After declining in August, real consumer spending showed a strong rebound in September.
- Motor vehicle sales picked up notably in September and October after declining through much of the year.

Business equipment spending has been strong this year, with capital spending indicators pointing to solid growth in the near-term.

Housing indicators still point to continued gradual improvement in this sector.
- Multi-family starts remained appreciably below their recent peaks, but tight market conditions continued to promote a gradual rise in single-family starts.
Payroll growth recovered in October from the effects of Hurricanes Harvey and Irma. The unemployment rate, the employment-to-population ratio, and the labor force participation rate all declined.

- Growth of labor compensation remained subdued.

Monthly readings on PCE inflation indicated that core inflation continues to run somewhat below the FOMC’s longer-run objective.

In the past month, U.S. equity indexes continued to rise and are at record highs. The nominal long-term Treasury yield was roughly unchanged and the U.S. dollar rose slightly.

- Oil prices moved up recently due to tensions in the Middle East and a solid outlook for global growth.
Output growth maintains its pace in Q3

Source: Bureau of Economic Analysis via Haver Analytics
Wealth helping to support consumer spending

Household Net Worth (Right Axis)

Real Disposable Income (Left Axis)

Real Personal Consumption (Left Axis)

Source: Bureau of Economic Analysis, Federal Reserve Board, via Haver Analytics

Note: Shading shows NBER recessions.
Stock prices and home values lift household net worth

Trillions of Dollars

Source: Federal Reserve Board, Bureau of Economic Analysis via Haver Analytics

Note: Shading shows NBER recessions.
Hurricanes distorted payroll changes in September

Thousands

- Average Monthly Change for the Year Prior
- Aug - Sep 2017 Change

Manufacturing

Information

Education & Health Services

Professional & Business Services

Other Services

Financial Activities

Wholesale & Retail Trade, Transportation, Warehousing, Utilities

Leisure & Hospitality

Mining & Logging

Construction

Source: Bureau of Labor Statistics via Haver Analytics
Labor market conditions continue to improve

Source: Bureau of Labor Statistics via Haver Analytics

Note: Shading shows NBER recessions.
Inflation still running below the FOMC’s objective

Source: Bureau of Economic Analysis via Haver Analytics
Note: Shading shows NBER recessions.
Recent rebound in motor vehicle sales

Source: Autodata via Haver Analytics

Note: Shading shows NBER recessions.
Hurricane impact on gasoline prices less than expected

Price of Retail Gasoline

Hurricane Harvey: Aug 25

Sept. 1 Forecast:
Sept: $3.00
Oct: $3.40

Sept. 14 Forecast:
Sept: $2.90
Oct: $3.12

Source: Energy Information Administration
via Haver Analytics
Solid growth expected for manufacturing & service sectors

Source: Institute for Supply Management, Federal Reserve Board via Haver Analytics

Note: Shading shows NBER recessions.
Signs pointing to strong and synchronized global growth

Source: IHS Markit and Institute for Supply Management via Haver Analytics