U.S. and Indiana Economic Update

Patrick M. Barkey
Bureau of Business Research
Ball State University
U.S. Economic Highlights

• Economic growth weakens as housing investment drops sharply
• ISM Manufacturing Index drops for three consecutive months
• Energy prices soften
• Employment gains continue, unemployment rate falls to 4.4%
• Federal Reserve leaves short term interest rates unchanged
Steady Deceleration in GDP

Real U.S. Gross Domestic Product, SAAR
Tumbling Housing Investment is to Blame

U.S. Real Residential Investment, SAAR
Job Growth Still Respectable

U.S. Establishment Employment Growth, thous.
Declines in Long Term Rates
Invert the Yield Curve
Indiana Economic Developments

• Guide announces closure in Anderson
• Cutbacks in Big Three vehicle production reverberate
• A harvest of ethanol plants
• IEDC enjoys success
• Preliminary data continue to portray employment growth as weak