



CONGRESS OF THE UNITED STATES

# *JOINT ECONOMIC COMMITTEE*

**Congressman Jim Saxton  
Ranking Republican Member**

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## **PRESS RELEASE**

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For Immediate Release  
June 5, 2007

## **RECENT DATA REFLECT FASTER ECONOMIC GROWTH -- FED KEEPS LONG-TERM INFLATION UNDER CONTROL --**

Press Release #110-15  
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**WASHINGTON, D.C.** – Recently released data on manufacturing activity, employment, business investment, and business activity in the non-manufacturing sector show that the pace of economic growth is picking up in the second quarter of 2007. For example, May payroll employment increased by 157,000, while the unemployment rate was unchanged at a low 4.5 percent. Today, the Institute for Supply Management (ISM) released its index of business activity in the non-manufacturing sector for May, which posted a 3.7 percent monthly increase to a level of 59.7 percent. In addition, the most recent reading of the Fed’s preferred inflation measure has fallen to just within the central bank’s comfort zone. Congressman Jim Saxton, ranking Republican member of the Joint Economic Committee, made the following statement on the recent economic data:

“The latest economic statistics show that the economy is accelerating in the second quarter, emerging from the soft patch evident in the first quarter data. The ISM indexes for both manufacturing and non-manufacturing were up in May, employment gains were stronger than expected last month, and business investment appears to be rebounding. Meanwhile, long-term inflation pressures appear to be under control, also keeping long-term interest rates low.

“Federal Reserve and most private forecasters expect growth to pick up in the second half of this year. The recent pattern of economic activity is quite consistent with the Fed’s expectations as it reined in inflationary pressures. There has been a temporary soft patch, but now the pace of the economic expansion is accelerating. According to the Federal Reserve, the economic outlook for 2007 and 2008 appears favorable.”

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