The views expressed here are those of the presenter and do not necessarily represent those of the Federal Reserve Bank of New York or the Federal Reserve System.
Overview

- Real GDP growth was robust in 2023.
  - Growth in early 2024 still seems solid amid signs of slowing.

- The labor market is better balanced but remains tight.

- Despite an uptick in early 2024, inflation continues to moderate gradually.
GDP rose in 2023Q4; spending still resilient

- 2023 GDP grew at a robust pace.
- Expenditures have been resilient so far in 2024Q1.
- Since December, private forecasts have moved higher.

Sources: Bureau of Economic Analysis, Blue Chip Economic Indicators
Some signs of easing, but the labor market remains tight

- Unemployment rate below 4% for over two years.
- Prime-age participation highest since May 2002.
- Job growth remains brisk: 3-month average was 265,000 in February.
- Even with some easing, there are many more job openings than people looking for work.
- Wage growth has moderated but remains above pre-pandemic rates.

Inflation is moderating but remains high

- Core goods inflation remains subdued, as supply chain issues have improved.
- Even after some slowing in shelter, core services inflation is still elevated.

- Ex-food & energy (core) inflation has slowed but remains high.
- Both core goods and core services inflation have been moderating.

Concluding observations

- Economic activity and the labor market have remained resilient so far in 2024.
- Inflation is moderating but remains above 2 percent.
- Supply and demand imbalances continue to recede.