growth, also called nominal growth, (**Figure 1**) measures the increase in the production of goods and services measured in dollars. Because the production is measured in dollars, GDP can rise because the economy is producing more goods and services or because inflation is making the goods and services more expensive. For example, from right before COVID until now, U.S. GDP has risen by \$10 trillion, or around 50%. However, most of that increase was due to inflation.
- Real GDP growth, also called economic growth, (**Figure 2**) strips out inflation. The point of removing inflation is to focus on the quantities of goods and services produced, as this is what matters when thinking about people's well-being. While U.S. GDP has risen by \$10 trillion since right before COVID, only around \$3 trillion of that is due to producing more goods and services.
- Real per-capita GDP (**Figure 3**) goes a step further by adjusting for population. Real per-capita GDP growth is nominal GDP growth minus inflation and minus population growth. For example, from 1975–1979, GDP rose by around 11% (**Figure 1**). But, because of inflation, the economy produced only 4% more goods and services (**Figure 2**). And, because those goods and services were spread among a larger population, the average person was only 3% better off (**Figure 3**).

Chart of the Week

Real GDP Growth by County (2023)



Commentary

We speak about economic growth as if it were uniform across the country. Just as the weather can be markedly different in different areas, so too can economic growth. In 2023, real GDP increased in 2,357 U.S. counties, decreased in 734 counties and was unchanged in 23 counties. Economic growth ranged from a high of more than 125% in Throckmorton County, Texas, to almost minus 40% in Lincoln County, Washington.

Counties in Texas, Oklahoma and parts of the Mountain West appeared in the highest quintile, benefiting from continued upstream energy investment and rapid expansion of data centers and semiconductor fabrication. Similarly, counties adjacent to major tech hubs—such as those in Northern Virginia, Arizona's Maricopa County suburbs and some areas around Austin—registered robust gains.

Counties with coal-mining or paper-mill industries—particularly in parts of Appalachia and the Pacific Northwest—bore the brunt of contractions. This underscores that, absent new investment or workforce-retraining efforts, these areas struggle to offset job and revenue losses.

Snapshots

Figure 1. Average GDP Growth
(5 year increments)

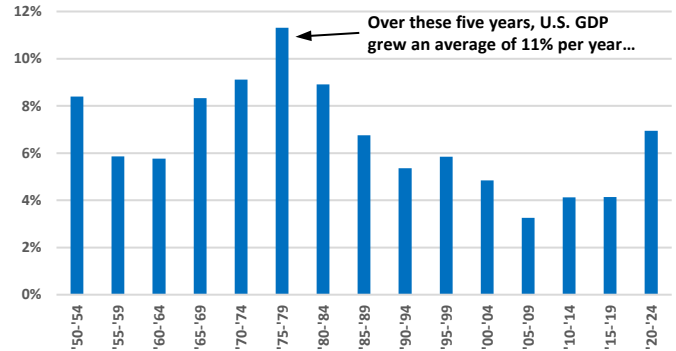


Figure 2. Average Real GDP Growth
(5 year increments)

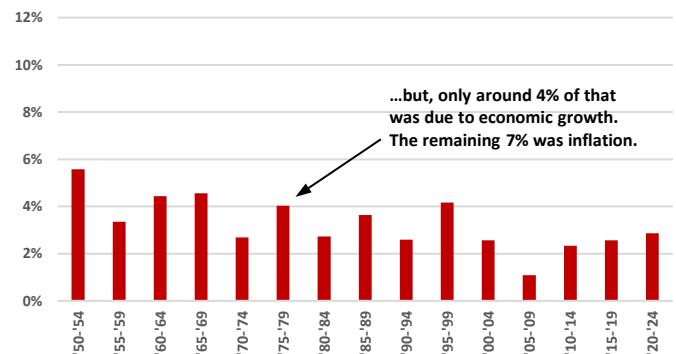
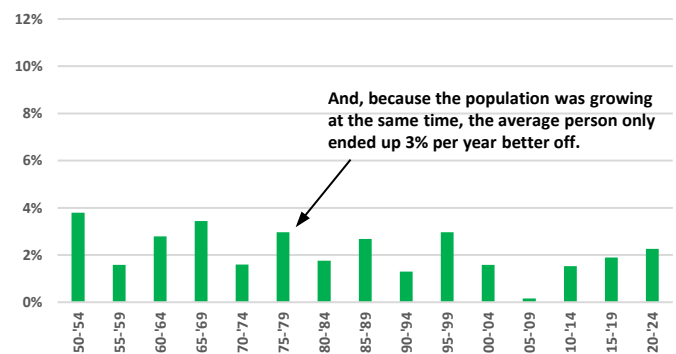


Figure 3. Average Real Per-Capita GDP Growth
(5 year increments)



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Economic & Market Watch Dashboard

Key Indicators

INTEREST RATES¹

	Current	2025			2026		
		Q3	Q4	Q1	Q2	Q3	
Fed Funds Target ² (%)	4.50	4.25	4.00	3.75	3.75	3.50	
SOFR (%)	4.29	3.95	3.70	3.48	3.28	3.17	
2Y UST (%)	4.02	3.68	3.55	3.47	3.39	3.33	
5Y UST (%)	4.10	3.87	3.79	3.73	3.68	3.65	
10Y UST (%)	4.50	4.27	4.22	4.19	4.16	4.14	
30Y UST (%)	4.97	4.65	4.61	4.58	4.54	4.51	

ECONOMY

	Current	2025			2026		
		Q3	Q4	Q1	Q2	Q3	
PCE Inflation (YoY %)	2.1	2.6	2.3	2.5	2.4	2.5	
CPI Inflation (YoY %)	2.3	3.2	2.6	2.7	2.8	2.8	
Real GDP (QoQ %)	(0.2)	0.5	0.5	1	1.1	1.6	
Unemployment (%)	4.2	4.3	4.4	4.5	4.5	4.5	
Consumer Spending (QoQ %)	1.2	1.5	0.7	1.2	1.6	1.8	
Industrial Production (YoY %)	1.5	0.9	0.8	1.1	0.6	0.7	

Equities & Currency

	Current	Year ago
DJIA	42,709	38,799
Nasdaq	19,553	17,133
S&P 500	6,000	5,347
US Dollar Index	\$1,210.71	\$1,262.34

Commodities

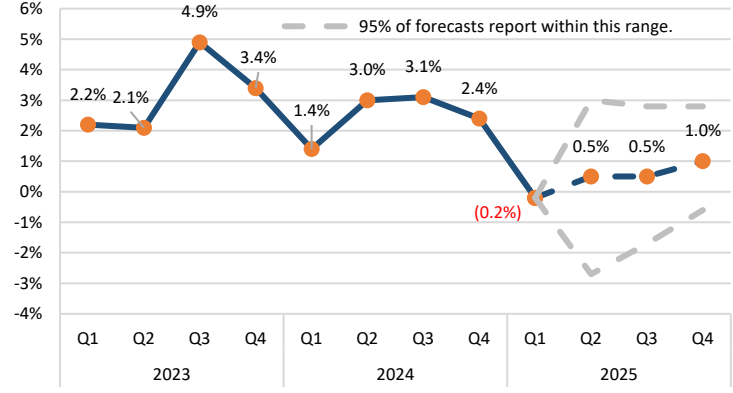
	Current	Year ago
Crude Oil (Per Barrel)	\$64.46	\$75.53
Natural Gas (Per MMBtu)	\$3.61	\$2.92
Coal (Per Short Ton)	\$14.30	\$13.60
Gold (Per Ounce)	\$3,313.70	\$2,305.20
Corn (Per Bushel)	\$4.38	\$4.49
Soybean (Per Bushel)	\$10.58	\$11.79

Industry

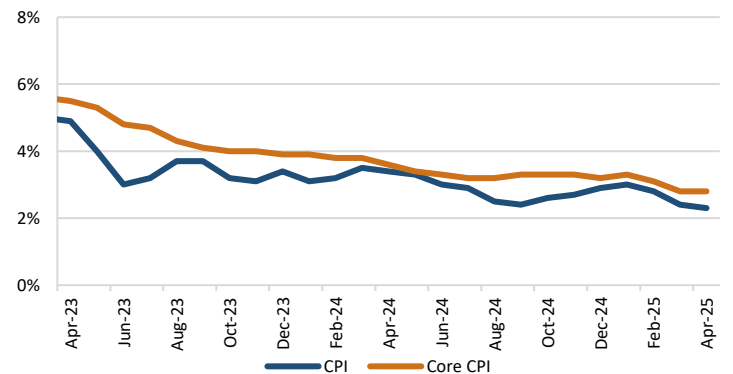
	Current	Year ago
Natural Gas Storage (Billion Cubic Feet)	2,598	2,974
U.S. Daily Power Consumption (MWh)	12,228,689	12,588,833
World Container Index (Per 40ft)	\$3,527	\$4,716

Forecasts

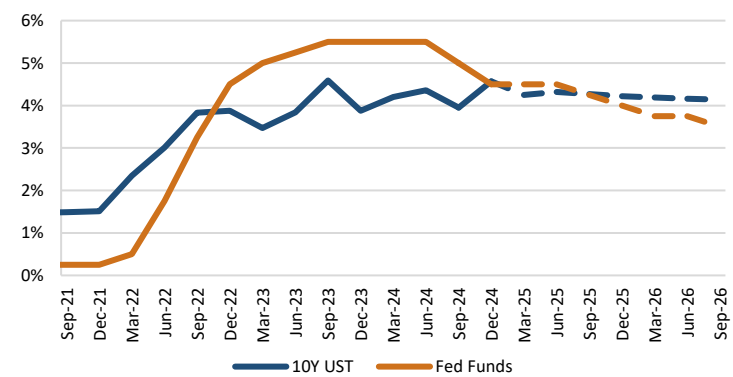
Real GDP Growth Trend



Headline vs. Core Inflation



10-Year US Treasury vs. Fed Funds Trend

¹ Unless otherwise indicated, forecasts are from the Blue Chip Professional Forecasters.² Target rate forecast is based on futures market contracts.

Source: Blue Chip Financial Forecasts, Trading Economics, Moody's Analytics, Statista, Trading Economics, U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics, U.S. Energy Information Administration, U.S. Treasury Department, Federal Reserve Bank of Atlanta, Federal Reserve Bank of New York, Federal Reserve Bank of St. Louis, International Monetary Fund, World Bank, University of Michigan, The Conference Board.

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