

Economic Conditions in the U.S., Kansas, and Low- and Moderate-Income Communities

*2018 Kansas Housing Conference
Topeka, KS*

*Kelly D. Edmiston
Senior Economist*



Disclaimer

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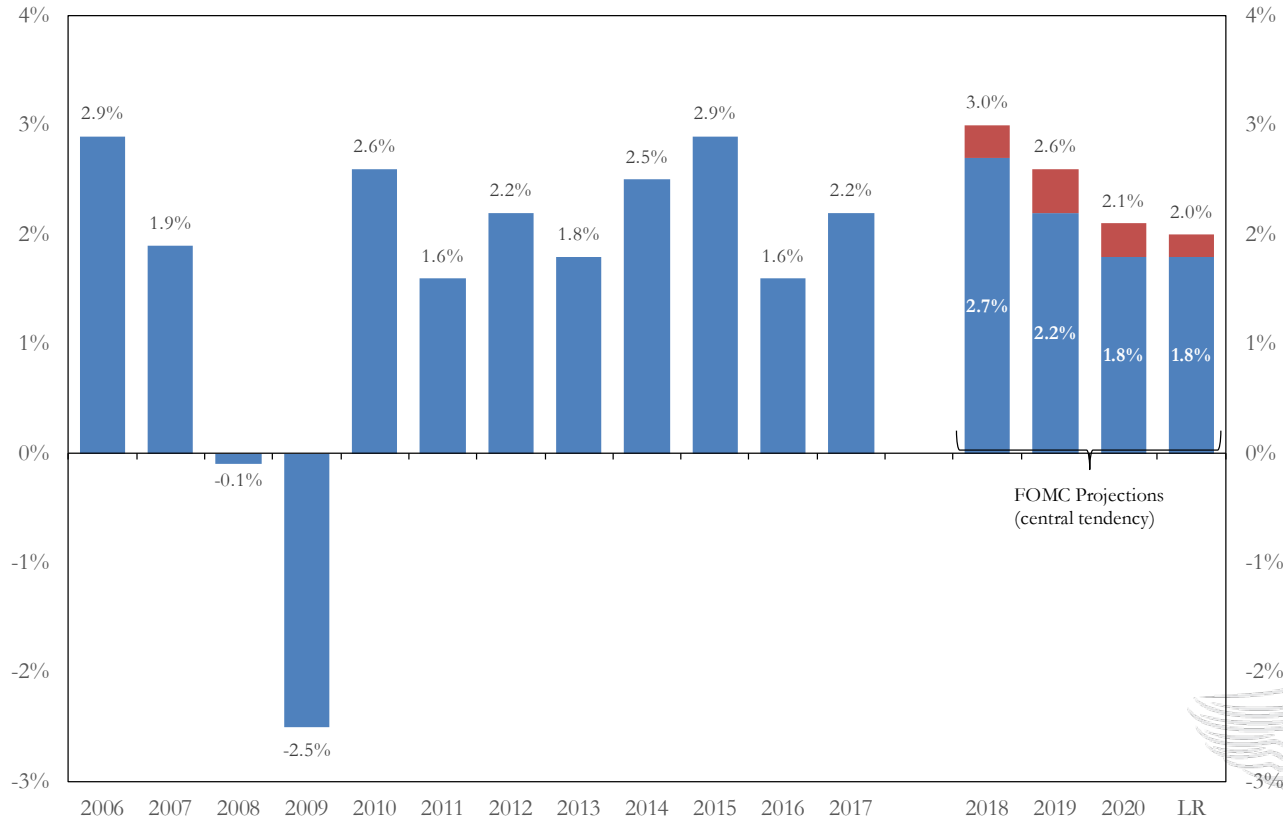
U.S. and Kansas Economic Conditions

Economic Conditions in the U.S., Kansas, and Low- and Moderate-Income Communities



Historical Real GDP Growth and FOMC Projections

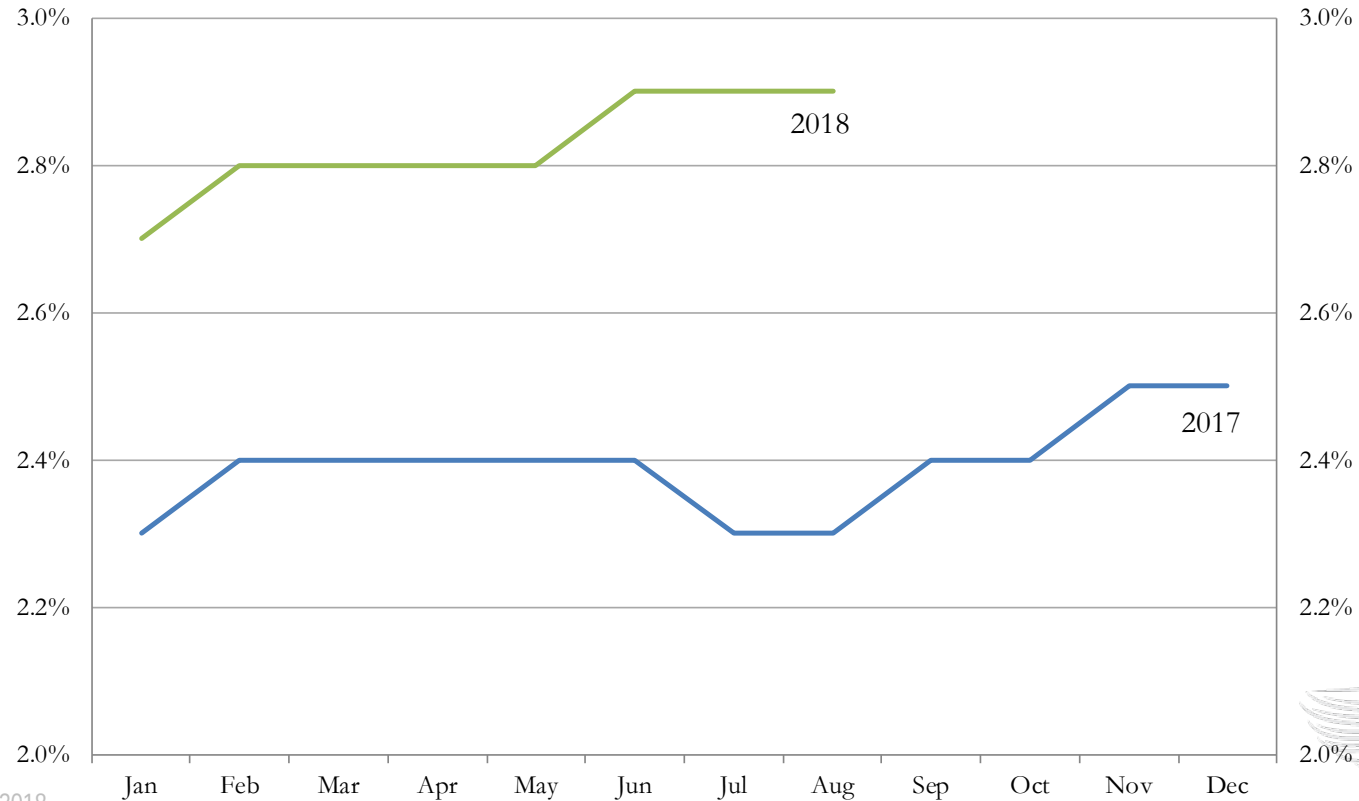
Source: U.S. Bureau of Economic Analysis /HAVER Analytics,
Federal Reserve Board of Governors



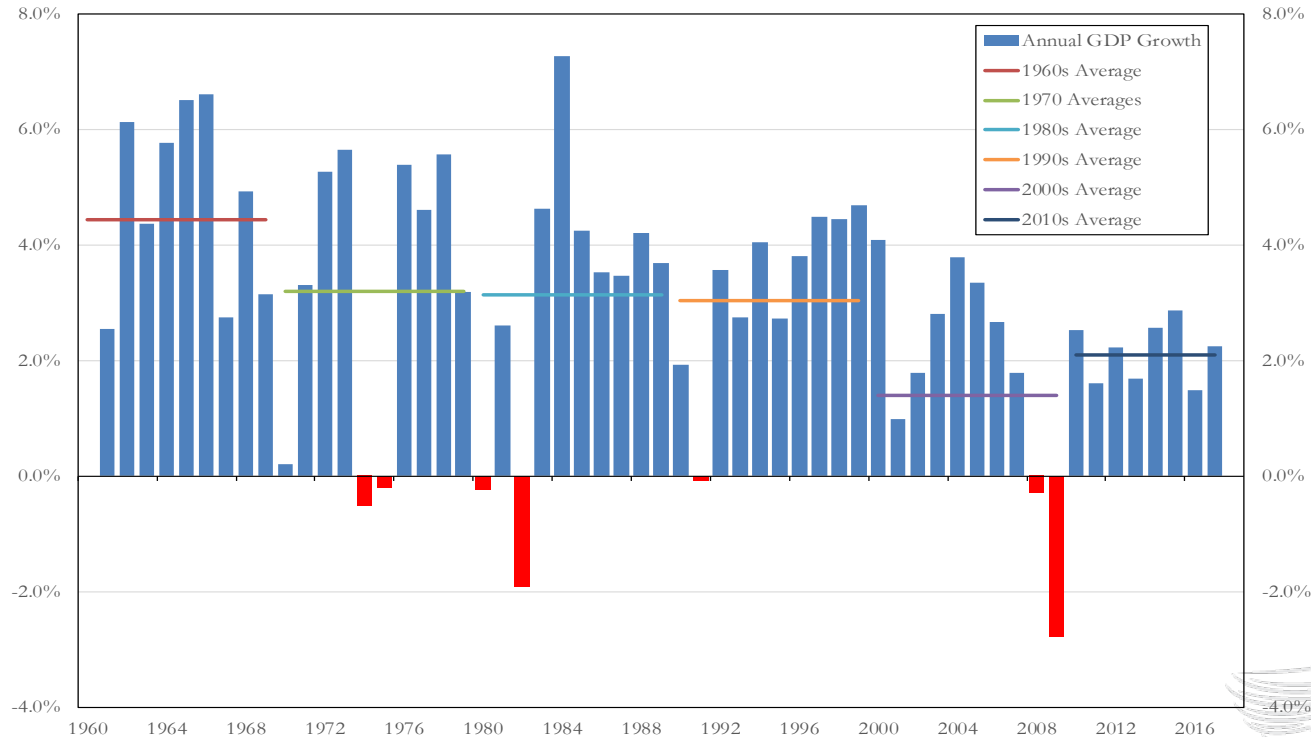
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Consensus Forecasts for 2018 Real GDP Growth

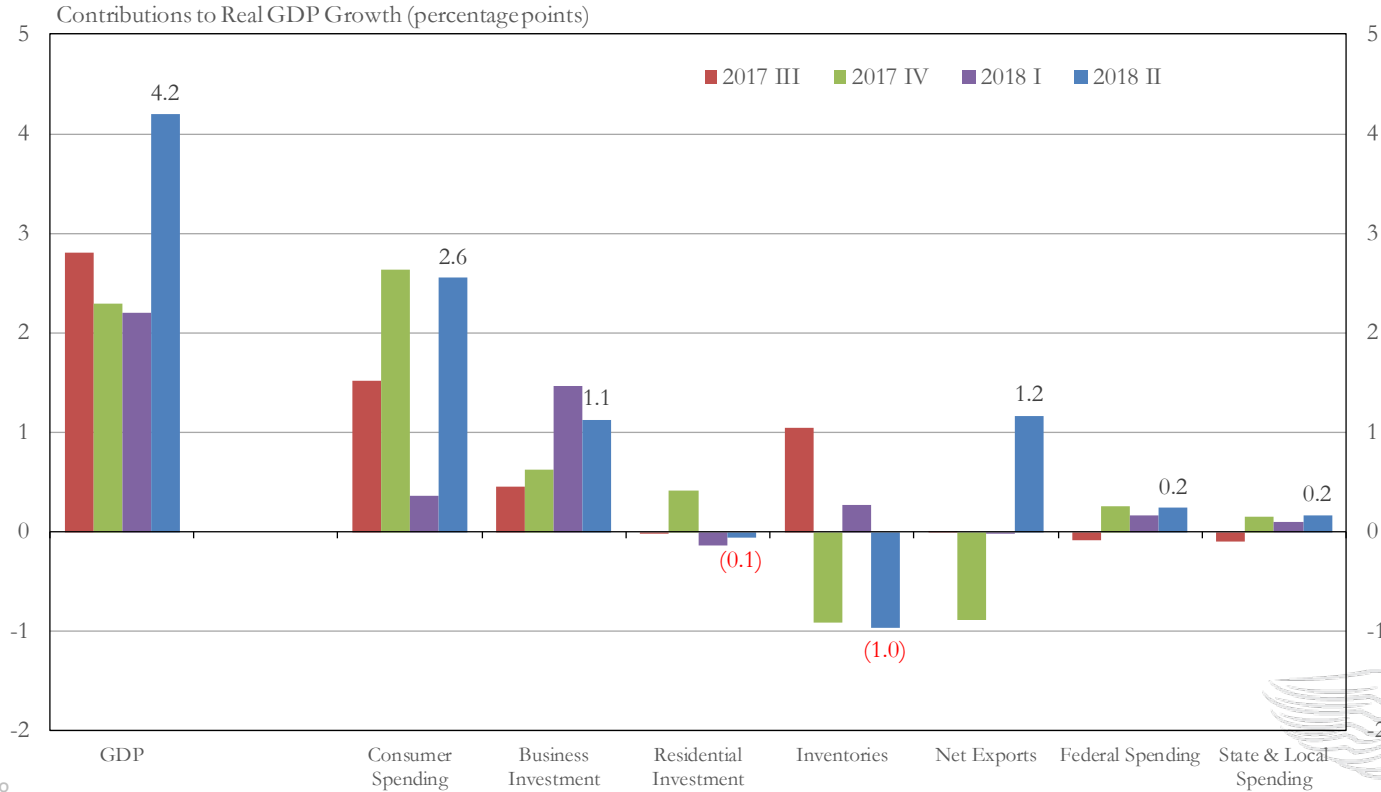


Slower Average Growth Over Time

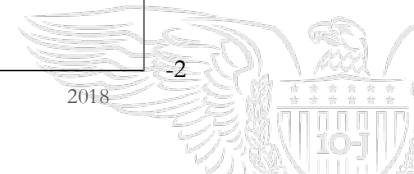
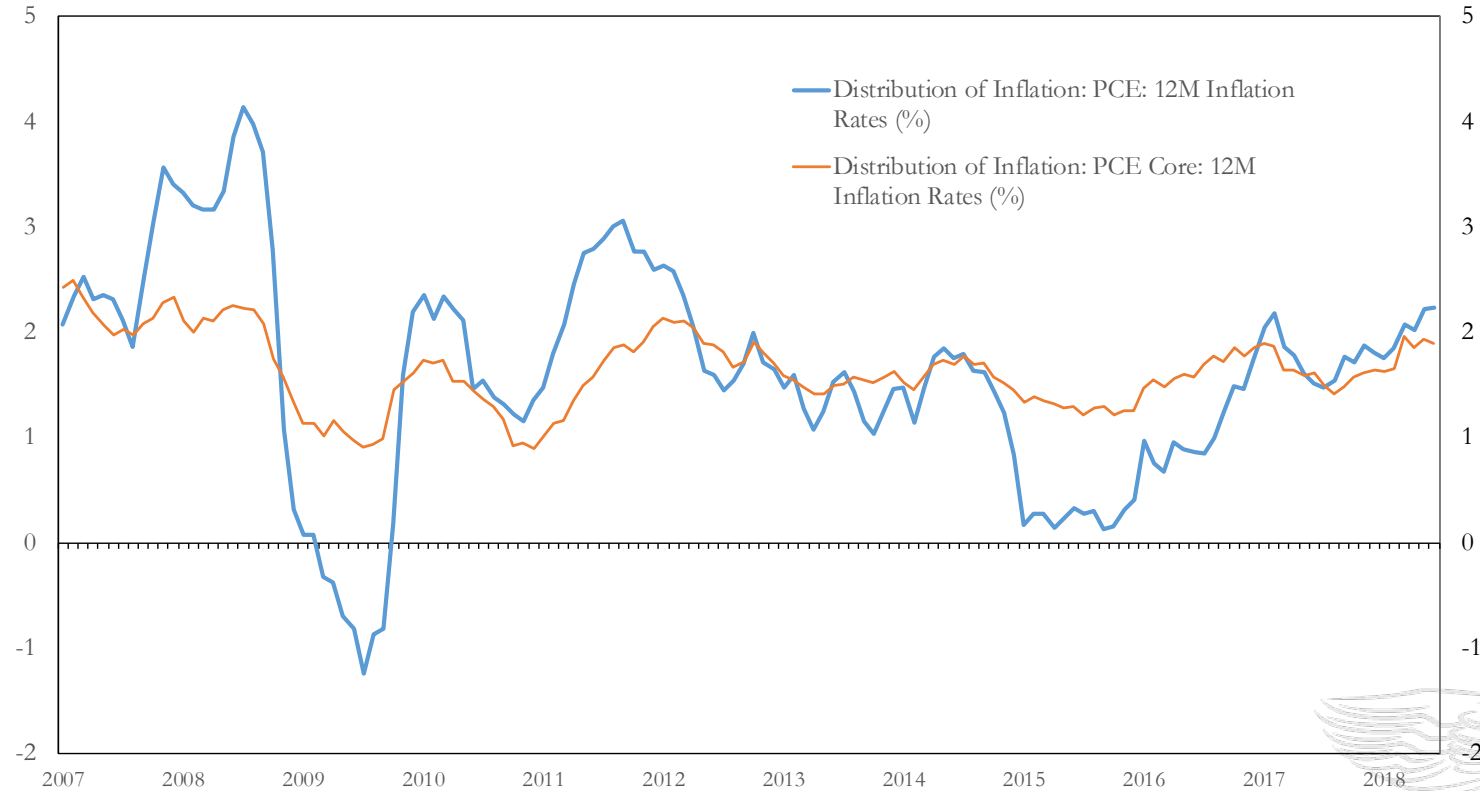


K. Edmiston, FRB KC

Contributions to Real GDP Growth

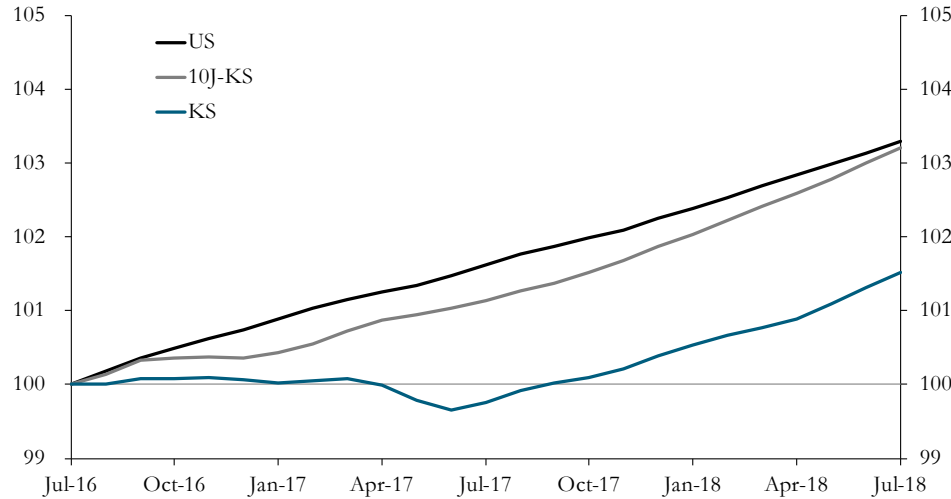


Measures of Inflation (personal consumption expenditure)



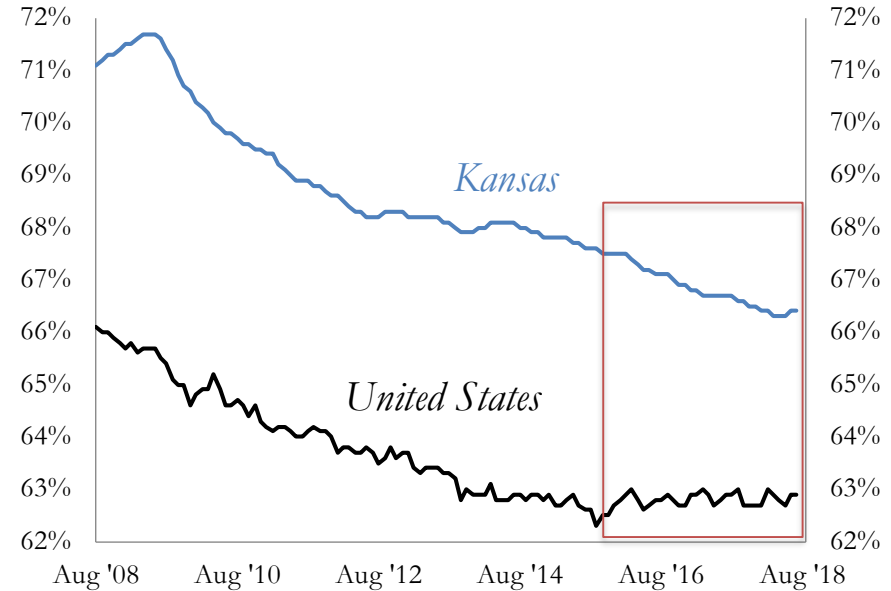
Kansas Employment Metrics

Index: July 2016 = 100



PAYROLL EMPLOYMENT

3-month moving average, Seasonally Adjusted

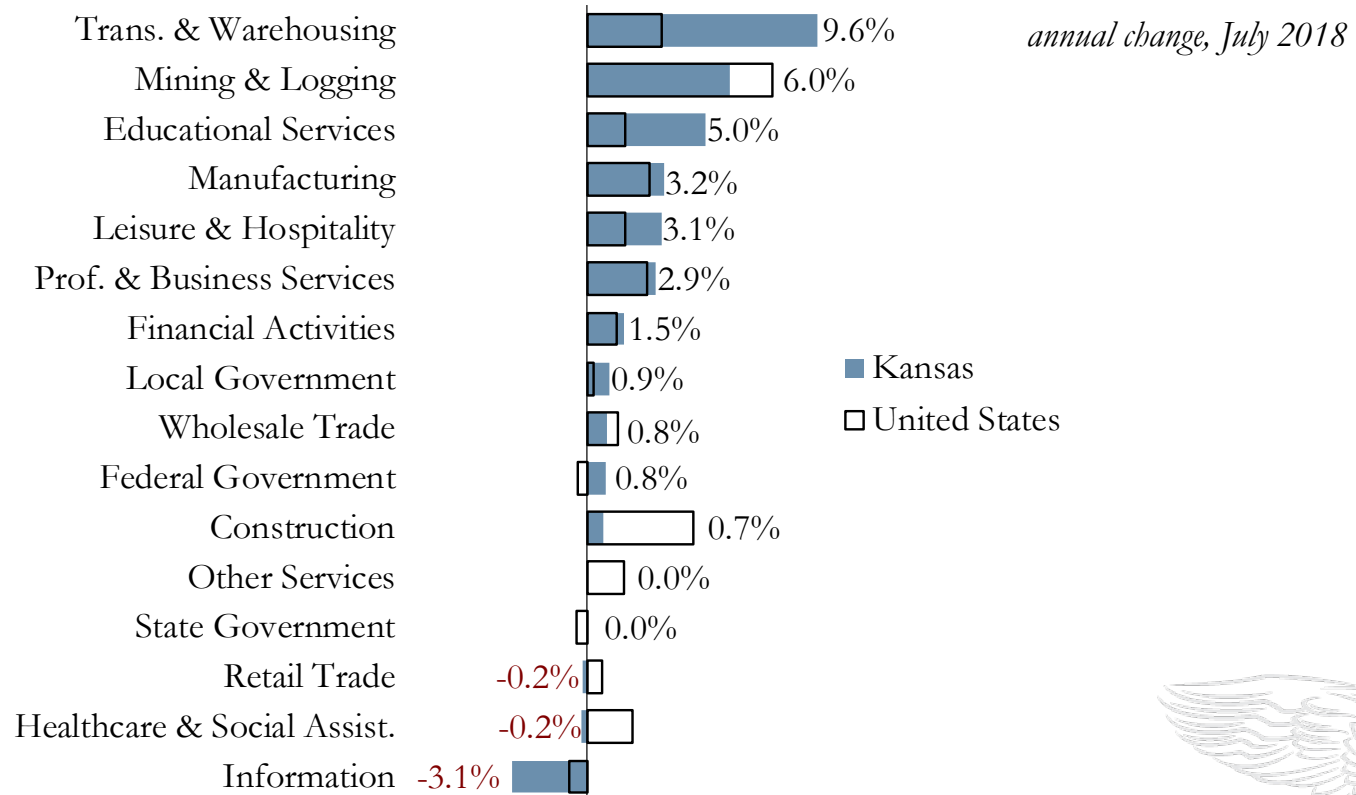


LABOR FORCE PARTICIPATION

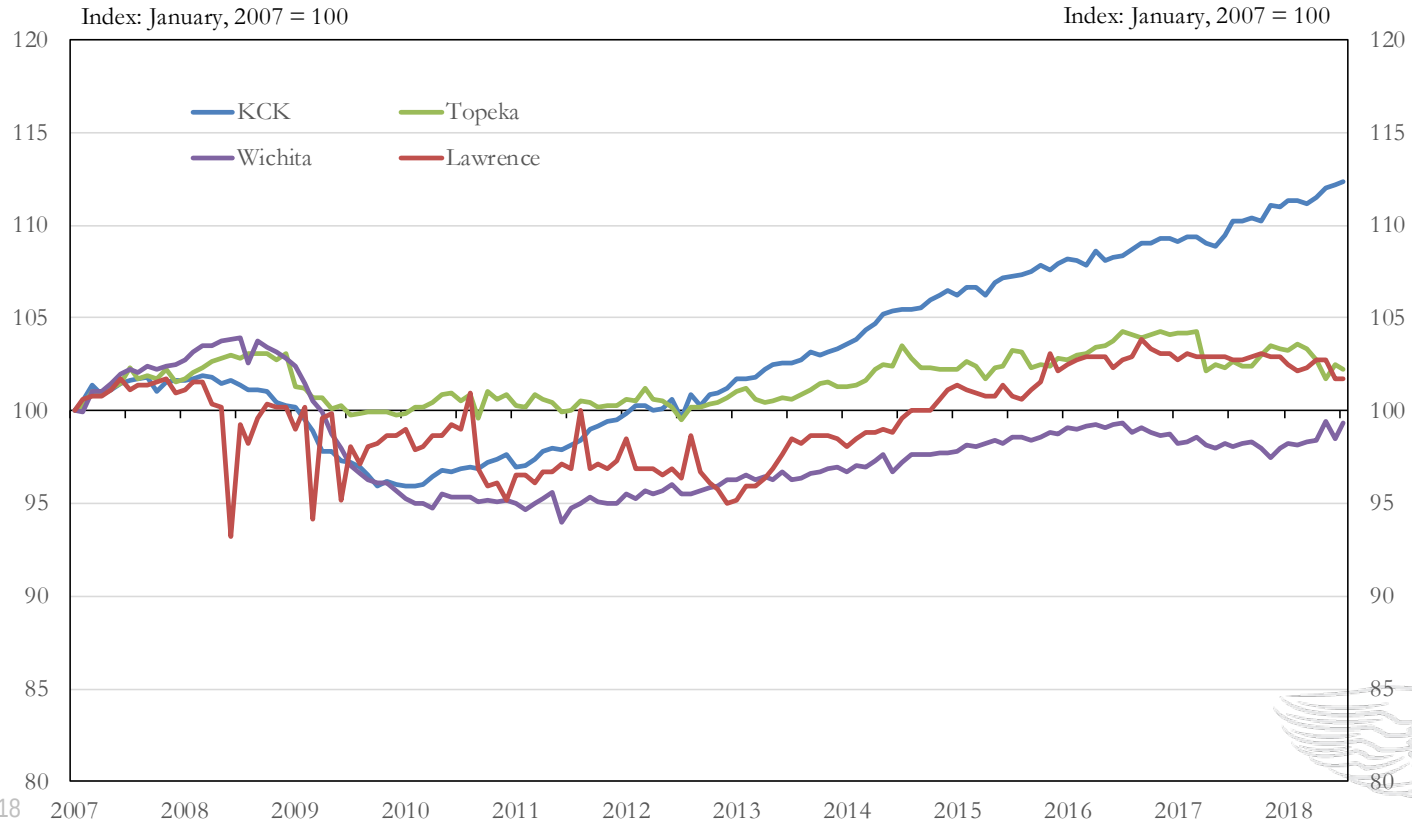
Seasonally Adjusted



Kansas Employment Growth by Sector



Employment Growth in Kansas MSAs



LMI Economic Conditions

Economic Conditions in the U.S., Kansas, and Low- and Moderate-Income Communities



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keFED LMI ECONOMIC CONDITIONS

Tenth District LMI Economic Conditions

Topics: Indicators and Data



Kelly D. Edmiston, Senior Economist

SEPTEMBER 04, 2018

Despite a strong national economy, economic and financial challenges remain for low- and moderate-income communities.

I. Economic Update for LMI Communities

The first section of the LMI Economic Conditions Report is an assessment of economic conditions in low- and moderate-income (LMI) communities in the Tenth District, which encompasses Colorado, Kansas, the western third of Missouri, Nebraska, the northern half of New Mexico, Oklahoma and Wyoming. A person, household, or community is LMI if income is below 80 percent of area median income. For urban areas, area median income is metropolitan median income. For non-metro areas, area median income is state median income.

Section I-A examines general perceptions of economic conditions in LMI communities and the demand for services from community organizations. Section I-B focuses on labor market conditions and job availability. Sections 1-C and 1-D focus on affordable housing and access to credit, respectively. Section II focuses on a special topic: income and health in the LMI community.

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Main Street Views highlights the diverse range of economic research and programs of the Kansas City Fed, including the annual Jackson Hole Economic Policy Symposium; analysis of macroeconomic, banking, and payments issues; and insight into the seven states and industries of the Tenth Federal Reserve District.

Topics

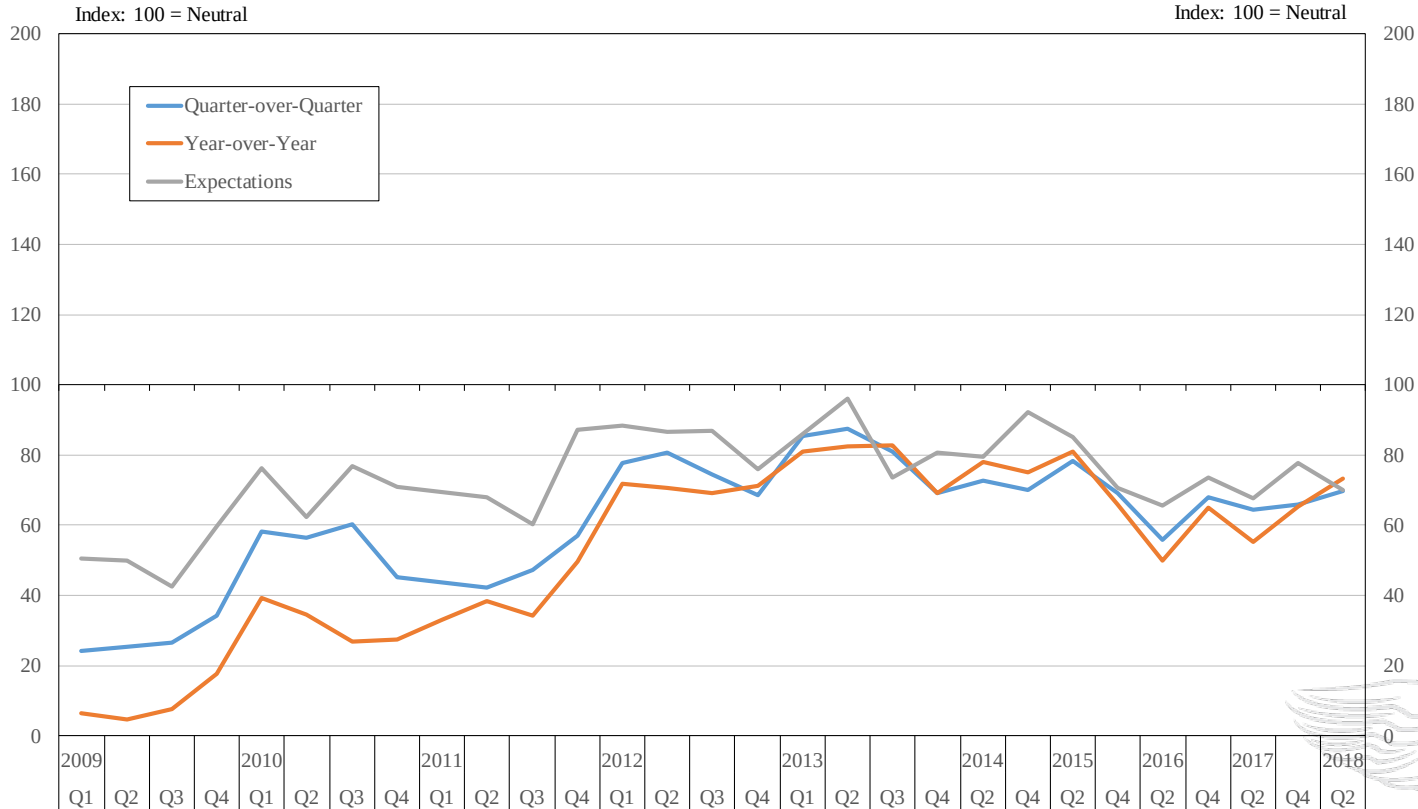
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Our Experts

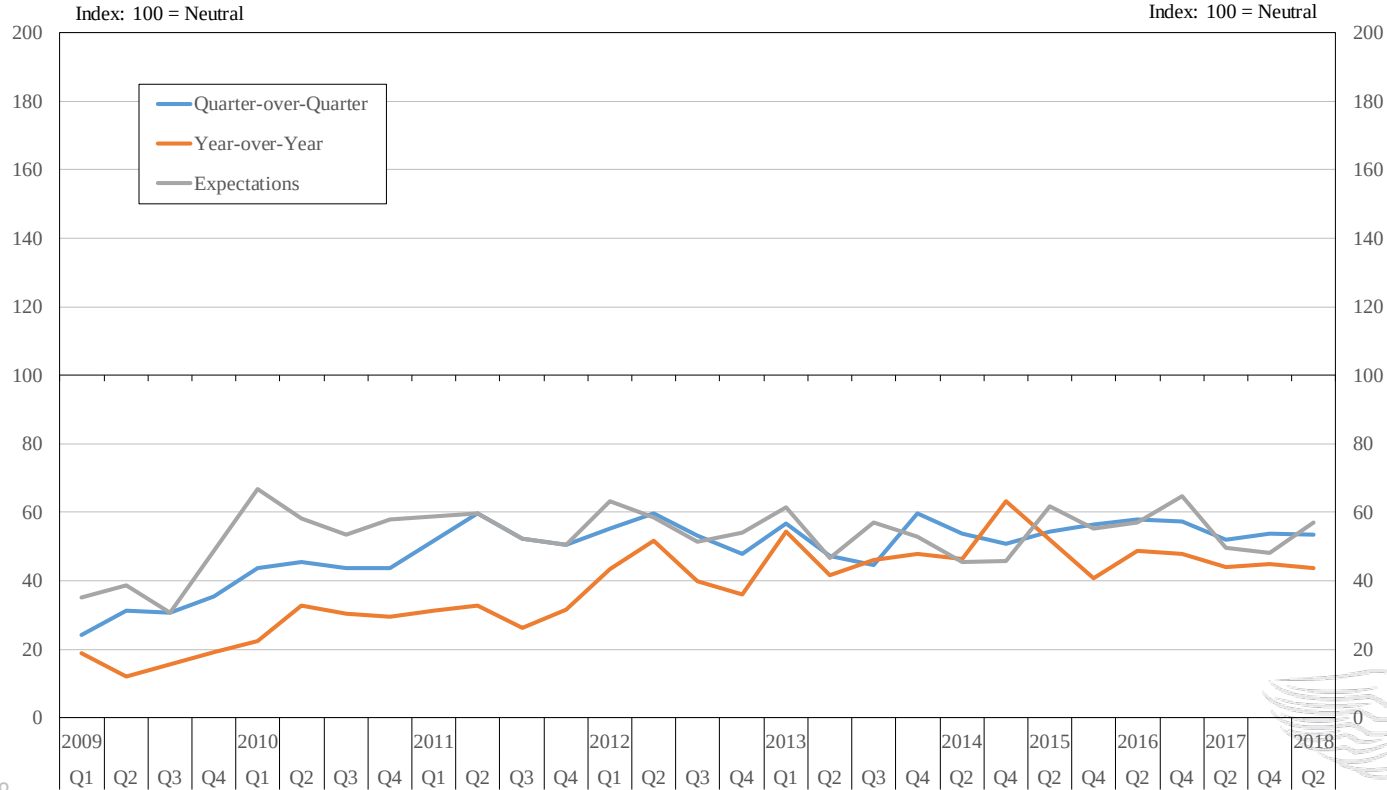
Our research staff conducts innovative research on monetary policy, the payments system, and regional and community issues. Our work is shared with policymakers, other researchers, and the public.

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LMI Financial Condition Index

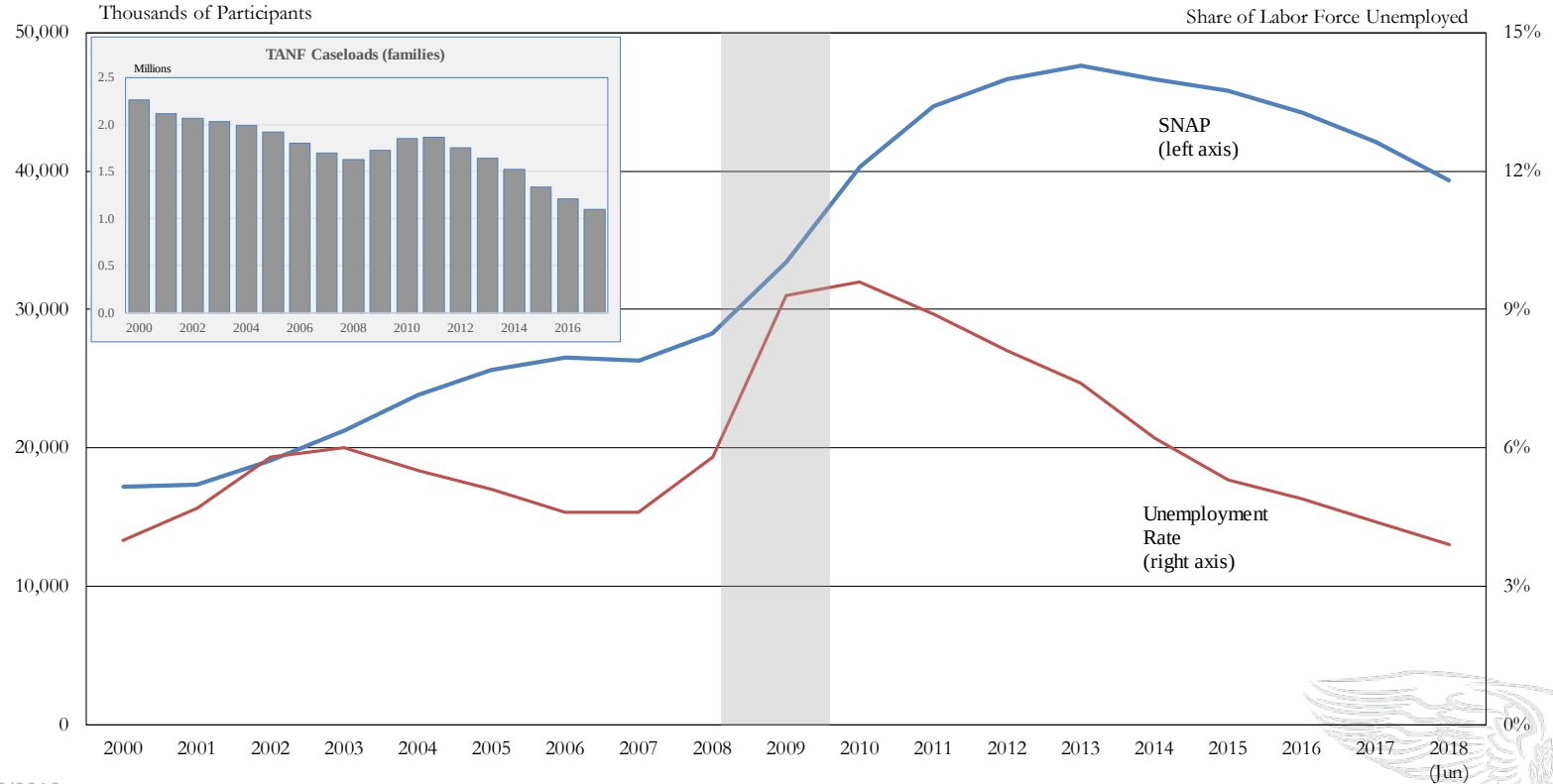


LMI Services Needs Index

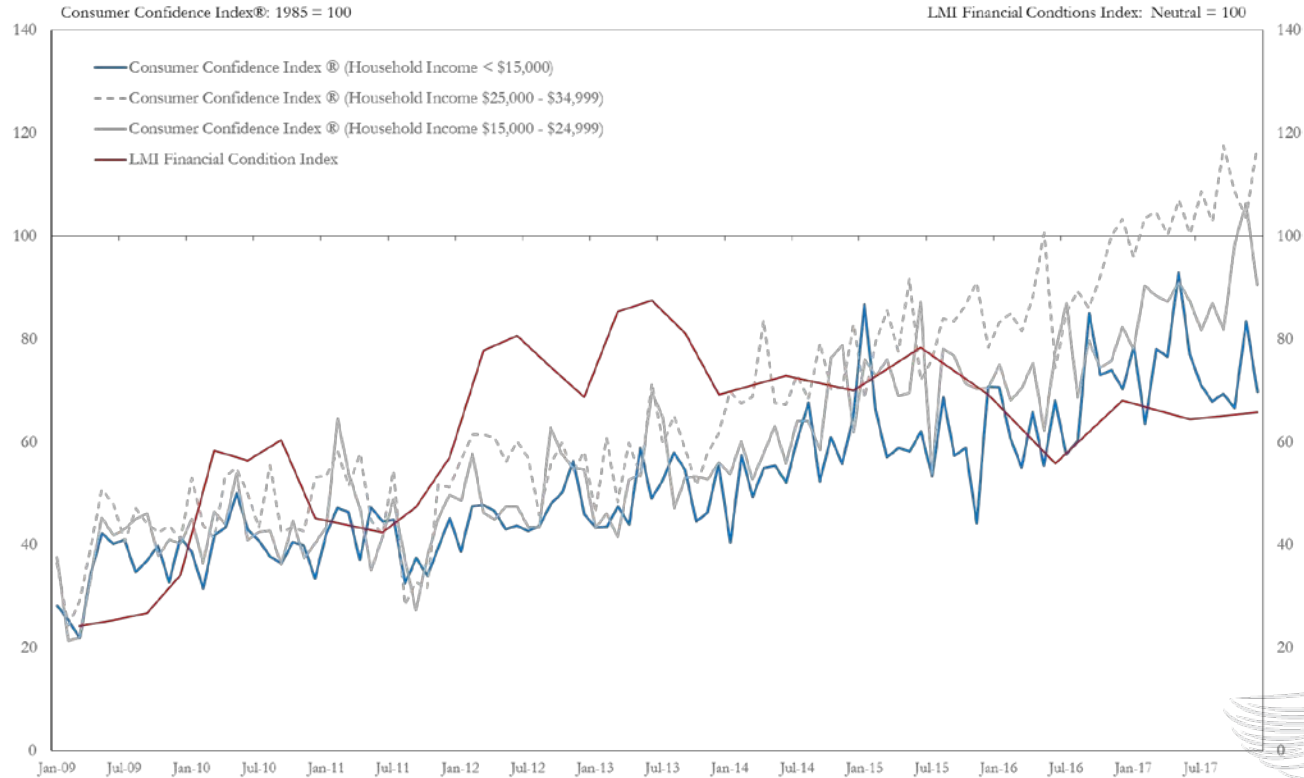


Participation in Public Assistance

Source: U.S. Department of Agriculture; U.S. Bureau of Labor Statistics; Office of Family Assistance; Federal Reserve Bank of Kansas City, LMI Economic Conditions, March 2017



LMI Economic Conditions Index and the Consumer Confidence Index

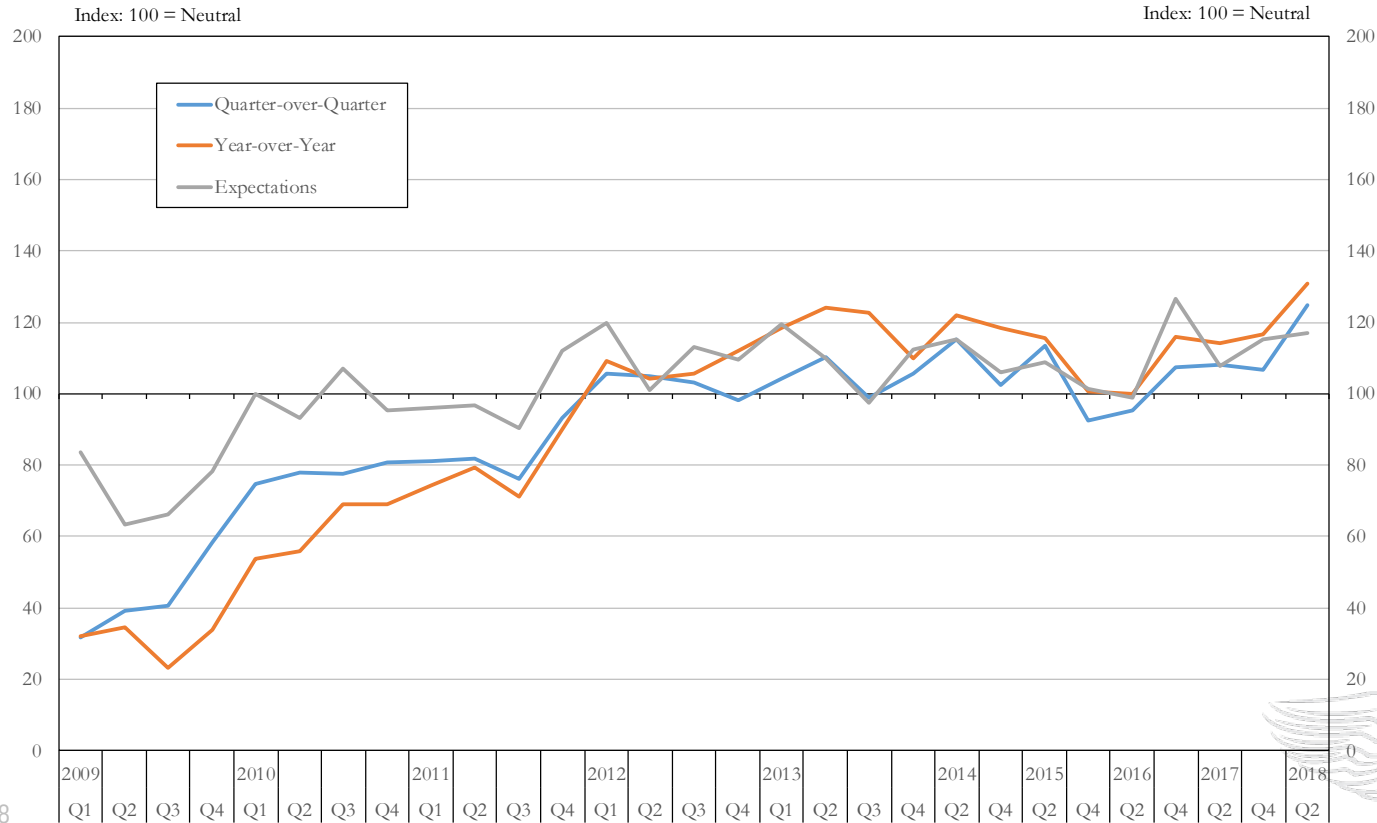


Special Question Responses

- Stagnant wages in tandem with higher prices
- Political uncertainties/policies
- Labor market circumstances
- Affordable housing
- Location-specific issues

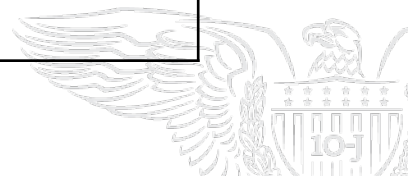


LMI Job Availability Index

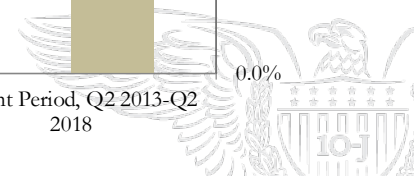
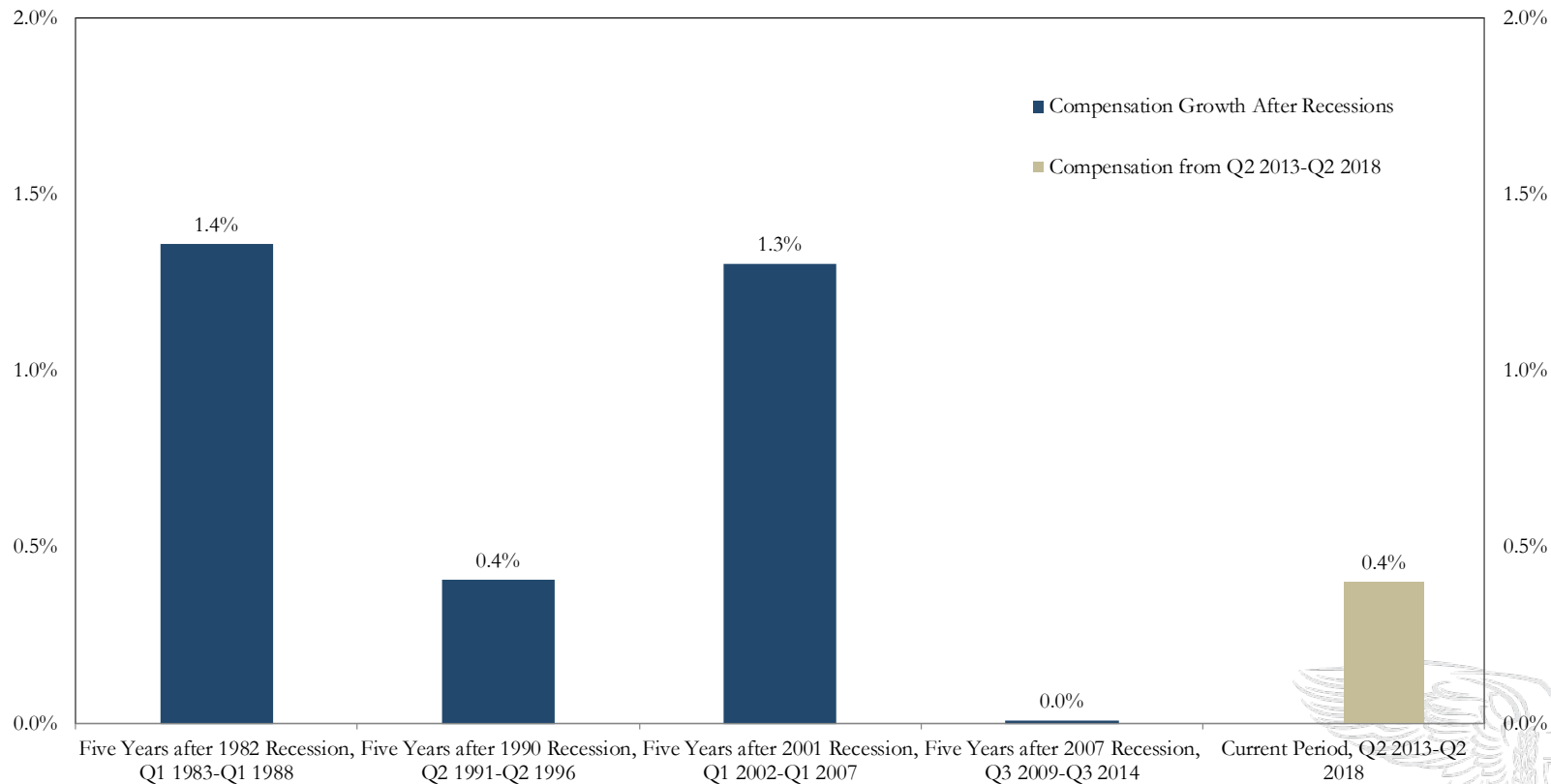


Labor Market Metrics

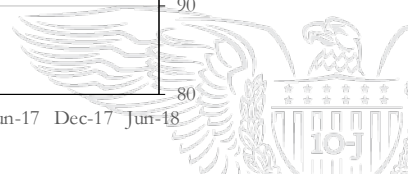
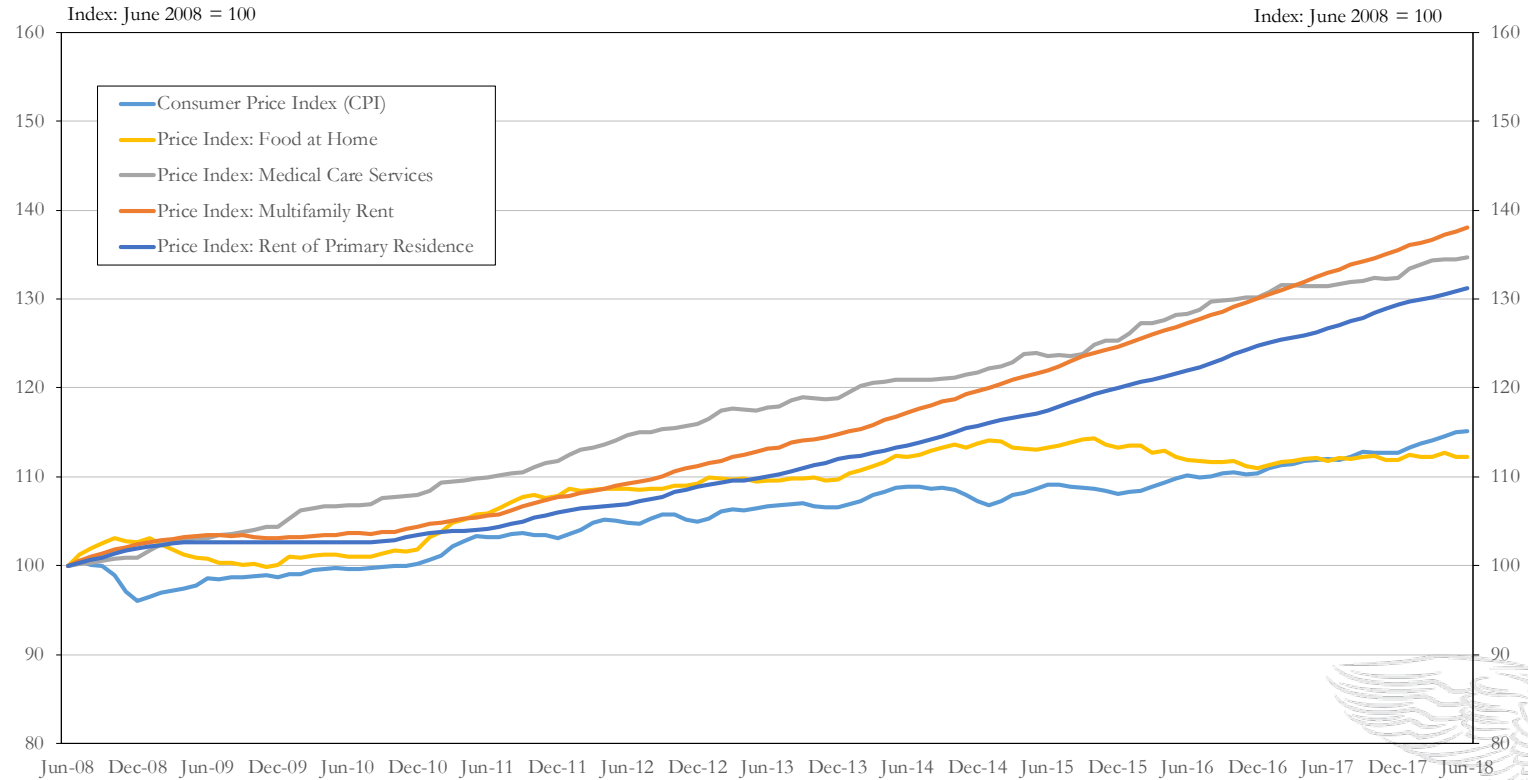
	Official Unemployment Rate (U-3)			Alternative Unemployment Rate		Long-Term Unemployed (Share of all Unemployed)		Labor Force Participation Rate	
	July 2018	June 2018	June 2017	June 2018	June 2017	June 2018	June 2017	June 2018	June 2017
U.S. (All)	3.9	4.0	4.3	7.5	8.3	19.7	21.9	62.9	62.8
District (All)		3.4	3.6					65.4	65.1
LMI		8.5	9.2	15.2	16.5	24.8	29.3	45.5	46.2
Sources: U.S. Bureau of Labor Statistics; Federal Reserve Bank of Kansas City calculations using data from the Current Population Survey; Federal Reserve Bank of Kansas City, LMI Economic Conditions, September 2018									



Annual Inflation-Adjusted Post-Recession Growth in Compensation, including benefits (5 years forward)

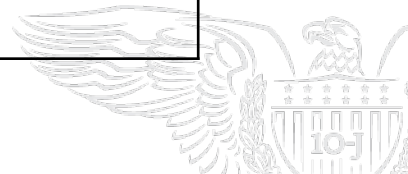


Selected Price Indexes



Labor Market Metrics

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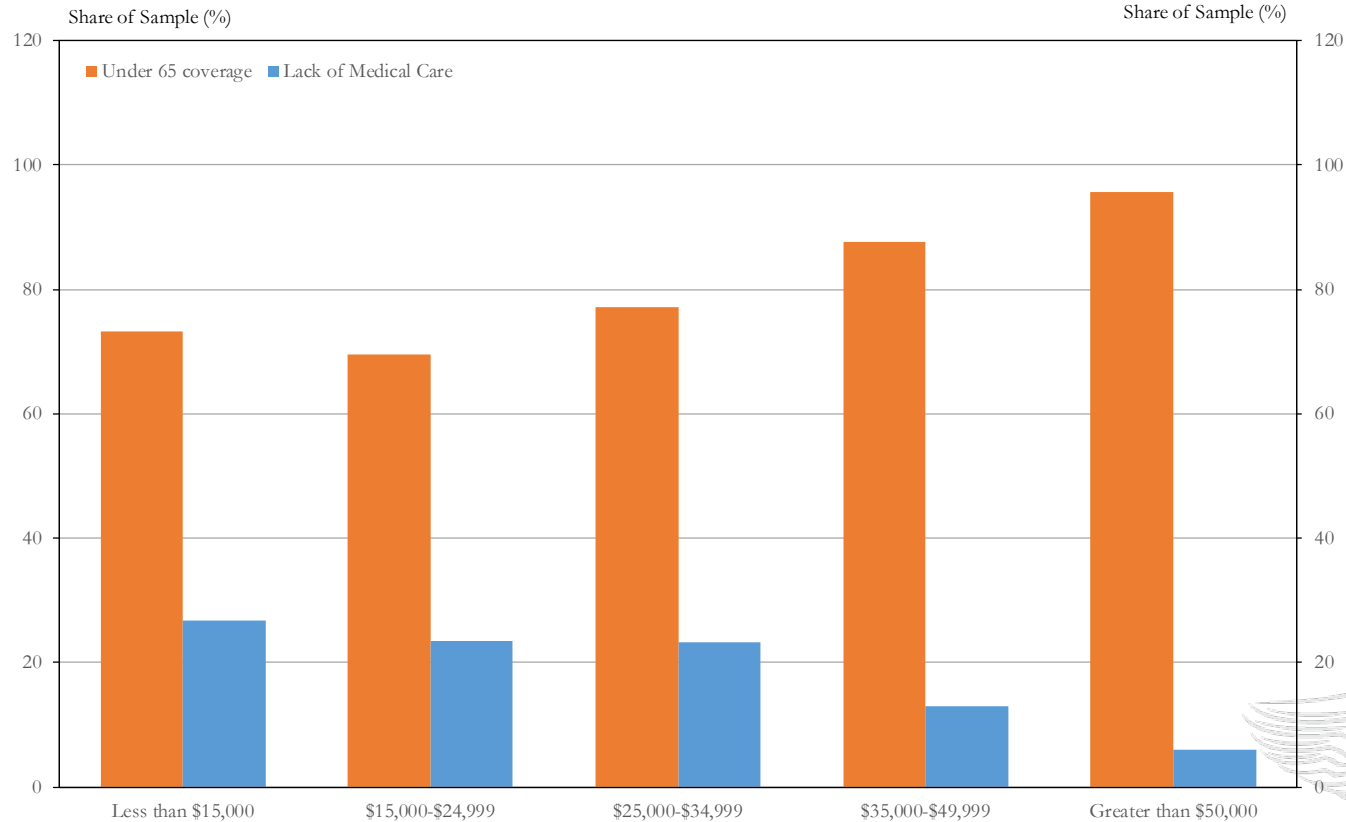
Why Aren't People Working?



LMI Health Metrics

Source: Centers for Disease Control and Prevention, Behavioral Risk Factor Surveillance System; Federal Reserve Bank of Kansas City LMI Economic Conditions, September 2018

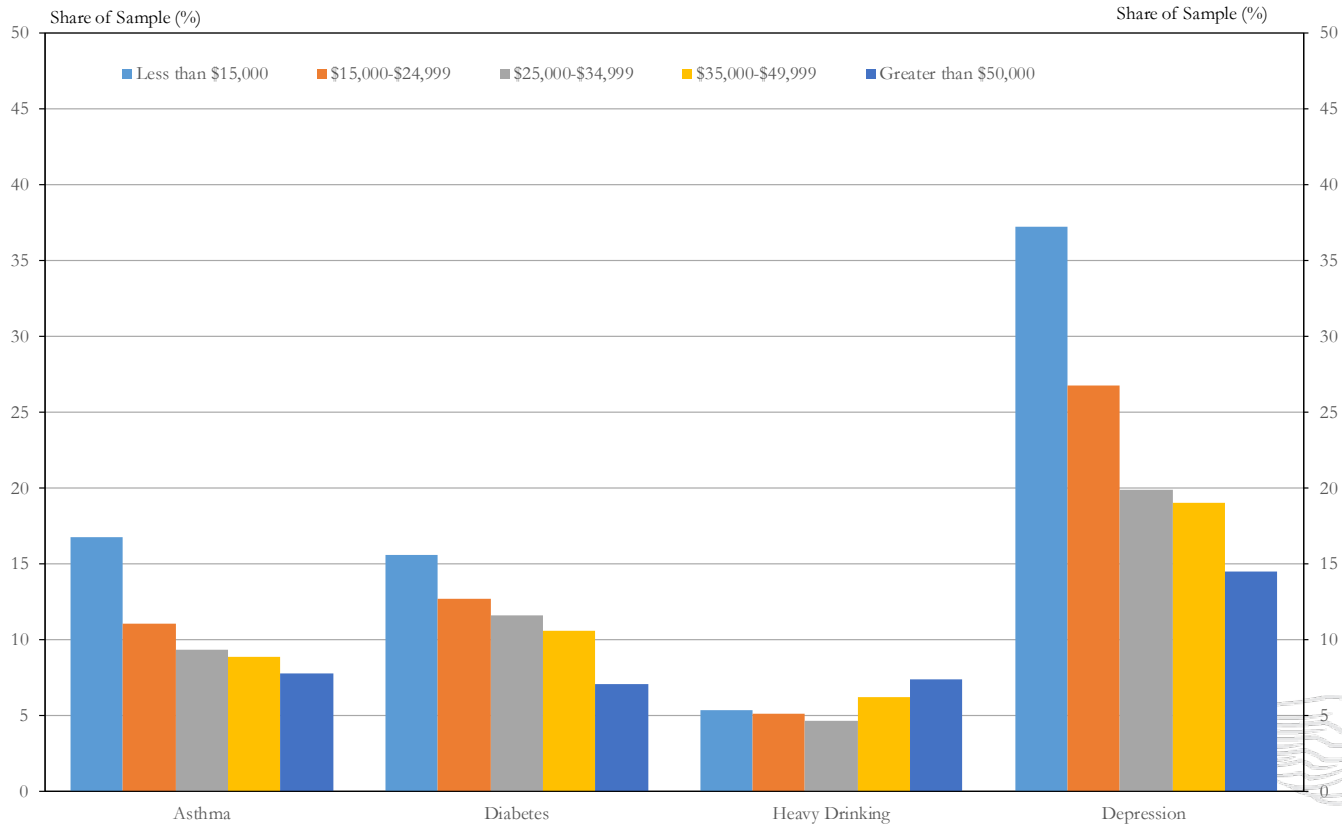
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LMI Health Metrics

Source: Centers for Disease Control and Prevention, Behavioral Risk Factor Surveillance System; Federal Reserve Bank of Kansas City LMI Economic Conditions, September 2018

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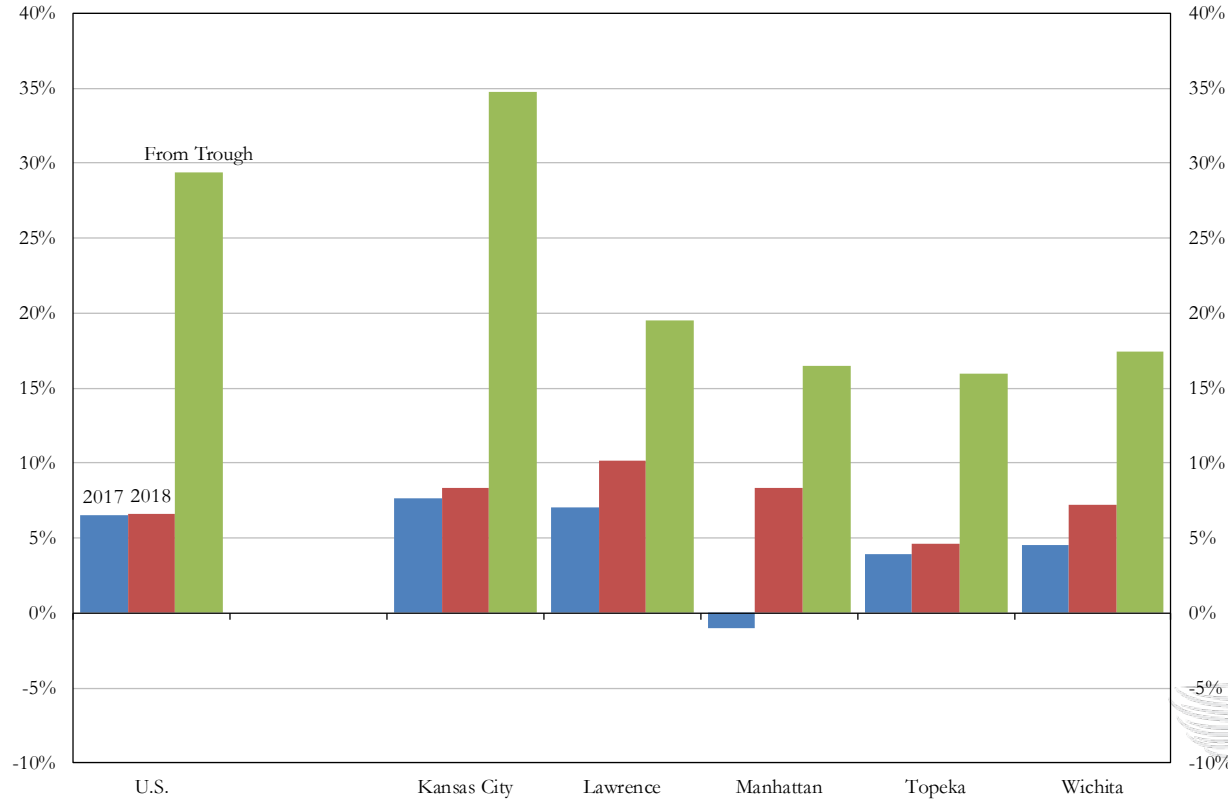


Housing

Economic Conditions in the U.S., Region, and Low- and Moderate-Income Communities



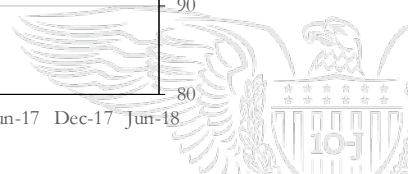
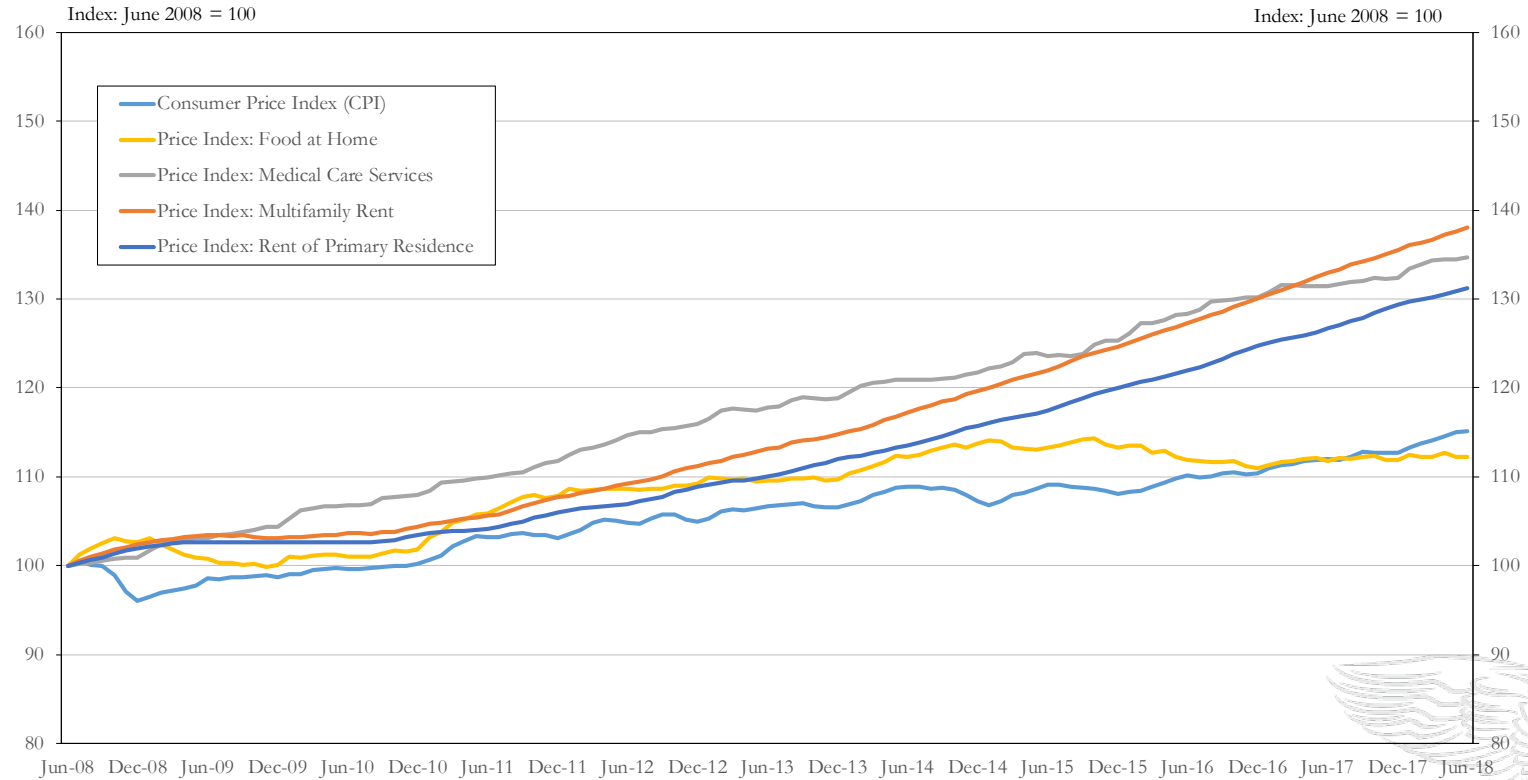
Growth in House Prices



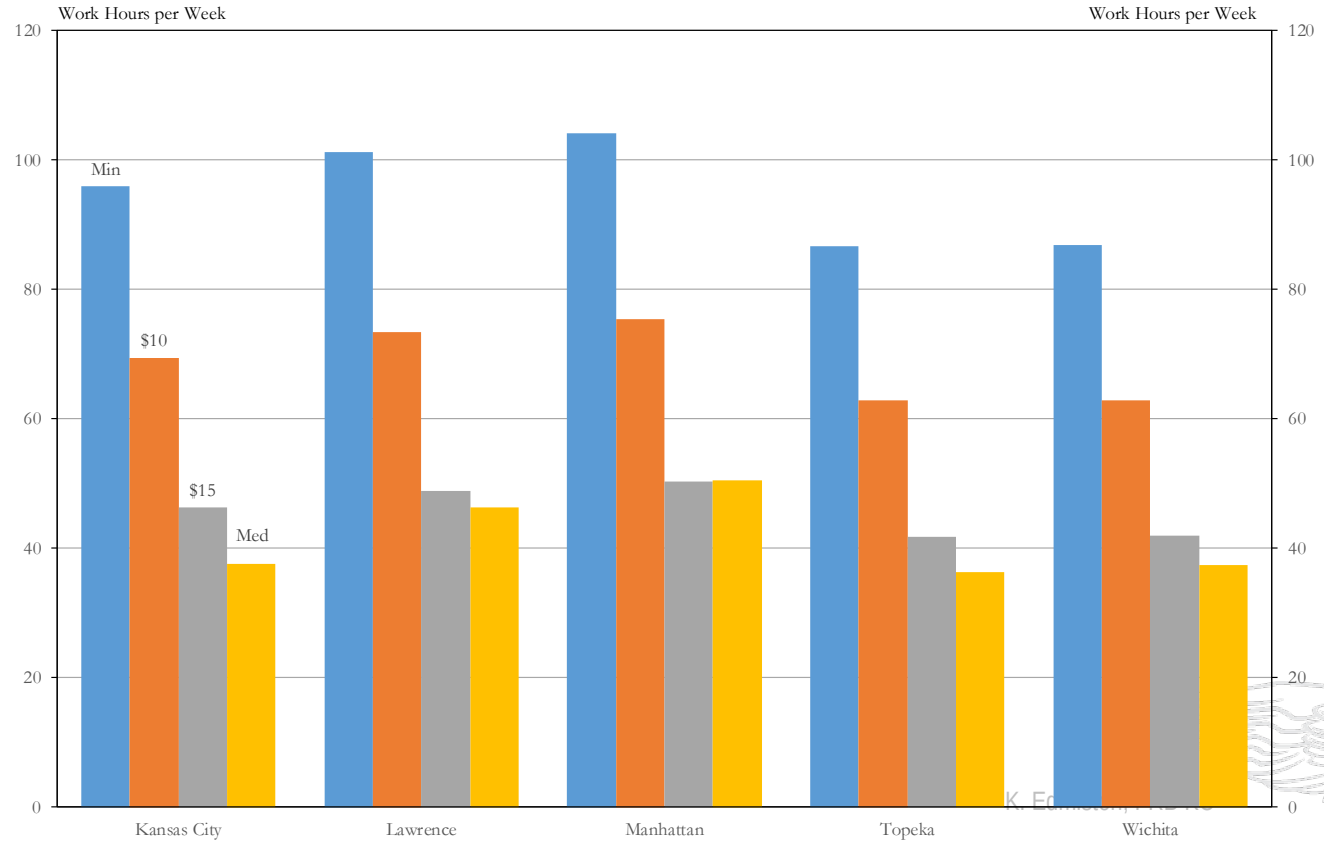
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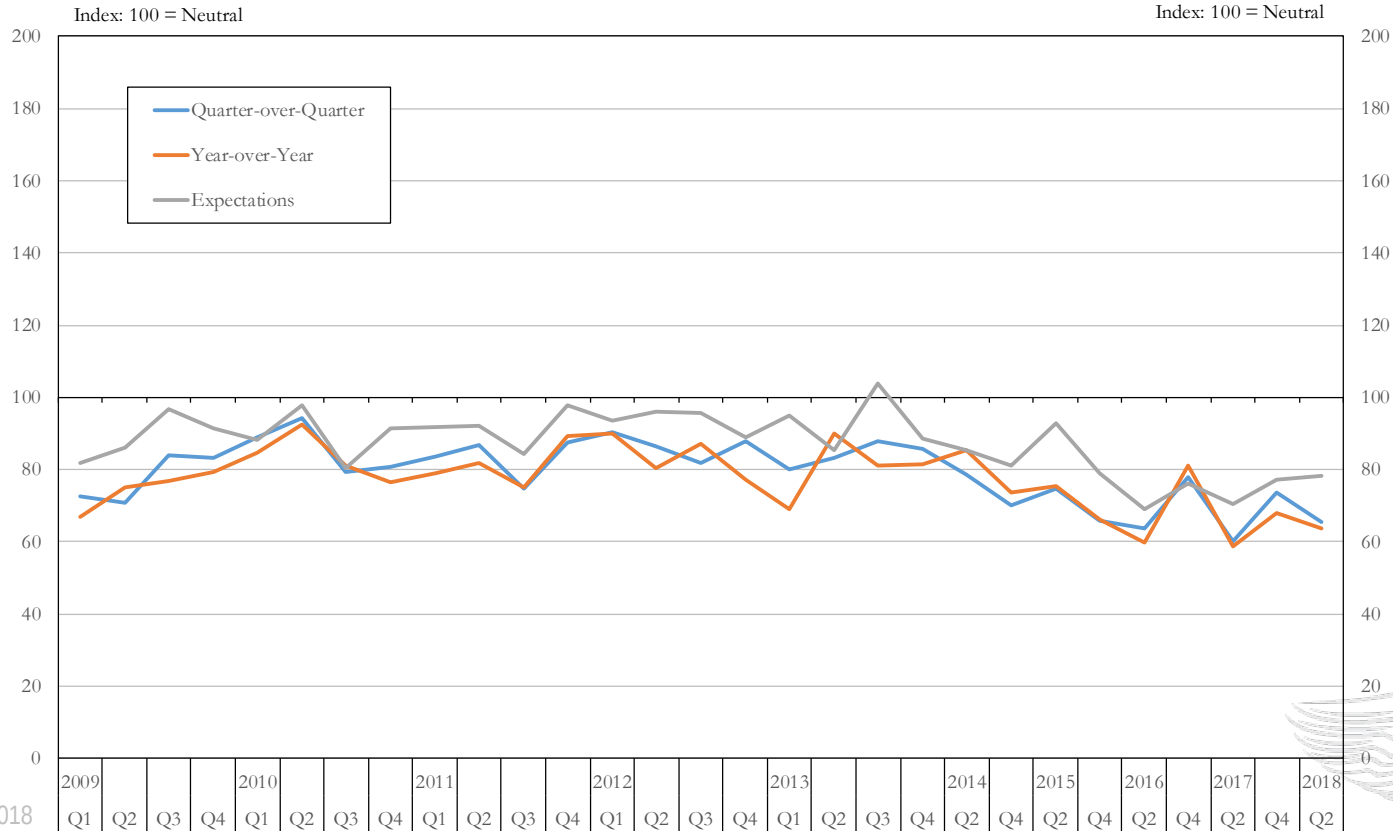
Selected Price Indexes



Housing Wage



LMI Housing Affordability Index



Source: Federal Reserve Bank of Kansas City LMI Survey;
LMI Economic Conditions, September 2018



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