



Economic Vital Signs

Quarterly trends, data and indicators
2019



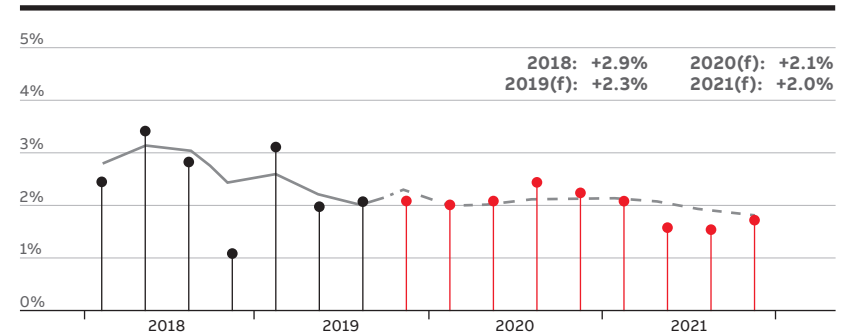
Key Economic Indicators

U.S. Economy

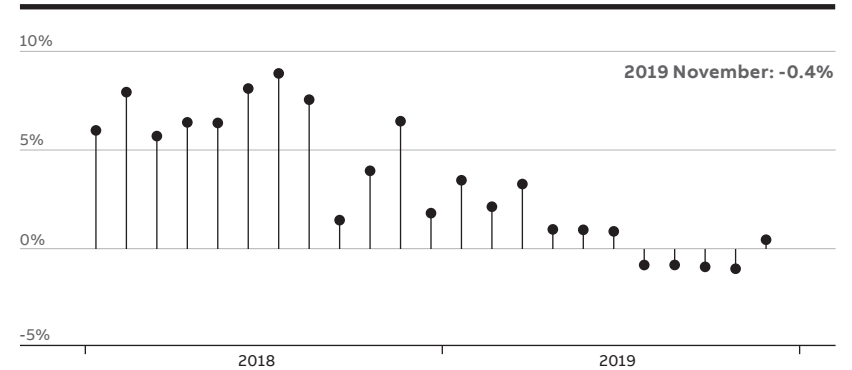
The U.S. economy sustained a fourth quarter momentum to end the year with a GDP of 2.1%. The forecast for Real GDP for 2020 remains between 2.0% to 2.5%.

Weakness in the manufacturing sector continued in the fourth quarter. Increased wages due to a strong jobs market continues to help support consumer spending in goods and services. Economists believe this trend is not sustainable in the long term.

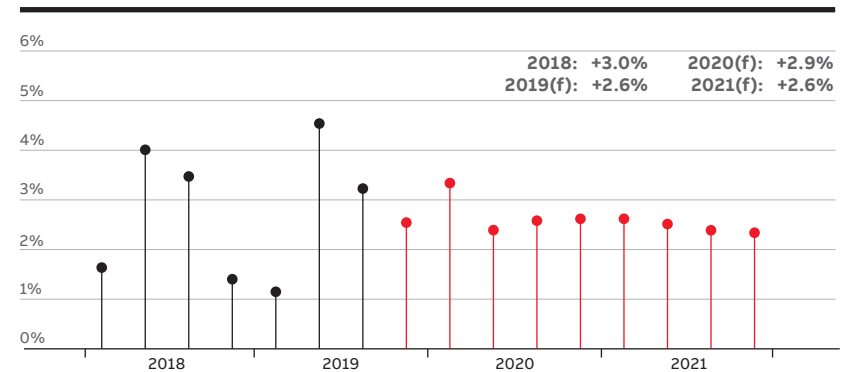
Percent Change in Real GDP



Non-defense, Non-aircraft Capital Goods Orders, % Change Y/Y



Real Consumer Spending, % Change Annual Rate



Reported Data ●
Projected Data ●
% Y/Y - -

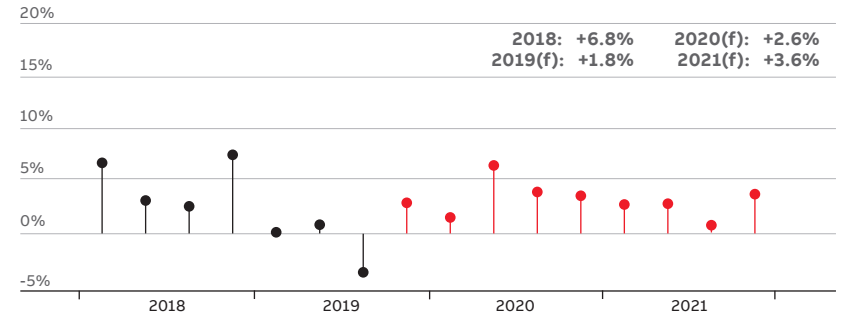


Trade Policy and Tariff Impacts

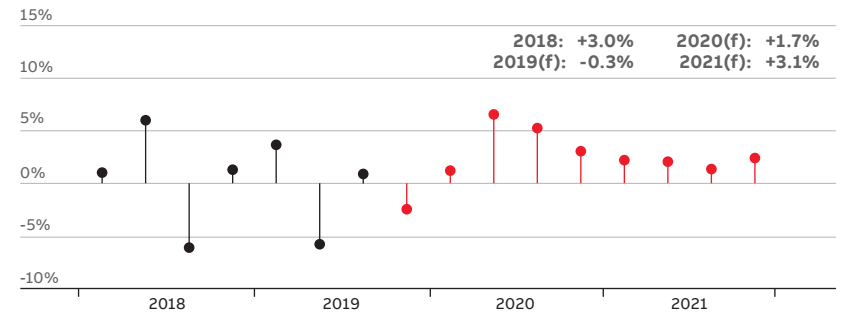
Concerns about the protectionist trade policies and sanctions continue, and are expected to impact manufacturing and agriculture.

Consumer spending slowed, and business investment declined for the third quarter in a row, unsure of what is ahead for the U.S. trade policies.

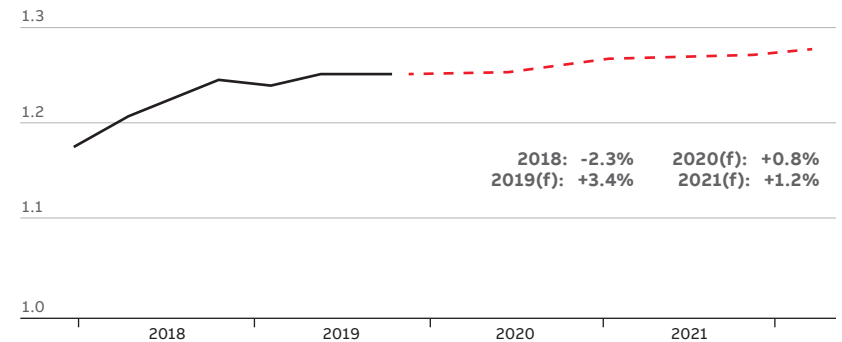
Real Equip Invest, % Change Annual Rate



Real Exports, % Change Annual Rate



US\$ Exchange Rate, Broad Index, 2012=1.0



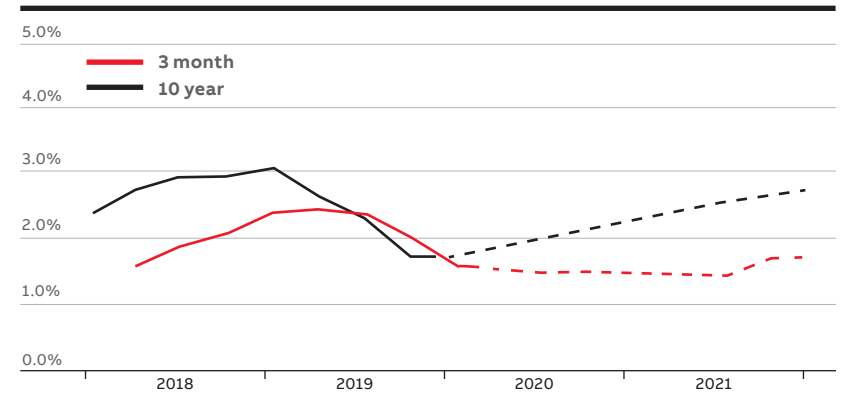
Reported Data ●
Projected Data ●



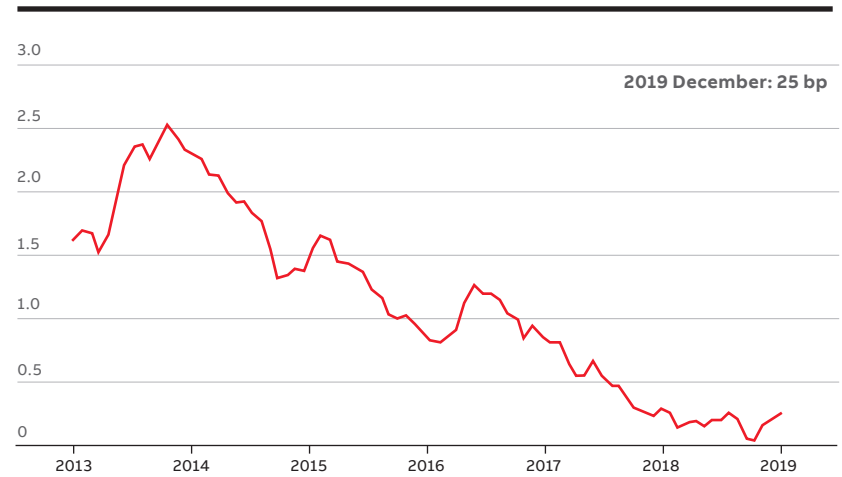
Interest Rates

Concerns about inflation have diminished, opening the possibility for future rate cuts, if necessary.

Interest Rates on US Treasuries, %



10-Year Treasury Yield Minus 2-Year Treasury Yield



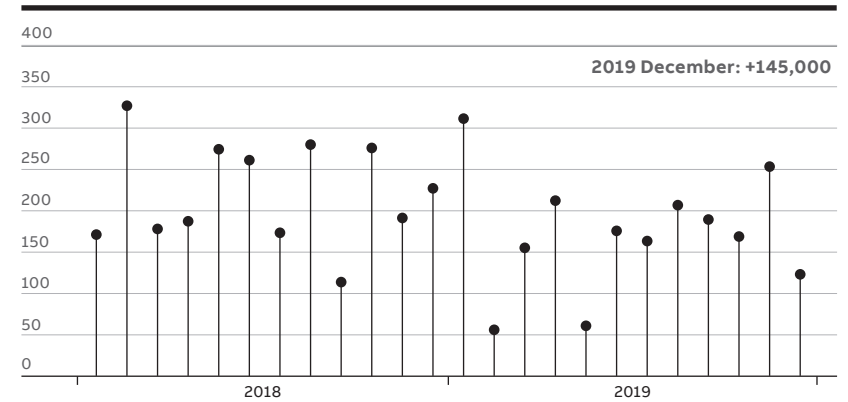


Q3 Employment rates

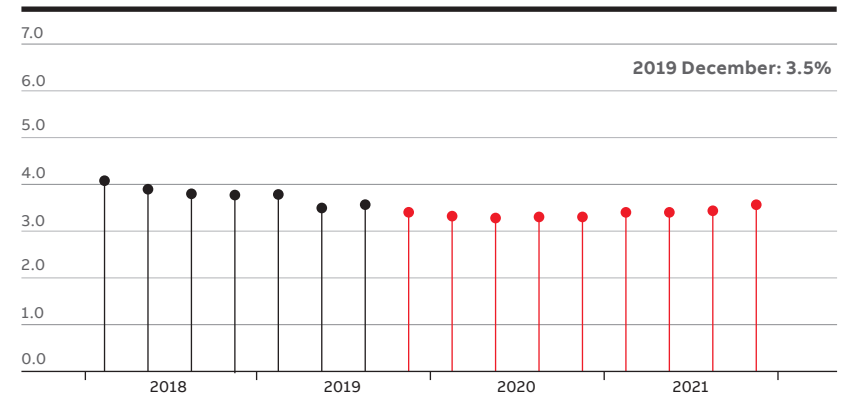
Employment numbers remain strong, along with increasing wages. Unemployment remains at a record low level of 3.5%.

- ▲ Employment gained +128,000 jobs in October; unemployment rate at 3.6%
- ▲ Employment gained +266,000 jobs in November; unemployment rate at 3.5%
- ▲ Employment gained +145,000 jobs in December; unemployment rate at 3.5%

Payroll Employment, Monthly Change, Thousands



Unemployment Rate %



Reported Data ●
Projected Data ●

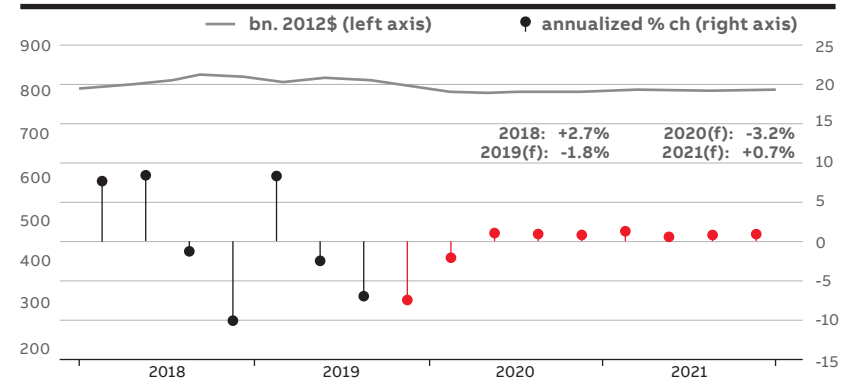


Non-residential Construction

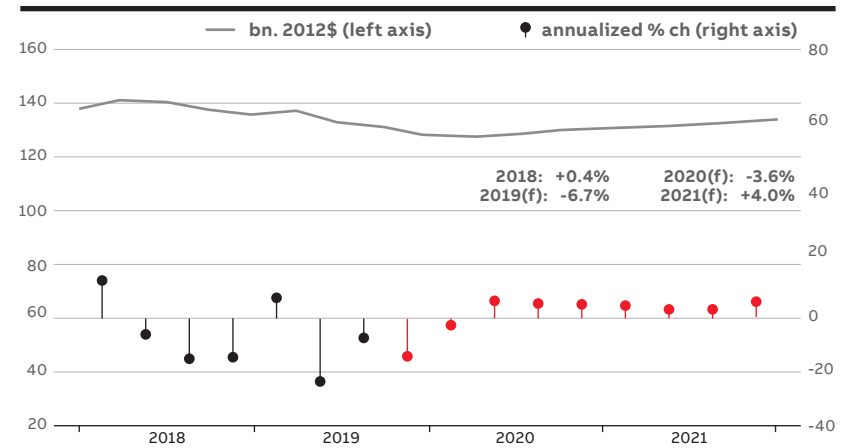
Non-residential construction continues to drop lower, and is forecasted to continue to sink through 2020. Total non-residential construction (private and public) spending was down 0.3% at the end of November. It was, however, up 5.1% over the end of November 2018.

Total private construction spending was up slightly from the same period last year. Changes from November 2018 include drops for commercial construction (-4.8%) and educational construction (-12.2%), and gains for office construction (6.5%), health care construction (7.8%) and manufacturing construction (2.1%).

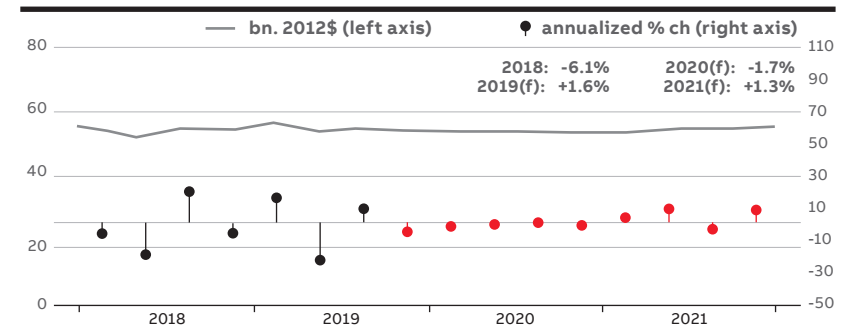
Nonresidential Construction



Private Commercial Construction



Private Manufacturing Construction



Reported Data ●
Projected Data ●



Non-residential construction category gains / losses

Percent change from November 2018:

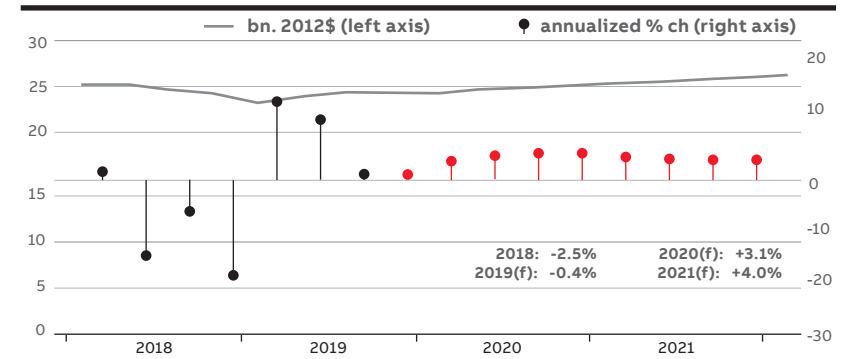
Total Private spending (+0.2%)

- office (+6.5%)
- commercial (-4.8%)
- healthcare (+7.8%)
- educational (-12.2%)
- manufacturing (+2.1%)

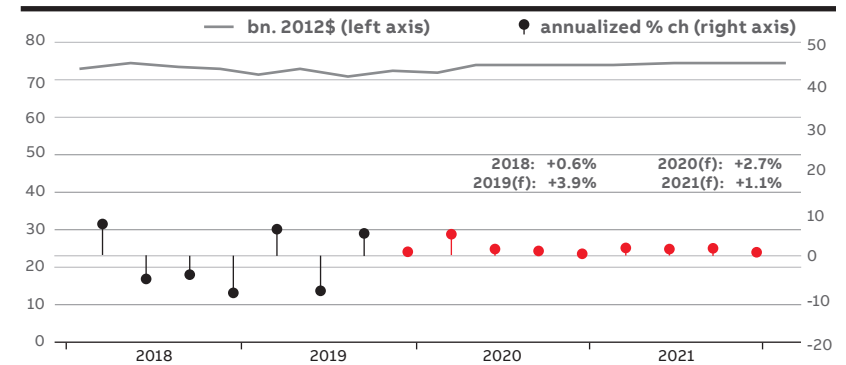
Total Public spending (+12.4%)

- office (+19.9%)
- commercial (+6.0%)
- healthcare (-4.4%)
- educational (+12.6%)
- Water & Waste Water (+30.1% & +18.4%)

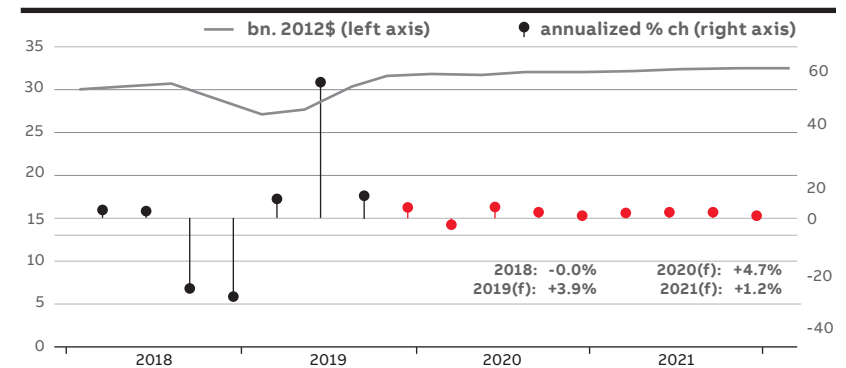
Private Hospital/Health Care Construction



Public Education Construction



Public Water/Sewer Construction



Reported Data ●
Projected Data ●

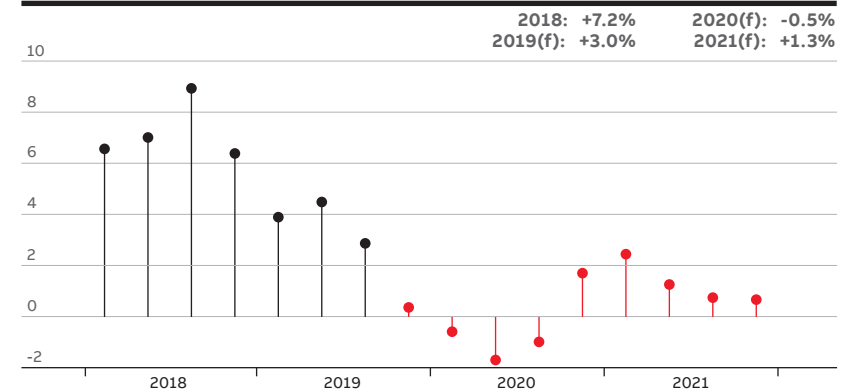


Electroindustry

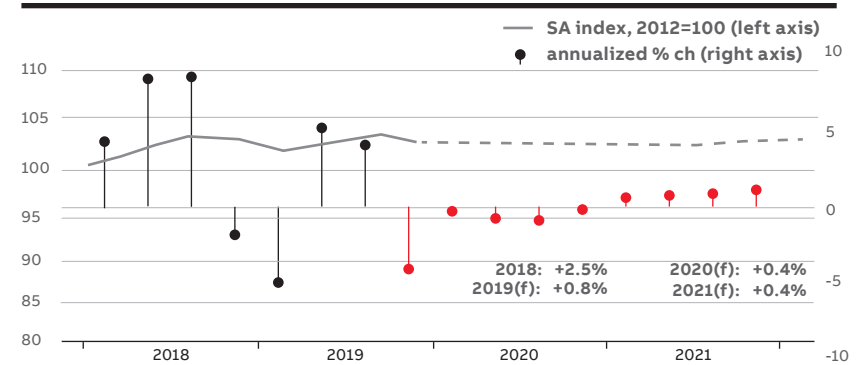
The electroindustry, which covers electrical equipment and components, electric lighting equipment, core electrical equipment and batteries, is experiencing a slowing demand in the near term as construction and manufacturing activities soften.

	Nov 2019	Oct 2019	Sept 2019	Nov YTD%	
Shipments (SA, Mil.US\$)					
Electrical equipment and components	10,009	9,820	9,997	3.5	▲
Electric lighting equipment	1,038	1,056	1,063	-0.3	▼
Core electrical equipment	3,117	3,138	3,153	1.3	▲
Batteries*	915	883	941	-3.3	▼
New Orders (SA, Mil.US\$)					
Electrical equipment and components	10,094	9,944	10,081	4.4	▲
Electric lighting equipment	1,076	1,135	1,134	3.9	▲
Core electrical equipment	3,117	3,046	3,103	2.3	▲

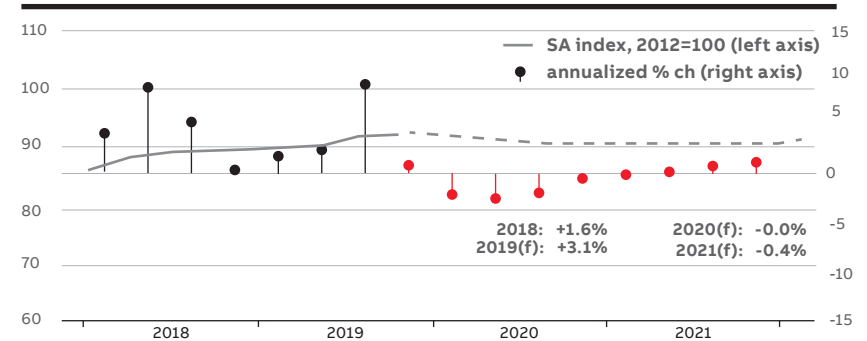
Quarterly Electrical Equipment Shipments, Y/Y % Change



Electrical Equip & Components Production



Core Equipment Production



Reported Data ●
Projected Data ●

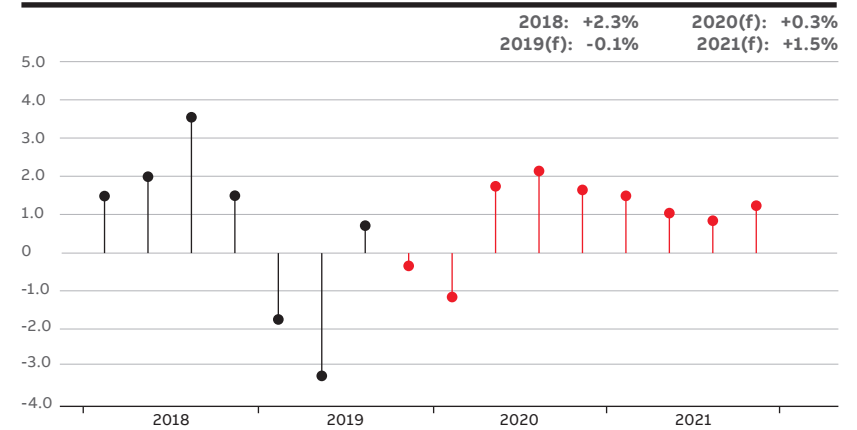


The Industrial Sector

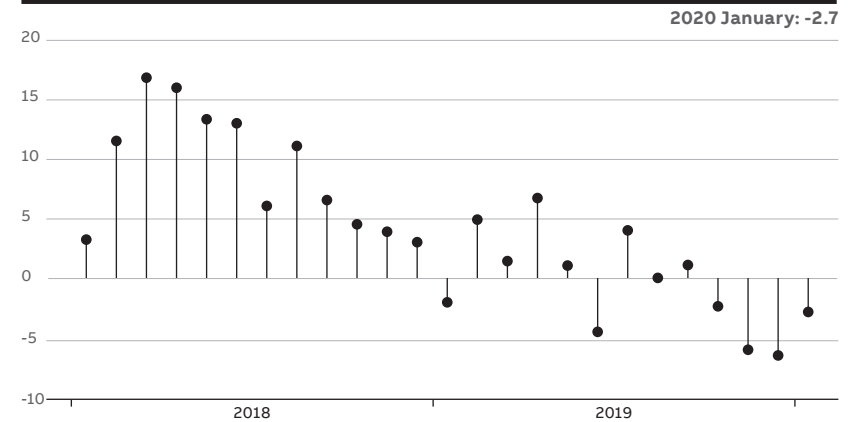
The Institute for Supply Management reports that manufacturing continued to decline at a faster rate in December, with PMI dropping 0.9 points and new orders down 0.4 points and new export orders down by 0.6 points.

	December 2019	November 2019	Point Change
PMI	47.2	48.1	-0.9
New Orders	46.8	47.2	-0.4
New Export Orders	47.3	47.9	-0.6
Prices	51.7	46.7	5.0

Mfg Industrial Prod, % Change Annual Rate



Current Delivery Time, Diffusion Index: New York



Reported Data ●
Projected Data ●



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Sources:
NEMA Business Information Services; Electroindustry Economic Outlook, November 26 and December 20, 2019 and January 21, 2020; Bureau of Labor Statistics; Census Bureau; BEA, NEMA/BIS simulation of IHS Markit macro models; FRB, NEMA/BIS simulation of IHS Markit macro models; Institute for Supply Management; FRB, IHS Markit

Note: Forecasts based on data available through December 2019.