



ECONOMIC UPDATE

May 13, 2024

This Week in Focus

Last week, the JEC Dems released a fact sheet highlighting the Biden administration's [recent actions](#) protecting workers and the environment, including banning worker noncompete agreements, making more workers eligible for overtime pay, and making it easier to build and connect new clean energy projects. The JEC Dems also published an [issue brief](#) on the importance of groundwater, emphasizing how investments from the Bipartisan Infrastructure Law and Inflation Reduction Act can help protect groundwater—important for drinking, cooking and agriculture—against risks from climate change.

Looking ahead to this week, we will get the Consumer Price Index (CPI) for April 2024 this Wednesday, the newest piece of data tracking the Fed's efforts to reduce inflation. The consensus forecast is for CPI to increase by 0.4%—matching March's rate—and for core CPI to increase by 0.3%—a slight downtick from March and February rates. Despite these readings for April, early data show that [gas prices](#) have fallen steadily in May which should ease future inflation readings.

JEC Resources

- [ICYMI: The Biden Administration Just Took Massive Steps to Protect Workers and the Climate](#)
- [Protecting Groundwater is Essential for Our Country and Economy](#)
- [Fact Sheet: The Manufacturing Renaissance That Will Drive the Economy of the Future](#)
- [Thanks to Democrats, Americans Are Paying Less for Prescription Drugs and Health Insurance](#)
- [The Many Economic Benefits of Investing in Early Childhood Education](#)

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.

Wednesday, May 15th:

- **Consumer Price Index (CPI):** The consensus forecast predicts **CPI** increased by **0.4%** while **core CPI** increased by **0.3%**.
- **Retail Sales:** The consensus forecast is for **total sales** to increase by **0.4%**, **sales minus automobiles** to increase by **0.2%**, and **control sales** to increase by **0.2%**.

Thursday, May 16th:

- **Jobless Claims:** The consensus forecast for weekly jobless claims expects a drop to **218k** from **231k**.
- **Housing Starts:** The consensus forecast is for **housing starts** to increase to **1,433k** from **1,321k** while **permits** increase to **1,488k** from **1,458k**.
- **Industrial Production:** The consensus forecast predicts industrial production increase by **0.2%**.

What You Need to Know

- **Polar Semiconductor** in Bloomington, Minnesota is set to receive \$120 million in [grants](#) under the **CHIPS and Science Act** this week.
 - The Biden administration is set to announce a rise in [tariffs](#) on **Chinese electric vehicles** to 100% this week.
 - Letters from **McDonald's and Wendy's** [shareholders](#) are demanding the companies do more to **crack down** on **child labor** law violations.
 - Workers at an **Apple store** in Towson, Maryland have voted to [strike](#) over disagreements in **pay and overtime policy**.
 - **Corporate profits** remain elevated despite a recent slowing in job gains.
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What to Watch This Week

Wednesday, May 15th

- **Senate Budget Committee**, [Hearings to examine climate change and the costs to national security](#) at 10:00 am (EDT).
- **Senate Appropriations Committee**, [Hearings to examine strengthening American competitiveness, focusing on the roles of the U.S. International Development Finance Corporation, Export-Import Bank, and Millennium Challenge Corporation](#) at 2:00 pm (EDT).

Thursday, May 16th

- **Senate Health, Education, Labor, and Pensions Committee**, [Hearings to examine the dental care crisis in America, focusing on making dental care more affordable and more available](#) at 10:00 am (EDT).
 - **Senate Banking, Housing, and Urban Affairs Committee**, [An oversight hearing to examine U.S. financial regulators, focusing on accountability and financial stability](#) at 10:00 am (EDT).
 - **Senate Finance Committee**, [Hearings to examine rural health care, focusing on supporting lives and improving communities](#) at 10:00 am (EDT).
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What to Read From the Think Tank World

- [The Economic Policy Institute](#) highlighted how young college graduates recovered much faster in the pandemic business cycle compared with the Great Recession.
 - [The Washington Center for Equitable Growth](#) analyzed burdens in accessing SNAP, finding that Hispanic applicants and applicants with disabilities were substantially more likely to report experiencing stress than other demographic groups, among other findings.
 - [The Hamilton Project at the Brookings Institution](#) released an interactive tool showing that pay has largely kept up (or surpassed) price increases, regardless of the data used to measure prices.
 - [The Urban Institute](#) emphasized how making apprenticeship programs inclusive of people with disabilities can help meet the workforce needs of the growing clean energy sector.
 - [The Center on Budget and Policy Priorities \(CBPP\)](#) dug into how health coverage rates vary widely across and within racial and ethnic groups.
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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.

- [Predicting Police Misconduct](#)
- [To Find Relative Earnings Gains After the China Shock, Look Outside Manufacturing and Upstream](#)
- [Work Requirements with No Teeth Still Bite: Disenrollment and Labor Supply Effects of SNAP General Work Requirements](#)