

LOW PRICES HELP THE ECONOMY



Manufacturing in the United States is beginning to make progress. Statistical information has been given that proves the economy is beginning to get better. While the economy is still not doing as well as it should be, small progress is being made. With the progress being made comes fear because the cost of oil is on the rise which is a major threat to the economy. The Chief United States Economist, Paul Ashworth, has said, "The continued resilience of manufacturing is encouraging, since this should be the sector most exposed to the global economic slowdown." He believes that this is a great sign for the economy and for people all over the United States. Major growth is taking place within just a few months. In fact, the amount of product being produced from factories increased by 0.7 percent. Factories are making more of their products which proves that consumers are buying these items. Some of the main items that are being produced include electronics and cars, specifically trucks. Reports have also shown that prices for certain products have drastically decreased which is great for the consumers. Cars and computers were just two of the types of products that have managed to decrease in cost, making them more accessible for consumers. Gas prices also dropped a bit, for the first time in several months, which is a good sign overall especially because the cost of gas was becoming extremely high. Many people were looking for other methods to get to and from their destinations because the price of gas had become so ridiculous. An economist for BMO Capital Markets, Jennifer Lee, has said, "In the current soft economic environment, inflation is not an issue for policymakers." Because of the earthquake that took place in Japan, production of items from factories in that area was altered and practically destroyed. Consumers stopped making large purchases at stores due to such a rise in the cost for food. With prices going up on just about any food item, consumers ended up cutting back on what they would buy at the store. The gas price decrease is one way to show that progress is being made but there is still fear because the cost of oil continues to rise. In fact, it will cost about \$100 for one barrel of oil at this very moment. With the increase in the cost for oil, gas prices may increase which would cause consumer to use other methods of getting around aside from their car. The fact is, low prices are what helps boost the economy. If the price of certain things, such as gas, continues to increase, the economy will definitely not look so hot.

<https://blog.granted.com/>