



# IFO NEWS STAND

A monthly glimpse at the state of the economy

- April 2019 -

## Pennsylvania News

### Labor Market Slows in 2019 Q1

On April 19, the U.S. Bureau of Labor Statistics released [state employment data](#) for March. The data reveal a notable slowdown in the number of jobs created for 2019 Q1. The annualized pace of net jobs creation for that quarter show an increase of 44,600 jobs (not seasonally adjusted) compared to the same quarter in the prior year. That latest data point is consistent with the pattern of net jobs creation during calendar year 2018: 69,100 (2018 Q1), 68,100 (2018 Q2), 65,000 (2018 Q3) and 56,700 (2018 Q4).

### Personal Income Growth Strong in 2018 Q4

On March 26, the U.S. Bureau of Economic Analysis (BEA) released [state personal income](#) data for 2018 Q4. For calendar year 2018, the data show that Pennsylvania personal income grew by 3.9%, with two of the larger components growing by 4.0% (wages and salaries) and 4.3% (business income). For 2018 Q4 only, the respective growth rates were 4.4%, 4.2% and 4.7%.

### Philadelphia Regional Inflation Remains Subdued

On March 12, the U.S. Bureau of Labor Statistics released [regional CPI-U](#) data for February 2019. Relative to the prior year, all consumer prices increased by 1.5%. Food and beverage prices increased by 1.0% and medical care by 3.9%, while gasoline declined by 11.0%. Excluding energy, the Philadelphia CPI-U increased by 1.9% from the prior year.

## National News

### Federal Income Tax Refunds Remain Below Prior Year

On a weekly basis, the IRS releases the latest data regarding federal [income tax refunds](#) processed and paid. Through April 12, total IRS refunds processed were down 1.9% compared to the same time in the prior year. The total dollar amount paid was down 3.1% and the average refund was down 1.3%. State-level data are not available.

### Corporate Non-Financial Profits Up 10.4% for 2018

On March 26, the U.S. Bureau of Economic Analysis (BEA) released preliminary [profits data](#) for 2018 Q4. For calendar year 2018, domestic profits of non-financial corporations increased by 10.7% on a pre-tax basis. (See Table 6.16d in the link.) For the four quarters, profit growth relative to the prior year was as follows: 5.2% (Q1), 5.8% (Q2), 17.2% (Q3) and 14.9% (Q4).