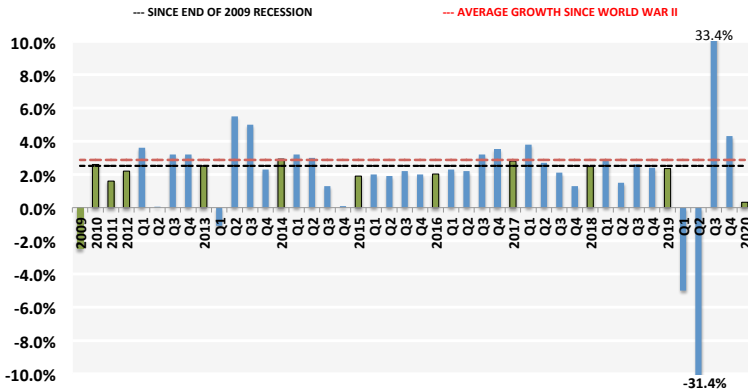


GROSS DOMESTIC PRODUCT



GROSS DOMESTIC PRODUCT



PERSONAL CONSUMPTION



	ANNUAL GROWTH			2018		2019				2020				2021
	2017	2018	2019	III	IV	I	II	III	IV	I	II	III	IV	I
GDP	2.4%	2.9%	18.9%	2.1%	1.3%	2.9%	1.5%	2.6%	2.4%	-5.0%	-31.4%	33.4%	4.3%	6.4%
Personal Spending	2.6%	3.0%	21.7%	2.7%	1.6%	1.8%	3.7%	2.7%	1.6%	-6.9%	-33.2%	41.0%	2.3%	11.3%
Domestic Investment	4.4%	5.1%	57.1%	10.2%	3.9%	3.9%	-5.8%	1.8%	-3.7%	-9.0%	-46.6%	86.3%	27.8%	-4.7%
Net Exports	-1.2%	-1.4%	-20.5%	-13.2%	-1.3%	3.9%	-6.2%	0.3%	10.9%	5.5%	-10.3%	-33.5%	-7.5%	-9.6%
- Exports	3.5%	3.0%	41.0%	-5.2%	2.8%	1.8%	-4.5%	0.8%	3.4%	-9.5%	-64.4%	59.6%	22.3%	-2.9%
- Imports	4.7%	4.4%	61.5%	8.0%	4.1%	-2.1%	1.7%	0.5%	-7.5%	-15.0%	-54.1%	93.1%	29.8%	6.7%
Government Spending	0.7%	1.7%	-2.8%	2.5%	-0.9%	2.5%	5.0%	2.1%	2.4%	1.3%	2.5%	-4.8%	-0.8%	5.8%
- Federal	0.8%	2.9%	-3.6%	4.5%	1.9%	1.3%	9.2%	4.8%	4.0%	1.6%	16.4%	-6.2%	-0.9%	13.9%
: National Defense	0.7%	3.3%	4.0%	5.4%	6.4%	5.6%	4.4%	5.6%	6.6%	-0.3%	3.8%	3.2%	4.8%	-3.4%
: Non- defense	0.8%	2.4%	-13.6%	3.3%	-4.4%	-4.7%	16.9%	3.5%	0.1%	4.4%	37.6%	-18.3%	-8.9%	44.8%
- State	0.6%	1.0%	-2.4%	1.4%	-2.5%	3.2%	2.6%	0.6%	1.5%	1.1%	-5.4%	-3.9%	-0.8%	0.8%

GROSS DOMESTIC PRODUCT & CU STRATEGY

(May 2021)..... In their first estimate, the Commerce Department projects first quarter economic growth at 6.4 percent, compared with fourth quarter growth of 4.3 percent and third quarter of 33.4 percent. Consumer spending expanded by 11.3 percent while domestic investment decreased -4.7 percent. Net exports decreased -9.6 percent.

Government spending increased 5.8 percent with federal spending up 13.9 percent and state spending increased 0.8 percent. Federal defense-related expenditures were down -3.4 percent while nondefense spending rose 44.8 percent.

Growth was comparable to previous third-quarter growth rates. Since the end of the 2008-09 recession, economic growth has averaged 2.5 percent over a historic 10-year recovery period. This compares with the average growth rate of 3.4 percent over the previous 9 recessions since World War II.

Strategically ... With continued upticks in household net worth, improved consumer sentiment and the current rate of inflation, Federal Reserve policy-makers should continue to pursue a monetary policy that begins to raise their overnight benchmark rate to reposition the yield curve to a more traditional shape.