

# The Bottleneck Economy

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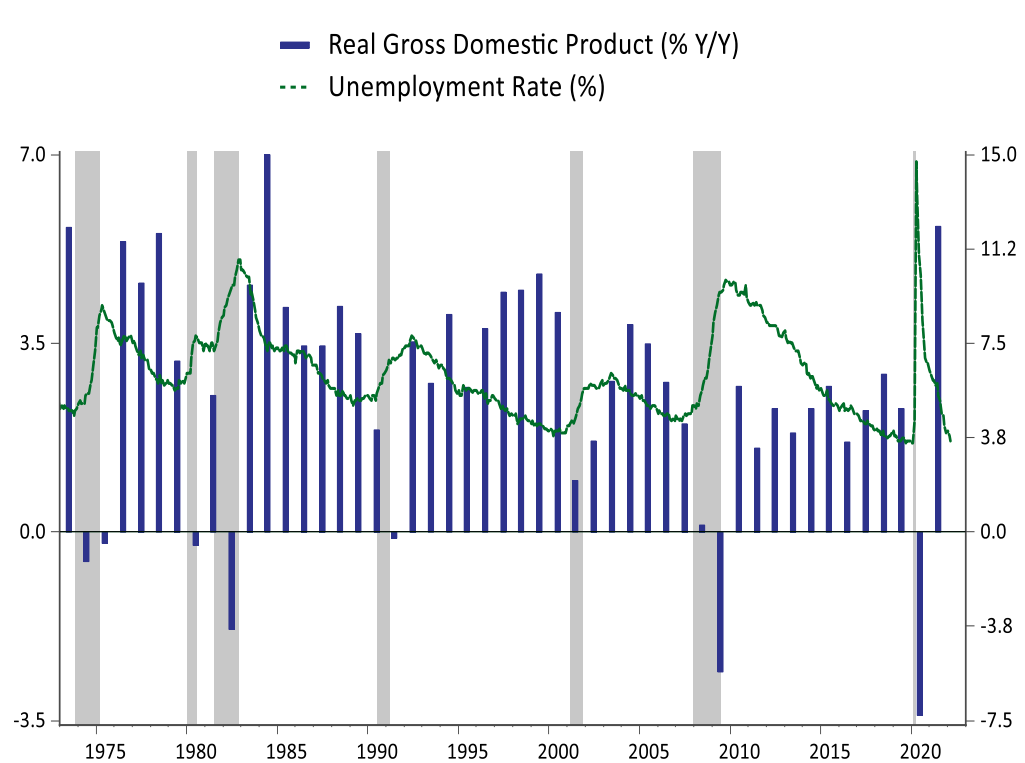
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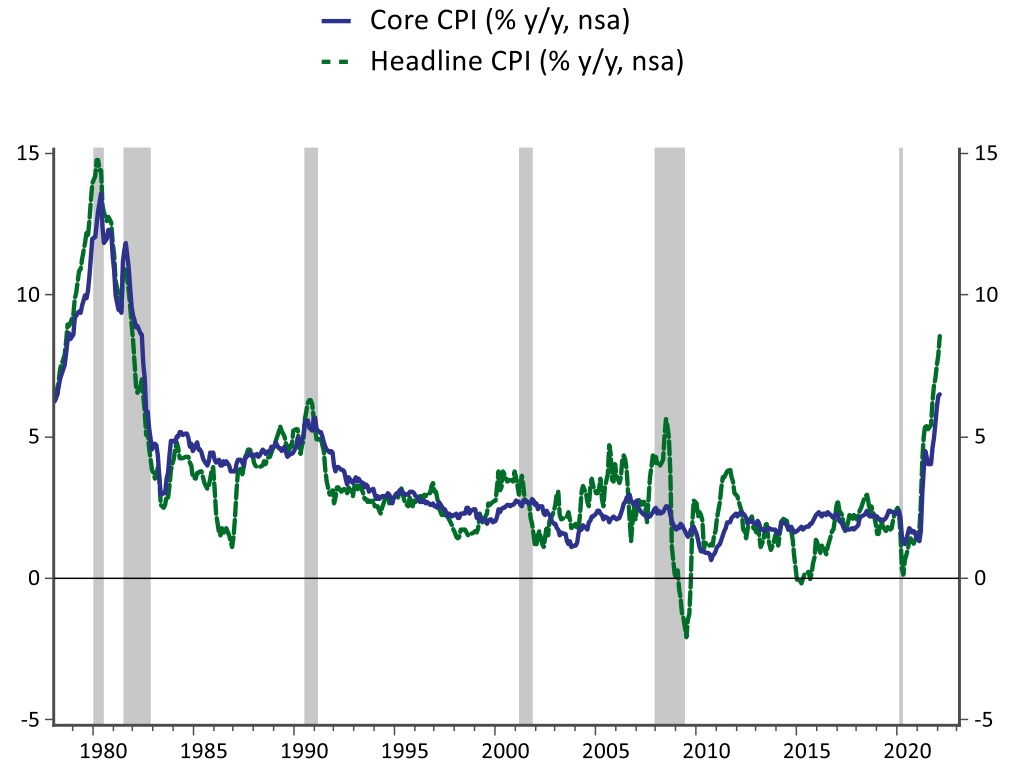


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# Go Big Go Early Fiscal and Monetary Policy Produced a Boom



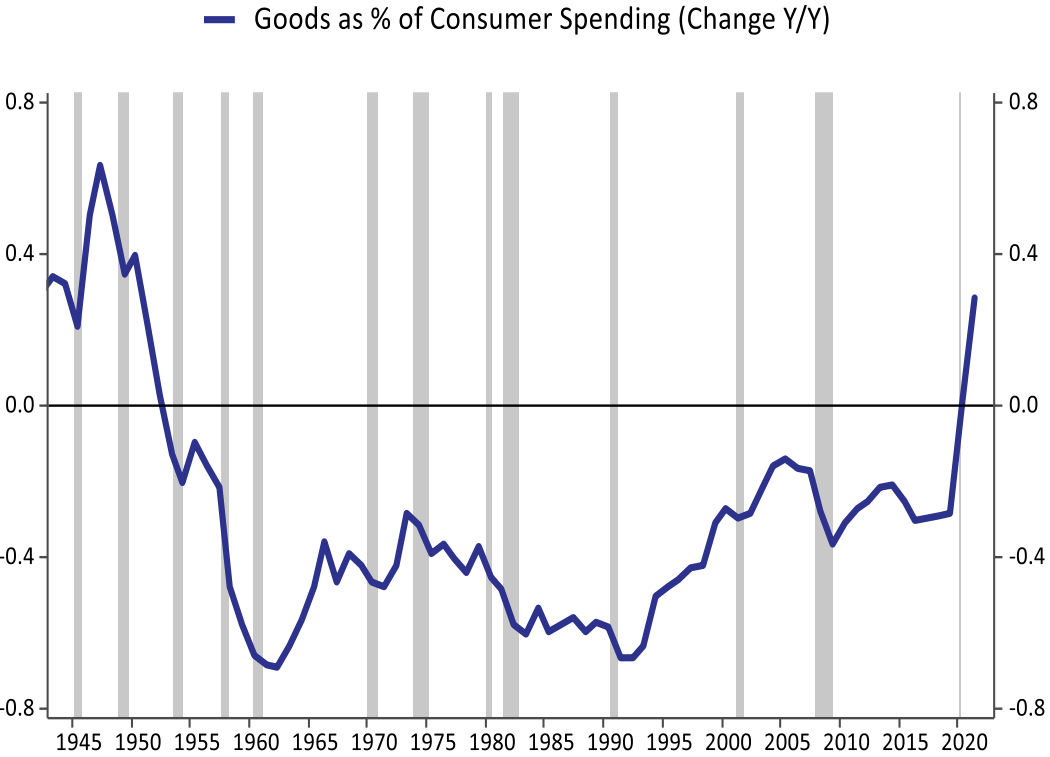
Sources: MacroPolicy Perspectives/BEA, BLS/Haver



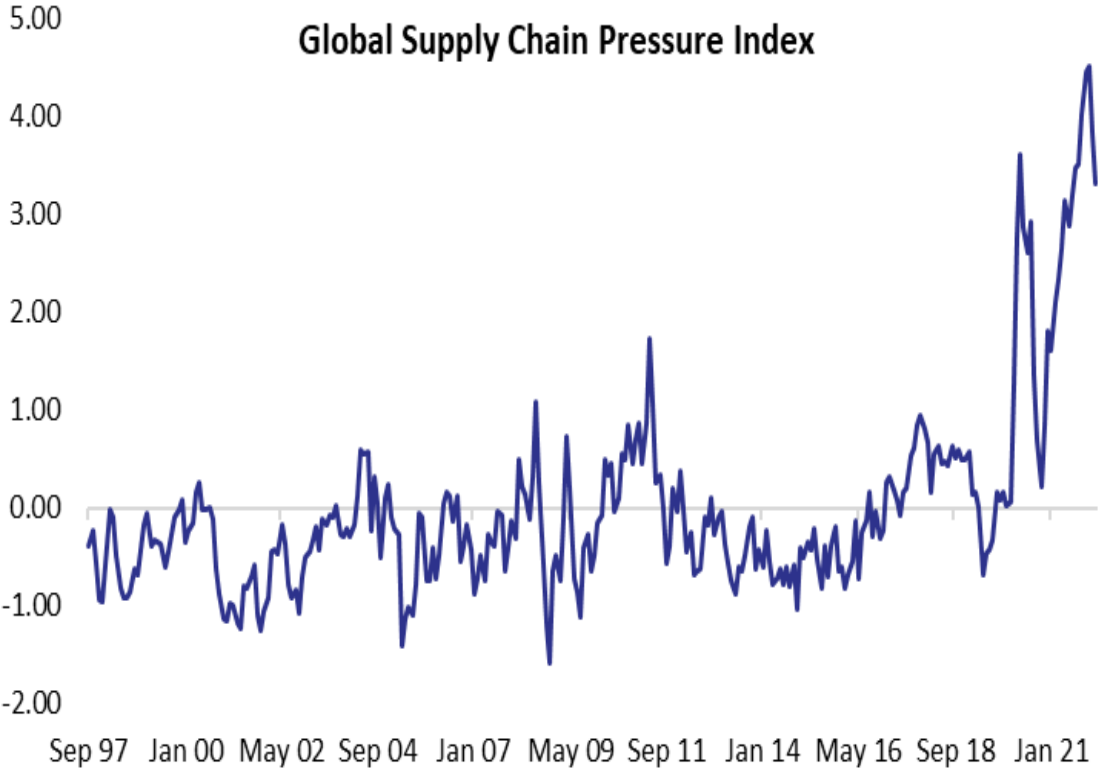
Source: MacroPolicy Perspectives/BLS/Haver

- GDP growth in 2022 was the fastest since 1984, the decline in the unemployment rate to pre-recession levels is the fastest on record, inflation is the highest since 1981

# Stay at Home Consumers + COVID Disruptions Caused a Supply Chain Nightmare



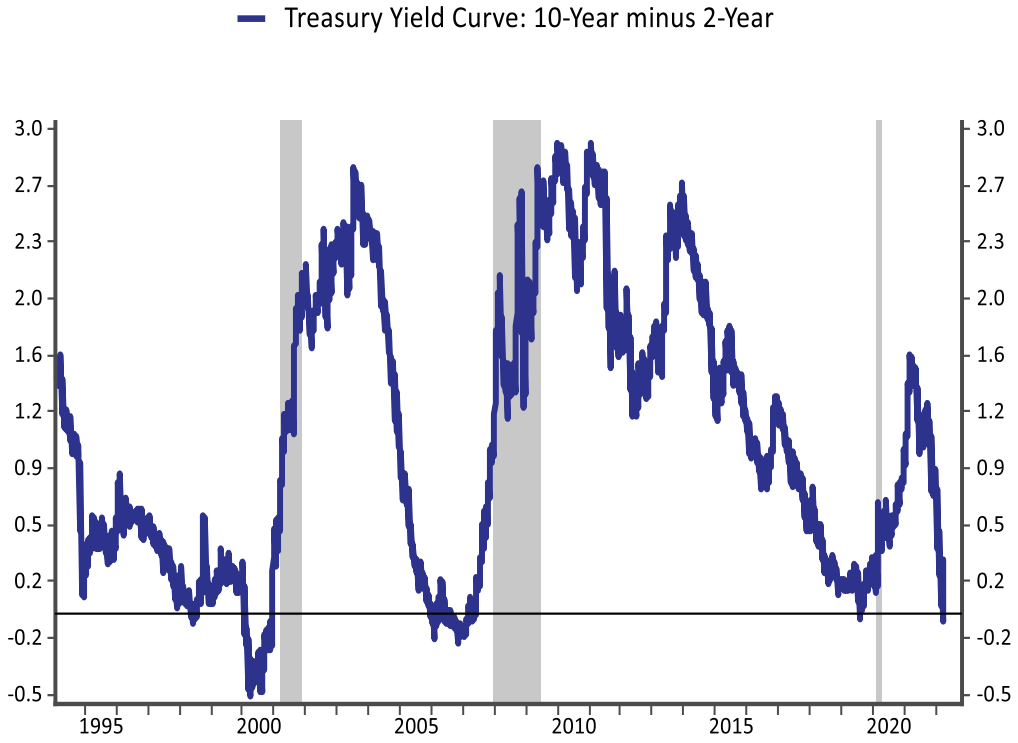
Source: Haver/MacroPolicy Perspectives LLC



Source: Federal Reserve Bank of NY

The shift from services to goods spending by consumers flush with cash combined with factory and port shutdowns from COVID outbreaks have left us in a bottleneck economy

# Will the Fed Have to Kill the Recovery?



Source: MacroPolicy Perspectives/Haver Analytics



Source: WSJ/Haver/MacroPolicy Perspectives LLC

The Treasury yield curve briefly inverted recently but is back in positive territory, will supply chain and labor supply improvement & Fed tightening produce an easing in inflation and a soft landing?