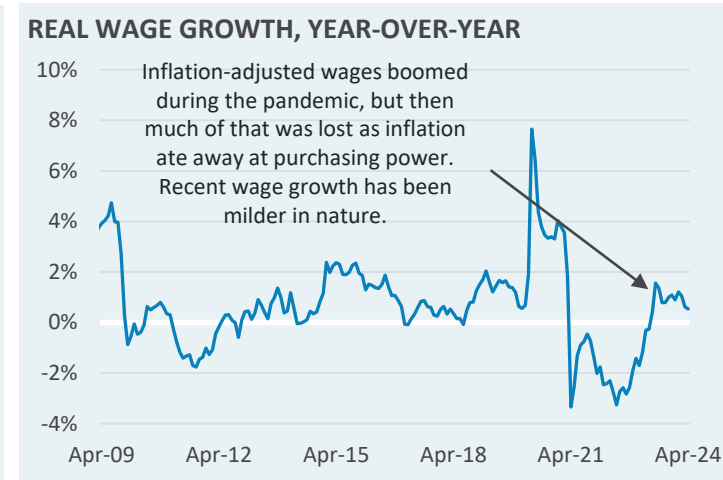
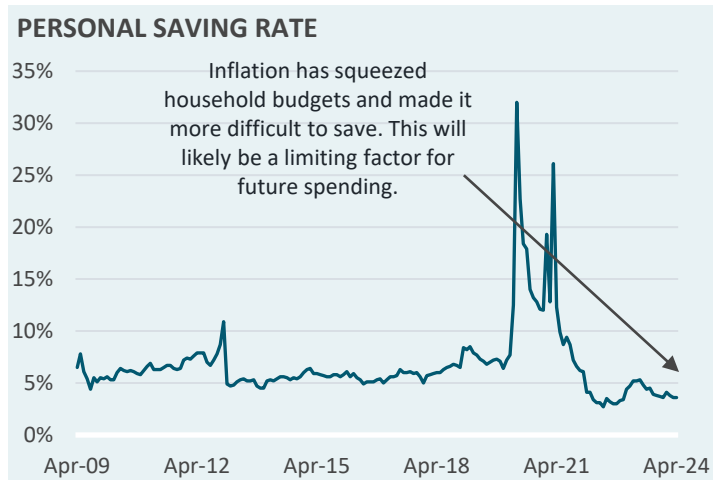
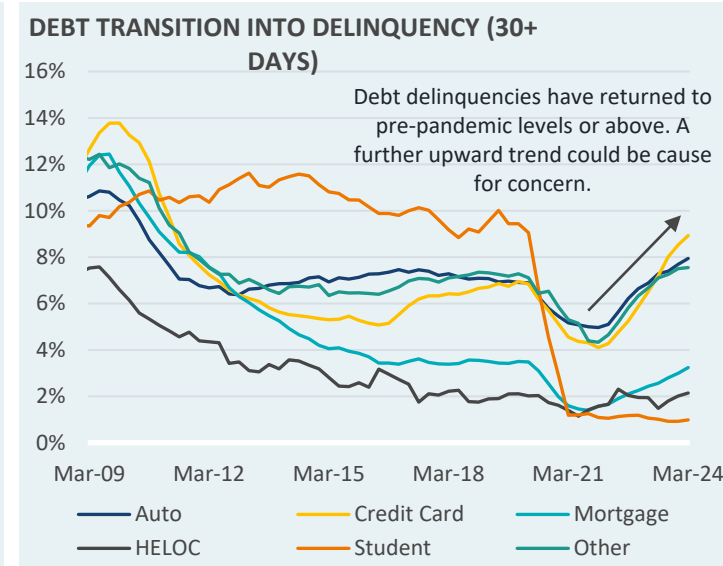
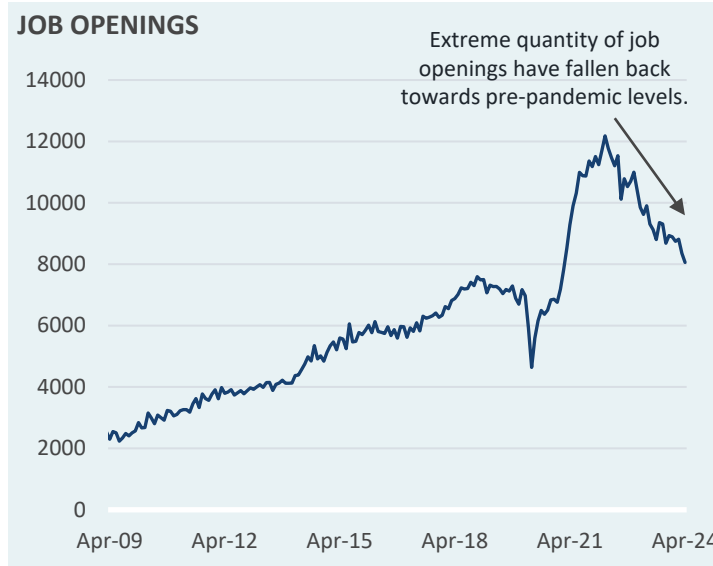


Verus Market Note

The economy has been showing recent signs of cooling

The U.S. has moved away from extremely loose monetary policy, near 0% interest rates, and various forms of government stimulus. As Covid-era restrictions ended, pent-up demand sparked a period of unusually strong spending and growth that was accelerated by these easy conditions. While economic activity remains fairly robust, many metrics show weakening conditions.

Examining these metrics over only a short-term basis (the past year, for example) may give the dramatic appearance of a sharply deteriorating environment. It is important to step back and take a longer-term view to ensure proper context. Many of these metrics are in fact weakening, but have so far moved from unusually strong levels back to pre-pandemic conditions. This Market Note outlines certain metrics that suggest a slowing trend in the economy.



Source: St. Louis FRED, NY Fed as of 6/6/24.