

Month 25 to Month 60 Change in Unemployment

Trough

		Actual			Prediction under Okun's Law	
Start Year 3 (Month)	End Year 5 (Month)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
Mar 1963	Feb 1966	5.8	1.9	5.8	1.7 to 2.9	4.6
Dec 1984	Nov 1987	0.6	1.5	3.3	0.2 to 0.3	2.3
Apr 1993	Mar 1996	0.4	1.6	2.8	0.1 to 0.2	1.8
Dec 2003	Nov 2006	1.2	1.2	2.7	0.3 to 0.6	1.9

Trough + 1 Quarter

		Actual			Prediction under Okun's Law	
Start Year 3 (Month)	End Year 5 (Month)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
Jun 1963	May 1966	6.8	1.7	6.1	2.1 to 3.4	5.1
Mar 1985	Feb 1988	1.5	1.5	3.6	0.5 to 0.8	2.6
Jul 1993	Jun 1996	1.4	1.6	3.0	0.4 to 0.7	2.0
Mar 2004	Feb 2007	1.0	1.3	2.6	0.3 to 0.5	1.8

Trough + 2 Quarters

		Actual			Prediction under Okun's Law	
Start Year 3 (Month)	End Year 5 (Month)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
Sep 1963	Aug 1966	5.8	1.7	5.8	1.7 to 2.9	4.8
Jun 1985	May 1988	1.2	1.8	3.4	0.3 to 0.6	2.3
Oct 1993	Sep 1996	1.7	1.6	3.3	0.5 to 0.8	2.3
Jun 2004	May 2007	0.5	1.2	2.4	0.1 to 0.2	1.7

Quarterly Averages in Unemployment (11 qtr change)

Trough

		Actual			Prediction under Okun's Law	
Start Year 3 (Quarter)	End Year 5 (Quarter)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
1963:Q1	1965:Q4	5.8	1.7	5.8	1.7 to 2.9	4.8
1984:Q4	1987:Q3	0.6	1.3	3.3	0.2 to 0.3	2.5
1993:Q1	1995:Q4	0.4	1.6	2.8	0.1 to 0.2	1.8
2003:Q4	2006:Q3	1.2	1.2	2.7	0.3 to 0.6	1.9

Trough + 1 Quarter

		Actual			Prediction under Okun's Law	
Start Year 3 (Quarter)	End Year 5 (Quarter)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
1963:Q2	1966:Q1	6.8	1.9	6.1	2.1 to 3.4	5.0
1985:Q1	1987:Q4	1.5	1.4	3.6	0.5 to 0.8	2.7
1993:Q2	1996:Q1	1.4	1.5	3.0	0.4 to 0.7	2.0
2004:Q1	2006:Q4	1.0	1.3	2.6	0.3 to 0.5	1.8

Trough + 2 Quarters

Start Year 3 (Quarter)	End Year 5 (Quarter)	Actual			Prediction under Okun's Law	
		% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
1963:Q3	1966:Q2	5.8	1.7	5.8	1.7 to 2.9	4.8
1985:Q2	1988:Q1	1.2	1.6	3.4	0.3 to 0.6	2.4
1993:Q3	1996:Q2	1.7	1.3	3.3	0.5 to 0.8	2.5
2004:Q2	2007:Q1	0.5	1.1	2.4	0.1 to 0.2	1.7

End of Quarter Month Change in Unemployment

Trough

		Actual			Prediction under Okun's Law	
Start Year 3 (Month)	End Year 5 (Month)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
Mar 1963	Dec 1965	5.8	1.7	5.8	1.7 to 2.9	4.7
Dec 1984	Sep 1987	0.6	1.4	3.3	0.2 to 0.3	2.4
Mar 1993	Dec 1995	0.4	1.4	2.8	0.1 to 0.2	1.9
Dec 2003	Sep 2006	1.2	1.2	2.7	0.3 to 0.6	1.9

Trough + 1 Quarter

Start Year 3 (Month)	End Year 5 (Month)	Actual			Prediction under Okun's Law	
		% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
Jun 1963	Mar 1966	6.8	1.8	6.1	2.1 to 3.4	5.0
Mar 1985	Dec 1987	1.5	1.5	3.6	0.5 to 0.8	2.6
Jun 1993	Mar 1996	1.4	1.5	3.0	0.4 to 0.7	2.0
Mar 2004	Dec 2006	1.0	1.4	2.6	0.3 to 0.5	1.7

Trough + 2 Quarters

		Actual			Prediction under Okun's Law	
Start Year 3 (Month)	End Year 5 (Month)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
Sep 1963	Jun 1966	5.8	1.7	5.8	1.7 to 2.9	4.8
Jun 1985	Mar 1988	1.2	1.7	3.4	0.3 to 0.6	2.4
Sep 1993	Jun 1996	1.7	1.4	3.3	0.5 to 0.8	2.4
Jun 2004	Mar 2007	0.5	1.2	2.4	0.1 to 0.2	1.7

Quarterly Averages in Unemployment (12 qtr change)

Trough

		Actual			Prediction under Okun's Law	
Start Year 3 (Quarter)	End Year 5 (Quarter)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
1963:Q1	1966:Q1	5.8	1.9	5.8	1.7 to 2.9	4.6
1984:Q4	1987:Q4	0.6	1.5	3.3	0.2 to 0.3	2.4
1993:Q1	1996:Q1	0.4	1.6	2.8	0.1 to 0.2	1.8
2003:Q4	2006:Q4	1.2	1.4	2.7	0.3 to 0.6	1.8

Trough + 1 Quarter

Start Year 3 (Quarter)	End Year 5 (Quarter)	Actual			Prediction under Okun's Law	
		% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
1963:Q2	1966:Q2	6.8	1.9	6.1	2.1 to 3.4	5.0
1985:Q1	1988:Q1	1.5	1.5	3.6	0.5 to 0.8	2.6
1993:Q2	1996:Q2	1.4	1.6	3.0	0.4 to 0.7	2.0
2004:Q1	2007:Q1	1.0	1.2	2.6	0.3 to 0.5	1.8

Trough + 2 Quarters

		Actual			Prediction under Okun's Law	
Start Year 3 (Quarter)	End Year 5 (Quarter)	% Increase above CBO Potential	Decline in Unemployment Rate	Annualized GDP Growth Rate	Decline in Unemployment Rate	Annualized Potential Growth Rate
1963:Q3	1966:Q3	5.8	1.7	5.8	1.7 to 2.9	4.8
1985:Q2	1988:Q2	1.2	1.8	3.4	0.3 to 0.6	2.3
1993:Q3	1996:Q3	1.7	1.5	3.3	0.5 to 0.8	2.4
2004:Q2	2007:Q2	0.5	1.1	2.4	0.1 to 0.2	1.7