



ECONOMIC UPDATE

May 6th, 2024

This Week in Focus

Last Friday, the Bureau of Labor Statistics (BLS) released employment data for the month of April. The U.S. economy added 175,000 jobs in April, unemployment ticked up slightly to 3.9%, and hourly wages rose 0.2% for all employees. This continues the record streak of job growth under President Biden, as well as the longest period of sub-4% unemployment since the 1960s, although there also indications of growing downside risks to labor markets due to continued high rates. A recent [piece](#) by the Center for Economic and Policy Research (CEPR) compares today's economy favorably with the 1960s boom while arguing that the Federal Reserve should view current labor market trends as sustainable.

There are no major data releases this week, though we will get data on jobless claims on Thursday and consumer sentiment data on Friday that will provide more information on the overall health of the economy.

JEC Resources

- [JEC Chairman Heinrich Statement on April Jobs Report](#)
- [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](#)
- [Electrifying Heavy-Duty Vehicles Will Benefit the U.S. Economy, Environment, and Public Health](#)

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.

Thursday, May 9th:

- **Jobless Claims:** The consensus forecast is for weekly jobless claims to rise to **213k** from last week's **208k**.

Friday, May 10th:

- **Consumer Sentiment:** The consensus forecast for the University of Michigan's Consumer Sentiment survey index predicts the preliminary estimate for May will be **77.0**, slightly lower than the **77.2** final estimate for April.

What You Need to Know

- **Fed officials** watching the [labor](#) market for signs to cut interest rates are seeing **mixed signals**.
- Measures of **layoffs remain low** as job [openings](#) and hiring slow to a **three-year low** amidst historically low unemployment.
- A slowdown in the [service](#) sector due to more cautionary **consumer spending** is raising expectations of **rate cuts**.
- A recent union election at a [Trader Joes](#) in Chicago hinges on one **disputed vote** amongst union-busting efforts by Trader Joes, in a fight that could signal further **unionization efforts** at grocery stores.
- **Layoffs at Tesla** pose a threat to the continued building out of U.S. EV charging [infrastructure](#).

What to Watch This Week

Tuesday, May 7th

- **House Appropriations Committee**, [Fiscal Year 2025 Request for the Internal Revenue Service](#) at 10:00 am (EDT).

Wednesday, May 8th

- **Senate Environment and Public Works Committee**, [Hearings to examine the President's proposed budget request for fiscal year 2025 for the Environmental Protection Agency](#) at 10:00 am (EDT).
- **Senate Budget Committee**, [Hearings to examine alleviating administrative burdens in health care, focusing on reducing paperwork and cutting costs](#) at 10:00 am (EDT).
- **House Appropriations Committee**, [Fiscal Year 2025 Request for the Department of Commerce](#) at 10:00 am (EDT).
- **Senate Appropriations Committee**, [Hearings to examine proposed budget estimates and justification for fiscal year 2025 for the Congressional Budget Office, the Government Accountability Office, and the Government Publishing Office](#) at 2:30 pm (EDT).

Thursday, May 9th

- **Senate Appropriations Committee**, [Hearings to examine proposed budget estimates and justification for fiscal year 2025 for the Department of Labor](#) at 10:00 am (EDT).
- **Senate Banking, Housing, and Urban Affairs Committee**, [Hearings to examine consumer protection, focusing on examining fees in financial services and rental housing](#) at 10:00 am (EDT).
- **House Appropriations Committee**, [Fiscal Year 2025 Member Day](#), 10:00 am (EDT).

What to Read From the Think Tank World

- The Council of Economic Advisers (CEA) published a [fact sheet](#) on newly-announced federal funding for American autoworkers and small- and medium-sized auto manufacturers.
- [Liberty Street Economics at the New York Federal Reserve](#) examined concentration trends in U.S. manufacturing, finding that production concentration has risen while overall market concentration has declined due to the entrance of foreign firms.
- [The Center for Economic and Policy Research \(CEPR\)](#) analyzed the latest jobs report and compared the current streak of low unemployment with the late 1960s boom—one of the most prosperous periods in U.S. history.
- [The Center for American Progress \(CAP\)](#) laid out how a rule updating the Affordable Care Act will protect Americans from health care discrimination and ensure patients are informed of the availability of language assistance services.
- [The Center on Budget and Policy Priorities \(CBPP\)](#) released a report on how a new rule could help more than 860,000 Americans enroll in Medicare Savings Programs and save hundreds of dollars a month.