

Advantages to eating healthy essay sample

[Economics](#)



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I feel the economy is expanding. The reason I feel this way is due to the declining inflation and unemployment rates. The interest rates in the U. S. are also slightly declining.

Prime Rate The current prime rate is a commonly used short term interest rate used in the banking system in the United States. The current prime rate is 3. 25% in the U. S. All types of American lending institutions (traditional banks, credit unions, etc.) use the U. S. prime rate as an index or foundation rate for pricing.

Current Interest Rate on Credit Cards Interest rate on new credit card offers dipped slightly this week. The national average annual percentage rate on new credit cards fell to 14. 92%, making this the first week in nearly two months interest rates declined. Consumers have little reason to celebrate the dip in rates, however. This week's decline was tiny by just a hundredth of a percentage point. Meanwhile, the national average continues to hover near record highs and shows no sign of dropping significantly any time soon. To get a sense of just how average interest rate fluctuates, consider this. In the past nine months interest rates have fell below 14. 9% only once then dropped again in February 2012 before surging the following week. In general, average interest rates fluctuated far more often and by wider margins than in previous years, climbing by nearly two full percentage points in 2010.

Unemployment Rate

The unemployment rate measures the percentage of unemployed people in a country's work force who are over the age of 16 and who have either lost their job or have unsuccessfully sought jobs in the last month and are still

actively seeking work. The current unemployment rate is 7.99%. An example of how the unemployment rate is calculated is when the Bureau conducts two surveys, the household survey, which interviews 60,000 households and the establishment survey, which reviews data from one hundred and sixty thousand businesses and agencies. Inflation Rate in the U.S.

The inflation rate is the rate in which the general level of prices for goods and services is rising, and subsequently, purchasing power is falling. The current inflation rate in the U.S. is 1.99%. A good example of this is if the inflation rate is 2% then a \$1 pack of gum will cost \$1.02 in a year's time.

The Gross Domestic Product

The Gross Domestic Product or otherwise known as the GDP is the output of goods and services produced by labor and property located in the United States. The current Gross Domestic Product increased 2.0% from the second to the third quarter of 2012. Examples of how the GDP affected the US industry in manufacturing professional scientific and technical services were the leading factors in the US economic growth in 2011.

Conclusion

The economic state affects our individual finances in many ways. One of the major ways is our decision as consumers to purchase products. The economic state also affects our ability to save money, it effects our investments and it controls our ability to get good credit.

References

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