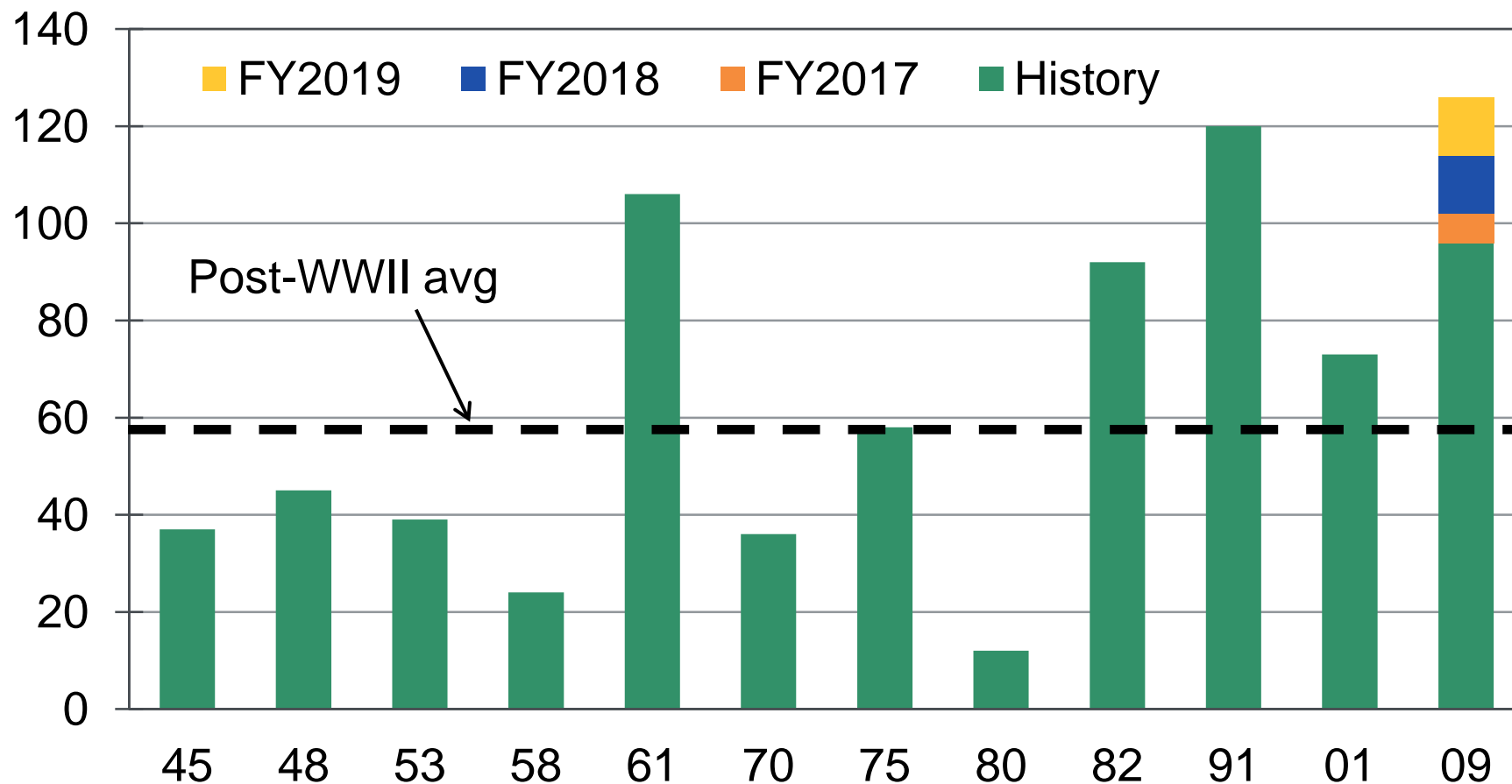


Flying Above the Clouds

ADAM KAMINS, SENIOR ECONOMIST

We Are Pushing the Envelope

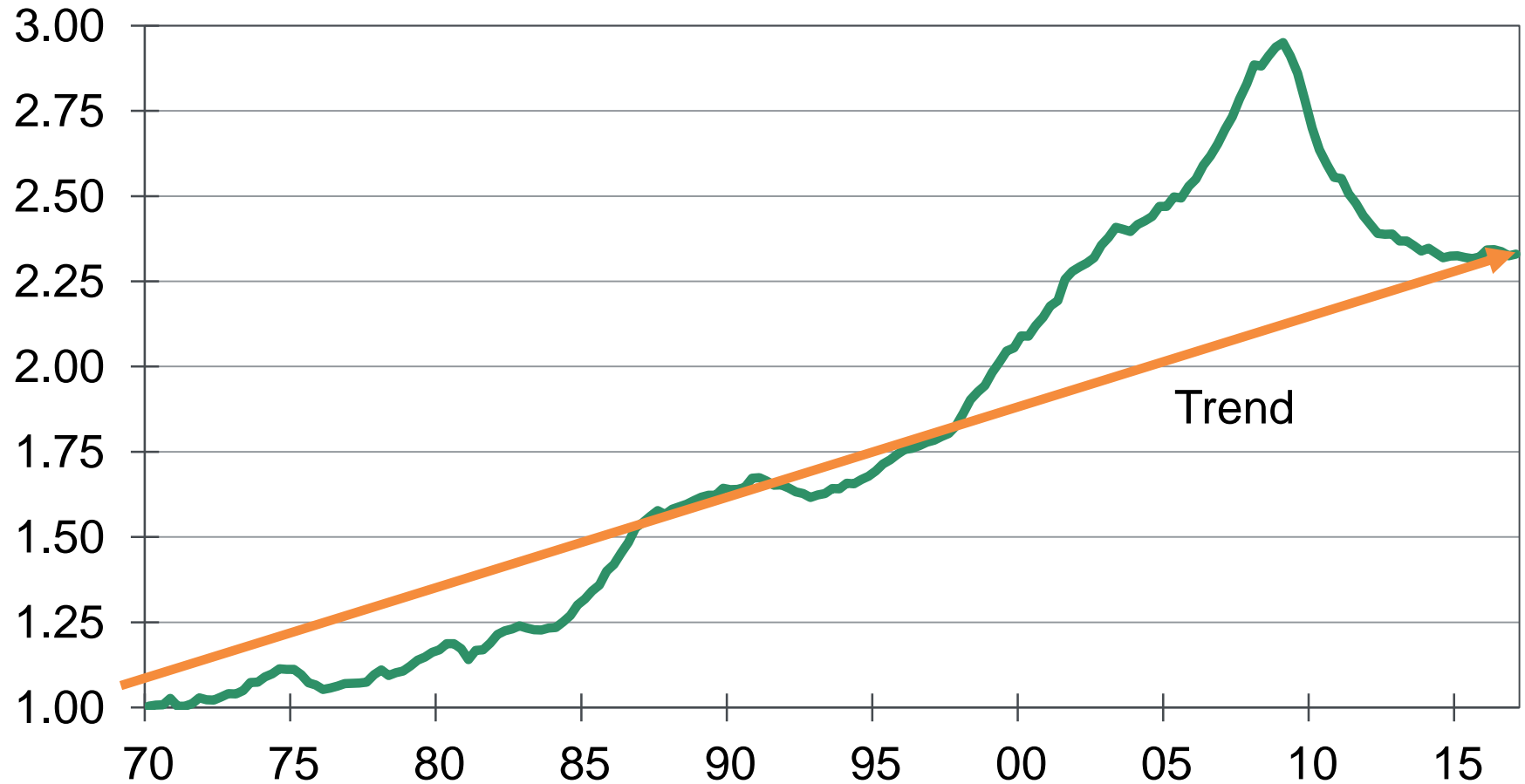
Duration of business cycle expansion, mo, federal fiscal yr



Sources: NBER, Moody's Analytics

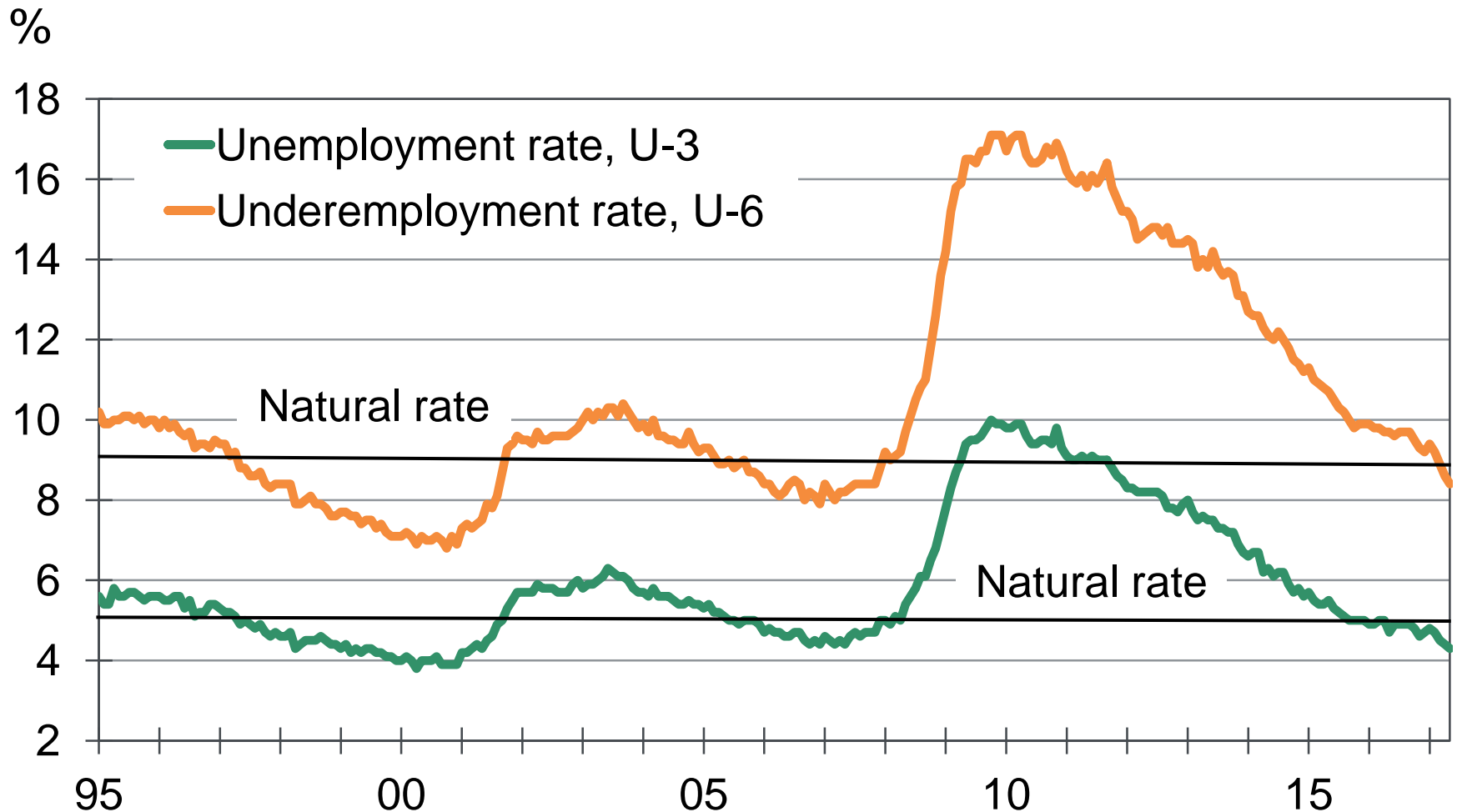
The Economy Is Free of Major Bubbles

Domestic private sector debt-to-GDP ratio



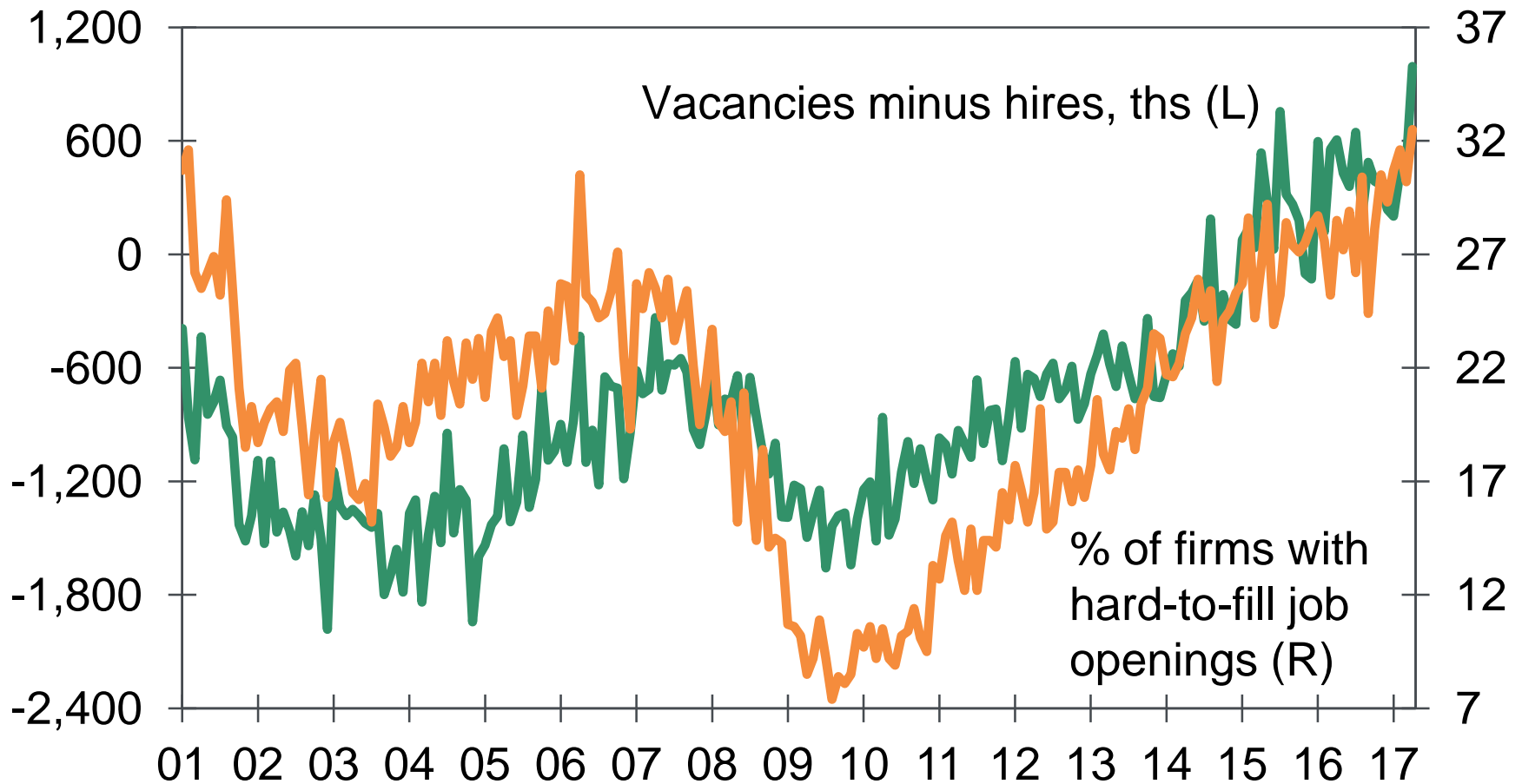
Sources: Federal Reserve, Moody's Analytics

Full Employment Finally Returns



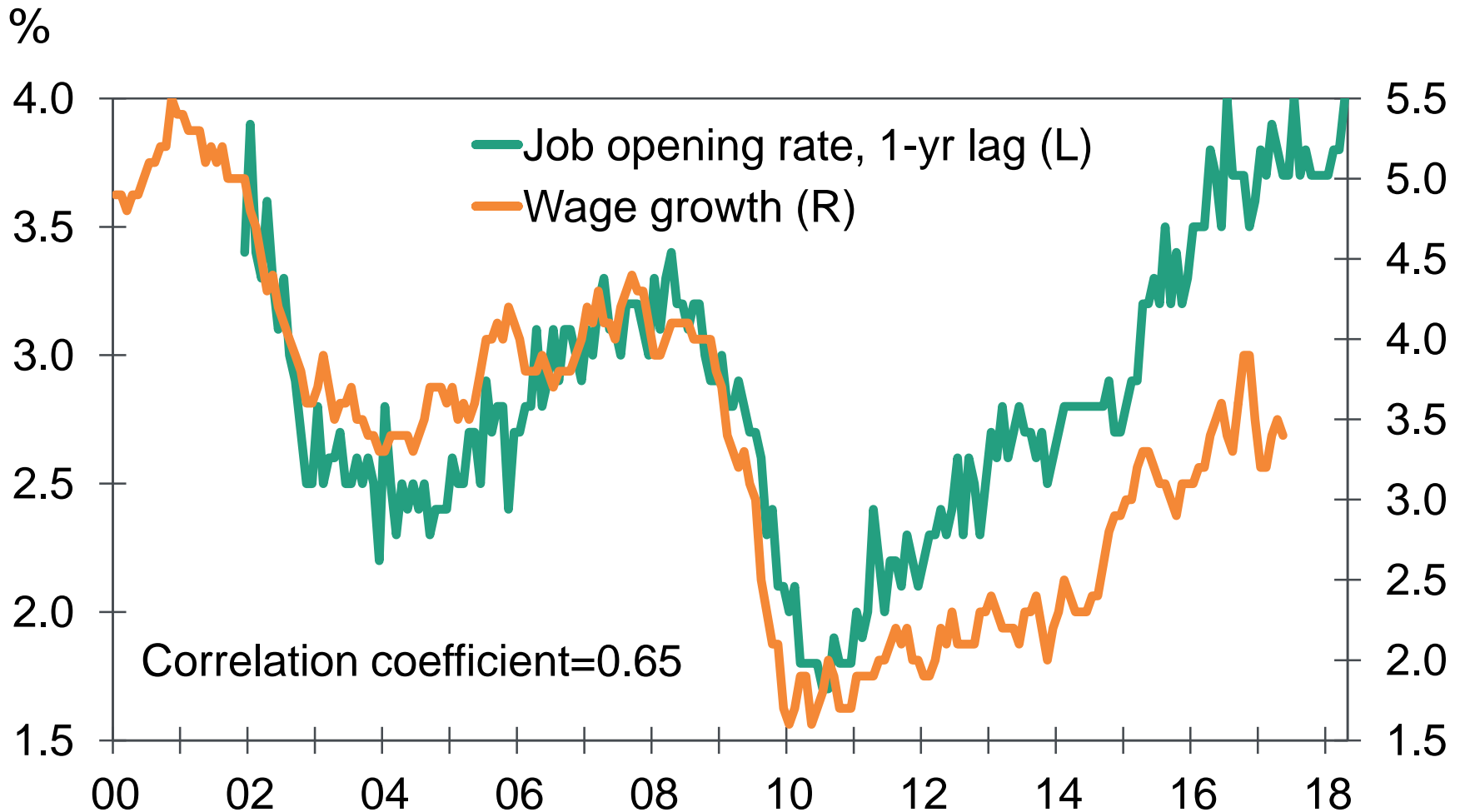
Sources: BLS, Moody's Analytics

Employers Struggle to Fill Open Positions...



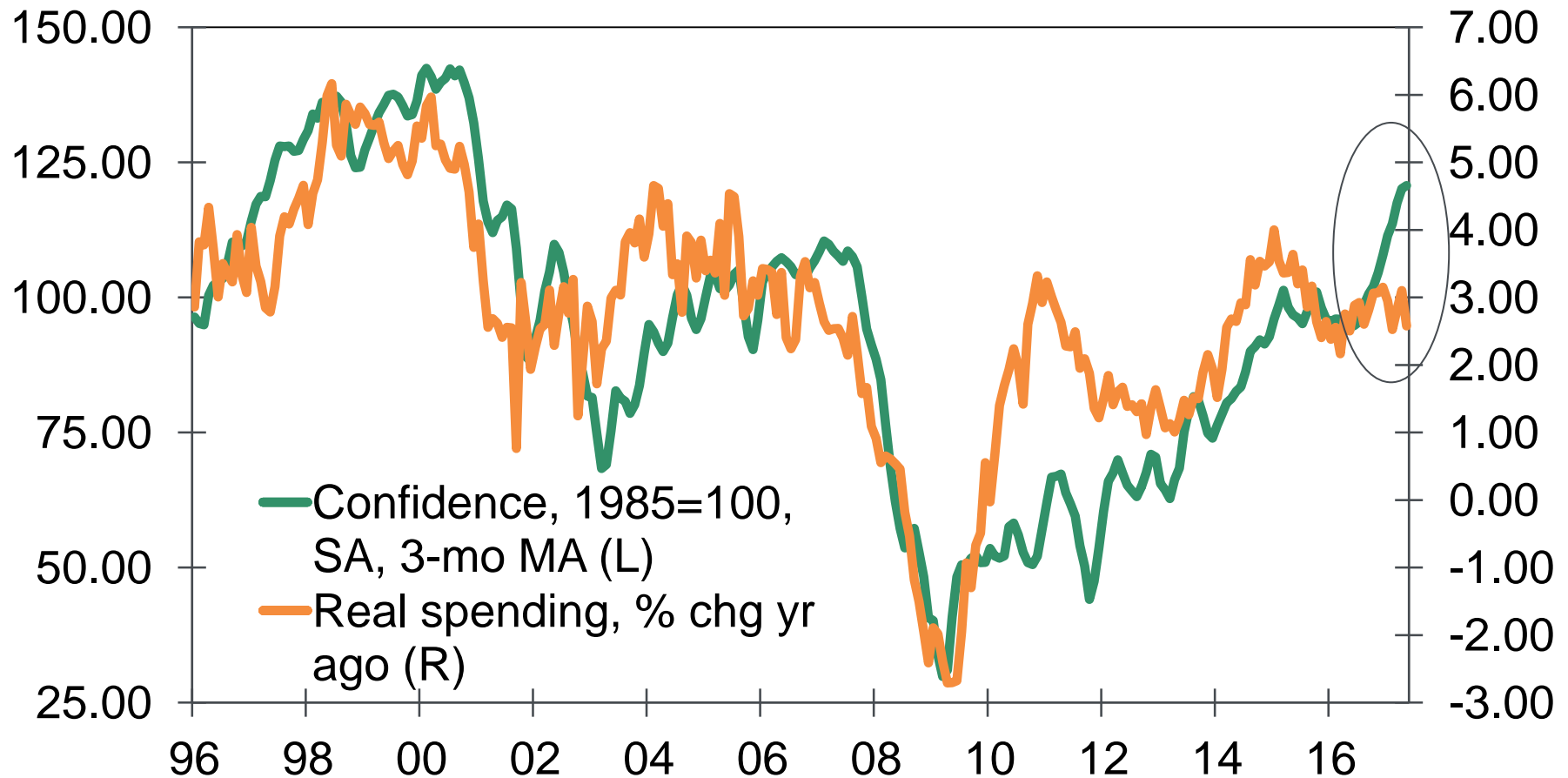
Sources: BLS, NFIB, Moody's Analytics

...Putting Upward Pressure on Wages...



Sources: Atlanta Fed, BLS, Moody's Analytics

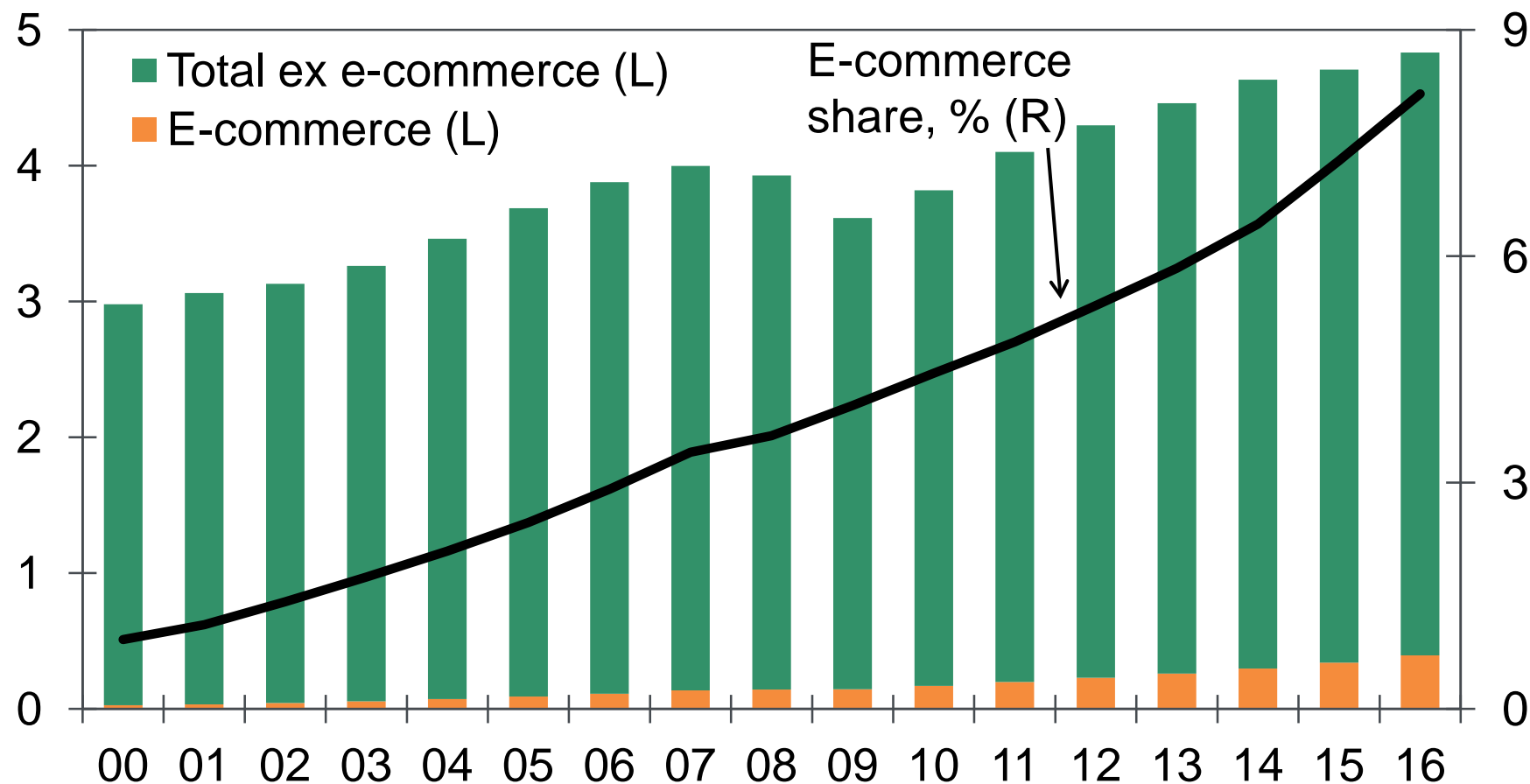
...Lifting Confidence, but Not Spending



Sources: BEA, Conference Board, Moody's Analytics

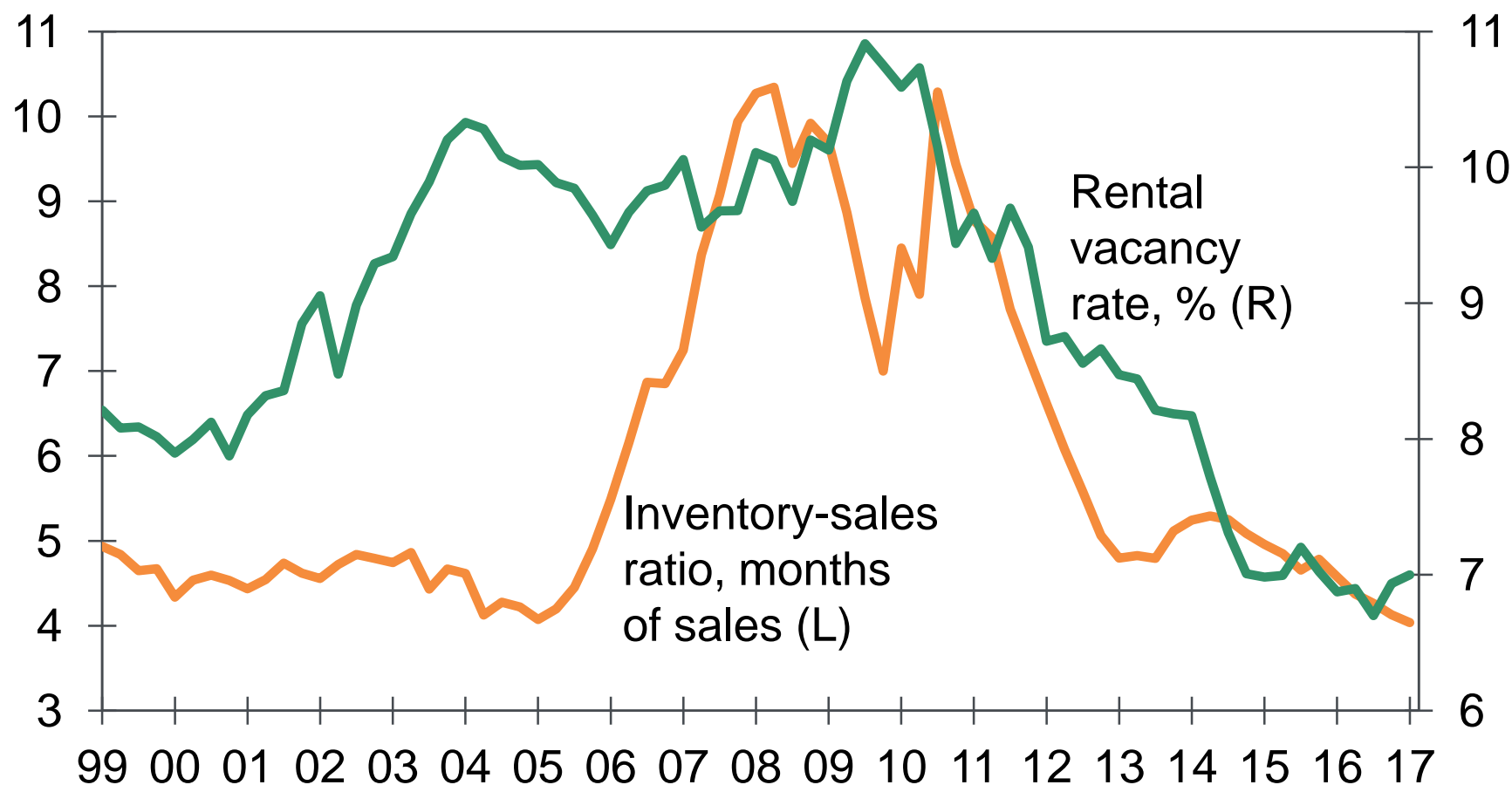
Online Shoppers Drive Retail Gains

Retail sales, \$ bil



Sources: Census Bureau, Moody's Analytics

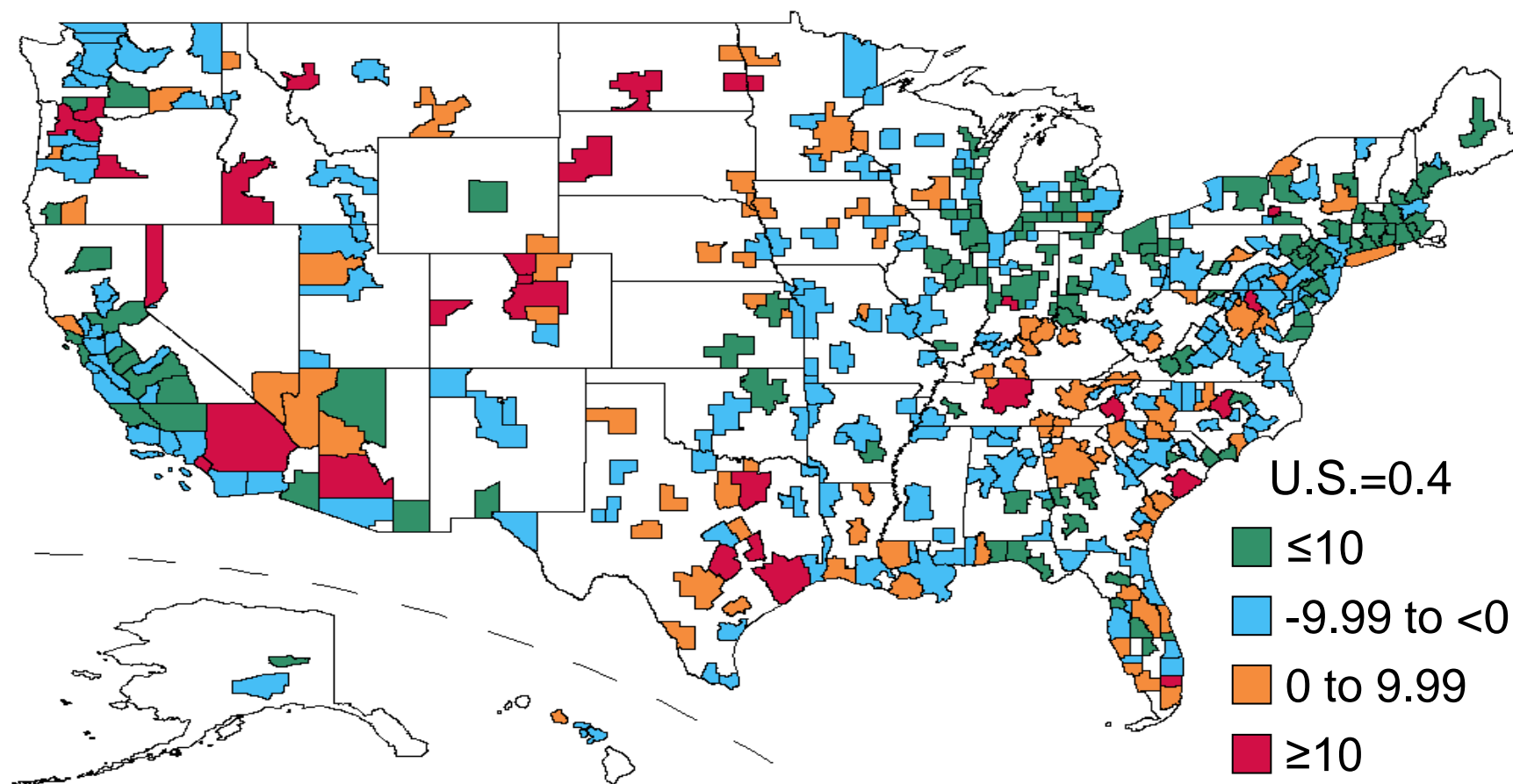
Housing Market Is Tight Again



Sources: NAR, Census Bureau, Moody's Analytics

Inland South and West Start to Look Frothy

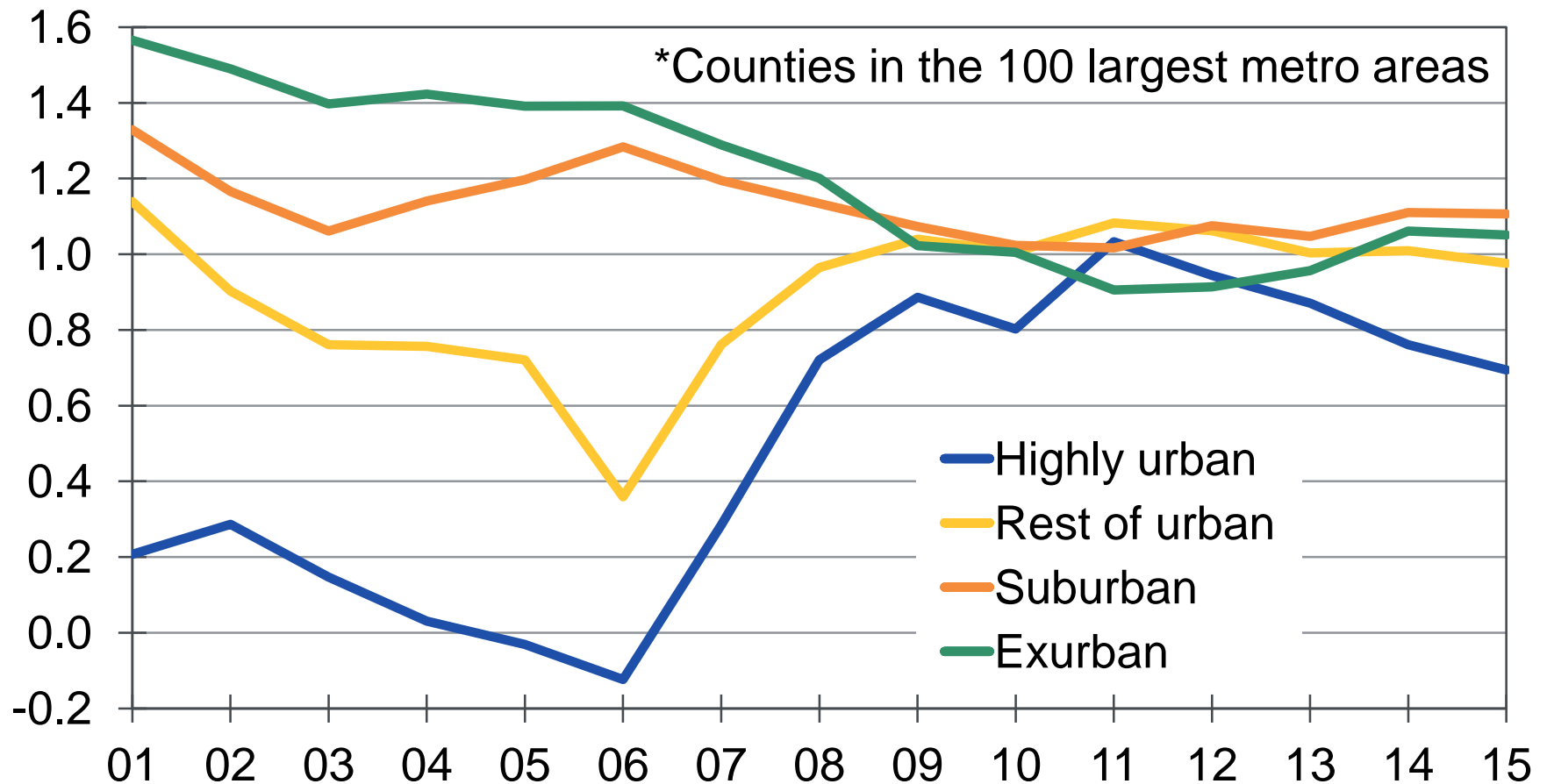
FHFA all-transactions index, % above equilibrium trend, 2016Q4



Sources: FHFA, BEA, Census Bureau, Moody's Analytics

Urban Growth Begins Slow Retreat

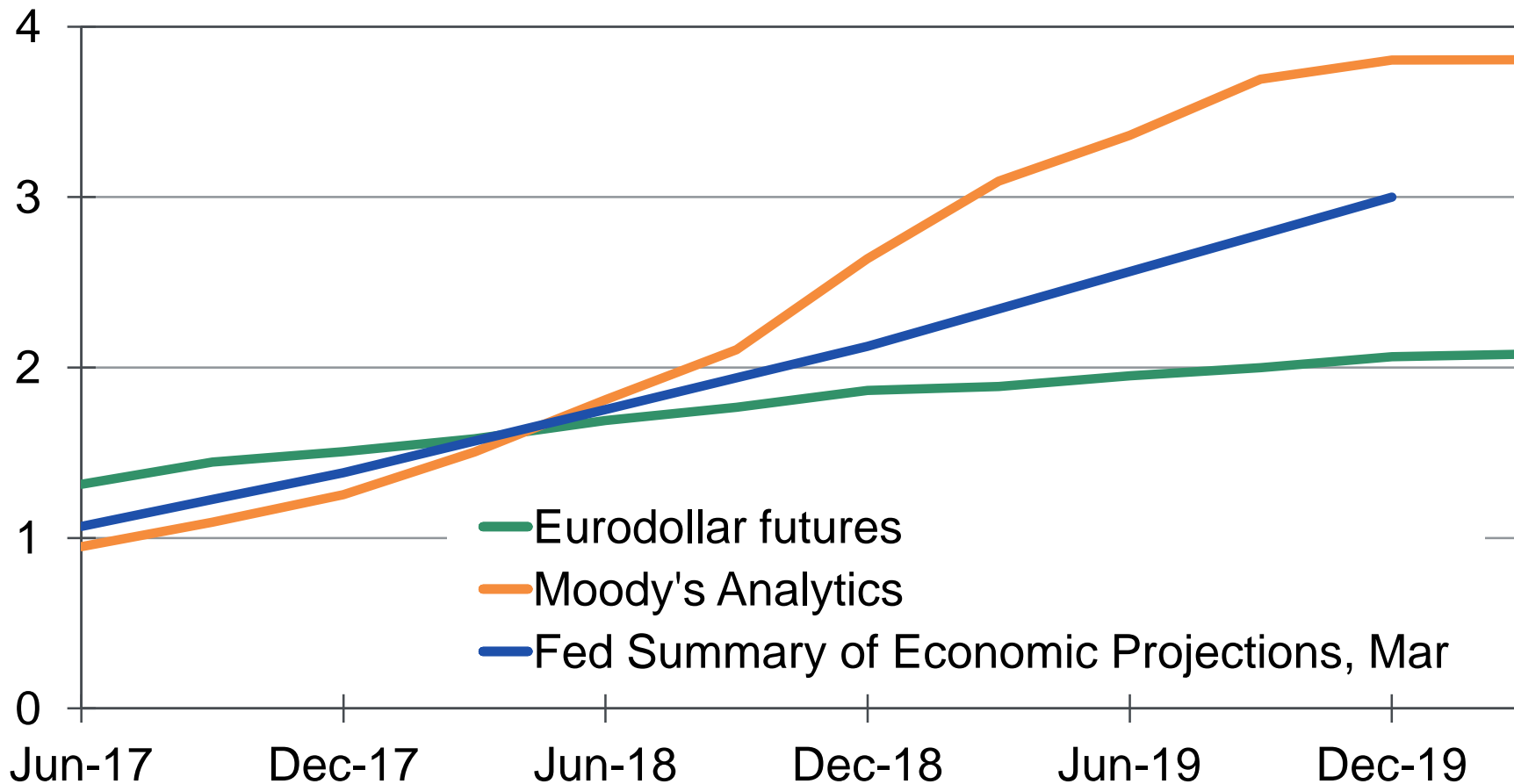
Population growth based on county-level data*, % change



Sources: Census Bureau, Moody's Analytics

Fed Will Be Patient Then Aggressive

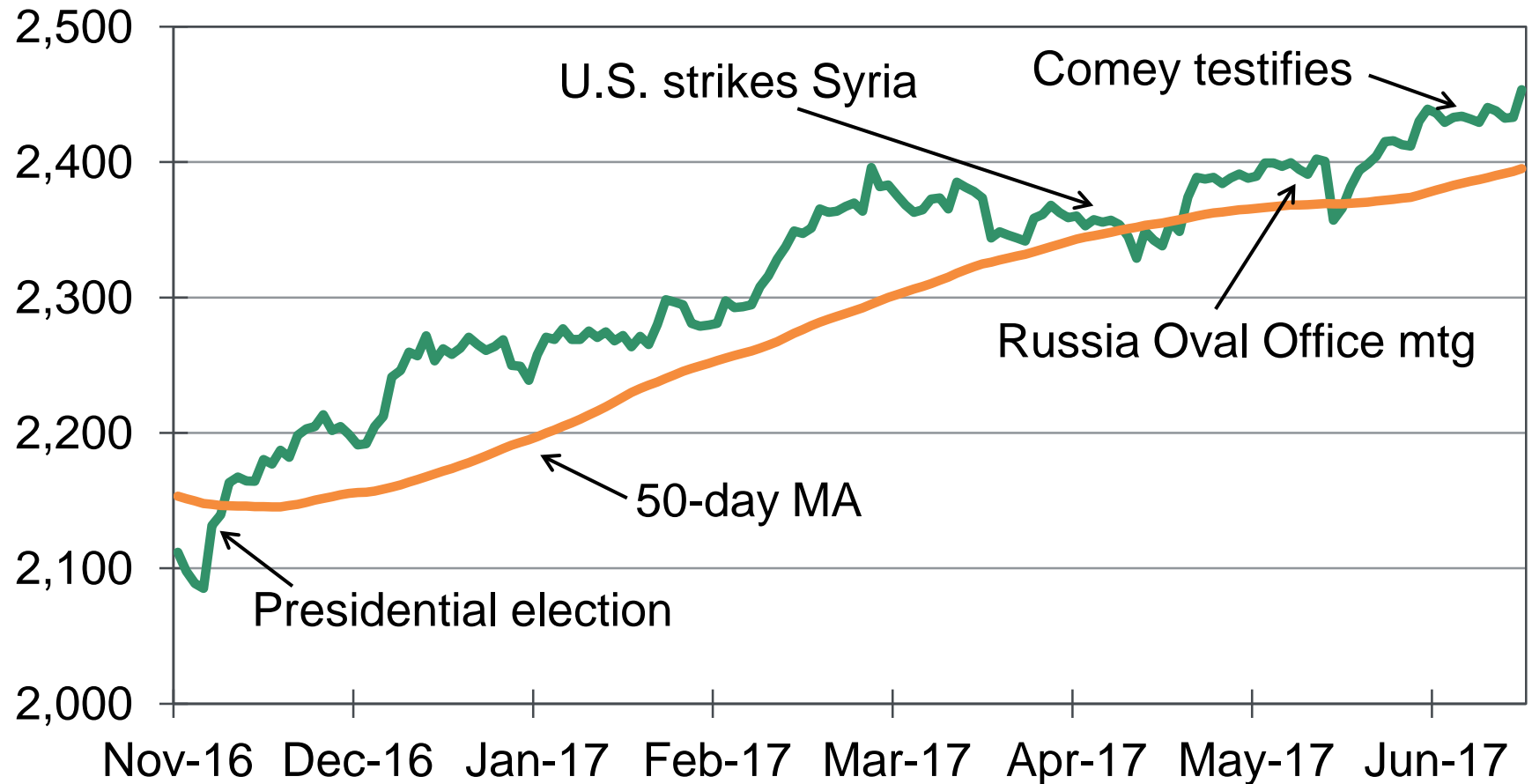
Fed funds rate, %



Sources: Federal Reserve, Bloomberg L.P., Moody's Analytics

Equity Markets Shrug Off Geopolitical Volatility

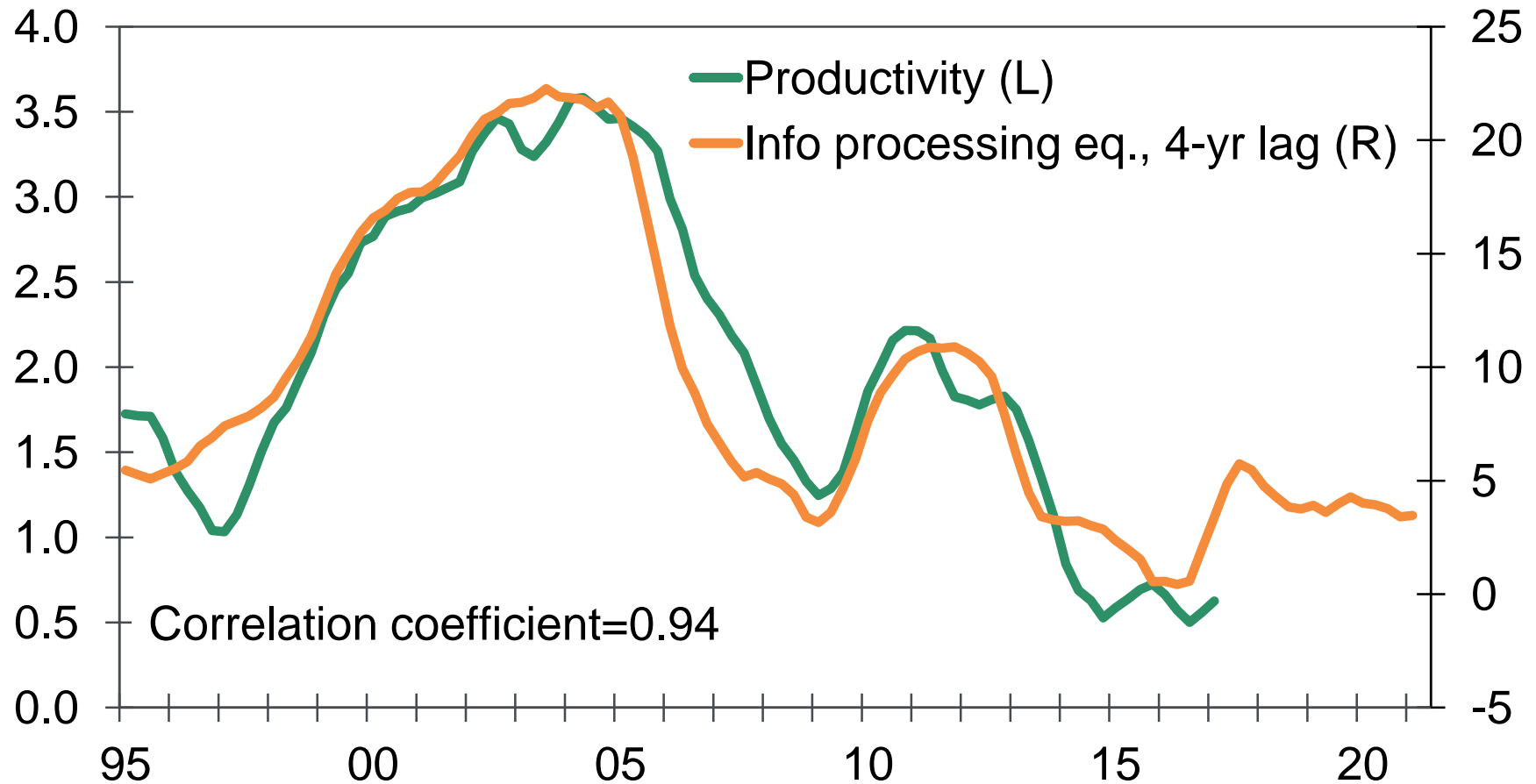
Closing price, S&P 500



Source: Moody's Analytics

Productivity Slump Looks Poised to Continue

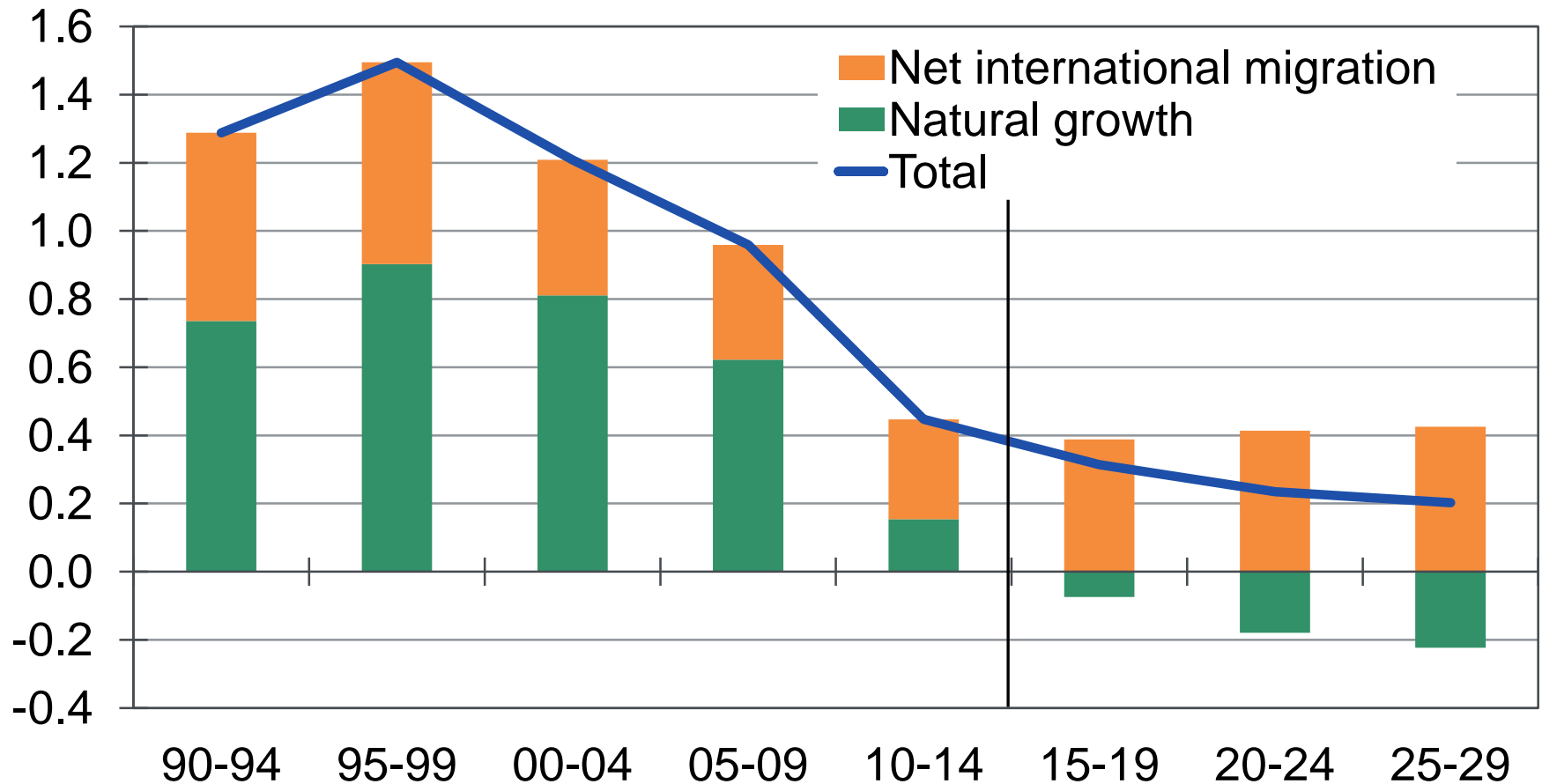
Annualized growth, %, 4-yr MA



Sources: BLS, BEA, Moody's Analytics

Economy Needs More Immigration, Not Less

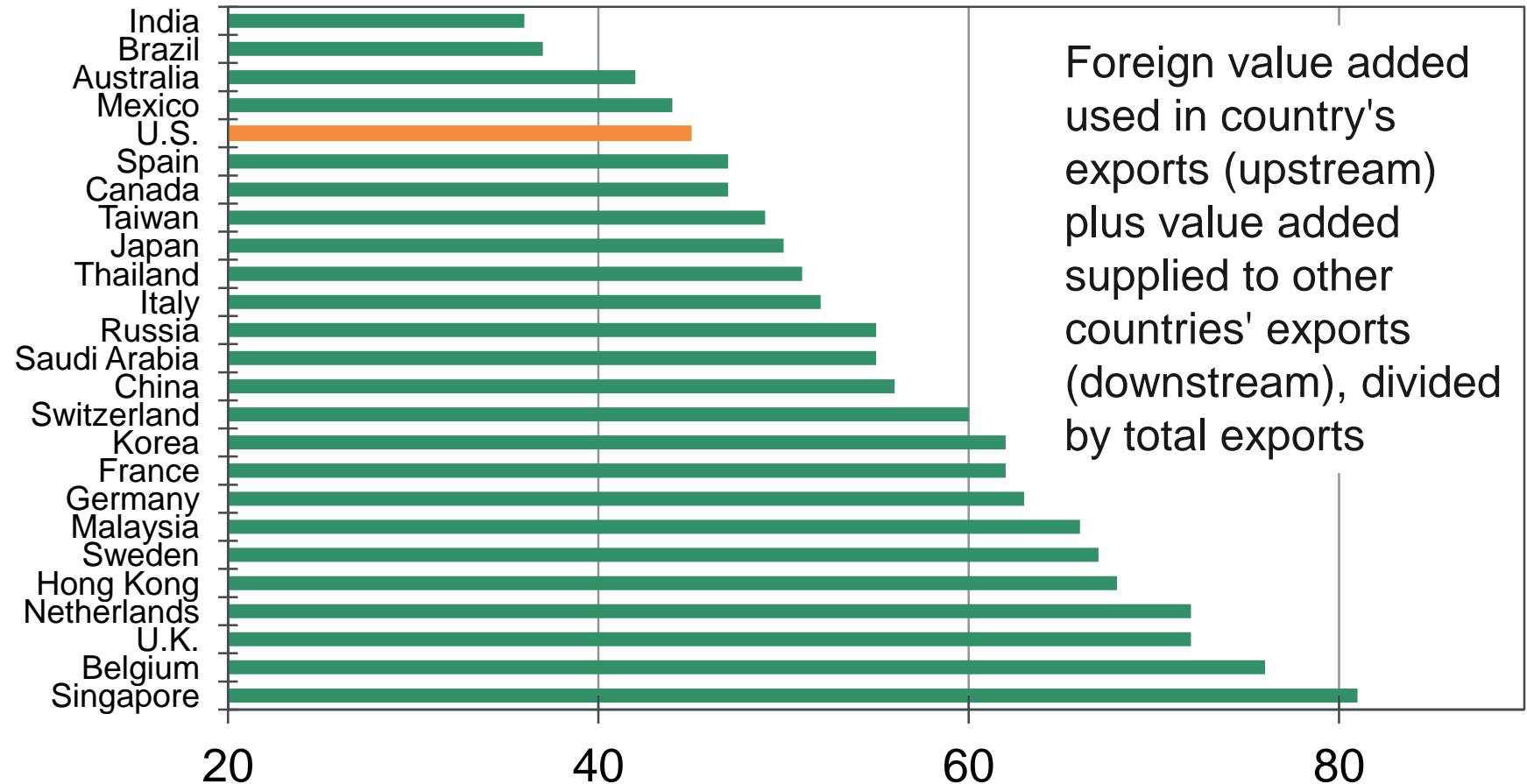
Contribution to working-age population growth, ppt, 5-yr avg



Sources: Census Bureau, Moody's Analytics

Backtracking From Globalization Will Be Painful

Participation in global value chains, %



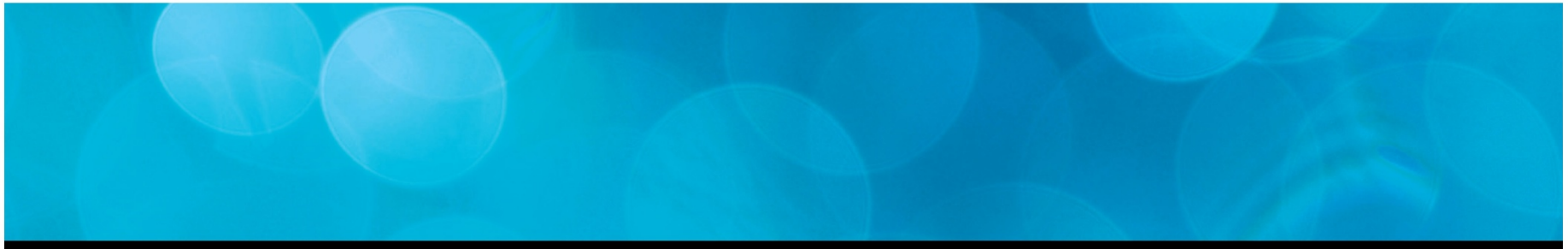
Sources: UNCTAD-Eora GVC Database, Barclays Research, Moody's Analytics

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