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The United States Economic Outlook

After taking a look at a number of global economies, I thought it would be good to examine what the economic outlook would be for the United States in 2016.

Generally, the U.S. government refers to our economy as being healthy. In political-speak, that means that it's neither good nor bad. In 2015 the United States GDP grew at 2.1%, and in 2016 that's expected to increase to 2.2%. This is within the 2 – 3% range the government likes to see for an economy as mature as ours. However, in 2017 economists predict that the GDP will again return to 2.1%.

But, while all consider government statistics on GDP to be fairly accurate, that may not apply to the nation's unemployment statistics.

Officially, that rate is given as 4.7%, and expected to decrease to 4.6% and 4.5% in 2017 and 2018 respectively. However, the reason for this low number is that many people have been out of work for so long that they simply don't count in the government's statistics. They're no longer seeking jobs. Therefore, the actual unemployment rate is much higher than given. Additionally, it should be noted that many of the job positions that have become available, and kept the unemployment rate low, are in the low-paying retail and food service industries. As a result, the 4.7% number does not give an accurate picture of the nation's unemployed.

Inflation is expected to increase in coming years. In 2015 it was 0.7%, and is expected to increase to 1.2%, 1.9%, and 2% in 2016, 2017, and 2018 respectively.

Interest rates are expected to rise slightly within the next year as the Fed raises its funds rate from 0.5%. The price of crude oil is predicted to average \$34 per barrel in 2016. However, many economists have that increasing to \$79 per barrel by 2020. But, unless you have a crystal ball, predictions are by their very nature unreliable given the many global events that can affect availability and pricing.

The United States Bureau of Labor Statistics (BLS), which looks at the nation's industry and occupations, predicts the fastest growing segments of our economy to be healthcare, personal care, social assistance, and construction. The next largest increase will be in professional and technical occupations such as computer systems design, mobile technologies, and technical consulting. Businesses will also need, according to Kimberly Amadeo, a U.S. economy expert, advice on planning and logistics, implementing new technologies, and complying with workplace safety, environmental, and employment regulations. Moreover, applicants who have

a master's degree will acquire jobs at the fastest rate, while those with a high school diploma will have the most difficult time acquiring employment.

As a result of the above, 2016 should be economically kind to the United States.

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