

Exemplar and Scoring Guide (Introduction to Macroeconomic Indicators and Assessment Preview)

This exemplar assumes students had access to their class materials.

GDP Growth Rate

IDENTIFICATION

The GDP growth rate is the percentage change in real GDP from one period to another. It measures our economic growth, removing inflation. It is the total value of all final goods and services produced inside a country usually within a year.

Visit [Real GDP Growth Rate](#) from the Federal Reserve Bank of St. Louis. Record the most recent data point for this indicator. *3.8% growth in Q2 2025*

SIGNIFICANCE

GDP growth rate reflects the overall economic health of our country. Meaning a higher GDP growth rate usually means more job opportunities, which is key for young adults entering the workforce. When our economy is growing, businesses will likely grow too, which means they will be hiring more people possibly with higher wages.

Remember, the interdependence principle: A person's best choice depends on their other choices, external developments, and expectations about the future. When any of these factors change, their best choice might change. With this in mind, provide advice to a young adult below

Increasing GDP Growth Rate	Decreasing GDP Growth Rate
<ul style="list-style-type: none"><i>If GDP growth rate is increasing, you should consider getting a job because when GDP is increasing there are usually more job openings.</i><i>If GDP growth rate is increasing, you should consider saving money because it's always good to have emergency money.</i><i>If GDP growth rate is increasing, you should consider possibly starting a small business because there will be an increase in consumer spending.</i>	<ul style="list-style-type: none"><i>If the GDP growth rate is decreasing, you should consider delaying major purchases like cars or homes because your financial situation could change and it may become unaffordable for you.</i><i>If GDP growth rate is decreasing, you should consider building an emergency account because there could be a chance you lose your job and it's best to be safe.</i><i>If GDP growth rate is decreasing, you should consider getting a side hustle because having more income can help you be more financially stable.</i>

Unemployment Rate

IDENTIFICATION

The unemployment rate is the percentage of the labor force that is willing and able to work, does not currently have a job, and is actively looking for employment.

The unemployment rate is measured by labor force surveys. It is calculated by dividing the number of unemployed people by the total labor force and then multiplied by 100 to get the percent.

Visit [Unemployment Rate](#) from the Federal Reserve Bank of St. Louis. Record the most recent data point for this indicator. *4.4% September 2025*

SIGNIFICANCE

The unemployment rate has many significances in a young adult's life but mainly job opportunities is a big one. A high unemployment rate usually means there are fewer jobs available. This can make getting a job very difficult for a young adult that is entering the workforce. Not being able to get a job can limit current and future purchases due to a lack of income, and it may also make it harder to get a future job because that person is not building their resume or gaining new skills.

Remember, the interdependence principle: A person's best choice depends on their other choices, external developments, and expectations about the future. When any of these factors change, their best choice might change. With this in mind, provide advice to a young adult below

Increasing Unemployment Rate	Decreasing Unemployment Rate
<ul style="list-style-type: none">● <i>If the unemployment rate is increasing, you should consider pursuing a higher education because it can make you more competitive in the job market and could give you a higher chance to get a job.</i>● <i>If the unemployment rate is increasing, you should consider accessing resources from colleges/universities because most have career services and job placement programs.</i>● <i>If the unemployment rate is increasing, you should consider growing your confidence because the more confident you are in an interview the more likely you will get hired.</i>	<ul style="list-style-type: none">● <i>If the unemployment rate is decreasing, you should consider job hunting because there will most likely be more job openings and less competition.</i>● <i>If the unemployment rate is decreasing, you should consider trying to get a better salary because in a strong job market you might have a good chance at getting a higher salary if you negotiate.</i>● <i>If the unemployment rate is decreasing, you should consider saving money because you could potentially get a higher income and save that to invest.</i>

Part 1: Macroeconomic Indicators

Rubric Score	Characteristics of Macroeconomic Indicators Sections	Rationale for Scoring
<p><i>Advanced</i></p>	<p><i>In addition to a proficient performance...</i></p> <ul style="list-style-type: none"> ● Provides specific and highly relevant suggestions to inform a young adult’s personal, professional, and civic decision-making. <i>Did not achieve</i> 	<p>GDP Growth Rate: <i>Suggestions are relevant but not highly specific. For example, “consider getting a job” when GDP growth rate is increasing or “build an emergency account” if GDP growth rate is decreasing are reasonable, though not fully developed in terms of specific relevance to personal, professional, or civic decisions. Adding more specific examples would strengthen the response. In the revision process, the student might add an explanation for supporting candidates or policies based on the need for expansionary or contractionary measures.</i></p> <p>Unemployment Rate: <i>Suggestions to access college resources and build confidence are practical but could be improved by adding more context. Specific examples, such as the kinds of further education/training they might pursue and types of policies (unemployment insurance, changes to minimum wage, healthcare policies, etc.) they might support would make this more directly relevant to personal, professional, and civic choices.</i></p>
<p><i>Proficient</i></p>	<p><i>In addition to a novice performance...</i></p> <ul style="list-style-type: none"> ● Provides a clear description of the significance of key macroeconomic indicators to a young adult’s life. <i>Achieved for both indicators</i> ● Explains why suggestions are reasonable based on changes in the key macroeconomic indicators. <i>Partially achieved</i> 	<p>GDP Growth Rate: <i>The student links high GDP growth rate to increased job opportunities. They explain how a growing economy may impact hiring and wages, showing an understanding of how this indicator relates to young adults. The suggestions to delay major purchases or to consider a side hustle if GDP is decreasing aligns well with economic reasoning. However, the suggestion “consider saving money because it’s always good to have emergency money” lacks alignment with the economic indicator and could be improved with a specific connection to why a growing economy supports more risk-taking.</i></p> <p>Unemployment Rate: <i>While the student provides relevant suggestions, the explanations are uneven. Some suggestions, like pursuing higher education and job hunting, are well-supported by reasonable explanations based on the unemployment rate. However, other suggestions, such as accessing college resources and building confidence, lack full explanations that clearly tie back to economic conditions.</i></p>

<p>Novice</p>	<ul style="list-style-type: none">● Accurately identifies the key macroeconomic indicators and uses the given sources to provide recent data about the indicators. <i>Achieved</i>● Provides general suggestions for a young adult that are connected to the key macroeconomic indicators. <i>Achieved</i>	<p><i>Provides clear identifications of each macroeconomic indicator and accurate recent data on each indicator.</i></p> <p><i>Offers reasonable suggestions for an individual in response to changes in each indicator.</i></p>
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Inflation Rate

IDENTIFICATION *The inflation rate shows how much prices for everyday goods and services increase over time. It is measured using the Consumer Price Index (CPI), which keeps track of the price changes for a “market basket” of common items people buy. Economists compare the CPI from one period to another to find the percent change in prices.*

Visit [Consumer Price Index](#) from the Federal Reserve Bank of St. Louis. Record the most recent data point for this indicator. *3.7% annual inflation (September 2025)*

SIGNIFICANCE *The CPI inflation rate matters to young adults because it affects how much their money can buy. When prices rise faster than wages, young adults may struggle more with rent, groceries, and saving for long-term goals. Inflation can also influence interest rates, which affects borrowing costs for things like credit cards and car loans.*

Remember, the interdependence principle: A person’s best choice depends on their other choices, external developments, and expectations about the future. When any of these factors change, their best choice might change. With this in mind, provide advice to a young adult below.

Increasing Inflation Rate	Decreasing Inflation Rate
<p data-bbox="105 1052 751 1121"><i>If the CPI inflation rate is increasing, you should consider... because ...</i></p> <ul data-bbox="159 1167 792 1953" style="list-style-type: none"><li data-bbox="159 1167 792 1503">● <i>comparing prices across substitutes because inflation affects goods differently, and being flexible can help stretch your money further. For example, you might find that the apples you typically buy have significantly increased in price, while bananas have not and so you might start buying bananas instead of apples to have with your lunch.</i><li data-bbox="159 1514 792 1766">● <i>negotiate for a raise that is equal to or greater than 3.7% so that your salary keeps pace with or better yet, outpaces inflation. If your raise is less than 3.7% your purchasing power has decreased, whereas if it is greater than 3.7% you will have a real raise.</i><li data-bbox="159 1776 792 1881">● <i>making necessary big purchases sooner because waiting might mean paying a higher price if inflation continues.</i><li data-bbox="159 1892 792 1953">● <i>reviewing your savings strategy because if your savings earn very low interest,</i>	<p data-bbox="826 1052 1472 1121"><i>If the CPI inflation rate is decreasing, you should consider... because ...</i></p> <ul data-bbox="880 1167 1513 1953" style="list-style-type: none"><li data-bbox="880 1167 1513 1577">● <i>consider paying down existing debt, especially variable-rate debt, because interest rates often fall as inflation cools, making monthly payments more manageable and allowing more of each payment to go toward the principal. For example, if you have a credit card or adjustable-rate loan, lower interest rates can reduce the cost of borrowing, making it a good time to reduce outstanding balances.</i><li data-bbox="880 1587 1513 1797">● <i>be realistic about raises. When inflation is decreasing, cost-of-living adjustments are often smaller, so negotiating may focus more on performance-based raises, promotions, or non-wage benefits rather than keeping pace with inflation.</i><li data-bbox="880 1808 1513 1913">● <i>watching for sales or discounts because companies may lower prices to encourage spending when inflation cools.</i><li data-bbox="880 1923 1513 1953">● <i>Prioritize job stability over job-hopping.</i>

inflation could reduce their real value.

When inflation is falling, employers may slow hiring or reduce wage growth, so staying in a stable position with predictable income and benefits can be more valuable than taking the risk of switching jobs.

Federal Funds Rate

IDENTIFICATION *The federal funds rate is an influential interest rate that affects other interest rates. The Federal Reserve influences this rate to impact borrowing, spending, and inflation in the economy. When this rate changes, it impacts other interest rates like credit cards, student loans, and mortgages.*

Visit [Federal Funds Effective Rate](#) from the Federal Reserve Bank of St. Louis. Record the most recent data point for this indicator. *3.88% (November 2025)*

SIGNIFICANCE *The federal funds rate matters to young adults because it affects the cost of borrowing. Higher rates make loans and credit cards more expensive, which can limit big purchases. Lower rates make borrowing cheaper but can also increase inflation. When the federal funds rate increases, the unemployment rate typically increases, whereas when the federal funds rate decreases, the unemployment rate typically decreases. Understanding this rate helps young adults decide when to borrow, save, or make career changes.*

Remember, the interdependence principle: A person's best choice depends on their other choices, external developments, and expectations about the future. When any of these factors change, their best choice might change. With this in mind, provide advice to a young adult below.

Increasing Federal Funds Rate	Decreasing Federal Funds Rate
<p><i>If the federal funds rate is increasing, you should consider... because ...</i></p> <ul style="list-style-type: none">● <i>paying down credit card balances sooner because interest charges will rise and make existing debt more expensive.</i>● <i>delaying new loans because borrowing will cost more, increasing your long-term financial costs.</i>● <i>strengthening your emergency fund because slower economic growth can mean fewer job opportunities.</i>● <i>staying at your current job because it is likely that the economy is going to contract and it will be harder to find jobs.</i>● <i>looking for higher-interest savings accounts because the interest rate you can earn on a new savings account is likely higher than a savings account you already opened.</i>	<p><i>If the federal funds rate is <u>decreasing</u>, you should consider... because ...</i></p> <ul style="list-style-type: none">● <i>exploring major purchases like a car or a house, because loans will be more affordable.</i>● <i>watching for more job openings because lower rates can encourage businesses to borrow and expand.</i>● <i>shifting money from your savings accounts to other locations where you can earn a higher rate of return (like an investment)</i>

SEE BELOW FOR SUGGESTED SCORING

Part 2 Suggested Scoring

Rubric Score	Characteristics of Macroeconomic Indicators Sections	Rationale for Scoring
Advanced	<p>In addition to a proficient performance...</p> <ul style="list-style-type: none"> Provides specific and highly relevant suggestions to inform a young adult's personal, professional, and civic decision-making. <i>Partially achieved</i> 	<p>Inflation Rate: Suggestions demonstrate a strong understanding of how changes in inflation affect real purchasing power, wages, savings, and borrowing decisions for a young adult's personal and professional decision-making. The student offers concrete, data-driven advice (e.g., negotiating raises relative to a 3.7% inflation rate, adjusting savings strategies based on real returns, timing major purchases) and clearly explains why each action follows from inflation trends. The distinction between increasing and decreasing inflation is applied thoughtfully rather than mechanically. To fully achieve the advanced level the response should provide suggestions to inform a young adult's civic decision-making.</p> <p>Federal Funds Rate: Recommendations show a nuanced understanding of how changes in the federal funds rate influence borrowing costs, refinancing decisions, labor market conditions, and investment behavior. Advice is clearly justified using economic reasoning (e.g., why falling rates make refinancing attractive or how rising rates can slow job growth). The student also begins to incorporate civic implications, such as awareness of monetary policy goals and credit access.</p>
Proficient	<p>In addition to a novice performance...</p> <ul style="list-style-type: none"> Provides a clear description of the significance of key macroeconomic indicators to a young adult's life. <i>Achieved for both indicators</i> Explains why suggestions are reasonable based on changes in the key macroeconomic indicators. <i>Partially achieved</i> 	<p>Inflation Rate: The student accurately explains how inflation affects purchasing power and cost of living and provides multiple reasonable suggestions for both increasing and decreasing inflation. Explanations generally connect actions to economic incentives (e.g., protecting real income, managing debt, adjusting expectations about raises), though some suggestions could be strengthened by deeper discussion of tradeoffs or longer-run impacts.</p> <p>Federal Funds Rate: The student correctly links changes in the federal funds rate to borrowing costs and financial decision-making. Suggestions such as delaying loans when rates are high or refinancing when rates fall are economically sound and clearly explained. Some broader recommendations (e.g., emergency savings or investment review) would benefit from a more explicit explanation of how interest rate changes affect employment, growth, or risk.</p>

<p>Novice</p>	<ul style="list-style-type: none">• Accurately identifies the key macroeconomic indicators and uses the given sources to provide recent data about the indicators. <i>Achieved</i>• Provides general suggestions for a young adult that are connected to the key macroeconomic indicators. <i>Achieved</i>	<p><i>Provides clear identifications of each macroeconomic indicator and accurate recent data on each indicator.</i></p> <p><i>Offers reasonable suggestions for an individual in response to changes in each indicator.</i></p>
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Economic Dashboard

For each indicator:

Describe the trend over the last year and include at least 3 specific data points.

Consider the degree to which the trend aligns with or departs from the ideal reading for this indicator.

GDP Growth Rate

Visit [Real GDP Growth Rate](#) from the Federal Reserve Bank of St. Louis.

Over the last year, GDP growth has fluctuated a great deal but appears to be rebounding. In Q2 2024, GDP grew 3.7% and then slowed to 1.8% in Q4 2024 and contracted -0.6% in Q1 2025 before growing to 3.8% in Q2 2025

The ideal growth rate is around 2–3%, so even though it fluctuated, it stayed mostly within a healthy range. The slowing in Q3 might be a sign that the economy is cooling but still growing.

Unemployment Rate

Visit [Unemployment Rate](#) from the Federal Reserve Bank of St. Louis.

The unemployment rate has been increasing slowly over the last year. It was 4% in January 2025, rose to 4.2% in May, and reached 4.4% in September. While the rate is still near the ideal of ≈4%, the upward trend suggests the labor market is getting slightly weaker.

Inflation Rate

Visit [Consumer Price Index](#) from Federal Reserve Bank of St. Louis.

Inflation has been declining steadily. It was 5.6% at the beginning of 2025, decreased to 0.9% in May 2025, and is now 3.7% in September 2025. The Federal Reserve's goal is around 2%, so inflation has moved closer to the ideal range, but it has been inconsistent over the year.

Federal Funds Rate

Visit [Federal Funds Effective Rate](#) from Federal Reserve Bank of St. Louis.

The federal funds rate is gradually coming down. It was 4.33% in January 2025, 4.09% in October, and 3.88% in November 2025. This suggests the Federal Reserve is becoming more confident that inflation is under control.

Navigating This Economy

Pick **one** of the young adults from the list provided. Analyze the macroeconomic data in your dashboard to provide suggestions for the young adult you selected.

I chose to give advice to young adult *Layla*

3–4 suggestions that provide a young adult advice for their life based on the current economic trends

Layla, as a person who lives in an expensive city with very high housing costs (San Francisco), and because you work in tech, changes in GDP growth, unemployment, inflation, and interest rates can affect both your professional and personal life!

You should consider strengthening your emergency savings because the unemployment rate has been gradually rising, increasing from 4.0% in January 2025 to 4.4% by September 2025, which suggests the labor market is beginning to weaken. While GDP growth rebounded to 3.8% in Q2 2025, it has been volatile over the past year, including a contraction in Q1 2025. Startups—like the one you work for—are often more vulnerable during periods of economic uncertainty. Building additional savings would help you manage high rent and living costs if your company slows hiring, freezes wages, or delays promotions.

You should be cautious about taking on large new debts, such as a car loan, even though interest rates are beginning to ease. The federal funds rate has declined from 4.33% in January 2025 to 3.88% in November 2025, indicating that borrowing costs may continue to fall. Because inflation is still elevated at 3.7%, the Federal Reserve may move slowly, so waiting before borrowing could allow you to secure a lower interest rate and reduce the long-run cost of debt—especially important in a high-cost city like San Francisco.

You should invest in upskilling, such as earning certifications in AI or cloud computing, because rising unemployment and uneven GDP growth could increase competition in the tech labor market. Even though the economy is currently expanding, the upward trend in unemployment suggests hiring may become more selective. Building additional human capital makes you more valuable to your current employer and better positioned to switch jobs if economic conditions worsen.

You should be prepared to vote on policies that support worker stability and financial flexibility, especially as a startup employee facing higher job volatility. With unemployment rising from 4.0% to 4.4%, policies that preserve health insurance coverage during job transitions, limit premium increases, or expand subsidies could reduce the financial risk of unemployment or career changes—particularly important while inflation remains above the Federal Reserve’s target at 3.7%. If you have student loans, policies that reduce interest rates, expand income-driven repayment, or offer partial forgiveness could free up monthly cash flow, which matters more in a high-cost city like San Francisco where rent already consumes a large share of income. Additionally, policies that fund reskilling, mid-career training, or partnerships between employers and community colleges could strengthen your long-term job security by reducing the risk of prolonged unemployment if layoffs increase in the tech sector.

SEE BELOW FOR SUGGESTED SCORING

Part 3 Suggested Scoring

Rubric Score	Characteristics of Macroeconomic Indicators Sections	Rationale for Scoring
Advanced	<p><i>In addition to a proficient performance...</i></p> <ul style="list-style-type: none"> Evaluates macroeconomic data to provide specific, personalized suggestions to inform a young adult's decision-making. <i>Achieved</i> 	<ul style="list-style-type: none"> <i>The student not only identifies trends in GDP growth, unemployment, inflation, and the federal funds rate, but also explains how these indicators interact to shape overall economic conditions. Advice to Layla is highly tailored to her circumstances (tech worker, startup employment, high-cost city) and demonstrates clear tradeoff analysis (e.g., balancing easing interest rates with persistent inflation and rising unemployment). Civic considerations are thoughtfully incorporated, including policies related to worker stability, health insurance portability, student loan repayment, and workforce training.</i>
Proficient	<p><i>In addition to a novice performance...</i></p> <ul style="list-style-type: none"> Analyzes macroeconomic data over the last year to provide reasonable suggestions to inform a young adult's personal, professional, and civic decision-making. <i>Achieved</i> 	<ul style="list-style-type: none"> <i>Accurately describes trends for all four indicators using at least three specific data points each. Compares trends to ideal ranges (e.g., GDP growth near 2–3%, inflation near 2%).</i> <i>Provides a clear, evidence-based assessment of overall economic health, correctly identifying the economy as stable but mixed.</i> <i>Advice for Layla is well grounded in the data:</i> <ul style="list-style-type: none"> <i>Rising unemployment → strengthening emergency savings</i> <i>Declining but still-elevated interest rates → delaying major borrowing</i> <i>Volatile GDP growth → investing in human capital</i> <i>High cost of living and job volatility → supporting worker-stability policies</i>
Novice	<ul style="list-style-type: none"> Identifies accurate trends for all key macroeconomic indicators supported by specific data. <i>Achieved</i> Visual indicator accurately reflects the macroeconomic trend based on the data presented. <i>Achieved</i> Provides general suggestions for a young adult that are connected to current macroeconomic indicators. <i>Achieved</i> 	<p><i>The student clearly exceeds Novice by providing detailed trends and specific, reasoned advice tied to indicator movements.</i></p>

Part 4: Reflection

This assessment helped me understand what it means to think like an economist because it required me to look at data and make decisions based on how indicators change over time. Instead of just memorizing definitions, I had to apply them to real-life situations, like figuring out when a young adult should borrow money or delay a purchase. Doing this showed me how economic thinking can guide everyday choices, which connects directly to the semester big idea that economic thinking benefits all aspects of life.

I revised Part 2 because my first draft didn't fully explain the reasoning behind some of my suggestions for what to do when the inflation rate and the federal funds rate were increasing or decreasing. During the revision process, I added more details about why rising inflation affects budgets and how changes in interest rates influence borrowing. Making these revisions helped me understand how the indicators relate to each other. For example, I realized that when inflation goes down, the Federal Reserve might lower the federal funds rate, which then affects loans. Revising my work made the relationships between the indicators clearer, and it prepared me to give better advice in Part 3.

SEE BELOW FOR SUGGESTED SCORING

Part 4 Suggested Scoring

Rubric Score	Characteristics of Macroeconomic Indicators Sections	Rationale for Scoring
Advanced	<p><i>In addition to a proficient performance...</i></p> <ul style="list-style-type: none"> Reflects on personal growth and the learning process associated with this assessment, highlighting not just the "what" but also the "why" and "how" of their learning journey. <i>Partially achieved</i> 	<p><i>Approaching advanced by describing how revisions clarified their understanding of relationships between macroeconomic indicators. To fully achieve Advanced, the reflection would need to include:</i></p> <ul style="list-style-type: none"> <i>A deeper examination of how their thinking process changed</i> <i>More explicit discussion of why the revisions strengthened their economic reasoning</i> <i>Additional insight into how their approach to the entire assessment evolved, not only Part 2</i>
Proficient	<p><i>In addition to a novice performance...</i></p> <ul style="list-style-type: none"> Uses specific information and/or examples to provide a thorough response to the prompts. <i>Achieved</i> 	<p><i>Clear explanation of how the assessment helped them understand economic thinking, directly tying the experience to the semester's big idea that "economic thinking can be applied beneficially to all aspects of life." Connection is explicit and grounded in the student's description of applying indicators to real-world situations, such as deciding when a young adult should borrow or delay purchases.</i></p> <p><i>Identified both what was changed in Part 2 (adding explanations about inflation and the federal funds rate) and why those revisions improved their work. Described how their understanding evolved, e.g., recognizing the relationship between declining inflation and Federal Reserve rate decisions helped them better explain those concepts in Part 3.</i></p>
Novice	<ul style="list-style-type: none"> Provides general information in response to both prompts. <i>Achieved</i> 	<p><i>Two prompts are addressed in the reflection.</i></p>