



## ECONOMIC UPDATE

October 16, 2023

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### This Week in Focus

Last Thursday the latest Consumer Price Index (CPI) [data](#) were released, showing that prices rose 0.4% in September. A closer look suggests that inflation should be lower in the coming months, largely due to expected price declines in housing and gasoline. Real-time measures of rents for newly listed [apartments](#) and the price of [gasoline](#) declined last month, which should offer families price relief in the coming months. Turning to the labor market, this Friday the JEC will release fact sheets on state employment data for September. You can find the similar reports from August linked [here](#).

The Continuing Resolution that Congress passed earlier this month expires one month from tomorrow. See [here](#) for how a Republican shutdown threatens WIC benefits in every state and Congressional district.

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### JEC Resources

- [Maintaining American Leadership in Artificial Intelligence Through Public Investment and Workforce Development.](#)
- [Hispanic Heritage Month: Celebrating Hispanic Success and Addressing Barriers to Opportunity.](#)
- [A Republican Shutdown Threatens WIC Nutrition Benefits in Every State and Congressional District.](#)
- [Growing the Economy of the Future: Job Training for the Clean Energy Transition.](#)

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### 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, October 17:** Industrial Production – The consensus forecast is that **industrial production** for **September** remained **unchanged** from August, and that **manufacturing output** **decreased** by **0.1%**.
- **Wednesday, October 18:** Housing Starts – The consensus forecast is that **housing starts** in **September** rose to **1,380K** from August's **1,283K**, and that **permits** fell from **1,541K** to **1,450K**.
- **Thursday, October 19:** Jobless Claims – The consensus forecast is for weekly jobless claims to rise to **214K** from last week's **209K**.
- **Friday, October 6:** The JEC will release state by state fact sheets on September employment like the ones on August employment found [here](#).

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### What You Need to Know

- A Wall Street Journal survey of **economists** found [fewer](#) are **predicting a recession** than during the previous quarter.
- Rite Aid filed for [bankruptcy](#) over the weekend in light of declining sales and the cost of settlements tied to its role in the opioid epidemic.

- As the **job market cools**, some businesses plan on hiring [fewer seasonal workers](#) this winter.
- A **vote among physicians** at Allina Health in Wisconsin and Minnesota has created the largest **private-sector group** of [unionized doctors](#) in the country.

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## What to Watch This Week

### Tuesday

- **Senate Banking, Housing, and Urban Affairs Committee**, [Hearings to examine community development financial institutions and promotion of housing and economic opportunity](#) at 2:30 pm (EDT).

### Wednesday

- **House Science, Space, and Technology Committee**, [Balancing Knowledge and Governance: Foundations for Effective Risk Management of Artificial Intelligence](#) at 10:00 am (EDT).

### Thursday

- **House Transportation and Infrastructure Committee**, [Regional Commissions: A Review of Federal Economic Development Program Effectiveness](#) at 10:00 am (EDT).
- **Senate Energy and Natural Resources Committee**, [Hearings to examine the Department of Energy's due diligence process for awarding competitive grants and loans funded through the Inflation Reduction Act and the Bipartisan Infrastructure Law and the Department's overall innovation investment strategy](#) at 10:00 am (EDT).

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## What to Read From the Think Tank World

- [The Council of Economic Advisers \(CEA\)](#) highlighted how federal revenues have dropped since the enactment of the 2017 Tax Cuts and Jobs Act. [CEA Chair](#) Jared Bernstein also released a statement on Claudia Goldin receiving the 2023 Nobel Memorial Prize in Economic Sciences.
- [The Hamilton Project](#) at the Brookings Institution found substantial declines in public school enrollment during the pandemic, especially in urban and high-poverty districts.
- [The Brookings Podcast on Economic Activity](#) released an episode discussing a recent [paper](#) that explores why life expectancy is falling faster for adults without a Bachelor's degree.
- [The Century Foundation](#) noted the top six lessons from ARPA's care economy investments.
- [The National Women's Law Center](#) found Supplemental Security Income (SSI) supports older and disabled women with very low incomes.

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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. 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.*

- [The Shifting Reasons for Beveridge-Curve Shifts.](#)
- [Is There Really an Inflation Tax? Not For the Middle Class and the Ultra-Wealthy](#)
- [Macroeconomic Effects of UI Extensions at Short and Long Durations](#)