

U.S. Economic Outlook

July 2024

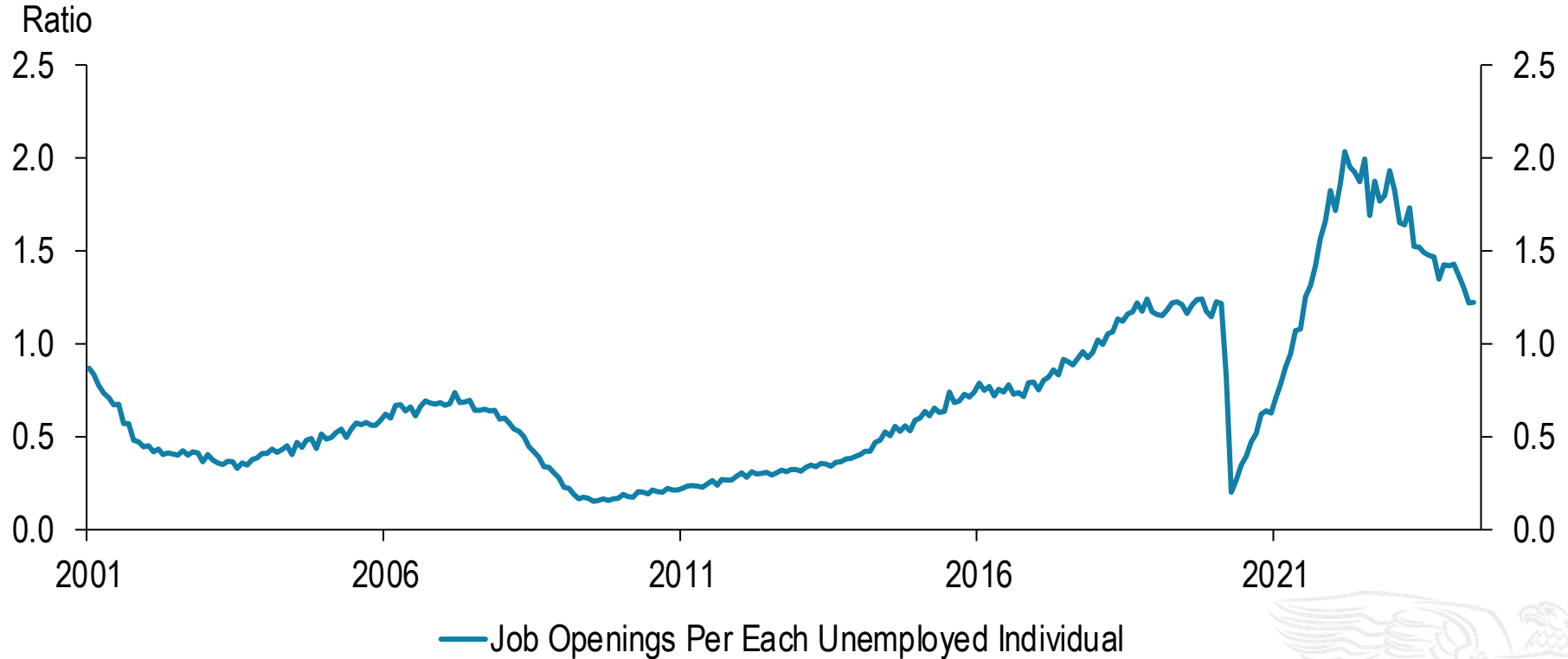


Outlook Themes

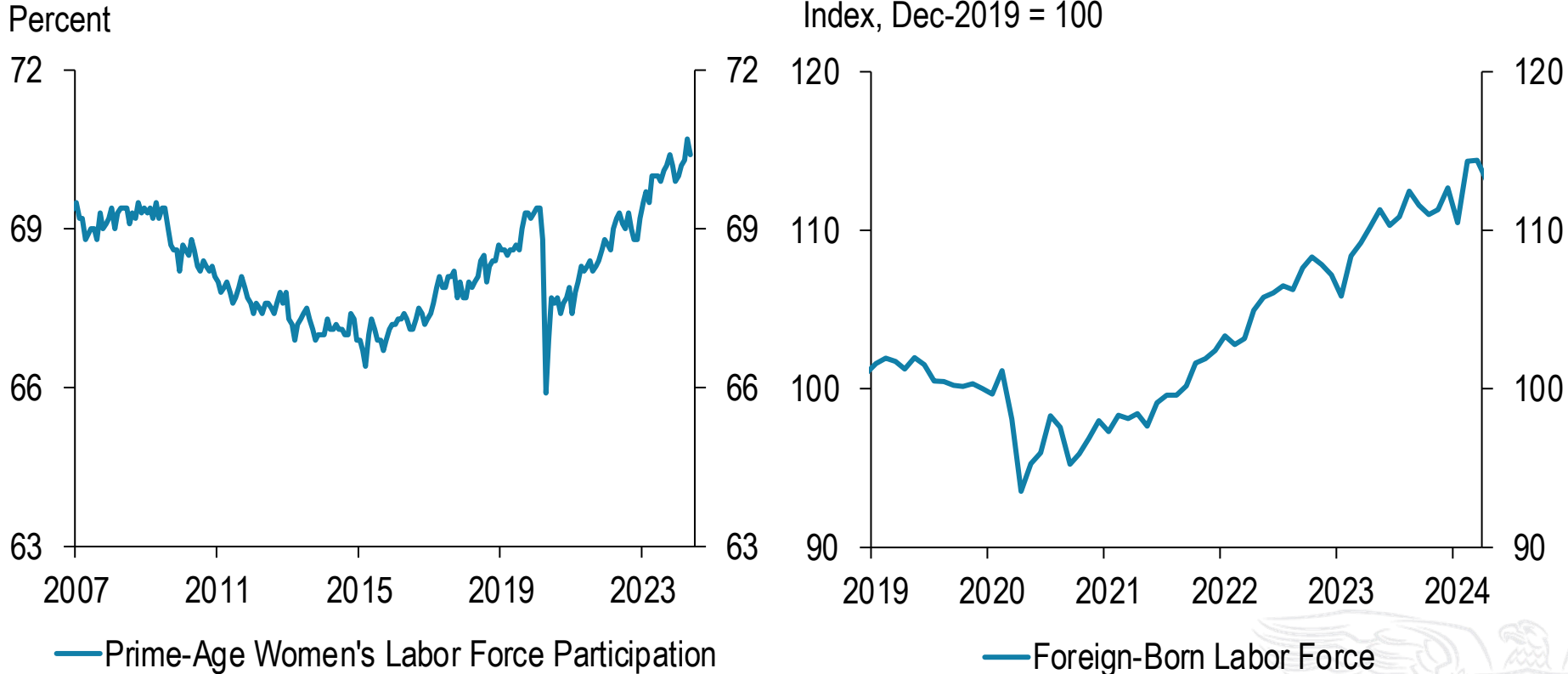
- Supply and demand are moving into better balance.
- However, the labor market remains strong, supporting aggregate demand.
- Inflation remains elevated.
- Housing services has been a key contributor to overall inflation.
- While inflation has eased over the past year, some uncertainty remains regarding the path of policy rates needed to bring inflation sustainably back to 2%.



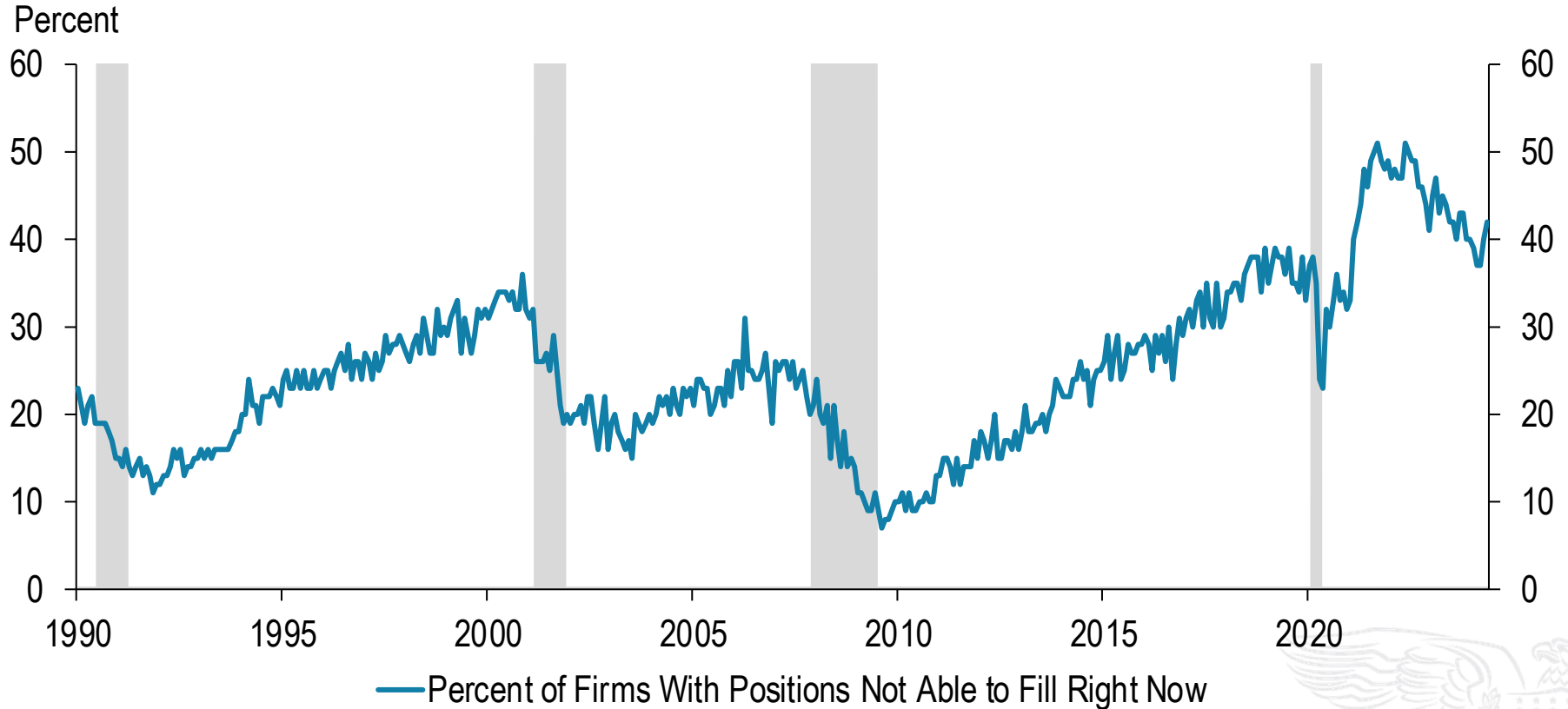
The labor market is coming into better balance.



Gains in the supply of labor have helped ease labor market tightness.



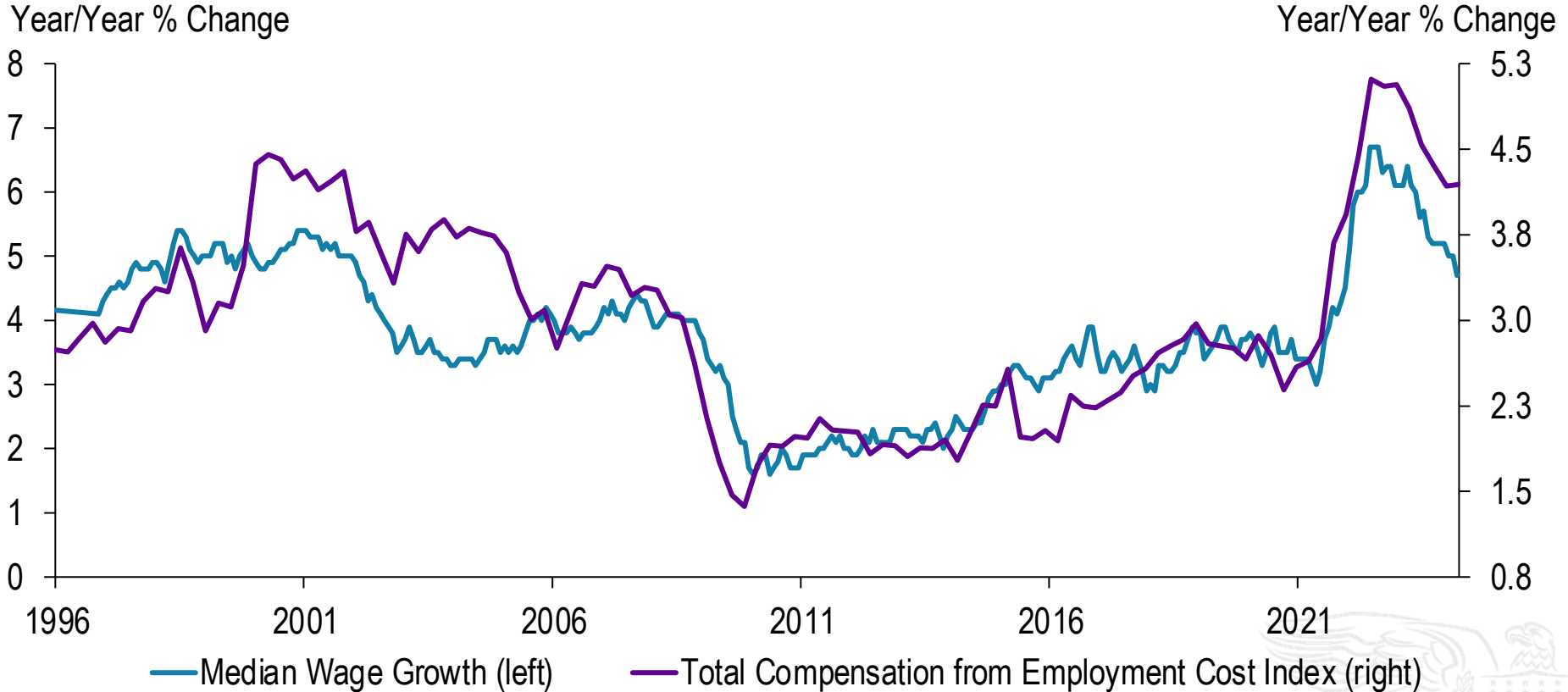
However, the labor market remains strong by historical standards.



— Percent of Firms With Positions Not Able to Fill Right Now

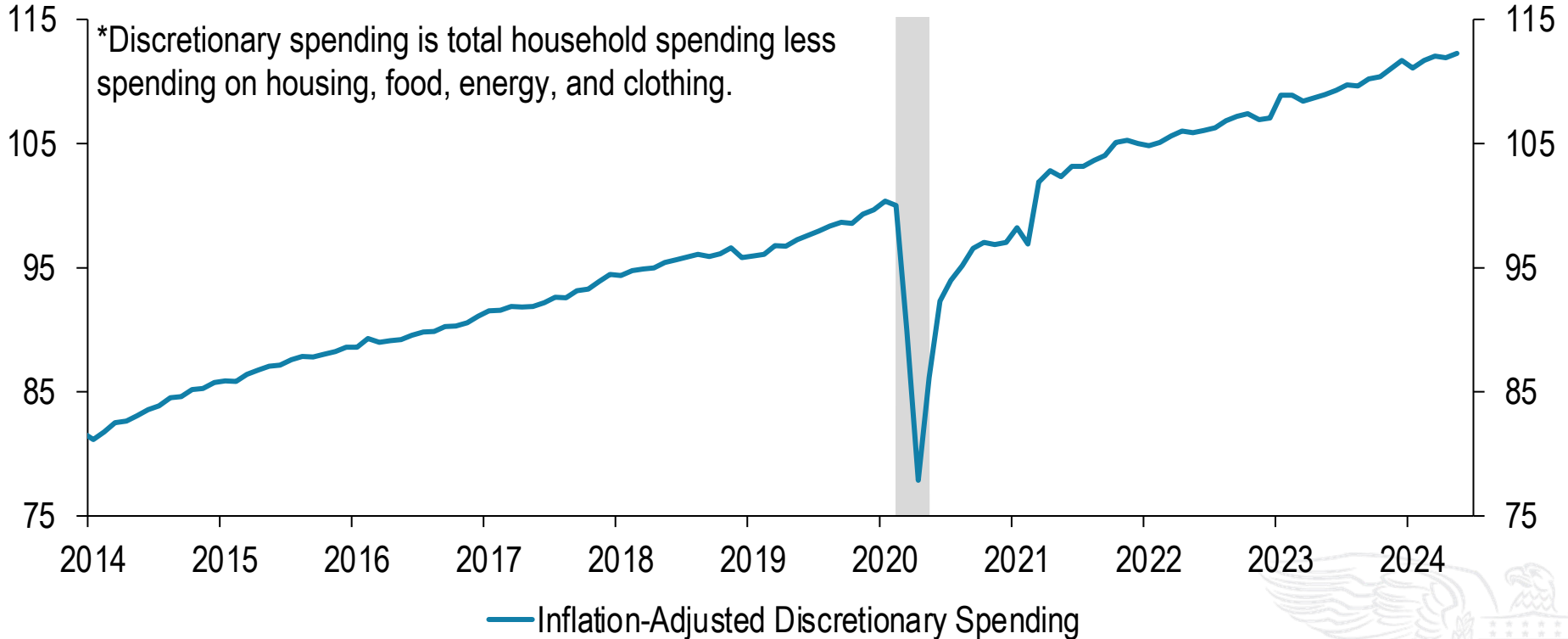


Wage growth remains elevated.



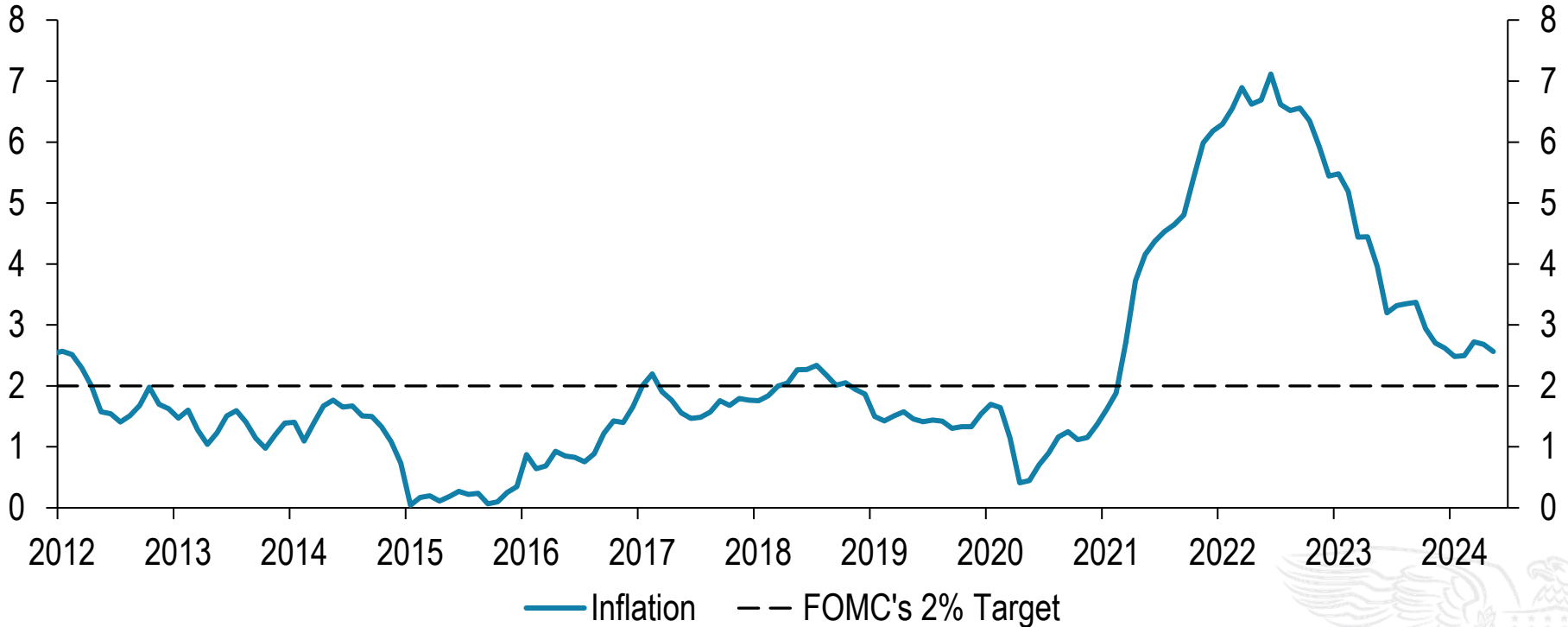
Continued strength in the labor market supports aggregate demand.

Index, Feb-2020 = 100

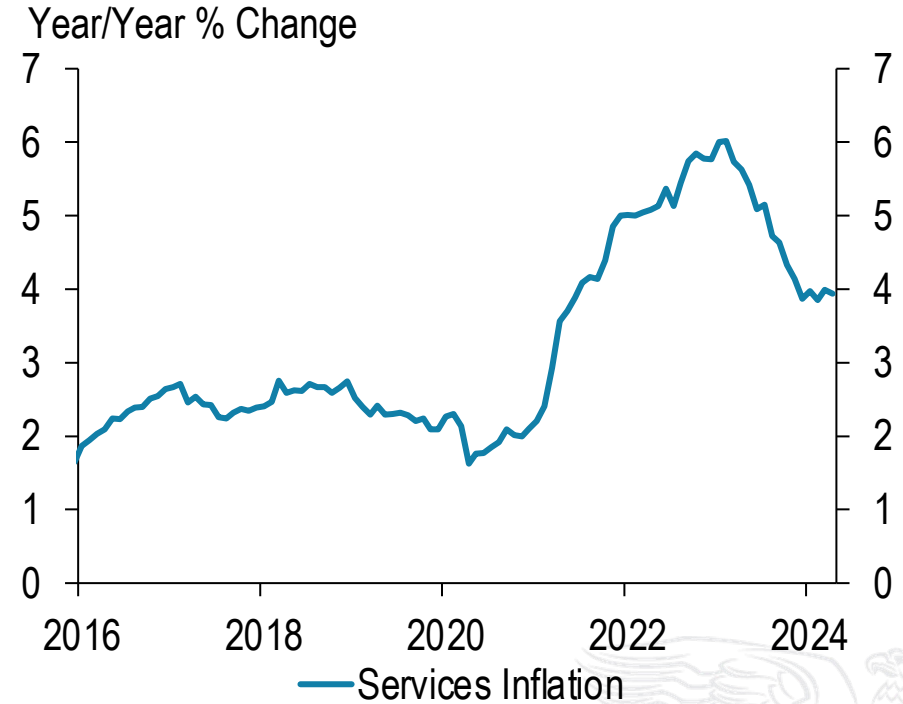
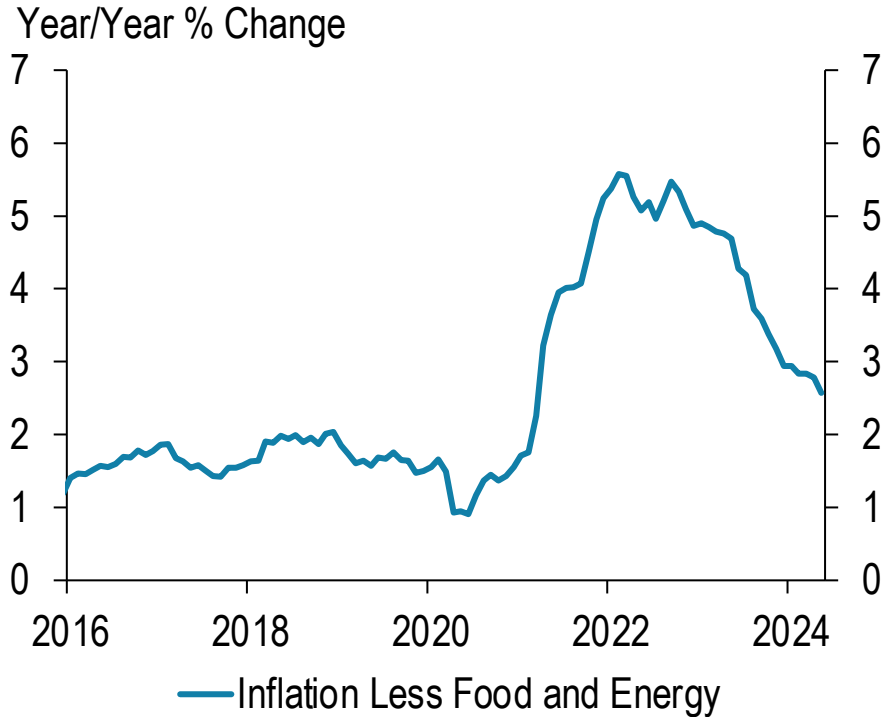


Inflation has eased from its post-pandemic high but remains elevated.

Year/Year % Change

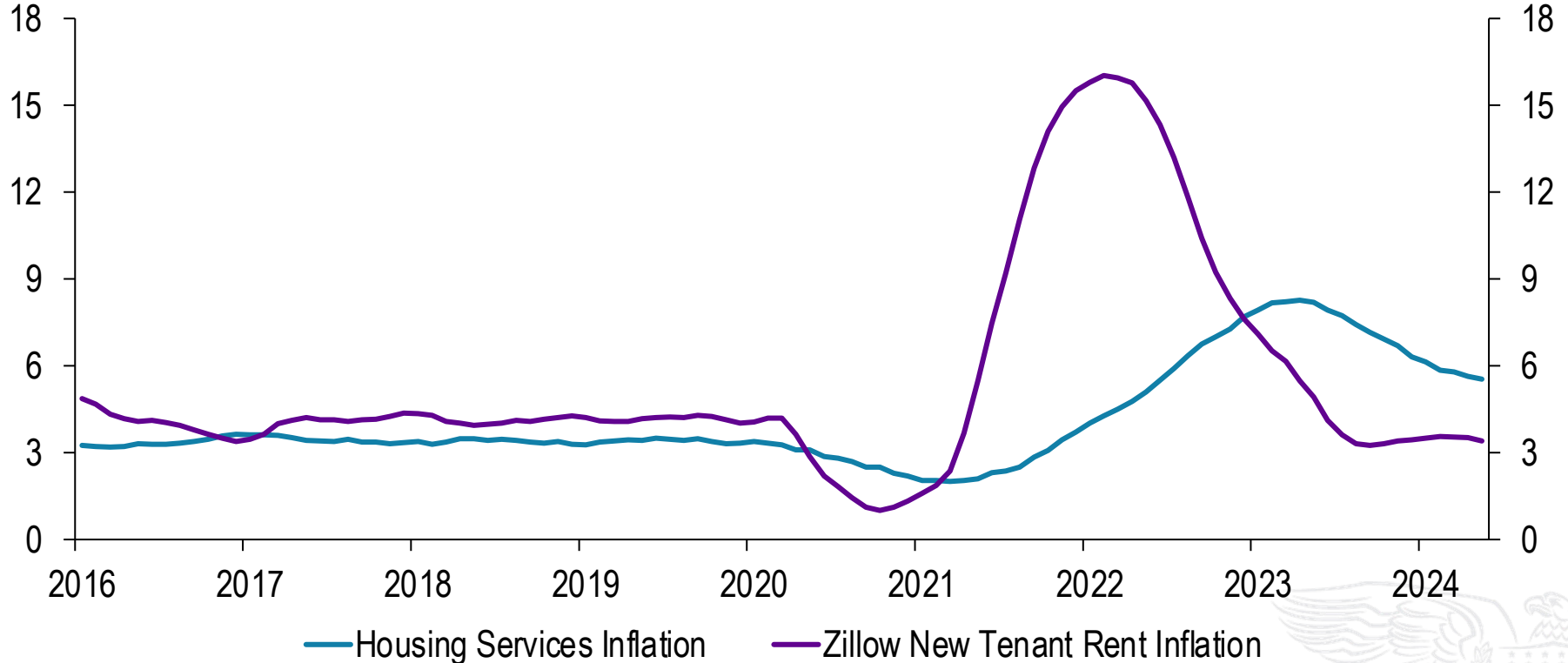


Progress in core inflation has been slower driven by elevated services inflation.

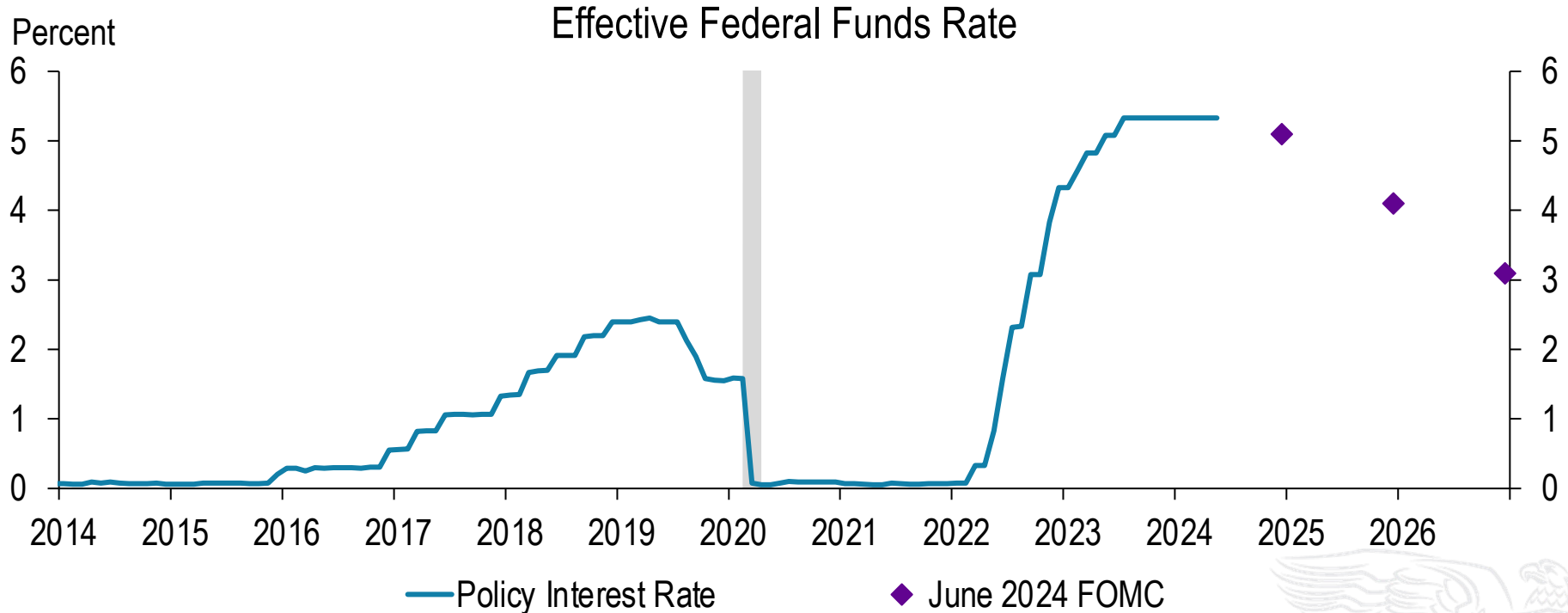


Housing services has been a key contributor to overall inflation.

Year/Year % Change



Recent projections suggest policy rates will likely remain elevated to restore price stability.



KC Fed Research



Email Alerts



Resources from the Kansas City Fed's Economic Research Department

- [Charting the Economy](#)

Timely economic data curated by research staff at the Federal Reserve Bank of Kansas City.

- [Economic Bulletin](#)

Timely, accessible snapshots of the Kansas City Fed's latest economic findings and perspectives on national and international economic conditions and issues related to monetary policy, industries and markets.

- [Economic Review](#)

A quarterly research publication with articles on macroeconomics and monetary policy, regional and international economics, and banking and financial markets.

Stay up to date on our latest research: [Subscribe to KC Fed Research Email Alerts](#) (Right QR)

