



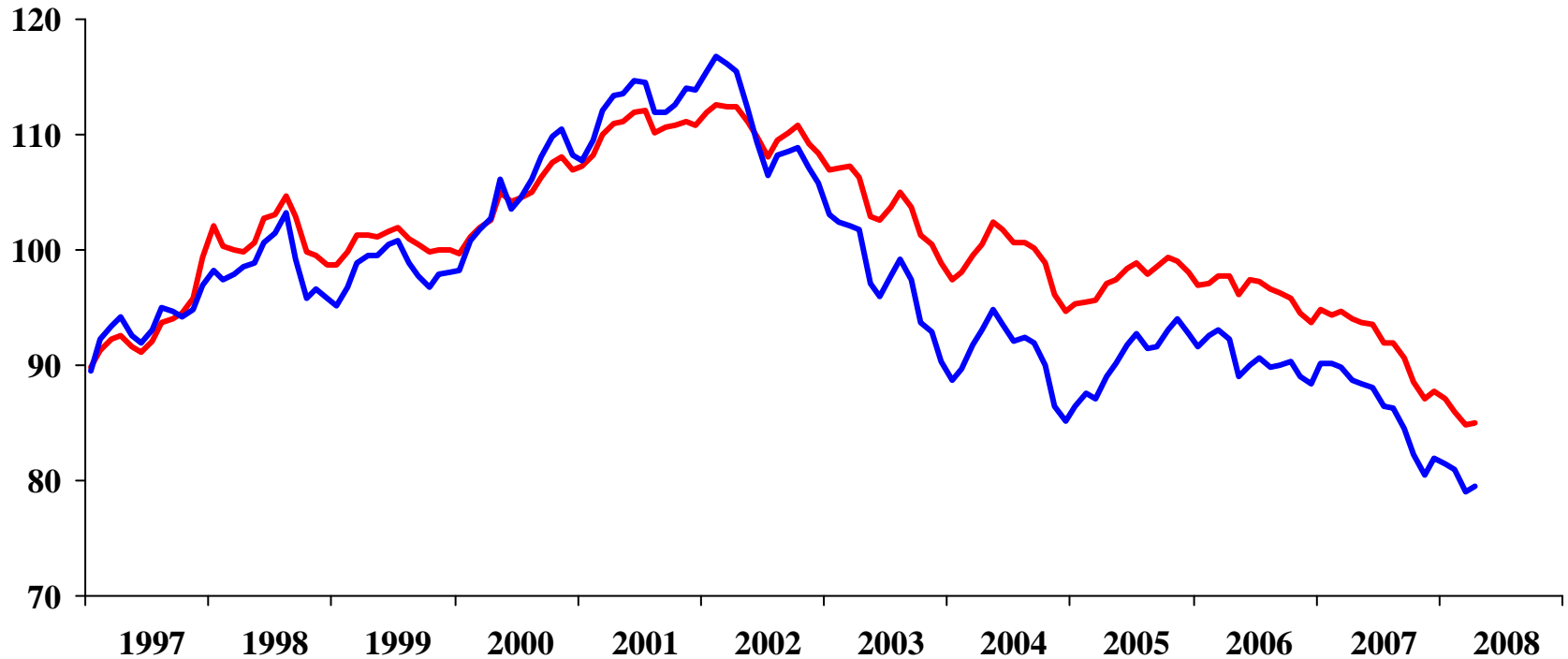
# **INTERNATIONAL INFLUENCES**

**<http://www.dallasfed.org>**



# Real Value of the Dollar

March 1973 = 100



— Exchange Value of the US\$ (May 12 release, Apr=85.1)

— US\$ vs Major Currencies\* (May 06 release, Apr=79.6)

\* Euro Area, Canada, Japan, UK, Switzerland, Australia, and Sweden

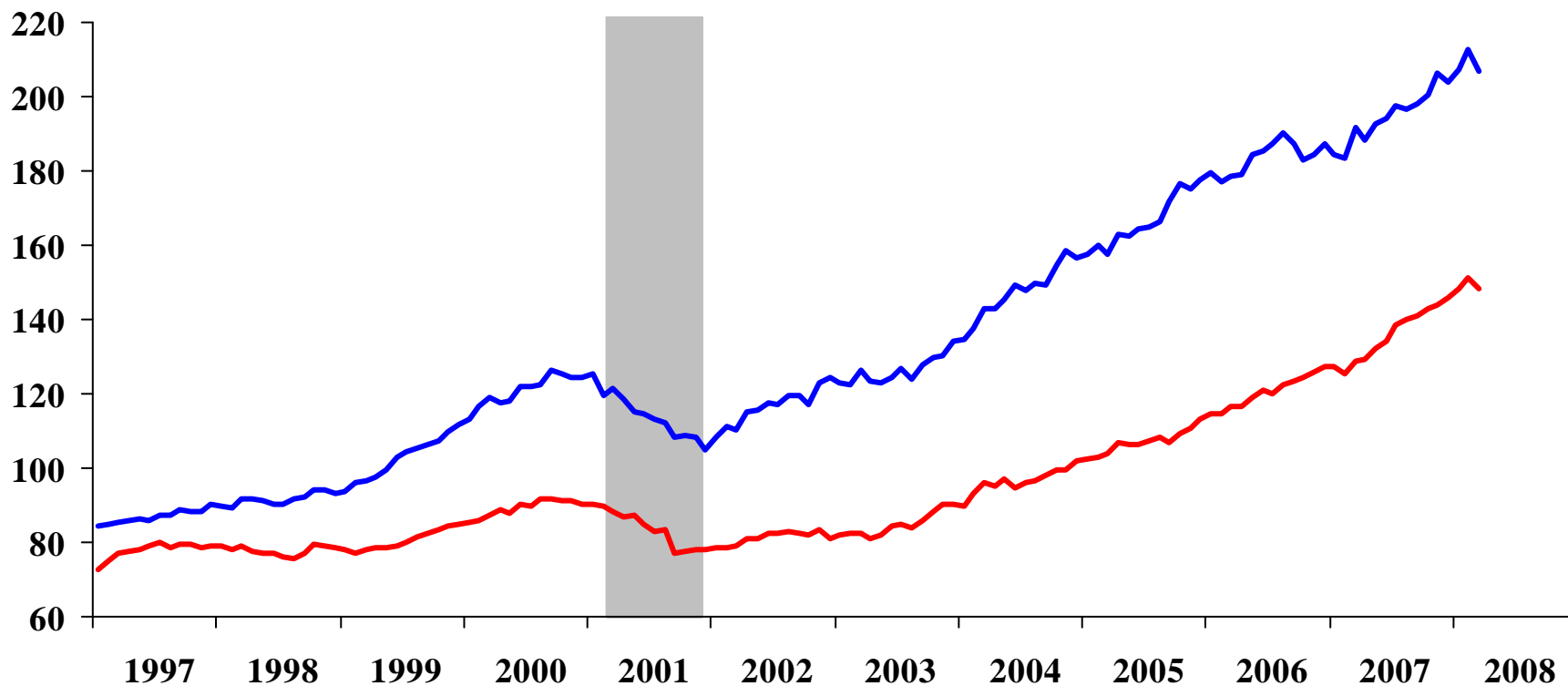
Source: Federal Reserve Board

<http://www.dallasfed.org>



# U.S. Imports and Exports

Billions of Dollars



■ Recession — Exports (May 09 release, Mar = 148.5) — Imports (May 09 release, Mar = 206.7)

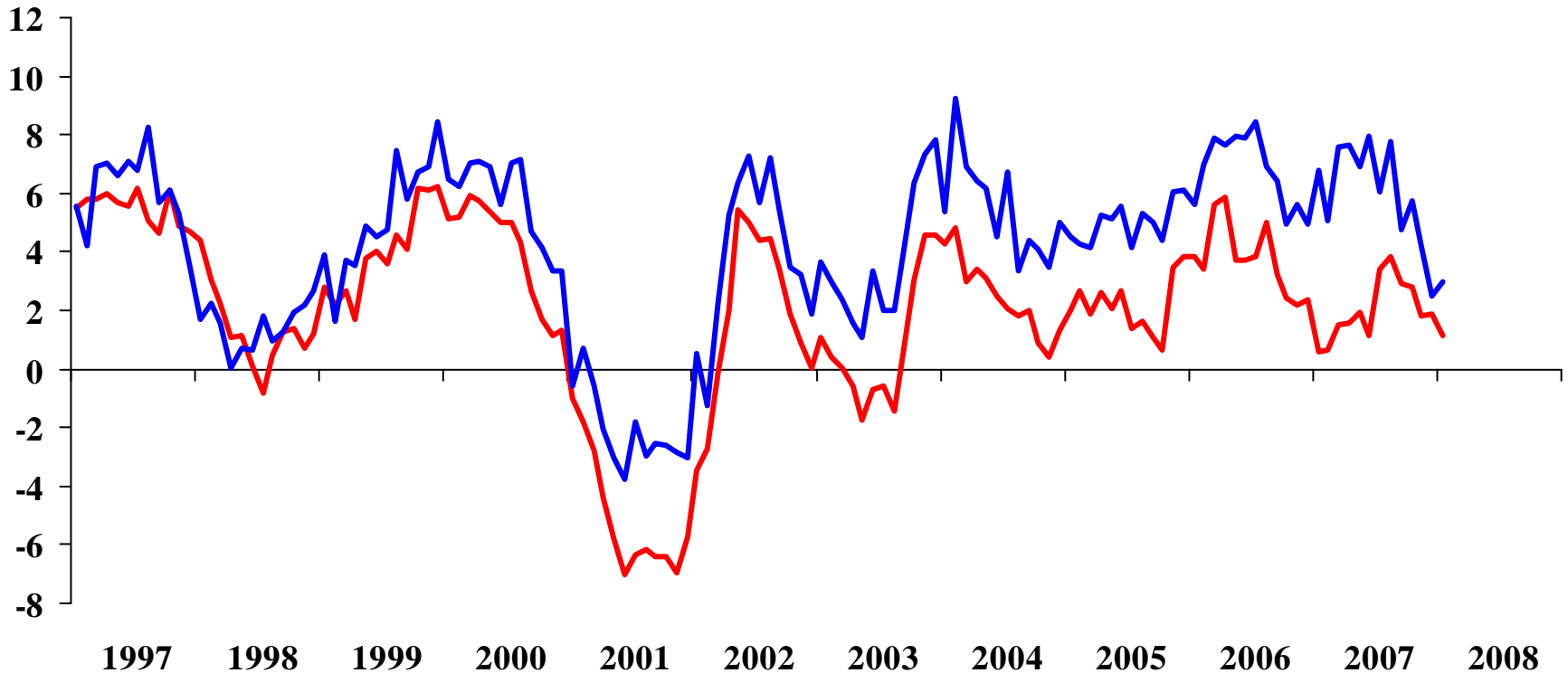
Source: Bureau of the Census

<http://www.dallasfed.org>



6-month % change,  
annualized

# Industrial Production: OECD Big 7 & OECD + 6



— OECD Big 7 (Apr 11 release, Jan=1.2) — OECD+Major 6 Non-Members (Apr 11 release, Jan=3)

OECD Big 7: Canada, France, Germany, Italy, Japan, UK, U.S.

Major 6 Non-Members: Brazil, China, India, Indonesia, Russia, South Africa

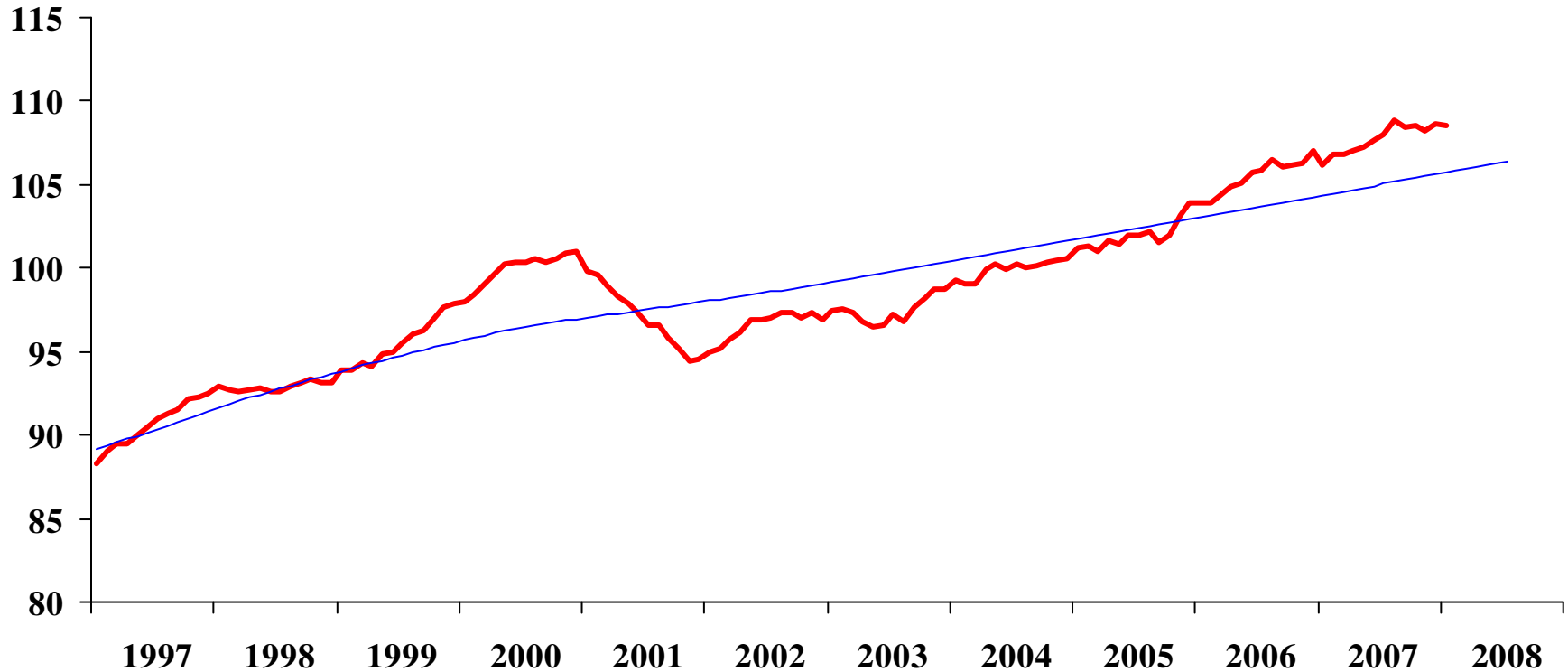
Source: OECD

<http://www.dallasfed.org>



# Industrial Production & Trend OECD Big 7

Index 2000=100



— OECD Big 7 (Apr 11 release, Jan=108.6)

— Trend (Apr 11 release, Jul=106.4)

OECD Big 7: Canada, France, Germany, Italy, Japan, UK, U.S.

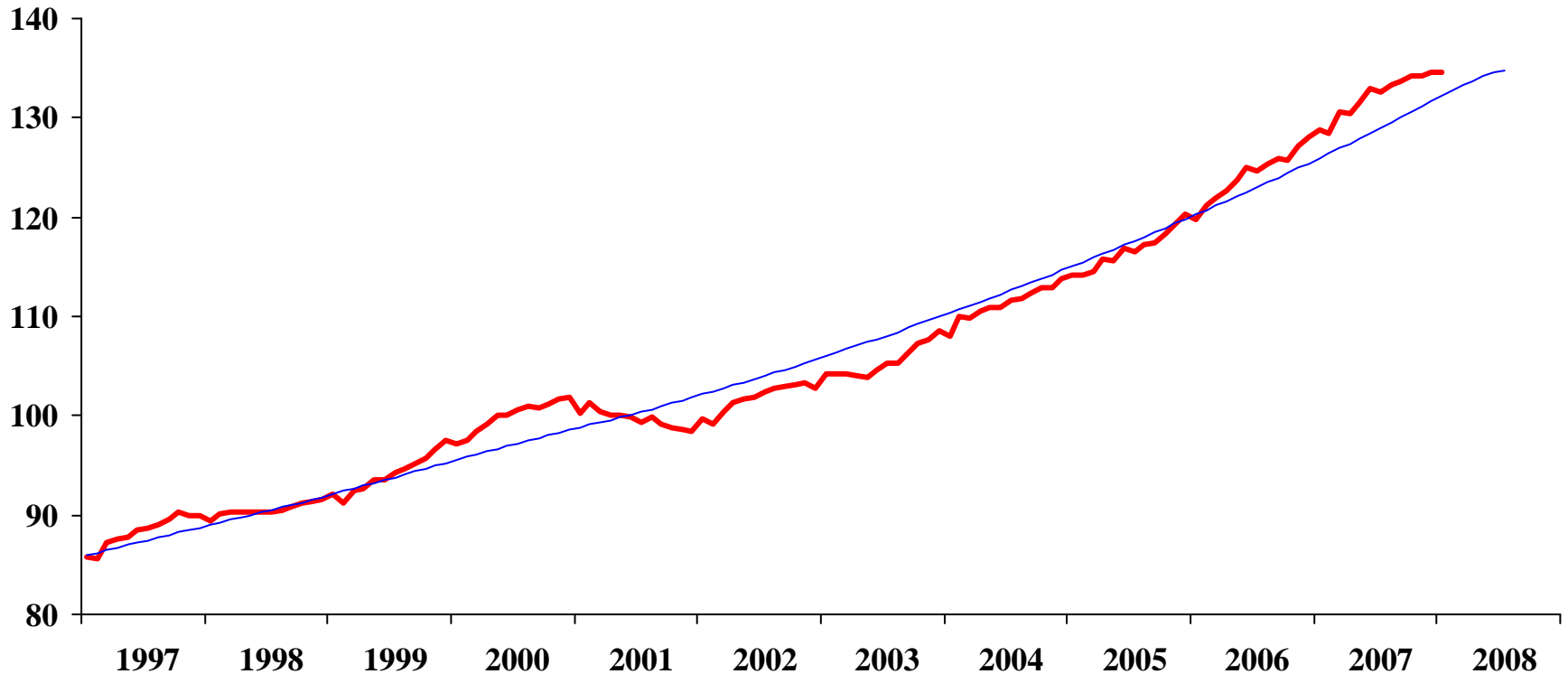
Source: OECD

<http://www.dallasfed.org>



# Industrial Production & Trend OECD + 6

Index 2000=100



— OECD + Major 6 Non-Members (Apr 11 release, Jan=134.6) — Trend (Apr 11 release, Jul=134.8)

OECD Big 7: Canada, France, Germany, Italy, Japan, UK, U.S.

Major 6 Non-Members: Brazil, China, India, Indonesia, Russia, South Africa

Source: OECD

<http://www.dallasfed.org>



# **DOMESTIC ECONOMIC ACTIVITY**

**<http://www.dallasfed.org>**

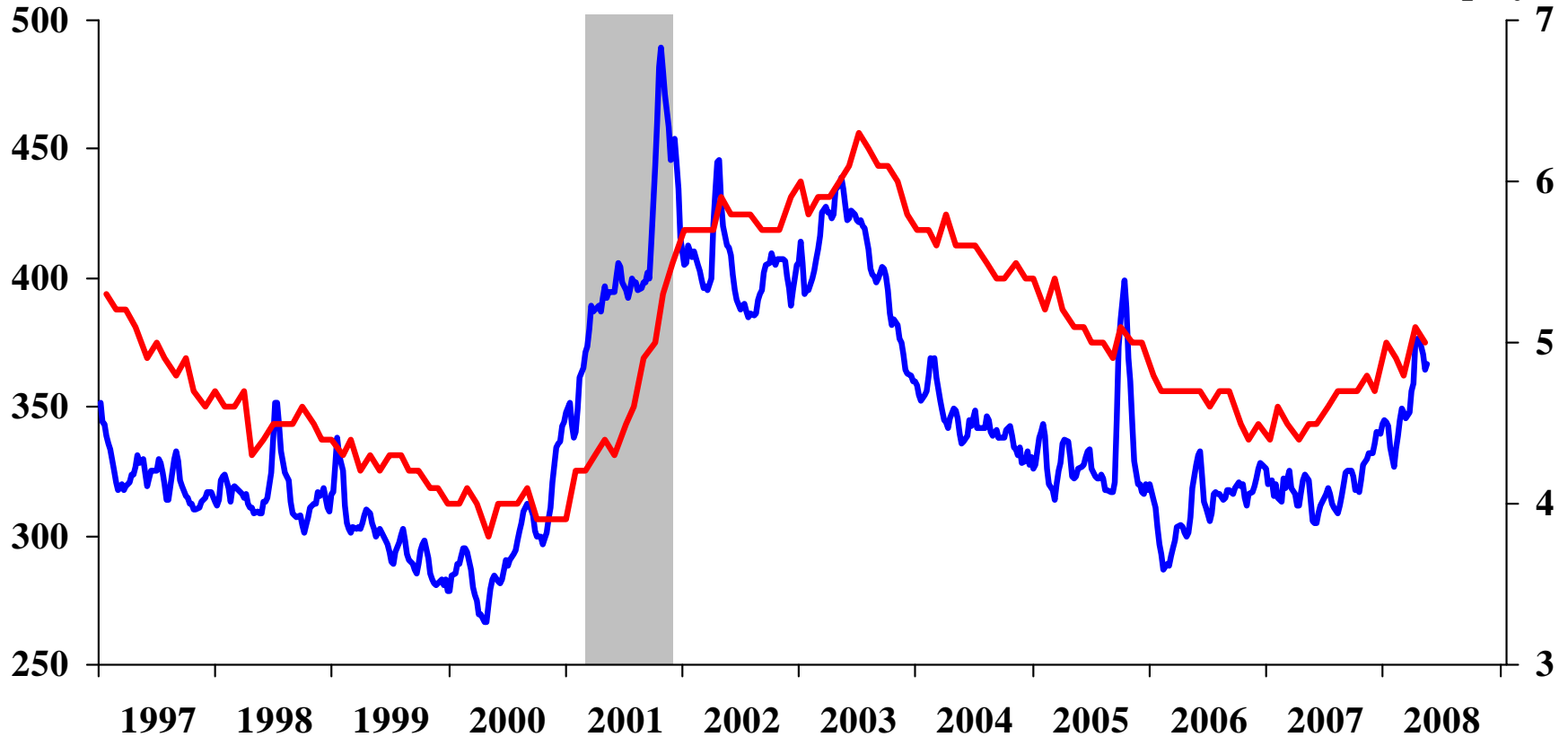


# Initial Claims for Unemployment and Unemployment Rate

4-week MA

Thousands of Initial Claims

Percent Unemployment



— Initial Claims (May 08 release, 03-May=367)

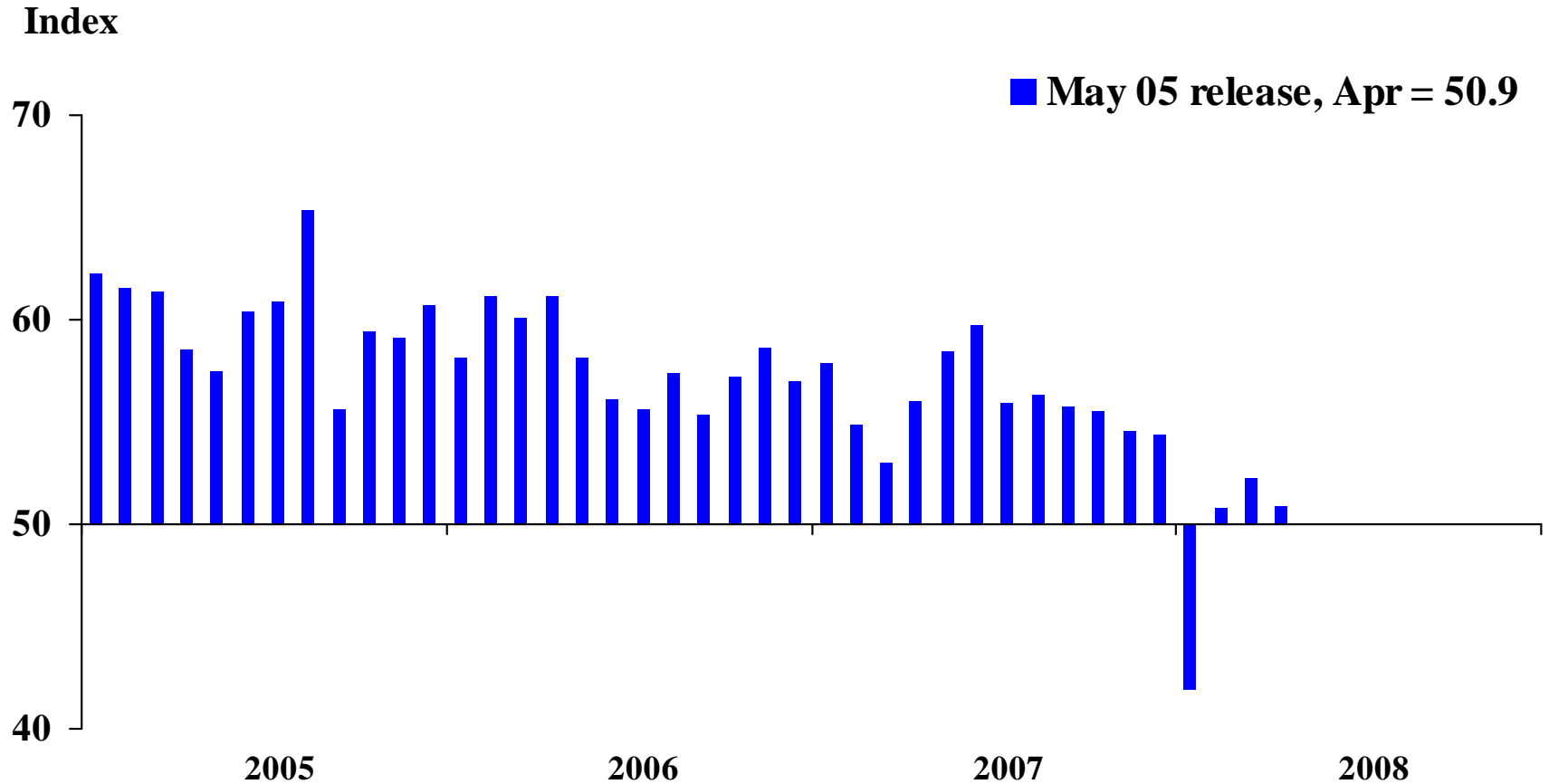
— Unemployment Rate (May 02 release, Apr=5)

■ Recession

Source: Bureau of Labor Statistics, Department of Labor <http://www.dallasfed.org>



# ISM Non-Manufacturing Activity Index



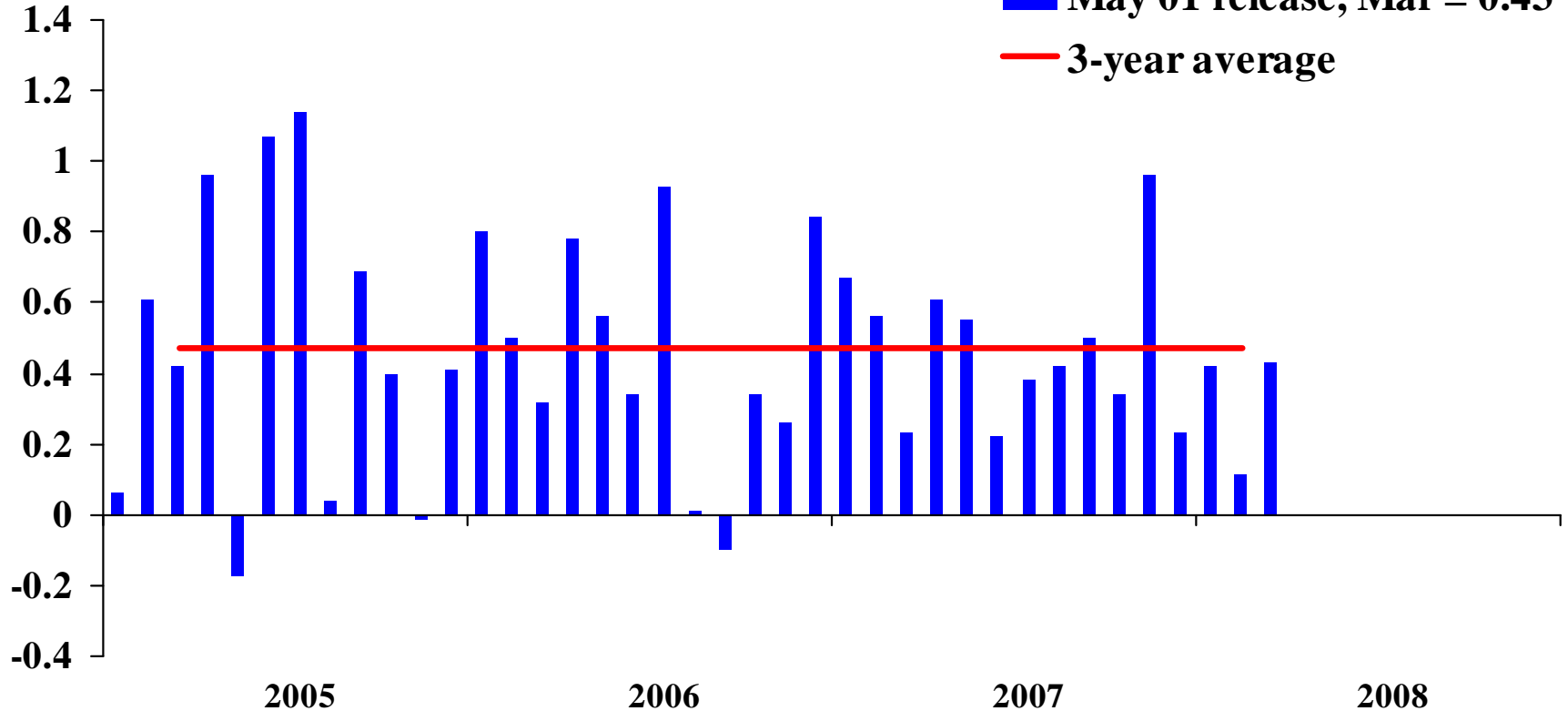
Source : Institute for Supply Management <sup>TM</sup>

<http://www.dallasfed.org>



# Nominal Personal Consumption Expenditures

1-month % change



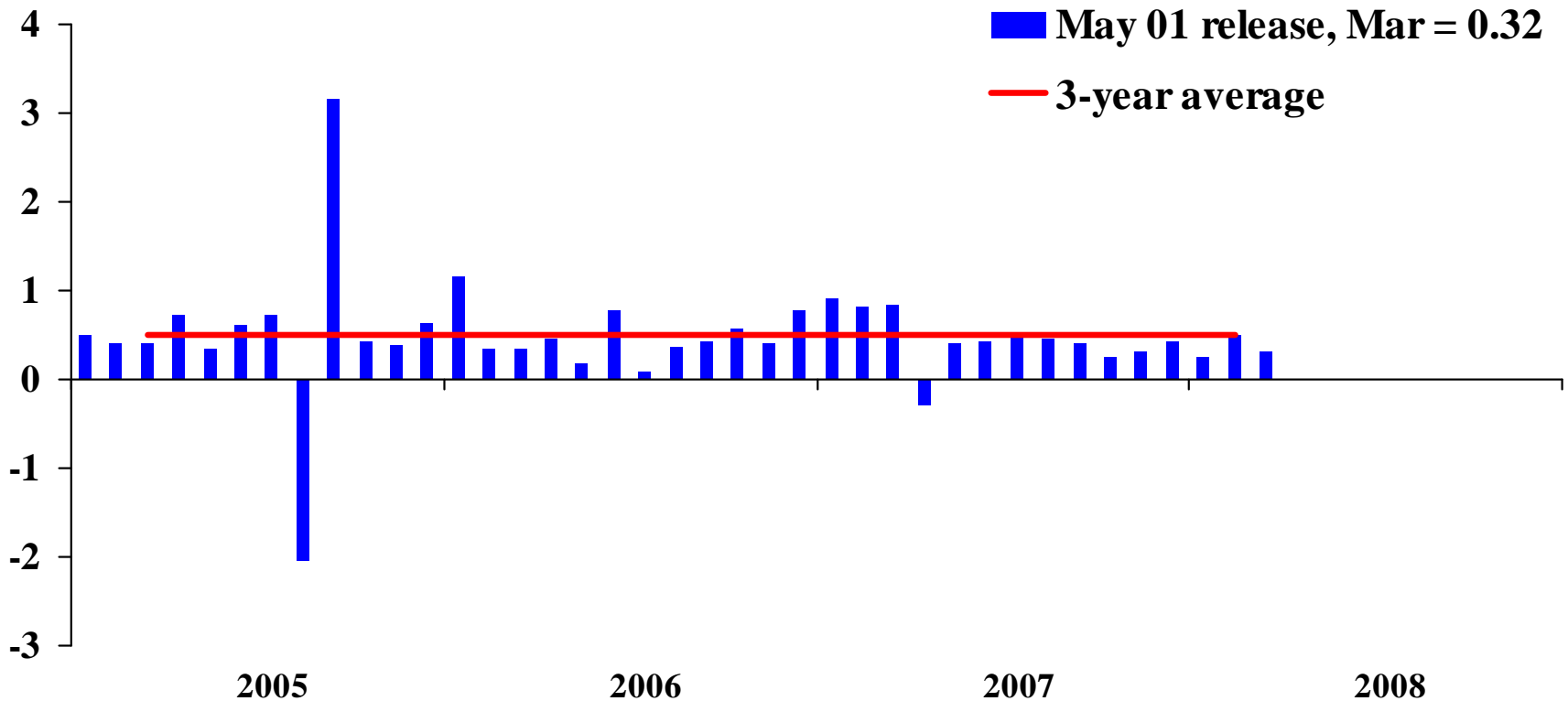
Source: Bureau of Economic Analysis

<http://www.dallasfed.org>



# Personal Income

1-month % change



**Note: January 2005 numbers exclude payment of special dividend by Microsoft Corp. Including special dividend payment Personal Income growth was -2.3%**

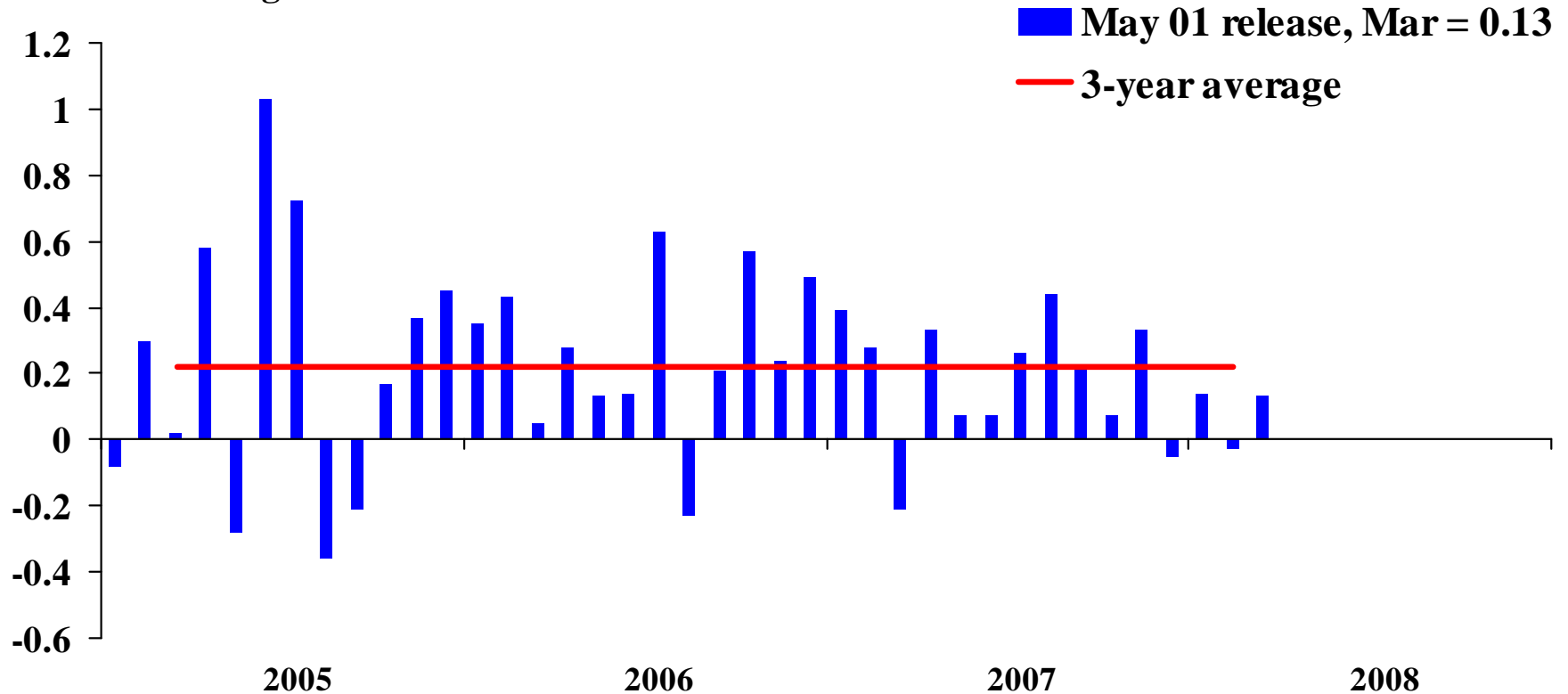
**Source: Bureau of Economic Analysis**

**<http://www.dallasfed.org>**



# Real Personal Consumption Expenditures

1-month % change

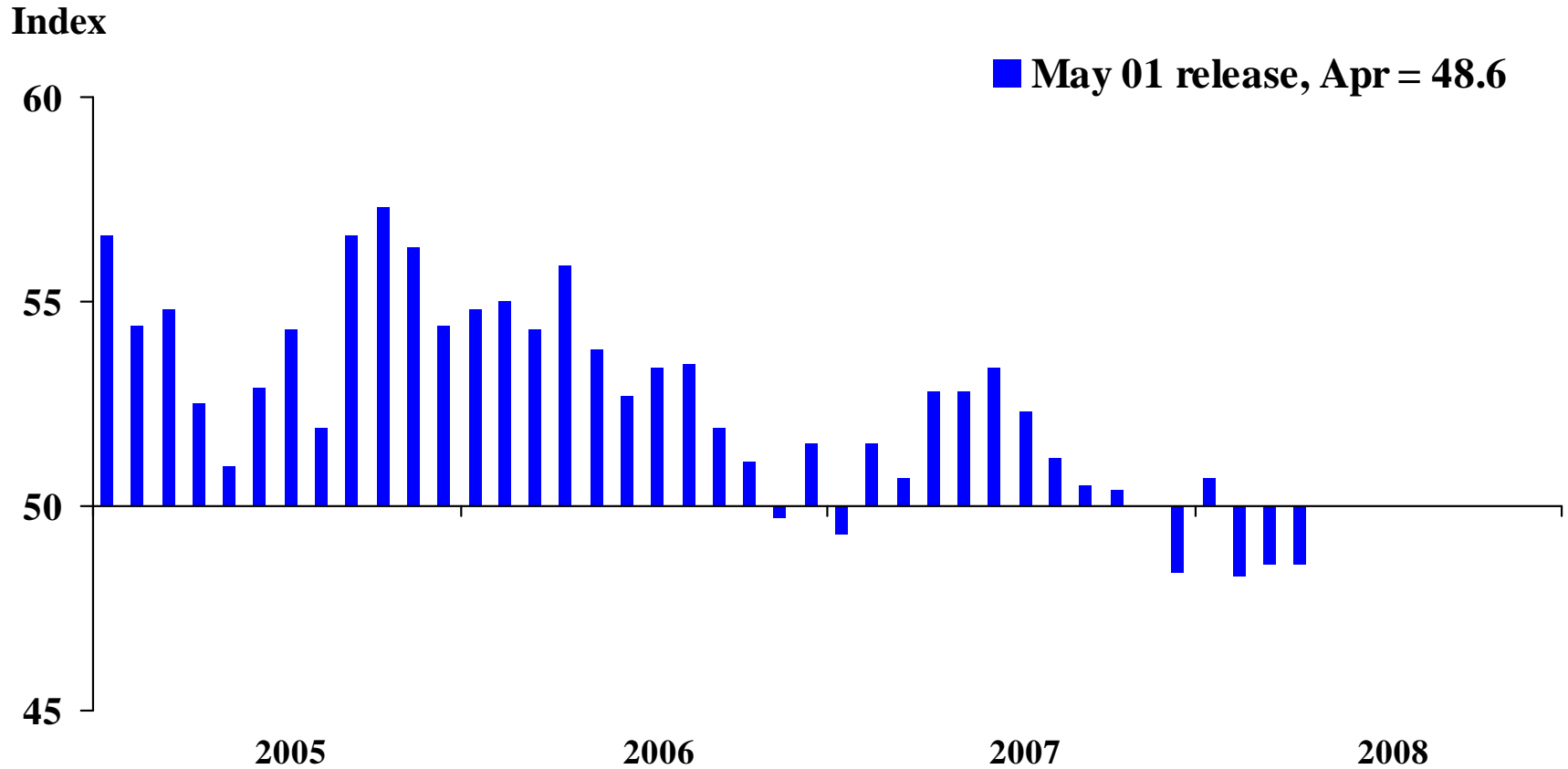


Source: Bureau of Economic Analysis

<http://www.dallasfed.org>



# Purchasing Managers' Index



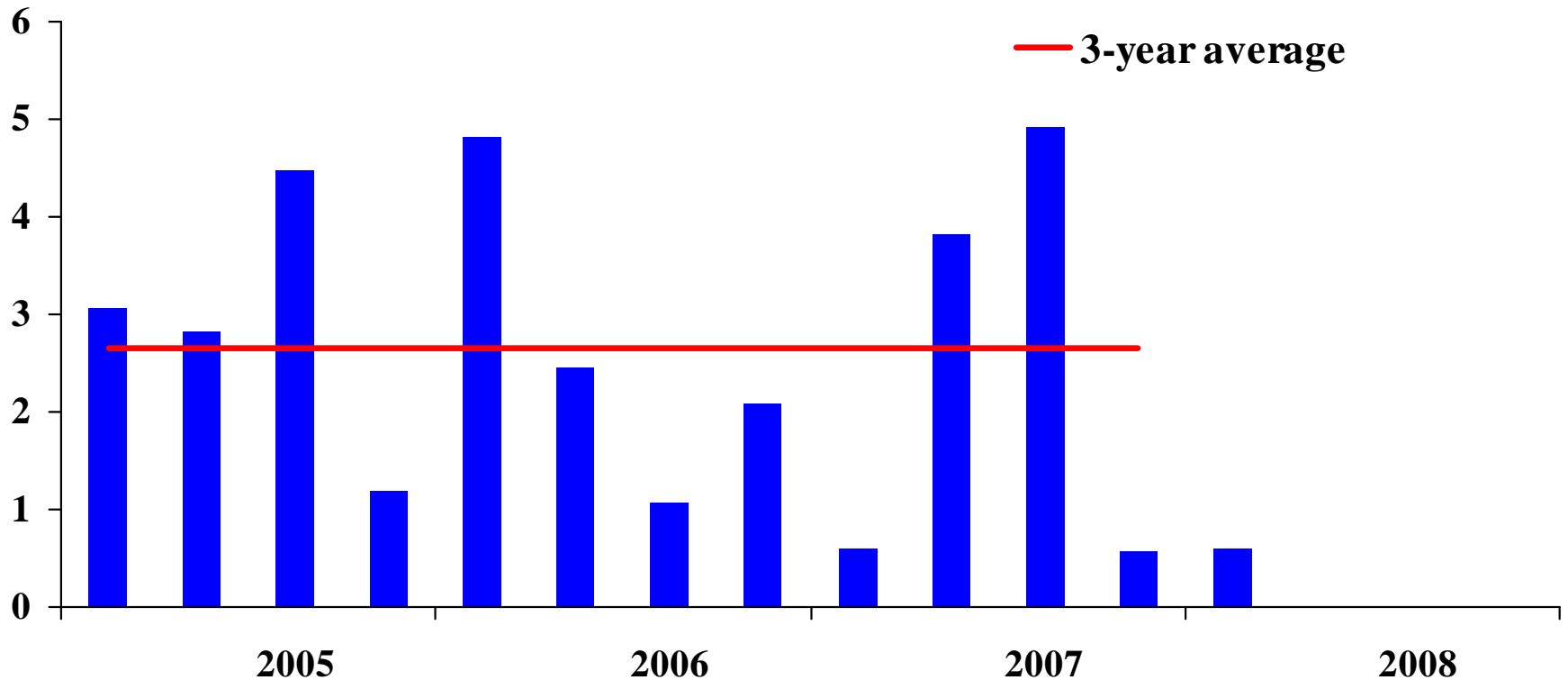
Source: Institute for Supply Management™

<http://www.dallasfed.org>



# Real GDP

1-quarter % change,  
annualized

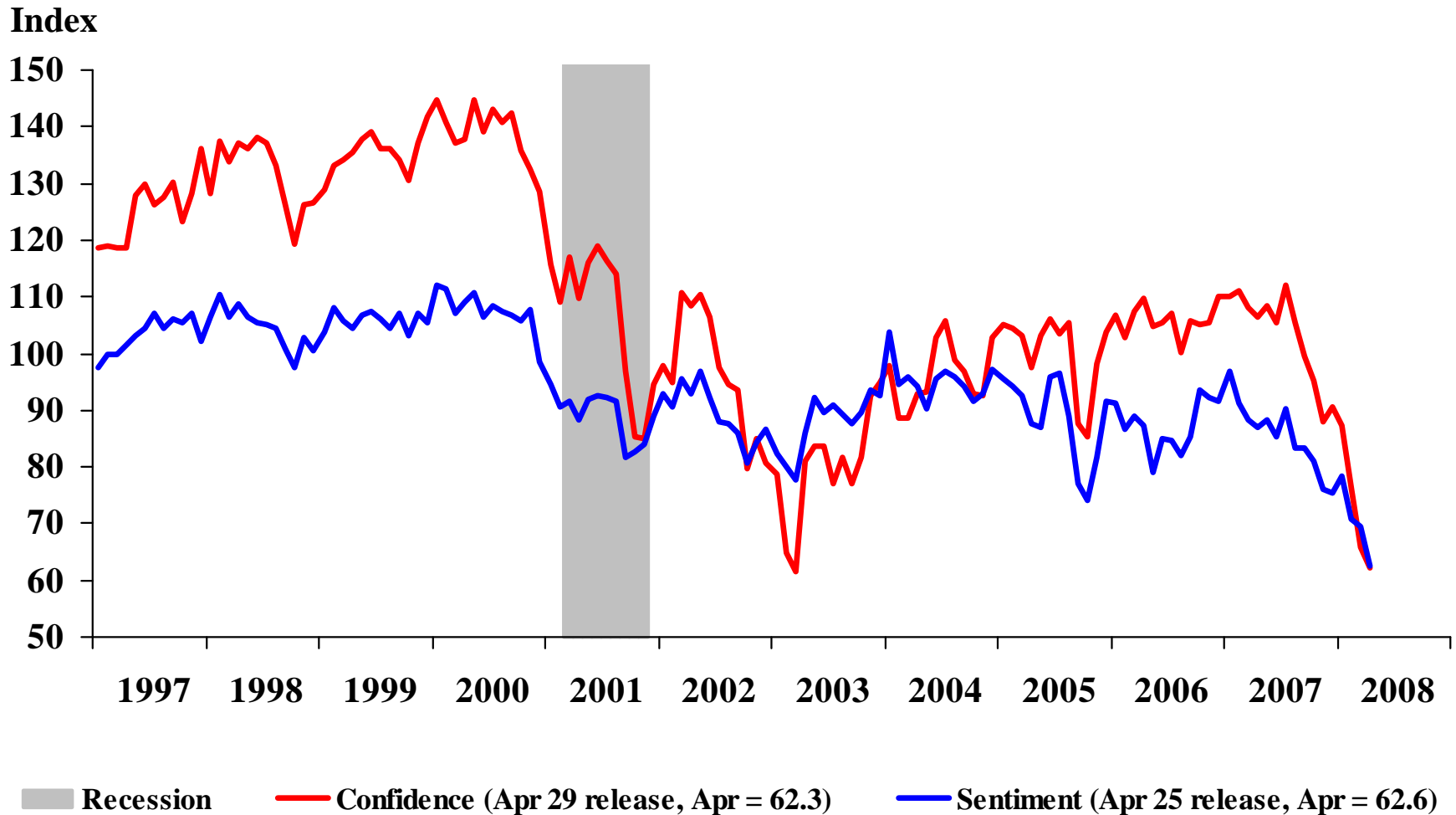


Source: Bureau of Economic Analysis

<http://www.dallasfed.org>



# Consumer Confidence/Sentiment



Consumer Sentiment: Survey of Consumers, Survey Research Center, U. of Michigan

Consumer Confidence: The Conference Board

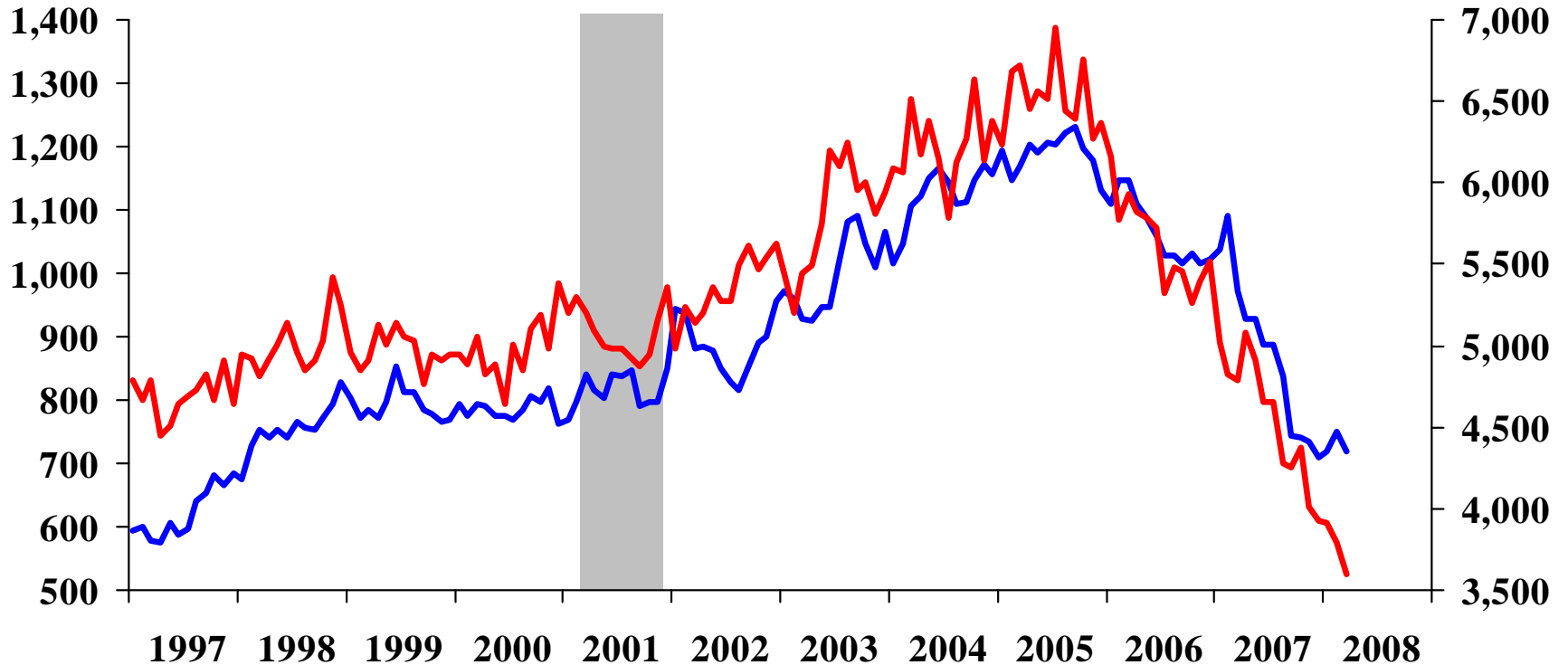
<http://www.dallasfed.org>



# Home Sales

Thousands of New Homes

Thousands of Existing Homes



Existing Home Sales (Apr 22 release, Mar = 4350)

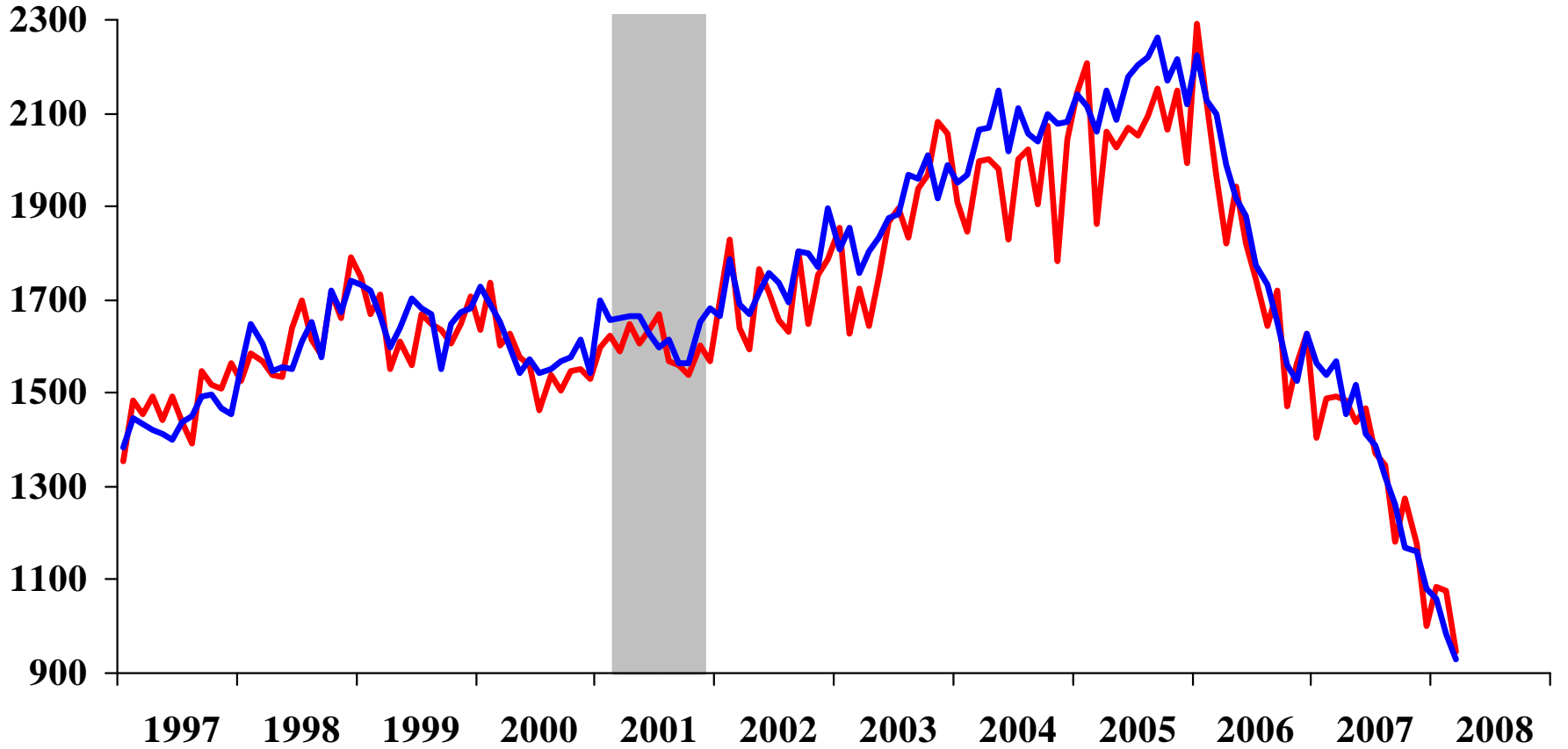
New Home Sales (Apr 24 release, Mar = 526)

Recession



# Housing Starts and Permits

Thousands



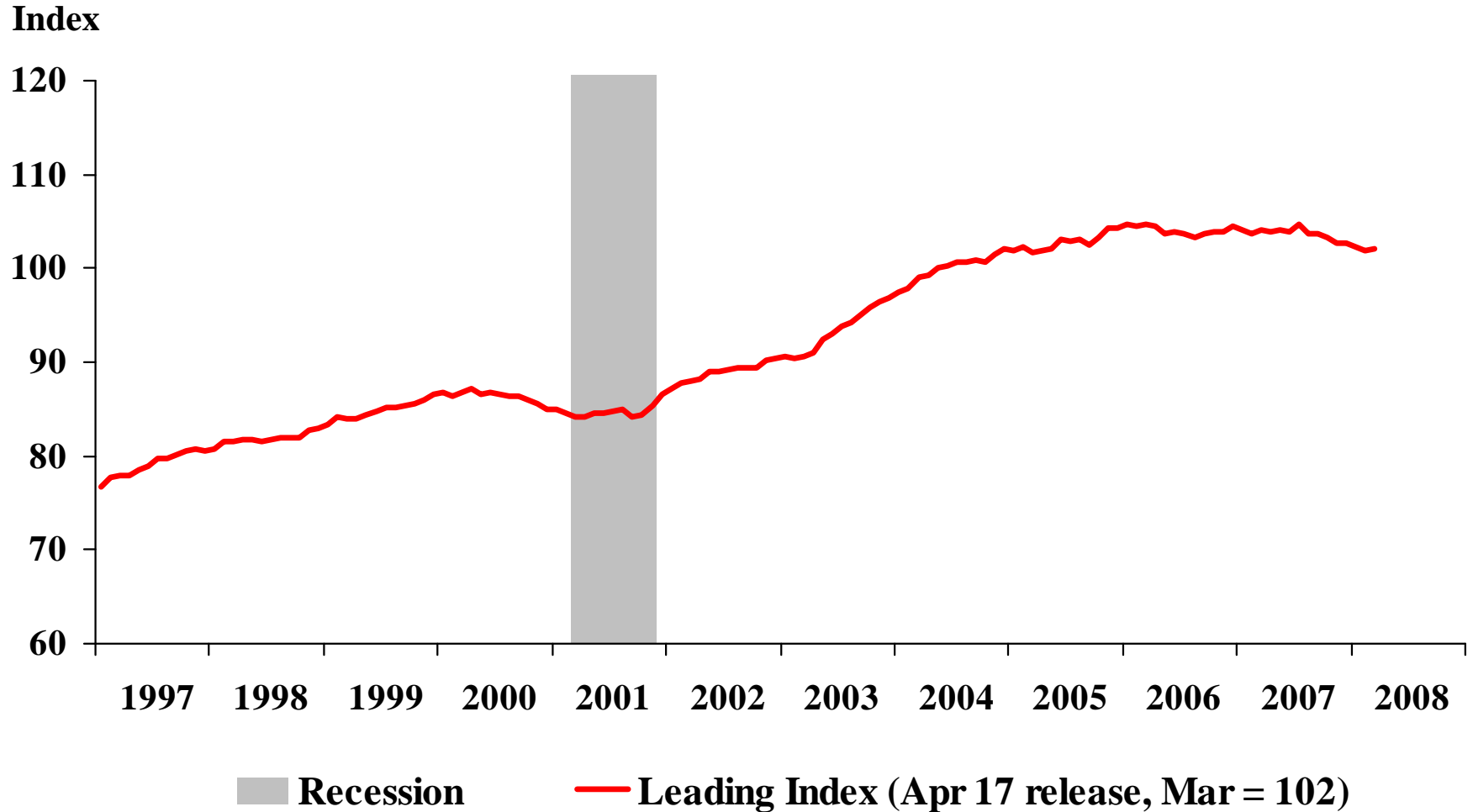
■ Recession    — Housing Starts (Apr 16 release, Mar = 947)    — Permits Issued (Apr 24 release, Mar = 928)

Source: Bureau of the Census

<http://www.dallasfed.org>



# Index of Leading Economic Indicators

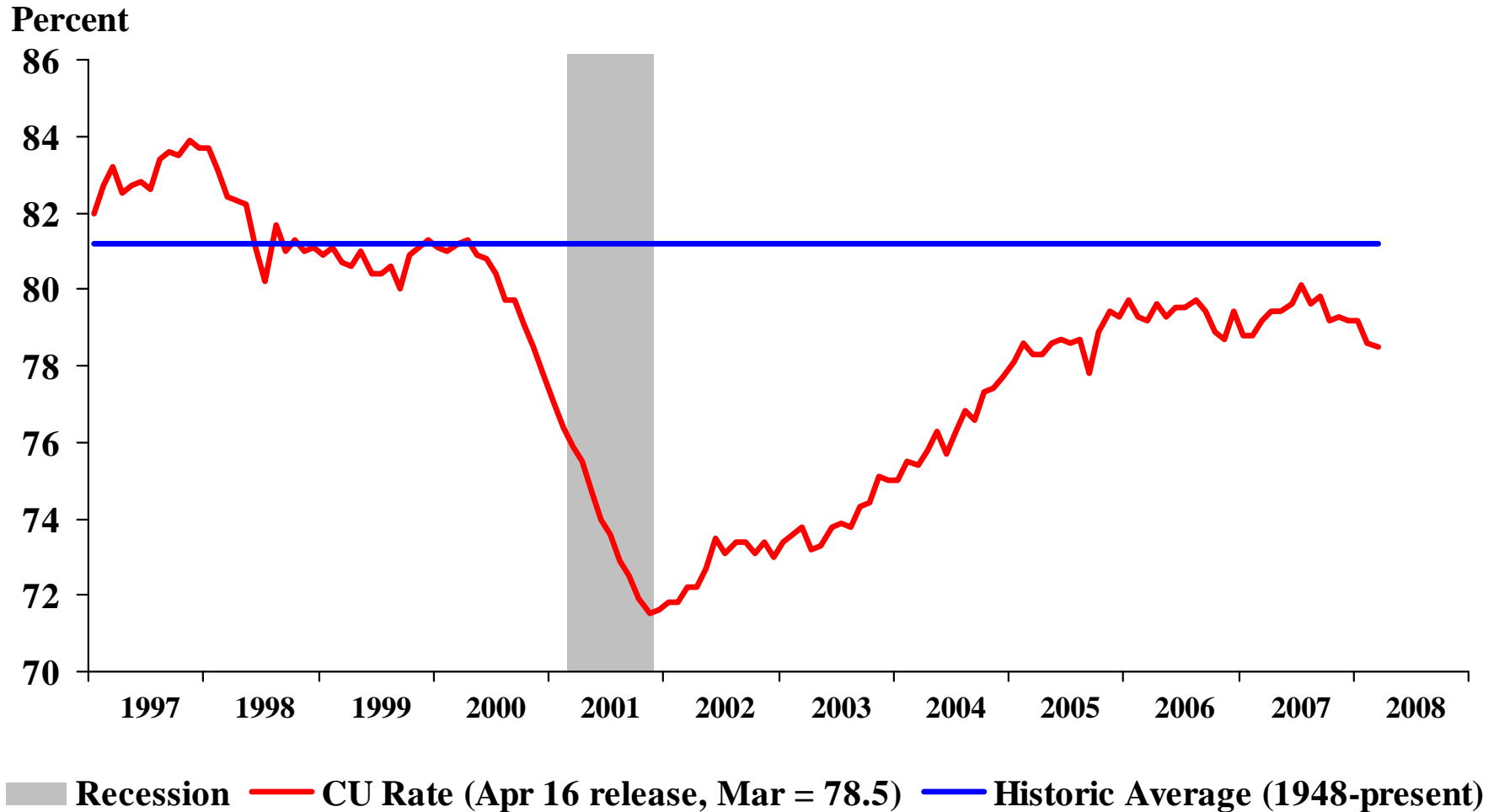


Source: The Conference Board

<http://www.dallasfed.org>



# Manufacturing Capacity Utilization Rate



Source: Federal Reserve Board

<http://www.dallasfed.org>



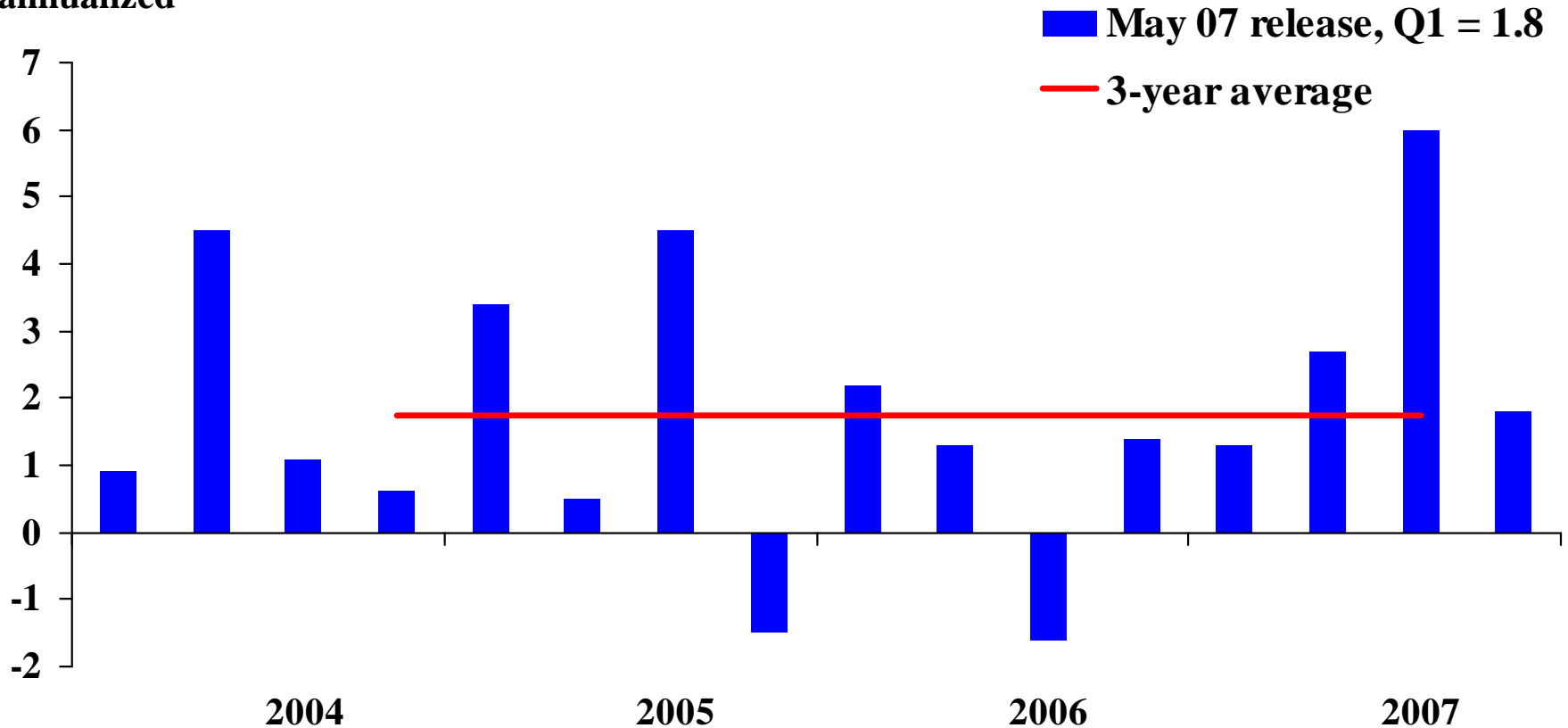
# WAGES AND PRICES

<http://www.dallasfed.org>



# Nonfarm Business Productivity

1-quarter % change,  
annualized



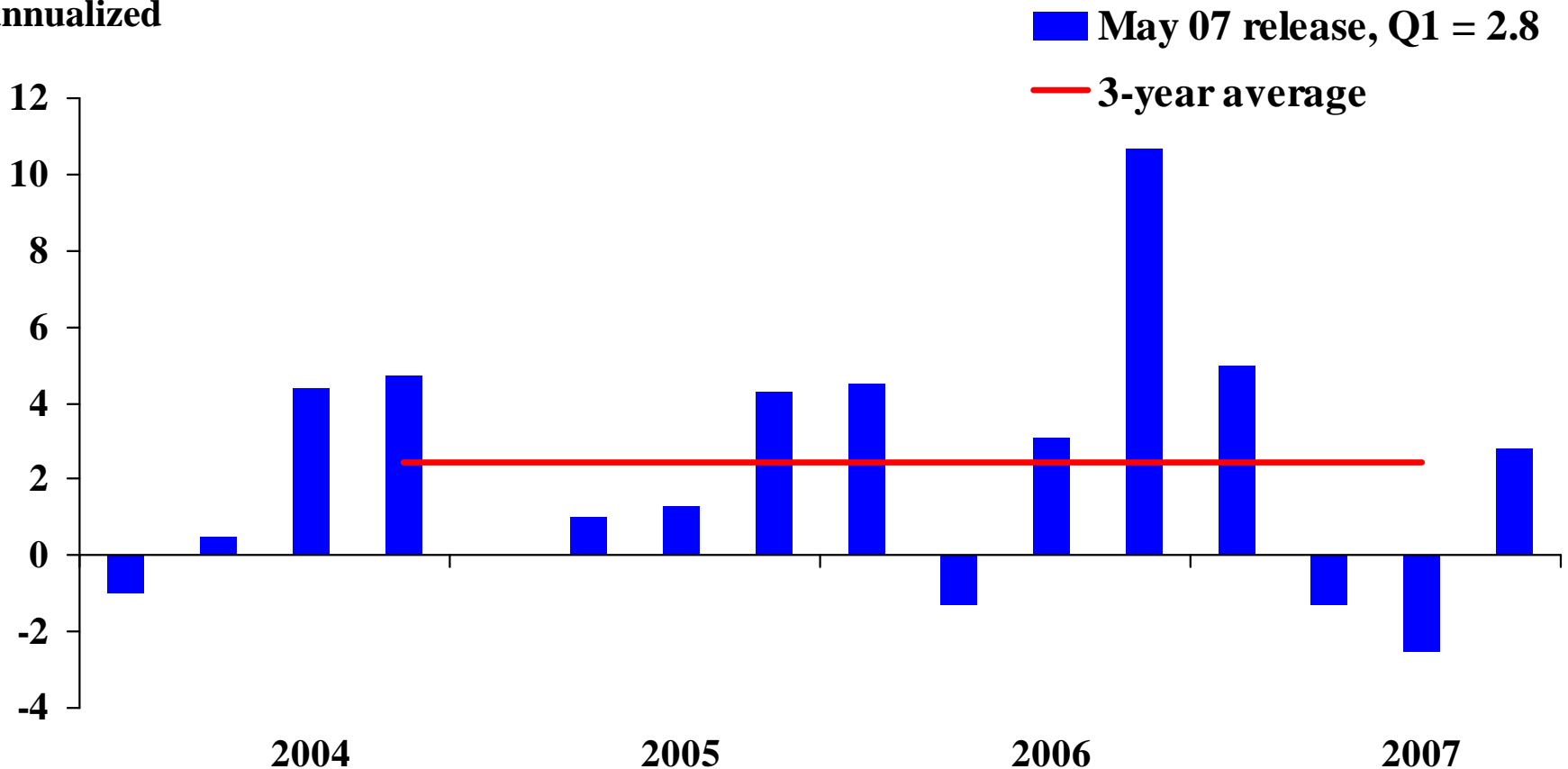
Source: Bureau of Labor Statistics

<http://www.dallasfed.org>



# Nonfarm Business Unit Labor Cost

1-quarter % change,  
annualized



Source: Bureau of Labor Statistics

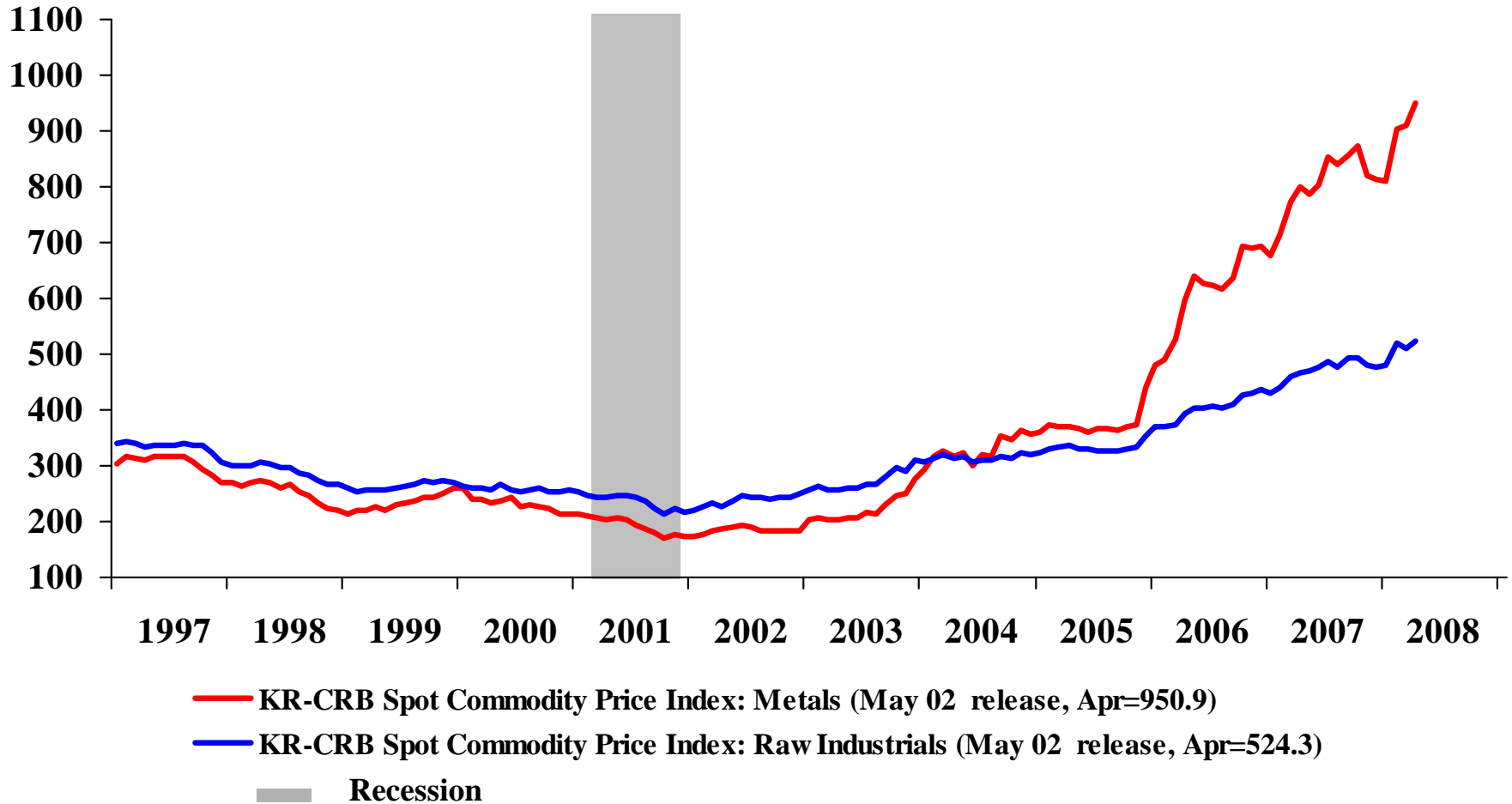
<http://www.dallasfed.org>





# Commodity Prices

1967=100, EOP



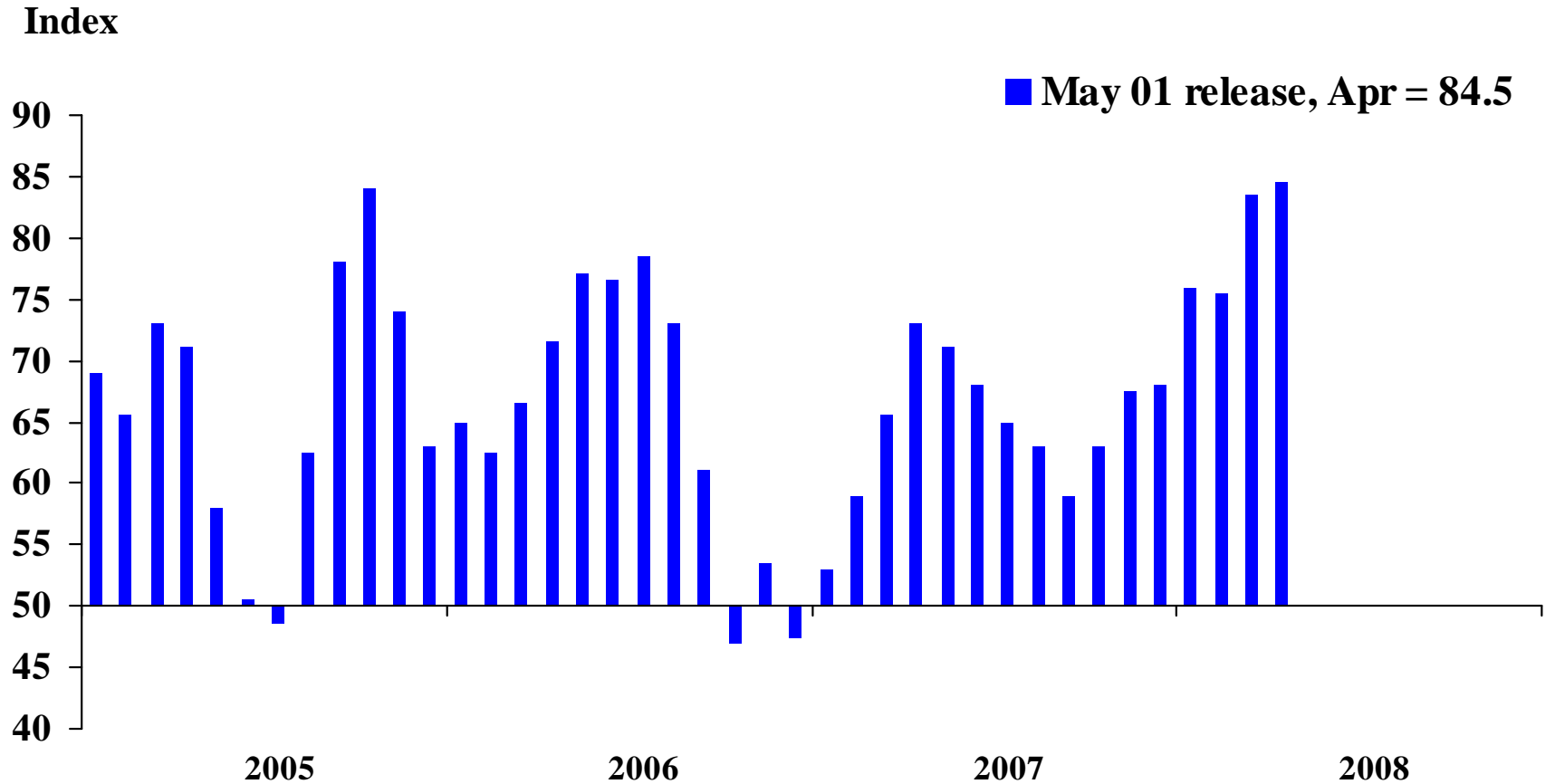
Source: Commodity Research Bureau

<http://www.dallasfed.org>





# ISM Manufacturing Prices Index

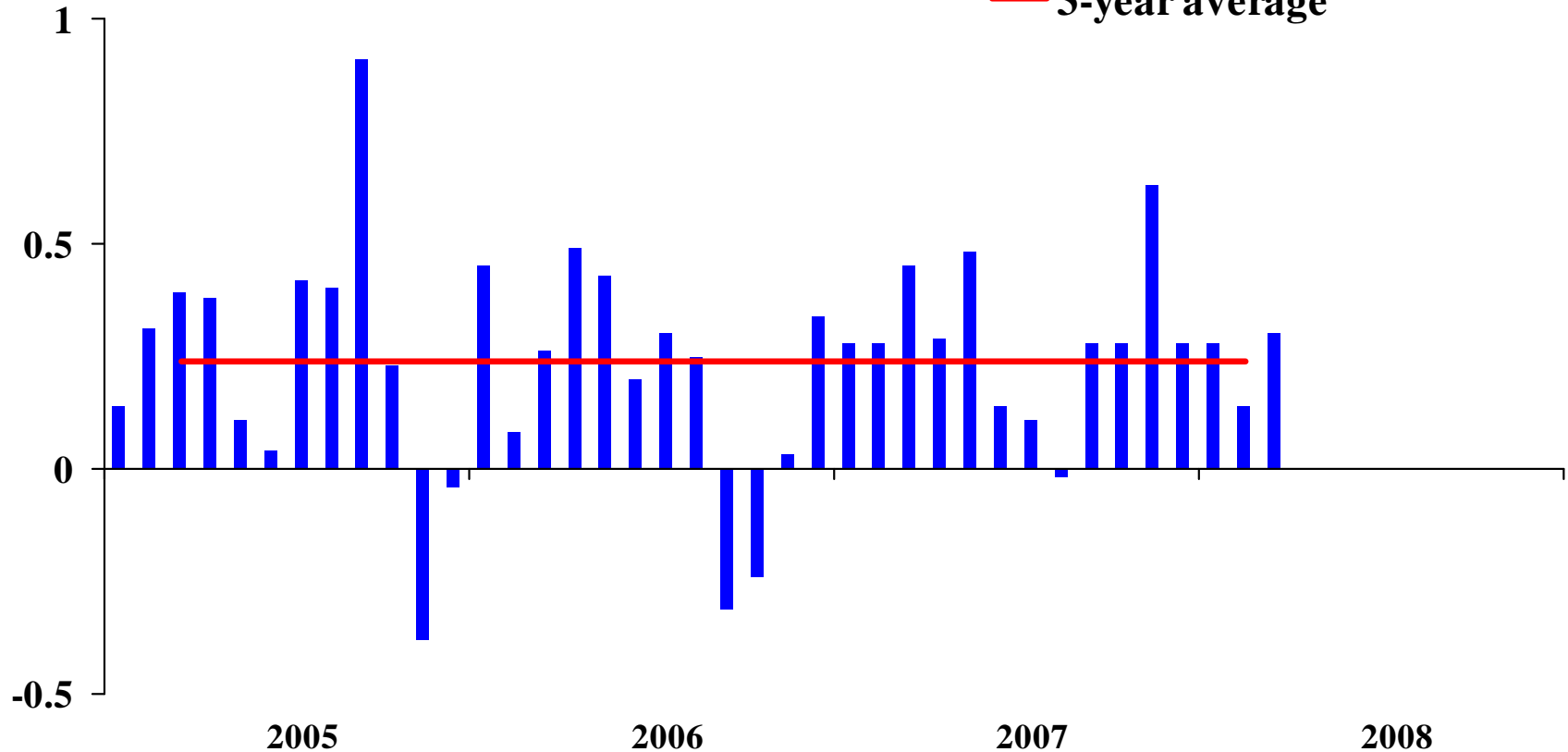




# PCE Price Index

1-month % change

■ May 01 release, Mar = 0.3  
— 3-year average



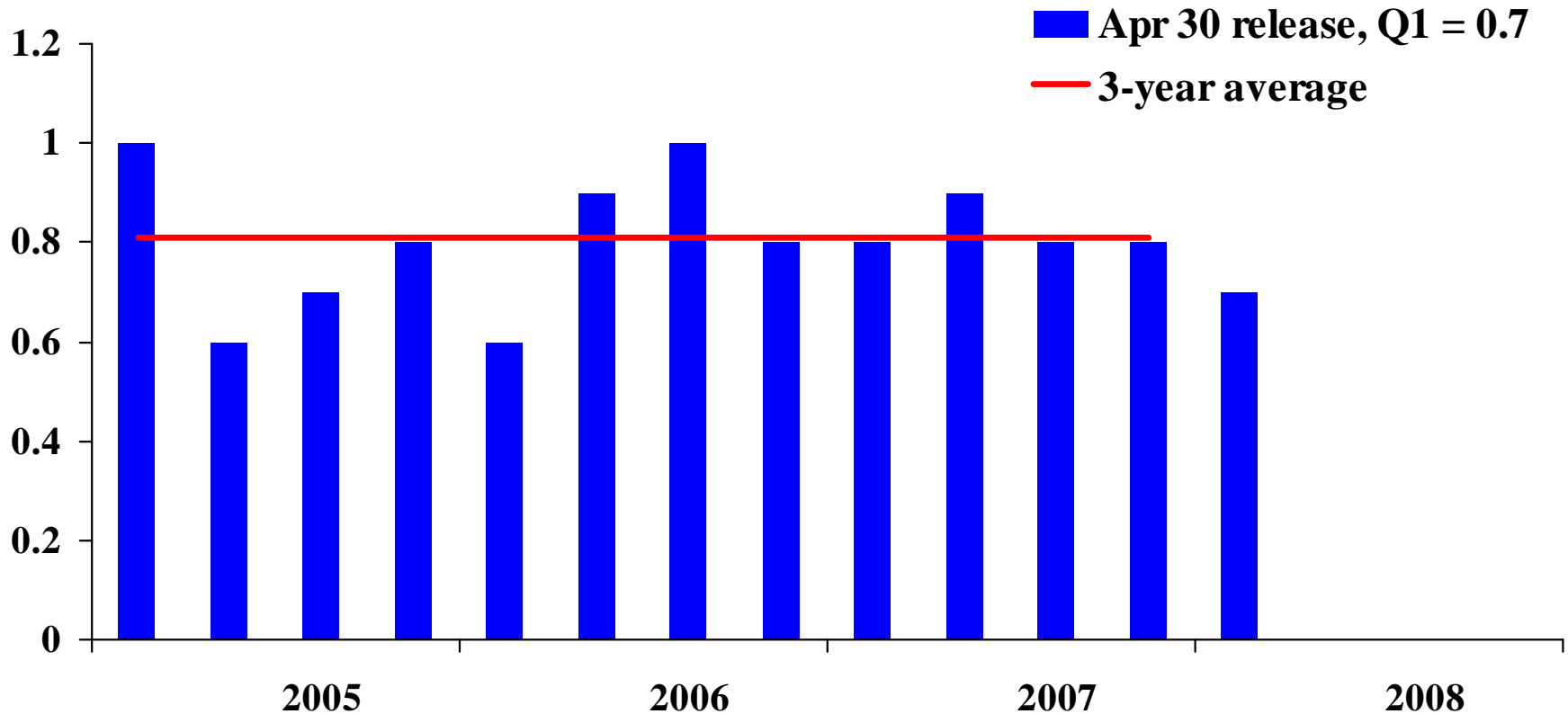
Source: Bureau of Economic Analysis

<http://www.dallasfed.org>



# Employment Cost Index

1-quarter % change



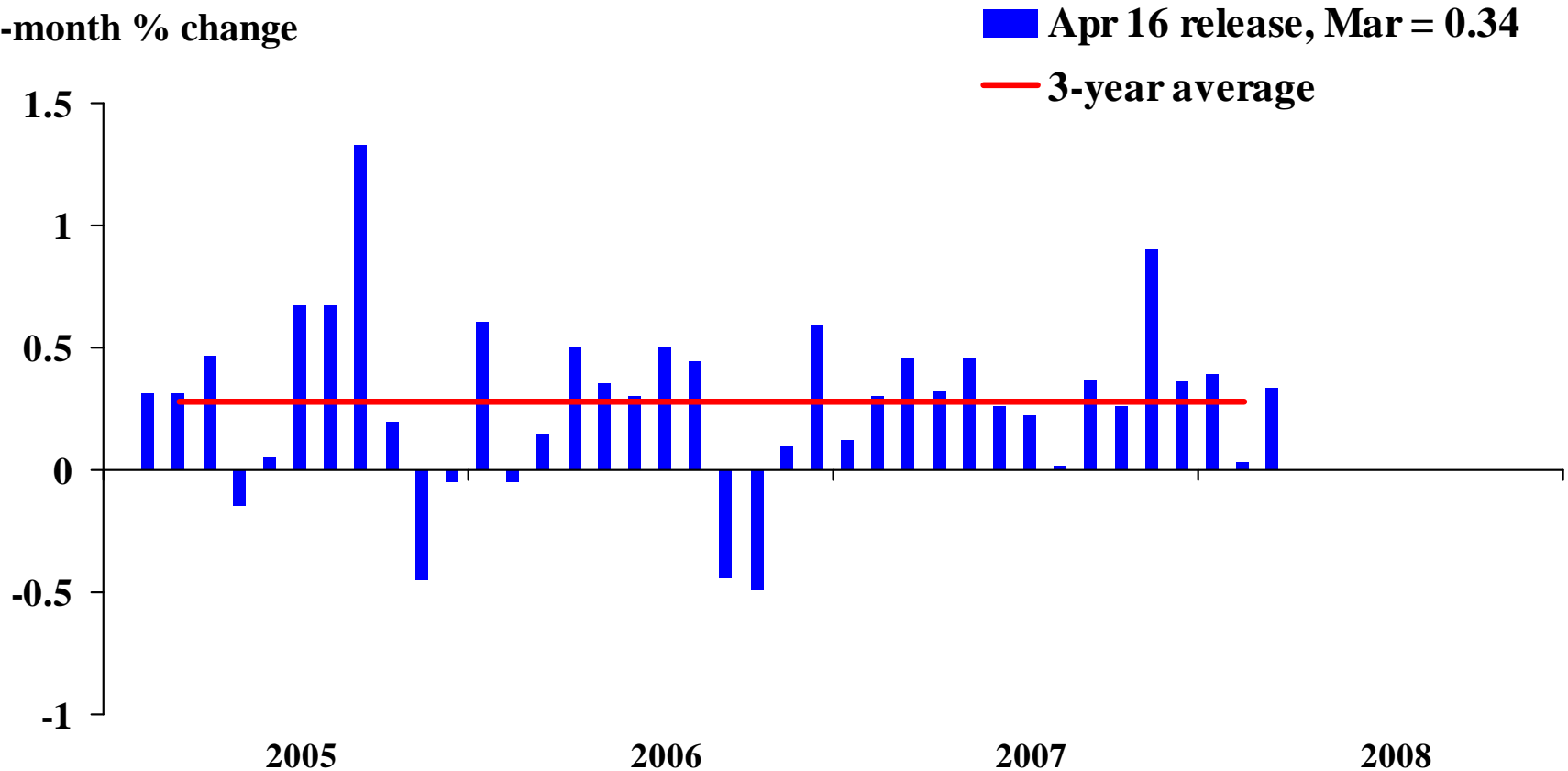
Source: Bureau of Labor Statistics

<http://www.dallasfed.org>



# Consumer Price Index

1-month % change



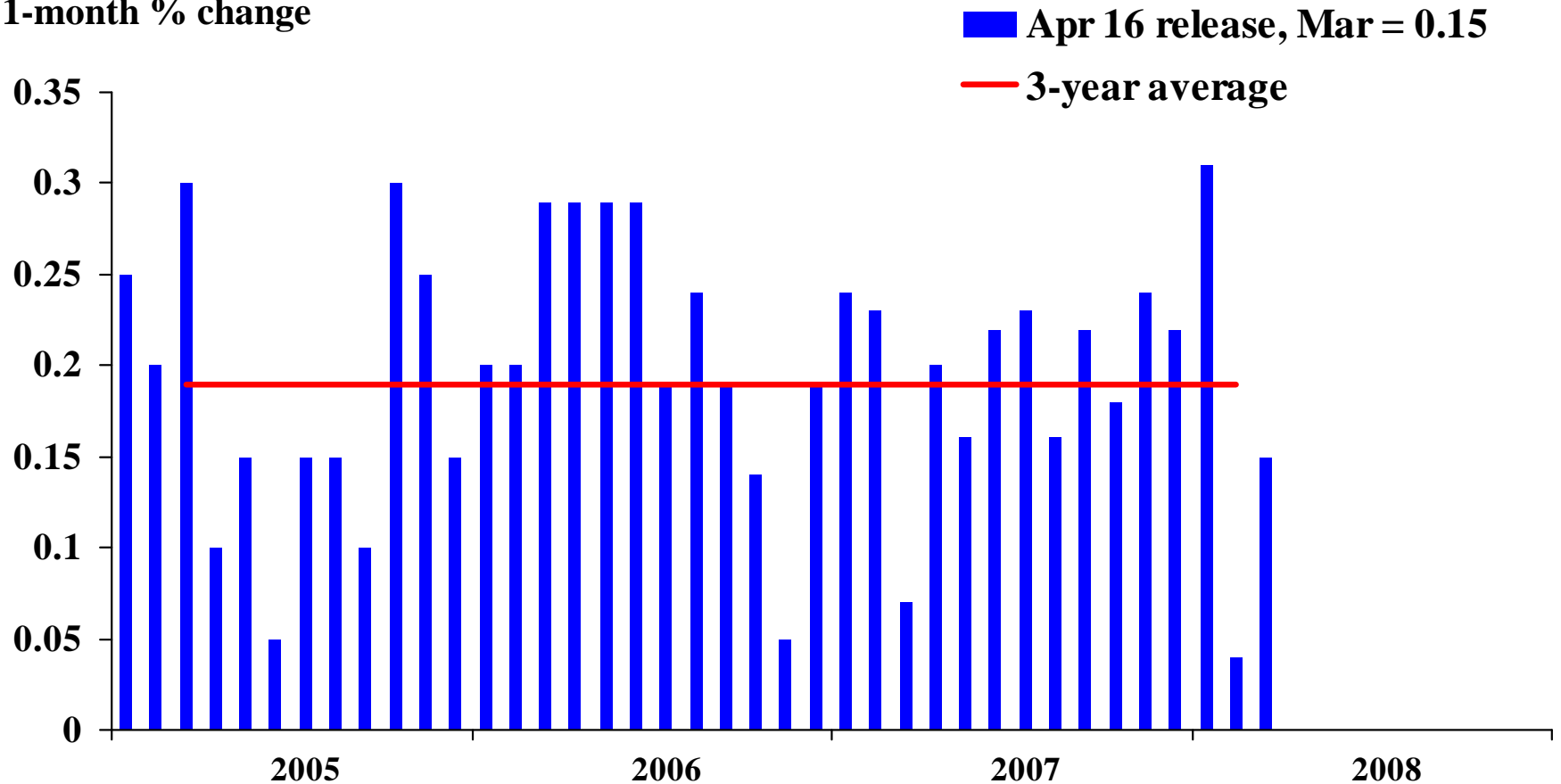
Source: Bureau of Labor Statistics

<http://www.dallasfed.org>



# Core Consumer Price Index

1-month % change



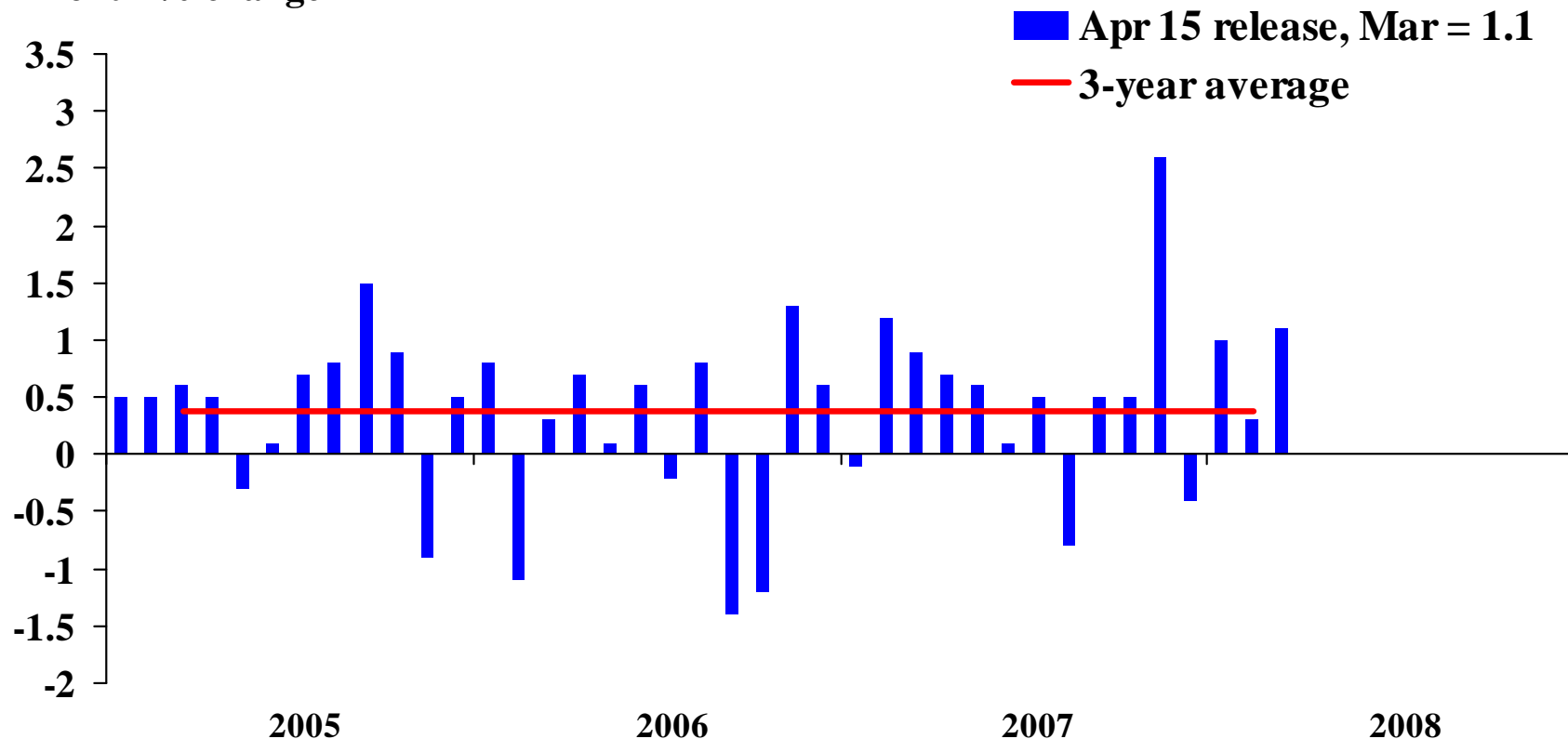
Source: Bureau of Labor Statistics

<http://www.dallasfed.org>



# Producer Price Index

1-month % change



Source: Bureau of Labor Statistics

<http://www.dallasfed.org>



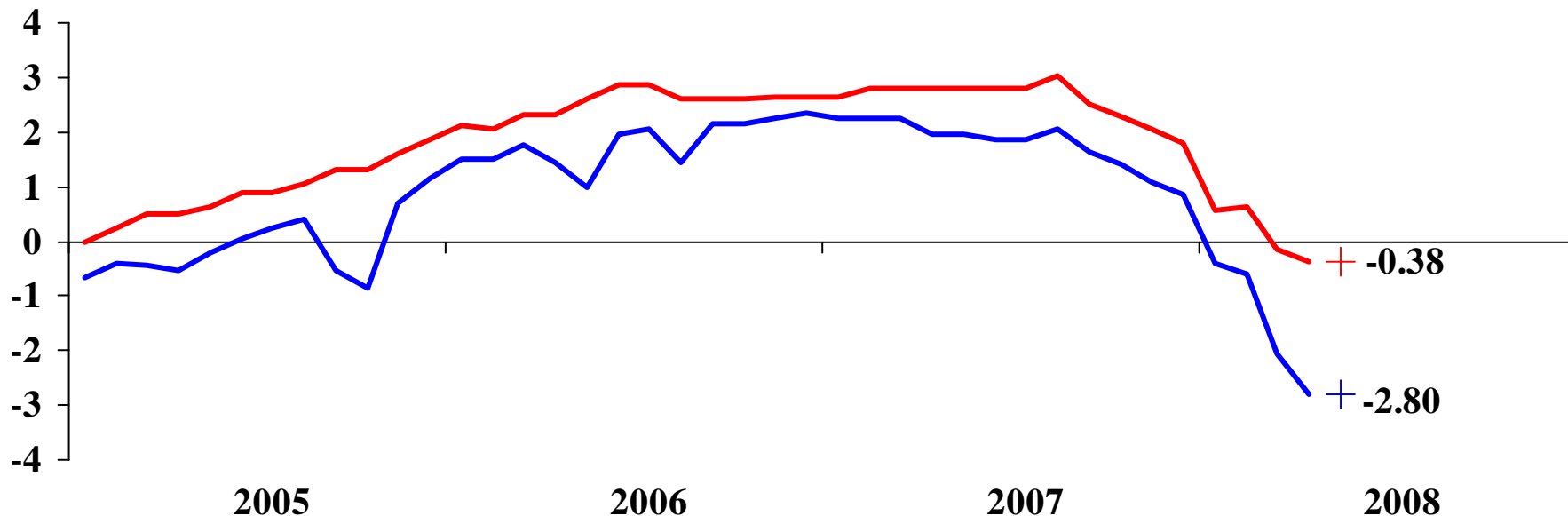
# **FINANCIAL-SECTOR DEVELOPMENTS**

**<http://www.dallasfed.org>**



# Real Federal Funds Rate

Percent



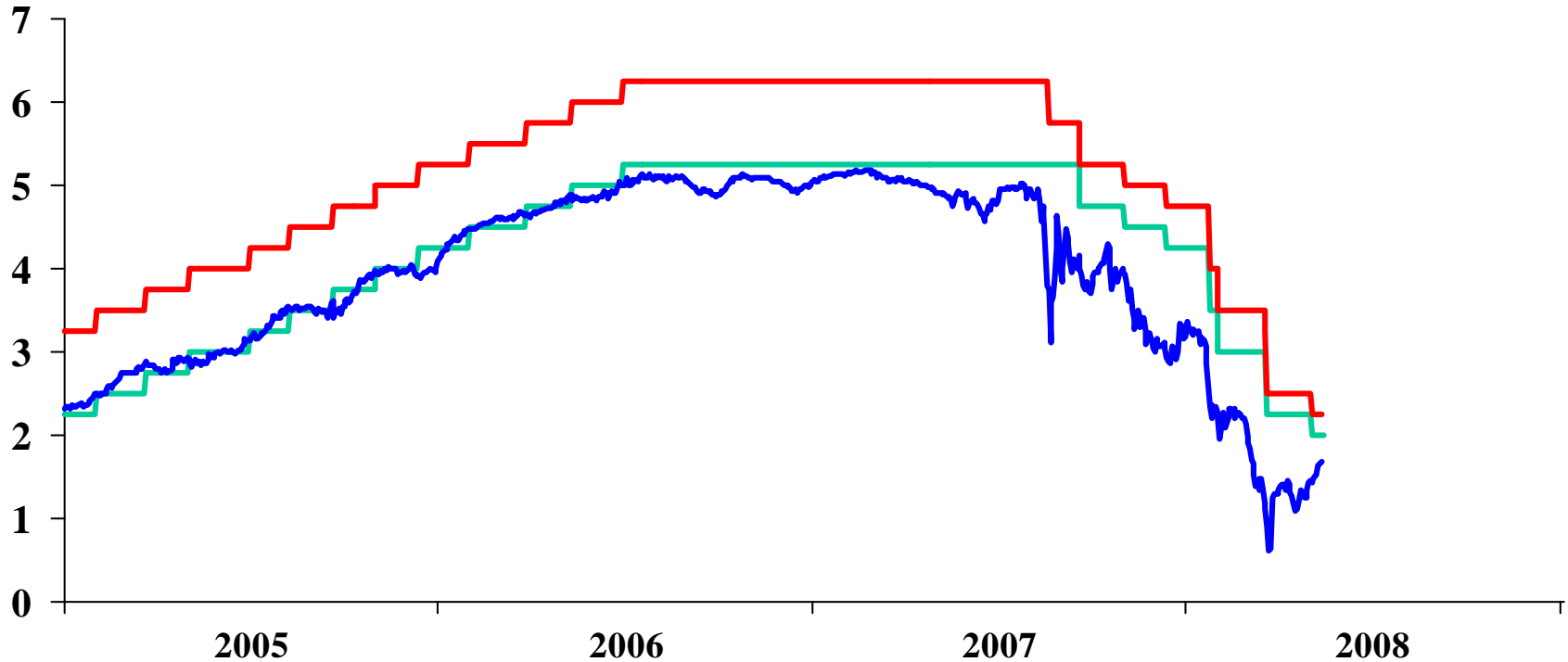
- End-of-Month Target Fed Funds Rate less SPF Expected Inflation
- + Target Fed Funds Rate (May 12) less SPF Expected Inflation (May 13)
- End-of-Month Target Fed Funds Rate less U. of Michigan Expected Inflation
- + Target Fed Funds Rate (May 12) less U. of Michigan Expected Inflation (Apr 25)

Sources: Target Fed Funds Rate: Federal Reserve Board; SPF Expected Inflation: FRB Philadelphia; U. of Michigan Expected Inflation: Survey of Consumers, Survey Research Center, U. of Michigan  
<http://www.dallasfed.org>



# Short-Term Interest Rates

Percent



- Target Fed Fund Rate (May 12 = 2)
- 3-Month T-Bill Rate (May 09 = 1.69)
- Discount Window Primary Credit Rate (May 09 = 2.25)

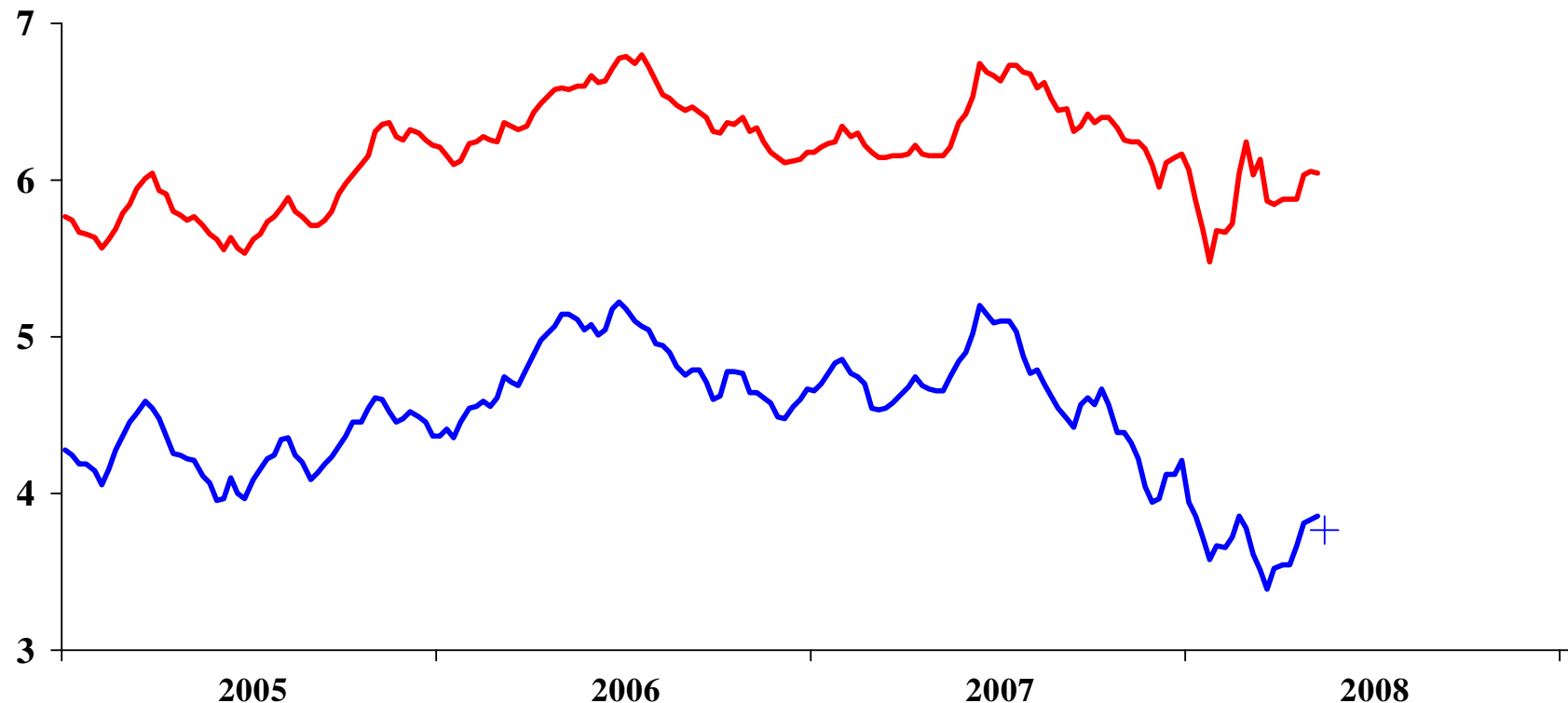
Source: Federal Reserve Board

<http://www.dallasfed.org>



# Long-Term Interest Rates

Percent



- Mortgage Rate (week of May 09= 6.05)
- 10-year T-Bond (week of May 09= 3.85)
- + 10-year T-Bond (May 09 = 3.77)

Source: Federal Reserve Board

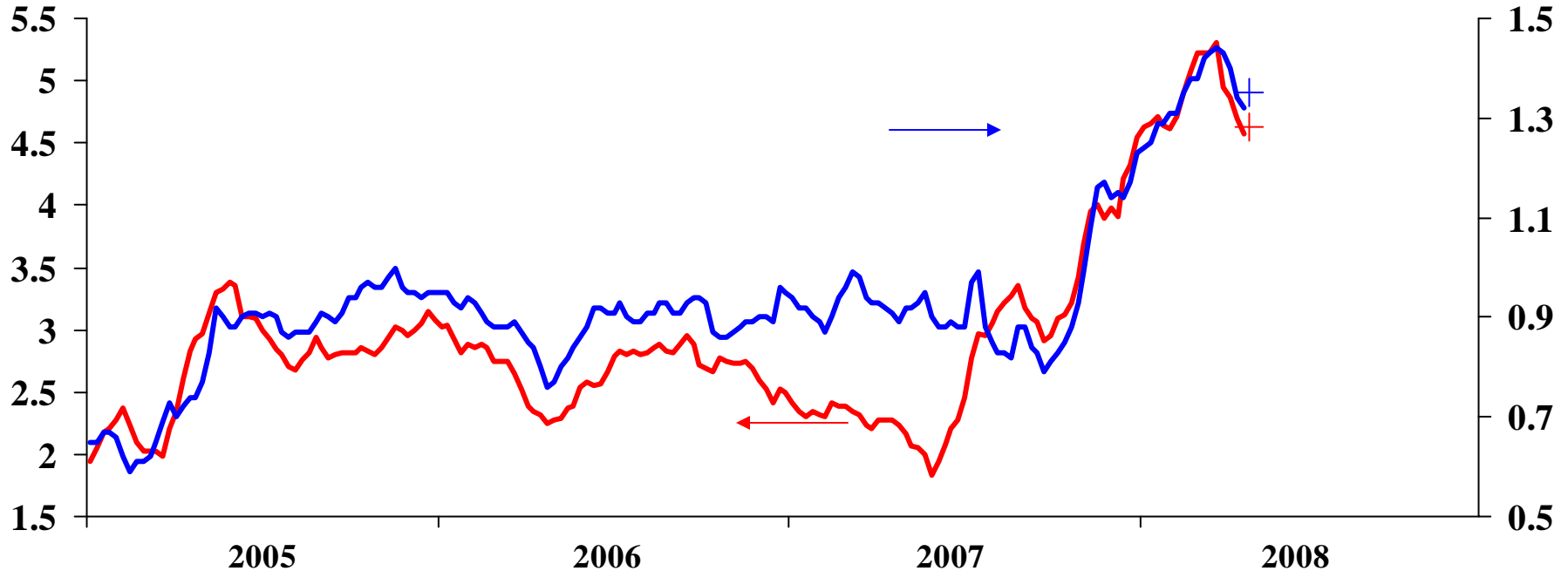
<http://www.dallasfed.org>



# Bond Spreads

Merrill Lynch's Yield on Low-Grade Corporate Bonds,  
Moody's AAA and BAA Corporate

Percent



Percent

- Low-Grade Corporate less AAA Corporate (week of May 09 = 4.57)
- + Daily (May 09 = 4.63)
- BAA Corporate less AAA Corporate (week of May 09 = 1.32)
- + Daily (May 09 = 1.35)

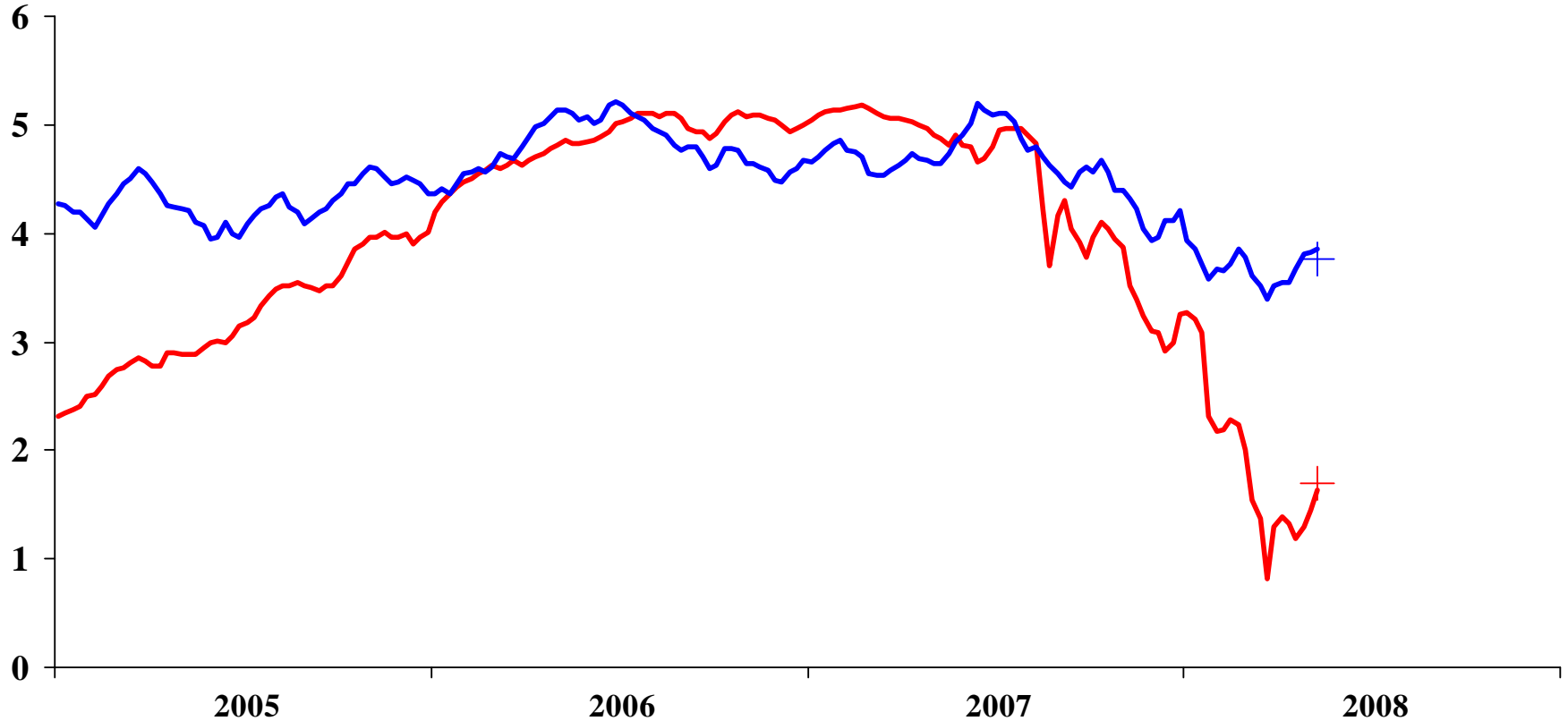
Source: Moody's Investors Service, Merrill Lynch

<http://www.dallasfed.org>



# Yield Curve

Percent



— 3-Month T-Bill Rate (week of May 09)

— 10-year T-Bond Rate (week of May 09)

+ 3-Month T-Bill Rate (May-09 = 1.69)

+ 10-year T-Bond Rate (May-09 = 3.77)

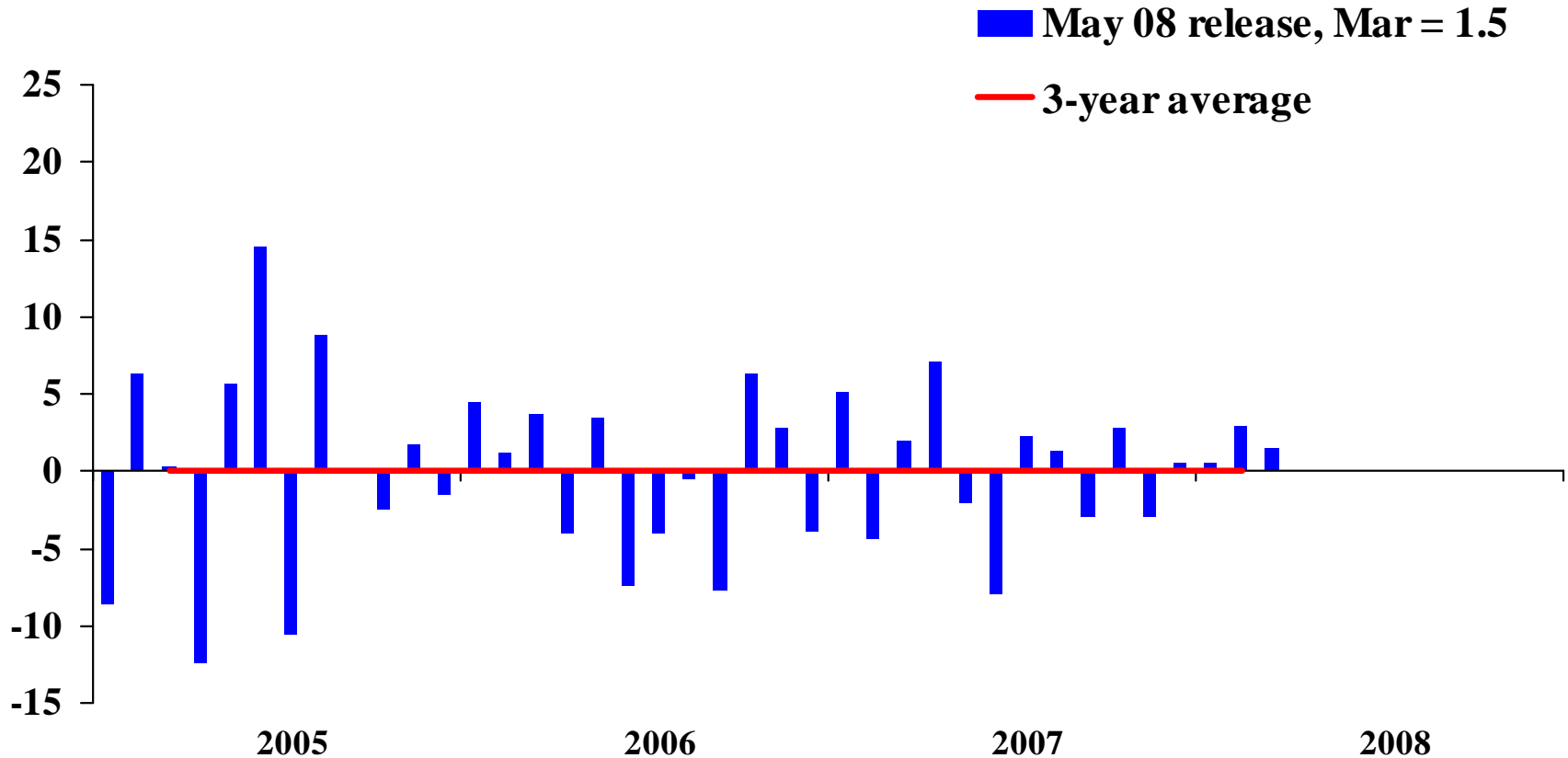
Source: Federal Reserve Board

<http://www.dallasfed.org>



# Money Supply: M1

1-month % change,  
annualized



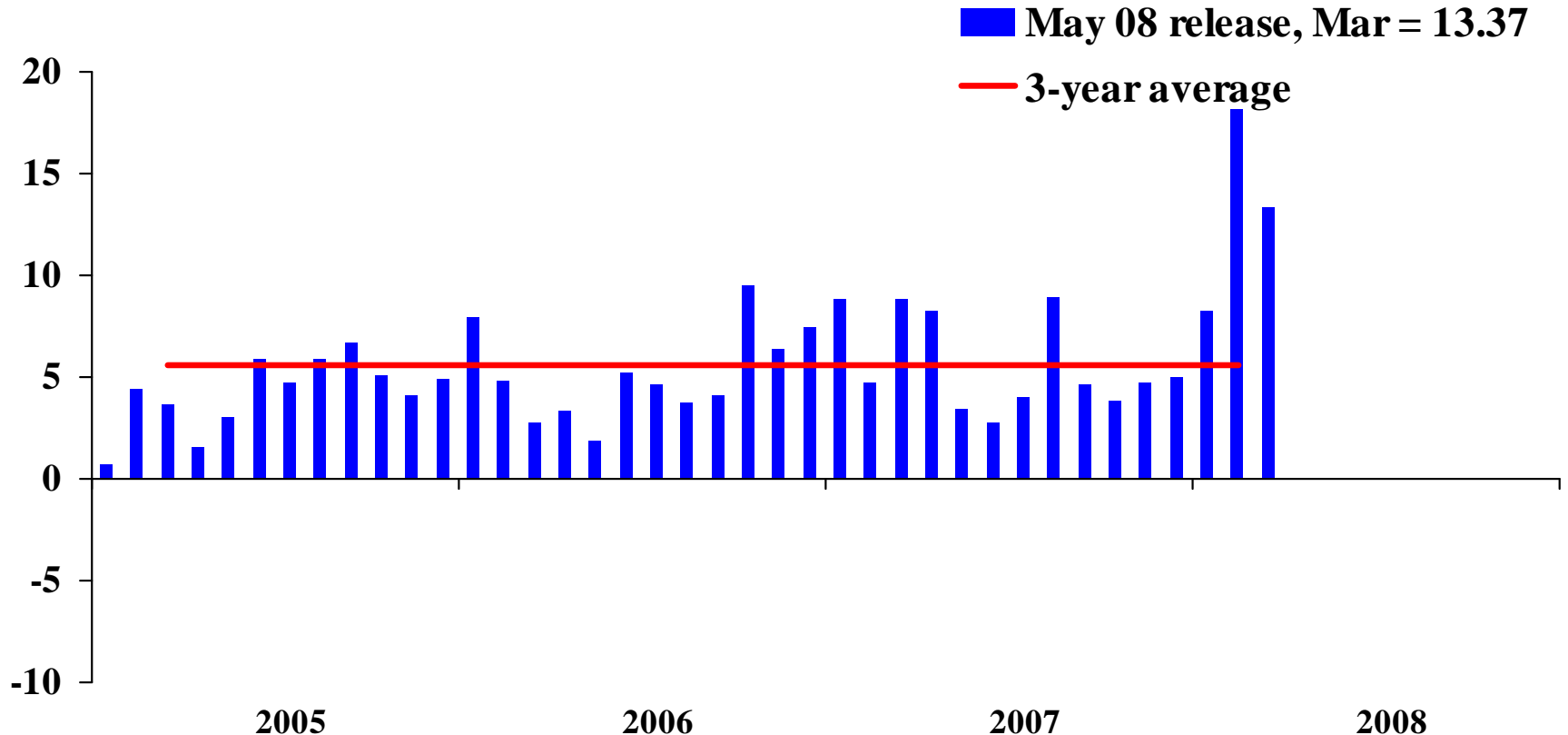
Source: Federal Reserve Board

<http://www.dallasfed.org>



# Money Supply: M2

1-month % change,  
annualized



Source: Federal Reserve Board

<http://www.dallasfed.org>