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U.S. Economic Outlook and Central Bank Communications

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Disclaimer: The views I will express today are my own and not necessarily those of the Federal Open Market Committee (FOMC) or the Federal Reserve System.

Figure 1: Evolution of Fed Communications

- 1993
 - The FOMC starts publishing meeting minutes in their current form.
- 1994
 - The FOMC begins releasing meeting transcripts with a five-year lag and starts publishing meeting statements when there is a change in the intended federal funds rate.
- 1999
 - The FOMC starts publishing statements after every meeting.
- 2007
 - The FOMC begins releasing the Summary of Economic Projections.
- 2011
 - Chair Bernanke starts holding press conferences after every other FOMC meeting.
- 2012
 - Federal Reserve adopts an explicit inflation target of 2 percent and starts publishing individual FOMC participants' views on the appropriate future path of the federal funds rate.
- 2019
 - Chair Powell starts holding press conferences after every FOMC meeting.

Figure 2: Real GDP

Percent

Date	Real GDP Growth Rate
2022-01-01	-1
2022-04-01	0.3
2022-07-01	2.7
2022-10-01	3.4

Date	Real GDP Growth Rate
2023-01-01	2.8
2023-04-01	2.4
2023-07-01	4.4
2023-10-01	3.2
2024-01-01	1.6
2024-04-01	3
2024-07-01	3.1
2024-10-01	2.4

Note: Percent change from preceding period, seasonally adjusted annual rate.

Source: U.S. Bureau of Economic Analysis, Real Gross Domestic Product, retrieved from FRED, Federal Reserve Bank of St. Louis.

Figure 3: Retail Sales

Percent

Date	Retail Sales Growth Rate
2022-01-01	1.82
2022-02-01	1.01
2022-03-01	2.10
2022-04-01	1.37
2022-05-01	-0.33
2022-06-01	0.69
2022-07-01	-0.69
2022-08-01	0.60
2022-09-01	-0.27
2022-10-01	1.25
2022-11-01	-1.18
2022-12-01	-1.03
2023-01-01	4.06
2023-02-01	-1.07
2023-03-01	-1.07
2023-04-01	0.68
2023-05-01	0.43
2023-06-01	0.31
2023-07-01	0.27
2023-08-01	0.81
2023-09-01	0.84
2023-10-01	-0.39
2023-11-01	-0.31
2023-12-01	0.38
2024-01-01	-0.81
2024-02-01	0.98
2024-03-01	0.40
2024-04-01	-0.15
2024-05-01	0.23
2024-06-01	-0.28
2024-07-01	1.21
2024-08-01	-0.11

Date	Retail Sales Growth Rate
2024-09-01	0.89
2024-10-01	0.56
2024-11-01	0.65
2024-12-01	0.73
2025-01-01	-1.24
2025-02-01	0.20

Note: Includes retail and food services. Percent change from preceding month, seasonally adjusted.

Source: U.S. Census Bureau.

Figure 4: Unemployment Rate

Percent

Date	Unemployment Rate
2022-01-01	4
2022-02-01	3.8
2022-03-01	3.7
2022-04-01	3.7
2022-05-01	3.6
2022-06-01	3.6
2022-07-01	3.5
2022-08-01	3.6
2022-09-01	3.5
2022-10-01	3.6
2022-11-01	3.6
2022-12-01	3.5
2023-01-01	3.5
2023-02-01	3.6
2023-03-01	3.5
2023-04-01	3.4
2023-05-01	3.6
2023-06-01	3.6
2023-07-01	3.5
2023-08-01	3.7
2023-09-01	3.8
2023-10-01	3.9
2023-11-01	3.7
2023-12-01	3.8
2024-01-01	3.7
2024-02-01	3.9
2024-03-01	3.9
2024-04-01	3.9
2024-05-01	4
2024-06-01	4.1
2024-07-01	4.2
2024-08-01	4.2
2024-09-01	4.1
2024-10-01	4.1
2024-11-01	4.2

Date	Unemployment Rate
2024-12-01	4.1
2025-01-01	4
2025-02-01	4.1

Source: U.S. Bureau of Labor Statistics, Unemployment Rate, retrieved from FRED, Federal Reserve Bank of St. Louis.

Figure 5: 4-Week Moving Average of Initial Claims

The line chart plots the 4 week moving average of initial jobless claims from January 1st, 2022 until March 22nd, 2025. The y axis ranges from 100 to 400 in thousands. There is one variable charted on the plot, and it is a blue line. The line moves between 200 and 250.

Note: Seasonally adjusted.

Source: U.S. Employment and Training Administration, 4-Week Moving Average of Initial Claims, retrieved from FRED, Federal Reserve Bank of St. Louis.

Figure 6: Job Openings: Total Nonfarm/Unemployment Level

Level in Thous./Thous. Of Persons

Date	Vacancy/Unemployment Ratio
2022-01-01	1.73
2022-02-01	1.85
2022-03-01	2.02
2022-04-01	1.98
2022-05-01	1.92
2022-06-01	1.89
2022-07-01	2.01
2022-08-01	1.71
2022-09-01	1.87
2022-10-01	1.76
2022-11-01	1.79
2022-12-01	1.89
2023-01-01	1.81
2023-02-01	1.65
2023-03-01	1.64
2023-04-01	1.74
2023-05-01	1.53
2023-06-01	1.54
2023-07-01	1.45
2023-08-01	1.48
2023-09-01	1.47
2023-10-01	1.32
2023-11-01	1.39
2023-12-01	1.36
2024-01-01	1.38
2024-02-01	1.31
2024-03-01	1.25
2024-04-01	1.17
2024-05-01	1.19

Date	Vacancy/Unemployment Ratio
2024-06-01	1.08
2024-07-01	1.06
2024-08-01	1.08
2024-09-01	1.03
2024-10-01	1.09
2024-11-01	1.13
2024-12-01	1.09
2025-01-01	1.13
2025-02-01	1.07

Note: Seasonally adjusted.

Source: U.S. Bureau of Labor Statistics, Job Openings: Total Nonfarm and Unemployment Level, retrieved from FRED, Federal Reserve Bank of St. Louis.

Figure 7: 12-Month PCE and Core PCE Inflation

Percent

Date	PCE Inflation	Core PCE Inflation
2022-01-01	6.31	5.41
2022-02-01	6.59	5.65
2022-03-01	6.97	5.63
2022-04-01	6.70	5.35
2022-05-01	6.80	5.19
2022-06-01	7.25	5.32
2022-07-01	6.76	5.11
2022-08-01	6.64	5.36
2022-09-01	6.66	5.61
2022-10-01	6.46	5.46
2022-11-01	6.02	5.20
2022-12-01	5.51	4.95
2023-01-01	5.53	4.95
2023-02-01	5.21	4.86
2023-03-01	4.42	4.77
2023-04-01	4.46	4.78
2023-05-01	3.98	4.71
2023-06-01	3.26	4.37
2023-07-01	3.37	4.27
2023-08-01	3.39	3.78
2023-09-01	3.42	3.66
2023-10-01	2.99	3.44
2023-11-01	2.70	3.22
2023-12-01	2.70	3.04
2024-01-01	2.61	3.06
2024-02-01	2.59	2.93
2024-03-01	2.81	2.98
2024-04-01	2.72	2.89
2024-05-01	2.57	2.67
2024-06-01	2.44	2.63
2024-07-01	2.47	2.67

Date	PCE Inflation	Core PCE Inflation
2024-08-01	2.28	2.73
2024-09-01	2.10	2.66
2024-10-01	2.34	2.82
2024-11-01	2.46	2.83
2024-12-01	2.60	2.86
2025-01-01	2.52	2.66
2025-02-01	2.54	2.79

Note: PCE Inflation is the change in the personal consumption expenditures price index and core PCE Inflation is the change in PCE price index excluding food and energy. PCE and core PCE are 12-Month inflation percentages calculated using seasonally adjusted annual rates.

Source: U.S. Bureau of Economic Analysis, Personal Consumption Expenditures: Chain-type Price Index and Personal Consumption Expenditures Excluding Food and Energy (Chain-Type Price Index), retrieved from FRED, Federal Reserve Bank of St. Louis.

Figure 8: Components of Core PCE Inflation

Percent change from year earlier

Date	Core Goods	Core services less housing	Housing services
2022-01-01	6.91	5.13	4.05
2022-02-01	7.66	5.13	4.31
2022-03-01	7.47	5.08	4.56
2022-04-01	6.35	5.03	4.85
2022-05-01	5.72	4.94	5.18
2022-06-01	5.72	5.05	5.61
2022-07-01	5.50	4.66	6.01
2022-08-01	5.61	4.90	6.47
2022-09-01	5.75	5.16	6.86
2022-10-01	4.68	5.33	7.08
2022-11-01	3.92	5.14	7.34
2022-12-01	3.16	4.93	7.74
2023-01-01	2.65	5.10	7.95
2023-02-01	2.26	5.07	8.18
2023-03-01	2.49	4.79	8.21
2023-04-01	2.50	4.78	8.27
2023-05-01	2.49	4.68	8.18
2023-06-01	1.71	4.52	7.92
2023-07-01	1.18	4.64	7.73
2023-08-01	0.56	4.16	7.40
2023-09-01	0.25	4.17	7.12
2023-10-01	0.37	3.80	6.89
2023-11-01	0.22	3.54	6.68
2023-12-01	-0.04	3.43	6.33
2024-01-01	-0.51	3.74	6.17
2024-02-01	-0.41	3.53	5.90
2024-03-01	-0.53	3.69	5.83
2024-04-01	-0.54	3.58	5.66
2024-05-01	-0.99	3.43	5.55
2024-06-01	-0.74	3.31	5.34
2024-07-01	-0.42	3.25	5.24

Date	Core Goods	Core services less housing	Housing services
2024-08-01	-0.51	3.39	5.27
2024-09-01	-0.38	3.25	5.09
2024-10-01	-0.36	3.54	5.05
2024-11-01	-0.14	3.52	4.82
2024-12-01	-0.16	3.62	4.70
2025-01-01	0.30	3.12	4.50
2025-02-01	0.42	3.34	4.33

Note: Core goods Inflation is the change in the personal consumption expenditures price index excluding energy and food. Core services inflation is the change in the PCE price index excluding energy services.

Source: U.S. Bureau of Economic Analysis.

Figure 9: Federal Funds Rate

Percent

Date	Fed Funds Monthly Average Rate
1/1/2022	0.08
2/1/2022	0.08
3/1/2022	0.20
4/1/2022	0.33
5/1/2022	0.76
6/1/2022	1.19
7/1/2022	1.65
8/1/2022	2.33
9/1/2022	2.58
10/1/2022	3.08
11/1/2022	3.76
12/1/2022	4.09
1/1/2023	4.33
2/1/2023	4.57
3/1/2023	4.65
4/1/2023	4.83
5/1/2023	5.05
6/1/2023	5.08
7/1/2023	5.12
8/1/2023	5.33
9/1/2023	5.33
10/1/2023	5.33
11/1/2023	5.33
12/1/2023	5.33
1/1/2024	5.33
2/1/2024	5.33
3/1/2024	5.33
4/1/2024	5.33
5/1/2024	5.33
6/1/2024	5.33
7/1/2024	5.33
8/1/2024	5.33
9/1/2024	5.13

Date	Fed Funds Monthly Average Rate
10/1/2024	4.83
11/1/2024	4.65
12/1/2024	4.48
1/1/2025	4.33
2/1/2025	4.33
3/1/2025	4.33

Source: Federal Reserve Bank of New York

Last Update: April 03, 2025