



EMBARGOED UNTIL 4:00 P.M U.S. Eastern Time,
Wednesday, November 20, 2024 – OR UPON DELIVERY

Perspectives on the Economy and Policy

*Remarks at the University of Michigan's
Gerald R. Ford School of Public Policy*

Susan M. Collins
President & Chief Executive Officer
Federal Reserve Bank of Boston

November 20, 2024
Ann Arbor, Michigan

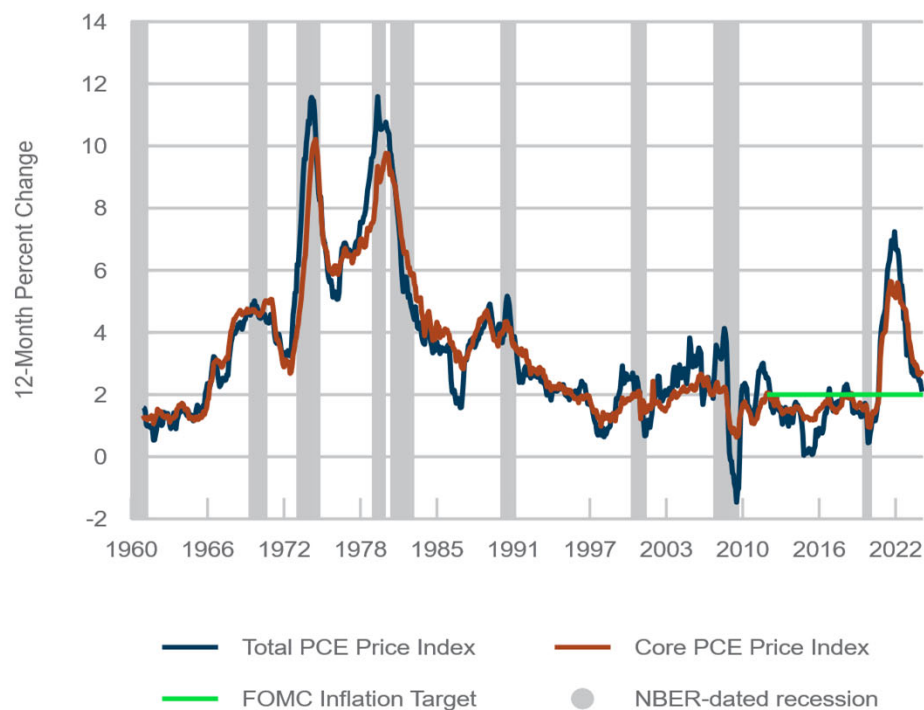


Public Service That Makes a Difference®

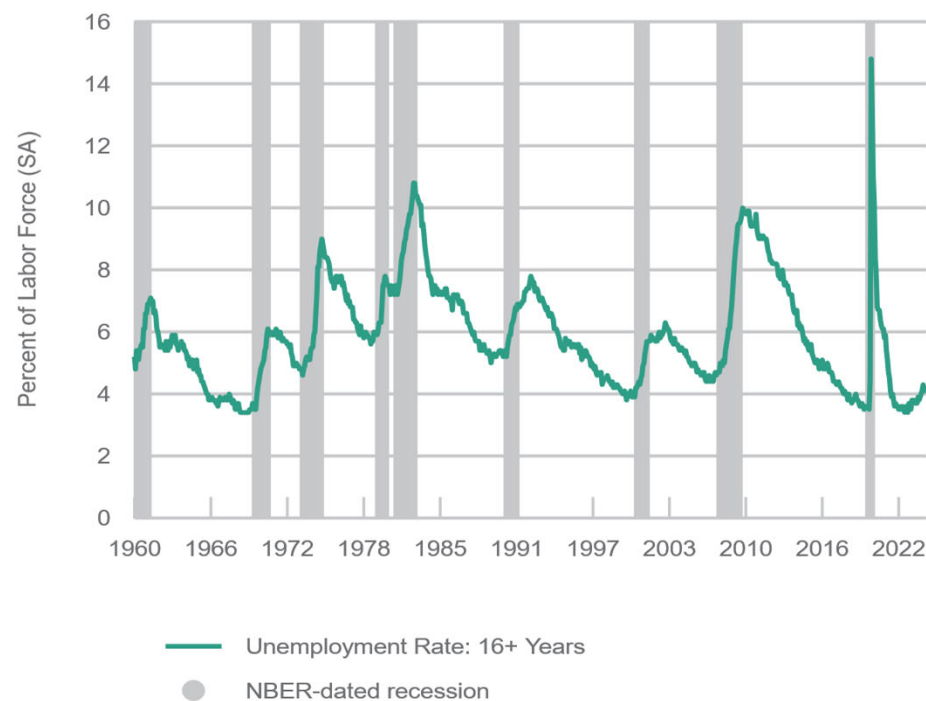
bostonfed.org

Figure 1 | Inflation and the Unemployment Rate

A. PCE Inflation



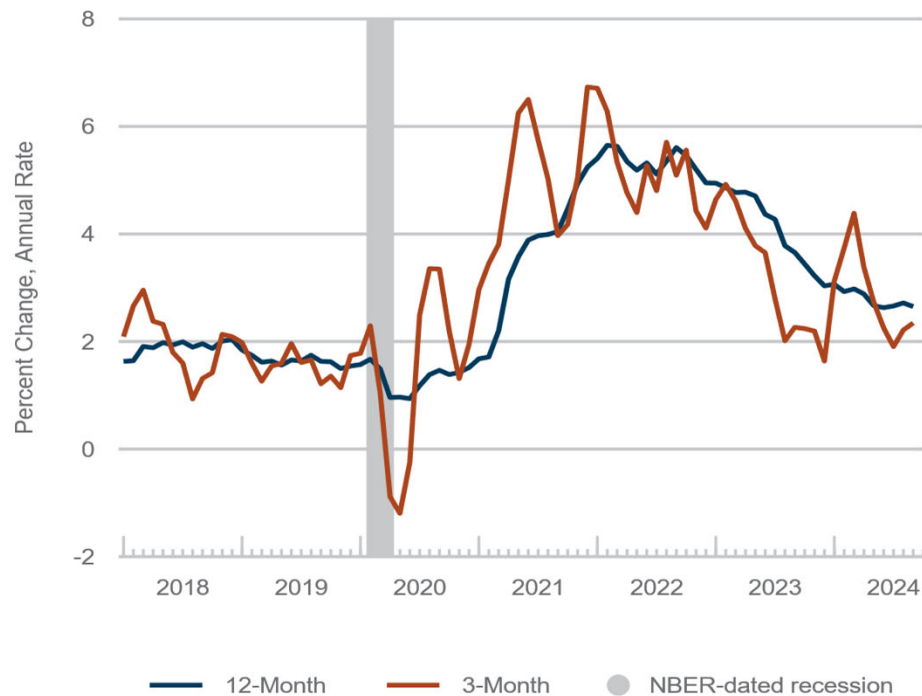
B. Unemployment Rate



Note: In January 2012 the FOMC formally adopted a 2 percent target for total PCE inflation.
Source: Bureau of Economic Analysis, Bureau of Labor Statistics / Haver Analytics.

Figure 2 | Core Inflation and Inflation Volatility

A: Core PCE Inflation



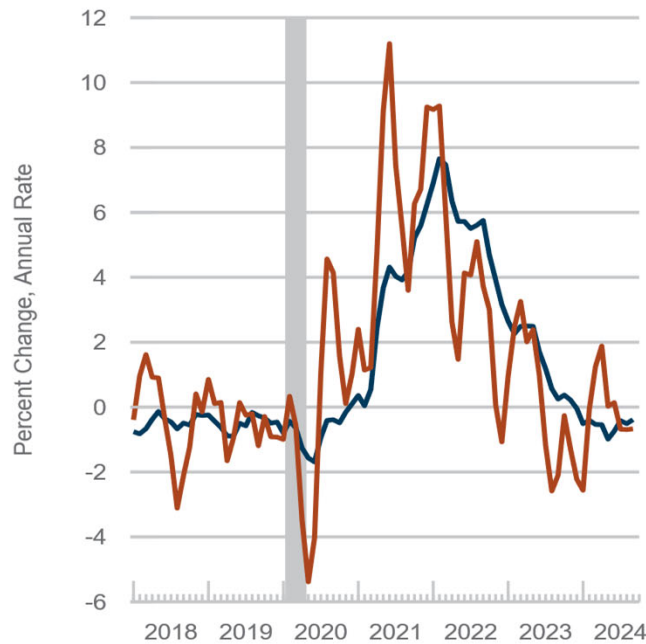
B: Volatility of Monthly Core PCE Inflation



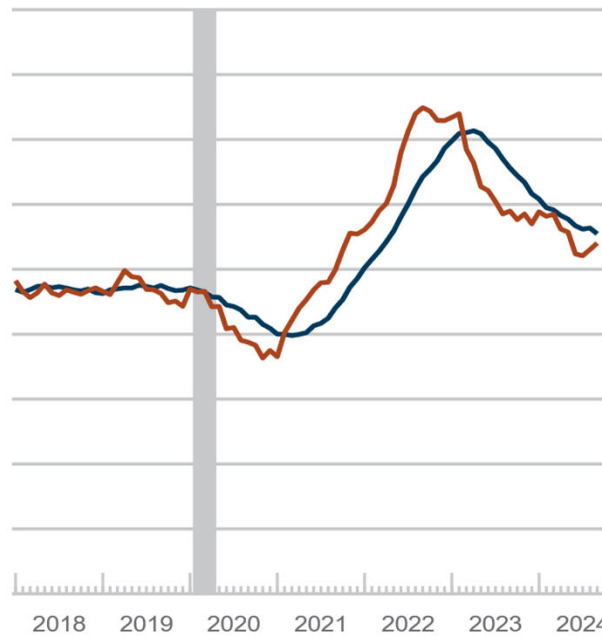
Note: Volatility is measured by a two-year trailing standard deviation of monthly inflation.
Source: Bureau of Economic Analysis / Haver Analytics.

Figure 3 | Components of Core PCE Inflation

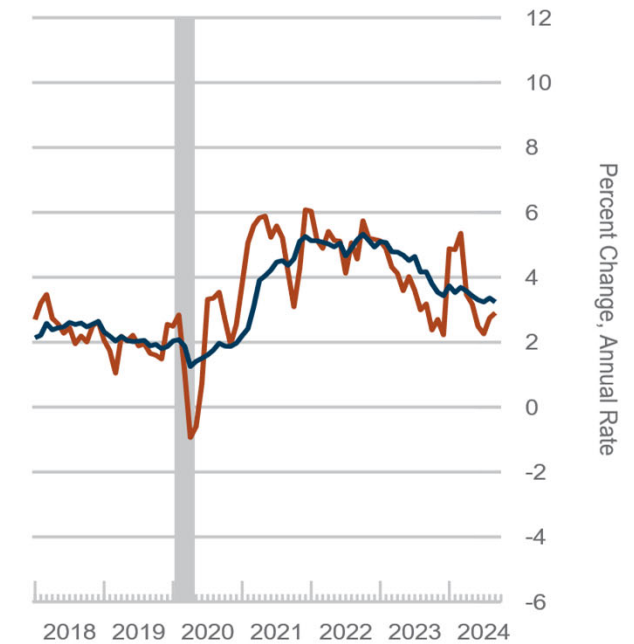
A: Goods



B: Housing



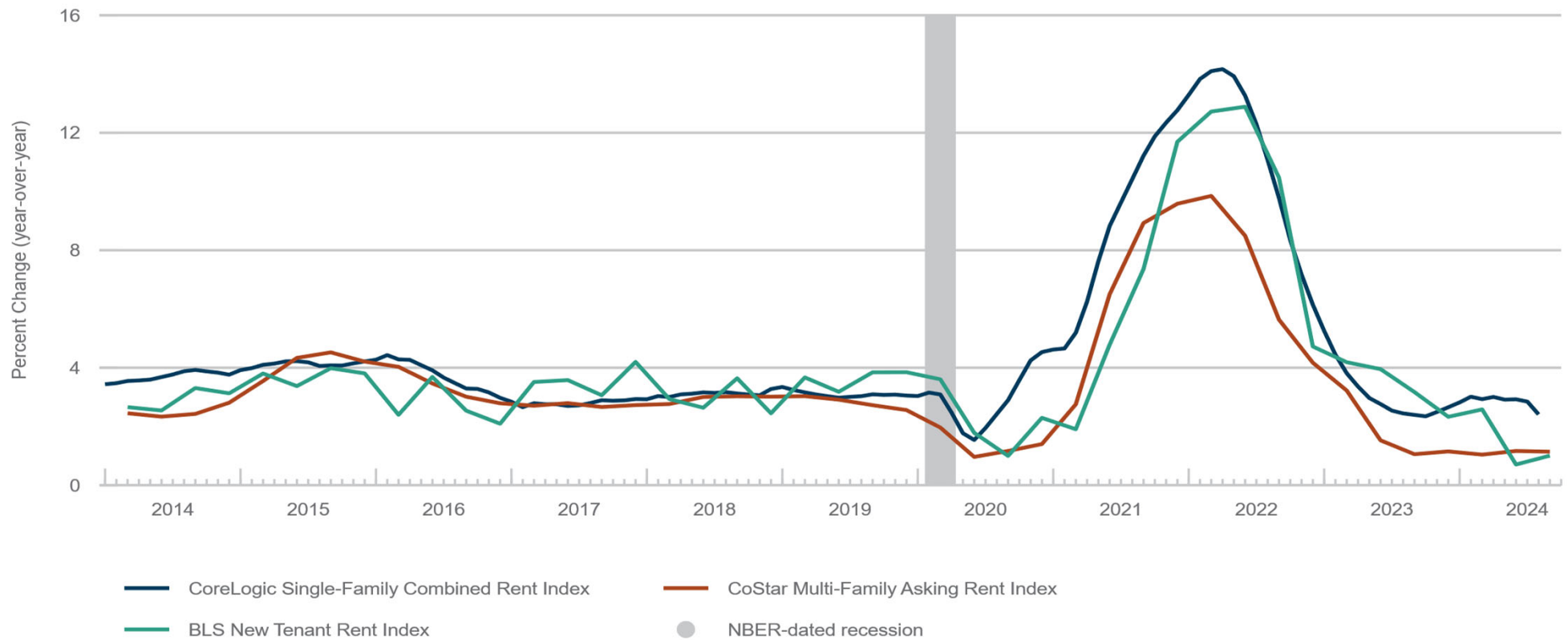
C: Services Excl. Housing



— 12-Month — 3-Month ● NBER-dated recession

Source: Bureau of Economic Analysis / Haver Analytics.

Figure 4 | National Market Rent Indices



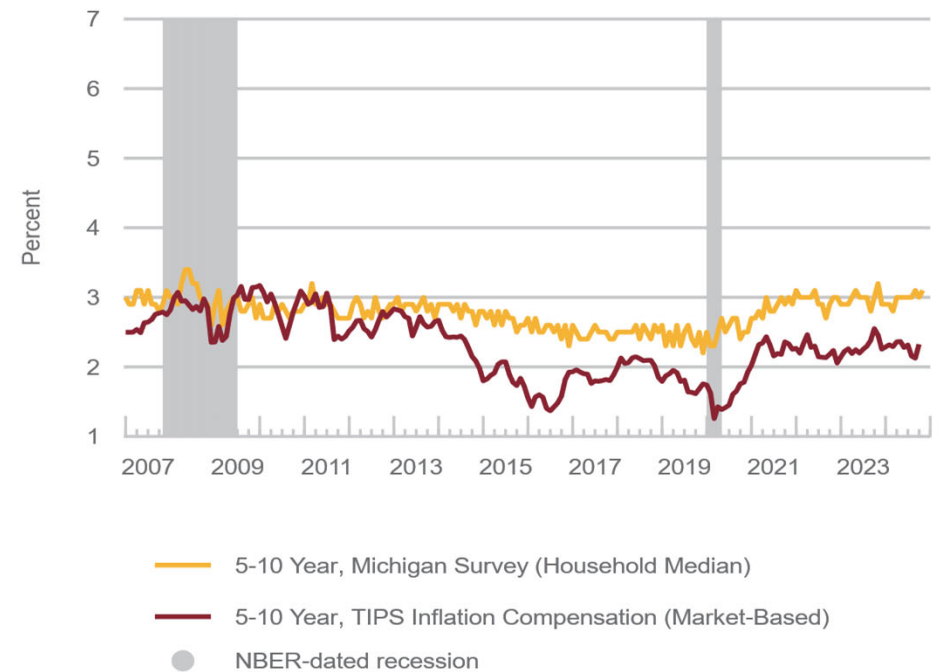
Notes: CoreLogic Combined Index includes both attached and detached homes. CoreLogic data are at a monthly frequency, CoStar and BLS data are at a quarterly frequency. Source: CoStar, CoreLogic/RADAR, Bureau of Labor Statistics / Haver Analytics.

Figure 5 | Inflation Expectations

A. Short-Term Inflation Expectations

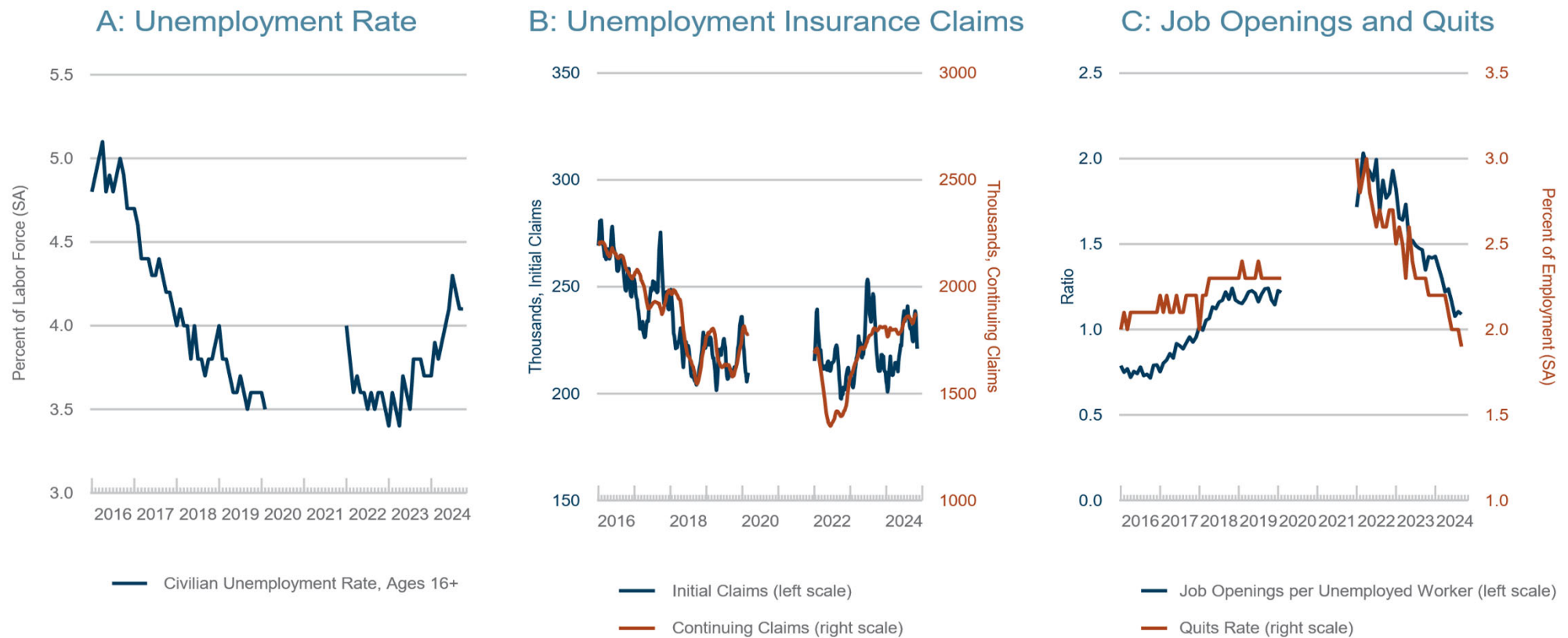


B. Longer-Term Inflation Expectations



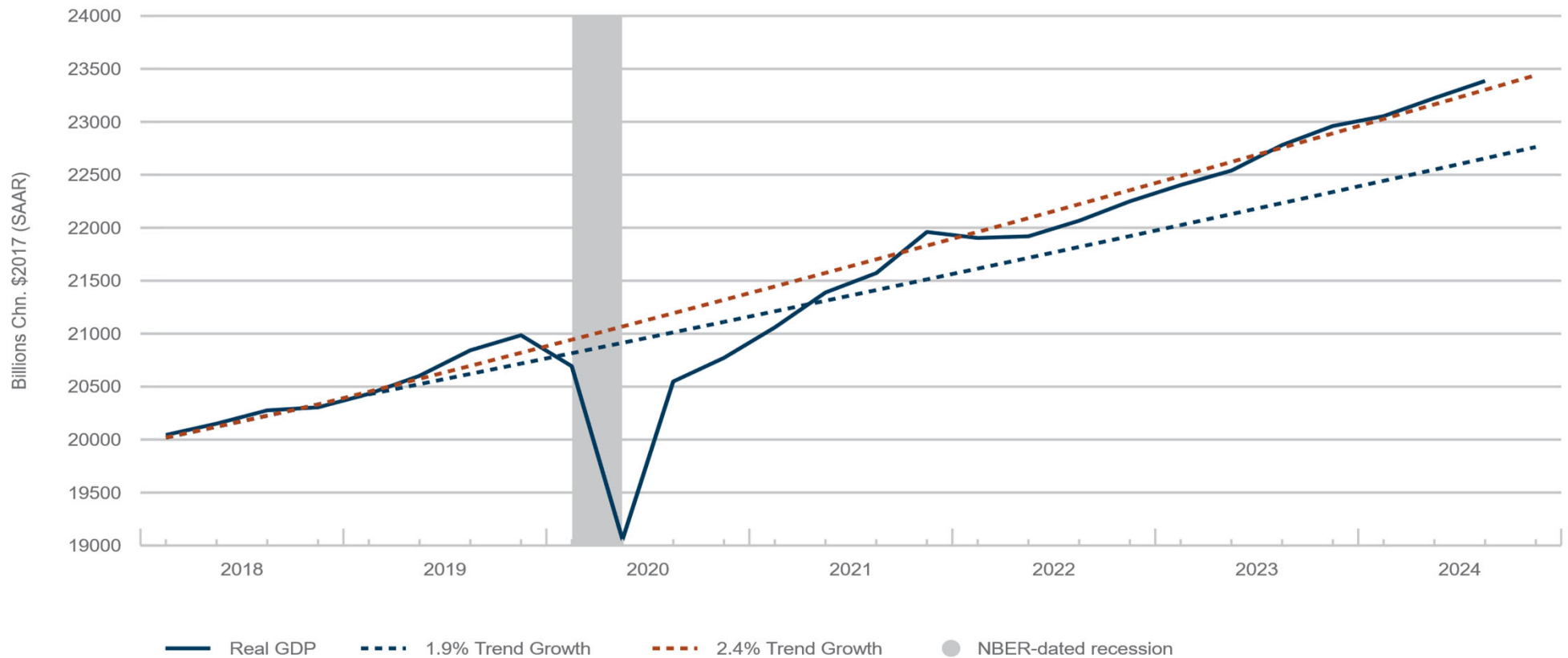
Source: Federal Reserve Bank of New York, Federal Reserve Bank of Philadelphia, Federal Reserve Board of Governors, University of Michigan / Haver Analytics.

Figure 6 | Employment Indicators



Note: Unemployment insurance claims data are four-week moving averages. The period from March 2020 to December 2021 is excluded.
Source: Bureau of Labor Statistics, Department of Labor / Haver Analytics.

Figure 7 | Real GDP and Longer-Run Trend Growth



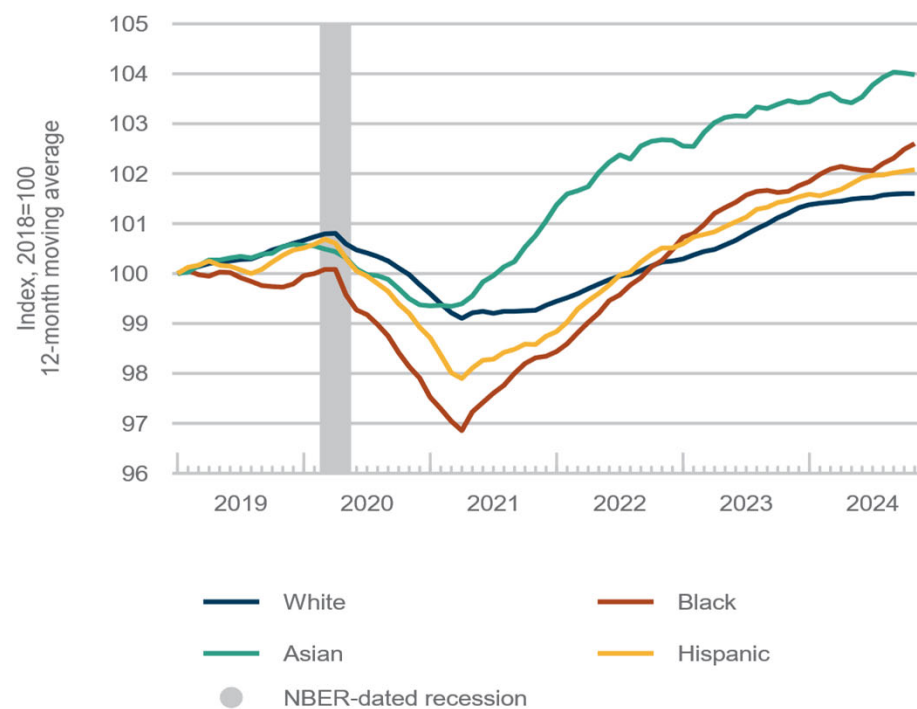
Source: Bureau of Economic Analysis, Author's Calculations / Haver Analytics.

Figure 8 | Prime Age Labor Force Participation

A: By Gender

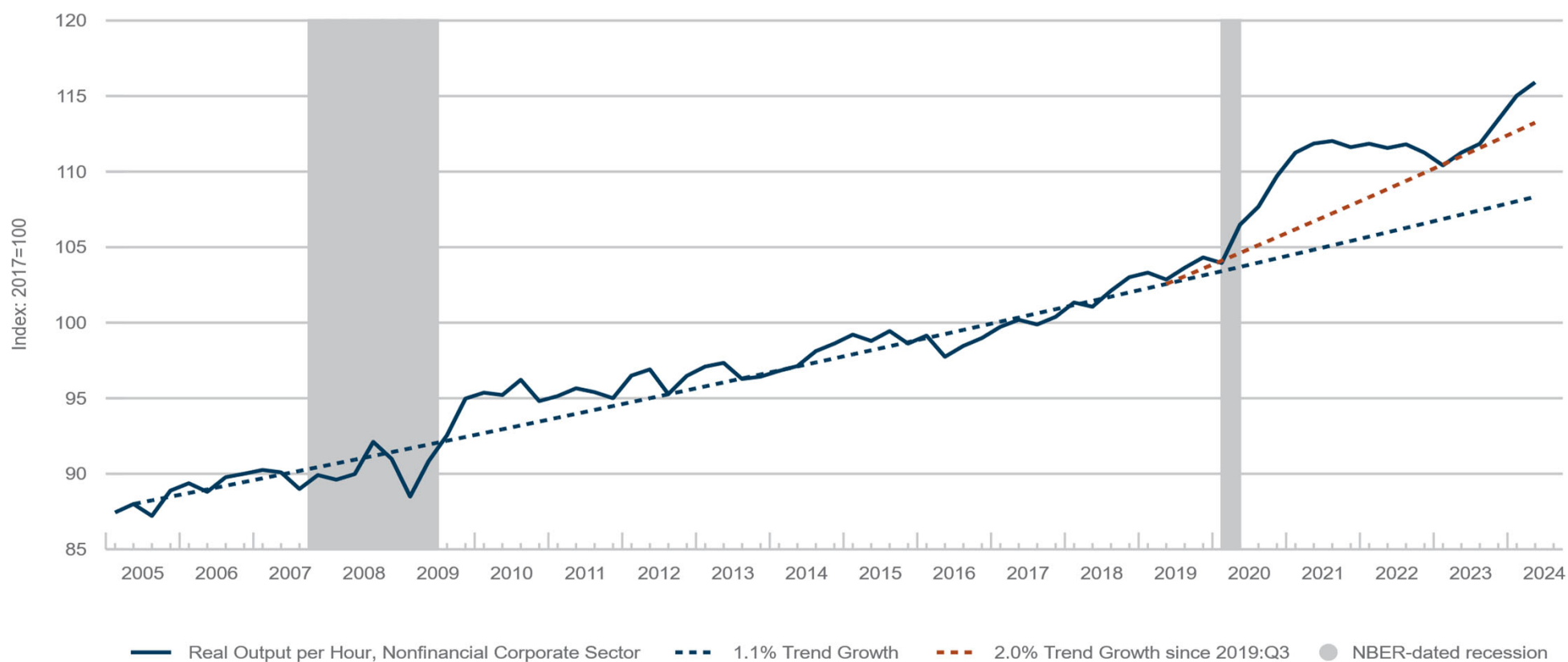


B: By Race/Ethnicity



Note: Prime age defined as ages 25-54.
Source: Bureau of Labor Statistics / Haver Analytics

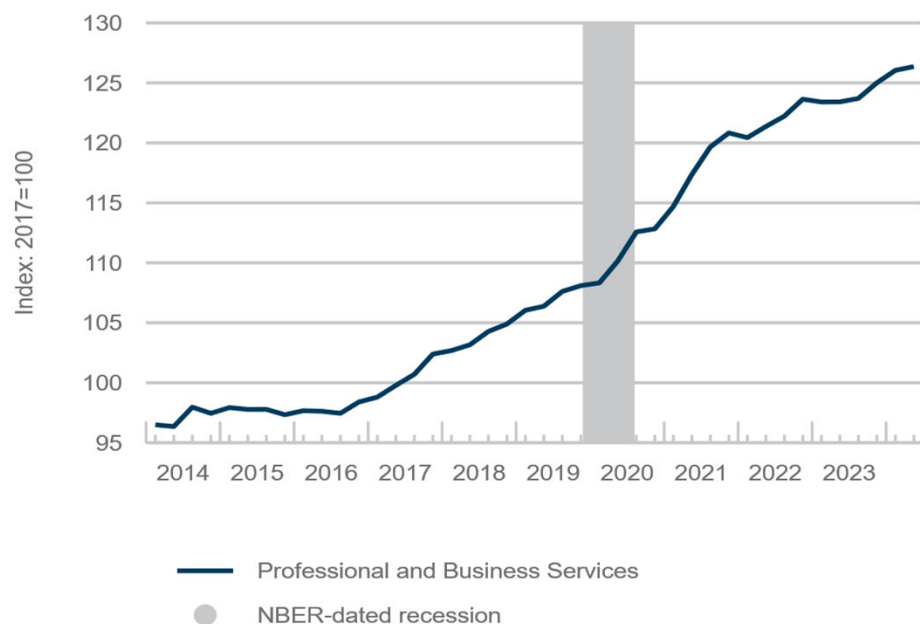
Figure 9 | Real Output per Hour: Nonfinancial Corporate Sector



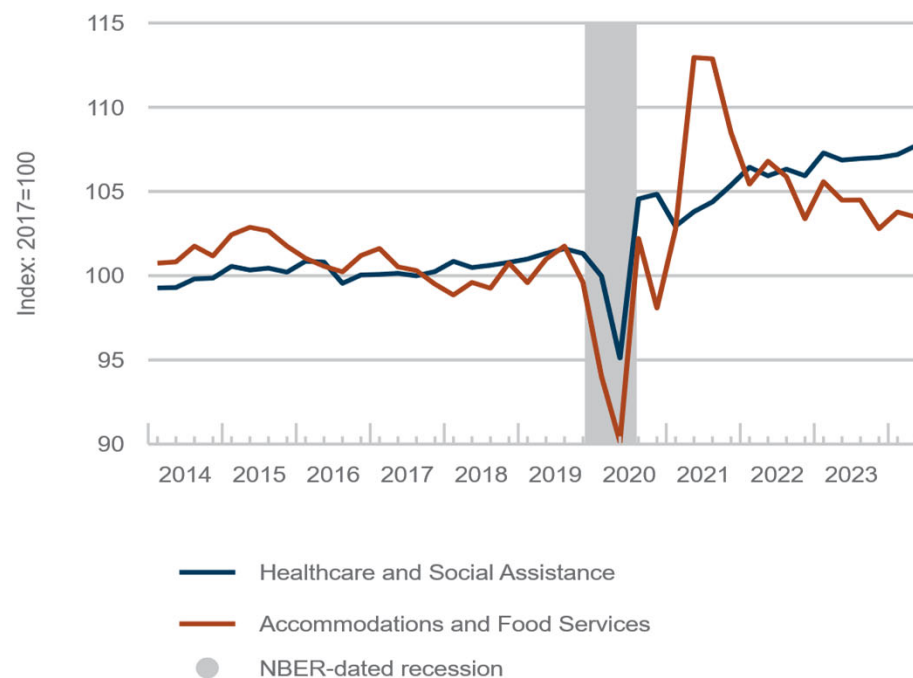
Source: Bureau of Labor Statistics, Author's Calculations / Haver Analytics.

Figure 10 | Real Output per Hour, Selected Sectors

A. Professional and Business Services

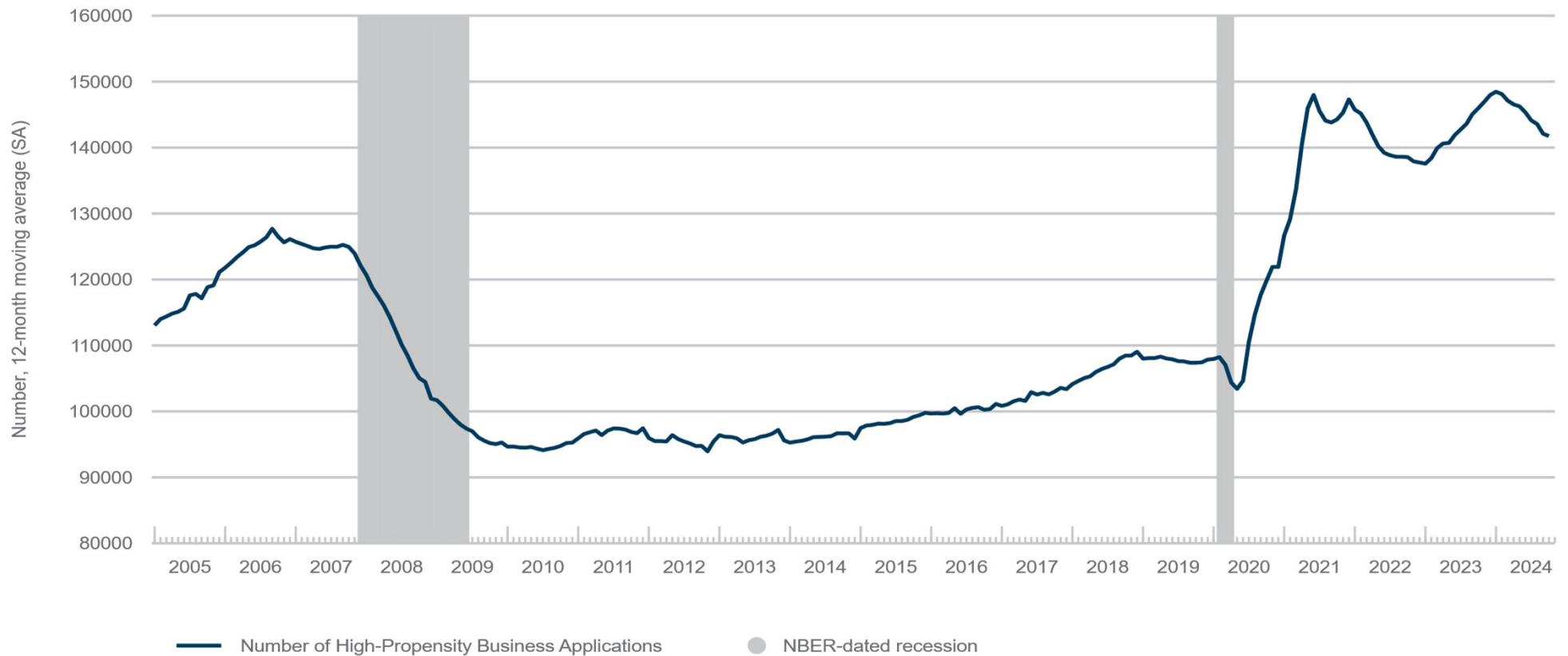


B. Healthcare and Accommodations & Food Services



Source: Bureau of Economic Analysis, Bureau of Labor Statistics, Author's Calculations / Haver Analytics.

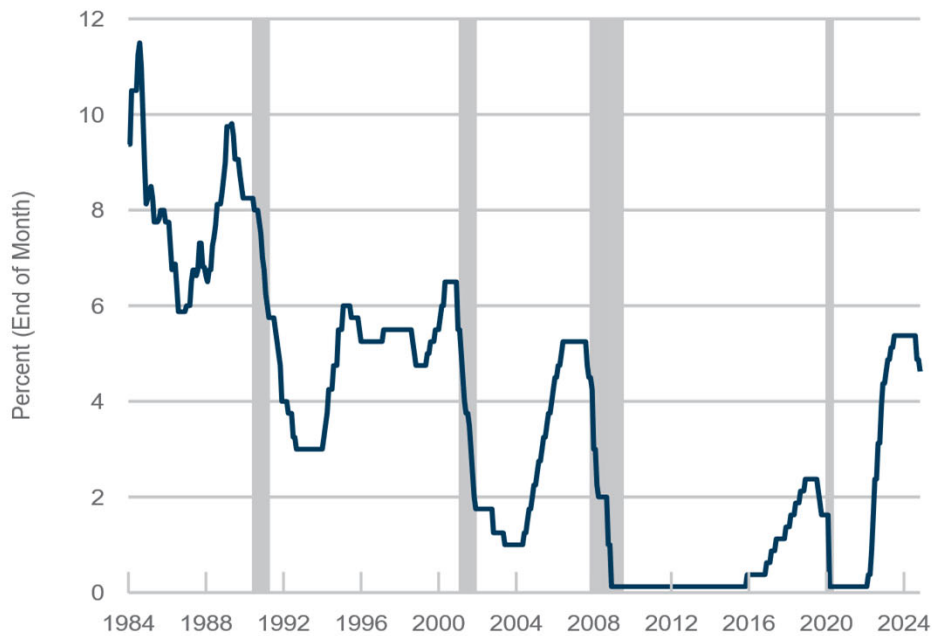
Figure 11 | Business Applications



Source: Census Bureau / Haver Analytics.

Figure 12 | Federal Funds Target Rate

A: 1984-2024



● NBER-dated recession

Note: Since December 2008 the Federal Funds target rate is the average of the upper and lower limits.
Source: Federal Reserve Board / Haver Analytics.

B: 2021-2024

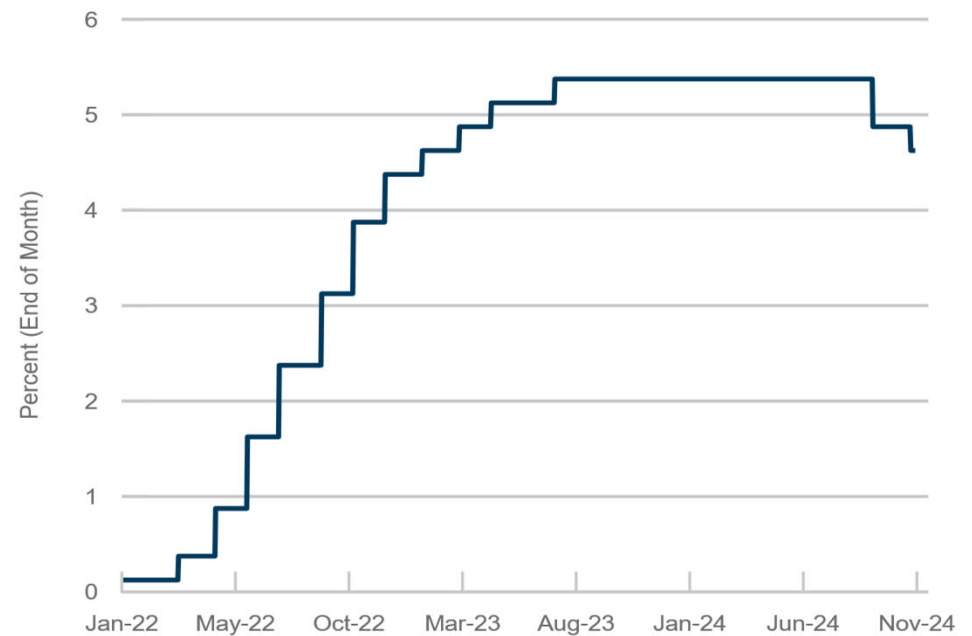
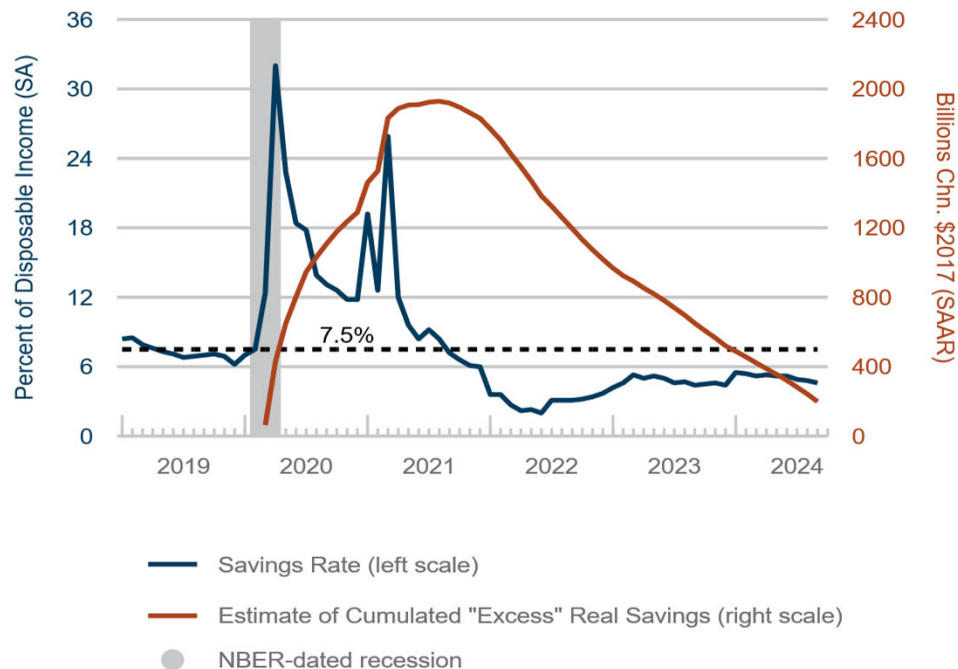
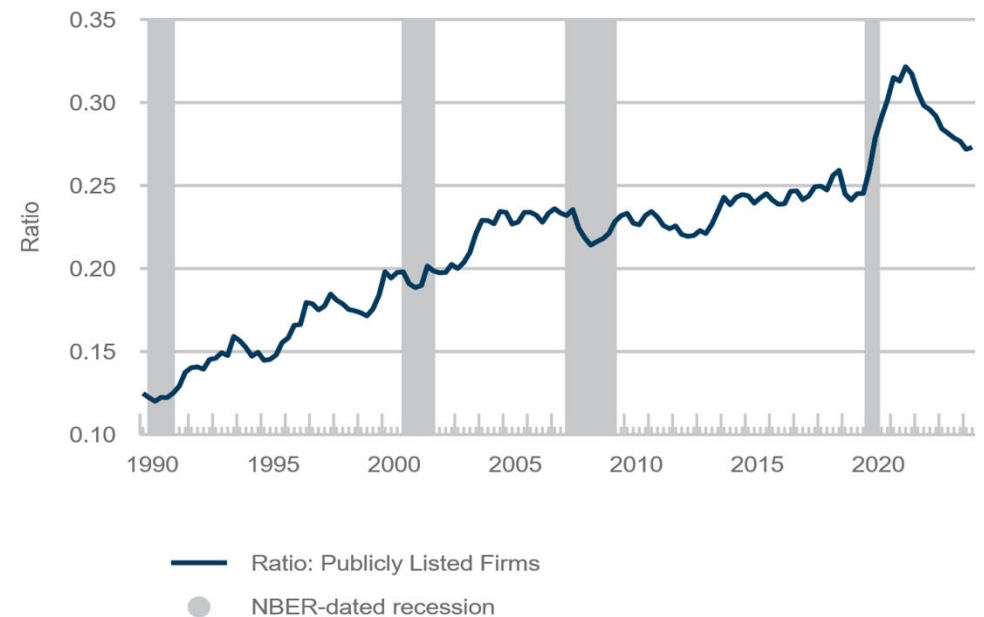


Figure 13 | Financial Positions of Households and Firms

A: Household Savings



B. Cash-to-Assets Ratio



Note: Dashed line at 7.5% in Panel A represents the 4-quarter trailing average of the household saving rate as of 2020:Q1.

The following industries are excluded from Panel B: Agriculture, Forestry, Fishing and Hunting; Mining, Quarrying, and Oil and Gas Extraction; Utilities; Finance and Insurance; Real Estate and Rental and Leasing; Public Administration. Cash also includes cash equivalents.

Source: Bureau of Economic Analysis / Haver Analytics, Compustat, Author's Calculations.

Figure 14 | The Federal Reserve System

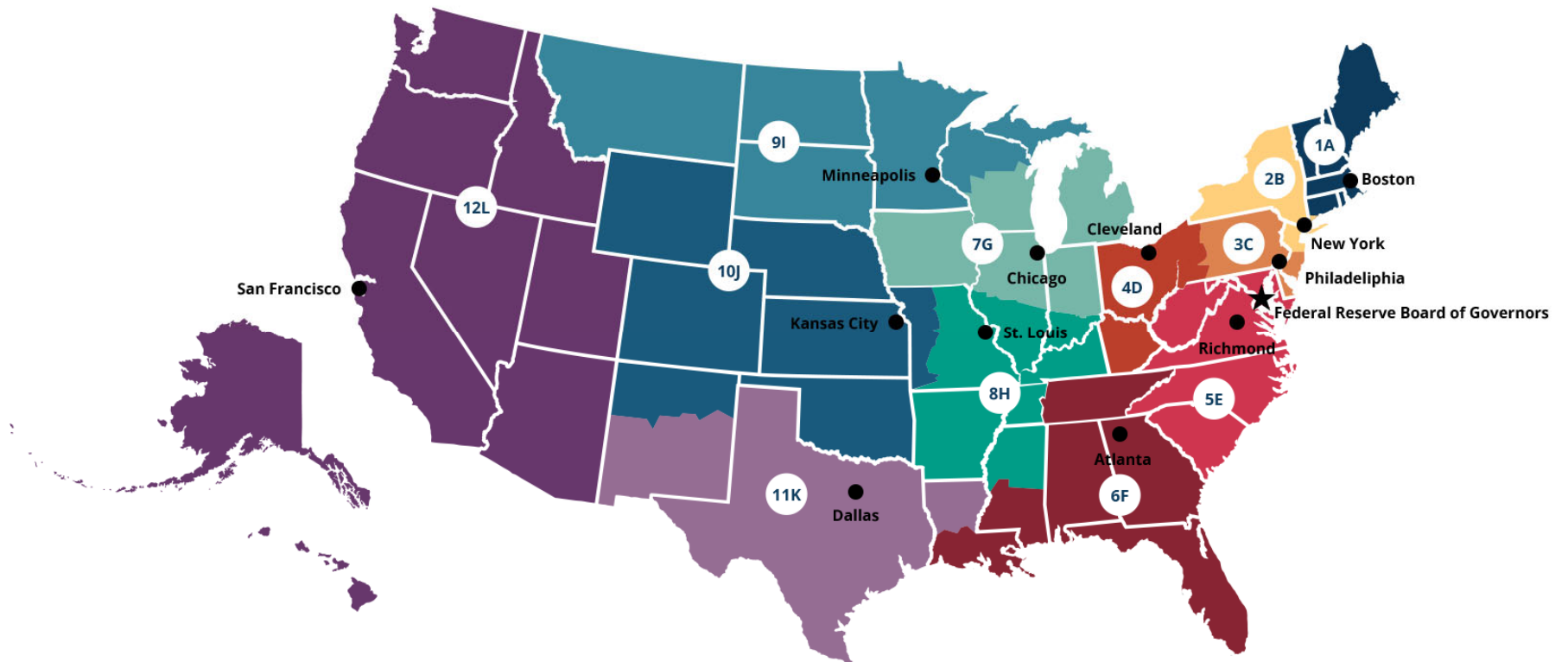


Figure 15 | Engagement with Stakeholders in the Economy

