

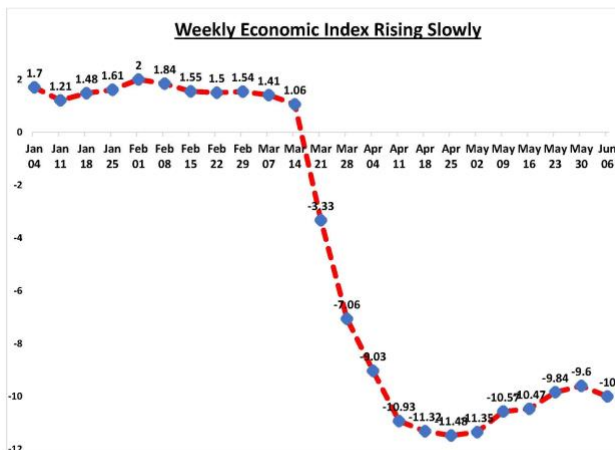
# Economy is Gradually Improving as Activity Increases

The theme of this week's economic data has been a gradual improvement in activity. A real time measure we have been following, the [Weekly Economic Index](#) (WEI), is reflecting that theme.

The WEI was created by a team of economists from Harvard, the New York Fed, and the Dallas Fed at the beginning of the COVID-19 crisis to measure the economic contraction caused by the Great Pause in real time (or as close to real time as possible).

The WEI is an index of ten data series: same-store sales, consumer confidence, new unemployment claims, continued unemployment claims, income tax withholdings, railroad traffic, staffing levels, steel production, fuel sales, and electricity usage. It gives a weekly reading that reflects the levels of each of these data points.

As of this week, the WEI stands at -10, which is slightly down from the two weeks before (-9.6), essentially holding steady. However, this figure is better than it was in late April and early May. The WEI bottomed out (for now) at -11.48 on April 25.



The WEI is doing better in general because of the reduction in unemployment claims, increased fuel consumption, rail traffic, electricity output, and tax withholdings.

With gradual reopenings across the country, the WEI should continue to improve. Hopefully, the pace of that increase picks up in the coming weeks.

—Curtis Dubay, Senior Economist, U.S. Chamber of Commerce