



The Economic Outlook and Monetary Policy

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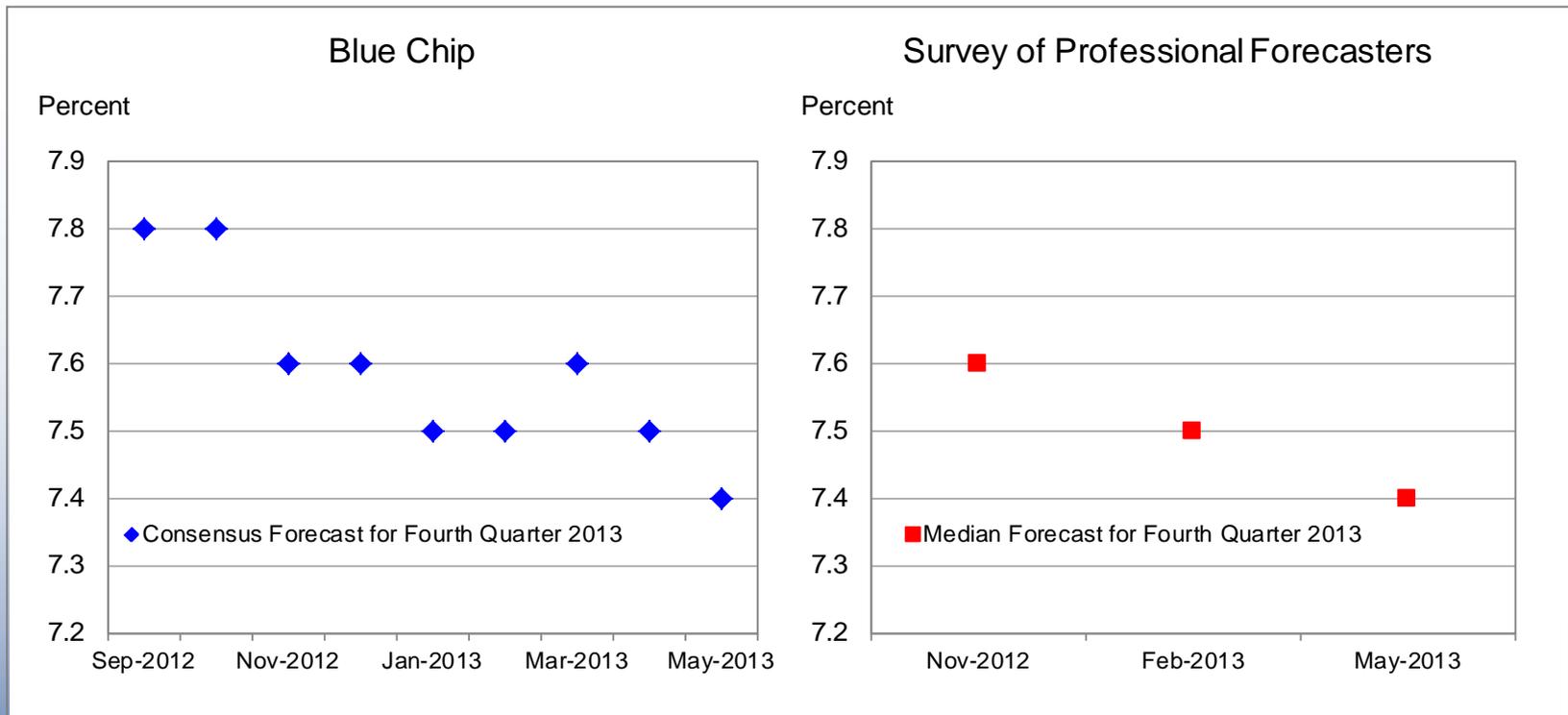
Economic Club of Minnesota
Minneapolis, Minnesota

May 29, 2013

Figure 1

Forecasts for Fourth Quarter 2013

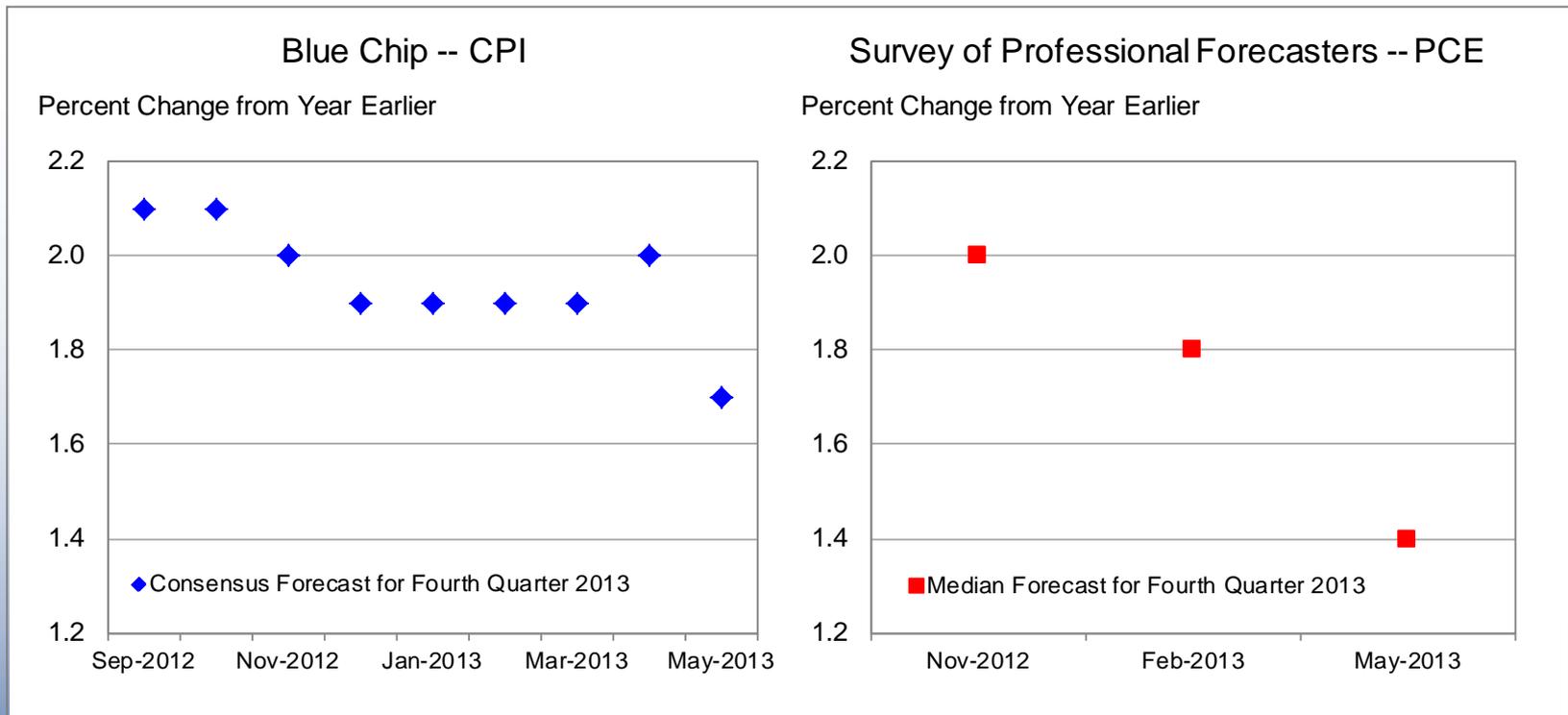
Unemployment Rate



Source: Blue Chip Economic Indicators, Federal Reserve Bank of Philadelphia / Haver Analytics

Figure 2

Forecasts for Fourth Quarter 2013 Inflation Rate

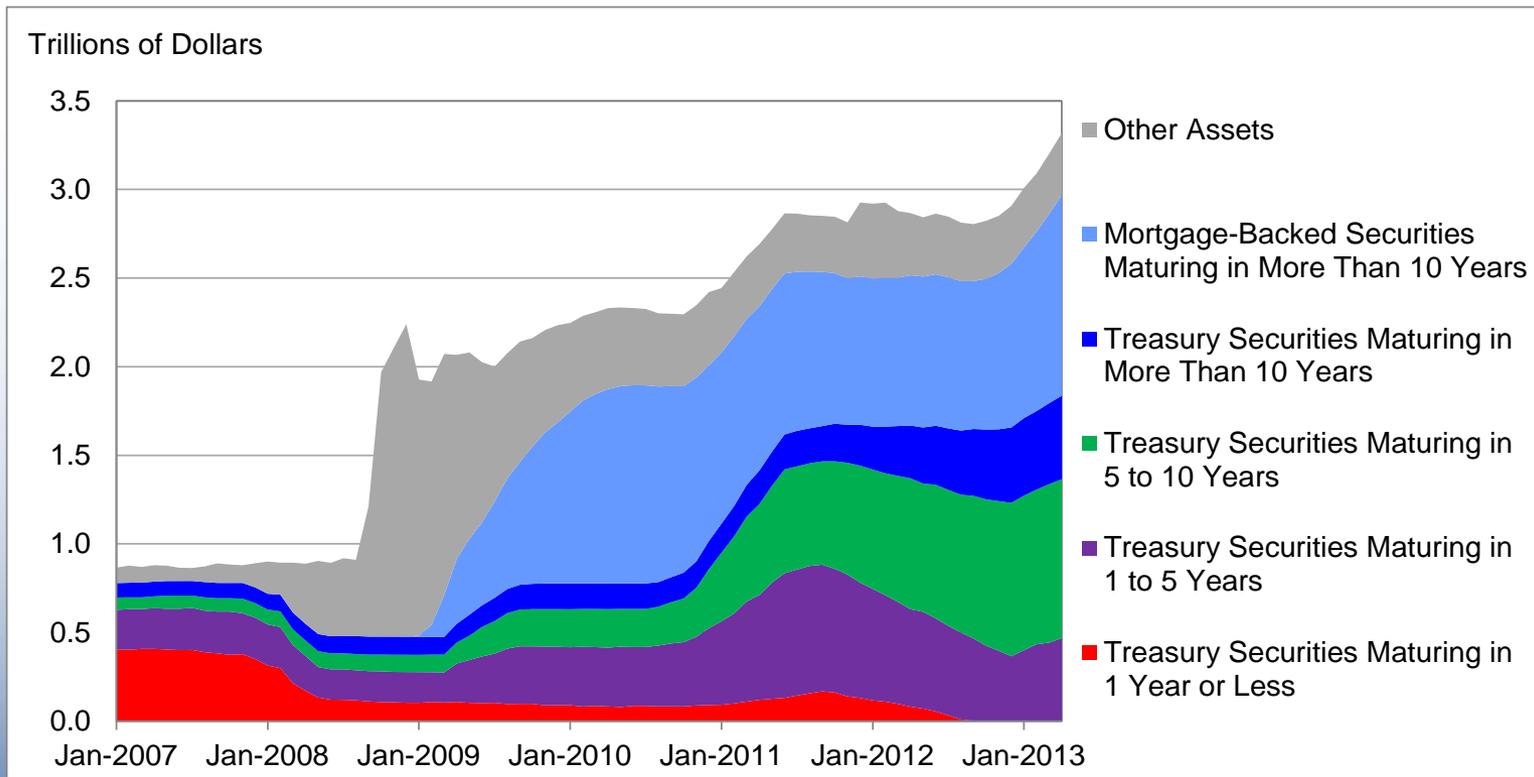


Source: Blue Chip Economic Indicators, Federal Reserve Bank of Philadelphia / Haver Analytics

Figure 3

Federal Reserve System Assets

January 2007 - April 2013



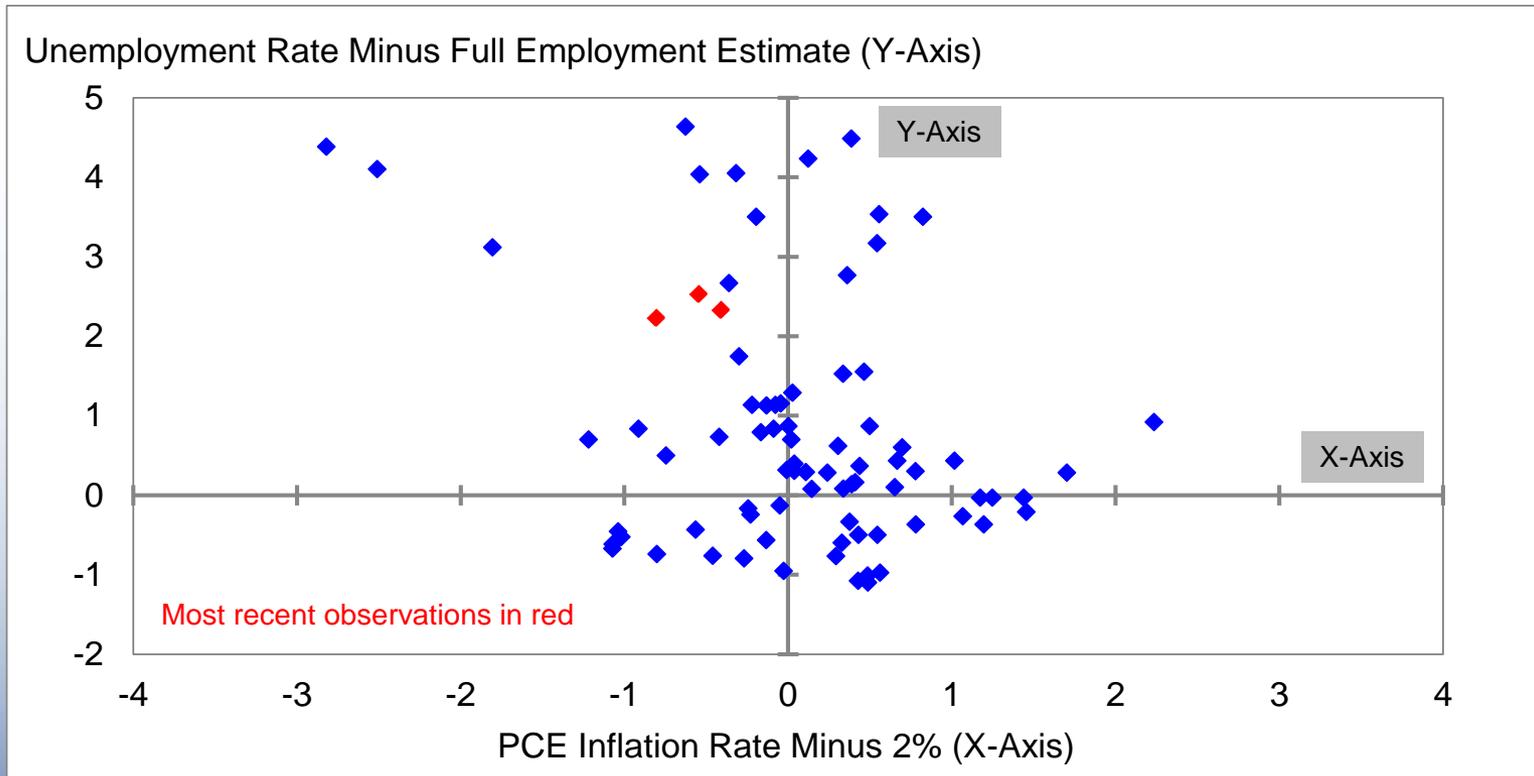
Note: Discount window lending and liquidity facility lending are included in other assets.

Source: Federal Reserve Board / Haver Analytics

Figure 4

Deviations from Full Employment and Inflation Targets in the United States

1993:Q1 - 2013:Q1



Note: Full employment is the CBO estimate of the natural rate of unemployment.

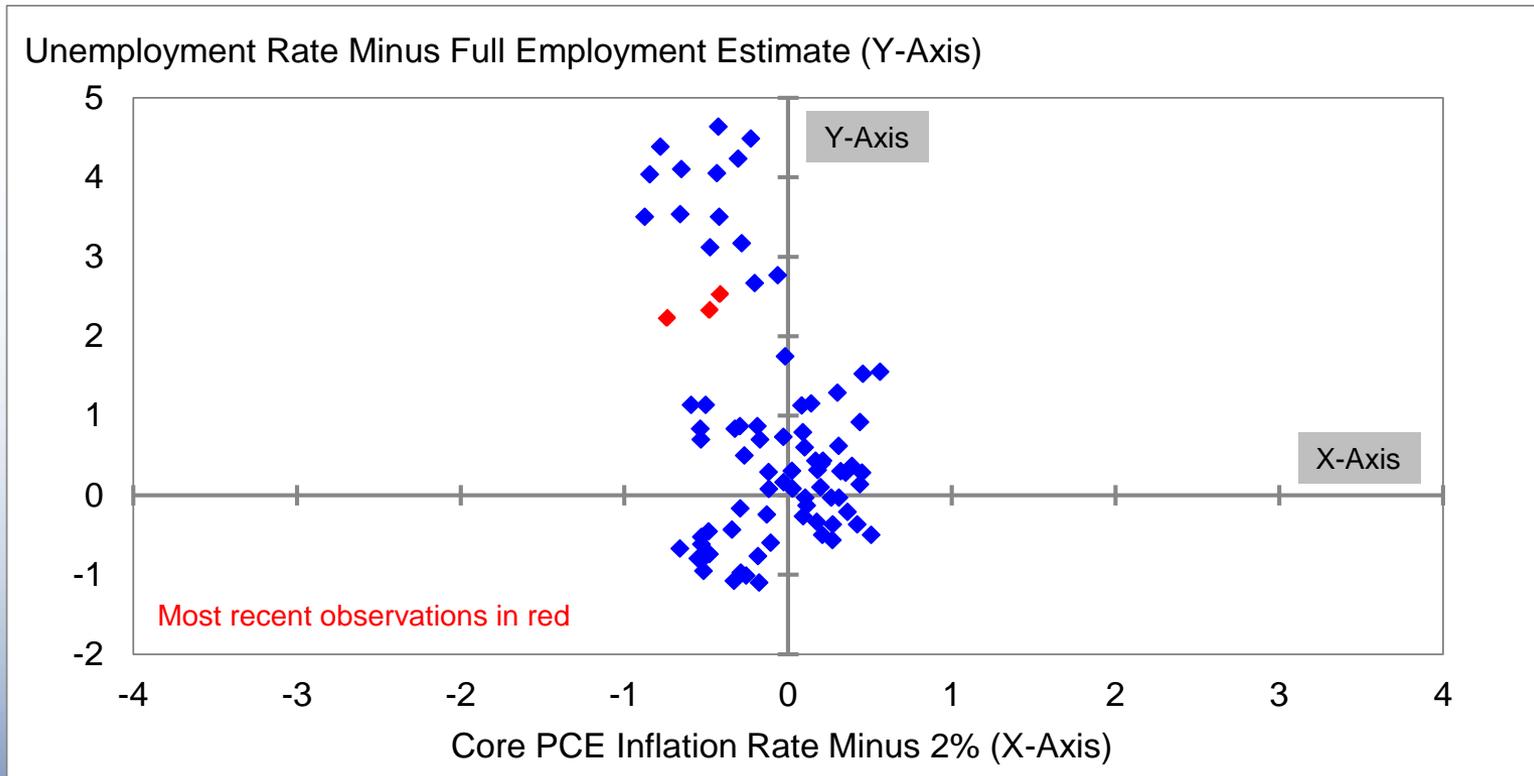
PCE inflation rate is the percent change in the PCE price index from one year earlier.

Source: BEA, BLS, CBO / Haver Analytics

Figure 5

Deviations from Full Employment and Core Inflation Targets in the United States

1993:Q1 - 2013:Q1



Note: Full employment is the CBO estimate of the natural rate of unemployment.

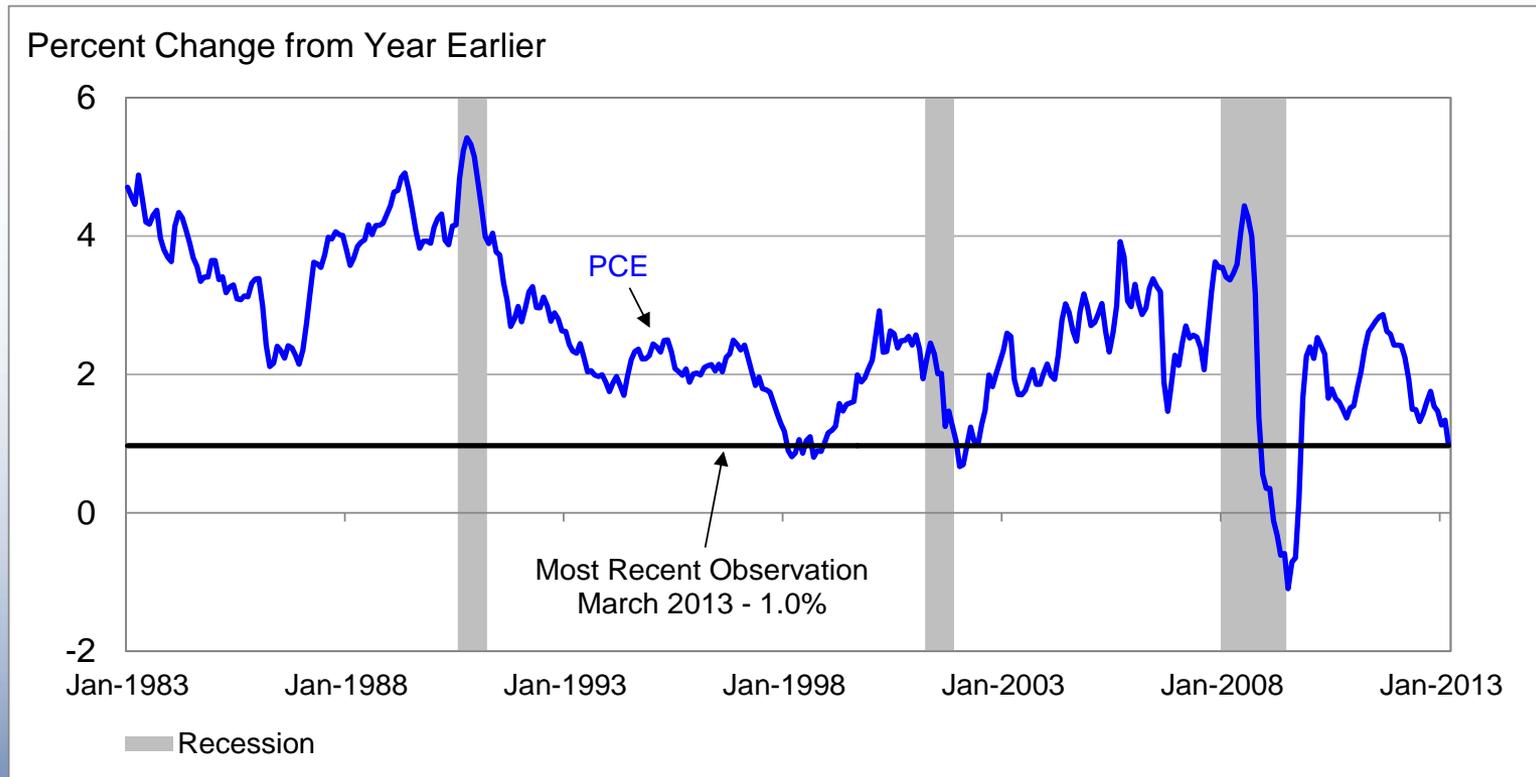
Core PCE inflation rate is the percent change in the Core PCE price index from one year earlier.

Source: BEA, BLS, CBO / Haver Analytics

Figure 6

Inflation Rate: Change in Personal Consumption Expenditures (PCE) Price Index

January 1983 - March 2013

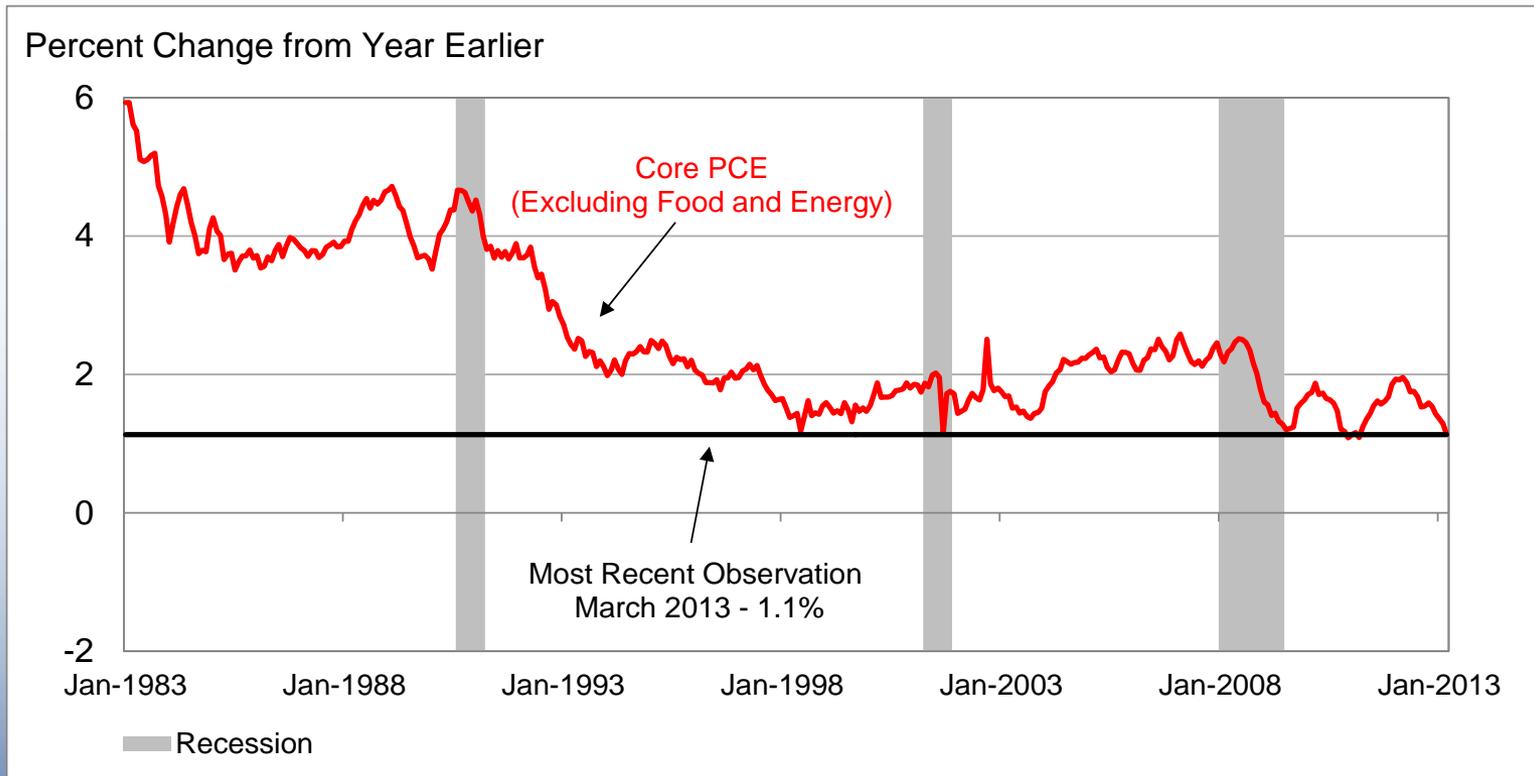


Source: BEA, NBER / Haver Analytics

Figure 7

Core Inflation Rate: Change in Core Personal Consumption Expenditures (PCE) Price Index

January 1983 - March 2013

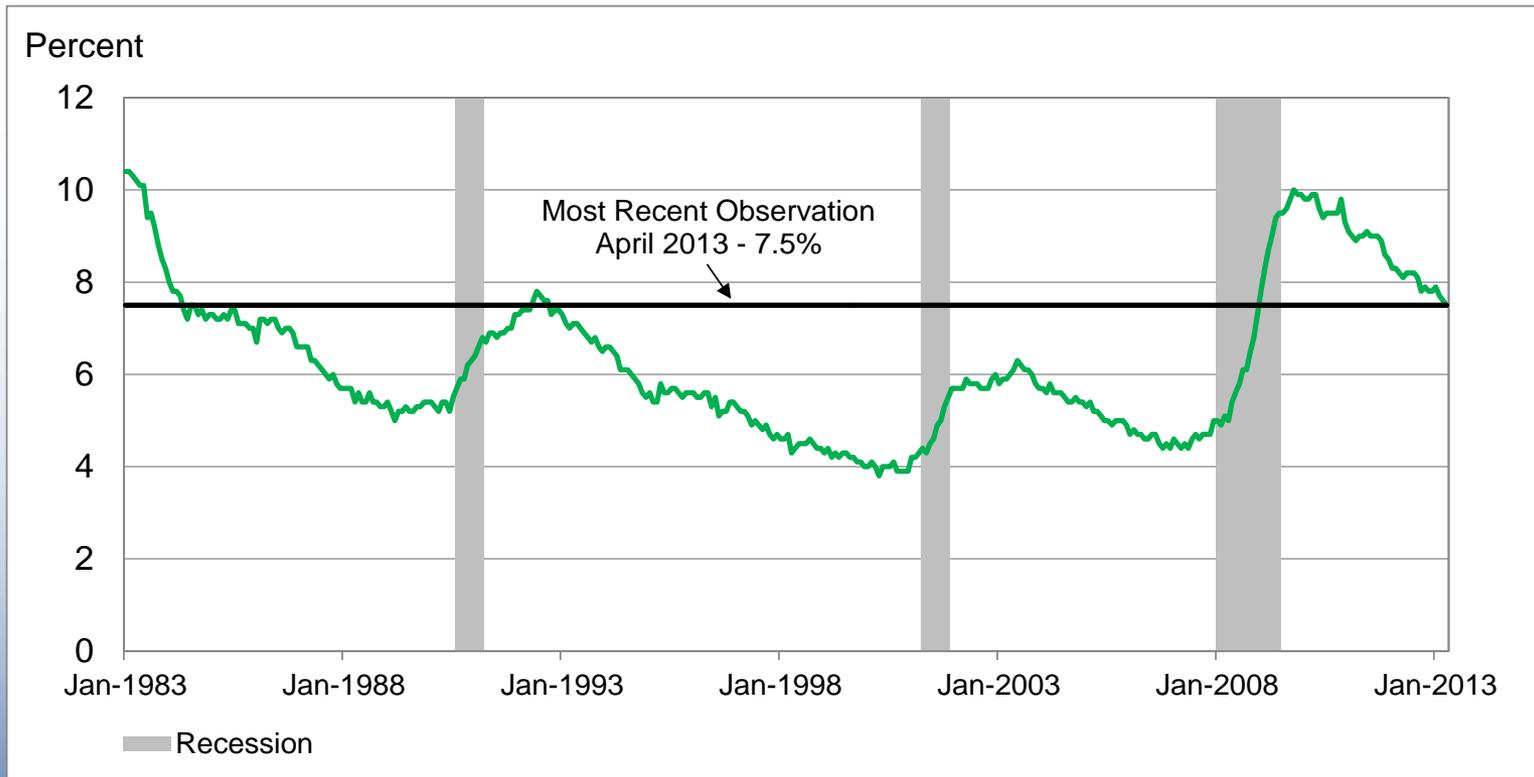


Source: BEA, NBER / Haver Analytics

Figure 8

Civilian Unemployment Rate

January 1983 - April 2013

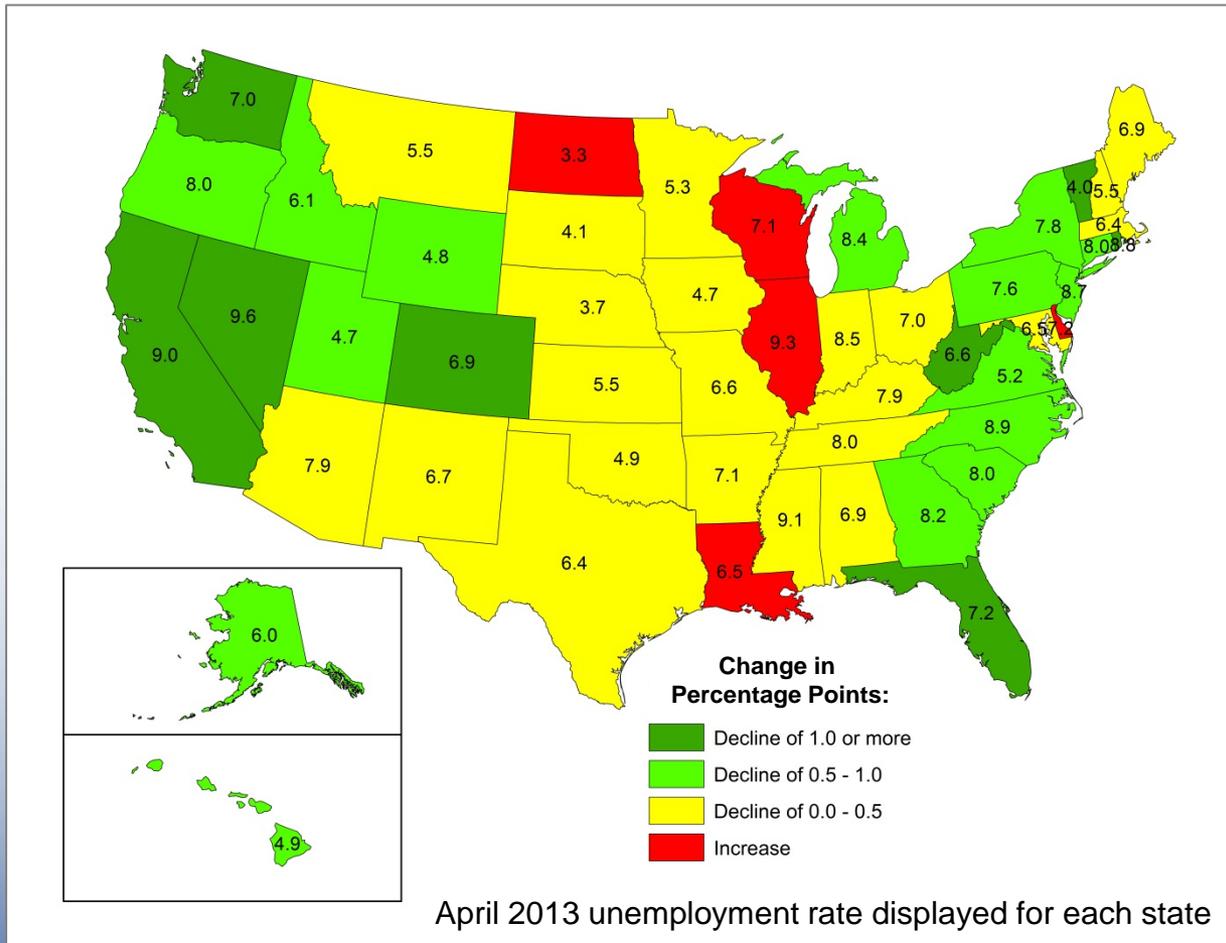


Source: BLS, NBER / Haver Analytics

Figure 9

Change in Unemployment Rate by State

September 2012 - April 2013

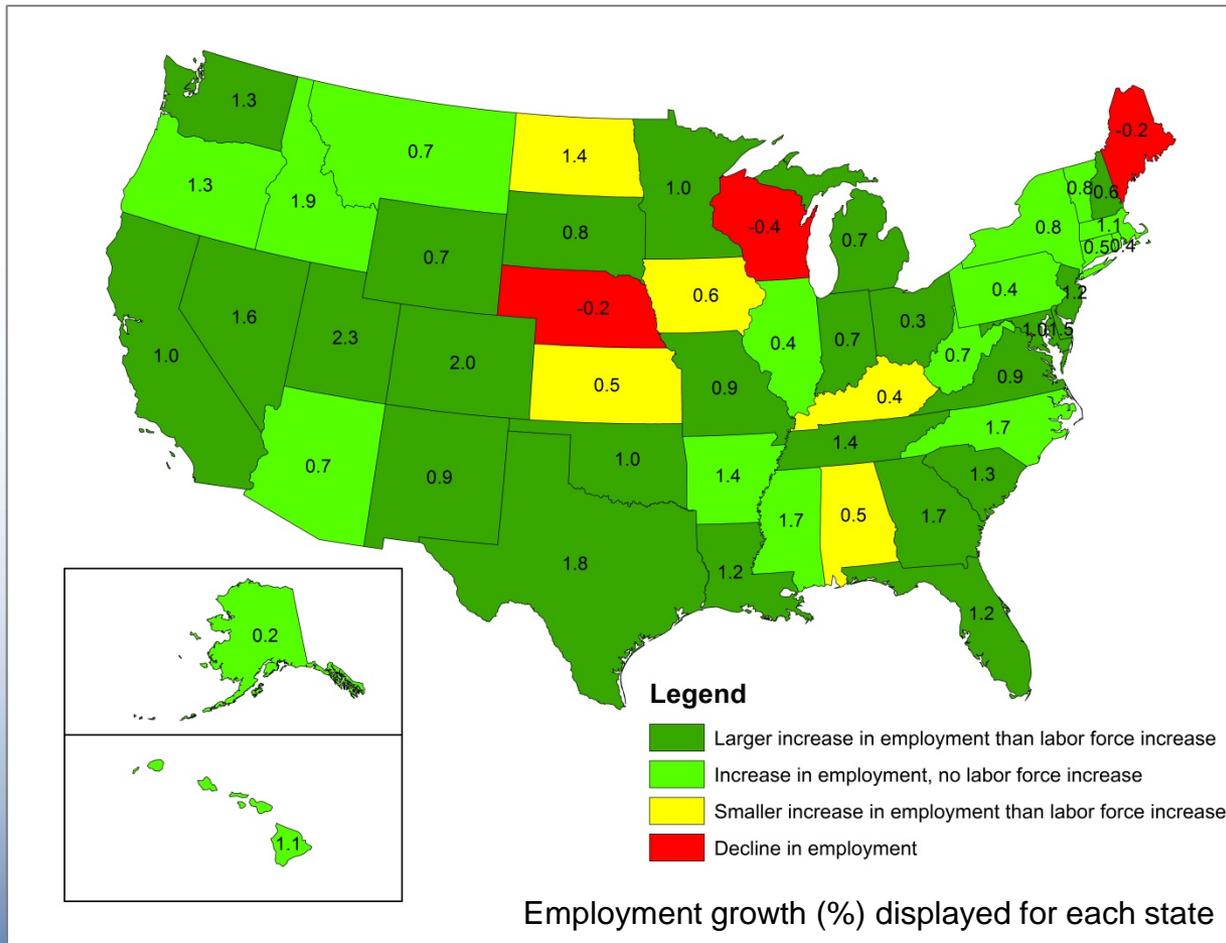


Source: BLS / Haver Analytics

Figure 10

Payroll Employment Growth by State

September 2012 - April 2013



Source: BLS / Haver Analytics