**Observation: 11-3-16**

**Camille Collins, EdD, CPA**

**Monetary Policy Project**

**Phase 1: Identify the current state of the economy.**

**Instructions:**

1. **Random sort for groups of 4-5. Modify if groups need to accommodate equal number of students from various ethnic backgrounds and academic abilities.**
2. **Allow student to distribute the material in a manner they feel is sufficient to their group’s work ethic.**
3. **Students have 2 days to locate the current data for each economic indicator and formulate a conclusion regarding its impact on the greater economy. All working papers must be competed and presented in a professional manner.**
4. **Combine all their data and determine is the economy in a recession, a period of stagnation or a period of price inflation.**
5. **Next Lesson:**

**Stage II will include mocking the FOMC process to determine whether to increase money in circulation or reduce money in circulation through the purchases and sales of government bonds in the open market.**

**Federal Reserve Bank Monetary Policy Project**

**Working Papers – Monthly Numbers**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of Economic Indicator**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Student Assigned**: ­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Definition**:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Reporting Period (circle) :** Monthly Quarterly Annually **Could growth in this indicator cause a problem?** **(circle):** Inflation Recession | **Reporting Period** | **Month over Month Annualized Growth** | **Year over Year Growth** |
| *Using the history of data provided by the FRED website on the Federal Reserve Bank’s Educational Database to identify the growth rates AND then compare their growth the historical growth rates. Go back as far back as possible to determine is the current growth rates are indicators of recession, inflation, or stagnation in the economy.* | ***September 2016*** |  |  |
| ***August 2016*** |  |  |
| ***July 2016***  |  |  |
| ***June 2016*** |  |  |
| ***May 2016*** |  |  |
| ***April 2016*** |  |  |
| ***March 2016*** |  |  |

Based on your analysis, do think this could this could cause **weakness in production** levels in the **current** period?

 (circle) YES NO

Based on your analysis, do think this could this could cause **weakness in production** levels in **future** periods?

 (circle) YES NO

Based on your analysis, do think this could this could cause **inflation** in excess of **national income** in the current period?

 (circle) YES NO

Based on your analysis, do think this could this could cause **inflation** in excess of **national income** in the future period?

 (circle) YES NO

Identify a opinion based news story from the last 6 month that speaks to this topic. Copy and paste 10 conclusions from the article

*
*
*
*
*
*
*
*
*

Based on your research thus far, writing a conclusion paragraph about this economic indicator’s impact on the greater ecnomy (e.g. recessionary pressures? Inflationary pressures?)

**Federal Reserve Bank Monetary Policy Project**

**Working Papers – Quarterly Numbers**

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of Economic Indicator**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Student Assigned**: ­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Definition**:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**Reporting Period (circle) :** Monthly Quarterly Annually **Could growth in this indicator cause a problem? (circle):** Inflation Recession | **Reporting Period** | **Quarter over Quarter Annualized Growth** | **Year over Year Growth** |
| *Using the history of data provided by the FRED website on the Federal Reserve Bank’s Educational Database to identify the growth rates AND then compare their growth the historical growth rates. Go back as far back as possible to determine is the current growth rates are indicators of recession, inflation, or stagnation in the economy.* | ***September 2016 (Q3)*** |  |  |
| ***June 2016 (Q2)*** |  |  |
| ***March 2016 (Q1)***  |  |  |
| ***December 2015 (Q4)*** |  |  |
| ***September 2015 (Q3)*** |  |  |
| ***June 2015 (Q2)*** |  |  |
| ***March 2015 (Q1)*** |  |  |

Based on your analysis, do think this could this could cause **weakness in production** levels in the **current** period?

 (circle) YES NO

Based on your analysis, do think this could this could cause **weakness in production** levels in **future** periods?

 (circle) YES NO

Based on your analysis, do think this could this could cause **inflation** in excess of **national income** in the current period?

 (circle) YES NO

Based on your analysis, do think this could this could cause **inflation** in excess of **national income** in the future period?

 (circle) YES NO

Identify a opinion based news story from the last 6 month that speaks to this topic. Copy and paste 10 conclusions from the article

*
*
*
*
*
*
*
*
*

Based on your research thus far, writing a conclusion paragraph about this economic indicator’s impact on the greater ecnomy (e.g. recessionary pressures? Inflationary pressures?)