



EMBARGOED UNTIL FRIDAY, APRIL 13, 2018 AT 8:10 A.M.; OR UPON DELIVERY

The U.S. Economy: An Optimistic Outlook, But With Some Important Risks

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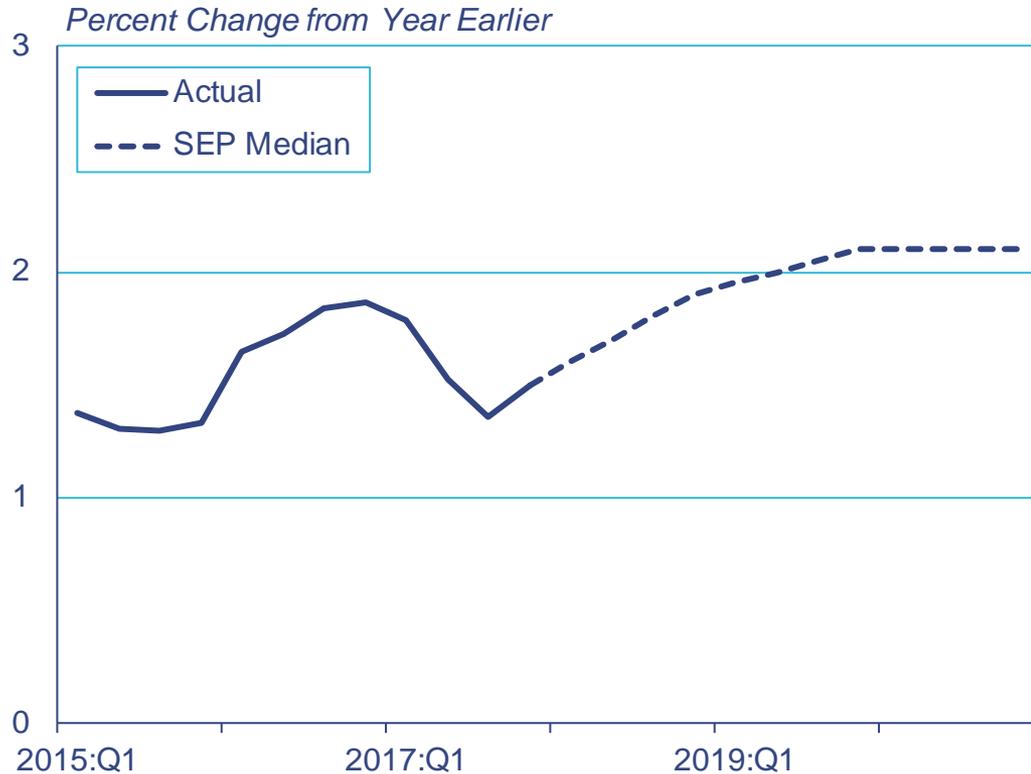
April 13, 2018

Greater Boston Chamber of Commerce
Economic Outlook Breakfast 2018
Boston, Massachusetts

bostonfed.org



Figure 1: Core PCE Inflation Rate: Actual and Forecast from the Summary of Economic Projections
Actual, 2015:Q1 - 2017:Q4 and Forecast, 2018:Q4 - 2020:Q4

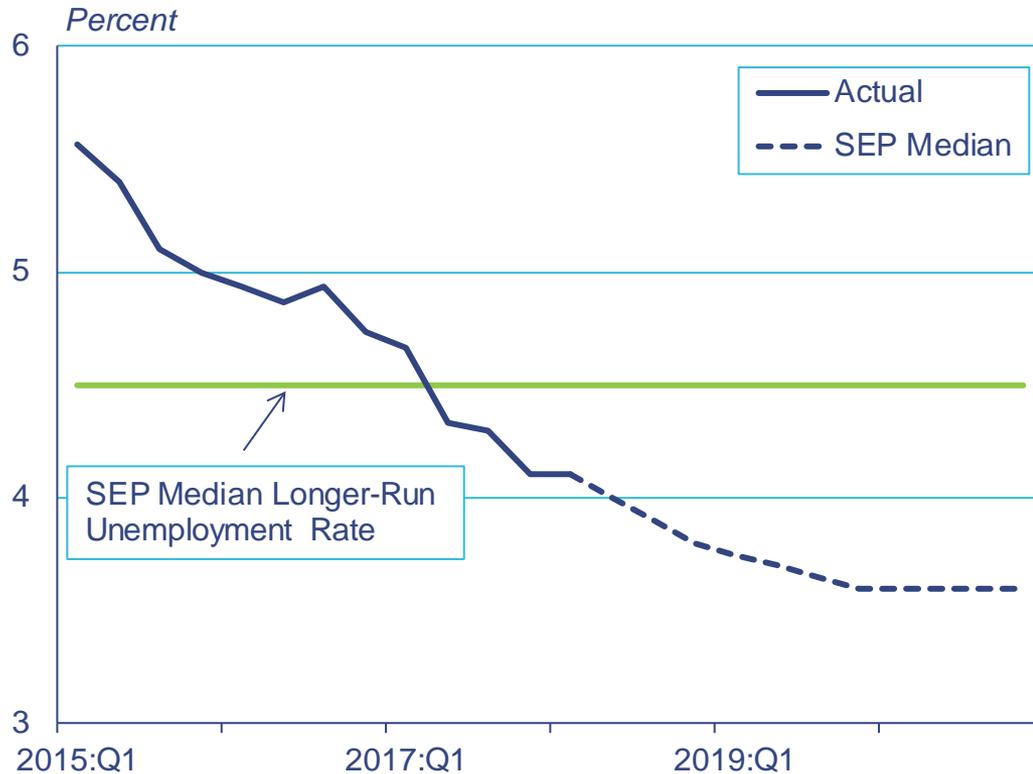


Note: SEP median projected values are for the percent change in the Core PCE Index from the previous fourth quarter to the fourth quarter of the year specified. The Core PCE Index excludes food and energy.

Source: FOMC, Summary of Economic Projections (SEP), March 21, 2018; BEA; Haver Analytics



Figure 2: Unemployment Rate: Actual and Forecast from the Summary of Economic Projections
Actual, 2015:Q1 - 2018:Q1 and Forecast, 2018:Q4 - 2020:Q4

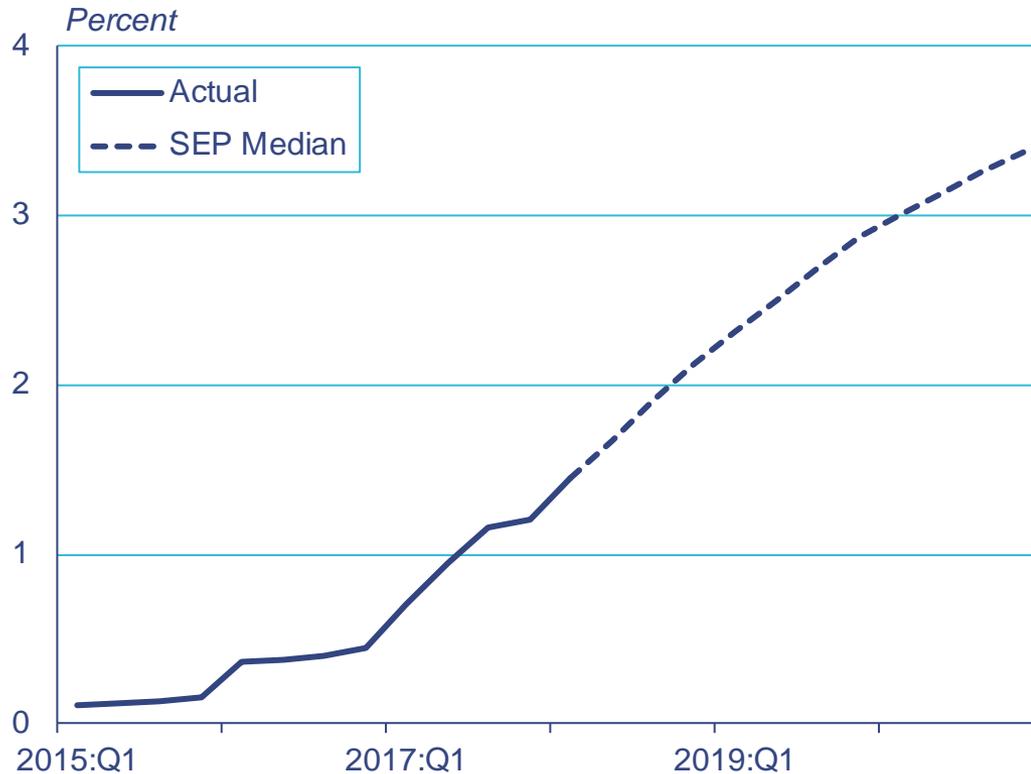


Note: SEP median projected values are for the unemployment rate in the fourth quarter of the year specified.

Source: FOMC, Summary of Economic Projections (SEP), March 21, 2018; BLS; Haver Analytics



Figure 3: Federal Funds Rate: Actual and Forecast from the Summary of Economic Projections
Actual, 2015:Q1 - 2018:Q1 and Forecast, 2018:Q4 - 2020:Q4



Note: SEP median projected values are for the federal funds rate in the fourth quarter of the year specified.

Source: FOMC, Summary of Economic Projections (SEP), March 21, 2018; BEA; Haver Analytics



Figure 4: Exports of Goods and Services as a Share of GDP

2015:Q1 - 2017:Q4

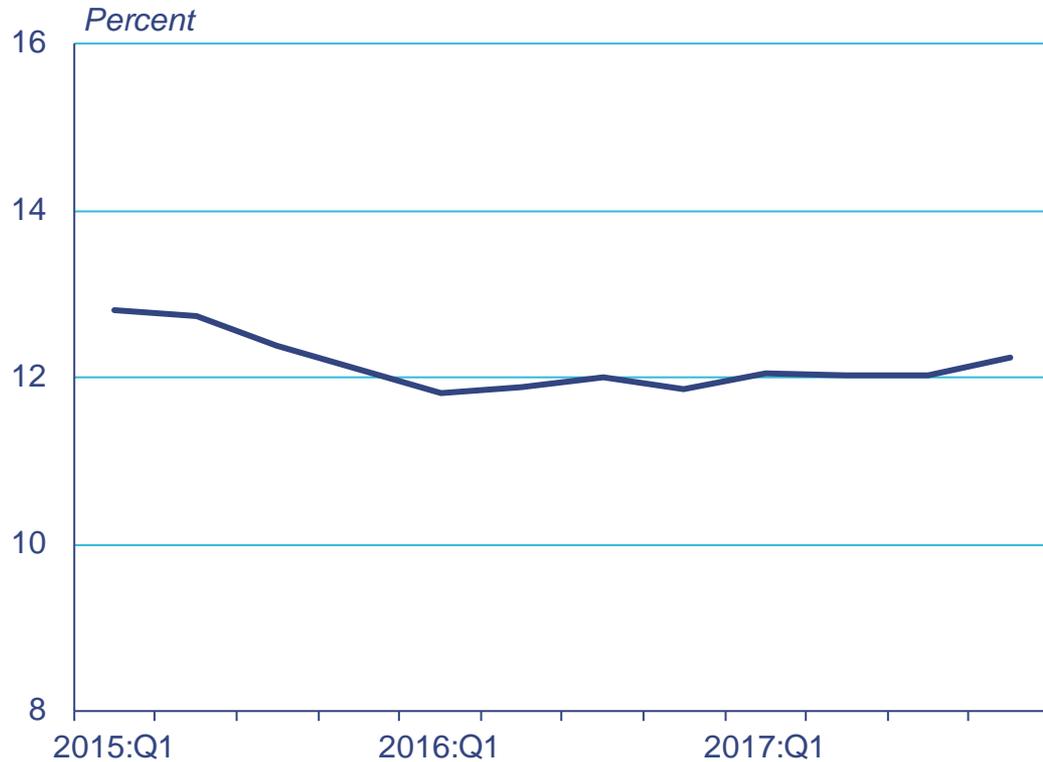




Figure 5: Percent Change in Import Price Indices January 2015 - March 2018

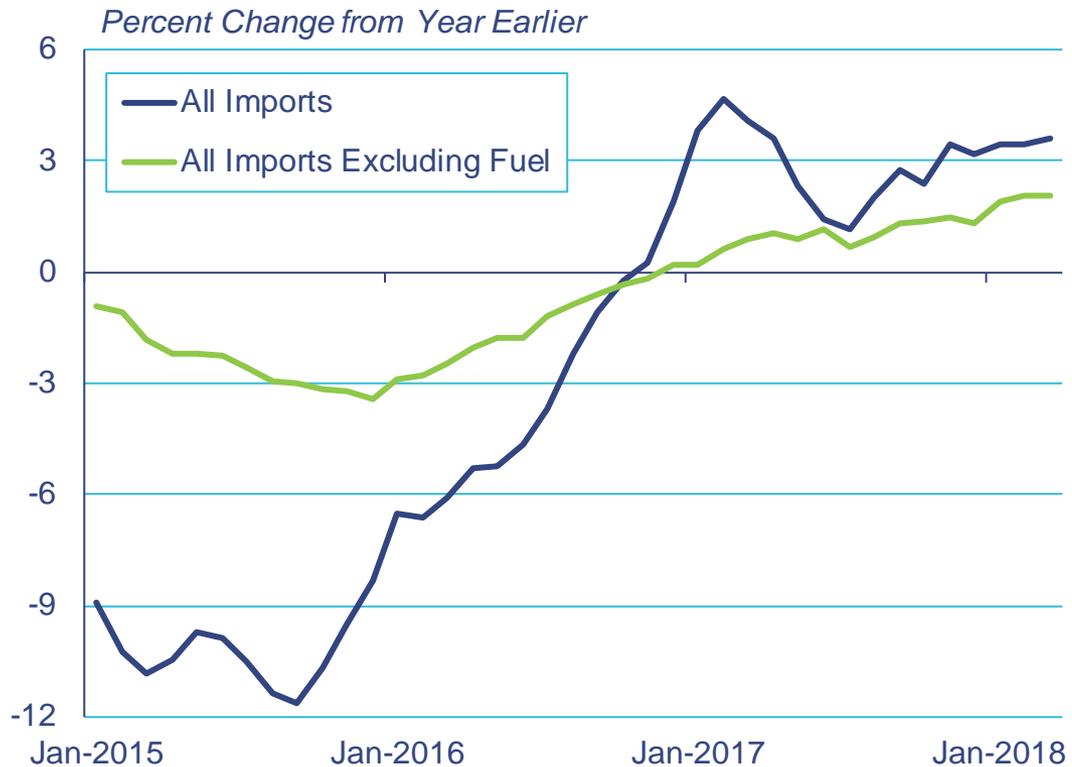




Figure 6: Unemployment Rate minus CBO Natural Rate of Unemployment
1970:Q1 - 2018:Q1

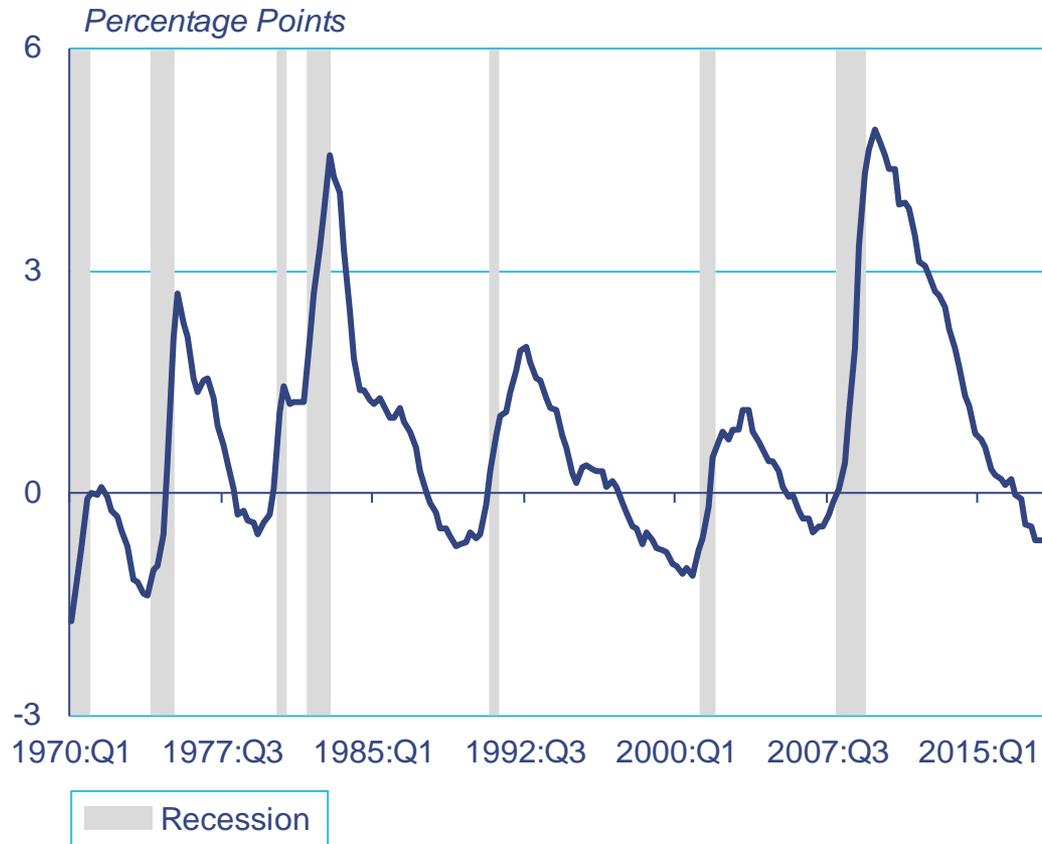
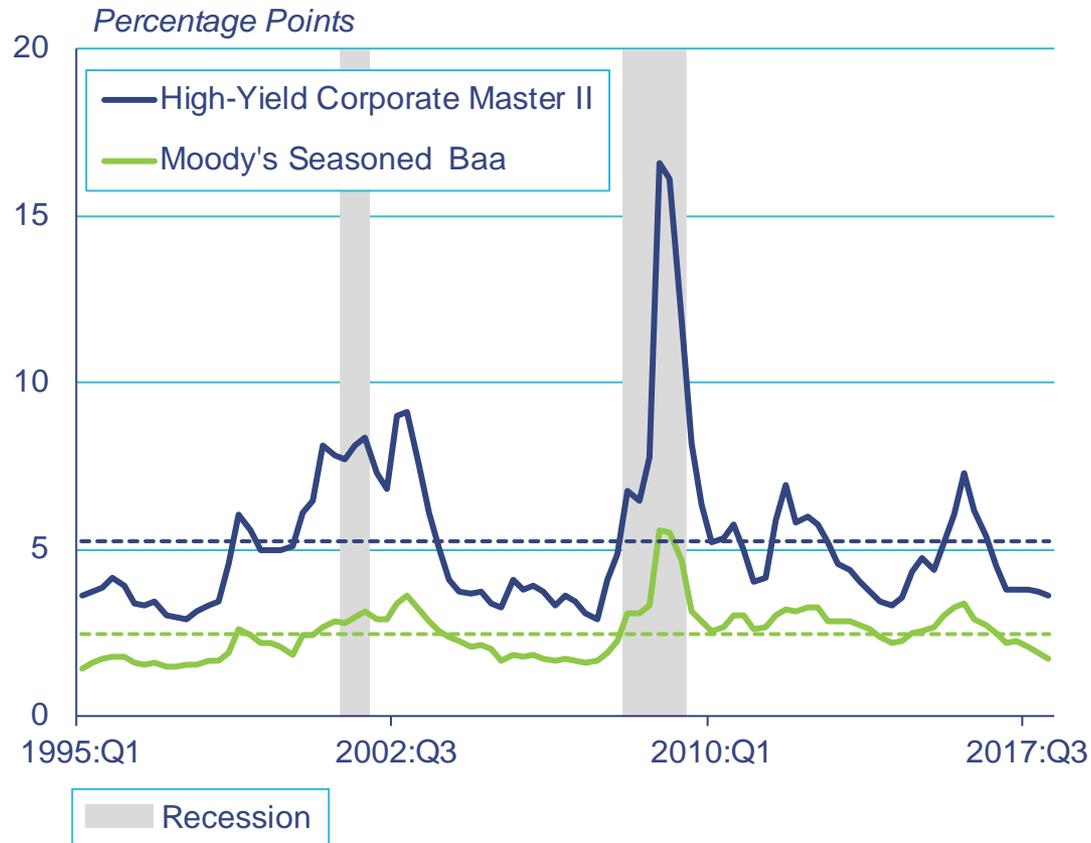




Figure 7: Corporate Bond Spreads over 10-Year U.S. Treasury Yield

1995:Q1 - 2018:Q1

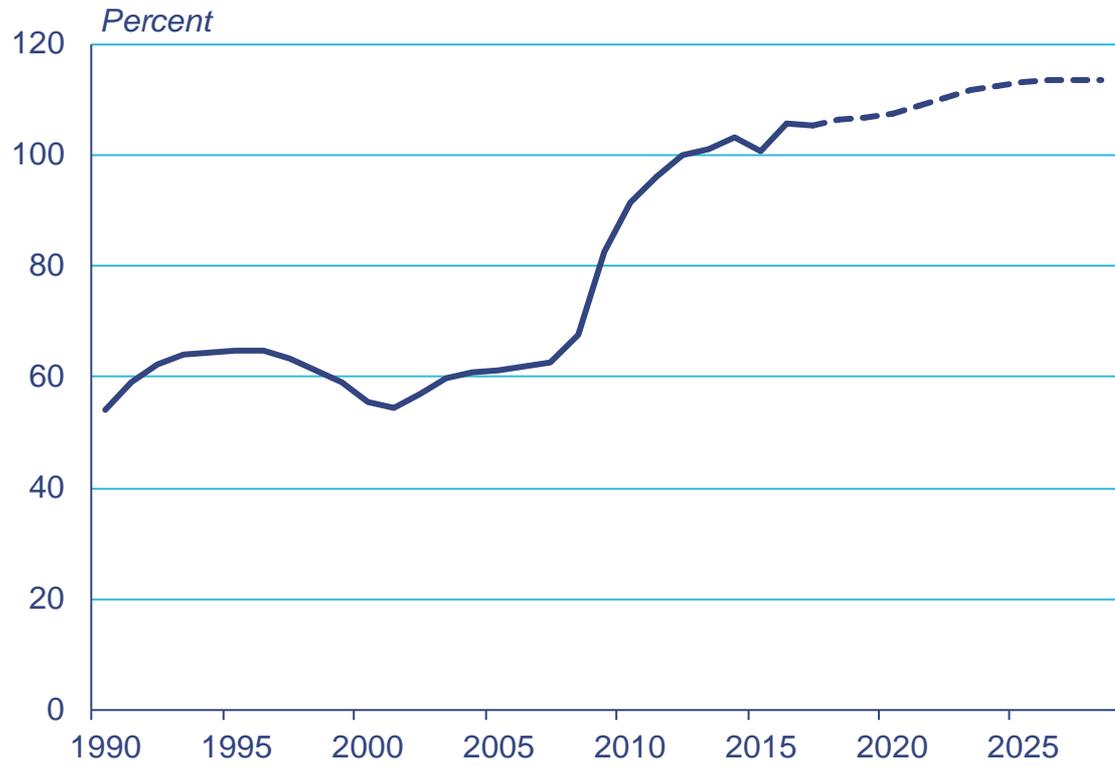


Note: Dashed lines are averages over the period.

Source: ICE/BofA Merrill Lynch, Moody's, Haver Analytics



Figure 8: Gross Federal Debt as a Percentage of GDP
Actual, 1990 - 2017, Projection, 2018 - 2028



Note: CBO projections for the U.S. (2018 - 2028) were released on April 9, 2018 and include the recent tax changes and increases in the federal budget.

Source: OMB, CBO, Haver Analytics



Figure 9: Federal Funds Rate
1970:Q1 - 2018:Q1

