

Summary: Federal Reserve Governor Waller said, though the latest inflation data was disappointing, the U.S. economy is on solid footing. Retail sales increased 0.4 percent from August to September 2024, contributing to the Atlanta Fed’s estimate that real GDP growth is about 3.4 percent, up from 3.2 percent on October 9. The Blue Chip consensus forecasts have been trending up as well. Mortgage rates were up sharply, and the latest residential construction data was weak.

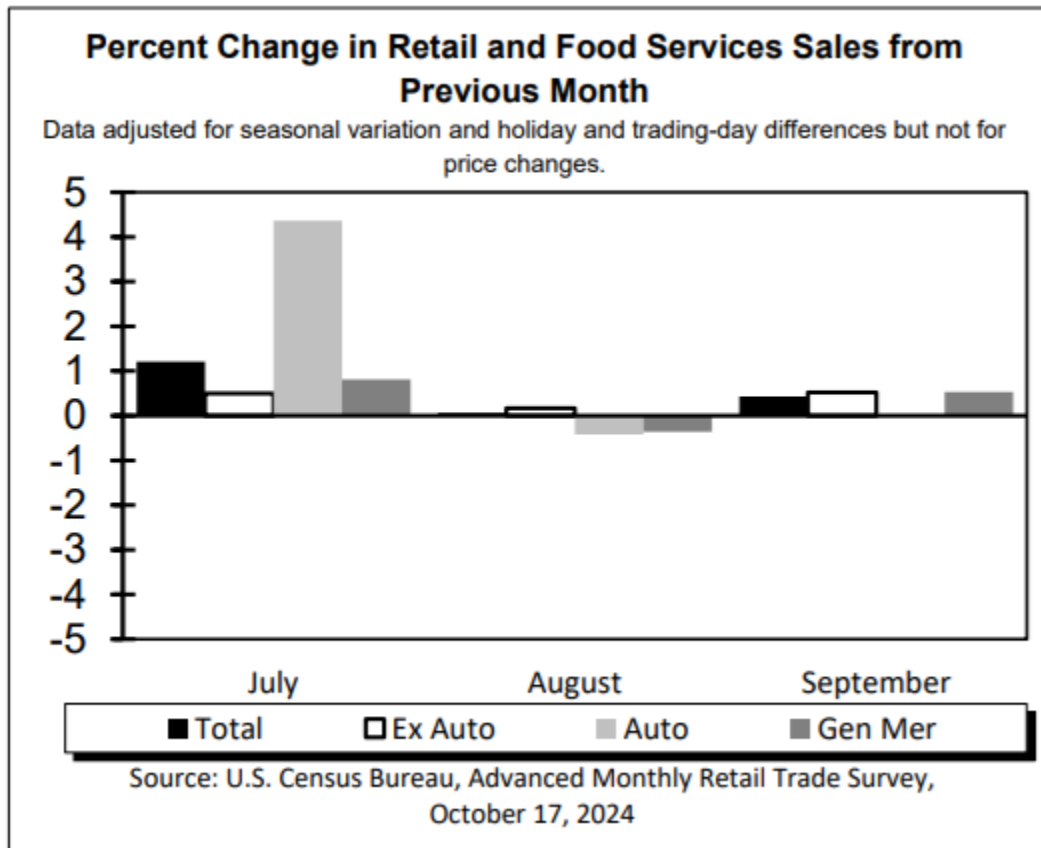
Federal Government Indicators and Reports

Bureau of Labor Statistics

Wednesday, [Import and Export Prices](#): “Prices for U.S. imports declined 0.4 percent in September following a 0.2-percent decrease the previous month. . . . Lower fuel prices in September more than offset higher nonfuel prices. U.S. export prices fell 0.7 percent in September, after declining 0.9 percent in August.”

U.S. Census

Thursday, [Retail Sales](#): “Advance estimates of U.S. retail and food services sales for September 2024. . . . were \$714.4 billion, an increase of 0.4 percent from the previous month, and up 1.7 percent from September 2023.”



Thursday, [Business Inventories](#): “Manufacturers’ and trade inventories for August. . . . were estimated at an end-of-month level of \$2,581.8 billion, up 0.3 percent from July 2024 and were up 2.4 percent from August 2023.”

Department of Labor

Thursday, [Initial Claims](#): “In the week ending October 12, the advance figure for seasonally adjusted initial claims was 241,000, a decrease of 19,000 from the previous week's revised level.”

Economic Indicators and Confidence

Federal Reserve

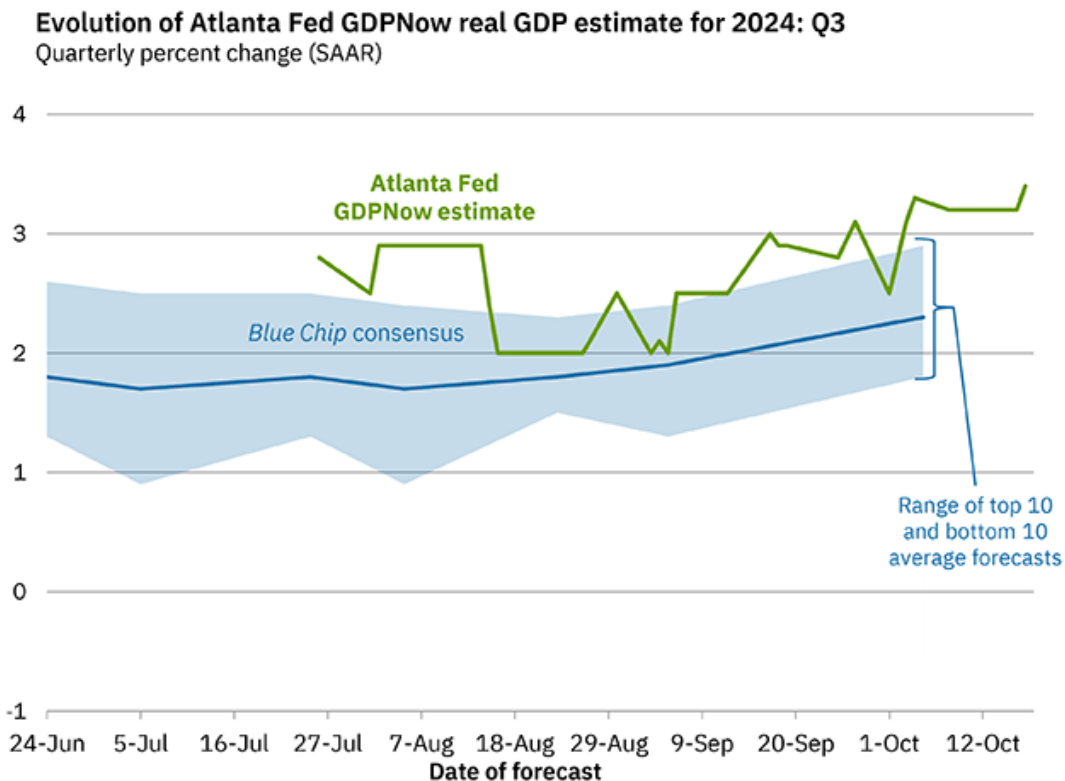
Monday, [Waller Speech](#): “I continue to judge that the U.S. economy is on a solid footing, with employment near the Federal Open Market Committee’s maximum employment objective and inflation in the vicinity of our target, even though the latest inflation data was disappointing.”

Tuesday, [Consumer Inflation Expectations](#): “Median inflation expectations remained unchanged at 3.0 percent at the one-year horizon, increased to 2.7 percent from 2.5 percent at the three-year horizon, and increased to 2.9 percent from 2.8 percent at the five-year horizon.”

Tuesday, [Daly Speech](#): “The economy is clearly in a better place. Inflation has fallen substantially, and the labor market has returned to a more sustainable path.”

Thursday, [Industrial Production](#): “Industrial production (IP) decreased 0.3 percent in September after advancing 0.3 percent in August. A strike at a major producer of civilian aircraft held down total IP growth by an estimated 0.3 percent in September, and the effects of two hurricanes subtracted an estimated 0.3 percent.”

Thursday, [GDPNow](#): “The GDPNow model estimate for real GDP growth (seasonally adjusted annual rate) in the third quarter of 2024 is 3.4 percent on October 17 up from 3.2 percent on October 9.”



Sources: Blue Chip Economic Indicators and Blue Chip Financial Forecasts

Note: The top (bottom) 10 average forecast is an average of the highest (lowest) 10 forecasts in the Blue Chip survey.

Mortgages and Housing Markets

Mortgage Bankers Association

Wednesday, [Mortgage Applications](#): “Mortgage applications decreased 17.0 percent from one week earlier. . . . The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances (\$766,550 or less) increased to 6.52 percent from 6.36 percent. . . . The average contract interest rate for 15-year fixed-rate mortgages increased to 5.94 percent from 5.71 percent.”

NAHB/Wells Fargo

Thursday, [Housing Market Index](#): “Builder confidence in the market for newly built single-family homes was 43 in October, up two points from a reading of 41 in September.”

U.S. Census

Friday, [New Residential Construction](#): “Privately-owned housing units authorized by building permits in September were at a seasonally adjusted annual rate of 1,428,000. This is 2.9 percent below the revised August rate of 1,470,000 and is 5.7 percent below the September 2023 rate of 1,515,000.”