CFC solutions cooperative news
Economic & Market Watch

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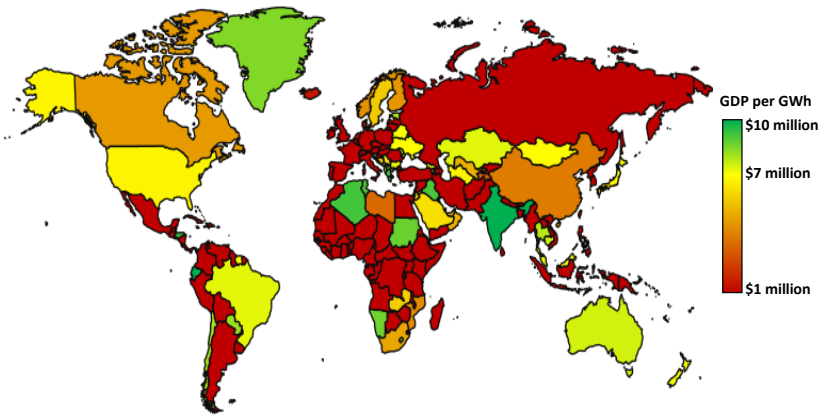
Intelligence Brief
March 2, 2026

Briefing

- Since 2015, coal generation has fallen sharply while generation by natural gas and renewables has grown. Nuclear output has remained broadly stable. The result is a generation mix that is less carbon-intensive and more diversified than a decade ago, with renewables moving from a marginal to a structural contributor to the total energy supply (**Figure 1**).
- On the demand side, residential and commercial users have driven long-run growth in electricity consumption (**Figure 2**). Industrial demand, which had been growing for decades, has remained relatively flat since the late 1990s. This reflects the economy's structural shift away from heavy manufacturing toward services, technology and knowledge-based sectors. Residential consumption began to flatten in the late 2000s. Commercial consumption continues to grow, but at a slower pace since 2000. However, data centers are already emerging as a major source of commercial consumption growth.
- Electricity remains highly affordable in historical terms. In 1979, the median worker needed to work 15 minutes to afford enough electricity to power a typical home for a day. That figure shot up with the inflation of the 1980s but has been trending down since. In terms of labor, electricity is significantly cheaper today than in decades past (**Figure 3**).

Chart of the Week

Economic Activity Produced per 1 GWh of Electricity



Commentary

Efficiency boils down to one question: How much output are you getting for your input? Details as to what constitutes "input" and "output" result in thousands of competing metrics and methods for measuring efficiency. At a country level, a reasonable aggregate measure is the amount of economic value an economy produces relative to the energy it used to do the producing. To account for differences in prices across countries, we look at purchasing-power-parity-adjusted (PPP) gross domestic product (GDP). A PPP adjustment does, across countries, what an inflation adjustment does across time.

The **Chart of the Week** shows economic output per 1 gigawatt-hour of electricity. The differences are striking. Advanced, service-oriented economies generally produce far more GDP per unit of electricity than commodity-dependent or heavy industrial systems. Economies centered on finance, technology, healthcare and professional services typically generate high value added with relatively modest energy inputs. By contrast, economies reliant on heavy industry, mining or basic manufacturing convert large volumes of electricity into comparatively lower value per unit of output.

Snapshots

Figure 1. US Net Electric Generation by Source (GWh)

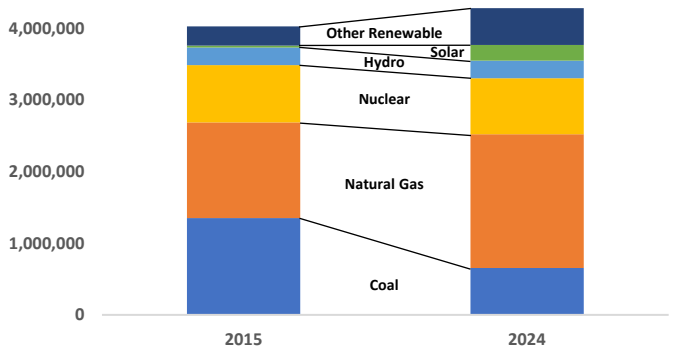


Figure 2. US Electricity Consumption by Use (GWh)

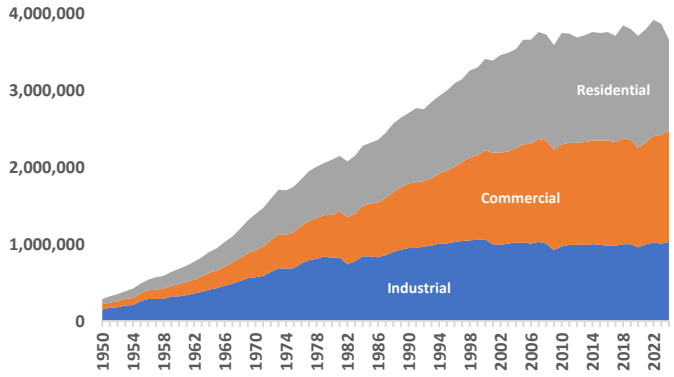
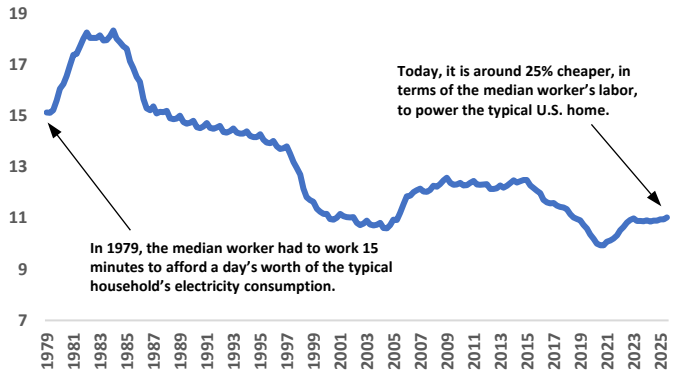
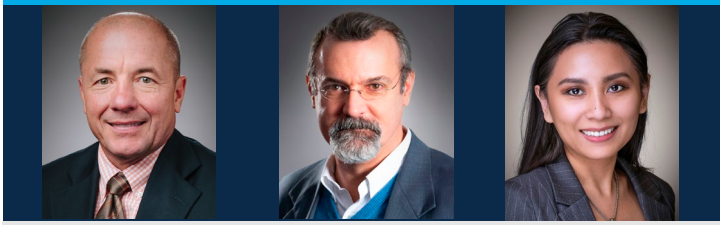


Figure 3. Minutes of Labor to Afford 30 kWh



The Economic & Financial Research Team



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Key Indicators

INTEREST RATES[1]

		2026				2027
	Current	Q1	Q2	Q3	Q4	Q1
Fed Funds Target[2] (%)	3.75	3.75	3.75	3.50	3.25	3.25
SOFR (%)	3.68	3.54	3.38	3.23	3.16	3.14
2Y UST (%)	3.46	3.49	3.46	3.43	3.38	3.35
5Y UST (%)	3.59	3.70	3.69	3.68	3.66	3.65
10Y UST (%)	4.03	4.18	4.17	4.17	4.16	4.16
30Y UST (%)	4.69	4.78	4.77	4.76	4.74	4.73

ECONOMY

		2026				2027
	Current	Q1	Q2	Q3	Q4	Q1
PCE Inflation (YoY %)	2.9	2.9	2.7	2.5	2.3	2.3
CPI Inflation (YoY %)	2.4	2.8	2.7	2.6	2.4	2.5
Real GDP (QoQ %)	1.4	2.2	2.0	2.0	2.1	2.1
Unemployment (%)	4.3	4.5	4.4	4.4	4.3	4.3
Consumer Spending (QoQ %)	2.4	1.3	1.5	1.7	1.8	2.0
Industrial Production (YoY %)	2.3	1.2	1.1	0.9	1.3	1.9

Equities & Currency

	Current	Year ago	YoY Δ
DJIA	48,812	43,191	13.01%
Nasdaq	22,616	18,350	23.23%
S&P 500	6,851	5,850	17.12%
US Dollar Index	$1,196.34	$1,292.49	(7.85%)

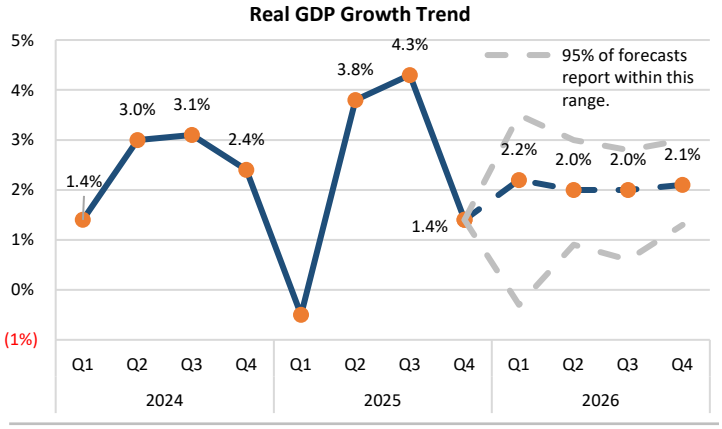
Commodities

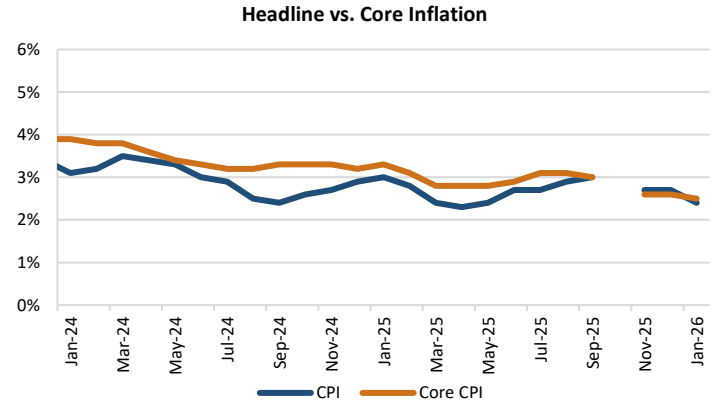
	Current	Year ago	YoY Δ
Crude Oil (Per Barrel)	$71.50	$68.37	4.58%
Natural Gas (Per MMBtu)	$3.61	$4.12	(12.38%)
Coal (Per Short Ton)	$11.85	$10.14	16.86%
Gold (Per Ounce)	$5,343.40	$2,890.80	84.93%
Corn (Per Bushel)	$4.33	$4.40	(1.60%)
Soybean (Per Bushel)	$11.51	$9.98	15.26%

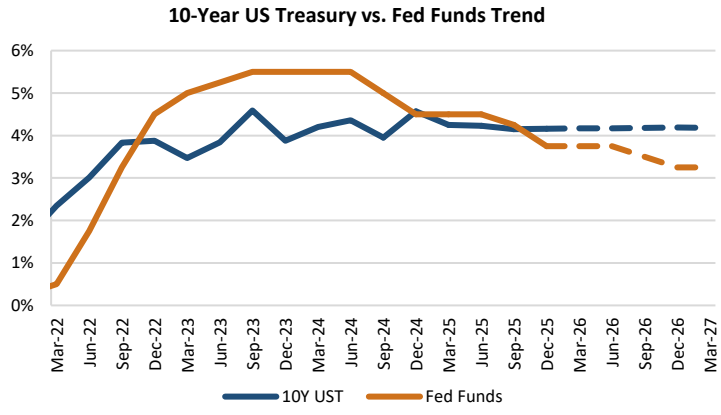
Industry

	Current	Year ago	YoY Δ
Natural Gas Storage (Billion Cubic Feet)	2,018	1,877	7.50%
U.S. Daily Power Consumption (MWh)	10,409,343	10,674,995	(2.49%)
World Container Index (Per 40ft)	$1,899	$2,629	(27.77%)

Forecasts







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