Real GDP growth stutters in first half then settles in 2 - 2½% range; unsustainably large declines in net exports

Source: IHS Markit
The FOMC is expected to hike the federal funds rate by 50 basis points in each of the next two meetings.

Source: IHS Markit © 2022 IHS Markit
After a bulge this year, core PCE inflation is expected to return to about 2% in mid-2024.
Leisure & hospitality still has a lot of ground to cover

Payroll employment compared to the pre-pandemic peak, thousands (April 2022)

Prof. & business services
Transport & warehousing
Retail trade
Financial services
Information
Federal government
Construction
Utilities
Education
Manufacturing
Wholesale trade
Mining & logging
State government
Other services
Health & social services
Local government
Leisure & hospitality

Source: BLS

© 2022 IHS Markit
Record high number of workers are quitting their jobs; primarily in search of higher wages, benefits, schedules, etc.

Job Openings and Labor Turnover Survey

Source: BLS

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Unemployment is declining amid record high job openings
Employment Gains by Metro - 2022

Percent

-0.5 to 0.0
0.1 to 2.8
2.9 to 3.7
3.8 to 4.5
4.6 to 10.1
Return to Peak Employment
Metro economies have once again led the recovery

• Metros accounted for 90% of GDP in 2021
  • Adding 1.8 million jobs
  • Contributing 94.1% of GDP growth
  • In 2022 metro area will account for 91.5% of wage and salary income and 88.8% of US jobs
• As of March, 117 metros, 31% of all, have recovered the jobs lost in the recession
• This year will see 207, 54% of all, metros regain their pre-pandemic employment level.
• 108 metros, 28% of all, have unemployment rates under 3%.