



ECONOMIC UPDATE

November 4, 2024

This Week in Focus

This week the JEC Dems will be eyeing Thursday's Federal Open Market Committee (FOMC) meeting where the Federal Reserve is predicted to lower interest rates by an additional 25 basis points. Last week the JEC Dems were focused on two major data releases that could impact this decision: Gross Domestic Product (GDP) for the third quarter and the jobs report for October. The GDP release found that the economy grew at a 2.8% annual rate, continuing the strong growth from the second quarter.

Job gains for October were depressed by the devastation caused by Hurricanes Helene and Milton and the ongoing strike at Boeing, but the unemployment rate held steady at 4.1%. As the Council of Economic Advisers (CEA) [highlighted](#), when one month's measures are distorted, it's important to look at underlying trends. The CEA highlighted longer-term trends that reflect the strength of the economy, including the labor market's quick recovery from the pandemic; impressive employment growth in key sectors; historic labor force participation of prime-age men, women, and workers of color; growth in real earnings; and growth in nominal wages for low earners.

Also last week, the JEC Dems released a report on how the Bipartisan Infrastructure Law is building a new foundation for growth. The report highlighted how investments are reaching all parts of the country, advancing significant infrastructure projects, and creating more well-paying American jobs. Read more [here](#).

JEC Resources

- [The Biden-Harris Bipartisan Infrastructure Law is Building a New Foundation for Economic Growth](#)
- [State Wage Growth Tracker](#)
- [State and Local Fiscal Recovery Funds: Harnessing Federal Investment for Locally-Led Growth](#)
- [The U.S. Economy Performs Better Under Democratic Presidents](#)
- [Broadening Registered Apprenticeships Can Boost America's Workforce and Grow the Middle Class](#)

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, November 7th:

- **Jobless Claims:** Jobless claims are expected to rise slightly to **225k** from **216k** the week prior.
- **FOMC Policy Announcement:** Forecasts are predicting the FOMC will lower rates by 25 basis points to a range of 4.50-4.75%.

Friday, November 8th:

- **Consumer Sentiment:** The University of Michigan's Consumer Sentiment Survey Index is expected to increase to **71.0** from **70.5** in October.

What You Need to Know

- The next **president** is set to take over a **booming [economy](#)** with **low inflation, strong Gross Domestic Product (GDP), and productivity** growth.
- **Boeing** has offered a **third [contract](#)** to their **striking workers** in its largest **union** after **two previous offers** were **rejected**.
- **Communities** that were **worst affected** by the **China shock** are now **receiving** a **disproportionate [share](#)** of recent **investment** and **job growth**.
- **ZIP codes** where **Wall Street investors** own the largest share of **[homes](#)** have seen **higher-than-average** levels of **rent** and **price increases**.
- **Appalachia's [logging](#) industry** has been in **long-term decline**.

What to Read From the Think Tank World

- [The Council of Economic Advisers \(CEA\)](#) released an issue brief highlighting how real GDP has risen by 12.6% during the Biden-Harris administration, a historically robust expansion.
- [The Center for American Progress \(CAP\)](#) found child care expenses push about 134,000 families into poverty each year.
- [The Century Foundation](#) unpacked how student debt relief would help close the women's wealth gap.
- The Institute for Women's Policy Research (IWPR) released resources on the economic and workforce [impact](#) of restrictive abortion laws and on how abortion bans [hurt](#) state economies.

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 China Shock Revisited: Job Reallocation and Industry Switching in U.S. Labor Markets](#)
- [Gambling Away Stability: Sports Betting's Impact on Vulnerable Households](#)
- [Unwarranted Disparity in High-Stakes Decisions: Race Measurement and Policy Responses](#)
- [The ECB's Climate Activities and Public Trust](#)