



ECONOMIC UPDATE

July 8, 2024

This Week in Focus

Last week, the latest employment [data](#) showed that 206,000 new jobs were added in June, leading to a total of almost 16 million new jobs created under the Biden-Harris administration and continuing a 41-month run of continuous job gains. Job gains were significant in health care and construction. While the labor market remains stable, there are growing signs of potential weakness, such as the slight rise in the unemployment rate to 4.1% and an uptick in unemployment for Black workers.

The next big data release will be this Thursday, when the Bureau of Labor Statistics is expected to report that CPI only increased by 0.1% in June after remaining unchanged in May. Taken together, these data provide additional evidence that the economy is back in balance.

JEC Resources

- [State by State Data: May Employment Data](#)
- [Incomes Are Rising Faster than Prices Throughout the Country](#)
- [JEC Democrats' Response to the 2024 Economic Report of the President](#)
- (EN) [Small Business Growth is Booming Under Democrats, Far Faster than Growth Under Trump](#)
 - (ES) [El Crecimiento de las Pequeñas Empresas Está Aumentando Más con los Demócratas que con 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.

Thursday, July 11th:

- **Consumer Price Index (CPI):** The consensus forecast predicts CPI increased by **0.1%** while core CPI increased by **0.2%**.
- **Jobless Claims:** Jobless claims are predicted to slightly increase to **239k** from **238k**.

Friday, July 12th:

- **Producer Price Index (PPI):** The consensus forecast for PPI predicts both the headline and core indexes increased by **0.1%**.
- **Consumer Sentiment:** The University of Michigan's Consumer Sentiment Survey is predicted to highlight consumer sentiment slightly falling to **67** in July from the final estimate of **68.2** in June.

What to Watch This Week

Tuesday, July 9th:

- **House Financial Services Committee**, [The Annual Testimony of the Secretary of the Treasury on the State of the International Financial System](#) at 10:00 am (EDT).
- **Senate Banking, Housing, and Urban Affairs Committee**, [Hearings to examine the Semiannual Monetary Policy Report to Congress](#) at 10:00 am (EDT).
- **Senate Health, Education, Labor, and Pensions Committee**, [Hearings to examine everyday expenses and everyday Americans, focusing on how high costs impact children and families](#) at 10:00 am (EDT).
- **Senate Budget Committee**, [Hearings to examine CBO's updated 2024-2034 budget and economic outlook](#) at 10:00 am (EDT).
- **Senate Finance Committee**, [Hearings to examine the state of child care, focusing on how Federal policy solutions can support families, close existing gaps, and strengthen economic growth](#) at 10:00 am (EDT).

Wednesday, June 10th:

- **House Financial Services Committee**, [The Federal Reserve's Semi-Annual Monetary Policy Report](#) at 10:00 am (EDT).
- **House Small Business Committee**, [Main Street Realities: Examining the Current Economic Landscape in America](#) at 10:00 am (EDT).
- **Senate Agriculture, Nutrition, and Forestry Committee**, [Hearings to examine the state of rural infrastructure, focusing on emergency response, recovery, and resilience](#) at 2:30 pm (EDT).

Thursday, June 11th:

- **Senate Aging Committee**, [Hearings to examine health care transparency, focusing on lowering costs and empowering patients](#) at 10:00 am (EDT).
- **Senate Health, Education, Labor, and Pensions Committee**, [Hearings to examine what Congress can do to end the medical debt crisis in America](#) at 10:00 am (EDT).

What You Need to Know

- Boeing agreed to plead [guilty](#) to a felony charge concerning two crashes in 2018 and 2019. The company has agreed to pay nearly \$500 million and strengthen its safety programs.
- Budget hotel chains are expected to report [pullbacks](#) this summer while full-service hotels are expecting increased traffic.
- Microsoft has agreed to pay \$14.4 million to resolve allegations of [penalizing](#) employees for taking protected forms of leave with the California Civil Rights Department.
- Long-term unemployment [rose](#) to its highest level in more than two years in the most recent jobs report from the Bureau of Labor Statistics.

What to Read From the Think Tank World

- [The Center for American Progress \(CAP\)](#) covered the negative effects that Project 2025 would have on workers and the economy, while prioritizing profits for Wall Street.
- The Council of Economic Advisors (CEA) published a [brief](#) highlighting the prevalence of racial discrimination across economic domains. The CEA also released blogs on the [employment](#) report for June and the positive [impacts](#) that federal relief funds had on academic recovery.
- Liberty Street Economics at the New York Federal Reserve examined the distributional effects of [inflation](#) and inflation [stabilization](#).
- [The Brookings Institution](#) analyzed the history of tariffs and predicted that the U.S. era of high tariffs will continue past 2024.
- [The Institute for Women's Policy Research](#) analyzed the pay gap for Black women and found that Black women are not expected to reach pay equity with white men until 2227.

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.

- [Partisan Expectations and COVID-Era Inflation](#)
- [The Lasting Impacts of Middle School Principals](#)
- [Industrial Policy in the Global Semiconductor Sector](#)
- [Unobserved Contributions and Political Influence: Evidence from the Death of Top Donors](#)