STIFEL

# March 2025

*"Uncertainty"* was at the forefront in March as market players and international counterparts braced for the next round of tariffs to be announced April 2nd. Amid rising concerns of slower domestic and global growth prospects, coupled with still-elevated and potentially higher inflation, investors, consumers *and* the Fed took to the sidelines. Equities, for example, ended the month in the red with the S&P 500 falling 5.8%, concluding the weakest quarterly performance since 2022, while the 10-year Treasury yield held unchanged from February's close at 4.21% by the end of March after climbing to a peak of 4.36% on March 27th. Meanwhile consumers, reducing expenditures to an average pace of -0.5%*, prompted a precipitous reduction in expectations for growth in Q1 with the Atlanta Fed projecting the first negative print in three years. Finally, the Federal Reserve, quick to point out the rising level of unknowns but optimistic the disruptions from recent fiscal policy initiatives will prove *"transitory,"* opted to hold the federal funds rate steady at an upper-bound of 4.50% at the March FOMC meeting. At the same time, the Committee materially reduced its outlook for near-term activity and increased its forecast for headline inflation through 2026.

*Retail sales data reflects January and February 2025. March data is scheduled for release April 16th.

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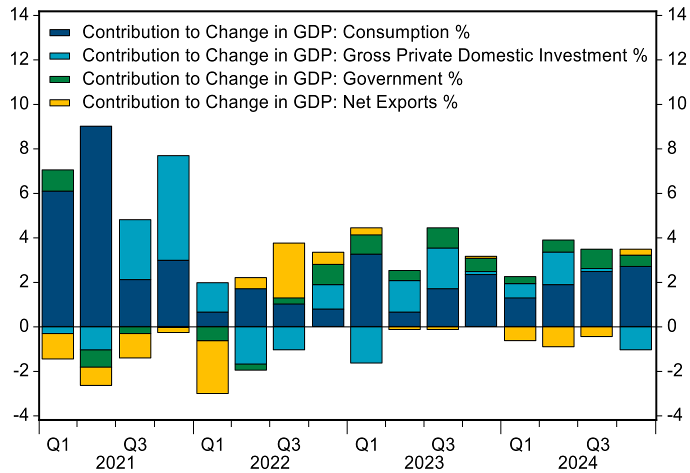
## Market Activity and Commodities

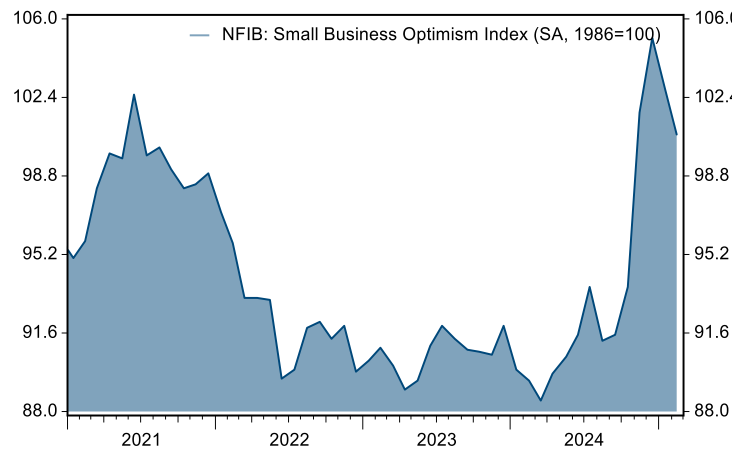
- **Equities** – Stocks ended down in March after falling in February. The Dow dropped 4.2% from 43,840.91 to 42,001.76. Beginning at 5,954.50, the S&P 500 declined 5.8% in March to close at 5,611.85. The Nasdaq, meanwhile, plunged 8.2% in March, closing at 17,299.29. For the quarter, the Dow fell 1.3%, the S&P 500 dropped 4.6%, its largest decline since the first quarter of 2022, and the Nasdaq Composite slipped more than 10%, also marking the worst performance since 2022. Year-to-date, the Dow is down 1.3%, while the S&P 500 is down 4.6% and the Nasdaq is 10.4% lower.
- **Treasuries –** Treasury yields were mixed in March after moving lower in February. The 2-year Treasury yield closed out March at 3.89%, down 10bps since February's close. The 10-year Treasury yield, meanwhile, closed out March at 4.21%, matching February's close.
- **Commodities**
    - (Mar 31) – Crude oil rose 2.4% in March from $69.76 to $71.45 a barrel after falling 3.8% in February as a result of a decline in U.S. crude inventories at the end of the month, and as President Trump proposed potential secondary tariffs on buyers of Russian crude oil if Russian President Vladimir Putin were to refuse a ceasefire with Ukraine.
    - (Mar 31) – Gold rose 9.3% in March to close at $3,123.57 per ounce, hitting an all-time high of $3,128.06 per ounce earlier in the day on March 31st. Year-to-date, gold is up 17.5%, marking its best first-quarter performance since 1986 as a result of heightened market uncertainty surrounding fiscal policies, particularly tariffs.

**National Growth and Outlook**

- **NFIB Small Business Optimism** (Mar 11) – The NFIB Small Business Optimism Index fell 2.1 points from 102.8 to 100.7 in February, surpassing the expected decline to 101.0 and marking a four-month low. In the details of the report, only 15% of firms plan to hire in the next three months, down from 18% in January, while 12% of owners reported that now is a good time to expand their business, down five points from 17% reported in January and marking the largest monthly decline since April 2020. Additionally, 37% of firms expect the economy to improve, down 10 points from January and the lowest since November. The NFIB Uncertainty Index, meanwhile, rose four points to a reading of 104 in February, the second highest reading on record.
- **Leading Index** (Mar 20) – The Leading Index declined 0.3% in February, a tenth of a percentage point more than expected and following a 0.2% decrease the month prior.
- **Chicago Fed National Activity Index** (Mar 21) – The Chicago Fed National Activity Index unexpectedly rose from -0.08 (revised down from -0.03) to +0.18 in February, a one-year high. According to the median forecast, the index was expected to decline to a reading of -0.17 in the second month of the year. The Chicago Fed Index draws on 85 economic indicators; a reading below zero indicates below-trend growth in the national economy and a sign of easing pressures on future inflation. In February, 47 of the 85 monthly individual indicators made positive contributions, while 38 made negative contributions.
- **GDP** (Mar 27) – GDP was revised higher by a tenth of a percentage point to a 2.4% gain on an annualized basis in the final Q4 report, albeit still marking a three-quarter low. The four-quarter average, meanwhile, declined from 2.7% to 2.5%. In the details of the report, personal consumption was revised down two-tenths of a percentage point to a 4.0% gain in the third-round Q4 report, still marking the largest increase in seven quarters. Goods consumption, meanwhile, was revised up a tenth of a percentage point to a 6.2% increase, due to an upward revision in nondurables consumption from a 3.0% gain to a slightly larger 3.1% rise, as well as an upward revision to durables consumption from a 12.1% gain to a 12.4% increase in the third-round Q4 report. Services consumption, on the other hand, was revised down three-tenths of a percentage point to a 3.0% gain in the third-round Q4 report, still a three-quarter high. Gross private investment – a gauge of business spending – was revised up a tenth of a percentage point to a 5.6% decline, as inventory buildup was smaller than initially reported in the fourth quarter, rising by $8.9B following a $57.9B rise in the third quarter. Excluding inventories, fixed investment was revised up from a 1.4% drop to a smaller 1.1% decrease in the third-round Q4 report, marking the weakest quarterly pace in two years. Nonresidential investment – including office buildings and factories – was revised up two-tenths of a percentage point to a 3.0% decline, due to an upward revision in equipment investment from a 9.0% decrease to an 8.7% decline, and an upward revision in structures investment from a 1.1% gain to a 2.9% rise. Intellectual property investment, however, was revised lower from no change (0.0%) to a 0.5% decline in the third-round fourth-quarter report. Residential investment, meanwhile, was revised up a tenth of a percentage point to a 5.5% gain in the third-round Q4 report, the largest rise in three quarters. On the trade side, exports were revised up three-tenths of a percentage point to a 0.2% decline, while imports were revised down in the third-round Q4 report from a 1.2% decline to a larger 1.9% drop. Finally, government consumption was revised up from a 2.9% rise to a 3.1% gain in the third-round Q4 report, still lower than the 5.1% gain in the third quarter. Federal spending was unrevised at a 4.0% gain, with national defense spending revised up from a 4.7% increase to a 4.8% rise. Nondefense spending, meanwhile, was also unrevised at a 2.9% rise. State and local spending, meanwhile, was revised higher by three-tenths of a percentage point to a 2.5% rise.



Source: Bureau of Economic Analysis/Haver Analytics

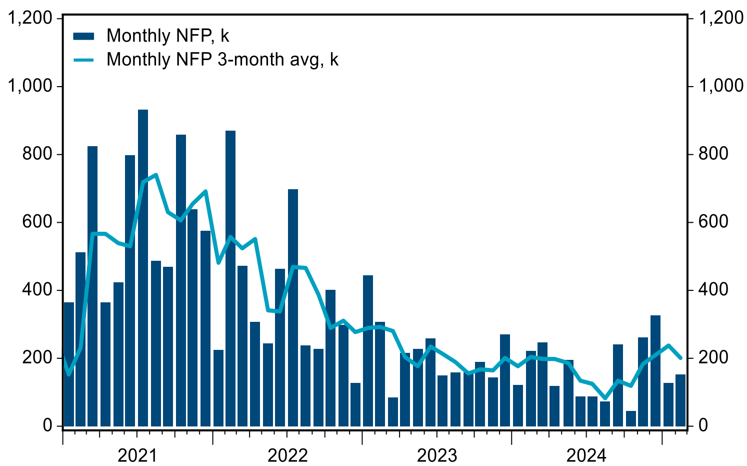


Source: National Federation of Independent Business/Haver Analytics

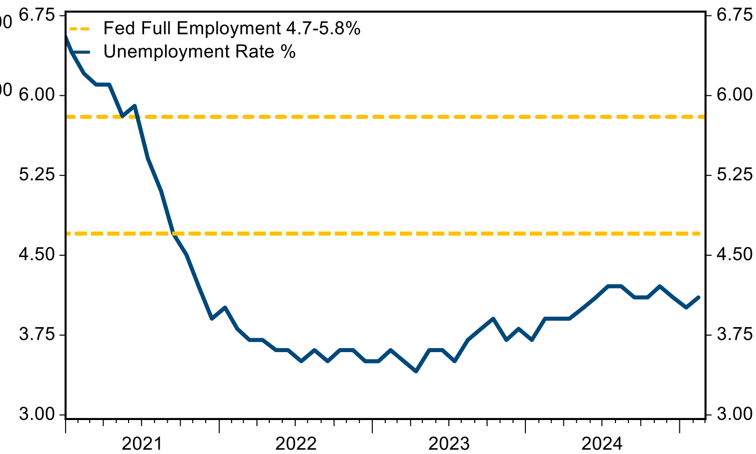
**Employment**

- **Initial Jobless Claims**
  - (Mar 6) – Initial jobless claims fell 21k to 221k in the week ending March 1, reversing from an earlier rise of 22k last week. The four-week average, meanwhile, held steady at 224k. On the other hand, continuing claims, or the total number of people claiming ongoing unemployment, increased from 1.855M to 1.897M in the week ending February 22, marking an almost three-year high.
  - (Mar 13) – Initial jobless claims unexpectedly fell from 222k to 220k in the week ending March 8, a three-week low. The four-week average, on the other hand, ticked up from 225k to 226k. Continuing claims, or the number of unemployed individuals who qualify for benefits under unemployment insurance, declined from 1.897M to 1.870M in the week ending March 1, a two-week low.
  - (Mar 20) – Initial jobless claims rose 3k to 223k in the week ending March 15. The four-week average ticked up slightly from 226k to 227k. Continuing claims, or the total number of Americans claiming ongoing unemployment, rose from 1.87M to 1.89M, a two-week high.
  - (Mar 27) – Initial jobless claims ticked down 1k to 224k in the week ending March 22, a two-week low. The four-week average declined from 229k to 224k. Continuing claims, or the total number of people claiming ongoing unemployment, fell from 1.89M to 1.86M in the week ending March 15, also the lowest in two weeks.
- **Nonfarm Payrolls** (Mar 7) – Nonfarm payrolls rose by 151k in February, falling short of the 160k gain expected, albeit still marking a two-month high. The three-month average, however, fell from 236k to 200k, the weakest pace since December. January payrolls were revised down from a 143k gain to a 125k increase. With additional revisions to previous months, the overall change in nonfarm payrolls (February data + net revisions) was 149k. In the details of the February report, private payrolls rose by 140k in February following an 81k rise the month prior. Goods-producing payrolls, meanwhile, increased 34k, due to a 19k rise in construction payrolls and a 10k gain in manufacturing payrolls. Private service producing payrolls rose by 106k in February following an 88k gain in January. Education and health payrolls led the gain in services payrolls in February, rising 73k following a 66k gain in January. Trade and transport payrolls increased 21k, due to a 5k rise in information payrolls in the second month of the year. Retail trade payrolls, however, dropped 6k in February following a 30k rise in January. Also, financial services payrolls rose 21k in February. On the weaker side, leisure and hospitality payrolls dropped 16k, marking the second consecutive monthly decline, and professional and business services payrolls decreased 2k, due to a 12k fall in temporary help payrolls. Finally, government payrolls rose by 11k in February, down from the 44k increase reported in January and the weakest rise in nearly a year. The increase was at the state and local level as federal payrolls declined outright, falling 10k in the second month of the year, the largest decline since June 2022.

- **Participation Rate** (Mar 7) – The labor force participation rate, meanwhile, unexpectedly ticked down two-tenths of a percentage point from 62.6% to 62.4% in the second month of the year, a more than two-year low. According to the median forecast, the participation rate was expected to remain steady at 62.6% in February.
- **Unemployment Rate** (Mar 7) – Household employment fell by 588k in February, and the labor force, meanwhile, decreased by 385k. Thus, the unemployment rate unexpectedly ticked up a tenth of a percentage point to 4.1% in February, a two-month high, albeit still well below the Fed's full employment range. According to the median forecast, the unemployment rate was expected to remain steady at 4.0% for a second consecutive month.
- **Average Hourly Earnings** (Mar 7) – Average hourly earnings rose 0.3% in February, as expected and following a 0.4% increase in January. Year-over-year, wages rose 4.0%, a two-month high.
- **Average Weekly Hours** (Mar 7) – The average workweek remained at 34.1 hours in February for the second consecutive month.
- **JOLTS** (Mar 11) – The JOLTS (Job Openings and Labor Turnover Survey) rose from 7.5M (revised down from 7.6M) to 7.7M in January. According to the median forecast, 7.6M job openings were expected at the start of 2025. In the details of the report, the quits rate rose from 1.9% to 2.1%, a six-month high, while the layoffs rate fell from 1.1% to 1.0% in January, a seven-month low. The ratio of job openings to unemployed people, meanwhile, increased from 1.09 to 1.13 at the start of the year, a two-month high.



Source: Bureau of Labor Statistics/Haver Analytics



Source: Bureau of Labor Statistics/Haver Analytics

**Consumer Activity and Confidence**

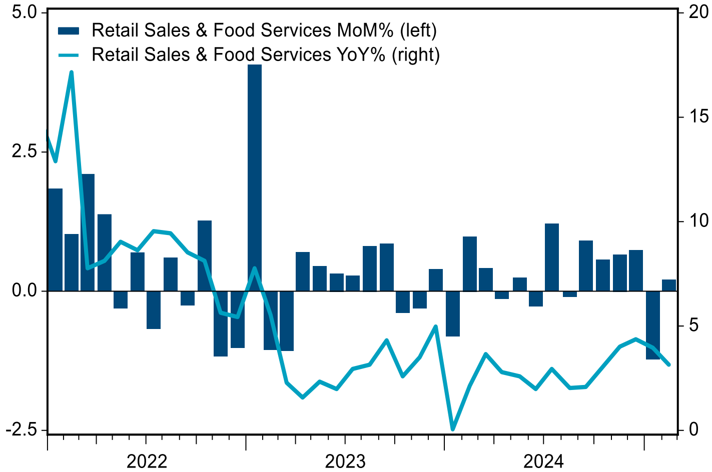
- **Vehicle Sales** (Mar 3) – Total vehicle sales rose from 15.60m to 16.00m in February, a two-month high. Over the past 12 months, vehicle sales rose 2.1%, the weakest pace in five months.
- **Consumer Credit** (Mar 7) – Consumer credit increased by $18.1b in January, the weakest pace since November, and following a revised $37.1b increase in December (revised down from $40.1b). According to the median forecast, consumer credit was expected to rise by $14.9b in January. Revolving debt outstanding – including credit cards – rose $22.9b. Non-revolving credit – including car loans and school tuition loans – rose $9.1b following a $16.2b gain the month prior.
- **Retail Sales** (Mar 17) – Retail sales rose 0.2% in February, falling short of the 0.6% rise expected and following a downwardly revised 1.2% drop in January (revised down from a 0.9% decline originally reported). While the 0.2% rise marks a two-month high, year-over-year, retail sales increased 3.1% in February, the weakest pace in four months. Car sales declined 0.4% in February following a 3.7% drop the month prior, and gasoline stations sales declined 1.0% in February following a 1.3% gain the month prior. Excluding autos, retail sales rose 0.3% in the second month of 2025 and climbed 3.1% over the past 12 months. Excluding autos *and* gasoline, retail sales increased 0.5% in February and rose 3.5% year-over-year. Finally, excluding food, autos, building materials and gasoline station sales, control group sales

jumped 1.0% in February, surpassing the 0.4% gain expected and the largest monthly gain in five months. Over the past 12 months, control group sales rose 4.4%, the largest annual increase in two months. In the details of the report, non-store retailer sales gained 2.4%, health and personal care sales jumped 1.7%, and food and beverage sales rose 0.4% in February. Also, general merchandise sales rose 0.2%, despite a 1.7% drop in department store sales in the second month of the year. Additionally, building materials sales inched up 0.2% in February following four consecutive months of decline. On the other hand, furniture sales were flat (0.0%), while miscellaneous sales fell 0.3%, as did electronics sales in February. Also, clothing sales fell 0.6%, the second consecutive month of decline, and sporting goods sales declined 0.4% following a 3.1% drop the month prior.

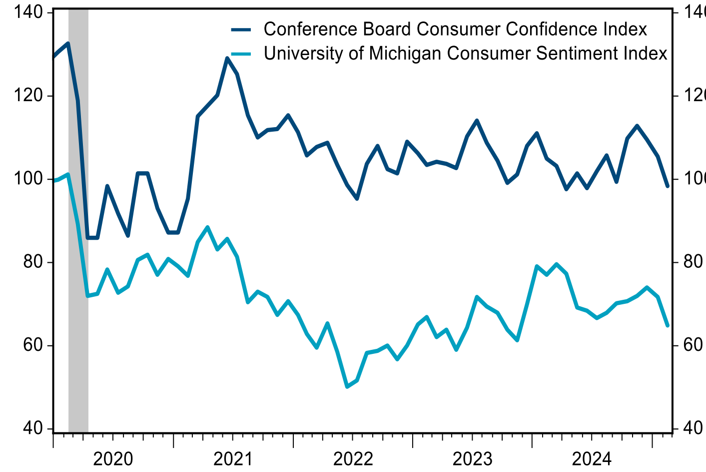
**University of Michigan Consumer Sentiment**

- (Mar 14) – The University of Michigan Consumer Sentiment Index fell 6.8 points from 64.7 to 57.9 in the preliminary March report, surpassing the expected decline to a reading of 63.0 and the lowest print since November 2022. In the details off the report, a gauge of current conditions fell 2.2 points to 63.5, a six-month low, and a gauge of future expectations plunged nearly ten points from 64.0 to 54.2 in the preliminary March report, the lowest reading since July 2022, as consumers brace for further uncertainty and potentially higher inflation. In fact, a measure of short-term inflation expectations popped 60bps in the latest report from 4.3% to 4.9%, and a measure of longer-term inflation expectations increased 40bps to 3.9%, the highest in more than three decades.
- (Mar 28) – The University of Michigan Consumer Sentiment Index was unexpectedly revised down from 57.9 to 57.0 in the final March report, still marking the lowest print since November 2022. In the details of the report, a gauge of current conditions was revised up by 0.3 points to 63.8, albeit still marking a six-month low, while a gauge of future expectations was revised down by 1.6 points to 52.6 in the final March report, the lowest reading since July 2022, as consumers brace for further uncertainty and potentially higher inflation. In fact, a measure of short-term inflation expectations was revised up from 4.9% to 5.0%, rising 170bps since the start of the year, with a measure of longer-term inflation expectations revised higher by 20bps to 4.1%, the highest in more than three decades.

- **Consumer Confidence** (Mar 25) –The Conference Board's Consumer Confidence Index fell 7.2 points from 100.1 (revised up from 98.3) to 92.9 in March, the lowest in four years. In the details of the report, a gauge of current conditions fell 3.6 points to 134.5, a six-month low, and a gauge of future expectations fell nearly 10 points to 65.2, the lowest reading in 12 years.
- **Consumer Spending and Income** (Mar 28) – Personal income jumped 0.8% in February, double the rise expected and following a 0.7% increase in January (revised down from the 0.9% gain initially reported). Consumer spending, meanwhile, increased 0.4% in February, a tenth of a percentage point less than expected and following a downwardly revised 0.3% decline at the start of the year. Year-over-year, consumer spending increased 5.3%, down slightly from the 5.4% annual gain the month prior, while personal income rose 4.6% in February, a two-month high. Adjusting for inflation, real consumer spending rose 0.1%, two-tenths of a percentage point less than expected, and real income gained 0.5% in February. Over the past 12 months, real spending rose 2.7%, down from the 2.8% annual gain in February, and real disposable personal income increased 1.8% in the second month of 2025, a two-month high.



Source: Census Bureau/Haver Analytics

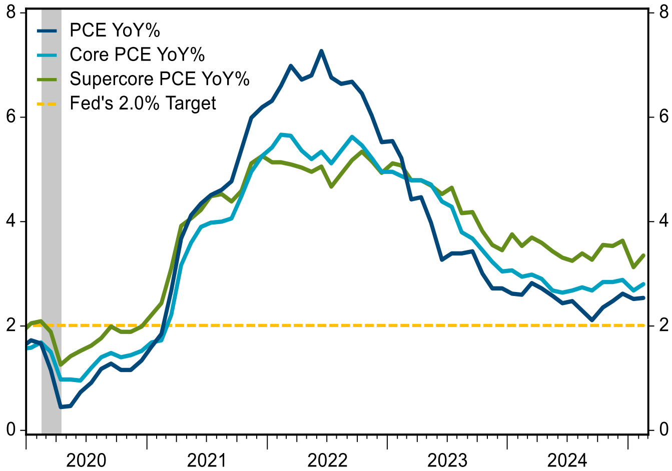


Sources: The Conference Board, University of Michigan/Haver Analytics

**Inflation**

- **CPI** (Mar 12) – The CPI (Consumer Price Index) rose 0.2% in February, a tenth of a percentage point less than expected and a downtick from a 0.5% increase in January. At 0.2%, this marks the slowest pace in four months. Year-over-year, consumer prices rose 2.8%, also a tenth of a percentage point less than expected and the first month of cooling following four consecutive months of acceleration. At 2.8%, this marks the smallest annual gain in three months. Food prices rose 0.2% as did energy prices in February following a 1.1% gain in January. Excluding food and energy costs, the core CPI rose 0.2% in February, a tenth of a percentage point less than expected and following a 0.4% increase at the start of the year. Year-over-year, the core CPI increased 3.1%, again, a tenth of a percentage point less than expected and marking the smallest annual increase since April 2021. In the details of the report, apparel prices climbed 0.6%, the largest gain in five months, and shelter prices increased 0.3% with a similar gain in the OER in February, and marking the fourth consecutive month of a 0.3% gain in the OER. Also, medical care prices rose 0.3%, the largest monthly gain in three months, and commodities prices increased 0.1% in the second month of the year. On the other hand, transportation prices fell 0.8% in the second month of the year with airline fares dropping 4.0%, the largest decline in eight months, and new car prices slipping 0.1% February. Used cars and truck prices, however, increased 0.9% following a 2.2% rise the month prior. Another iteration of inflation, the supercore – defined as core services excluding housing – rose 0.2% in February following an 0.8% rise the month prior. Over the past 12 months, the supercore increased 3.8%, down from the 4.1% annual increase in January and marking the smallest annual increase since October 2023.
- **PPI** (Mar 13) – The PPI (Producer Price Index) was unchanged (0.0%) in February following an upwardly revised 0.6% gain in January. According to the median forecast, the PPI was expected to rise 0.3% in February. Year-over-year, producer prices rose 3.2% in February, a tenth of a percentage point less than expected and the smallest annual increase in three months. Food prices rose 1.7% following a 1.0% gain the month prior, while energy prices declined 1.2% in February following a 1.8% increase in January. Thus, excluding food and energy costs, the core PPI unexpectedly fell 0.1% in February, the first monthly decline since July. According to the median forecast, the core PPI was expected to rise 0.3%. Year-over-year, the core PPI increased 3.4% in February, less than the 3.5% gain expected, and a three-month low. Additionally, services costs fell 0.2% due to a 1.0% fall in trade costs, and no change (0.0%) in transportation and warehousing costs in the second month of the year.
- **PCE** (Mar 28) – The PCE (Personal Consumption Expenditures) increased 0.3% in February, as expected and following a similar gain in January. Year-over-year, headline inflation rose 2.5% for the second consecutive month, also in line with expectations. Excluding food and energy, the core PCE rose 0.4% in February, a tenth of a percentage point more than expected and an uptick from a 0.3% rise in January. Over the past 12 months, core inflation increased 2.8%, as expected

and marking an acceleration from the 2.7% annual gain at the start of the year. The supercore PCE measure – core services excluding shelter – rose 0.4% in February and increased 3.3% on an annual basis, a two-month high.

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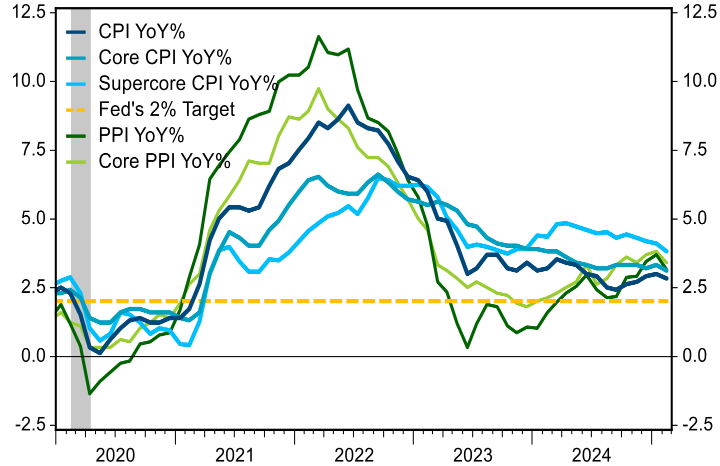
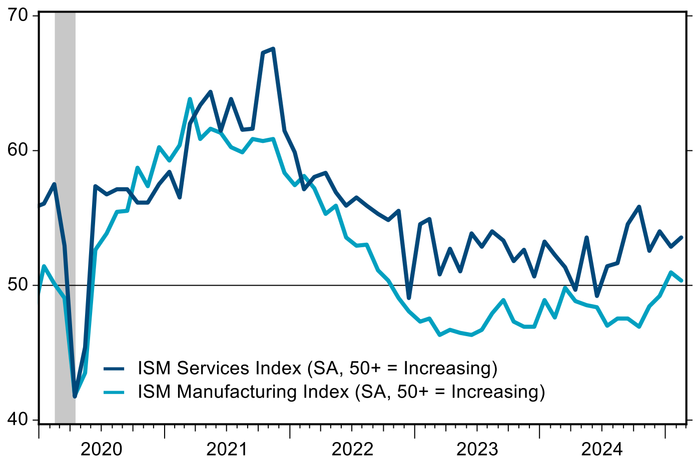



Sources: Bureau of Labor Statistics/Haver Analytics

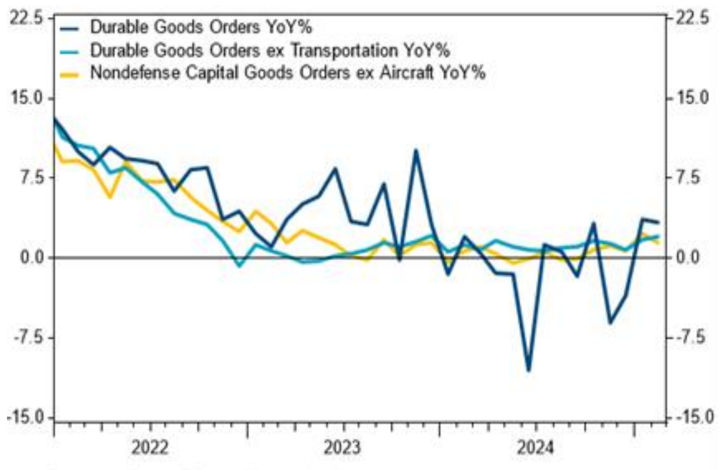
**Manufacturing and Production Activity**

- **ISM Manufacturing** (Mar 3) – The ISM Manufacturing Index fell 0.6 points from 50.9 to a reading of 50.3 in February, slightly more than the expected decline to 50.7, albeit still marking the second consecutive reading in expansion territory (a reading above 50). In the details of the report, prices paid surged by 7.5 points to 62.4, the highest reading since June 2022 and averaging 53.9 over the past six months. Also, supplier deliveries improved from 50.9 to 54.5, backlog of orders inched higher by nearly two points to 46.8, and inventories gained four points to 49.9 in the second month of 2025, a six-month high. On the other hand, new orders plunged by 6.5 points to 48.6, a four-month low, and production decreased from 52.5 to 50.7 in February, a two-month low, but still marking the second consecutive month in expansion. Also, employment slipped 2.7 points to a reading of 47.6 in the second month of the year, the lowest reading since December.
- **ISM Services** (Mar 5) – The ISM Services Index unexpectedly increased 0.7 points from 52.8 to 53.5 in February, two-month high and the eighth consecutive month in expansion (a reading above 50). According to the median forecast, the index was expected to decline slightly to 52.5 in the second month of the year. In the details of the report, employment rose 1.6 points to 53.9, the third consecutive monthly increase and the highest reading since December 2021, supplier deliveries inched up 0.4 points to 53.4, and backlog of orders jumped from 44.8 to 51.7 in the second month of the year, the highest reading since July 2023. Additionally, new orders rose 0.9 points to 52.2, a two-month high, the change in inventories increased by more than three points from 47.5 to 50.6, and prices paid rose 2.2 points to 62.6 in February, a two-month high. On the other hand, business activity slipped from 54.5 to 54.4 in February, a six-month low.
- **Empire Manufacturing** (Mar 17) – The Empire Manufacturing Index dropped nearly 26 points from +5.7 to -20.0 in March, surpassing the expected decline to -1.9 and the lowest print since January 2024. In the details of the report, prices paid increased from 40.2 to 44.9, a two-year high, and prices received advanced from 19.6 to a reading of 22.4, the highest since 2023. Also, inventories climbed from 8.7 to 13.3 in March. On the other hand, new orders dropped more than 26 points to -14.9, the number of employees ticked down from -3.6 to -4.1 at the end of Q1, a three-month low, and the six-month general business conditions index dropped from 22.2 to 12.7, the lowest reading since late 2023.
- **Business inventories** (Mar 17) – Business inventories rose 0.3% in February, in line with expectations and marking a five-month high.
- **Industrial Production** (Mar 18) – Industrial production increased 0.7% in February, well surpassing the 0.2% rise expected.
- **Capacity Utilization** (Mar 18) – Capacity utilization rose from 77.8% to 78.2% in February, an eight-month high.

- **Philly Fed Business Outlook Survey** (Mar 20) – The Philly Fed Business Outlook Index fell 5.6 points to a reading of 12.5 in March, a three-month low. In the details of the report, new orders dropped from 21.9 to 8.7, shipments declined from 26.3 to 2.0, and the six-month outlook plunged from 27.8 to 5.6 in March, the lowest reading since January 2024. Additionally, delivery time declined from 12.4 to 4.1 in March, a four-month low. On the other hand, prices paid increased from 40.5 to 48.3 in February, the highest reading since October 2022.
- **Richmond Fed Manufacturing Index** (Mar 25) – The Richmond Fed Manufacturing Activity Index fell ten points to a reading of -4 in March, a two-month low. According to the median forecast, the index was expected to decline five points to a reading of 1. In the details of the report, new orders fell four points to a reading of -4, shipments dropped from +12 to -7, and employment dropped ten points to a reading of -1, a three-month low. Finally, wages ticked down two points to +19 in the third month of the year, a two-month low.
- **Durable Goods** (Mar 26) – Durable goods orders unexpectedly rose 0.9% in February following an upwardly revised 3.3% rise at the start of the year. According to the median forecast, durable goods orders were expected to fall 1.0%. Year-over-year, headline orders rose 3.4% in February, down slightly from a 3.6% increase in January. In other details, electrical equipment orders rose 2.0%, machinery orders gained 0.2%, and computers and electronics orders were unchanged in the second month of 2025. Also, primary metals orders increased 1.2%, and fabricated metals orders climbed 0.9% in the second month of the year, a five-month high.
- **Ex. Transportation Orders** (Mar 26) – Transportation orders rose 1.5% following a 10.2% drop the month prior. Excluding transportation, durable goods orders rose 0.7% in February, and increased 2.0% over the past 12 months, the largest increase since December 2023.
- **Capital Goods** (Mar 26) – Capital goods orders fell 1.5% in February following a 10.4% rise the month prior. Nondefense capital goods orders, meanwhile, also declined 1.5% following a 12.8% rise in January. Capital goods orders excluding aircraft *and* defense – a proxy for business equipment investment – unexpectedly fell 0.3% in February, marking the largest monthly decline since July. According to the median forecast, capital goods orders excluding aircraft and defense was expected to rise 0.2%. Year-over-year, business investment increased 1.4% following a 2.3% rise in January.
- **Kansas City Fed Manufacturing Index** (Mar 27) – The Kansas City Fed Manufacturing Index unexpectedly rose three points to a reading of -2 in March, a ten-month high, albeit the 30th consecutive month of a zero or negative print. According to the median forecast, the index was expected to remain at a reading of -5 for a third consecutive month. In the details of the report, prices paid rose four points to a reading of 42, the number of employees increased ten points to -4, and the average workweek climbed from -9 to +6 at the end of the first quarter. Also, shipments improved from -11 to a reading of -4 in March, albeit still marking the fifth consecutive negative print. On the other hand, the volume of new orders slipped five points to -12 at the end of Q1, a three-month low.
- **Chicago PMI** (Mar 31) – The Chicago PMI unexpectedly rose from 45.5 to 47.6 in March, a near two-year high. According to the median forecast, the index was expected to decline to a reading of 45.0. In the details of the report, prices paid, supplier deliveries and production rose, signaling expansion. On the other hand, new orders, employment, inventories, and order backlogs fell, signaling contraction.
- **Dallas Fed Manufacturing Index** (Mar 31) – The Dallas Fed National Activity Index dropped more than expected, falling eight points to a reading of -16.3 in March, an eight-month low. According to the median forecast, the index was expected to decline to a reading of -5.0. In the details of the report, new orders rose from -3.5 to -0.1, and production jumped to +6.0 from -9.1 at the end of the first quarter, a two-month high. Also, capacity utilization improved from -8.7 to -2.3, and hours worked increased from -14.2 to -2.9 in March. On the other hand, employment slipped from +2.2 to -0.7 in March, averaging -0.4 over the last six months, and the six-month general business outlook index declined from +7.7 to a reading of -6.6 in March, a 14-month low.



Source: Institute for Supply Management/Haver Analytics

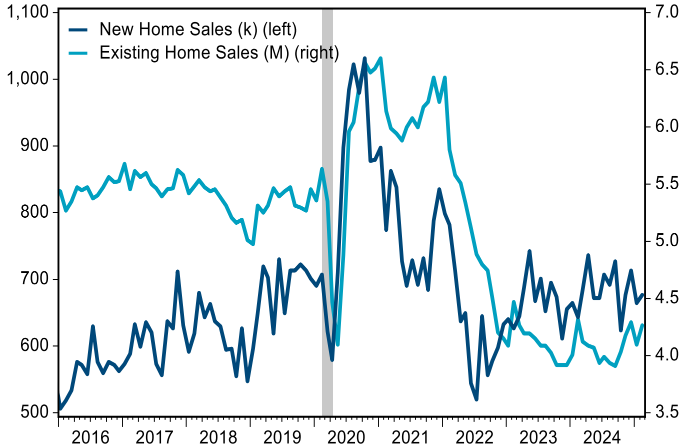


Source: Census Bureau/Haver Analytics

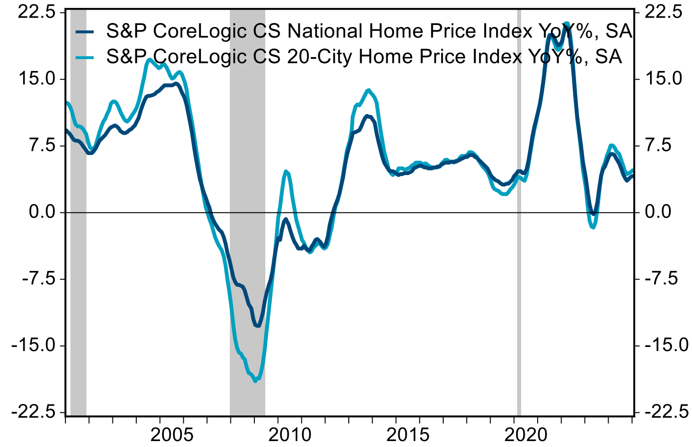
**Housing Market Activity**

- **Construction Spending** (Mar 3) – Construction spending fell 0.2% in January, a tenth of a percentage point more than expected and the first monthly decline since September. Over the past 12 months, construction spending rose 3.3%, the weakest pace since June 2019.
- **NAHB Housing Market Index** (Mar 17) – The NAHB Housing Market Index unexpectedly declined three points to a reading of 39 in March, a seven-month low. According to the median forecast, the index was expected to remain steady at 42 for a second consecutive month.
- **Building Permits** (Mar 18) – Building permits fell 1.2% in February, pulling the annual pace down slightly from 1.47M to 1.46M, a four-month low. According to the median forecast, permits were expected to decline 1.4% in the second month of the year. Single family permits slipped 0.2%, and multi-family permits decreased 3.1% in February following a 1.4% decline in January. Year-over-year, building permits dropped 6.9% in February, marking 13 consecutive months of an annual decline.
- **Housing Starts** (Mar 18) – Housing starts jumped 11.2% in February, well surpassing the 1.4% rise expected and pulling the annual pace up from 1.35M to 1.50M, a two-month high. On a regional basis, starts rose in three of four regions of the country in February, increasing 47.4% in the Northeast, 18.3% in the South, and 5.9% in the West. Starts fell, however, 24.9% in the Midwest in February, marking the second consecutive month of decline. Single family starts rose 11.4%, and multi-family starts increased 10.7% in February following an 18.8% decline the month prior. Year-over-year, housing starts fell 2.9% in February, the sixth consecutive month of an annual decline.
- **Existing Home Sales** (Mar 20) – Existing home sales unexpectedly rose 4.2% to a 4.26m unit pace, a two-month high. According to the median forecast, existing home sales were expected to fall 3.2%. Year-over-year, existing home sales fell 1.2% in the second month of 2025, the first annual decline since September. Despite a rise in sales, the months' supply of existing homes remained at 3.5 months for the second consecutive month. Typically, a four to seven-month supply is viewed as a healthy balance between demand and supply. Additionally, from a price standpoint, the median cost of a previously owned home rose 3.8% in February from a year earlier to $398k, a record for the month of February.
- **S&P/CS 20 City & National Index** (Mar 25) – S&P CaseShiller 20-City and National Home Price Index rose 0.46% in January, slightly more than the 0.40% rise expected and following a 0.54% increase the month prior. Additionally, the National Home Price Index rose 0.57% in January, the largest monthly gain since October 2023. Over the past 12 months, the 20-city index increased 4.71%, the largest annual gain in five months, while the national index gained 4.11%, also the largest annual increase in five months.

- **FHFA House Price Index** (Mar 25) – The FHFA House Price Index rose 0.2% in January, slightly less than the 0.3% rise expected and the smallest monthly gain in seven months. Over the past 12 months, the FHFA House Price Index rose 4.8%, matching the annual gain in December.
- **New Home Sales** (Mar 25) – New home sales rose 1.8% in February from 664k (revised up from 657k) to 676k, a two-month high. According to the median forecast, sales were expected to rise 3.5% in the second month of the year. Over the past 12 months, new home sales rose 5.1%, the largest rise in two months. Due to a rise in new sales, the months' supply of new homes fell from 9.0 months to 8.9 months. From a price standpoint, the median cost of a newly constructed home fell 3.0% from the month prior to $415k, down from $427k in January. Year-over-year, new home prices fell 1.5% in February.
- **Pending Home Sales** (Mar 27) – Pending home sales rose 2.0% in February, double the 1.0% rise expected and following a 4.6% drop at the start of the year. Over the past 12 months, pending home sales, however, fell 7.2%, the third consecutive month of an annual decline.



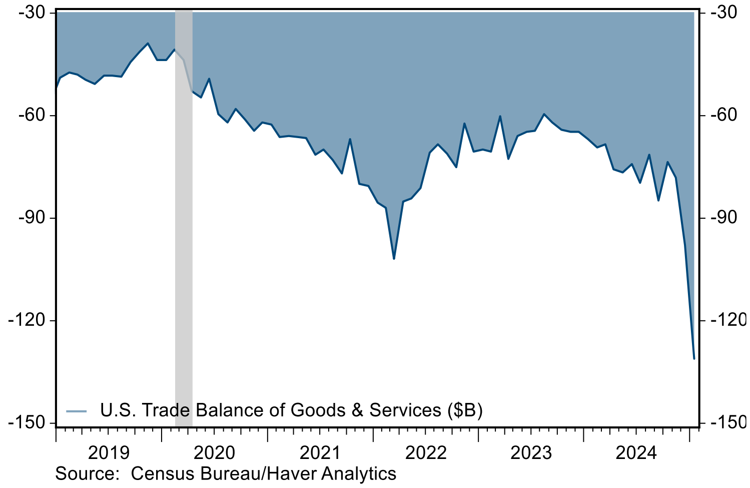
Sources: Census Bureau, National Association of Realtors/Haver Analytics

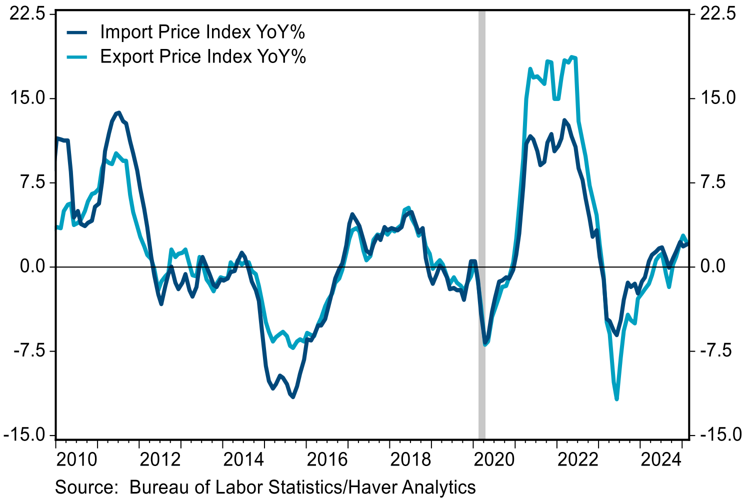


Source: Standard & Poor's/Haver Analytics

**Trade and Currency**

- **U.S. Dollar** (Mar 31) – The U.S. dollar closed out March lower, down 3.2% to end the month at $104.21 after beginning at $107.61 as the market continued to react to the threat of incoming tariffs.
- **Trade Balance** (Mar 6) – The deficit surged 34% to a record $131.4 billion in January as companies rushed to import goods ahead of scheduled tariffs. In the details of the report, the value of imports rose 10% to $401.2 billion, a record high, while exports increased 1.2% to $269.8 billion, a two-month high.
- **Import & Export Prices** (Mar 18) – Import prices unexpectedly rose 0.4% in February, matching the monthly gain in January, and export prices increased 0.1% in February following a 1.3% gain the month prior. Over the past 12 months, import prices increased 2.0%, a two-month high, and export prices rose 2.1%, a two-month low.




**Monetary Policy, Reports, and Commentary**

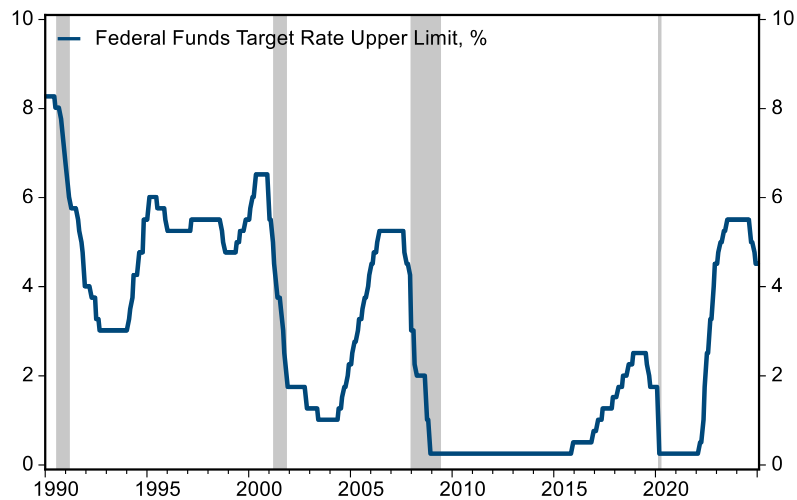
- **Atlanta Fed GDPNow Forecast**
  - (Mar 31) – According to the Atlanta Fed's GDPNow Q1 2025 forecast, economic activity January through March is expected to contract 2.8% as a result of disappointing consumption, trade, and PCE inflation reports, as well decreased estimates for net exports in the first quarter of the year. Down from the initial estimate of 2.9%, this would also mark the lowest GDP print since Q2 of 2020 when the economy was in the midst of the pandemic.

- **Fed Speak/News**
  - (Mar 4) – Speaking at a Bloomberg Invest Conference in New York, New York Fed President John Williams warned the implementation of the administration's additional tariffs could drive higher inflation. Given all of the *"uncertainties,"* however, Williams said he is still supportive of where policy currently stands as the data evolve. *"It makes sense to collect some more information, not only about what's happening with trade policy, but obviously there is also what we're seeing in terms of other policies, fiscal policy and regulatory policy."* In the meantime, Williams struck a relatively positive note, insisting he sees a solid labor market and persistent domestic growth.
  - (Mar 6) – Fed Governor Christopher Waller says it's still likely the Federal Reserve cuts rates by year-end. Speaking at the Wall Street Journal CFO Network Summit, Waller noted that while he wouldn't support lowering interest rates at the upcoming March FOMC meeting, there may still be room to cut two, or possibly three, times this year, adding the inflationary impact from tariffs would likely be insignificant as the Fed is likely to *"look through"* the potential increase in prices. *"If the labor market, everything, seems to be holding, then you can just kind of keep an eye on inflation…If you think it's moving back towards target, you can start lowering rates. I wouldn't say at the next meeting, but could certainly see going forward,"* Waller remarked.
  - (Mar 19) – President Donald Trump nominated Federal Reserve Governor Michelle Bowman to take the top regulatory position at the Federal reserve as the Vice Chair of Supervision. The role was previously held by Michael Barr who stepped down in February as speculation grew that President Trump would seek a replacement. Shortly after the announcement of Barr's departure, Bowman's name was floated on a short list of potential replacements; she was originally appointed by President Trump during his first term back in April of '18 and had furthermore been a vocal critic of Barr's efforts to impose tougher rules on the banking sector. *"If confirmed, I will promote a safe and sound banking system through a pragmatic approach to supervision and regulation with a transparent and tailored bank regulatory framework that encourages innovation,"* Bowman said in a statement.
  - (Mar 21) – Speaking in the aftermath of the March 19 Fed rate decision, New York Fed President John Williams championed the current level of policy, as well as the Committee's decision to remain on the sidelines.

Speaking at the Macroeconomic Caribbean Conference in the Bahamas, Williams also noted, however, the high level of uncertainty around economic trends and inflation, which will continue to complicate policy making decisions. *"Recent data — both hard and soft — are sending mixed signals. Measures of policy uncertainty have increased sharply in recent months,"* Williams said.

- (Mar 21) – Chicago Fed President Austan Goolsbee spoke on policy and underscored the elevated level of uncertainty. Speaking on CNBC's *"Squawk Box,"* Goolsbee refrained from identifying himself as any particular class of bird, but rather as a canine. *"I'm a data dog,"* Goolsbee said, *"and as a dog there is a time for walking and a time for sniffin.' "Right now I'm sniffin.'" "When you got a lot of uncertainty, I do think you need to wait to see some of these things get cleared up on the policy side,"* Goolsbee added. Goolsbee remained optimistic that should inflation show further progress rates will be lower over the medium term. *"If we can continue to make progress on inflation over the long run, I believe that rates 12 to 18 months from now will be lower than where they are today,"* Goolsbee remarked.
- (Mar 24) – Atlanta Fed President Raphael Bostic said he only expects one rate cute this year contrary to the median forecast of two additional cuts projected in the Summary of Economic Projections (SEP). Speaking in a Bloomberg Television in Atlanta, Bostic said given he anticipated the impact of tariffs to prove temporary, further policy relief may prove appropriate later in the year but to a limited degree. *"Given how rapidly policy changes from week to week and month to month, it'd be very difficult for me to, with any confidence, take on board things until we've actually seen them put in place and sticking,"* Bostic said.
- (Mar 25) – Fed Governor Adriana Kugler noted the elevated level of uncertainty in today's environment and surrounding price pressures, and as such supports keeping rates on hold for *"some time."* Speaking at an event in Washington, she noted that she was *"paying close attention to the acceleration of price increases and higher inflation expectations, especially given the recent bout of inflation in the past few years."*

- **March 19 FOMC Rate Decision and Press Conference**
  - As expected, the Fed opted to keep interest rates steady in a range of 4.25% to 4.50% with the language of the accompanying statement little changed from January. The Fed continues to see growth as "*solid*" with the unemployment rate "*stabilizing*" at a low level. Inflation, meanwhile, remains "*somewhat elevated*," omitting any suggestion of "*progress*" towards the Committee's 2% target for the second consecutive month. In achieving its goals of both maximum employment and stable prices, the Committee noted it will remain "*attentive to the risks to both sides of its dual mandate*," while removing language that such risks "*are roughly in balance*" and highlighting a rising level of "*uncertainty*." (Recall, in the January minutes, a number of officials pointed to the latest fiscal policy agenda as a specific source of uncertainty). Also as expected, the Fed opted to slow the pace of roll off from the balance sheet, reducing the cap on monthly UST reductions from $25 billion to $5 billion a month, while maintaining the cap on MBS at $35 billion. Additionally, the Summary of Economic Projections (SEP) shows an expectation for higher inflation and slower growth resulting in no change to the median forecast for policy. Likely underscoring the expected impact of tariffs, the Committee increased its headline inflation forecast from 2.5% to 2.7% and from 2.5% to 2.8% for the core in the



Source: Federal Reserve Board/Haver Analytics current year. Although policy makers remain optimistic in reaching the 2% price target by 2027. The growth outlook, meanwhile, was revised down from 2.1% to 1.7% in 2025, and from 2.0% to 1.8% next year. Finally, the unemployment rate forecast was little changed at 4.4% for 2025 (revised up from 4.3%) and 4.3% for 2026 (unrevised). Taken together, the Committee continues to anticipate two rate reductions by year-end, although the forecasts surrounding the median were somewhat more compressed towards the hawkish end of the spectrum. In December, for example, five officials anticipated more than two cuts, now only two. Alternatively, one member anticipated no further adjustment to rates as of December, while four now anticipate the Fed potentially holding steady through year-end. The decision was not unanimous with Fed Governor Christopher Waller dissenting in favor of holding steady the current pace of securities runoff.

**Domestic News and Activity**

- **Politics and the Trump Administration**
    - (Mar 4) – As expected, the Trump administration announced new 25% tariffs on all Mexican and Canadian goods, with the exclusion of Canadian energy which will have a lower 10% tariff. The administration also increased the initial tariff of 10% on Chinese goods implemented on February 4 to 20%. The rise is reportedly a reflection of Beijing's unwillingness (or inability) to address the illegal flow of drugs, including fentanyl, into the US.
    - (Mar 4) – President Trump addressed Congress and the American people, defending, first and foremost, the latest implementation and additional plans for tariffs. Taking a seemingly *"unapologetic"* tone, he argued in favor of leveling the playing field, protecting American jobs and industry, and bringing back manufacturing. *"Whatever they tariff us, we tariff them,"* President Trump told Congress. While acknowledging the prospect of higher consumer prices, Trump reiterated the importance of adjusting U.S. tariffs to match the barriers imposed by other countries. *"There will be a little disturbance,"* he said. *"We're OK with that."* During a total of 99 minutes, the President addressed the rule of law, border security, as well as the safety and health of the American people. Without outlining a specific plan, the President called for an end to the conflict between Russia and Ukraine, he applauded the early stages of progress under DOGE as it identifies *"appalling waste,"* and appealed to Congressional leaders to continue to support the administration's efforts of cracking down on illegal immigration. Just six weeks into office, the Trump administration has taken large strides to make good on campaign promises. However, while appealing to Republican voters, *"Democratic resistance"* remains solid with some comments met with booing and heckling from across the aisle.
    - (Mar 5) – President Trump granted an exemption of tariffs for the auto sector for a period of one month amid pleas from several large auto makers. The exemption covered manufacturers whose vehicles complied with the USMCA rules of origin of a 75% North American content and a minimum 40% of a passenger car's content to be made in the U.S. or Canada. The exemption included the *"Big Three"* auto makers: Ford, GM, and Stellantis (formerly Chrysler), along with Volkswagen.
    - (Mar 6) – The White House formally announced an exemption for goods covered by the USMCA trade agreement for Canada and Mexico. According to a senior White House official, the exemption of goods lasts until April 2 and apply to about half of the goods coming into the U.S. from Mexico and about 38% of goods coming from Canada. While a welcome avenue to avoid further barriers to entrance, the seemingly temporary and limited exemption only added to the complication and uncertainty of the administration's new international trade policy position.
    - (Mar 12) – The Trump administration increased tariffs on global steel and aluminum to 25%.
    - (Mar 12) – A stopgap funding bill narrowly passed the House to keep the government running through September. According to reports, the bill increases defense spending by $6 billion as well as funding for border security and reducing non-defense outlays by $13 billion.
    - (Mar 19) – Following the latest March FOMC meeting, the Trump administration urged the Committee to *"do the right thing"* and lower interest rates. While, historically, nearly every administration has put pressure on the

central bank to lower rates during its time in the White House to further boost economic activity, in today's social media environment, such criticism is much more evident for investors and in the forefront for everyday citizens.

**International News and Activity**

- **China**
  - (Mar 4) – In response to President Trump's 20% tariff placed on goods from China, China vowed to take necessary countermeasures, responding immediately with tariffs on U.S. food and agricultural products, as well as banning exports to some defense companies.
- **Canada**
  - (Mar 4) – Following the implementation of a 25% tariff from the U.S., Canada announced 25% tariffs on more than $100 billion of imported U.S. goods in two phases.
  - (Mar 10) – Canada elected a new prime minister: Mark Carney, a former central banker who, as Bloomberg News pointed out, has never held a seat in parliament. Carney succeeds Justin Trudeau who served as prime minister for nine years, and stepped down amid plummeting approval ratings which culminated in party infighting and a controversial tax plan. In his victory speech, Carney noted he will maintain Canada's retaliatory tariffs against the U.S., seeing the latest move by the Trump administration as a threat to the Canadian economy.
  - (Mar 12) – Despite the reduction in the tariff rate from 50% to 25% on Canadian steel and aluminum imports, Canada announced its own countermeasures, vowing to increase tariffs on C$30 billion ($20.8 billion) of U.S. goods, including steel and aluminum.
  - (Mar 12) – The Bank of Canada announced a seventh-round rate cut, taking its policy rate from 3.0% to 2.75%. According to Bank of Canada Governor Tiff Macklem, the central bank is moving policy *"carefully"* amid the ongoing implementation of tariffs.
- **European Union**
  - (Mar 6) – To guard against the prospect of weaker domestic activity amid potential fallout from U.S. tariffs, as well as a recent need to increase military spending, the European Central Bank (ECB) opted to continue with rate reductions, lowering the deposit rate from 2.75% to 2.50%, the sixth reduction in nine months. While growing the divide between borrowing rates overseas and in the U.S., the ECB saw the move as *"necessary."* According to the ECB statement, *"The economy faces continued challenges and staff have again marked down their growth projections – to 0.9% for 2025, 1.2% for 2026 and 1.3% for 2027. The downward revisions for 2025 and 2026 reflect lower exports and ongoing weakness in investment, in part originating from high trade policy uncertainty as well as broader policy uncertainty."*
  - (Mar 12) – In response to 25% global steel and aluminum tariffs, the European Union announced retaliatory tariffs on $28 billion worth of a wide range of U.S. goods including boats, motorbikes and alcohol set to take effect April 1 with additional countermeasures introduced in mid-April.

-Lindsey Piegza, Ph.D., Chief Economist

## National Growth

| | Q1'22 | Q2'22 | Q4'22 | Q1'23 | Q2'23 | Q3'23 | Q4'23 | Q1'24 | Q2'24 | Q3'24 | Q4'24 | Q1'25 | 4Q Avg | 12Q Movement |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| GDP QoQ | -1.0% | 0.3% | 2.7% | 3.4% | 2.8% | 2.4% | 4.4% | 3.2% | 1.6% | 3.0% | 3.1% | 2.4% | 2.5% | |
| Consumption QoQ | 1.0% | 2.6% | 1.5% | 1.2% | 4.9% | 1.0% | 2.5% | 3.5% | 1.9% | 2.8% | 3.7% | 4.0% | 3.1% | |
| Investment QoQ | 7.4% | -8.5% | -5.7% | 5.8% | -8.9% | 8.0% | 10.1% | 0.7% | 3.6% | 8.3% | 0.8% | -5.6% | 1.8% | |
| Government Spending QoQ | -3.4% | -1.5% | 1.6% | 5.4% | 5.1% | 2.9% | 5.7% | 3.6% | 1.8% | 3.1% | 5.1% | 3.1% | 3.3% | |
| Imports QoQ | 13.4% | 12.7% | 14.5% | -1.1% | 2.0% | -4.8% | 4.9% | 6.2% | 1.9% | 1.0% | 9.6% | -0.2% | 3.1% | |
| Exports QoQ | -4.6% | 5.9% | -5.4% | -4.5% | -0.8% | -3.1% | 4.7% | 4.2% | 6.1% | 7.6% | 10.7% | -1.9% | 5.6% | |

## Labor Market

| | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | 12m Avg | 12m Movement |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Change in Nonfarm Payrolls, k | 246 | 118 | 193 | 87 | 88 | 71 | 240 | 44 | 261 | 323 | 125 | 151 | 162 | |
| Unemployment Rate | 3.9% | 3.9% | 4.0% | 4.1% | 4.2% | 4.2% | 4.1% | 4.1% | 4.2% | 4.1% | 4.0% | 4.1% | 4.1% | |
| Total Unemployed, M | 6.50 | 6.49 | 6.64 | 6.85 | 7.10 | 7.07 | 6.90 | 6.97 | 7.12 | 6.89 | 6.85 | 7.05 | 6.87 | |
| Labor Force Participation Rate | 62.7% | 62.7% | 62.6% | 62.6% | 62.7% | 62.7% | 62.7% | 62.5% | 62.5% | 62.5% | 62.6% | 62.4% | 62.6% | |
| Prime-Age Participation Rate | 83% | 84% | 84% | 84% | 84% | 84% | 84% | 84% | 84% | 83% | 84% | 84% | 84% | |
| Total in Labor Force, M | 161.4 | 161.5 | 161.2 | 161.2 | 161.2 | 161.4 | 161.8 | 161.5 | 161.2 | 161.7 | 163.9 | 163.3 | 161.8 | |
| Average Hourly Earnings MoM | 0.4% | 0.2% | 0.4% | 0.3% | 0.2% | 0.5% | 0.3% | 0.4% | 0.4% | 0.2% | 0.4% | 0.3% | 0.3% | |
| Average Hourly Earnings YoY | 4.2% | 4.0% | 4.1% | 3.9% | 3.6% | 4.0% | 3.9% | 4.1% | 4.2% | 4.0% | 3.9% | 4.0% | 4.0% | |
| ADP Private Payrolls MoM, k | 117 | 146 | 200 | 134 | 36 | 153 | 137 | 193 | 169 | 161 | 186 | 77 | 142 | |
| Total Job Openings (JOLTS), M | 8.09 | 7.62 | 7.90 | 7.41 | 7.50 | 7.65 | 7.10 | 7.62 | 8.03 | 7.51 | 7.74 | -- | 7.72 | |
| Job Openings Per Unemployed Worker | 1.2 | 1.2 | 1.2 | 1.1 | 1.1 | 1.1 | 1.0 | 1.1 | 1.1 | 1.1 | 1.1 | -- | 1.1 | |
| Initial Jobless Claims, k (Avg) | 223 | 209 | 229 | 238 | 248 | 228 | 227 | 218 | 225 | 209 | 222 | 224 | 225 | |
| Continuing Claims, M (Avg) | 1.8 | 1.8 | 1.8 | 1.9 | 1.9 | 1.8 | 1.9 | 1.9 | 1.9 | 1.9 | 1.8 | 1.9 | 1.8 | |

## Inflation

| | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | 12m Avg | 12m Movement |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| PCE MoM | 0.3% | 0.3% | 0.0% | 0.1% | 0.2% | 0.1% | 0.2% | 0.3% | 0.1% | 0.3% | 0.3% | 0.3% | 0.2% | |
| PCE YoY | 2.8% | 2.7% | 2.6% | 2.4% | 2.5% | 2.3% | 2.1% | 2.3% | 2.5% | 2.6% | 2.5% | 2.5% | 2.5% | |
| Core PCE MoM | 0.3% | 0.3% | 0.1% | 0.2% | 0.2% | 0.2% | 0.3% | 0.3% | 0.1% | 0.2% | 0.3% | 0.4% | 0.2% | |
| Core PCE YoY | 3.0% | 2.9% | 2.7% | 2.6% | 2.7% | 2.7% | 2.7% | 2.8% | 2.8% | 2.9% | 2.7% | 2.8% | 2.8% | |
| CPI MoM | 0.3% | 0.3% | 0.0% | 0.0% | 0.1% | 0.2% | 0.2% | 0.2% | 0.3% | 0.4% | 0.5% | 0.2% | 0.2% | |
| CPI YoY | 3.5% | 3.4% | 3.3% | 3.0% | 2.9% | 2.5% | 2.4% | 2.6% | 2.7% | 2.9% | 3.0% | 2.8% | 2.9% | |
| Core CPI MoM | 0.4% | 0.3% | 0.1% | 0.1% | 0.2% | 0.3% | 0.3% | 0.3% | 0.3% | 0.2% | 0.4% | 0.2% | 0.3% | |
| Core CPI YoY | 3.8% | 3.6% | 3.4% | 3.3% | 3.2% | 3.2% | 3.3% | 3.3% | 3.3% | 3.2% | 3.3% | 3.1% | 3.3% | |
| PPI MoM | 0.1% | 0.5% | 0.0% | 0.4% | 0.0% | 0.3% | 0.3% | 0.3% | 0.1% | 0.5% | 0.6% | 0.0% | 0.3% | |
| PPI YoY | 2.0% | 2.3% | 2.5% | 2.9% | 2.4% | 2.1% | 2.1% | 2.8% | 2.9% | 3.4% | 3.7% | 3.2% | 2.7% | |
| Core PPI MoM | 0.1% | 0.5% | 0.3% | 0.5% | -0.1% | 0.4% | 0.4% | 0.4% | 0.0% | 0.4% | 0.5% | -0.1% | 0.3% | |
| Core PPI YoY | 2.3% | 2.5% | 2.7% | 3.3% | 2.6% | 2.8% | 3.3% | 3.6% | 3.4% | 3.7% | 3.8% | 3.4% | 3.1% | |

## Manufacturing & Production Activity

| | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | 12m Avg | 12m Movement |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ISM Manufacturing | 49.8 | 48.8 | 48.5 | 48.3 | 47.0 | 47.5 | 47.5 | 46.9 | 48.4 | 49.2 | 50.9 | 50.3 | 48.6 | |
| Prices Paid | 55.8 | 60.9 | 57.0 | 52.1 | 52.9 | 54.0 | 48.3 | 54.8 | 50.3 | 52.5 | 54.9 | 62.4 | 54.7 | |
| Production | 53.7 | 50.7 | 49.6 | 48.7 | 46.6 | 45.6 | 49.4 | 47.0 | 47.5 | 49.9 | 52.5 | 50.7 | 49.3 | |
| New Orders | 50.3 | 48.7 | 46.3 | 48.9 | 47.6 | 45.6 | 46.7 | 47.9 | 50.3 | 52.1 | 55.1 | 48.6 | 49.0 | |
| Supplier Deliveries | 49.9 | 48.9 | 48.9 | 49.8 | 52.6 | 50.5 | 52.2 | 52.0 | 48.7 | 50.1 | 50.9 | 54.5 | 50.8 | |
| Inventories | 47.6 | 47.6 | 47.4 | 45.5 | 44.6 | 50.2 | 44.7 | 43.2 | 47.7 | 48.4 | 45.9 | 49.9 | 46.9 | |
| Employment | 47.5 | 48.2 | 50.4 | 48.4 | 43.6 | 45.8 | 44.6 | 44.8 | 48.1 | 45.4 | 50.3 | 47.6 | 47.1 | |
| ISM Services | 51.3 | 49.6 | 53.5 | 49.2 | 51.4 | 51.6 | 54.5 | 55.8 | 52.5 | 54.0 | 52.8 | 53.5 | 52.5 | |
| Business Activity | 57.0 | 51.0 | 59.9 | 50.2 | 54.2 | 53.9 | 58.6 | 57.7 | 55.5 | 58.0 | 54.5 | 54.4 | 55.4 | |
| New Orders | 54.2 | 52.4 | 53.9 | 47.8 | 52.7 | 53.2 | 59.1 | 56.7 | 54.2 | 54.4 | 51.3 | 52.2 | 53.5 | |
| Backlog of Orders | 44.8 | 51.1 | 50.8 | 44.0 | 50.6 | 43.7 | 48.3 | 47.7 | 47.1 | 44.3 | 44.8 | 51.7 | 47.4 | |
| Supplier Deliveries | 45.4 | 48.5 | 52.7 | 52.2 | 47.6 | 49.6 | 52.1 | 56.4 | 49.5 | 52.5 | 53.0 | 53.4 | 51.1 | |
| Inventory Change | 45.6 | 53.7 | 52.1 | 42.9 | 49.8 | 52.9 | 58.1 | 57.2 | 45.9 | 49.4 | 47.5 | 50.6 | 50.5 | |
| Employment | 48.5 | 46.6 | 47.5 | 46.7 | 51.0 | 49.6 | 48.2 | 52.2 | 50.9 | 51.3 | 52.3 | 53.9 | 49.9 | |
| Durable Goods Orders MoM | 0.8% | 0.2% | 0.1% | -6.9% | 9.8% | -0.9% | -0.4% | 0.7% | -2.0% | -1.8% | 3.3% | 0.9% | 0.3% | |
| Durable Goods Orders YoY | 0.5% | -1.4% | -1.5% | -10.6% | 1.3% | 0.6% | -1.7% | 3.2% | -6.1% | -3.5% | 3.6% | 3.4% | -1.0% | |
| Durables Ex. Transportation Orders MoM | -0.1% | 0.4% | -0.2% | 0.1% | -0.2% | 0.6% | 0.4% | 0.2% | -0.2% | 0.1% | 0.1% | 0.7% | 0.2% | |
| Durables Ex. Transportation Orders YoY | 0.7% | 1.7% | 1.0% | 0.7% | 0.7% | 1.0% | 1.1% | 1.6% | 1.4% | 0.8% | 1.7% | 2.0% | 1.2% | |
| Capital Goods Orders MoM | 0.2% | -0.8% | 0.0% | -18.5% | 34.7% | -2.6% | -1.4% | 2.0% | -4.9% | -5.2% | 10.4% | -1.5% | 1.0% | |
| Capital Goods Orders YoY | -0.9% | -8.9% | -8.0% | -29.2% | 4.2% | 2.3% | -5.0% | 3.5% | -17.4% | -11.1% | 8.4% | 4.7% | -4.8% | |
| Nondefense Captial Goods Orders MoM | 1.2% | -2.9% | -0.4% | -22.8% | 42.0% | -4.4% | -3.5% | 3.1% | -3.3% | -5.3% | 12.8% | -1.5% | 1.3% | |
| Ex. Aircraft & Defense MoM | -0.2% | 0.2% | -0.9% | 0.6% | -0.3% | 0.2% | 0.3% | -0.1% | 0.8% | 0.2% | 0.9% | -0.3% | 0.1% | |

Source: Bloomberg

CPI – Consumer Price Index
FOMC – Federal Open Market Committee
GDP – Gross Domestic Product
ISM – Institute for Supply Management
JOLTS – Job Openings and Labor Turnover Survey
NAHB – National Association of Homebuilders
NFIB – National Federation of Independent Business
OER – Owners' Equivalent Rent
PCE – Personal Consumption Expenditures
PMI – Purchasing Managers' Index
PPI – Producer Price Index
S&P – Standard and Poor's