



# Economic & Market Watch

## QUARTERLY



JUNE 2025

## **PREFACE**

The Economic & Market Watch (EMW) Quarterly is prepared by CFC's Economic Research Team to provide a quarterly review of the economy and financial markets with expert insight and analysis. EMW Quarterly captures quarterly economic changes through the lens of historical standards or contextual benchmarks. It is intended to serve as an educational tool for electric cooperative members and leaders in assessing medium-term macroeconomic and financial market developments that may impact cooperatives' operations and members—as well as background knowledge needed to better utilize other CFC economic publications.

Our quarterly assessment of the global economy draws on the International Monetary Fund's "World Economic Outlook," "Global Financial Stability Report" and "Fiscal Monitor." EMW Quarterly utilizes U.S. macroeconomic data from databases produced by U.S. statistical agencies and financial market data from private data services and financial industry associations.

This EMW Quarterly issue reflects information available as of May 30, 2025, unless otherwise noted.

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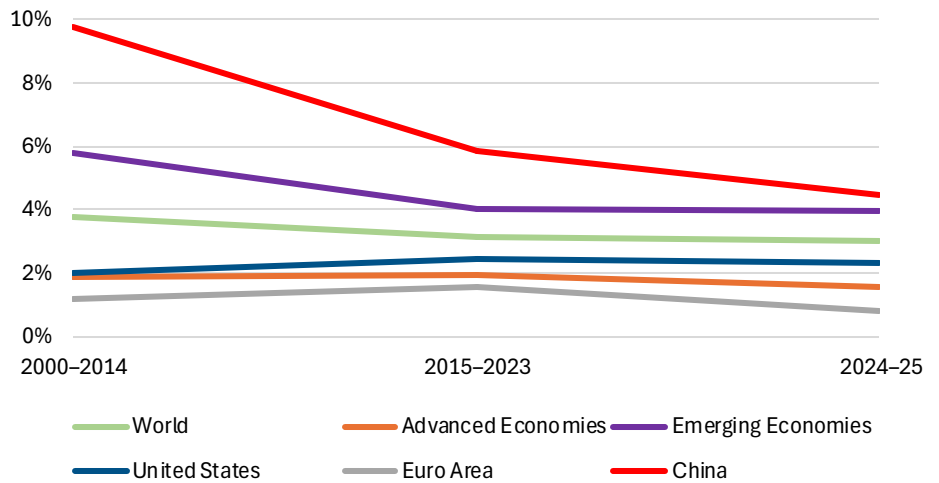
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# Global Macroeconomic Overview

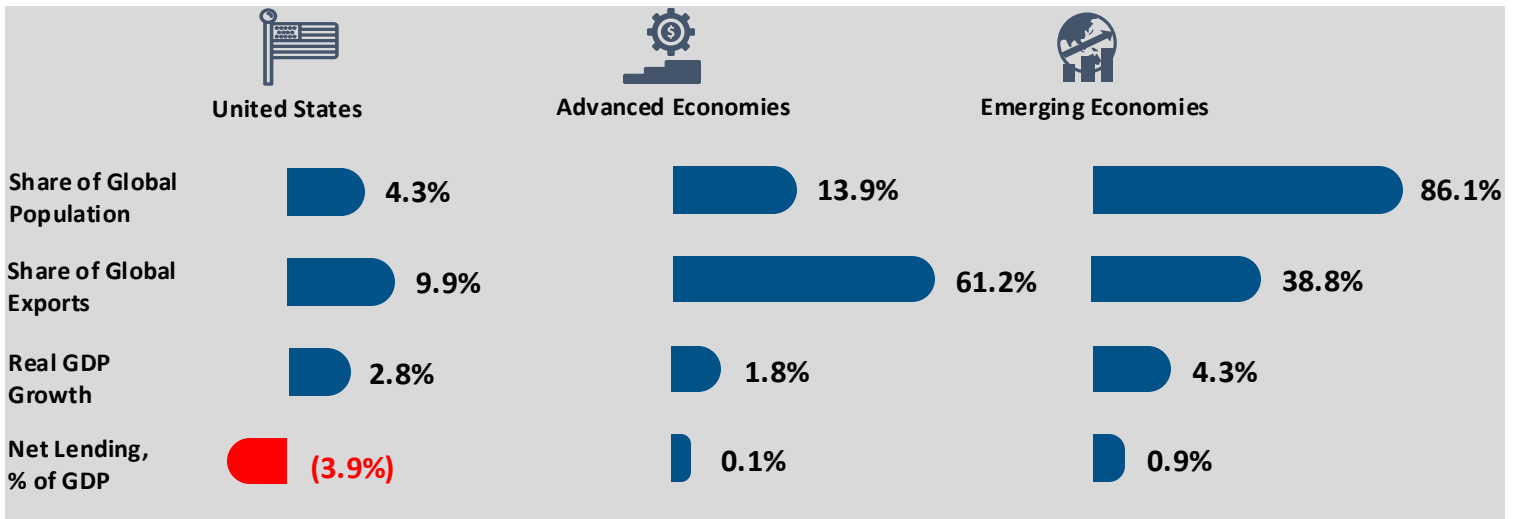
## Snapshot of the Global Economy

Global economic growth has been steady but underwhelming. However, stability is threatened by shifting policies and rising uncertainties. The U.S. economy faces a potential reversal with decreased consumer spending, while the euro area is seeing subdued domestic demand and weak manufacturing. China's prolonged real estate sector weakness impacts local government finances and depresses demand. Rising trade tensions and new tariffs also disproportionately affect China. Overall, divergent fiscal and monetary policies, trade wars and reduced international cooperation pose risks to global economic resilience.

## China's Economic Growth Has Decelerated

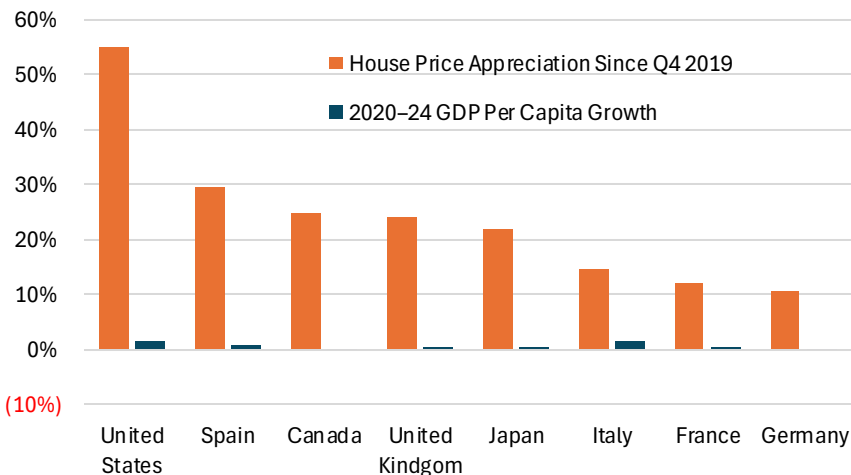


Note: Economic growth is measured by real GDP performance and forecast.  
Source: International Monetary Fund.



Note: 2024 annual data.  
Source: International Monetary Fund.

## House Prices Skyrocket While GDP Per Capita Barely Grows



Source: International Monetary Fund.

- Although real GDP has recovered between 2020 and 2024, real GDP per capita has not in some advanced economies. Even in countries where per capita has recovered, it barely grew.
- Over the same period, house prices skyrocketed, with the United States posting over 55% of house price growth.
- China's growth in 2024 was mainly supported by external demand, with its weak domestic demand putting strain on its economy.
- Domestic imbalances have given rise to unbalanced growth in many economies.

# Global Macroeconomic Overview

## Outlook for the Global Economy

Global growth forecasts have been significantly downgraded since January 2025, due to high tariff rates and an unpredictable environment. Inflation is expected to decline more slowly than anticipated.

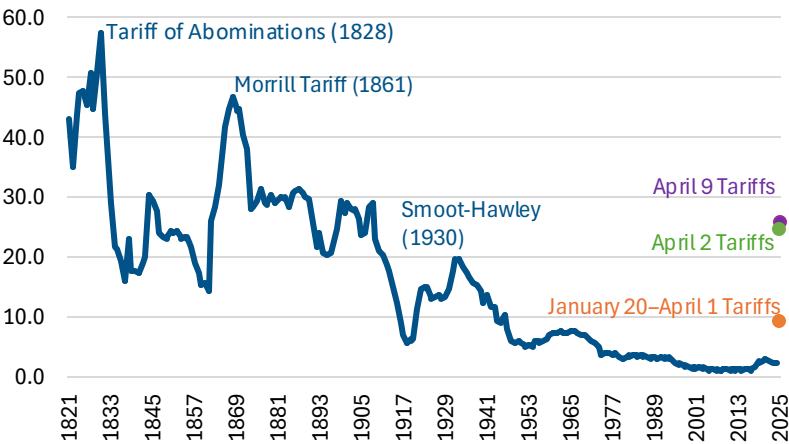
The outlook is dominated by intensifying downside risks, including escalating trade tensions and financial market adjustments. Rapid changes in policy and sentiment could tighten global financial conditions further. A trade war and heightened uncertainty may hinder growth prospects. Reduced international cooperation could threaten progress toward a more resilient global economy.

### Government Debt (% of GDP) Projections

	2025	2026	2027	2028	2029	2030
Advanced Economies	110.1	110.9	111.5	112.0	112.6	113.3
Emerging Economies	73.6	76.7	78.4	79.7	80.9	82.0

Source: International Monetary Fund.

### US Effective Tariff Rates on All Imports



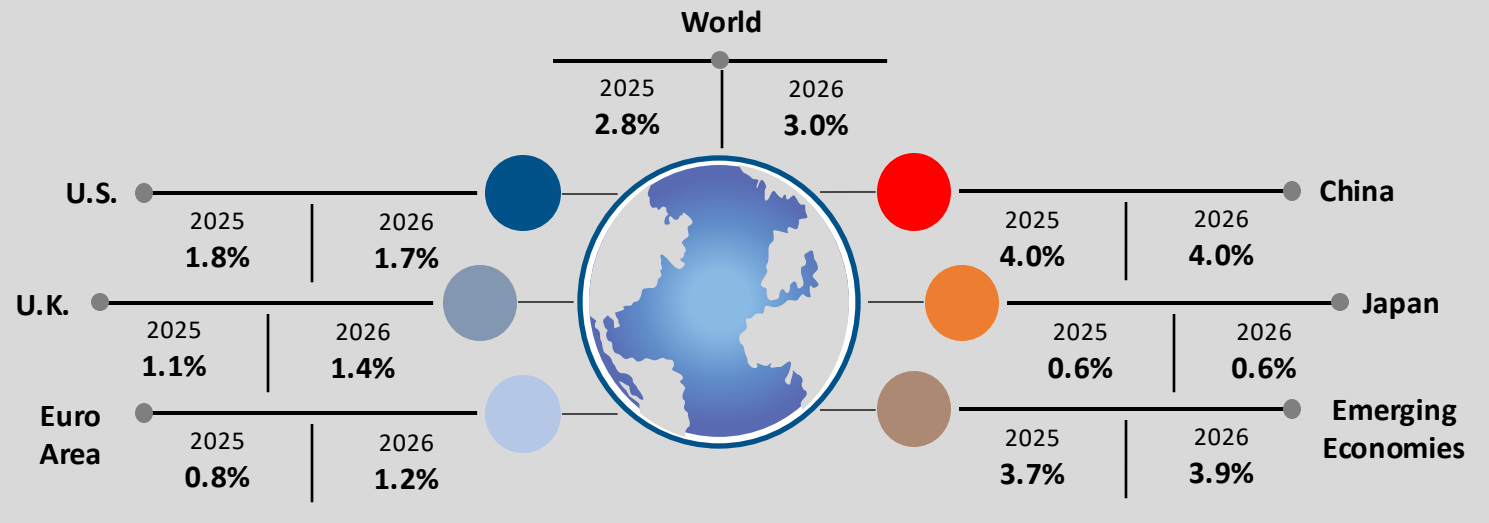
Source: International Monetary Fund.

### Downside Risks to Global Growth Outlook

-  Escalating trade tensions with high trade policy uncertainty.
-  Potential asset repricing and financial instability triggered by divergent and rapidly shifting policy stances.
-  Demographic shifts and a shrinking foreign labor force putting pressure on growth.
-  Potential social unrest triggered by cost-of-living crises and low medium-term growth prospects.
-  Limited international development assistance putting pressure on low-income countries.

Source: World Economic Outlook May 2025, International Monetary Fund.

### Short-Term Real GDP Growth Projections



Source: World Economic Outlook May 2025, International Monetary Fund.

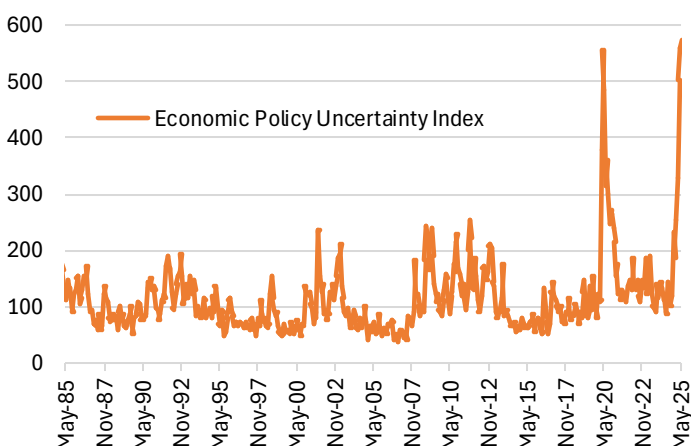
# US Macroeconomic Facts

## US Economy at a Glance

As the world's largest economy, the U.S. is a high-income, diverse and consumption-driven economy, with an increasingly large share of the services sector and a declining manufacturing sector.

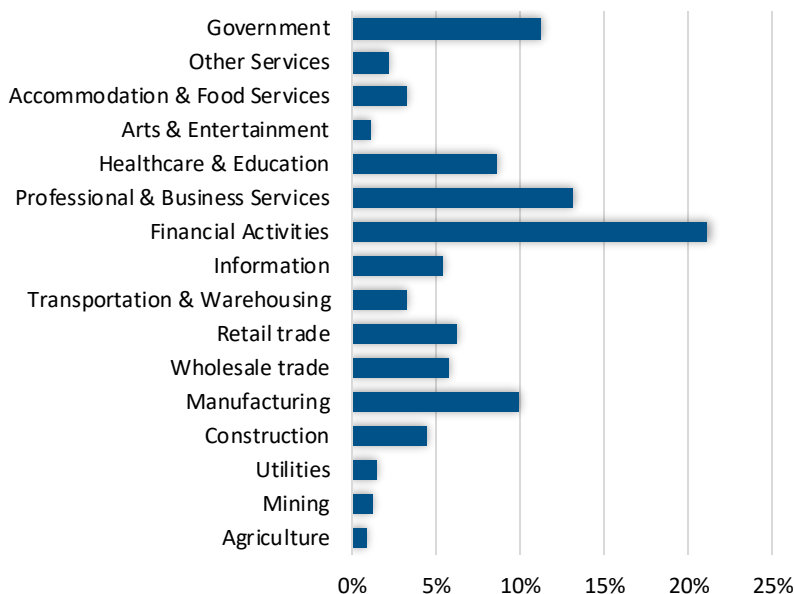
The U.S. economy is navigating a complex and challenging landscape characterized by slowing growth, persistent inflation and an unsustainable fiscal path. Its equity and bond markets have been highly volatile due to continuing economic uncertainty and shifting policy directions aiming to deliver a new economic landscape. A new, not-yet-defined tariff regime has the potential to strengthen the U.S. manufacturing sector.

## US Economic Policy Uncertainty Highest on Record



Source: Federal Reserve Bank of St. Louis.

## Annual Value Added as a Percentage of GDP, 2024



Source: U.S. Bureau of Economic Analysis.

## Percent Change in Real Gross Value Added, Q1 2025



Business

(0.6%)



Households

1.3%



Government

0.5%

Source: U.S. Bureau of Economic Analysis.





## Macroeconomic Snapshot

Indicators	Current	Previous	Benchmark
Real GDP (QoQ)(Q1 25)	(0.2%)	2.4%	Average annual rate of 2%; volatile quarterly rate.
Unemployment Rate (Apr 25)	4.2%	4.2%	Current natural rate of unemployment of 4.4%.
Consumer Price Index (Apr 25)	2.3%	2.4%	Target rate of 2%.
Personal Consumption Expenditure Index (Apr 25)	2.1%	2.3%	Target rate of 2%.
Business Confidence (April 25)	99.03	99.18	>100 indicates optimism; < 100 indicates pessimism.
Manufacturing PMI (Apr 25)	47.2	45.2	> 50 indicates expansion; < 50 indicates contraction.
Services PMI (April 25)	51.6	50.8	> 50 indicates expansion; < 50 indicates contraction.
Industrial Production (YoY)(Q1 25)	1.5%	(0.3%)	2000–2019 average of 0.8%.
Consumer Confidence (May 25)	98.0	85.7	>100 indicates optimism; < 100 indicates pessimism.
Real Consumer Spending (QoQ)(Q1 25)	1.2%	4.0%	2000–2019 average of 2.3%.
Private Investment (QoQ)(Q1 25)	24.4%	(5.6%)	2000–2019 average of 3.1%.

Source: Bloomberg; Federal Reserve Bank of St. Louis; Organization for Economic Co-operation and Development.

US Macroeconomic Facts

State of Fiscal Stand

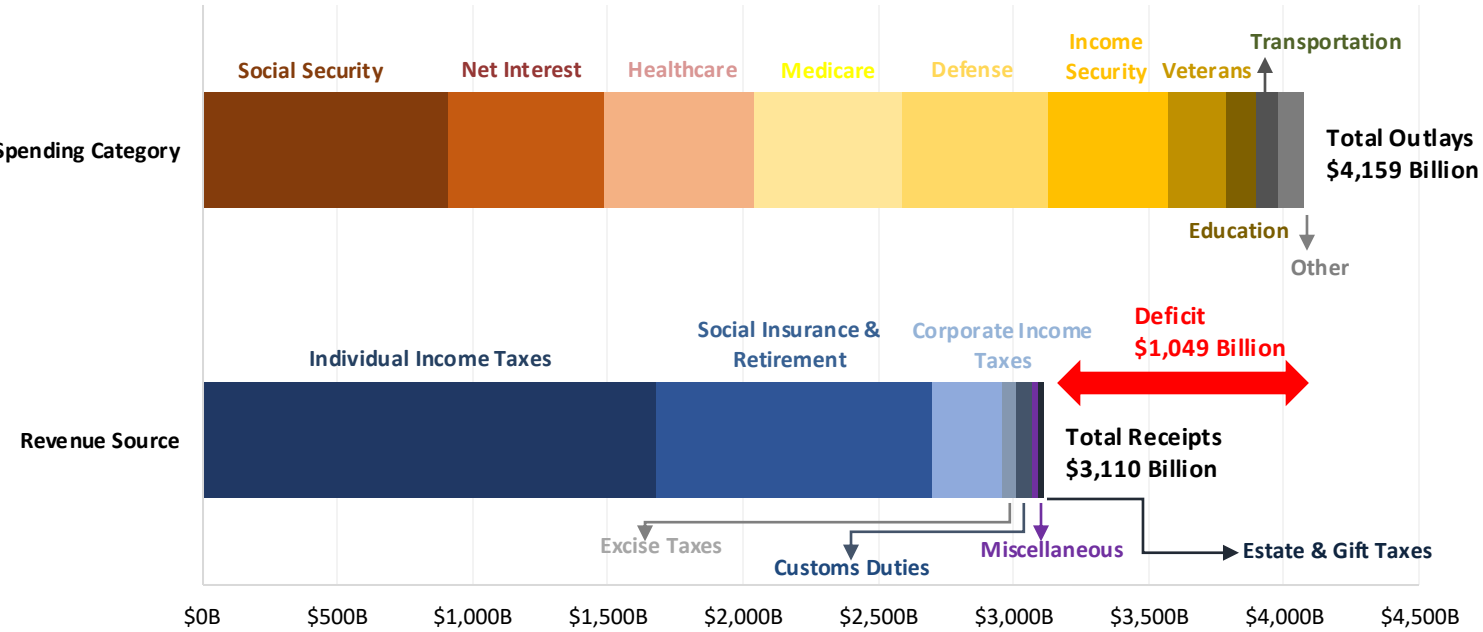
Fiscal Snapshot				
	FY2024	FY2025	FY2030	FY2035
 <b>Total Debt</b> % of GDP	124%	126%	127%	133%
 <b>Debt Held by the Public</b> % of GDP	97.8%	99.9%	109.2%	118.5%
 <b>Deficit</b> % of GDP	6.4%	6.2%	5.9%	5.8%
 <b>Total Spending</b> % of GDP	23.4%	23.3%	23.9%	24.0%

Source: Long-term Budget Projections & 10-Year Projections, Congressional Budget Office.

The federal government has been running large annual deficits that are expected to grow. Mandatory spending, such as Social Security and Medicare, is outpacing revenue, with more retirees relying on these programs while the working population is failing to catch up. Meanwhile, rising interest rates are leading to higher payments, which may soon become the largest budget item.

These fiscal issues pose serious economic, security and social risks, potentially jeopardizing the status of U.S. Treasurys as safe-haven assets, which could raise borrowing costs and worsen the fiscal outlook.

2025 Fiscal-Year-to-Date Receipts and Outlays, as of April 2025



Source: April 2025 Monthly Treasury Statement.

Trust Fund Status

Fund	Projected Depletion Year	Projected Post-Depletion Trend
Social Security’s combined trust funds	2035	In 2035, 83% of scheduled benefits may be payable, and 73% may be payable by 2098.
Social Security’s Old-Age and Survivors Insurance	2033	In 2033, 79% of scheduled benefits may be payable.
Medicare Hospital Insurance	2036	In 2036, 89% of scheduled benefits may be payable.

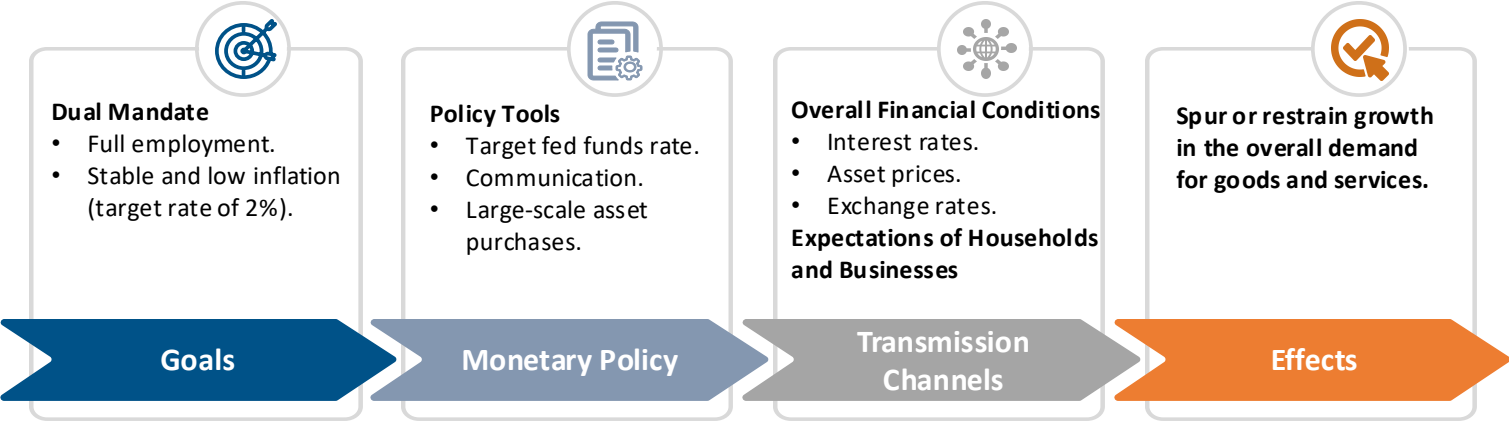
Source: 2024 Social Security and Medicare Trustees Reports.



# US Macroeconomic Facts

## State of Monetary Policy

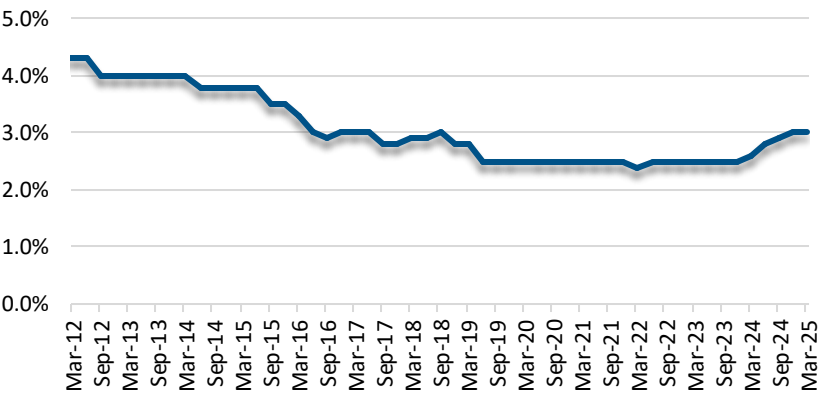
### Role of Monetary Policy and How It Works



### Current Monetary Policy Cycle at a Glance:

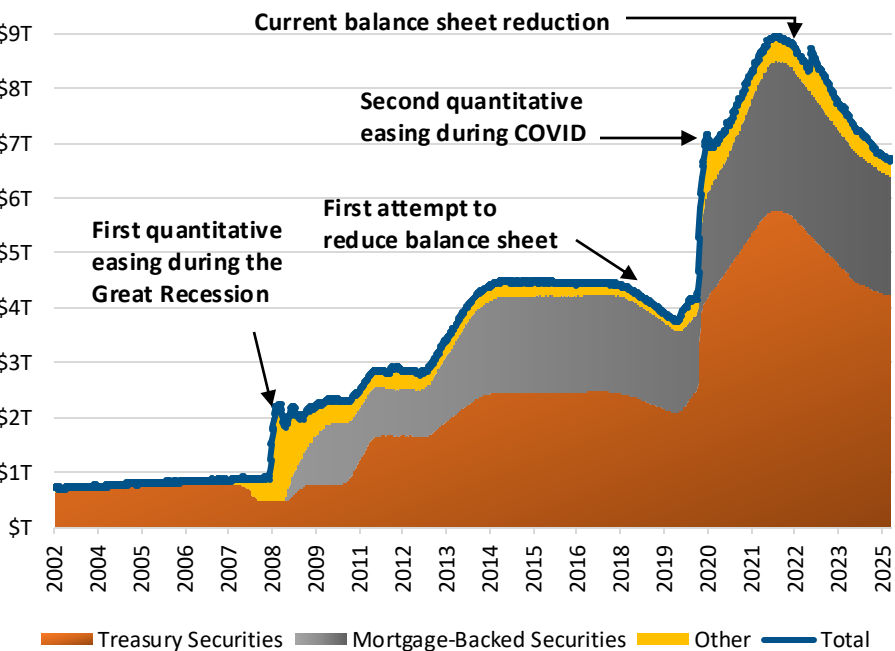
- Catch up with inflation with aggressive rate hikes from a low base (0.25%).
- Hold policy rate at peak level of 5.5% for 30 months.
- Cut policy rate three times from September to December 2024.
- Pause rate cuts and hold policy rate at 4.5%.

### The Evolution of Projected Long-Run Policy Rate



Note: Projected long-run policy rate is the estimated policy rate where the monetary policy achieves maximum employment and price stability in the long run.  
Source: Board of Governors of the Federal Reserve System.

### Federal Reserve Balance Sheet



### Fed Balance Sheet Reduction Explained

The Fed began balance sheet reduction in the current cycle in June 2022 by allowing Treasury securities and agency securities—such as mortgage-backed securities—to expire without reinvestment unless the amount expired exceeded the monthly cap of \$95 billion (\$60 billion for Treasury securities and \$35 billion for agency securities). That means balance sheet reduction could not exceed \$95 billion per month.

The Fed announced its plan to slow the speed of balance sheet reduction. Starting from June 2024, the monthly cap for Treasury securities was lowered to \$25 billion per month, while the cap for agency securities remains the same.

Source: Board of Governors of the Federal Reserve System.

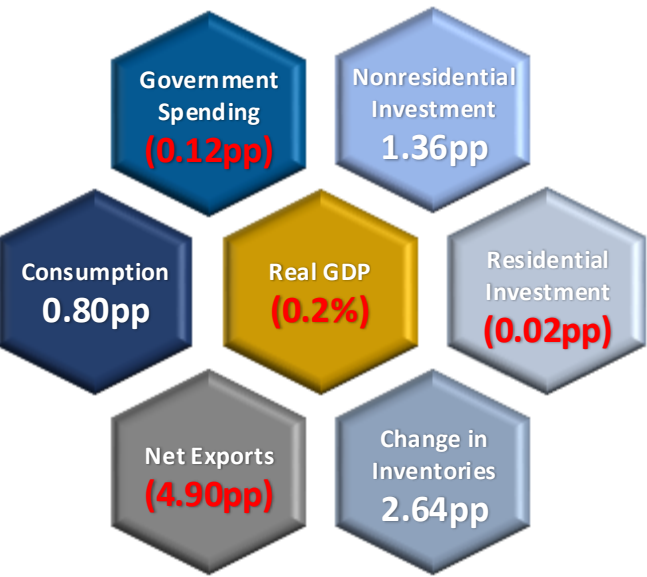


# US Macroeconomic Facts

## Economic Growth

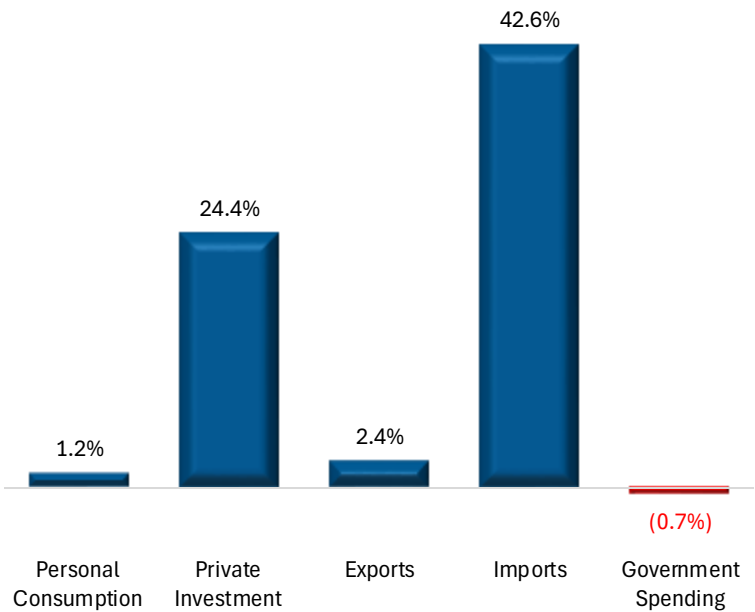
U.S. economic growth has been driven largely by personal consumption, which makes up nearly 70% of real GDP. Real GDP decreased 0.2% in the first quarter of 2025. The decline was mainly driven by a rise in imports—which subtract from GDP—and a drop in government spending. These effects were partially offset by gains in investment, consumer spending and exports. Compared to the fourth quarter, the downturn reflected higher imports, slower consumer spending and reduced government expenditures, partially offset by investment and export growth.

Contribution in Percentage Points to Real GDP Growth, Q1 2025 (Advance Estimate)

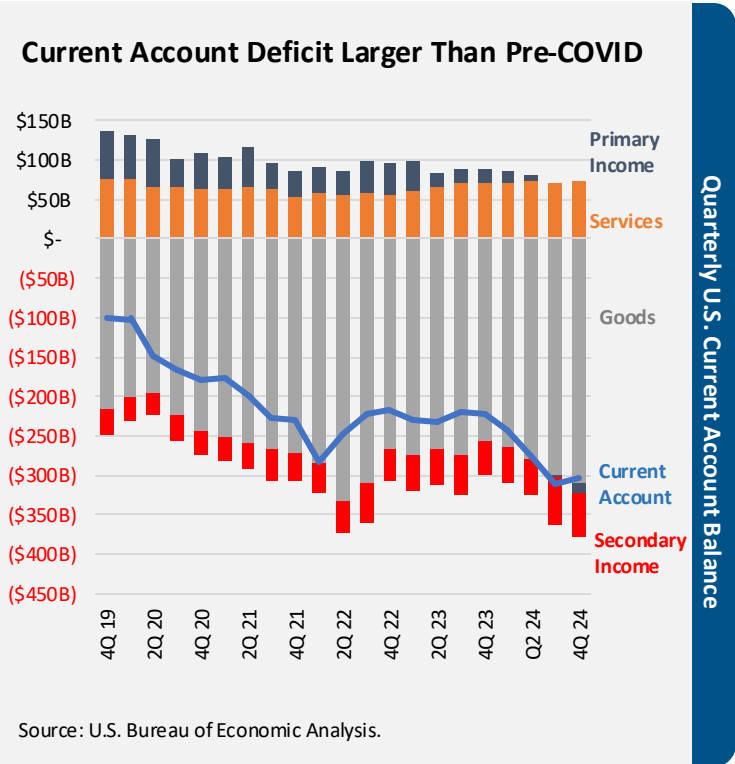
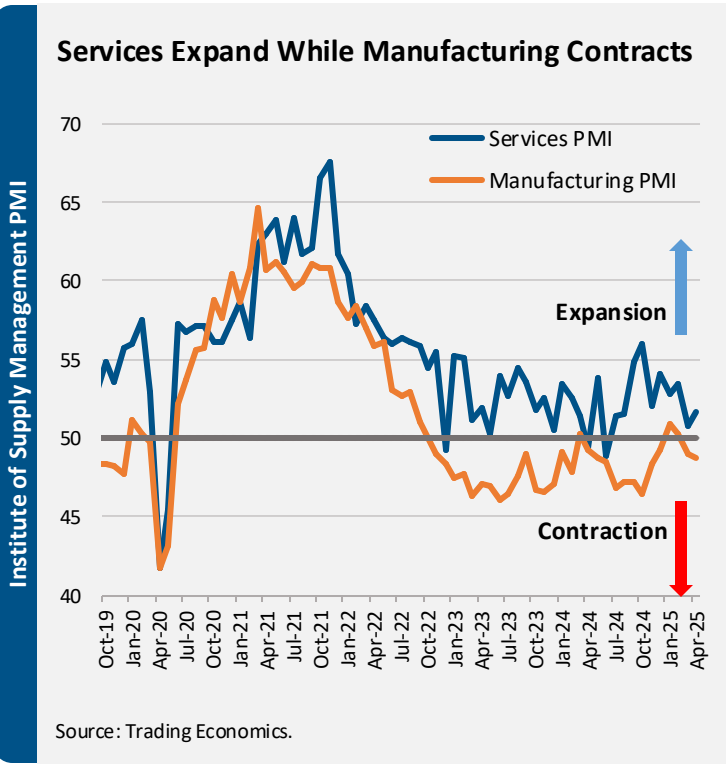


Source: U.S. Bureau of Economic Analysis.

Tariff Fears Triggered Import Rush in Q1 2025



Source: U.S. Bureau of Economic Analysis.



# US Macroeconomic Facts

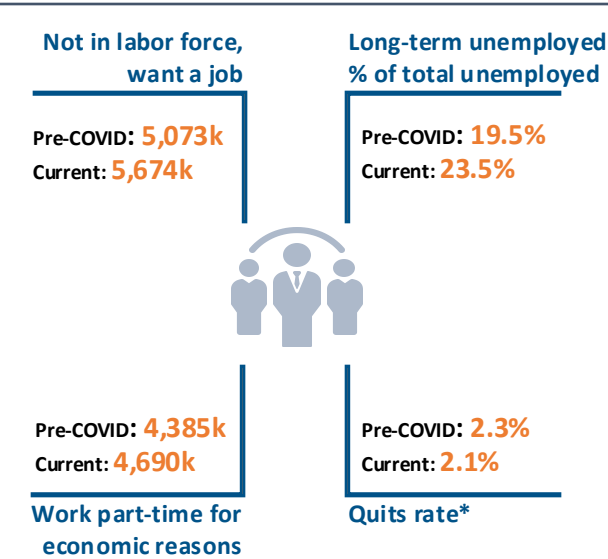
## State of the Labor Market

### Labor Market Snapshot, April 2025



Source: U.S. Bureau of Labor Statistics.

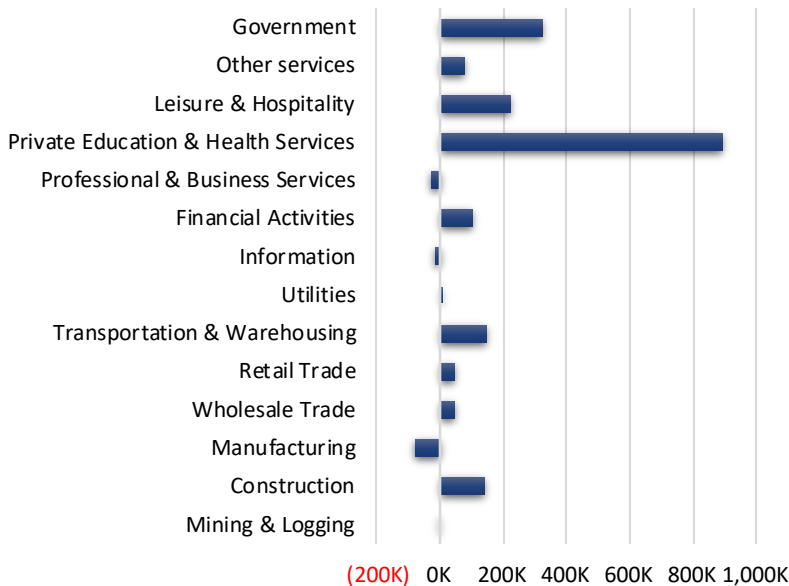
### Labor Market Close-Up



Note: Current is as of April 2025. Pre-COVID data is as of February 2020. \*as of March 2025.

Source: U.S. Bureau of Labor Statistics.

### 12-Month Change in Employment by Industry, April 2025



Source: U.S. Bureau of Labor Statistics.

## State of the Housing Market



### New and Existing Residential Sales April 2025

Supply of new houses loosened as construction expanded while existing home supply remained tight as existing homeowners held on to their existing low mortgage rates

<b>Median New Home Sales Price</b> <b>\$407,200</b>	<b>Median Existing Home Sales Price</b> <b>\$414,000</b>
<b>New Houses Sold:</b> <b>743,000</b>	<b>Existing Houses Sold</b> <b>4,000,000</b>
<b>New Houses for Sale</b> <b>504,000</b>	<b>Existing Houses for Sale</b> <b>1,450,000</b>
<b>Months Supply*</b> <b>8.1 Months</b>	<b>Months Supply*</b> <b>4.4 Months</b>

Note: \*Months supply indicates how long the current for-sale inventory would last given the current sales rate. A higher number means there are more sellers than buyers while a lower number means there are more buyers. The average months supply is four to five months.

Source: Federal Reserve Bank of St. Louis; Census Bureau; National Association of Realtors.

### 30-Year Fixed Mortgage Rate

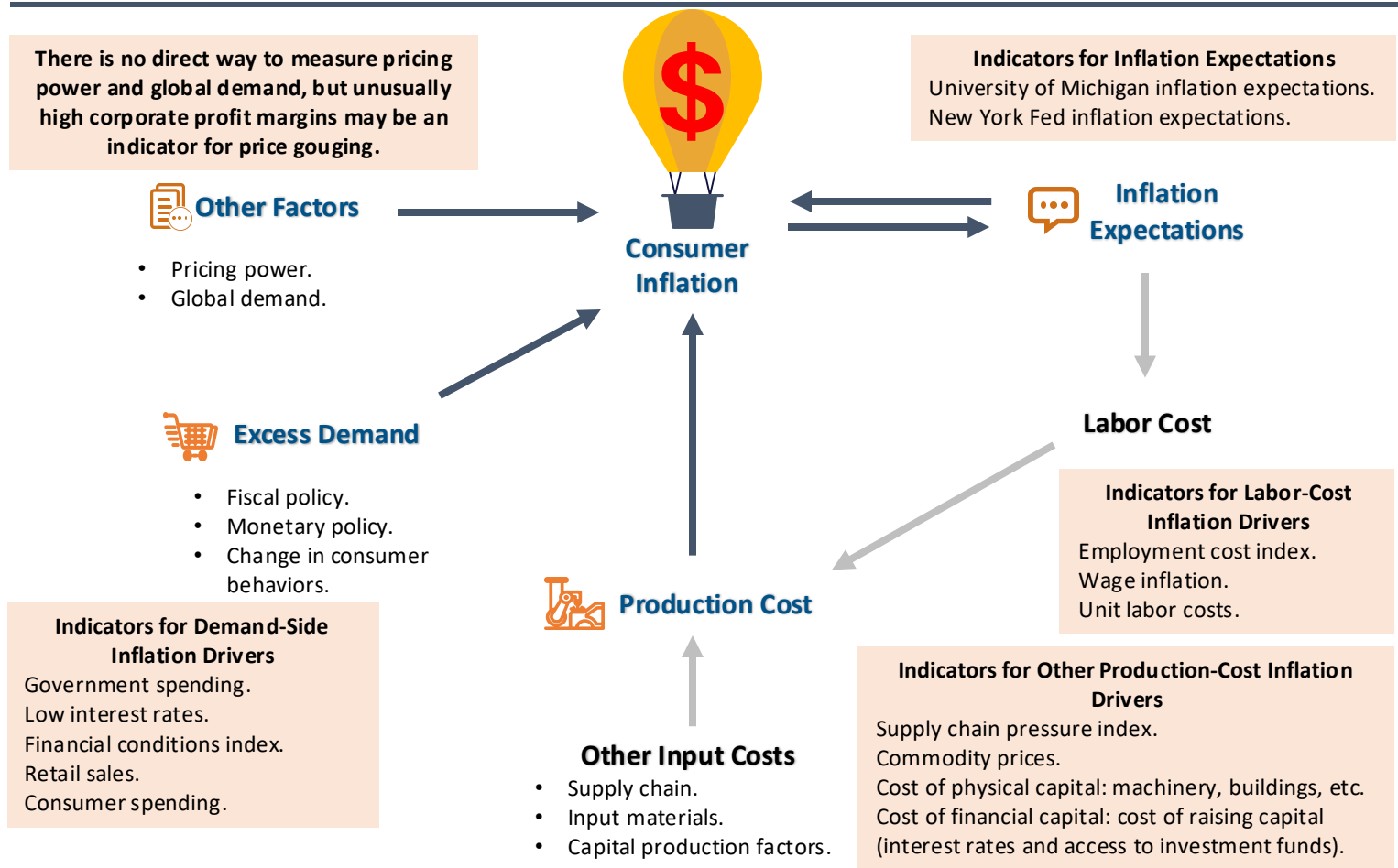
YTD Average*	6.81%
2024 Average	6.72%
2020–2021 Average	3.02%
2010–2019 Average	4.09%
1990–2009 Average	7.20%

Note: \*as of May 30, 2025.  
Source: Federal Reserve Economic Data, Federal Reserve Bank of St. Louis.

# US Macroeconomic Facts

## State of Inflation

### What Causes Inflation?

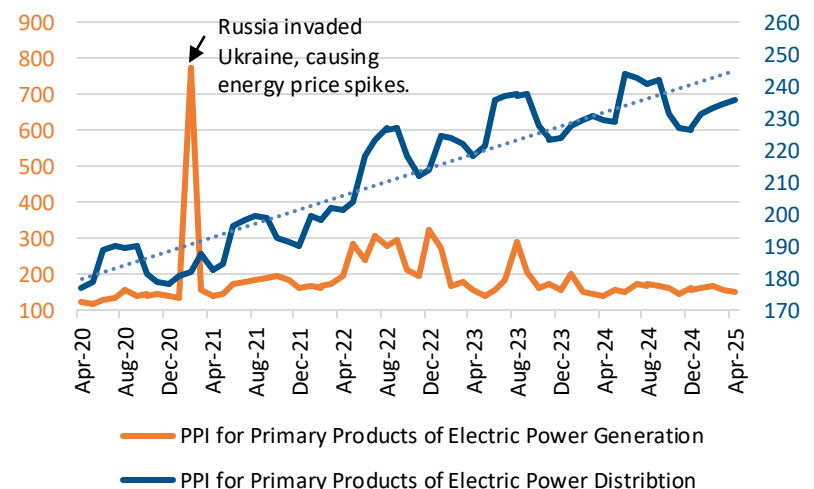


### Consumer Inflation Close-Up, April 2025

	<b>Δ Since Pre-COVID February 2020</b>
<b>Core Goods</b>	14.6%
<b>Core Services</b>	24.7%
<b>Food</b>	26.5%
<b>Energy</b>	29.8%
<b>Shelter</b>	27.3%
<b>Medical Services</b>	13.4%
<b>Transportation Services</b>	36.1%

Source: U.S. Bureau of Labor Statistics.

### Prices Paid to Domestic Producers of Power Generation, Distribution Primary Products



Note: Producer Price Index (PPI) for electric power generation and distribution primary products are prices paid to domestic producers of these products.

Source: U.S. Bureau of Labor Statistics; Federal Reserve Bank of St. Louis.

US Macroeconomic Facts

Key Indicators for Inflation Drivers			
Indicators	Current	Previous	Benchmark
NY Fed Year-ahead Inflation Expectation (Apr 25)	3.6%	3.6%	2015–2019 average of 2.7%.
Employment Cost Index (YoY)(Q1 25)	3.6%	3.8%	2010–2019 average of 2.2%.
Unit Labor Costs (YoY)(Q1 25)	5.7%	2.0%	2010–2019 average of 1.2%.
Supply Chain Pressure Index (Apr 25)	(0.29)	(0.17)	> 0 higher (< 0 lower) than historical average.
National Financial Conditions Index (May 25)	(0.55)	(0.45)	> 0 tighter (< 0 looser) than average.
Retail Sales (YoY)(Apr 25)	5.2%	4.6%	2015–2019 average of 3.5%.
Producer Price Index (YoY)(Apr 25)	2.4%	3.4%	2015–2019 average of 0.6%.

Source: Bloomberg; Federal Reserve Bank of New York.

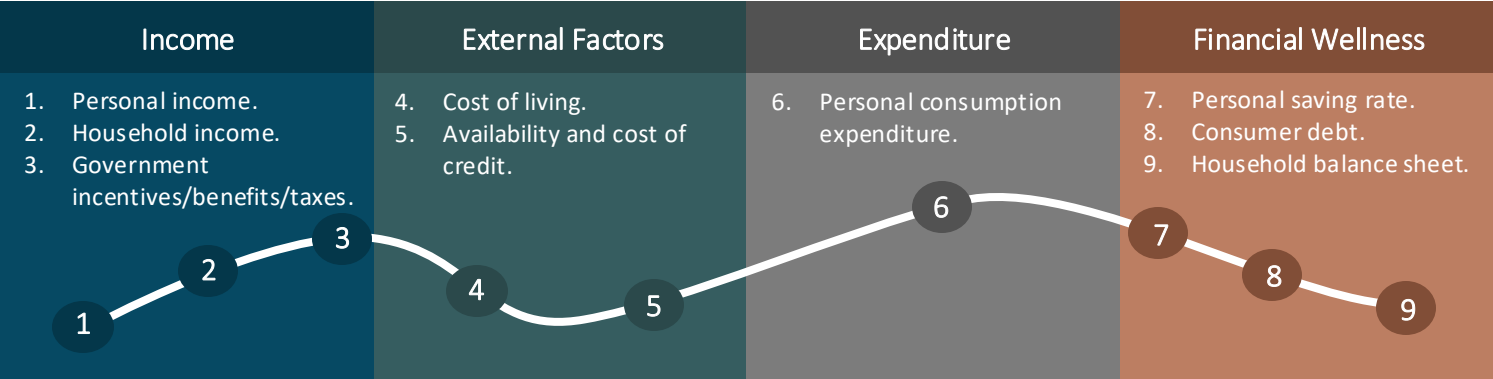
State of the US Consumer

The most important piece of the U.S. economy, consumers drive economic growth through consumption expenditure. Consumption is driven by three broad categories: population growth, income and changes in consumer behaviors.




	May 2025	April 2025	May 2024	2015–19 Average
Consumer Sentiment	50.8	52.2	69.1	95.2
Current Economic Conditions	57.6	59.8	69.6	110.1
Consumer Expectations	46.5	47.3	68.8	85.6

Source: University of Michigan.

Consumer Economic Journey



Workplace 401(K) Plan Profile, Q1 2025

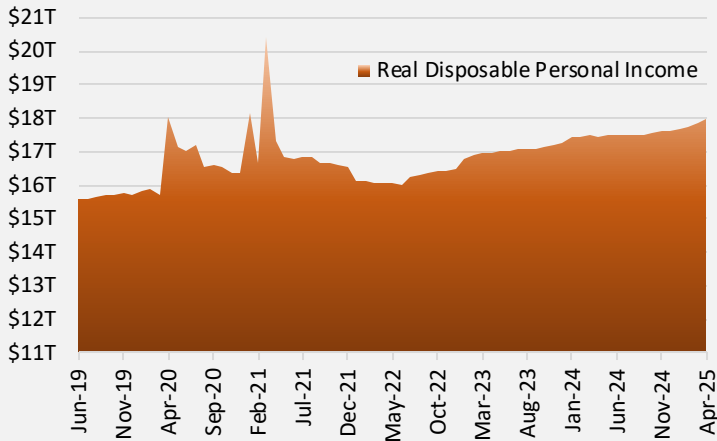
 Contribution	 Loans	 Hardship Distribution
6.6% average contribution rate.	2.0% participants borrowing from their workplace plan.	0.6% participants taking a hardship distribution.
\$2,080 average contribution.	\$9,960 average loan per participant.	\$5,790 average hardship distribution amount.
\$98,770 average account balance.	11% of participants with a loan have a loan in default.	6% of participants taking a withdrawal did so due to hardship.

Source: Q1 2025 Participant Pulse, Bank of America Institute.

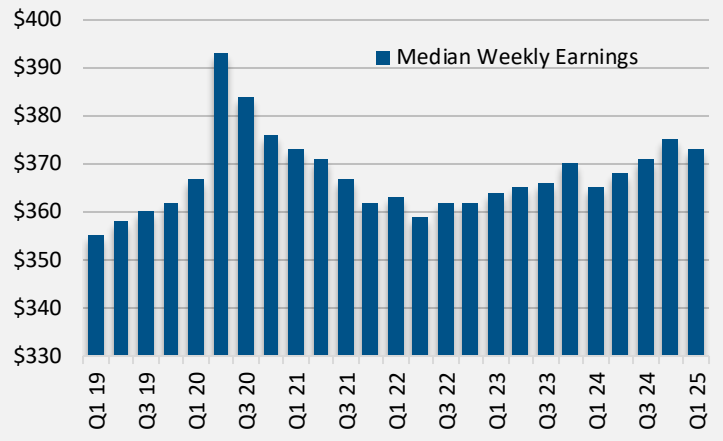
# US Macroeconomic Facts

## Aggregate Income and Wage, Adjusted for Inflation

### Aggregate Income Is Higher than Pre-COVID



### Median Weekly Earnings Have Surpassed Pre-COVID



Source: U.S. Bureau of Economic Analysis; U.S. Bureau of Labor Statistics.



Real personal consumption expenditures run above the pre-COVID (2014–2019) trend.

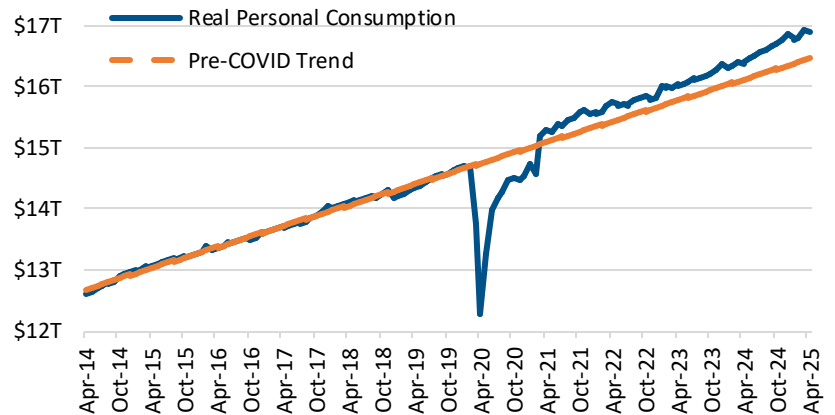


Consumption has grown faster in services than goods.



Spending, largely driven by higher-income earners, has been supported by higher nominal wages and availability of credit.

## Personal Consumption Expenditures Adjusted for Inflation



Source: U.S. Bureau of Economic Analysis.

## Consumer Financial Wellness, Q1 2025

### Household Debt, YoY Δ

**(+) \$516 Billion**

### Credit Card Balance per Capita

**\$4,070**

### Household Debt Service Ratio\*

**11.28%**

### Debt per Capita

**\$62,500**

### # of Consumers With New Bankruptcies

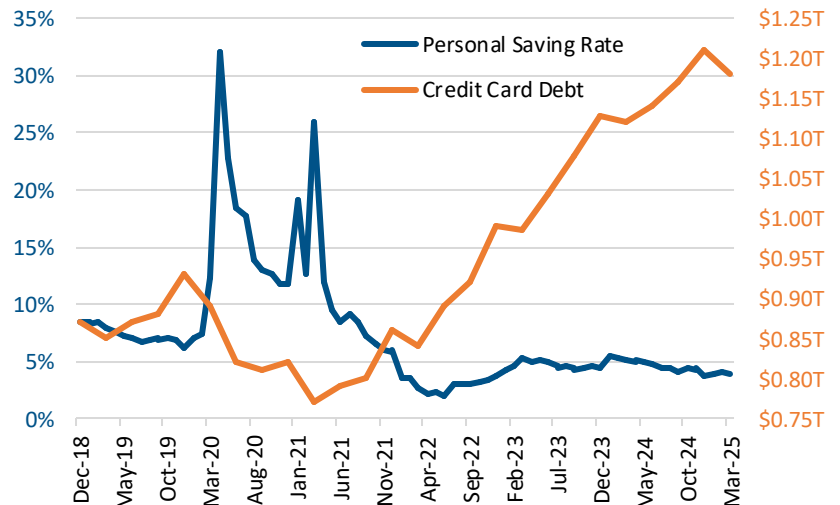
**104,860**

### # of Consumers with New Foreclosures

**61,160**

Note: \*as a percentage of disposable personal income.  
Source: Federal Reserve Bank of New York; Board of Governors of Federal Reserve System.

## High Credit Card Debt, Declining Saving Rate



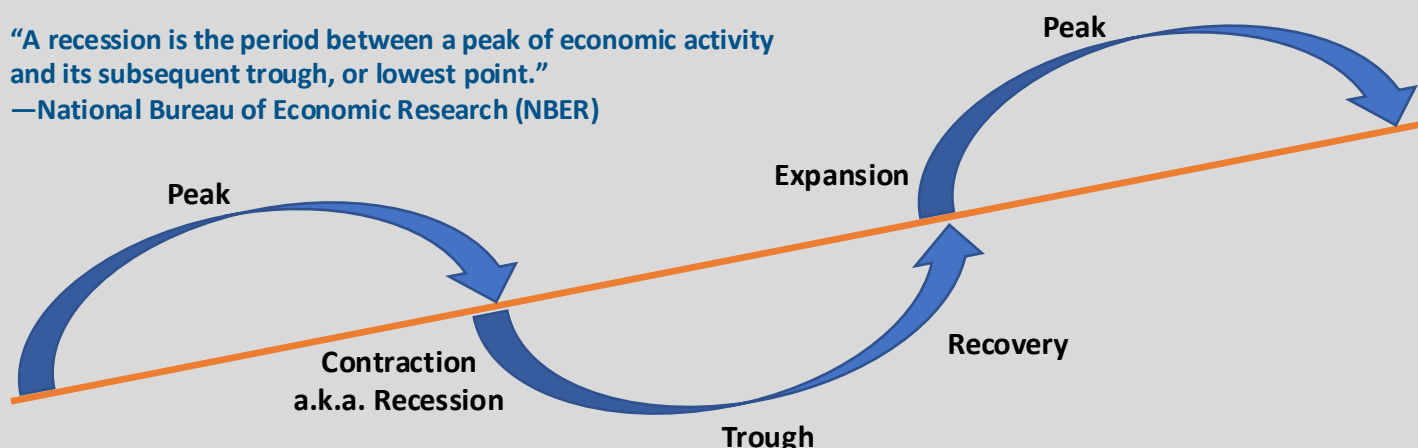
Source: U.S. Bureau of Economic Analysis; Federal Reserve Bank of New York.

# Macroeconomic Indicators of the Business Cycle

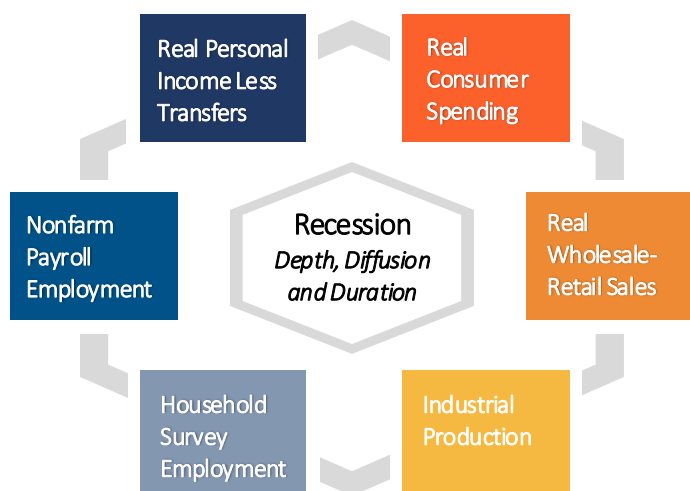
## Stages of the Business Cycle

"A recession is the period between a peak of economic activity and its subsequent trough, or lowest point."

—National Bureau of Economic Research (NBER)



## Recession Indicators as Defined by NBER



	Δ in start of Recessions*	Δ in last 3 Months**
Real Personal Income Less Transfer Receipts	(0.86%)	0.88%
Nonfarm Payroll Employment	(1.22%)	0.22%
Household Survey Employment	(1.27%)	0.39%
Real Consumer Spending	(1.85%)	0.87%
Real Wholesale-retail Sales	(1.85%)	2.09%
Industrial Production	(2.83%)	(0.26%)

Note: \*Average change in the first three months of previous recessions; \*\*Change in the most recent three months where data is available.

Source: Bloomberg.

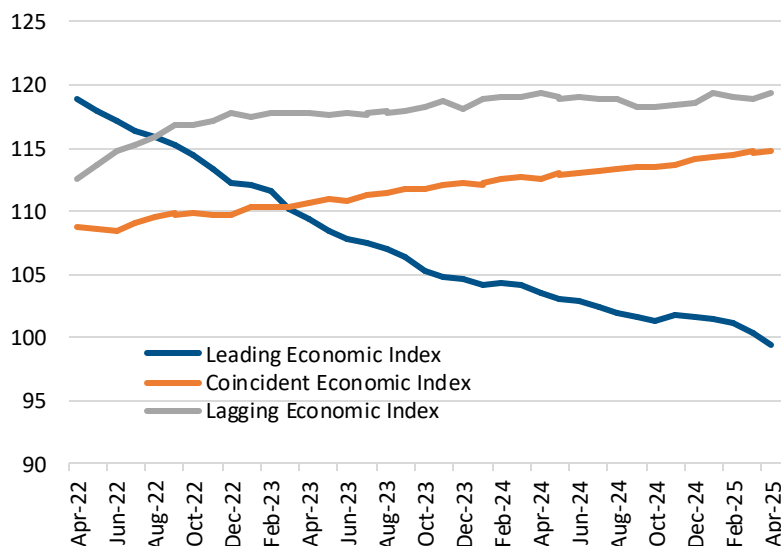
## Economic Indicators in the Business Cycle Context

**Leading indicators** are those that change before the economy as a whole and therefore point towards future economic turning points. Examples include purchasing managers' index, new housing starts and yield curves.

**Coincident indicators** are those that change around the same time as the whole economy and therefore signifies the current state of the economy. Examples include personal income, GDP and nonfarm payroll. In fact, all indicators used by NBER to define a recession are coincident indicators.

**Lagging indicators** are those that change after an economic turning point begins. These do not have predictive power for the future but serve as confirmation. Examples include unemployment rate and commercial loans.

## Leading, Coincident and Lagging Economic Indices

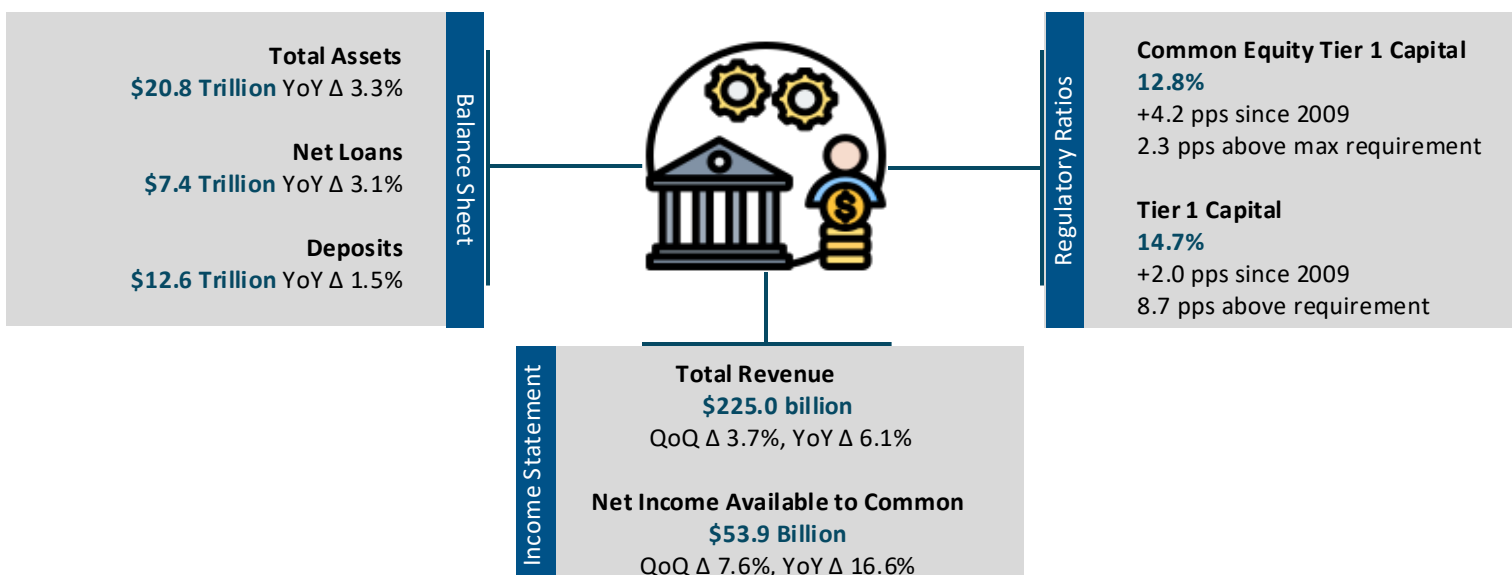


Source: Bloomberg.

# US Financial Markets

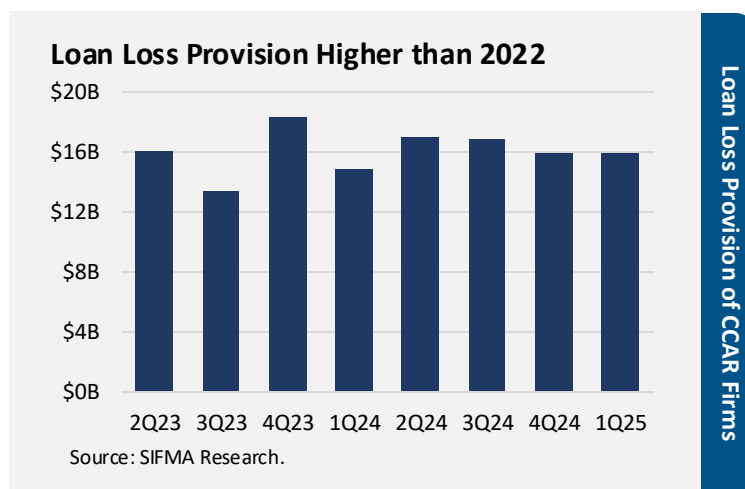
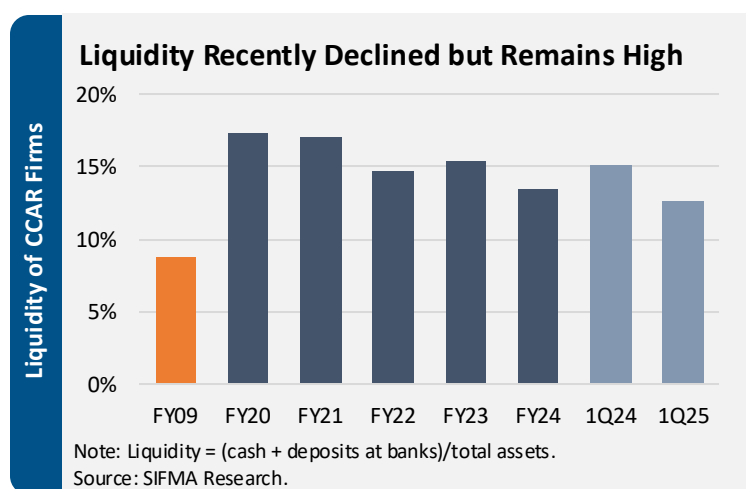
## State of Financial Institutions

### Snapshot of CCAR Financial Institutions\*, Q1 2025



Note: \*Financial Institutions that fall under the Federal Reserve's annual Comprehensive Capital Analysis and Review (CCAR).

Source: SIFMA Research.



## US Treasury Market

A bedrock of the global financial system, U.S. Treasury securities are debt instruments issued by the U.S. government. The Treasury market is described as the biggest, deepest and most essential bond market on the planet and the benchmark off which nearly all securities around the world are priced. Many factors impact the U.S. Treasury yields, from expectations for policy rates to U.S. fiscal health and credit worthiness, as well as domestic and global economic outlook.

UST Maturity	YTD Average*	2024 Average	Last 10-Year Average	Pre-QE Average**
2-Year	4.05%	4.37%	2.03%	4.19%
5-Year	4.15%	4.13%	2.23%	4.57%
10-Year	4.42%	4.21%	2.50%	5.02%
30-Year	4.76%	4.41%	2.94%	5.40%

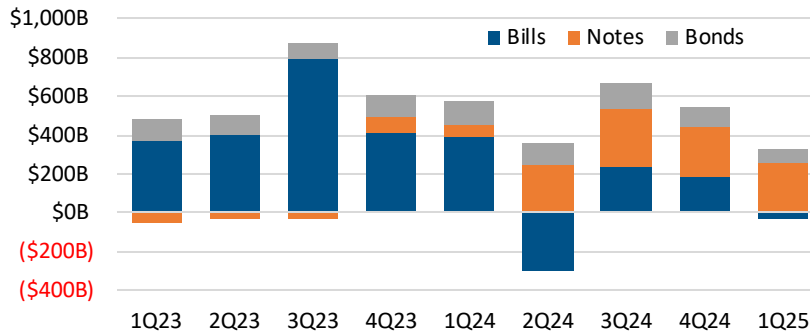
Note: \*As of May 30, 2025; \*\*10-year average from 1997–2006, before the first quantitative easing was conducted in 2007.

Source: Bloomberg.



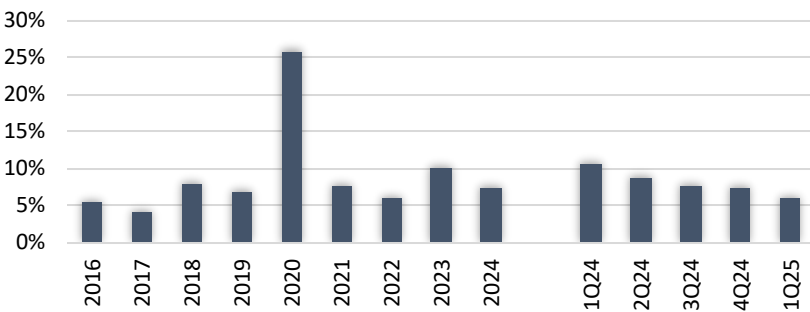
## US Financial Markets

### Net US Treasury Issuance



Source: SIFMA Research; U.S. Department of Treasury, Bureau of the Fiscal Service.

### Change in Total Outstanding US Treasury Securities, YoY

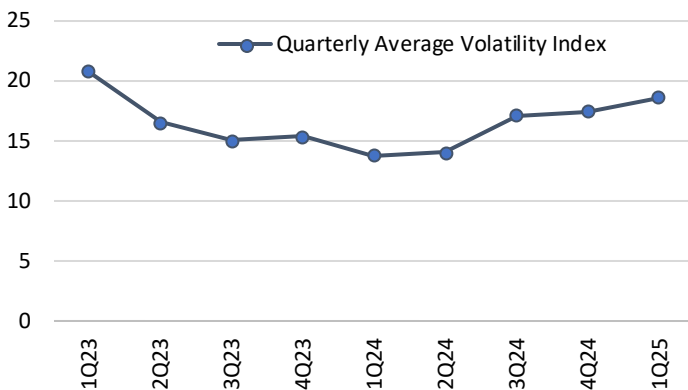


Source: SIFMA Research; U.S. Department of Treasury, Bureau of the Fiscal Service.

## US Equity Markets

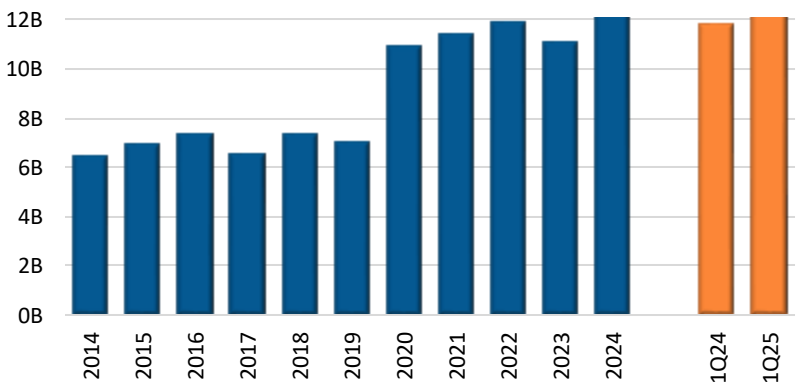
U.S. equity markets are the largest in the world. Among the deepest, most liquid and most efficient, U.S. equity markets offer narrow bid-ask spreads, low transaction costs and fast execution. High trading volumes are a testimony to high market liquidity. With the uncertainty surrounding tariff policy, the equity markets have been highly volatile in recent months.

### Volatility Ticks Up in Q1 2025



Source: SIFMA Research.

### Average Daily Volume: Number of Shares Traded



Source: SIFMA Research.

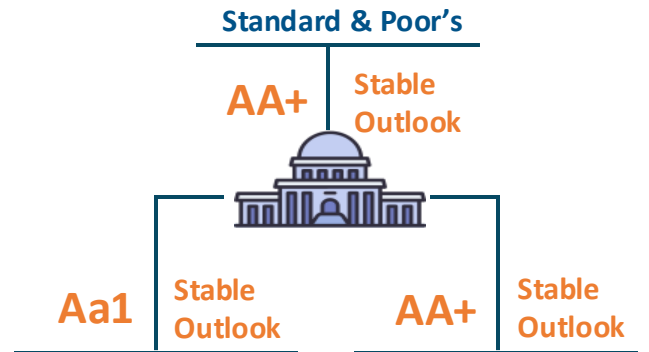
### Return Performance Snapshot\*

Index	1-Month	YTD	1-Year	5-Year
S&P 500	6.01%	0.60%	12.76%	93.93%
Dow Jones Industrial Average	3.80%	(0.42%)	10.76%	66.30%
Nasdaq	9.50%	(0.92%)	14.14%	101.30%

Note: \*As of May 30, 2025.

Source: Bloomberg.

### US Credit Ratings and Outlook



Source: Trading Economics.

### Federal Debt Reflects in the Treasury Market

Moody's was the last of the three credit rating agencies to downgrade the U.S. from its top rating due to high debt levels. This latest downgrade is a reminder of what markets already knew: U.S. debt is on an unsustainable path. The lack of meaningful resolution to curb annual deficits and debt has led to volatility in the Treasury market and pushed yields up, raising concerns for the safe-haven status of Treasuries.

### US Equity Market Capitalization



Source: SIFMA Research.

## References

Indicator	Data Publisher	Description
Real Gross Domestic Product (GDP)	U.S. Bureau of Economic Analysis	A comprehensive measure of U.S. economic activity, estimating the value of the final goods and services produced in the United States (without double counting the intermediate goods and services used up to produce them). Real GDP adjusts for inflation, expressed in chained dollar. Real GDP growth is the change in real GDP, the most popular indicator of the nation's overall economic health, expressed in percentage. GDP consists of four major accounts: personal consumption, government spending, investment and net exports.
Personal Consumption Expenditures (or Consumer Spending)	U.S. Bureau of Economic Analysis	The largest account of GDP, making up nearly 70%. Measuring consumer spending on goods and services among households, it is used to gauge how much earned income of households is being spent on current consumption for various goods and services.
Government Spending	U.S. Bureau of Economic Analysis	The second largest account of GDP, accounting for over 20%. The account combines federal, state and local government spending and investment. Government spending consists of mandatory spending, discretionary spending and net interest payments.
Gross Private Domestic Investment (or Investment)	U.S. Bureau of Economic Analysis	The third account of GDP and the sum of change in private inventories and fixed investment (residential investment and nonresidential investment).
Net Exports	U.S. Bureau of Economic Analysis	The last account of GDP, measuring the difference between imports and exports of goods and services. U.S. sales are exports and U.S. purchases are imports. Net exports corresponds to the “balance on goods and services”—commonly known as “trade deficit” when negative and “trade surplus” when positive.
Current Account	U.S. Bureau of Economic Analysis	Resembling an income state of the U.S. economy, the current account records exports and imports of goods and services, income from U.S.-owned assets and investments abroad, and income from foreign-owned assets and investments in the United States. Employee pay, U.S. government grants and personal remittances are also included.
“Real” (in Economic Context)	N/A	In economics, the term “real” implies that the indicator is adjusted for inflation.
Purchasing Managers' Index (PMI)	Institute of Supply Management (ISM)	The index tracks the health of the economy. The ISM Report On Business is based on data compiled from purchasing and supply executives of the manufacturing and services sector nationwide. Survey responses reflect the change, if any, in the current month compared to the previous month.
Industrial Production	U.S. Federal Reserve Bank	The index measures real output in manufacturing, mining and electric and gas utilities. It is expressed as a percentage of real output in a base year, currently 2017.
Consumer Confidence	The Conference Board	The index captures consumer attitudes, buying intentions, vacation plans and consumer expectations for inflation, stock prices and interest rates.
Business Confidence	OECD	The index provides information on future developments, based upon opinion surveys on developments in production, orders and stocks of finished goods in the industry sector.
Federal Debt (or National Debt)	Bureau of Fiscal Service, U.S. Department of Treasury	The amount of money the federal government has borrowed to cover the outstanding balance of expenses incurred over time.
Federal Deficit	Bureau of Fiscal Service, U.S. Department of Treasury	The amount of money by which the federal government's spending exceeds its revenues in a given fiscal year.
Federal Funds Rate (Target Rate)	Federal Open Market Committee (FOMC)	The term typically refers to the upper-bound of the target range set by the FOMC. It is the rate at which commercial banks borrow and lend their excess reserves to each other overnight. The effective fed funds rate falls within the target range and is calculated as a volume-weighted median of overnight federal funds transactions reported in the FR 2420 Report of Selected Money Market Rates—published by the Federal Reserve Bank of New York.

## References (continued)

Indicator	Data Publisher	Description
Productivity	U.S. Bureau of Labor Statistics	A measure of economic performance that compares the amount of goods and services produced (output) with the amount of inputs used to produce those goods and services.
Unemployment Rate	U.S. Bureau of Labor Statistics	The unemployment rate represents the number unemployed—defined as not having a job, having actively looked for work in the prior four weeks, and being currently available for work—as a percent of the labor force.
Labor Force Participation Rate	U.S. Bureau of Labor Statistics	The labor force participation rate is the labor force as a percent of the civilian noninstitutional population. The labor force includes all people age 16 and older who are classified as either employed or unemployed. Conceptually, the labor force level is the number of people who are either working or actively looking for work.
Employment-Population Ratio	U.S. Bureau of Labor Statistics	The ratio represents the number of employed people as a percentage of the civilian noninstitutional population. In other words, it is the percentage of the population that is currently working.
Nonfarm Payroll	U.S. Bureau of Labor Statistics	A measure of the number of U.S. workers in the economy that excludes proprietors, private household employees, unpaid volunteers, farm employees and the unincorporated self-employed. It accounts for approximately 80% of the workers who contribute to GDP.
S&P CoreLogic Case-Shiller National Home Price Index	S&P Global	A composite of single-family home price indices for the nine U.S. Census divisions, tracking changes in the value of residential real estate nationally. The index is calculated using a three-month moving average and non-seasonally adjusted data.
Consumer Price Index (CPI)	U.S. Bureau of Labor Statistics	A measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. The term “inflation rate” typically refers to the year-over-year change of CPI in a given month.
“Core” (in Inflation Context)	N/A	In inflation context, the term “core” refers to all items excluding food and energy.
Personal Consumption Expenditures (PCE) Price Index	U.S. Bureau of Economic Analysis	A measure of the changing prices of goods and services purchased by consumers in the United States. Because of the different methodologies, CPI and PCE produce different inflation rates. PCE is closely watched by the Federal Reserve.
Employment Cost Index	U.S. Bureau of Labor Statistics	A measure of the change in the hourly labor cost to employers over time. It uses a fixed “basket” of labor to produce a pure cost change, free from the effects of workers moving between occupations and industries and includes both the cost of wages and salaries and the cost of benefits. The Fed uses the index to assess the health of the labor market.
Unit Labor Costs	U.S. Bureau of Labor Statistics	The ratio of hourly compensation to labor productivity. Increases in hourly compensation tend to increase unit labor costs and increases in productivity tend to reduce them.
Supply Chain Pressure Index	Applied Macroeconomics and Econometrics Center	Tracking the state of global supply chains, the index uses data from the Baltic Dry Index and the Harpex index, as well as airfreight cost indices from the U.S. Bureau of Labor Statistics, to measure transportation costs. It also uses several supply chain-related components from PMI surveys, focusing on manufacturing firms across seven interconnected economies: China, the euro area, Japan, South Korea, Taiwan, the United Kingdom and the U.S.
National Financial Conditions Index	Federal Reserve Bank of Chicago	A composite of U.S. financial conditions in money markets, debt and equity markets, and the traditional and “shadow” banking systems.
Producer Price Index (or Wholesale Inflation)	U.S. Bureau of Labor Statistics	A measure of the average change over time in the selling prices received by domestic producers for their output. The prices included in the index are from the first commercial transaction for many products and some services.
Volatility Index	Chicago Board Options Exchange (Cboe)	A measure of constant, 30-day expected volatility of the U.S. stock market, derived from real-time, mid-quote prices of S&P 500 Index call and put options.

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