

U.S. Macroeconomic Outlook and Scenario Update

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Presenters

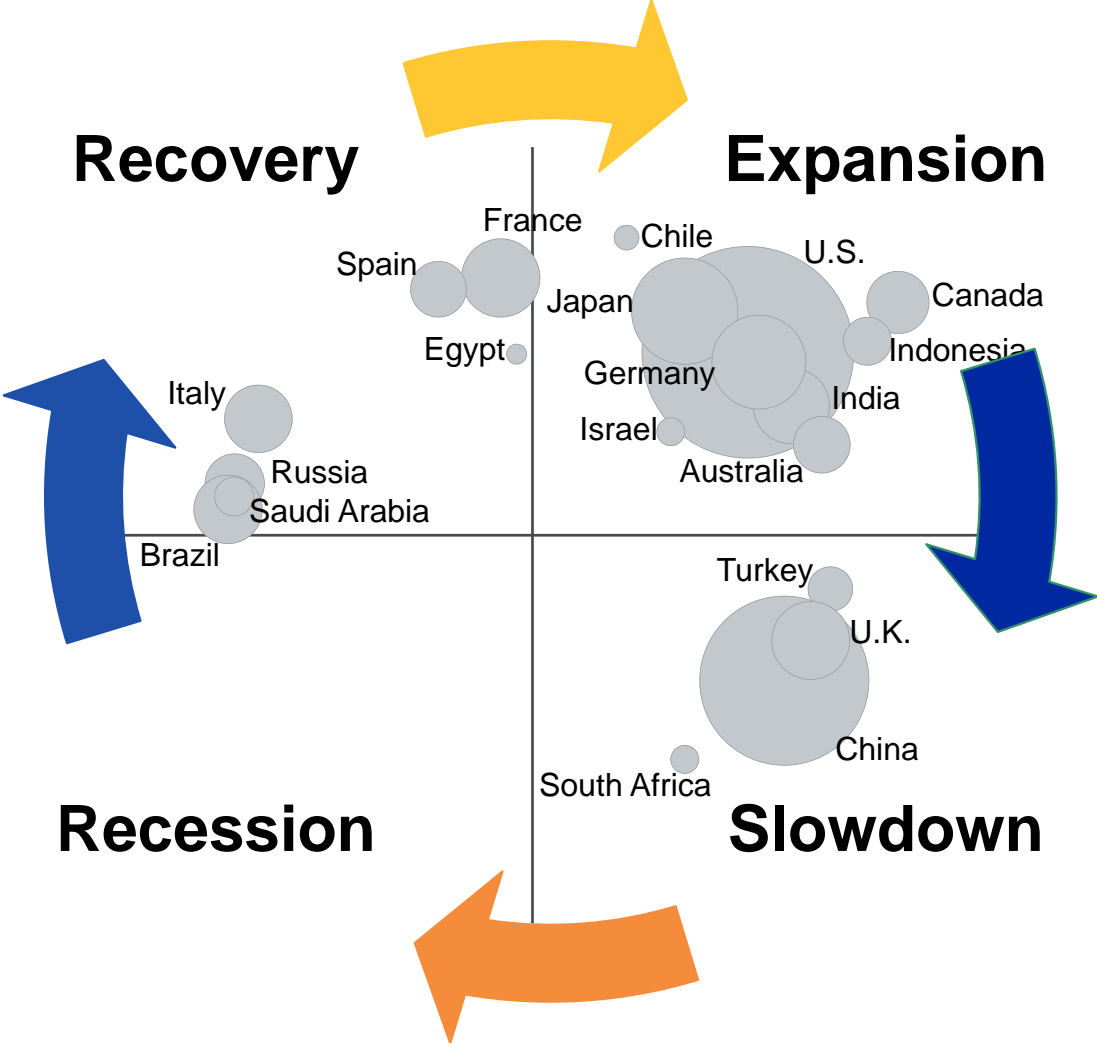


Marisa DiNatale is the Global Head of Forecasting, specializing in international modeling and forecasting, regional and labor economics. Ms. Di Natale previously oversaw the firm's U.S. subnational forecasting service.



Edward Friedman is a Director with Moody's Analytics. Dr. Friedman prepares monthly updates to multiple regularly produced alternative macroeconomic forecasts to the Moody's Analytics U.S. baseline and supervises the production of client scenarios.

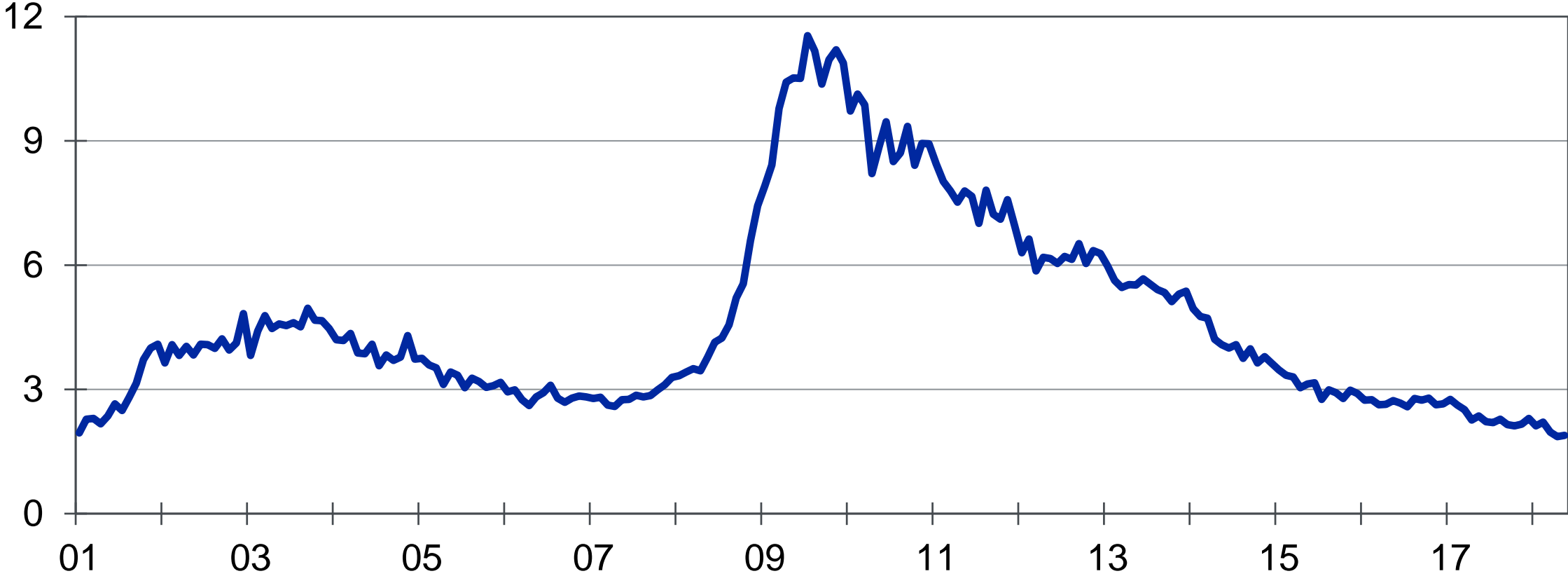
The Global Economy Gets It Together



Source: Moody's Analytics

The Job Market Is Tight...

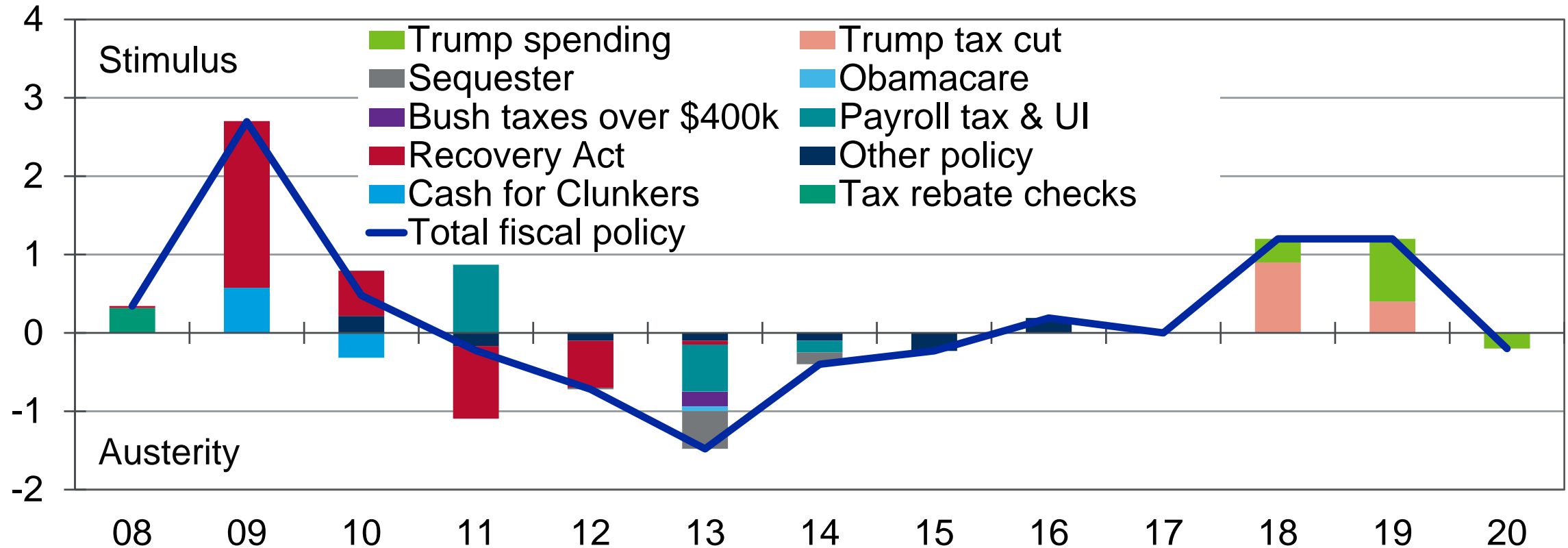
U-6 underemployed per open job position



Sources: BLS, Moody's Analytics

...And Will Get Tighter

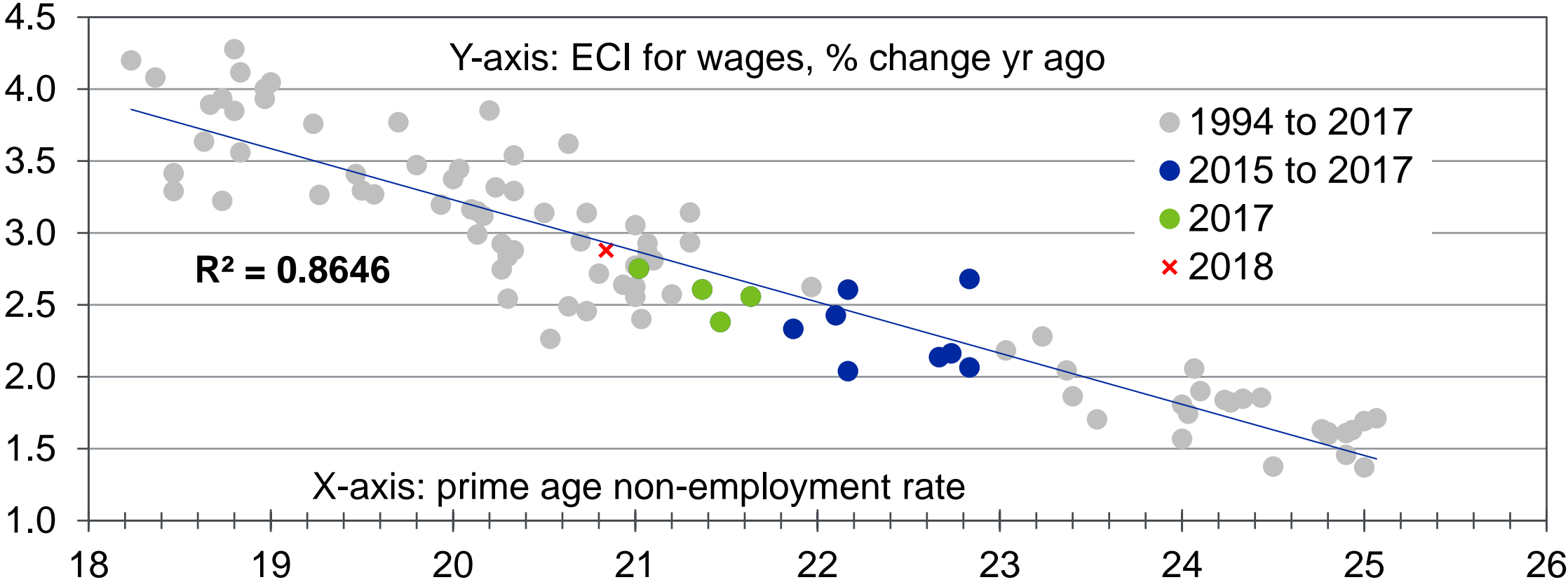
Federal discretionary fiscal policy as a % of GDP



Source: Moody's Analytics

The Phillips Curve Is Alive and Well

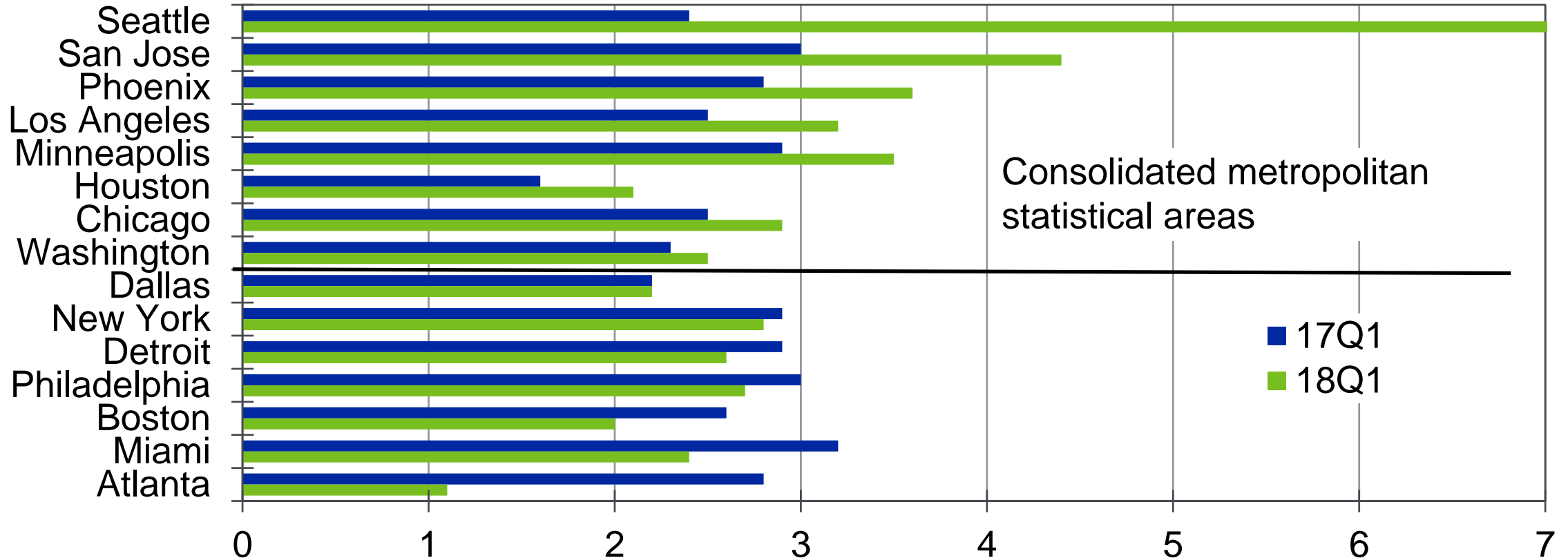
Wage growth Phillips Curve, quarterly 1994Q1 to 2018Q1



Sources: BLS, Moody's Analytics

Rising Labor Costs in Most Large Areas

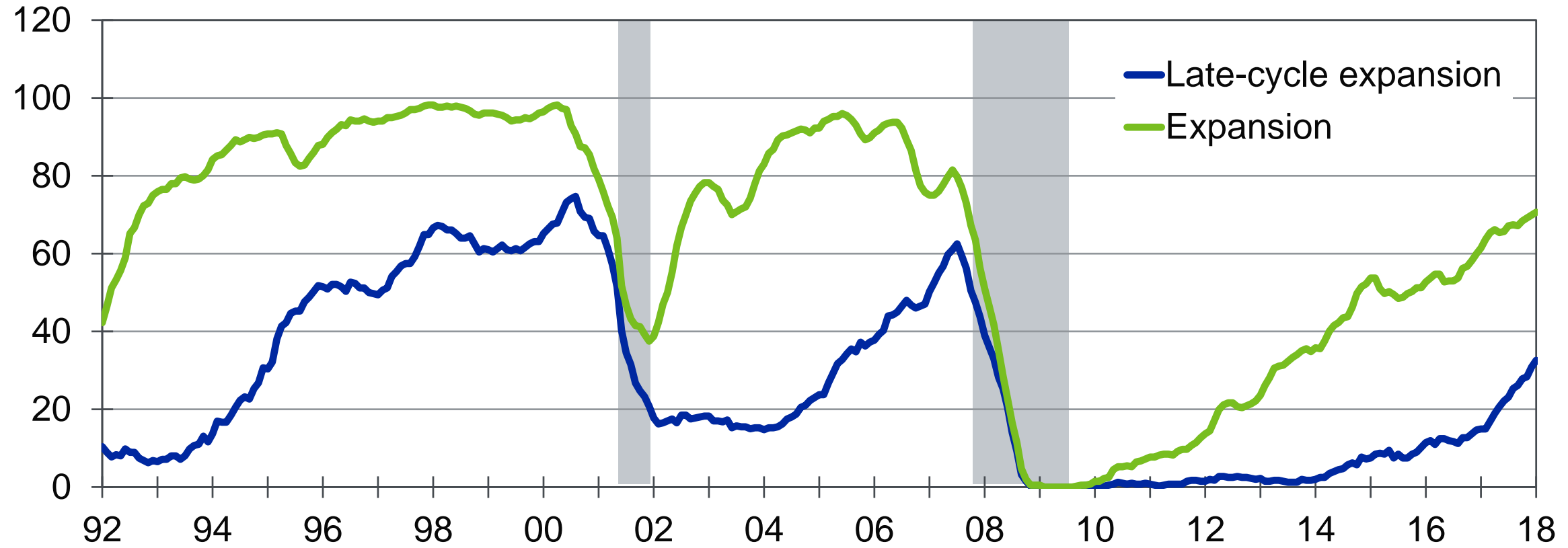
Employment cost index, % change yr ago, NSA



Sources: BLS, Moody's Analytics

U.S. Economy Still Has Room to Run

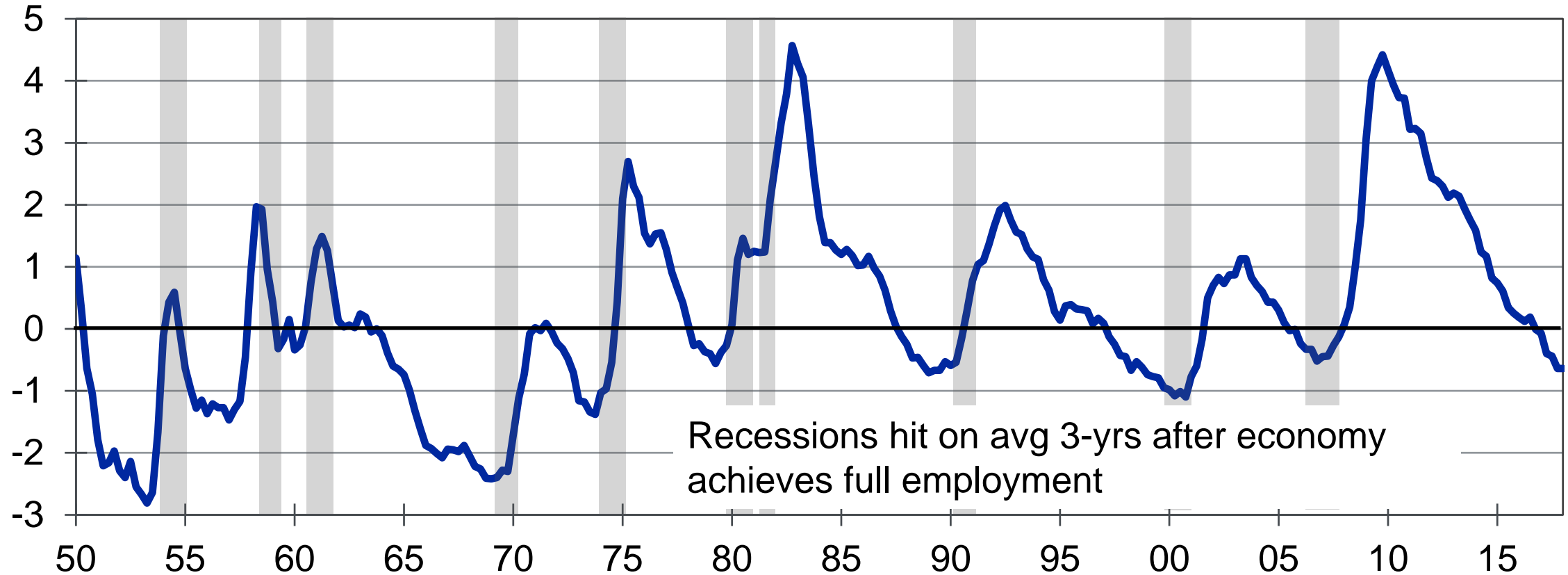
Share of metro areas by business cycle status, %



Sources: Moody's Analytics

The Next Recession Is Coming Into View...

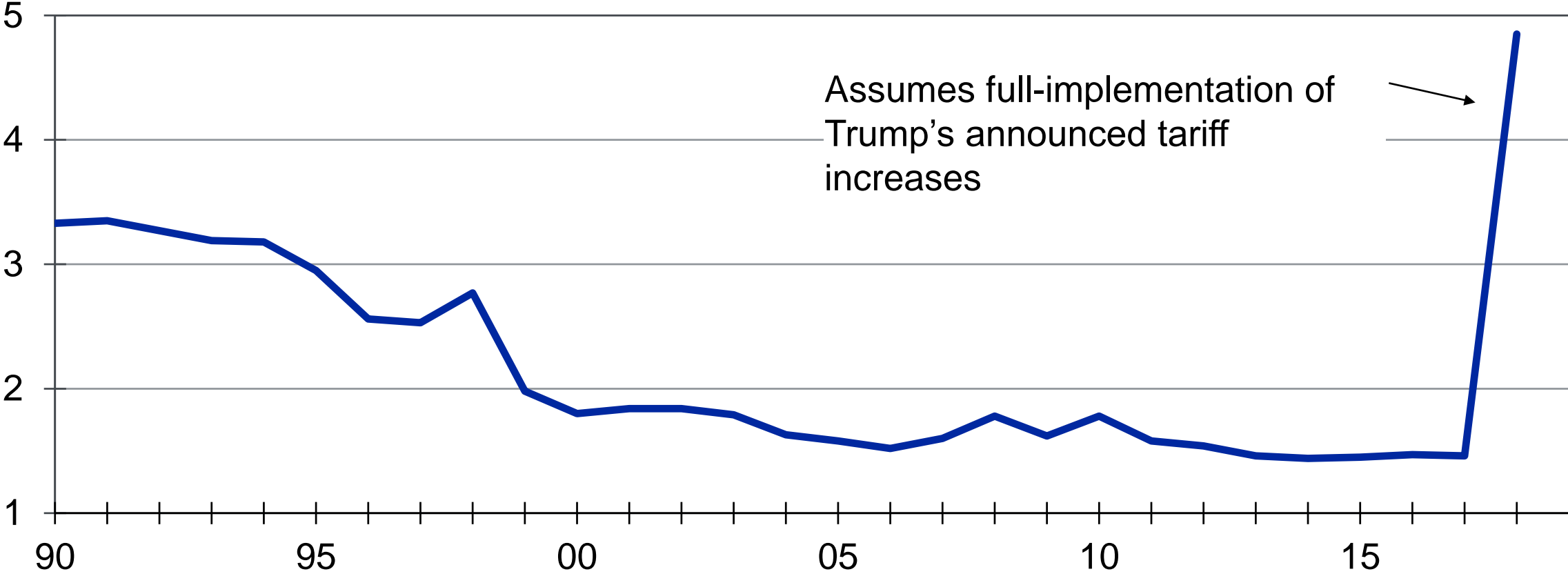
Unemployment rate gap, %



Sources: BLS, Moody's Analytics

Trade War Risks Growing

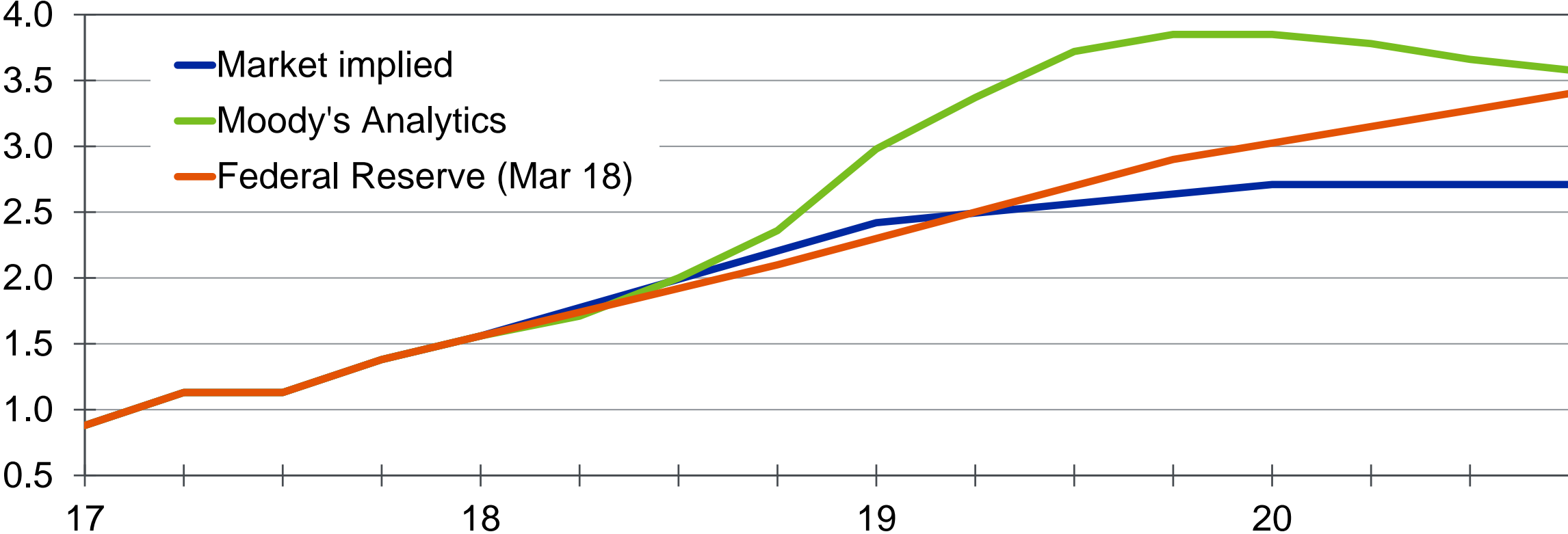
U.S. avg effective tariff rate, %



Sources: World Bank, Moody's Analytics

Treasury Yields Could Spike

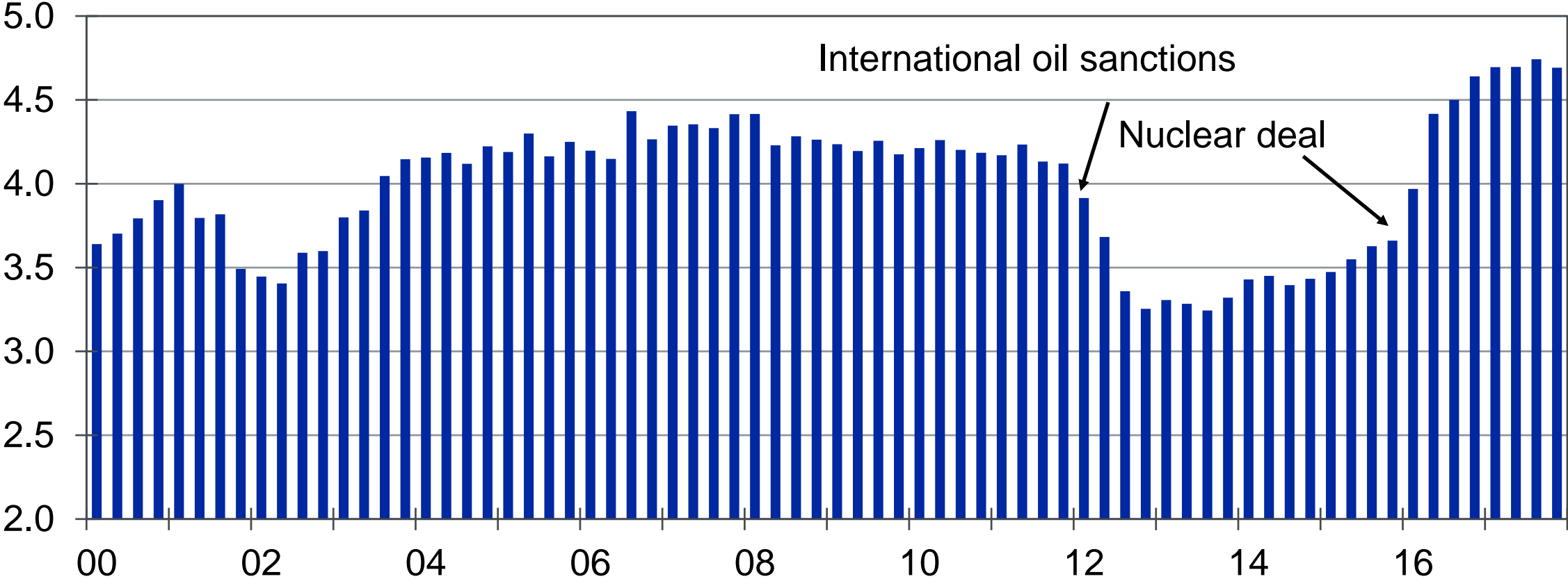
Federal funds rate, %



Sources: Federal Reserve, Bloomberg, Moody's Analytics

Collapse of Iranian Deal Risks Higher Oil Prices

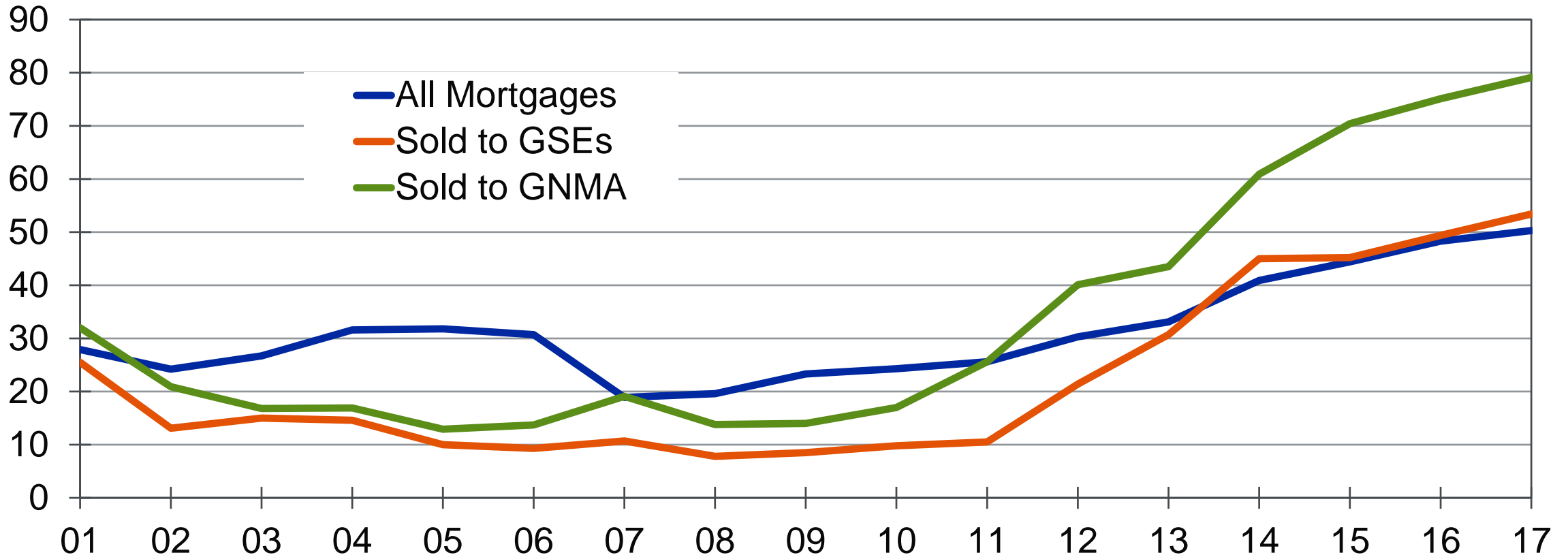
Iranian crude oil production, mil bpd



Sources: IEA, Moody's Analytics

Credit Availability Could Shrink Fast

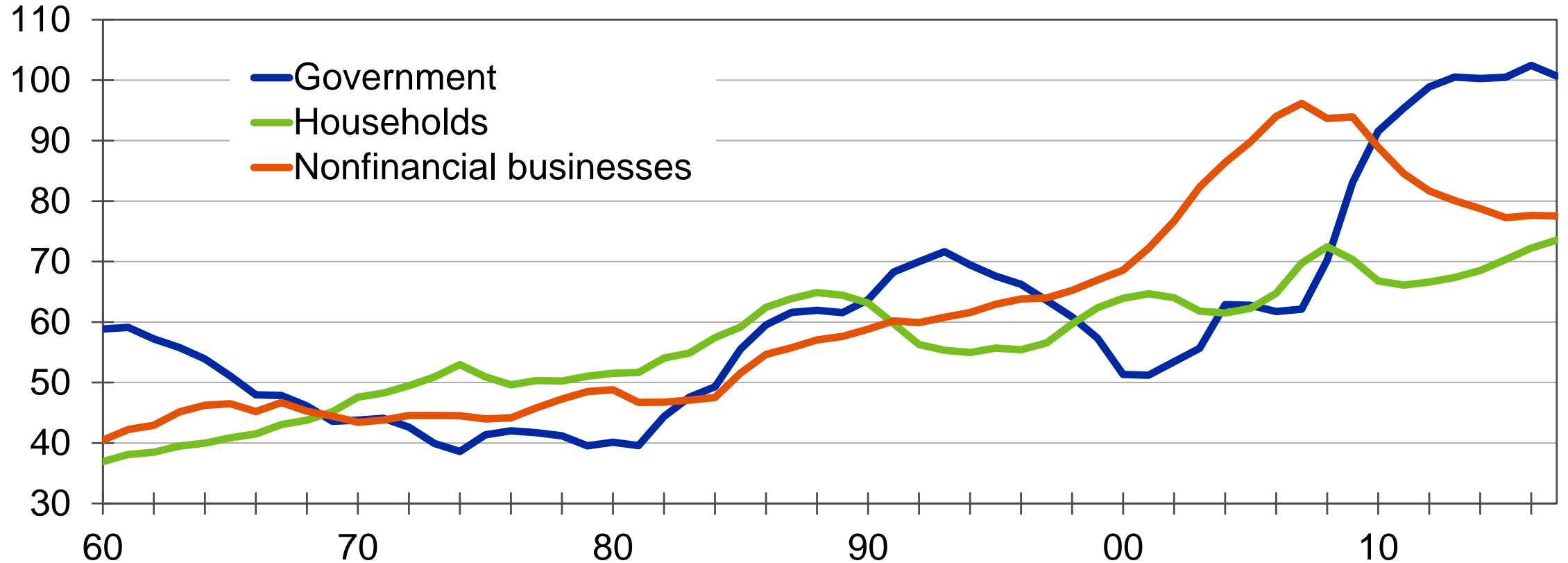
% of mortgage originations originated by nonbanks



Sources: Federal Reserve, Brookings, Moody's Analytics

U.S. Fiscal Space Increasingly an Issue

Debt-to-GDP ratio



Sources: Federal Reserve, Moody's Analytics

Q&A

Additional questions?

Send an email to help@economy.com or contact:

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