

Recession warnings are everywhere, except in the data

BY BEN CASSELMAN AND COLBY SMITH
NYT News Service/Syndicate Stories

Americans are spending less at McDonald's. Fewer container ships are expected at the Port of Los Angeles. Procter & Gamble is raising prices. Mattel is shifting production out of China.

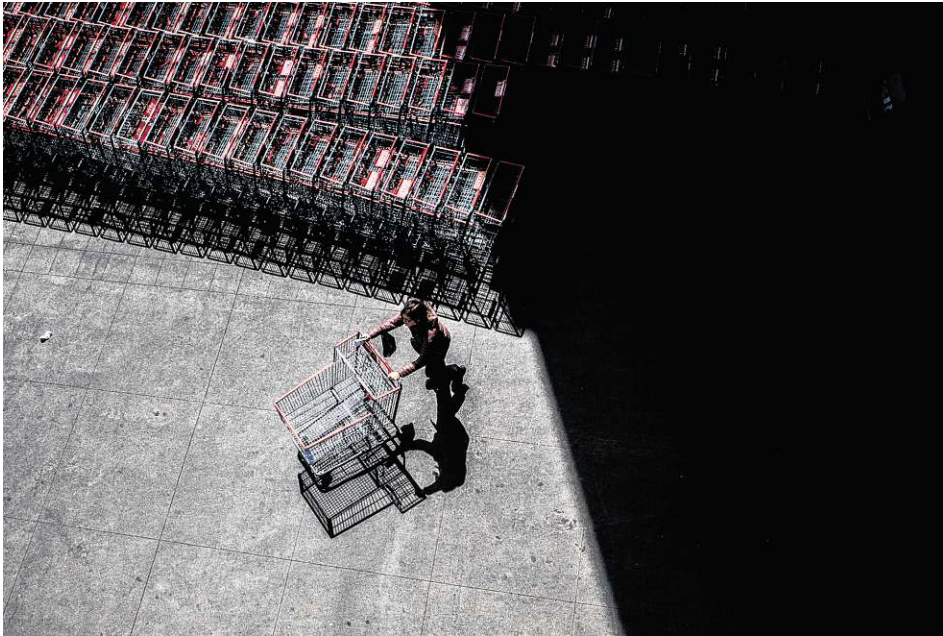
Evidence for the economic impact of President Donald Trump's trade wars is everywhere -- except, for the most part, in economic data itself. Consumer spending hasn't fallen. Layoffs haven't risen. Businesses haven't stopped investing in equipment or buying supplies.

Economists say it is a matter of time before the impact of tariffs and the uncertainty that Trump's on-again, off-again approach to trade policy has created begin to show up in the hard data. But until then, they are left sifting through crumbs of evidence that wouldn't get a second glance in more normal times: customs revenue, hotel bookings in Las Vegas, freight shipments by truck and rail.

It is in some ways a more buttoned-down version of the recent social media trend in which users share gloomy economic omens -- some serious, some humorous -- under the hashtag #recessionindicator.

"The problem is we don't have much to hang onto at this point," said Marc Giannoni, chief U.S. economist for Barclays. "We have to rely on anecdotes, on indicators that are nonconventional."

Among those hunting for tidbits of evidence are officials at the Federal



GRAHAM DICKIE NYT

A person pushes a shopping cart outside a Costco on 117th Street in New York, on April 8. Mainstream measures have been slow to detect the impact of tariffs and uncertainty, leaving economists to scour earnings calls and private-sector data sources.

Reserve, who are trying to figure out how to set monetary policy in an environment where tariff policy can shift multiple times between meetings. Policymakers held interest rates steady Wednesday, in part because of that uncertainty. But they will be watching for signs that the economy is changing direction faster than the usual indicators can capture.

The situation is reminiscent of the early days of the coronavirus pandemic, when economists scoured the internet for alternative measures -- restaurant reservations, attendance at Broadway shows, screenings at Transportation Security Agency checkpoints -- that could provide hints of the damage to come. Joe Brusuelas, chief economist at the accounting firm RSM, said he has been getting flash-

backs from that period. During the pandemic, however, economists mostly agreed about where to look for evidence and what the likely effects would be. This time, there is more disagreement. Will the tariffs manifest mostly in higher prices or product shortages? Will consumers pull back spending, leading to layoffs? Or will layoffs come first -- perhaps in manufacturing and shipping -- with spending to follow as workers lose their income?

"In times when there's a lot of volatility in the economy, and you're waiting for the data to catch up with what's actually going on -- because not only does it take time for consumer behavior to change, but also we see this in the data a month or more after it happened -- you want to watch these anecdotes to get a sense of where things

might be headed," said Andrew Hollenhorst, chief U.S. economist at Citigroup.

Tariffs have already shown up in the economic data in one way: Consumers and businesses have raced to import goods before new duties take effect. That has led to a surge in the trade deficit, which hit a record \$140 billion in March.

But economists disagree about what will happen next. Some argue that as tariffs push up prices, consumers will reduce their purchases, ultimately leading to layoffs and a recession. Others argue that consumers, especially more affluent ones, are in strong enough financial shape that they will be able to keep spending, allowing businesses to pass on their higher costs and pushing up inflation. And of course, it is pos-



MARISSA ALPER NYT

An empty table at Bridges in New York, on April 18, 2025. Mainstream measures have been slow to detect the impact of tariffs and uncertainty, leaving economists to scour earnings calls and private-sector data sources.

sible that Trump will roll back tariffs or that they will prove less damaging than many economists expect.

Measures of consumer sentiment have plummeted since Trump took office, suggesting that shoppers are in little mood to stomach higher prices. But economists have grown more skeptical of such measures in recent years after they failed to predict consumer behavior during and after the pandemic.

"What we learned over the pandemic is that vibes can look bad, and yet consumers will still spend," said Ernie Tedeschi, director of economics at the Budget Lab at Yale.

Hence the focus on anecdotes, which forecasters hope might provide an

early indication of which direction the economy is headed.

The trouble is that anecdotes, too, are sending mixed messages. Airline executives have been issuing dire warnings. Southwest Airlines' CEO recently said that a recession had already begun in his industry, yet hotel occupancy rates have held up so far. McDonald's and Chipotle reported declining sales last quarter, but Yum Brands -- owner of Pizza Hut, KFC and Taco Bell -- saw sales rise despite what its chief financial officer called a "complex consumer environment." Companies have told varying stories about when and to what extent they will pass on the cost of tariffs to consumers.

SUBSCRIBE & SAVE!

Get 52 Issues For ~~ONLY \$363.48~~ **\$51.48!**
THAT'S JUST \$.99 A WEEK!

GET ALL THIS & MORE, EVERY WEEK IN US WEEKLY MAGAZINE:

- Hot Hollywood: Exclusive celebrity news and the latest scoop from our insiders
- Hot Pics: The week's most buzzworthy snapshots of your favorite Hollywood stars
- Revealing Interviews: Celebrities share intimate stories about their lives

SCAN NOW TO SAVE!
Or go to www.usmagazine.com/saveme85

UP TO **85% OFF**
THE NEWSSTAND COVER PRICE*

FREE HOME DELIVERY! ORDERING IS QUICK & EASY!

PLUS INSTANT digital access!

OR FILL OUT THIS COUPON & MAIL TO: US WEEKLY P.O. BOX 5015, BOONE, IA 50950

☐ **YES! SEND ME 1 YEAR (52 WEEKLY ISSUES) FOR ONLY \$51.48!**

OR

☐ **SEND ME 6 MONTHS (26 WEEKLY ISSUES) FOR ONLY \$30.94!**

Name _____

Street _____ Apt _____

City _____ State _____ Zip _____

Email Address _____ K5USMN

Option #1 - Pay by check or money order: Make check or money order out to **Us Weekly**

Option #2 - Charge my credit card: Credit Card # _____

☐ Visa ☐ MC ☐ Discover ☐ AmEx Exp. Date: _____

Signature Required: _____

*Savings based on \$6.99 U.S. cover price. Plus sales tax where applicable. Offer valid in U.S. only. Us Weekly is currently published weekly. Double issues may be published, which count as two issues. Please allow 4-6 weeks for delivery of your first issue. All subscription account payments are non-refundable. Subscriptions are subject to A360 Media's Terms and Conditions: <https://accelerate360.com/terms-and-conditions/> and Privacy Policy: <https://accelerate360.com/privacy-policy/>.

ANDERSON COUNTY LAND AT AUCTION

110 ACRES IN FOUR TRACTS | TRACTORS | VEHICLES | HOUSEHOLD | AND MORE

SATURDAY, MAY 17TH 10:00AM EDT

STEVE AND KAREN GAINES
1021 MILLS LANE ROAD, LAWRENCEBURG, KY 40342

PUBLIC INSPECTION:

SUNDAY MAY 11TH 2-4PM

REAL ESTATE: SELLS AT 12:00 NOON

TRACT # 1: 6-ACRE BUILDING PARCEL THAT IS AN IDEAL HOME SITE WITH BEAUTIFUL VIEWS.

TRACT # 2: RESIDUAL TRACT CONSISTING OF 97 ACRES MORE OR LESS (NOT SURVEYED BUT SELLING BY RESIDUAL DESCRIPTION) WITH FRONTAGE ON MILLS LANE ROAD. THIS TRACT IS GENTLY ROLLING WITH A NICE, CLEARED FIELD, WOODS, AND A VARIETY OF SUITABLE HOME SITES. THIS IS A GREAT RECREATIONAL TRACT AS WELL, WITH AN ABUNDANCE OF DEER AND TURKEY.

TRACT # 3: SMALL FARMHOUSE ON A NICE TWO ACRE LOT. THIS IS A GREAT FIXER-UPPER OR RENTAL PROPERTY IN A PRIME LOCATION.

TRACT # 4: 5-ACRE BUILDING PARCEL IMPROVED WITH A COMBINATION BARN WITH LOFT, GREAT HOME SITE WITH A POND AND SCENIC VIEWS.

NOTE: ALL TRACTS HAVE FRONTAGE ON MILLS LANE ROAD, ELECTRICITY AVAILABLE, AND ACCESS TO CITY WATER WITH BUYER INSTALLATION.

TRACTORS, VEHICLES, AND EQUIPMENT SELL AT 11:00 AM

TRACTORS/MACHINERY: JOHN DEERE 5085 E, 4WD, CANOPY, 108 HOURS, NEW HOLLAND WORKMASTER 70, 4WD, 104 HOURS, ROPS, WITH NEW HOLLAND 621 TL LOADER WITH BUCKET AND HAY SPEAR, NEW HOLLAND 3930 DIESEL, 1529 HOURS, FARMALL 140 WITH CULTIVATORS AND SIDE DRESSER, POLARIS RANGER 4X4 SIDE BY SIDE, BUSHHOG 3210 PULL TYPE 10 FOOT MOWER, BUSHHOG 286 3 POINT-6 FOOT MOWER, KORY 18 FOOT FLAT WAGON, TWO BOTTOM PLOW, LIKE NEW BUSHHOG RTS 74 ROTO TILLER, THREE POINT BOG DISC, SCOTT'S 17 HP, 42 INCH CUT RIDING MOWER, MULTIPLE OTHER PIECES.

VEHICLES: 1955 CHEVROLET BEL-AIR, 2012 CHEVROLET CANYON CREW CAB, 257,000 MILES, 4X4, 2012 DODGE CHALLENGER 183,000 MILES, LEATHER INTERIOR, 1983 CHEVROLET DUALY 2WD PICKUP, 454 BIG BLOCK, 1947 DODGE CLUB COUPE PROJECT CAR, 2009 HARLEY DAVIDSON FAT BOY, ONLY 146 MILES, 2012 HARLEY DAVIDSON SPORTSTER 48 WITH 600 MILES, HONDA CRF 100F DIRT BIKE, HONDA FORERUNNER FOUR WHEELER, POWER STEERING, 579 HOURS, MOOMBA SKI BOAT, TRAILER, COVER.

PREBIDDING AND SIMULCAST BIDDING ON REAL ESTATE AND SOME PERSONALTY AT WWW.HBARRYSMITH.COM

TERMS: REAL ESTATE - A 10% BUYER'S PREMIUM WILL BE ADDED TO THE WINNING BID TO DETERMINE THE FINAL SALES PRICE. 10% DEPOSIT DAY OF THE AUCTION, WITH BALANCE DUE ON OR BEFORE JUNE 17, 2025. PERSONAL PROPERTY: 10% BUYER'S PREMIUM, ALL ITEMS TO BE PAID IN FULL DAY OF THE AUCTION BY CASH, PERSONAL CHECK, OR MAJOR CREDIT CARD.

WILLARD AUCTIONS

WILLARD AUCTIONS
H. BARRY SMITH, REALTORS AND AUCTIONEERS
88 BRUNERSTOWN ROAD
SHELBYVILLE, KY.
502-633-2746 888-631-2746

AUCTIONEERS: H. BARRY SMITH, CAI, JIMMY WILLARD, CAI, SHAWN WILLARD, CAI, COURTNEY ROBERTS, TODD BARLOW, DEAN BURK, ROB WINLOCK, JEFF RIGGLE, CAI, PATRICK HARGADON.