

Excel with FRED: HW 6 the Beveridge Curve

Economists use the “Beveridge Curve” (named for Sir William Beveridge) to examine the relation between unfilled jobs and unemployed workers. This data is readily available and can be processed in Excel in 10 steps.

1. Search FRED for U6Rate. Search for JTSJOR with “add data series”. Download both into EXCEL.
2. Label headings Unemployment Rate and “Job Vacancy Rate” Delete pre December 2000 data.
3. Block off data and insert into a scatter diagram.
4. Click on graph to access the “format plot area” and “format axis” functions. Reformat graph for clarity and style.
5. Plot a single curve by inserting December 2000 to October 2009 into a scatter diagram. Click on data points to add a trend line (the Polynomial or exponential trend line show the relation as a curve)
6. Insert post October 2009 data into a scatter diagram. Click on data points to add a trend line (Polynomial or exponential)
7. Copy one trend line (control-C) from one scatter diagram to the other.
8. Click on graph to access the “format plot area” and “format axis” functions. Reformat both Beveridge curves for clarity and style.
9. Use insert-textbox to add labels.
10. Either SNIP or control-C functions may be used to transfer the completed graph to other documents.