Today’s Macro Economy
The U.S. economy is projected to rebound in 2010.

Real GDP Growth

Annual percent change


“U” “W” “V” “L”

Source: Bureau of Economic Analysis Federal Reserve Board of Governors
High unemployment rates could dampen the recovery.

U.S. Unemployment Rate

Source: Bureau of Economic Analysis
Deleveraging could contribute to a sluggish recovery as consumers save more and spend less.

Source: Federal Reserve Board of Governors
Can stronger global economies and a weaker dollar spur further improvements in the trade balance?

Real Net Exports of Goods and Services

Source: Bureau of Economic Analysis
Will the stimulus package spur growth in 2010?

Estimated Budget Impact of American Recovery and Reinvestment Act (ARRA) of 2009

Billion Dollars

2009: Revenues -64.8, Outlays 120.1
2010: Revenues -180.1, Outlays 219.3
2011: Revenues -8.2, Outlays 126.2
2012-2019: Revenues 41.3, Outlays 109.6

Source: Congressional Budget Office, February 13, 2009
To combat the financial crisis and recession, the Federal Reserve has expanded its balance sheet.

Federal Reserve Balance Sheet: Assets

- **Short-term Lending to Financial Firms**
- **Rescue Operations**
- **Operations Focused on Broader Credit Conditions**
- **Other Assets**
- **Treasury Portfolio**

Source: Federal Reserve Board of Governors
For More Information

Federal Reserve Bank of Kansas City
Omaha Branch

www.kansascityfed.org