



ECONOMIC UPDATE

June 24, 2024

This Week in Focus

Last week the JEC Dems released the Committee's [response](#) to the 2024 Economic Report of the President. The response builds on the Committee's work over the last year and includes chapters on the U.S. historic economic recovery; investments to boost economic growth and resilience; climate risks and opportunities; the importance of place-based economic development initiatives; policies to support working families and children; the importance of competition in product and labor markets; and policies to increase housing affordability.

JEC Dems also released an updated [analysis](#) of U.S. wages and prices, finding that average U.S. wages and salaries outpaced price growth by nearly **\$3800** between January 2021 and April 2024. In addition, new calculations show that wage growth outpaced price growth in **nearly every state** through the end of 2023.

JEC Resources

- [Incomes Are Rising Faster than Prices Throughout the Country](#)
- [JEC Democrats' Response to the 2024 Economic Report of the President](#)
- [Small Business Growth is Booming Under Democrats, Far Faster than Growth Under Trump](#)
- [Flooding Costs the United States Between \\$179.8 and \\$496.0 Billion Each Year](#)

Economic Indicators This Week

Below are a series of economic indicators that will be released later this week, along with the consensus estimates from a group of professional forecasters about what the data point will be once it is reported. Oftentimes, news coverage of these indicators will report whether the final number came in above or below the expectations set by the forecasters' consensus.

Tuesday, June 25th:

- **Consumer Confidence:** The consensus forecast for the Conference Board's consumer confidence predicts the index fell to **100** in June from **102** in May.
- **Case-Shiller House Prices:** The consensus forecast for the Case-Shiller Home Price Index predicts home prices increased by **0.3%** in April.

Wednesday, June 26th:

- **New Home Sales:** New home orders in May are expected to have risen to **647k** from **634k**.

Thursday, June 27th:

- **Jobless Claims:** Jobless claims are expected to increase to **245k** from **238k**.
- **Q1 GDP (Third Estimate):** The third estimate of Q1 GDP predicts the measure will be upwardly revised to **1.4%** from **1.3%**.

Friday, June 28th:

- **Personal Consumption Expenditures (PCE):** The consensus forecast for PCE predicts **incomes** rose by **0.4%**, **real consumption** rose by **0.3%**, and the **core PCE deflator** rose by **0.1%**.

- **Consumer Sentiment:** The consensus forecast for the University of Michigan’s consumer sentiment index predicts an upward revision in the June estimate to **66.0** from **65.6**.

What You Need to Know

- High [interest](#) rates are **dragging down** housing construction numbers, contributing to higher prices.
- Amazon received a fine of over **\$6 million** last week for repeatedly failing to disclose productivity [quotas](#) to employees, in violation of California state law.
- The Supreme Court’s [decision](#) in **Moore v. United States** last week, ruling the TCJA’s Mandatory Repatriation Tax constitutional, included a concurring opinion by Justice Ketanji Brown Jackson arguing for the constitutionality of a **wealth tax**.
- Climate change is already beginning to drive **price increases** in items from groceries to insurance.

What to Watch This Week

Wednesday, June 26th

- **House Appropriations Committee**, [Fiscal Year 2025 Commerce, Justice, Science, and Related Agencies Bill](#) at 8:30 am (EDT).
- **House Science, Space, and Technology Committee**, [An Overview of the Budget Proposal for the Department of Energy for Fiscal Year 2025](#) at 10:00 am (EDT).
- **House Select Committee on the Strategic Competition Between the United States and the Chinese Communist Party**, [From High Tech to Heavy Steel: Combatting the PRC's Strategy to Dominate Semiconductors, Shipbuilding, and Drones](#) at 11:15 am (EDT).
- **House Appropriations Committee**, [Fiscal Year 2025 Commerce, Justice, Science, and Related Agencies Bill](#) at 8:30 am (EDT).

Thursday, June 27th

- **House Appropriations Committee**, [Fiscal Year 2025 Labor, Health and Human Services, Education, and Related Agencies Bill](#) at 8:00 am (EDT).
- **House Financial Services Committee**, [The Role of the Export-Import \(Ex-Im\) Bank of the United States Amid Intensifying Economic Competition with China](#) at 10:00 am (EDT).
- **House Homeland Security Committee**, [Finding 500,000: Addressing America’s Cyber Workforce Gap](#) at 10:00 am (EDT).
- **House Financial Services Committee**, [Stress Testing: What’s Inside the Black Box?](#) at 2:00 pm (EDT).

What to Read From the Think Tank World

- [The Brookings Institution](#) found that SNAP benefits help low-income households withstand financial shocks and reduces the need for costly borrowing in a crisis.
- [The Council of Economic Advisers \(CEA\)](#) highlighted how grocery price inflation has cooled over the last year as real wages have risen, increasing consumers’ purchasing power.
- [The Center for American Progress \(CAP\)](#) examined the likely impacts of the Project 2025 policy agenda for student loan repayment, finding that it would raise monthly costs for borrowers, increase defaults, and eliminate debt cancellation programs.
- [Liberty Street Economics at the New York Federal Reserve](#) examined the economic stability risks associated with the growing interdependence of nonbank financial institutions and banks in the years since the Global Financial Crisis.
- [The Peterson Institute for International Economics \(PIIE\)](#) analyzed the potential impact of President Trump’s proposal to replace income taxes with tariffs, finding that it would significantly reduce after-tax income for lower- and middle-income Americans.

Latest Academic Articles Selected From NBER

The National Bureau of Economic Research, a private research organization, circulates a series of working papers in economics every Monday morning. These offer an early look at the latest academic research findings. These are our selected recommendations from the latest papers out this morning.

- [The Price of Housing in the United States, 1890-2006](#)
- [The Power of Inclusive Labor Force Participation for Mitigating Population Aging](#)
- [The Effects of the 2021 Child Tax Credit on Child Developmental Outcomes](#)
- [Third Places and Neighborhood Entrepreneurship](#)