

|                           | Feb.18 | Mar.18 | Apr.18 | May.18 | Jun.18 | Jul.18 | Aug.18 | Sep.18 | Oct.18 | Nov.18 | Dec.18 | Jan.19 |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <b>Monthly GDP (SAAR)</b> | 18,335 | 18,337 | 18,439 | 18,548 | 18,548 | 18,657 | 18,653 | 18,685 | 18,764 | 18,728 | 18,804 | 18,939 |
| % change                  | 0.2    | 0.0    | 0.6    | 0.6    | 0.0    | 0.6    | 0.0    | 0.2    | 0.4    | -0.2   | 0.4    | 0.7    |
| % change, ann. rate       | 2.3    | 0.1    | 6.9    | 7.3    | 0.0    | 7.3    | -0.3   | 2.1    | 5.2    | -2.3   | 5.0    | 9.0    |

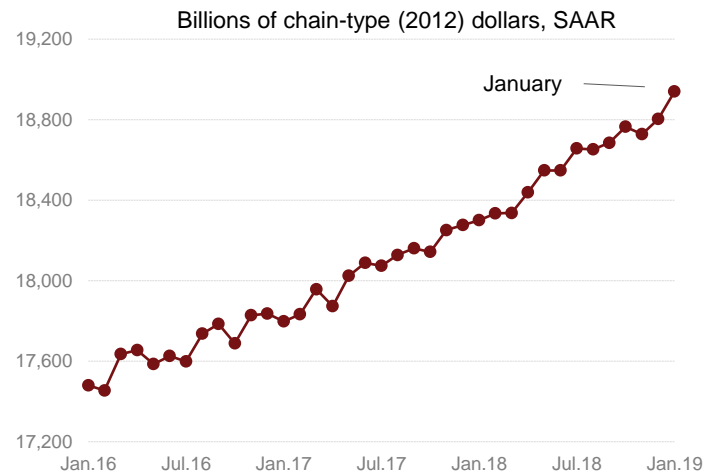
**Contributions to Annualized % change**

|                  | Nov.18 | Dec.18 | Jan.19 |
|------------------|--------|--------|--------|
| Monthly GDP      | -2.3   | 5.0    | 9.0    |
| Final Sales      | 8.3    | -8.0   | 6.5    |
| Domestic         | 3.5    | -1.6   | 1.3    |
| PCE              | 3.6    | -5.1   | 2.0    |
| Nonres Fixed Inv | -0.7   | 2.7    | -2.0   |
| Res Fixed Inv    | -0.1   | -0.2   | 0.2    |
| Covered Gov C&GI | -0.3   | -0.3   | 0.9    |
| Not Covered      | 1.1    | 1.3    | 0.2    |
| Net Exports      | 4.8    | -6.4   | 5.3    |
| Nonfarm CIPI     | -10.7  | 12.8   | 2.2    |

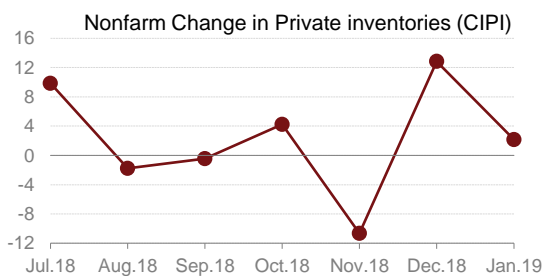
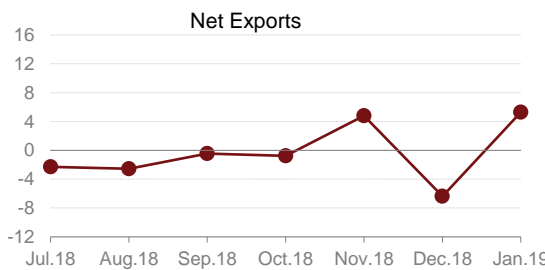
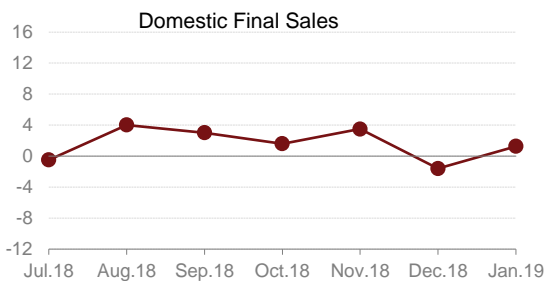
**Monthly GDP Index: January 2019**

Monthly GDP rose 0.7% in January following a 0.4% increase in December that was revised higher by 0.2 percentage point. More than half of the January increase was accounted for by net exports, while an increase in nonfarm inventory investment also contributed to the gain. The level of GDP in January was 3.8% above the fourth-quarter average at an annual rate, implying robust statistical momentum for the first quarter. However, the level of real nonfarm inventory investment was quite elevated in January, and net exports are quite volatile; we assume declines for both in February, undercutting January's statistical momentum.

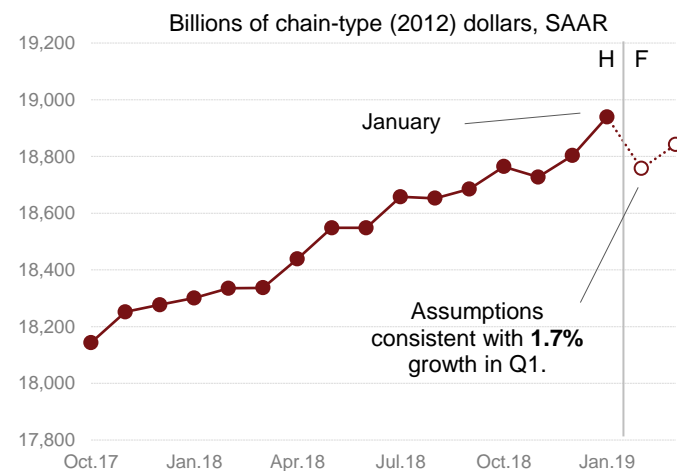
**Recent Historical Data**



**Contributions to Annualized % change**



**Forecast Assumptions**



**Technical Note**

Macroeconomic Advisers' index of Monthly GDP (MGDP) is a monthly indicator of real aggregate output that is conceptually consistent with real Gross Domestic Product (GDP) in the NIPA's. The consistency is derived from two sources. First, MGDP is calculated using much of the same underlying monthly source data that is used in the calculation of GDP. Second, the method of aggregation to arrive at MGDP is similar to that for official GDP. Growth of MGDP at the monthly frequency is determined primarily by movements in the underlying monthly source data, and growth of MGDP at the quarterly frequency is nearly identical to growth of real GDP.