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Figure 1.

REAL GDP
(trillion 2012 dollars, saar, ratio scale)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.

Figure 2.

REAL GDP
(quarterly percent change, saar)

Note: Business cycle peaks (P) and troughs (T) according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
Figure 3.

US NOMINAL GDP (yearly percent change)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.

Figure 4.

CORPORATE AFTER-TAX PROFITS REPORTED TO IRS* (yearly percent change)

* After-tax profits as reported to IRS, excluding IVA and CCAdj
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
Figure 5.

*S&P 500 & RECESSIONS (ratio scale)*

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Standard & Poor’s.

Figure 6.

*S&P 500 BULL & BEAR MARKETS & THE BUSINESS CYCLE (monthly, ratio scale)*

Note: Shaded green areas denote S&P 500 bull markets, while red areas are bear market declines of 20% or more. Business cycle peaks (P) and troughs (T) according to the National Bureau of Economic Research.
Source: Standard & Poor’s.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Federal Reserve Board.

* Corporate bond yield is average of Moody’s Aaa and Baa yields through 1996, then average of BoA Merrill Lynch data for AA-AAA and BBB-A yields.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Federal Reserve Board and Haver Analytics.
Figure 9.

COMPONENTS OF COINCIDENT ECONOMIC INDICATORS (ratio scale)

Payroll Employment (millions, sa)

Real Personal Income Less Transfer Payments (trillion 2012 dollars, saar)

Manufacturing & Trade Sales (billion 2012 dollars)

Industrial Production 2012=100, sa

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
COINCIDENT ECONOMIC INDICATORS
(2016=100, sa, ratio scale)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Conference Board.

REAL GDP & COINCIDENT ECONOMIC INDICATORS
(yearly percent change)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis and Conference Board.
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Figure 12.  
REAL GDP: GOODS  
(trillion 2012 dollars, saar, ratio scale)  
Shaded areas denote recessions according to the National Bureau of Economic Research.  
Source: Bureau of Economic Analysis.

Figure 13.  
REAL GDP: SERVICES  
(trillion 2012 dollars, saar, ratio scale)  
Shaded areas denote recessions according to the National Bureau of Economic Research.  
Source: Bureau of Economic Analysis.
LEADING & COINCIDENT ECONOMIC INDICATORS
(2016=100, sa, ratio scale)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Conference Board.

RATIO LEADING TO COINCIDENT ECONOMIC INDICATORS

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Conference Board.
Figure 16.
ADP NONFARM PRIVATE PAYROLL EMPLOYMENT BY COMPANY SIZE
(millions, sa)

Source: ADP.

Figure 17.
ADP NONFARM PRIVATE PAYROLL EMPLOYMENT BY COMPANY SIZE*
(as a percent of total ADP payrolls)

* Company size by employees: Small (1-49), Medium (50-499), and Large (over 500).
Source: ADP.
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**Figure 18.**

**NFIB SMALL BUSINESS SURVEY: EARNINGS & EMPLOYMENT PLANS**
(12-month average percent)

Earnings Over Past 3 Months* (higher minus lower)
Expecting To Increase Employment* (next 3 months)

* First month of every quarter from 1974 to 1986, then 12-month average.
Source: National Federation of Independent Business.

**Figure 19.**

**NFIB SMALL BUSINESS SURVEY: EARNINGS & CAPITAL SPENDING PLANS**
(12-month average, percent)

Earnings Over Past 3 Months* (higher minus lower)
Capital Spending Plans* (next 3 to 6 months)

* First month of every quarter from 1974 to 1986, then 12-month average.
Source: National Federation of Independent Business.
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**Figure 20.**

**CORPORATE AFTER-TAX PROFITS REPORTED TO IRS**
(billion dollars, saar, ratio scale)

* Excluding Inventory Valuation Adjustment and Capital Consumption Adjustment.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.

**Figure 21.**

**PAYROLL EMPLOYMENT EX GOVERNMENT EMPLOYMENT & CORPORATE AFTER-TAX PROFITS**
(ratio scale)

* Excluding Inventory Valuation Adjustment and Capital Consumption Adjustment.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

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**Figure 22.**
CORPORATE PROFITS MARGIN IN GDP* (after-tax profits as a percent of nominal GDP)

* Using after-tax corporate profits reported to IRS. Excluding Inventory Valuation Adjustment and Capital Consumption Adjustment.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.

**Figure 23.**
AFTER-TAX CORPORATE PROFIT MARGIN & COSTS

* After-tax corporate profits reported to IRS (excluding Inventory Valuation Adjustment and Capital Consumption Adjustment).
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
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Figure 24.

*RESOURCE UTILIZATION RATE* (percent)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

* Average of all industries’ capacity utilization rate and employment rate, i.e., percentage of labor force that is employed.

Source: Bureau of Labor Statistics and Federal Reserve Board.

* * * 

Figure 25.

*RESOURCE UTILIZATION RATE COMPONENTS* (percent)

Employment Rate*

Capacity Utilization Rate

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

* Percentage of labor force that is employed.

Source: Bureau of Labor Statistics and Federal Reserve Board.
CORPORATE PROFITS MARGIN IN GDP* & RESOURCE UTILIZATION RATE
(after-tax profits as a percent of nominal GDP)

Profit Margin*
Resource Utilization Rate**

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

LEI / CEI vs. RESOURCE UTILIZATION RATE

* Average of all industries’ capacity utilization rate and employment rate, i.e., percentage of labor force that is employed.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Figure 28.

S&P 500 FORWARD EARNINGS & AGGREGATE WEEKLY HOURS
(Yearly percent change)

* Time-weighted average of consensus operating earnings estimates for current and next year.
** Production & nonsupervisory employees.
Source: Bureau of Labor Statistics and Thomson Reuters I/B/E/S.

Figure 29.

S&P 500 FORWARD EARNINGS & REAL CAPITAL SPENDING
(Yearly percent change)

** Nonresidential fixed investment in real GDP.
Source: Bureau of Economic Analysis and Thomson Reuters I/B/E/S.
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Figure 30.

COINCIDENT ECONOMIC INDICATORS: RECOVERIES & EXPANSIONS*
(2016=100, sa, ratio scale)

* Red horizontal lines span cyclical peaks through subsequent cyclical recoveries. Green horizontal lines are expansion periods following recoveries. Source: Conference Board, Haver Analytics, and YRI calculations.

Figure 31.

PERSONAL CONSUMPTION EXPENDITURES IN REAL GDP: TOTAL
(billion 2012 dollars, saar, ratio scale)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research. Source: Bureau of Economic Analysis.
Figure 32.
PERSONAL CONSUMPTION EXPENDITURES IN REAL GDP: DURABLE GOODS
(billion 2012 dollars, saar ratio scale)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.

Figure 33.
CONSUMER CREDIT
(billion dollars outstanding, nsa)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Federal Reserve Board.
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Figure 34.

HOUSING STARTS (million units, saar)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Census Bureau.

Figure 35.

PRIVATE RESIDENTIAL INVESTMENT IN REAL GDP (billion 2012 dollars, saar, ratio scale)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
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Figure 36.

UNEMPLOYMENT RATE (percent, sa)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Figure 37.

PRIVATE NONRESIDENTIAL FIXED INVESTMENT IN REAL GDP (trillion 2012 dollars, saar, ratio scale)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
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Figure 38.

REAL BUSINESS INVENTORIES-TO-SALES RATIO

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Census Bureau.

Figure 39.

INVENTORY INVESTMENT IN REAL GDP
(billion 2012 dollars, saar)

Note: Business cycle peaks (P) and troughs (T) according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Federal Reserve Board.
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Figure 42.

FEDERAL FUNDS RATE & BUSINESS CYCLE
(percent, weekly)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Federal Reserve Board.

Figure 43.

FEDERAL FUNDS RATE & FINANCIAL CRISES
(percent, weekly)

Note: Blue shaded areas denote periods of monetary easing between cyclical peaks and troughs in the federal funds rate. Red shaded areas denote monetary tightening periods.
Source: Federal Reserve Board.
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Figure 44.

US YIELD CURVE* & BUSINESS CYCLE (basis points, weekly)

* 10-year US Treasury yield less federal funds rate.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Federal Reserve Board.

Figure 45.

US YIELD CURVE* & FINANCIAL CRISSES (basis points, weekly)

* US Treasury 10-year bond yield less federal funds rate.

Source: Federal Reserve Board.
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Figure 46.
US FEDERAL GOVERNMENT EXPENDITURES & RECEIPTS
(as a percent of nominal GDP)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.

Figure 47.
US FEDERAL GOVERNMENT BUDGET DEFICIT
(as a percent of nominal GDP)

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Bureau of Economic Analysis.
Figure 48.

**US FEDERAL GOVERNMENT OUTLAYS**
(as a percent of nominal GDP)

- Total
  - (12-month sum)
- Federal Government Spending in GDP
  - (saar)

Source: US Treasury Department and Bureau of Economic Analysis.

Figure 49.

**US FEDERAL GOVERNMENT OUTLAYS**
(as a percent of total outlays)

- Health, Medicare,
  - Income Security, Social Security

Source: US Treasury Department.
Figure 50.

DEBT OF FINANCIAL SECTORS
(as a percent of total debt)

Source: Federal Reserve Board.

Figure 51.

US DEBT
(as a percent of nominal GDP)

Debt/GDP
- Total
- Nonfinancial
- Financial

Source: Federal Reserve Board Financial Accounts of the United States.
Figure 52.

**GDP, GDI, & NATIONAL INCOME**
(trillion dollars, saar, ratio scale)

GDP
- Gross Domestic Product
- Gross Domestic Income
- National Income

* GDI is Gross Domestic Income, which equals National Income plus Consumption of Fixed Capital

Source: Bureau of Economic Analysis.

Figure 53.

**GDP LESS GDI: STATISTICAL DISCREPANCY**
(billion dollars, saar)

* GDI is Gross Domestic Income, which equals National Income plus Consumption of Fixed Capital

Source: Bureau of Economic Analysis.
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