

2018: An Economic Wrap-Up

For many, the new year can't come soon enough...whether the source of 2018's sorrow stems from natural or man-made disasters or even from financial market woes.

Below, please find a recap of the "year that was" in macro data. Here's to wishing all that the new year brings an energetic economy, an end to recent stock market swoons and lots of good news.

Jobs

	Economic Indicator	2017	2018
	Unemployment Rate*	4.1%	3.7%
	Labor Force Participation Rate*	62.7%	62.9%
	Private-Sector Payrolls, Average Monthly Gain**	181k	202k
	Non-Residential Construction Jobs, Average Monthly Gain**	2,400	1,600
	Private-Sector Job Openings Rate***	4.2%	4.8%
	Sector with the Greatest Percentage Increase in Employment**	Mining/Logging (+7.9%)	Mining/Logging (+7.4%)
	Sector with the Greatest Percentage Decrease in Employment**	Information (-1.1%)	Information (-0.6%)

Source: BLS

*November data. **Data are for the 11 months through November. ***October data.

Balance Sheets

	Economic Indicator	2017	2018
	Growth in Home Mortgage Debt	3.2%	2.9%*
	Growth in Household Net Worth	8.6%	7.5%*
	Growth in Consumer Credit Debt	5.0%	4.2%*
	Growth in Domestic Nonfinancial Corporate Debt	5.8%	4.9%*
	Budget Deficit, Fiscal Year (as a % of GDP)	\$666B (3.5%)	\$779B (3.8%)
	Trade Deficit**	\$451.4B	\$502.7B

Source: Federal Reserve

*Annualized growth through Q3 2018. **January-October total.

Prices and the Consumer

	Economic Indicator	2017	2018
	Average Hourly Earnings, All Workers*	2.3%	2.7%
	Consumer Price Inflation*	1.9%	2.0%
	Consumer Price Inflation, Ex-Food and Energy*	1.5%	2.0%
	Producer Price Inflation, Services*	2.2%	2.9%
	Average Monthly Retail Sales, Excluding Autos, Gas & Restaurants**	\$292 billion	\$306 billion
	Vehicle Sales, Annualized**	17.1 million	17.1 million
	Consumer Confidence, Conference Board***	123.1	128.1

Source: Federal Reserve

*Percentage change for 11 months through November. **Jan – Nov average. ***December data.

Construction

	Economic Indicator	2017	2018
	Non-Residential Office Construction Spending*	\$58.5B	\$63.2B
	CRE Commercial Bank Loans Outstanding**	\$2,080B	\$2,182B
	Existing Single-Family Home Sales***	4.91 million	4.77 million
	Multi-Family Construction Starts***	356k	385k
	Dodge Commercial Building Momentum Index**	170.6	176.7

Source: Federal Reserve, Census, BEA and Dodge.

*YTD through October, annualized. **November data. ***YTD through November, annualized.

Financial Markets

	Economic Indicator	December 2017	December 2018
	Fed Funds Target Rate	1.25% - 1.50%	2.25% - 2.50%
	10-Year US Treasury Yield*	2.41%	2.85%
	S&P 500 Index*	2,664	2,576
	S&P 500 REIT Sub-Index* (32 members)	203.8	201.5

Source: Federal Reserve and Bloomberg.

*Data are the average value for the month of December. (Fed Funds target is as of month-end.)

Commodities

		2017	2018
	Lumber* (per 1,000 board feet)	\$432.4	\$328.2
	Natural Gas* (per mmBtu)	\$2.78	\$3.05
	WTI Oil* (per barrel)	\$57.95	\$49.18
	Gasoline* (per gallon)	\$1.72	\$1.39
	Steel* (per short ton)	\$639	\$754
	Ready-Mix Concrete, Producer Price Index Percentage Change**	1.9%	1.0%

Source: BLS and Bloomberg

*Data reflect December average for the relevant front futures contract. **Data reflect changes for the 11 months through November.

Output/Production

		2017	2018
	Real GDP Growth	2.2%	2.9%*
	Industrial Production Growth**	2.4%	3.4%
	Industrial Production Growth** Excluding Autos and Parts	2.7%	3.5%
	Total Capacity Utilization** (% of Capacity, Average)	76.0%	77.9%
	Manufacturing Capacity Utilization** (% of Capacity, Average)	75.2%	76.2%

Source: Federal Reserve

*Annualized growth through Q3 2018. **Data are for the 11 months through November.



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