Economic indicators

Economics

Housing starts lowest in months Housing starts are the number of new residential construction projects that a re being done at a given time. When housing starts are particularly low it could mean bad news for the economy and also for both large and small businesses. If houses are not being built, pep people are not spendingmoneyon the initial construction. If there's not construction, there a re no jobs being created. If there are no homes being built then their are no homebuilders esp. ding money on the items to furnish their homes.

Therefore small and large businesses are not a able to generate business. 2.) Fed lowers discount rate and interest rates tumble When the Federal discount rate is low, interest rates tend to be lower as well. This could be a bad indicator for the economy because most times lowering interest rates is a technique used to try to stimulate the economy. The economy only needs stimulated when it is NT doing so well. Once the interest rates are lowered people are more likely to be able to borrow w which will be read for the economy and for large and small businesses.

When money is boo rowed, it will then be spent, creating a boost in the overall economy. 3.) Retail sales up 4 percent over last month Retail sales being up is a very positive indicator for the economy. It means that t people are spending money, which means people are making money. This is also good n sews for both small and large businesses because when sales are higher in small business, more product must be ordered from the larger businesses. 4.) Business debt down from last year Business debt being lower can be both a good and bad indicator for the icon mom.

It's bad because it could mean that businesses are less confident and worried about t aging on more debt. It's good in the sense that overall, businesses are making enough money to eke pep themselves out of debt. This is especially good for small businesses. Less debt can be bad of r larger businesses that are involved with debt collection, for obvious reasons. 5.) Businesses are buying more electronic equipment Businesses buying more electronic equipment could be both a bad and a go indicator.

It's bad because it is indicating that some businesses are replacing people with electric Ionics or machines which will decrease the need for human labor. When that need is lowered it will show a decrease in the job market and ultimately raise unemployment rates. The buy Wing and selling of electronic equipment is good because with the higher demand for any type of product comes more jobs for the larger businesses, the manufacturers. It could also be good for both larger and small businesses, not just the retailers but also the tech support and repair b sinuses.