JOINT ECONOMIC COMMITTEE

CONGRESSMAN DON BEYER, VICE CHAIR



The U.S. Economy by the Numbers – March 6, 2020

Economic Growth

- Real GDP growth in Q4 2019 was estimated to be 2.1%, unchanged from Q3. GDP growth slowed in 2019 (2.3%) relative to 2018 (2.9%).
- CBO projects annual growth of only **1.7%** from 2021 to 2030.

Job Creation

- 273K nonfarm jobs were added in February, the same as were added in January. The three-month average is 243K.
- The monthly average in the first 37 months of the Trump administration was about 39K less than the last 37 months of the Obama administration.

Unemployment

 During the Obama administration, the unemployment rate was more than cut in half from its recession peak of 10% to only 4.7%. It now stands at 3.5%.

Racial Disparities

• The black unemployment rate (5.8%) is **much higher** than the white unemployment rate (3.1%). The Hispanic rate (4.4%) is also **higher** than the white rate.

Median Annual Income

- The median income of U.S. households is about \$63K.
- In 2018, the top 20% of households earned more than the rest of the country combined. The top 5% of households earned over 20% of aggregate income.

Wage Growth

 Median weekly earnings for full-time workers in the fourth quarter rose 4.0% over the past year, but are only 2.0% higher with inflation taken into account.

Minimum Wage

 The minimum wage is \$7.25 per hour (\$15,080 per year full-time). That's almost \$3 less per hour in today's dollars, accounting for inflation, than at its 1968 peak.

Federal Debt

 The budget deficit is forecasted to be \$1.0 trillion in 2020 and to average \$1.3 trillion between 2021 and 2030. By 2029, the GOP tax law will add \$1.9 trillion to the debt.

Trade Deficit

- The trade deficit in goods and services was \$617 billion in 2019, down from \$628 billion in 2018. Both imports and exports fell amid the trade war, soaring oil production, and slowing manufacturing.
- The January trade deficit decreased to \$45.3 billion, down \$3.3 billion from \$48.6 billion in December. Average imports have decreased over the past three months.

Inflation

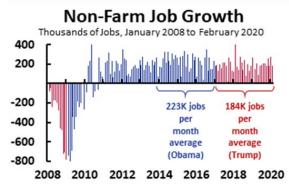
• The CPI for all items rose 2.5% over the last year.

Gas Prices

 Average gas prices nationwide in early March were \$2.42/gallon.

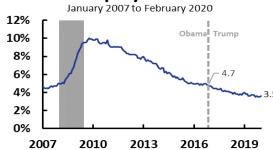
Interest Rates

 In early March, the interest rate on a 10-year Treasury note was 1.02%. The average mortgage interest rate was 3.29%.



Source: Bureau of Labor Statistics. Note: Numbers reflect nonfarm job growth. Averages reflect a 37 month period.

Unemployment Rate



Source: Bureau of Labor Statistics, using the Civilian Unemployment Rate Ages 16+, Seasonally Adjusted