



U.S. Chamber of Commerce



Curtis Dubay

Chief Economist, U.S. Chamber of Commerce

cdubay@uschamber.com

September 2022



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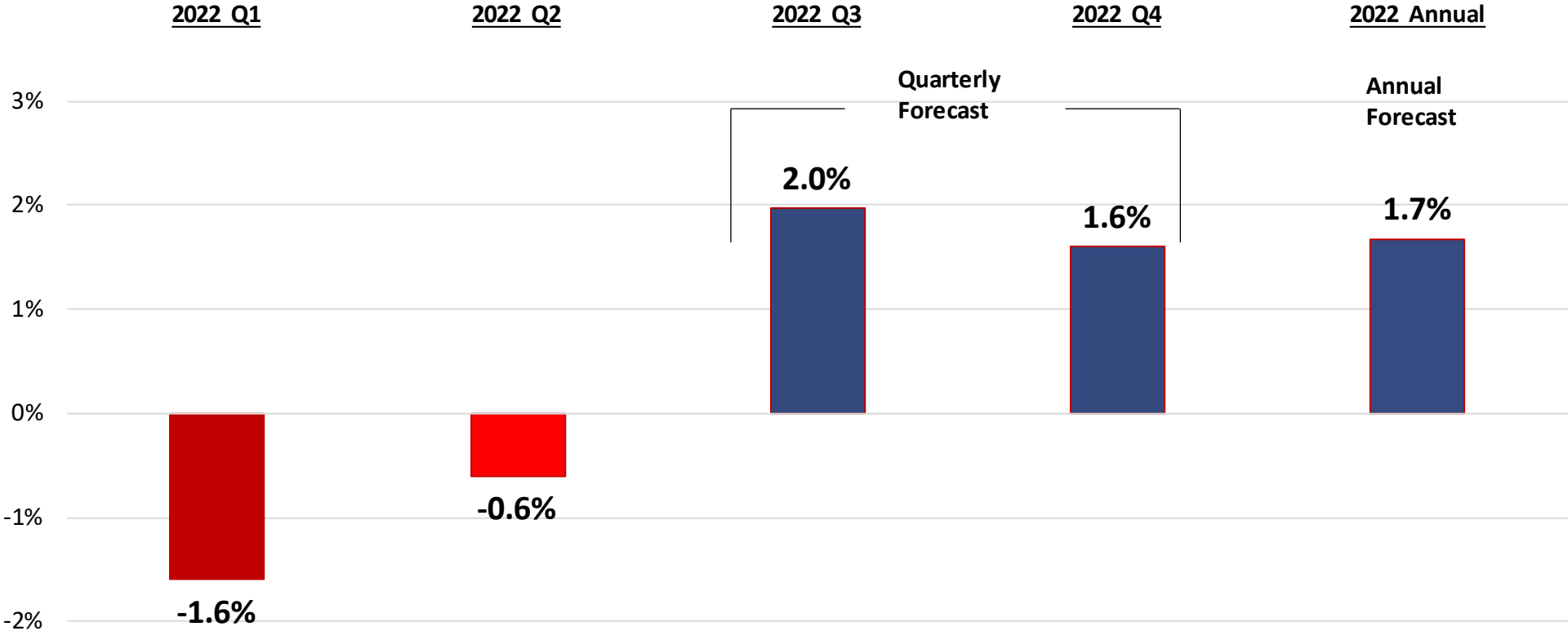
Current Economic Conditions



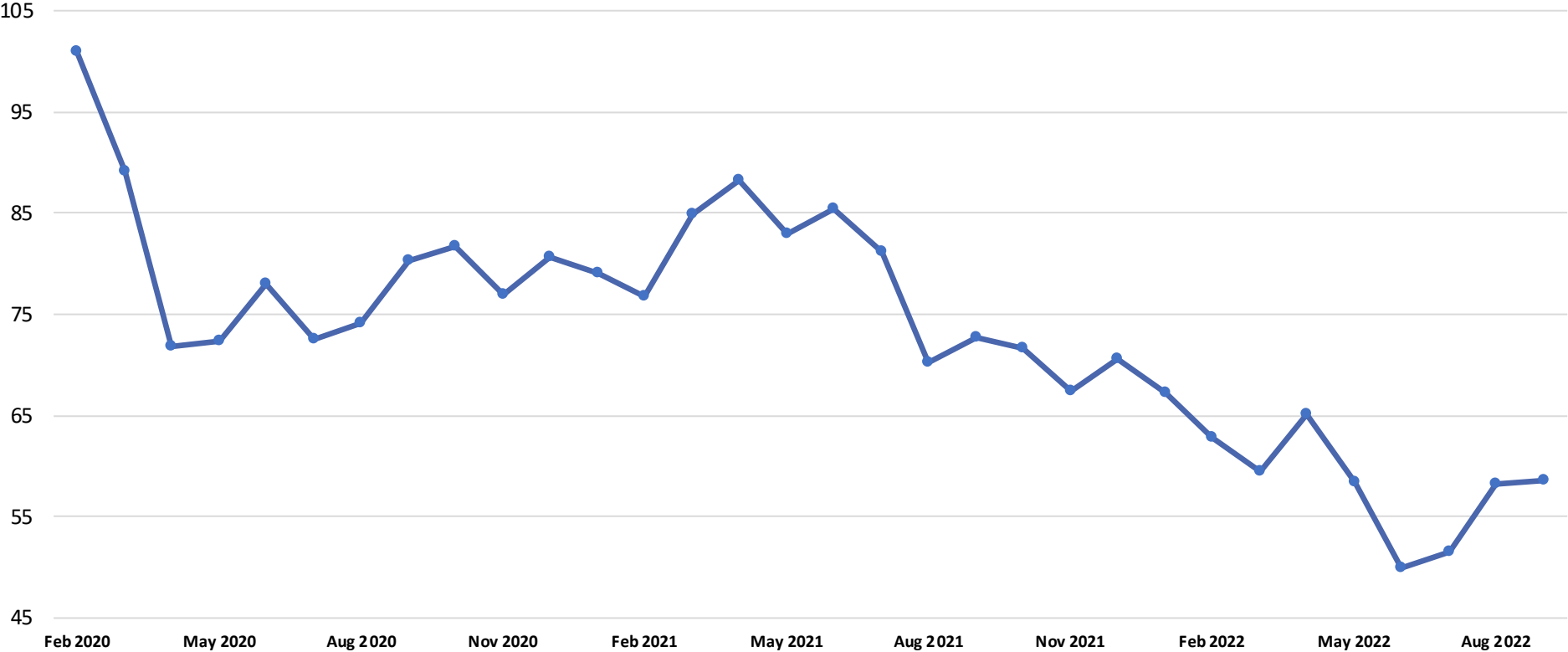
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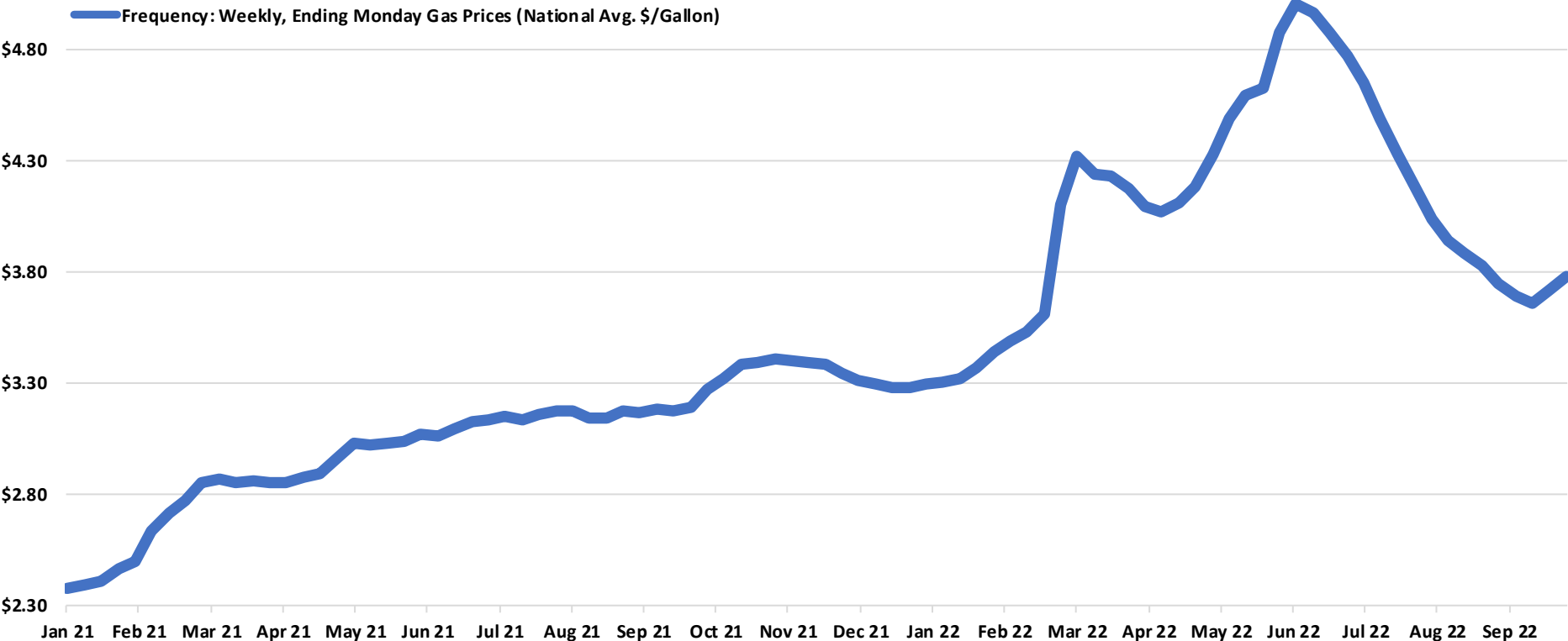
The Economy Contracted in Q1 & Q2— Matching Definition of a Recession



Consumer Sentiment Rose in September— Hit Lowest Ever in June



Gas Prices Falling from Recent Record Highs (\$3.78/Gallon as of October 3)



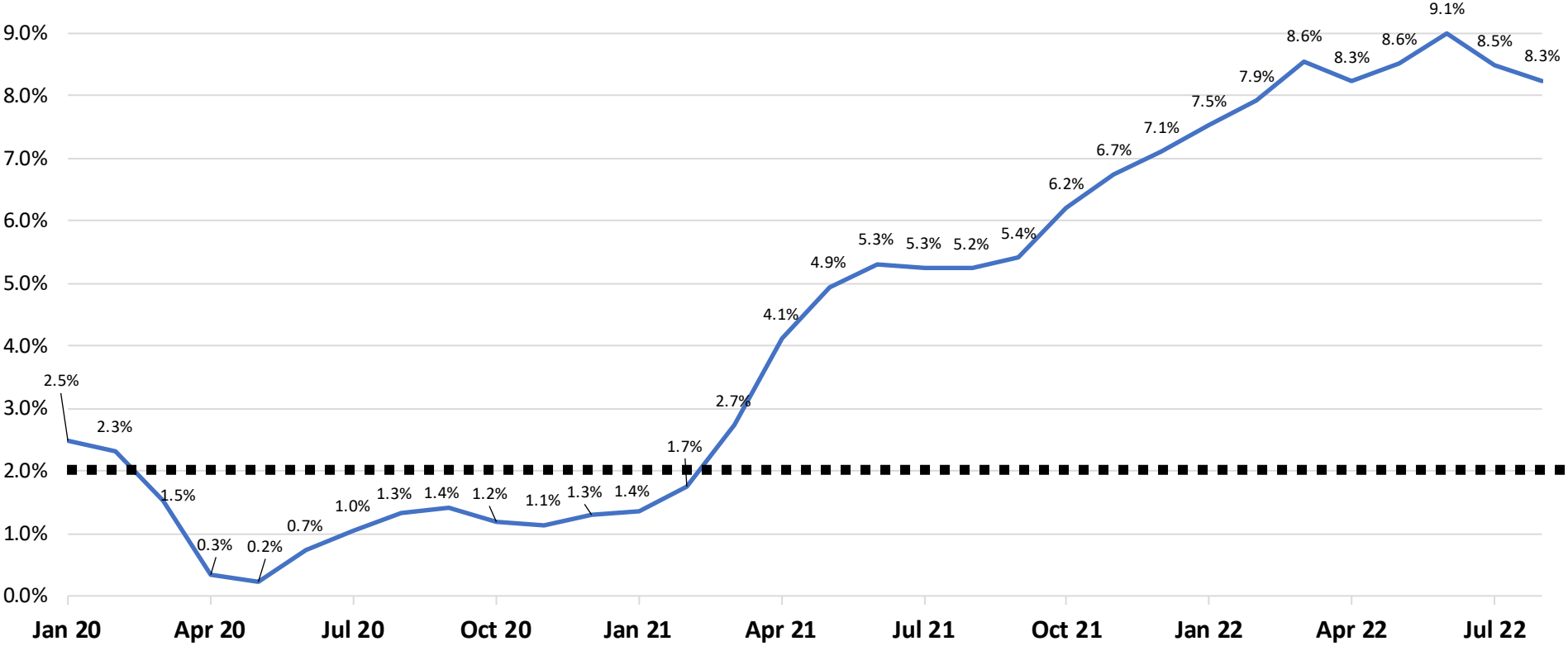
Inflation



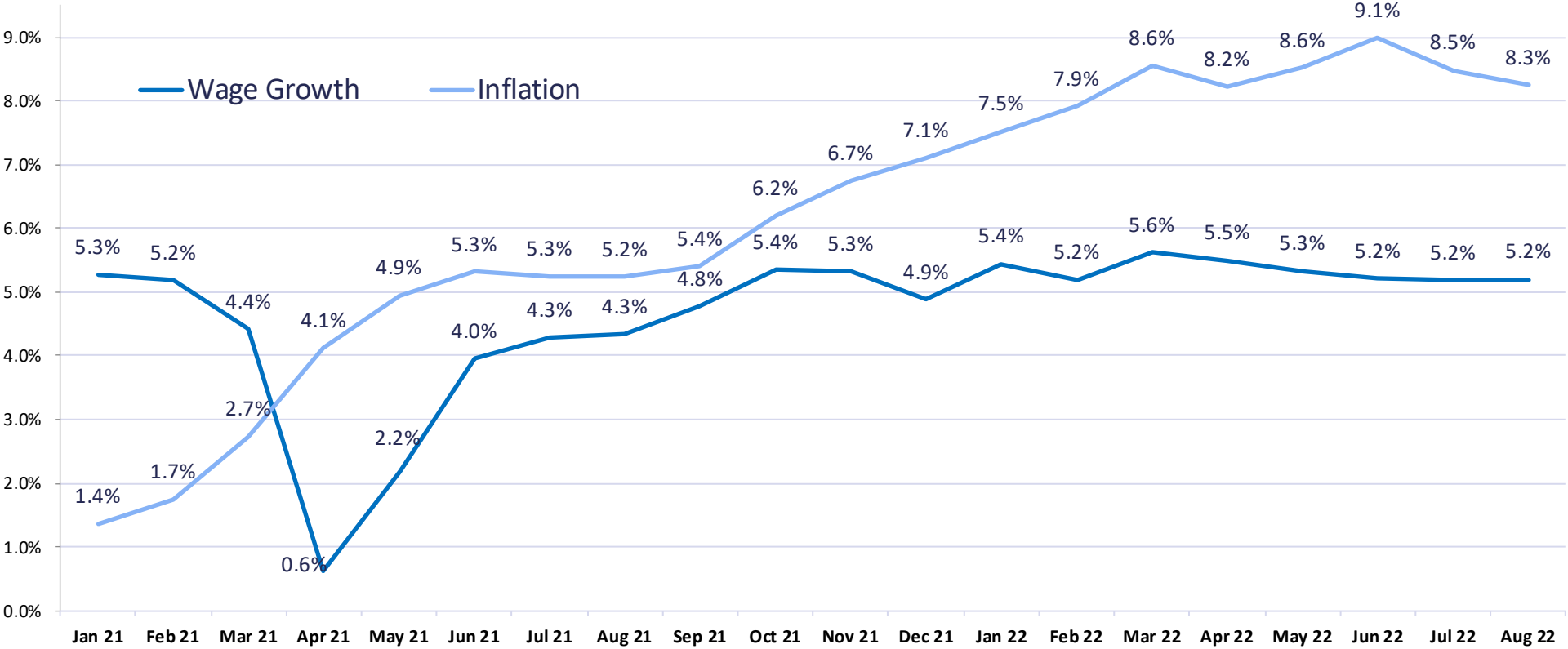
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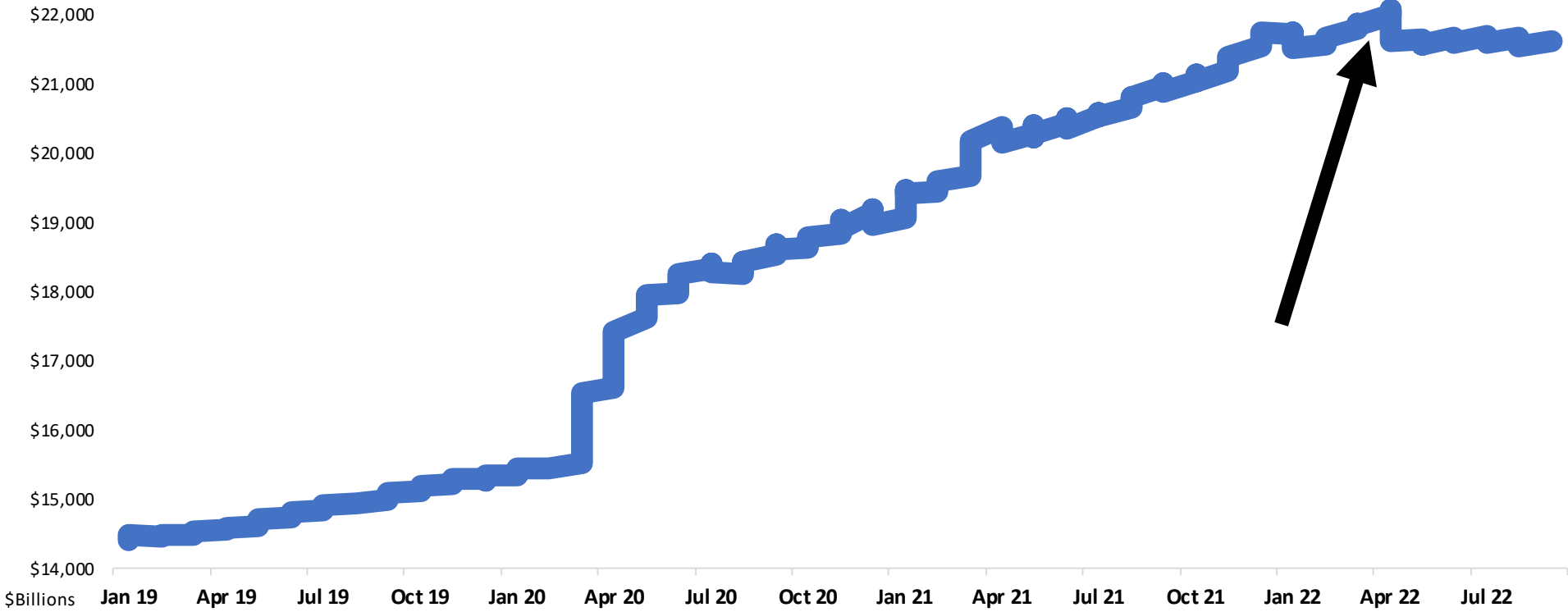
Consumer Prices Rose 8.3% Annually in August—Has Inflation Peaked?



Wages are Growing— But Inflation is Outpacing



Money Supply Rose Rapidly During Covid— Falling Now



Inflation Expectations Remain “Anchored”



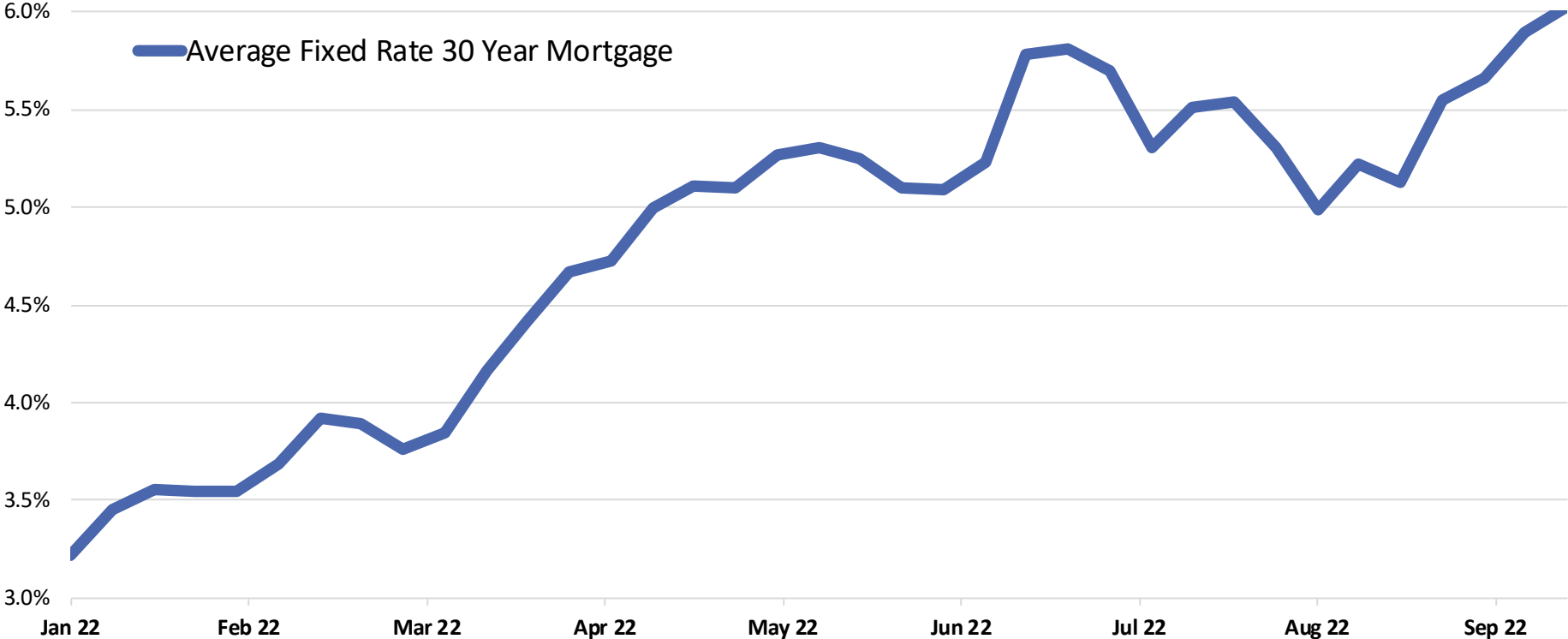
Interest Rates



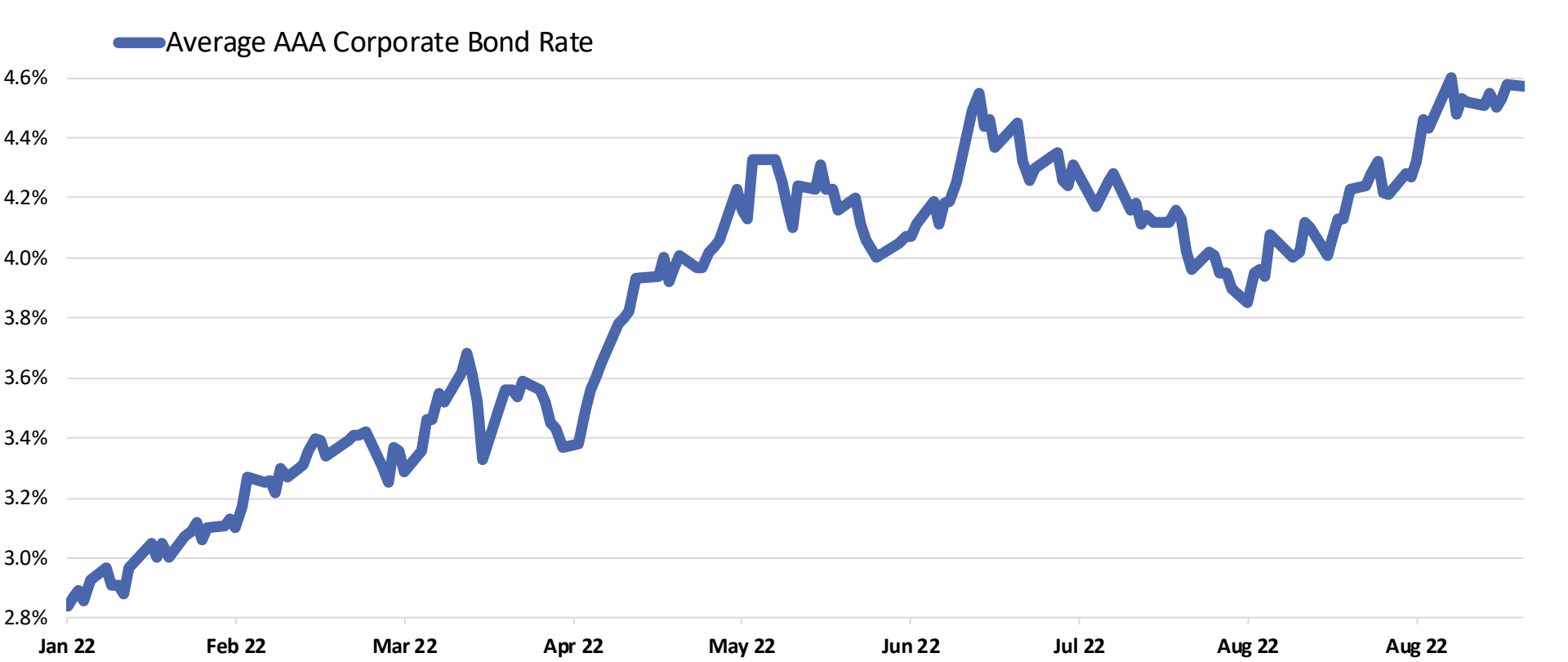
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Average 30 Year Fixed Mortgage Rate Rising Rapidly – Now 6%



Borrowing Costs for Businesses Climbing Quickly



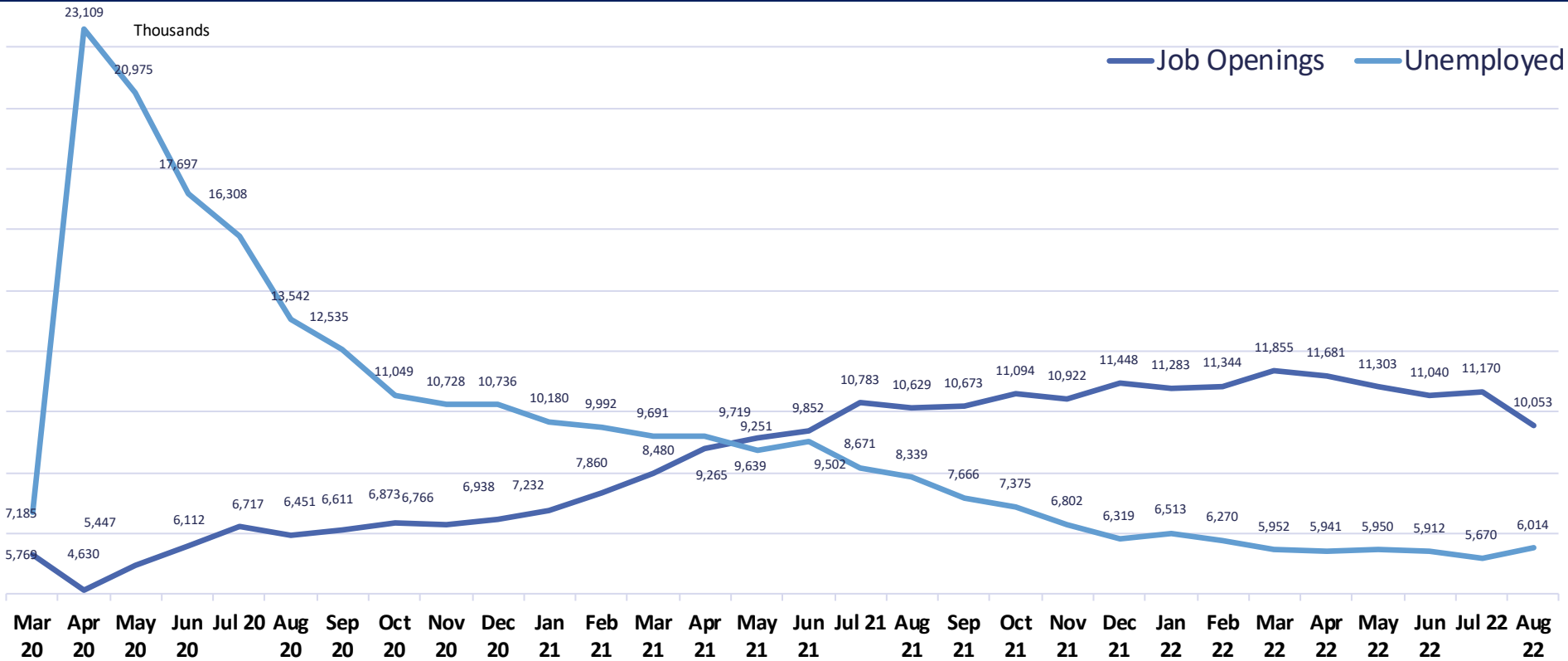
Job Market



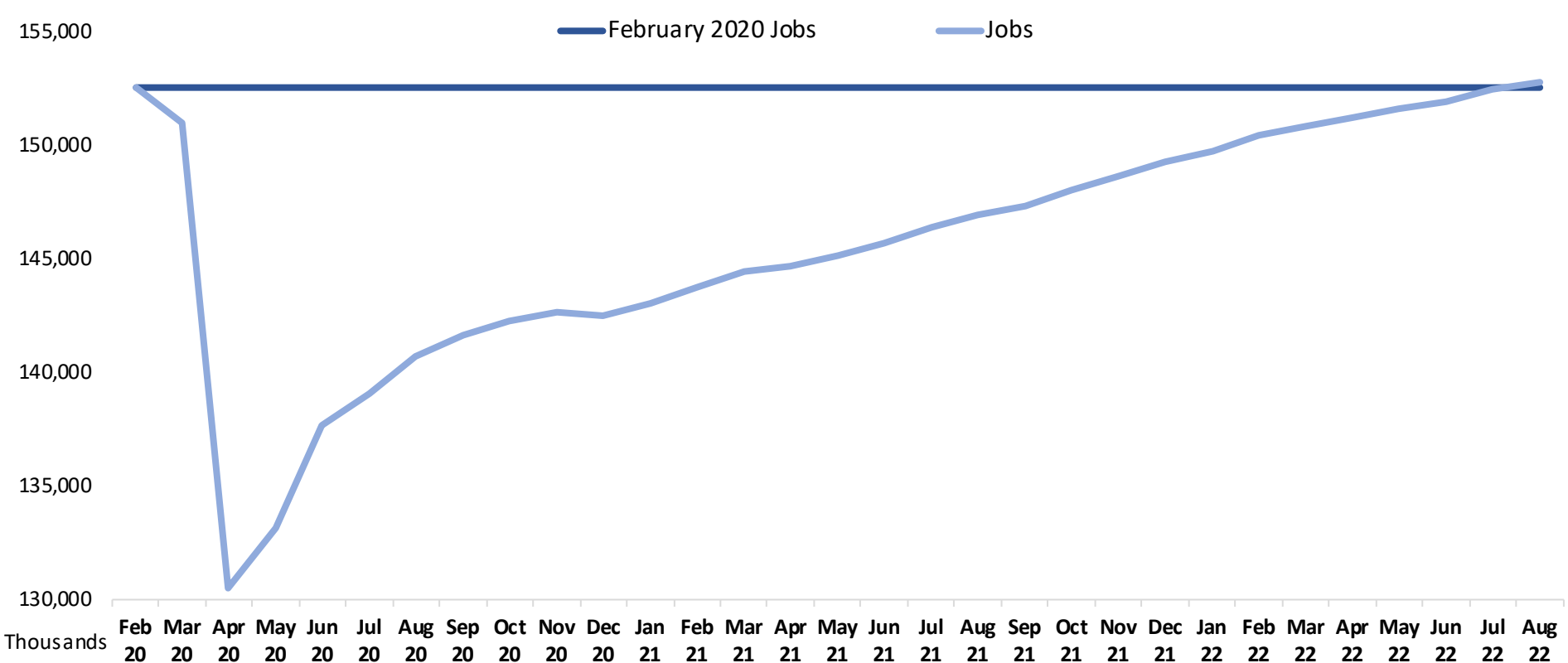
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4 Million More Job Openings than Unemployed Workers



The Economy Added 315,000 Jobs in August— The Gap is Gone



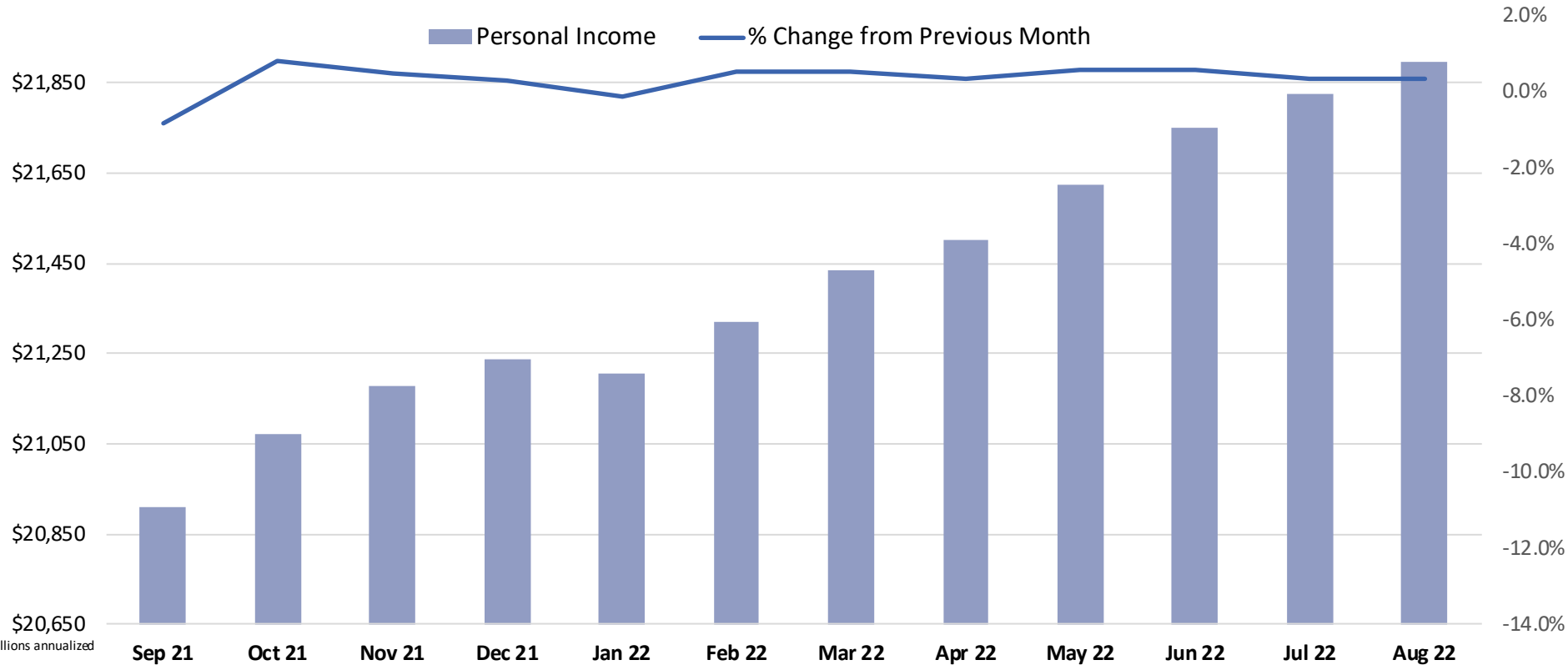
Income, Savings, and Consumption



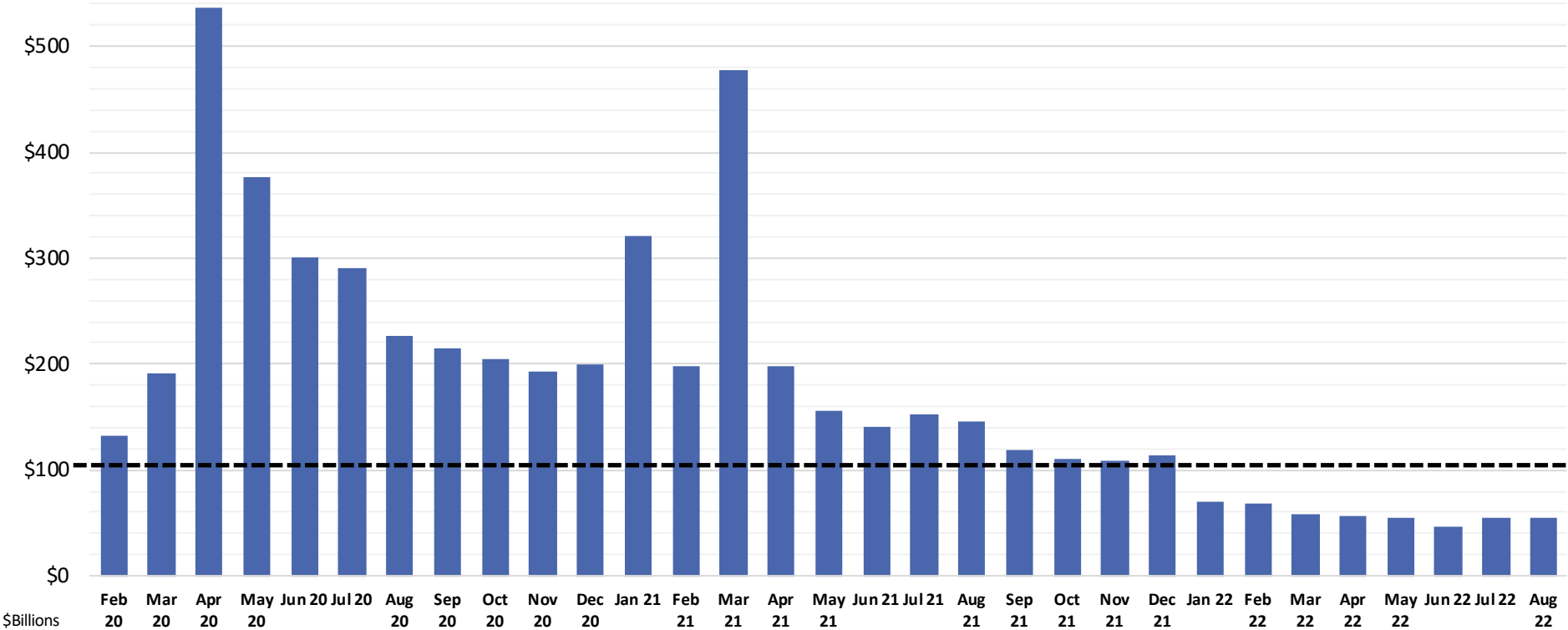
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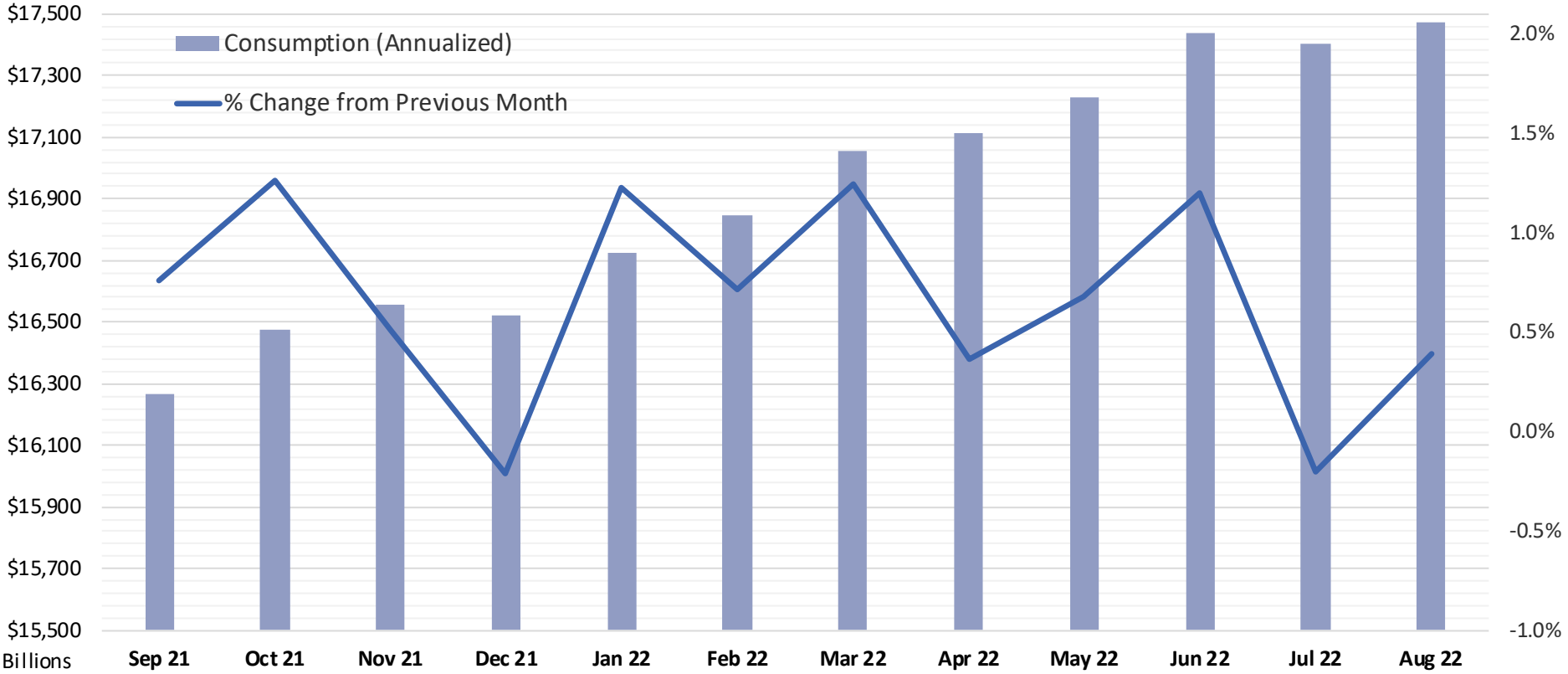
Income Rose at Same Rate as Inflation in August — Salaries and Wages Too



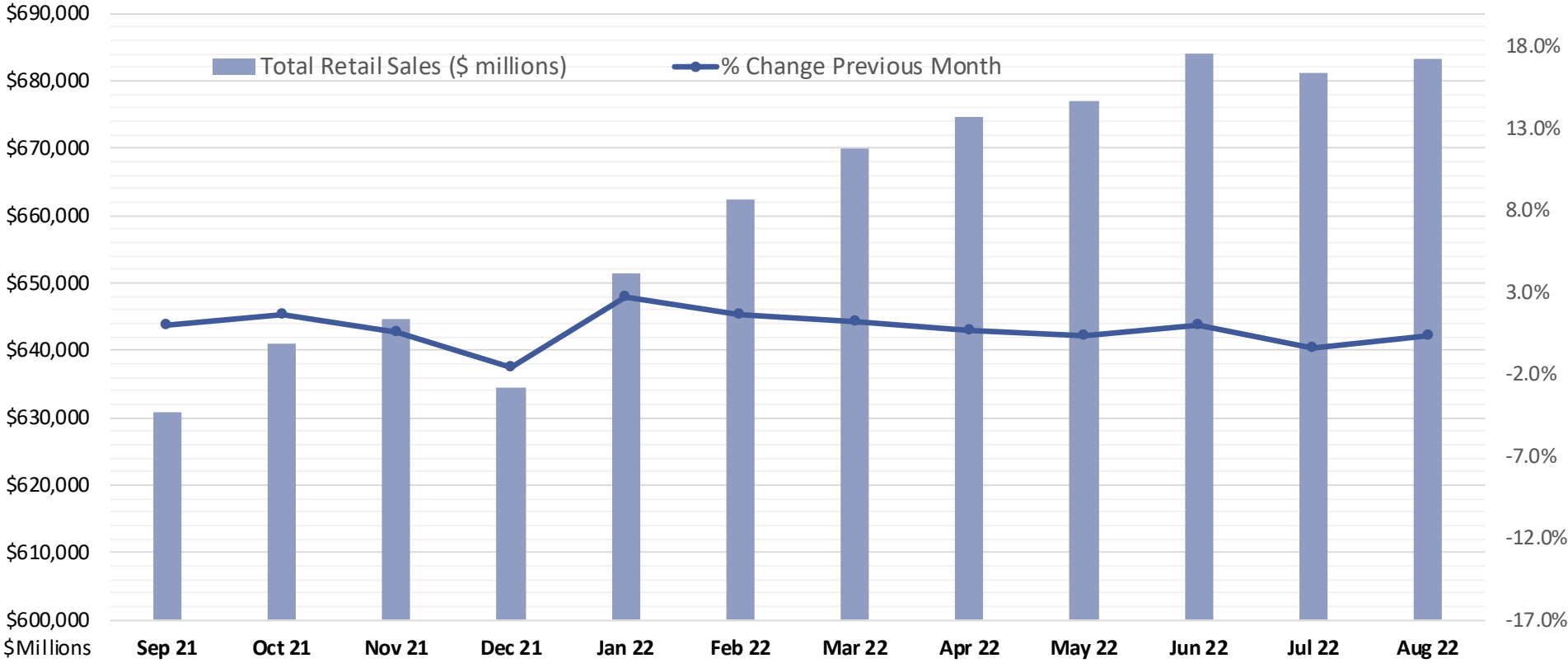
Savings Coming Down After Pandemic Explosion



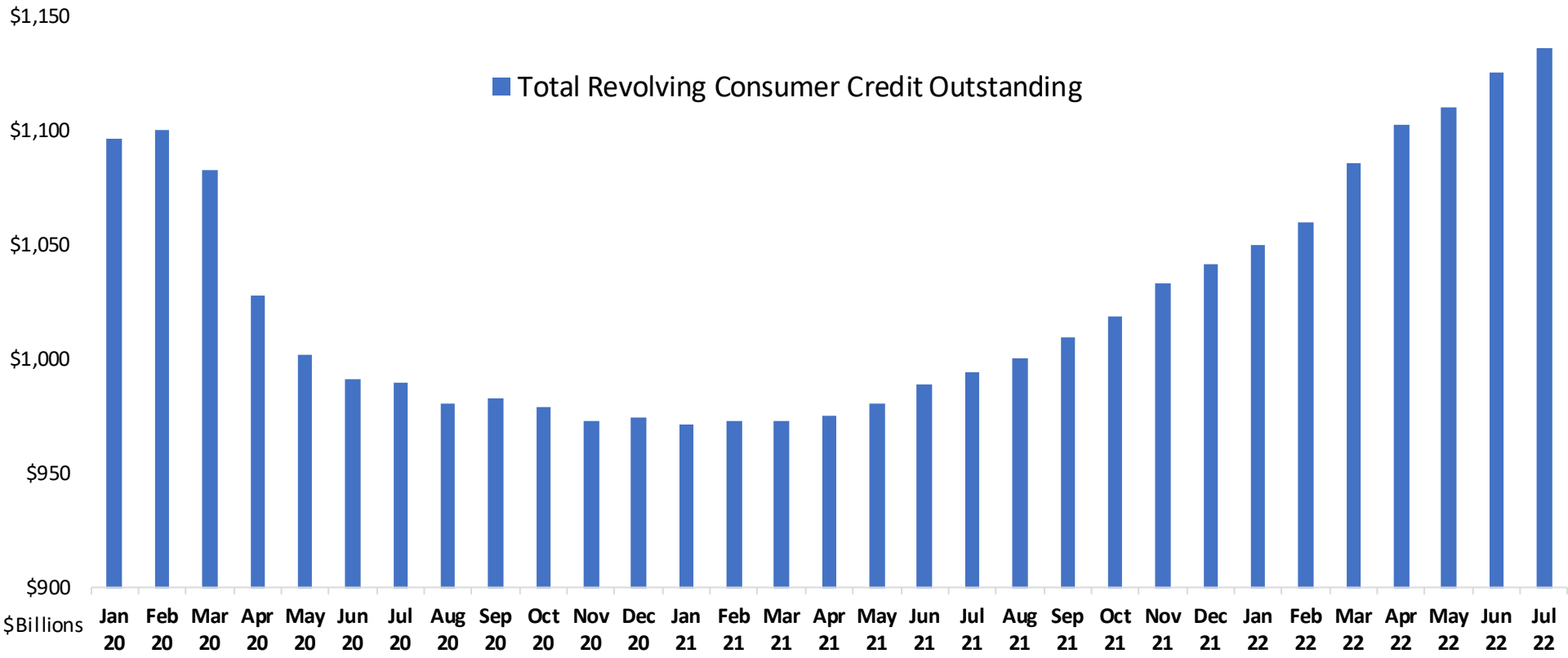
Consumption Rose More than Inflation in August



Retail Sales Rose in August – Above Inflation



Consumers are Carrying Larger Credit Card Balances to Keep Up with Inflation



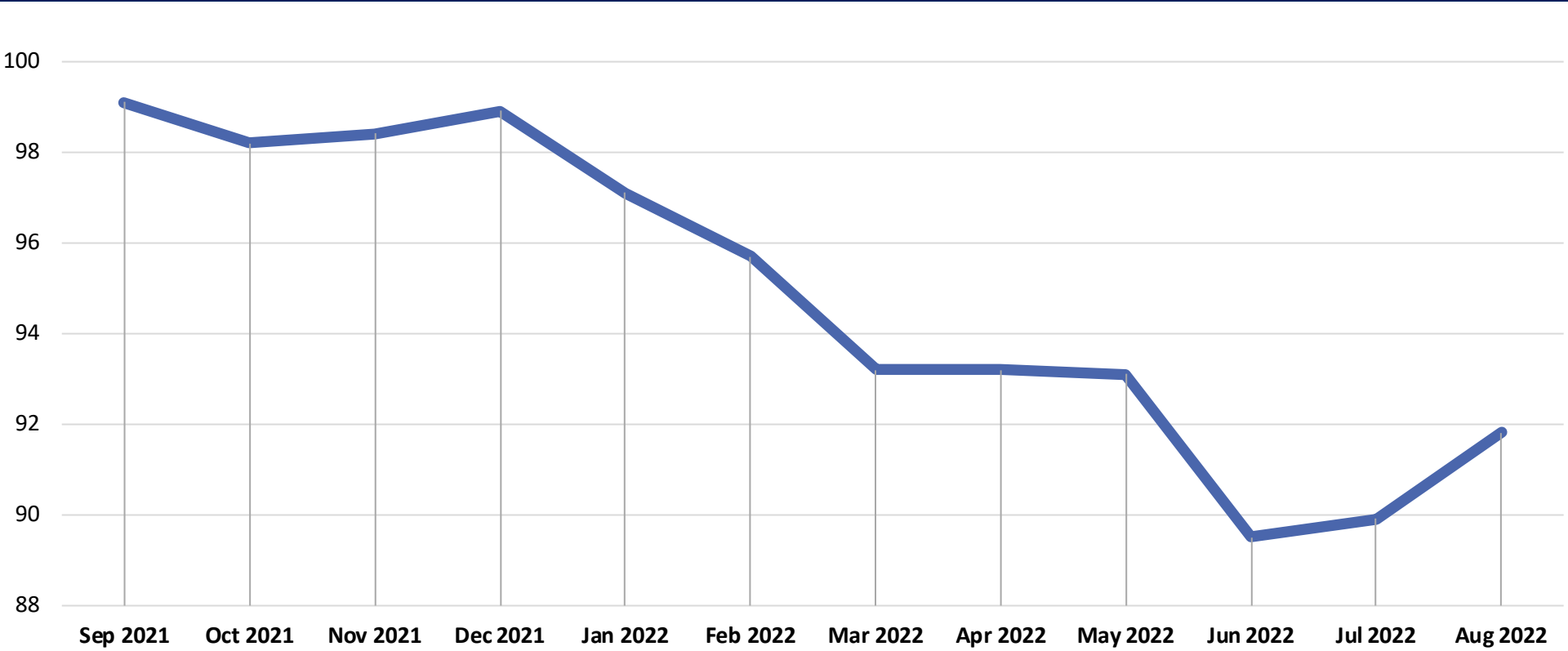
Business Surveys Data



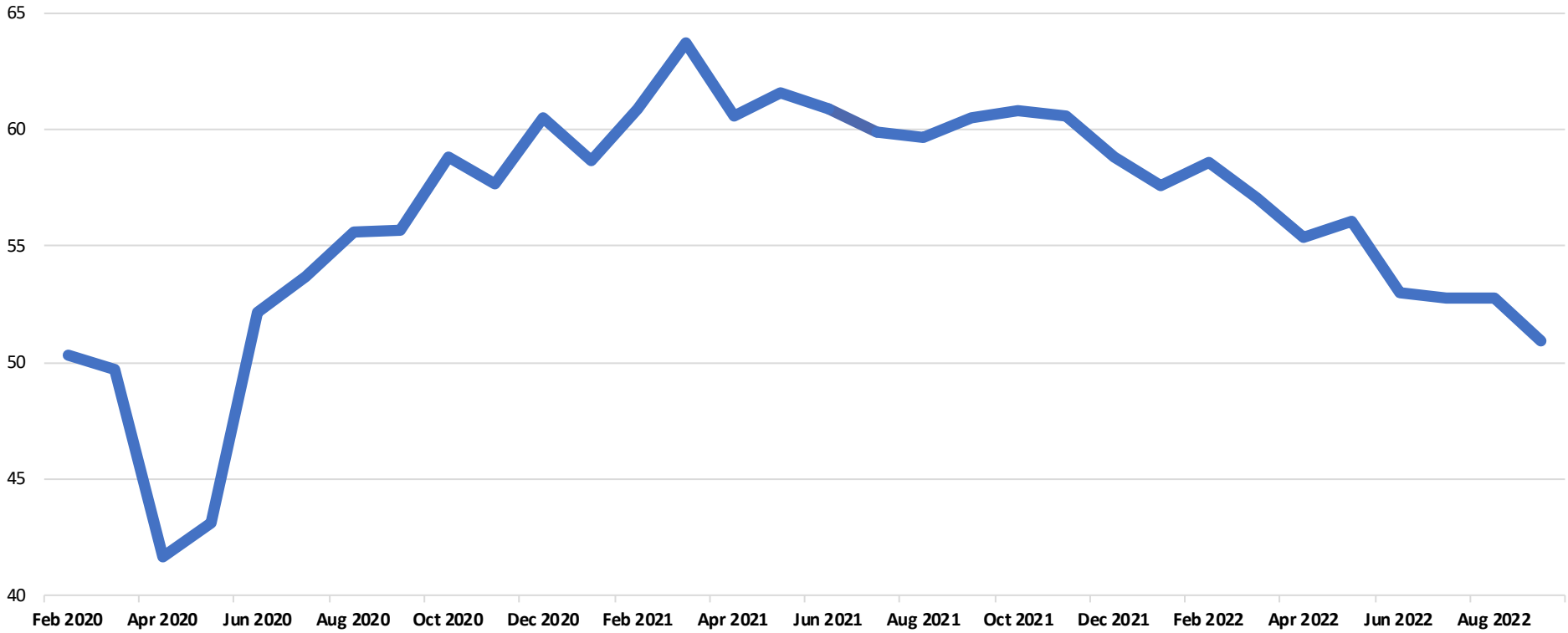
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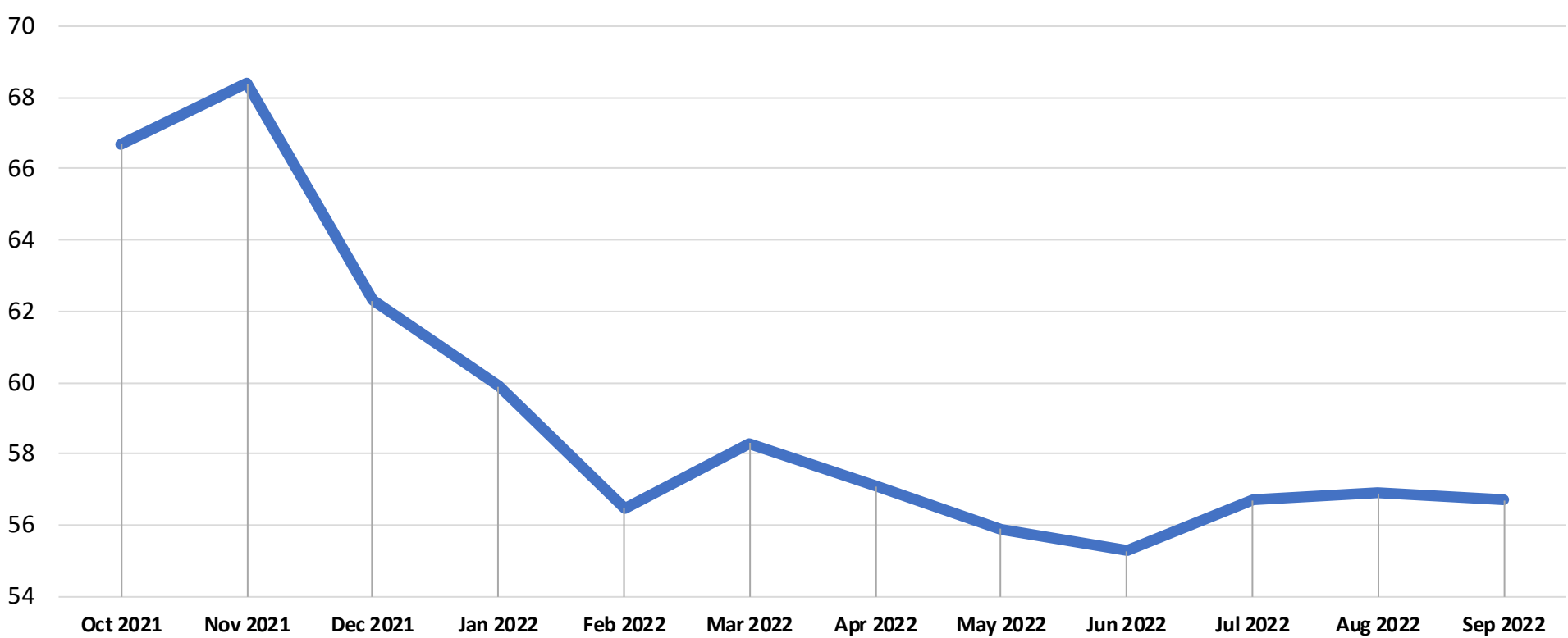
Small Business Optimism Up in August



Manufacturing Sentiment Above Pre-Pandemic Level—But Dropping



Services Optimism Steady in September



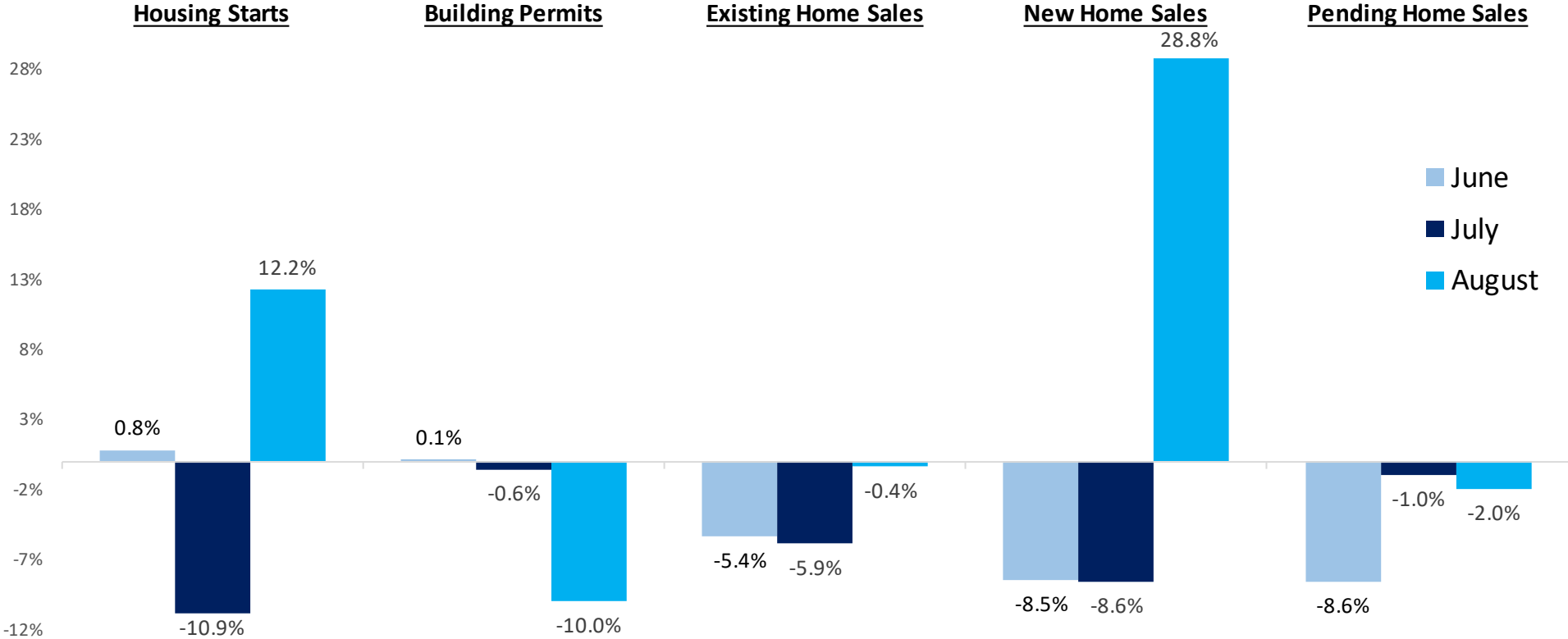
Housing



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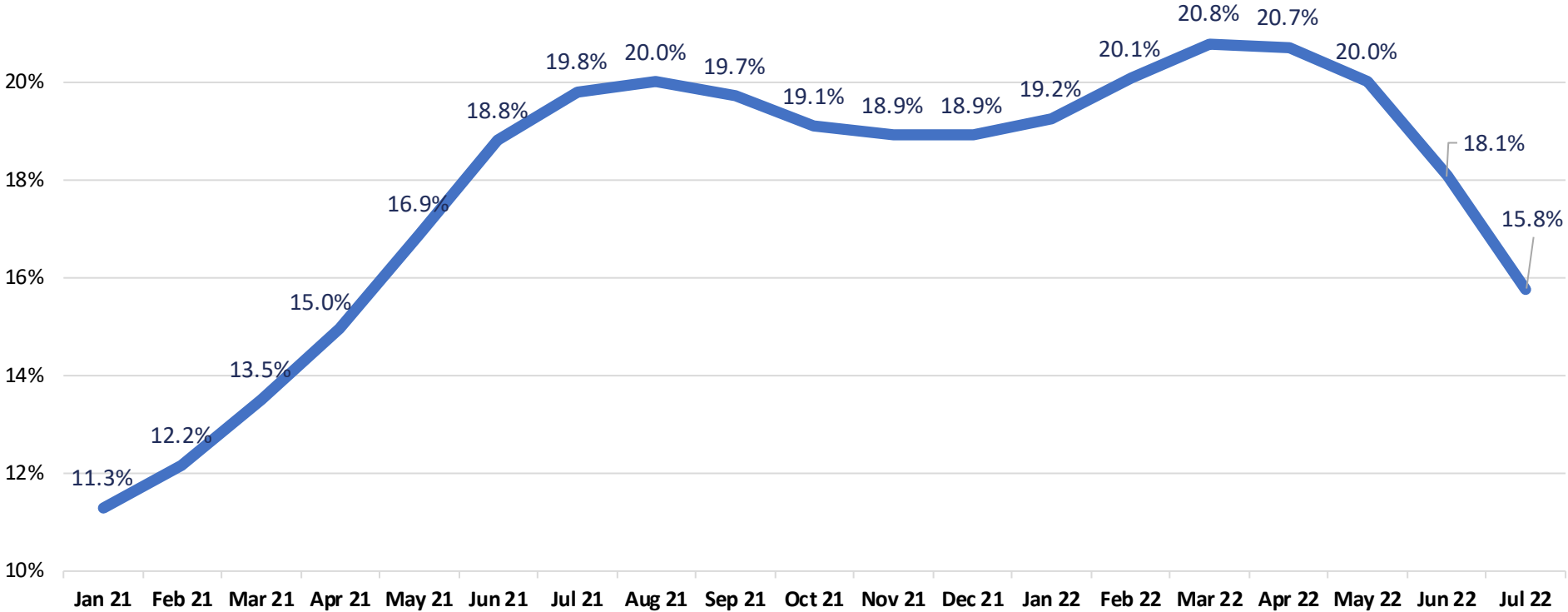
Housing Market Down in August, Except for New Home Sales



Home Prices Still Rising as of July— But Pressure Easing



Case-Shiller Annual Home Price Increase





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