



ECONOMIC UPDATE

April 24, 2023

This Week in Focus:

While economy-watchers focus on new GDP and PCE inflation data this week, House Republicans will threaten our economic recovery by continuing to hold the U.S. economy hostage in their pursuit of destructive, poorly timed, and poorly thought out budget cuts.

Today, the JEC Democratic staff released this national-level [fact sheet](#) on the effects of this reckless bill, and we will release a series of analyses highlighting the costs of these cuts at the national, state, and congressional district-levels throughout the week.

The JEC Democratic staff also just released [fact sheets](#) on state-level employment for the month of March, which show that despite financial turbulence, labor markets remain strong across the country.

JEC Resources

- [How The GOP's Debt Legislation Hurts the U.S. Economy](#)
- [How the Recovering America's Wildlife Act Benefits Our Planet and Our Economy](#)
- [State by State Fact Sheets: March Employment Data](#)
- [Making the Tax Code Work for Everyone, Not Just the Wealthy](#)

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, April 27:**
 - Gross Domestic Product (GDP) – In the first quarter of 2023, GDP is expected to have increased by **2.0% or \$523 billion**.
 - Weekly Jobless Claims – The level of initial claims is expected to be unchanged at **245 thousand** for the week ending April 28, but the trend is rising and likely will hit 275 thousand next month.
- **Friday, April 28:**
 - Personal Consumption Expenditures (PCE) Inflation Data – The consensus forecast is a **0.3%** increase in core PCE from February 2023 and a **4.5%** increase in core PCE from March 2022.

What You Need to Know

- Last week, House Republicans introduced their own [debt limit plan](#). This bill would raise the debt limit by \$1.5 trillion but requests severe spending cuts to numerous critical programs that promote employment, education, health and safety.
 - The House is expected to [vote](#) on this bill this coming week. All house Democrats are expected to vote against it.
- New York Fed President John Williams signaled [support](#) for another interest rate hike at the Fed's upcoming May meeting in the continued effort to reduce inflation.

What to Watch This Week

Wednesday

- [Senate Committee on Health, Education, Labor and Pensions](#) – Nomination of Julie Su to serve as Secretary of Labor
- [House Committee on Education and the Workforce](#) – Reducing Health Care Costs for Working Americans and Their Families

Thursday

- [House Committee on Ways and Means](#) – Accountability and Transparency at the Internal Revenue Service with IRS Commissioner Werfel
- [House Financial Services Committee](#) – The Future of Digital Assets: Identifying the Regulatory Gaps in Digital Asset Market structure

What to Read From the Think Tank World

- Center on Budget and Policy Priorities (CBPP) analysis shows that the GOP proposal to add [work requirements for Medicaid](#) would put millions in expansion states at risk of losing health coverage and released state-by-state estimates.
- Center for American Progress explains how [budget caps](#) are deep budget cuts to essential programs.
- The Council of Economic Advisers finds that most of the “missing workers” are back as the [labor market has rebounded](#) from the pandemic.
- CBPP and the National Employment Law Project find that the [unemployment insurance system](#) is not prepared for another recession.

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. Because it takes a long time for articles to appear in peer-reviewed journals, many economists look to this series for the latest academic research findings. These are our selected recommendations from the latest papers out this morning.

- [Covid and Cities, Thus Far](#)
- [How Far Goods Travel: Global Transport and Supply Chains from 1965-2020](#)
- [Tracing Sustainability in the Long Run: Genuine Savings Estimates 1850-2018](#)