

Summary of Economic Indicators

Category	Year/Year Change (Unless Otherwise Noted)											
Indicator												One Year Ago
Manufacturing/Output	Most Recent Report											
ISM Manufacturing (actual)	-0.30	3.50	4.80	3.40	2.40	4.10	3.10	2.20	1.80	2.50	2.50	1.40
ISM Services (actual)	1.70	5.60	4.60	8.90	12.60	9.50	5.90	6.10	3.30	6.80	6.40	7.20
Industrial Production	4.68	4.38	4.98	3.68	5.11	4.46	3.83	4.11	4.22	3.21	3.43	3.37
Capacity Utilization	3.41	3.15	3.68	2.48	3.95	3.42	3.03	3.32	3.60	2.66	3.07	3.36
Durable Goods	7.95	5.07	6.47	1.84	14.28	8.18	16.11	9.19	7.60	3.55	10.37	10.59
Durable Goods ex Tran	3.09	4.10	6.21	5.44	10.26	6.94	8.44	5.27	13.58	6.96	6.49	10.20
Nominal GDP	3.95			4.48			3.97			4.03		
Real GDP	2.21			2.45			1.97			1.55		
Employment												
Jobless Claims (actual)	353	388	389	368	362	374	371	390	371	392	402	417
Jobless Claims (4 Wk Avg)	367	387	376	384	363	368	372	382	386	394	400	414
ADP Employment	1.81	1.77	1.69	1.74	1.74	1.71	1.74	1.69	1.56	1.52	1.43	1.44
Non Farm Payrolls	1.35	1.36	1.34	1.48	1.56	1.54	1.41	1.33	1.31	1.39	1.22	1.11
Average Hourly Earnings	1.49	1.34	1.65	1.71	1.60	1.50	1.87	1.87	1.72	1.98	1.99	2.31
Average Workweek (actual)	33.80	33.70	33.70	33.70	33.80	33.80	33.70	33.70	33.70	33.60	33.60	33.70
Unemployment Rate (actual)	8.20	8.20	8.10	8.20	8.30	8.30	8.50	8.70	8.90	9.00	9.10	9.10
Challenger Job Cuts	-9.37	66.65	11.15	-8.78	2.02	38.86	30.56	-12.80	12.57	211.51	47.01	59.36
Housing												
Building Permits	20.06	25.64	25.09	30.34	31.90	20.85	10.92	26.61	19.53	9.41	11.21	8.29
Housing Starts	23.58	29.04	35.33	17.67	38.61	13.92	29.31	29.91	16.02	8.92	-3.01	12.45
New Home Sales	15.13	24.03	14.74	16.94	34.07	10.06	3.99	13.94	7.90	-3.47	3.55	4.95
Existing Home Sales	4.55	11.33	10.00	4.93	9.00	1.98	2.58	9.73	13.98	12.34	19.84	19.47
Pending Home Sales	9.48	12.89	14.37	12.46	10.18	8.02	6.49	6.95	7.42	7.55	10.75	11.87
Monthly Supply	-25.76	-31.82	-26.87	-30.99	-40.00	-27.40	-22.86	-30.49	-25.61	-17.11	-25.00	-24.72
NAHB Homebuilder Index	133.33	123.08	75.00	50.00	64.71	75.00	56.25	31.25	18.75	13.33	7.69	15.38
Case Shiller 20 Market Price	-1.90	-2.59	-3.55	-3.93	-4.05	-3.88	-3.57	-3.60	-3.72	-4.02	-4.39	-4.50
Inflation												
CPI	1.68	1.73	2.30	2.65	2.89	2.93	3.00	3.45	3.55	3.90	3.76	3.61
Core CPI	2.22	2.26	2.31	2.25	2.17	2.27	2.24	2.16	2.10	1.97	1.94	1.75
PPI	0.79	0.79	1.89	2.81	3.46	4.20	4.72	5.75	6.04	7.20	6.61	7.17
Core PPI	2.64	2.77	2.77	2.89	3.01	3.13	3.03	3.04	2.92	2.75	2.64	2.64
PCE	1.52	1.88	2.21	2.37	2.43	2.55	2.74	2.73	2.94	2.89	2.78	2.63
Core PCE	1.82	1.97	2.03	1.96	1.96	1.91	1.77	1.70	1.65	1.68	1.57	1.42
Import Prices	-2.60	-0.49	0.84	3.52	5.10	6.92	8.55	10.06	11.09	12.73	12.89	13.74
Import Prices ex Petrol.	-0.17	0.17	0.78	1.48	1.66	2.46	3.37	3.65	4.76	5.41	5.51	5.43
Consumer												
Consumer Confidence	7.64	4.38	4.09	8.93	-0.56	-5.71	2.21	-4.53	-18.04	-4.53	-15.04	16.08
Michigan Confidence	13.50	2.38	6.73	9.46	12.89	-2.84	1.08	-6.17	-10.47	-10.04	-12.90	-19.16
Personal Income	2.91	2.87	2.87	2.92	3.10	3.99	4.17	4.44	4.90	4.62	5.02	4.93
Personal Spending	3.46	3.70	3.84	4.37	4.15	4.11	4.31	4.67	5.09	4.64	5.10	4.69
Retail Sales	3.77	5.14	5.29	6.30	6.80	6.60	6.82	7.48	8.05	8.46	8.12	8.86
Retail Sales ex Autos	3.01	4.12	4.83	6.11	6.77	6.71	6.13	7.27	8.06	8.18	8.51	8.94
Auto Sales	22.13	25.75	2.33	12.73	15.80	11.40	8.27	13.61	7.13	10.06	7.29	0.65
Chain Store Sales	3.33	2.69	2.86	4.15	4.16	1.71	3.49	2.84	2.90	3.08	3.59	3.38
Total	-9	-11	-7	-16	14	-2	-4	3	4	1	3	12

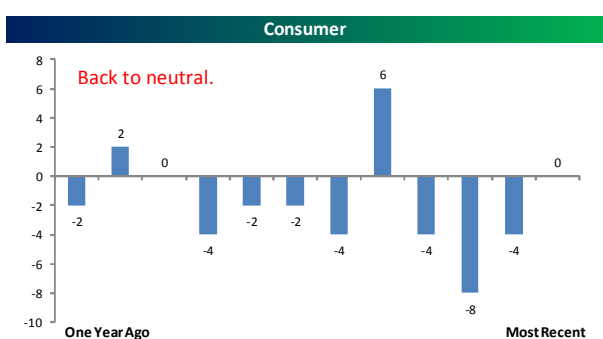
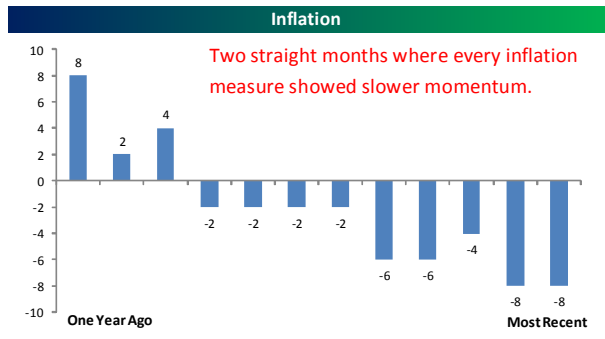
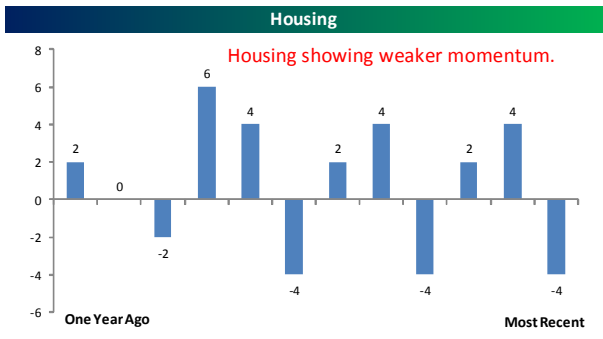
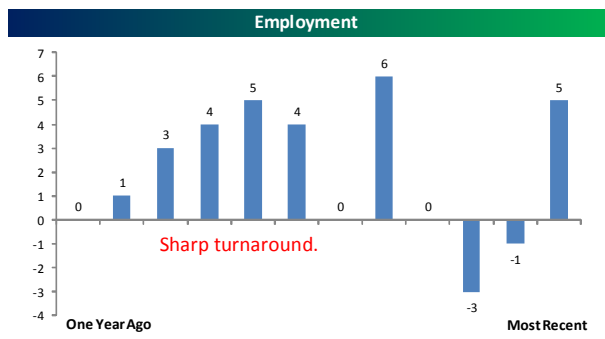
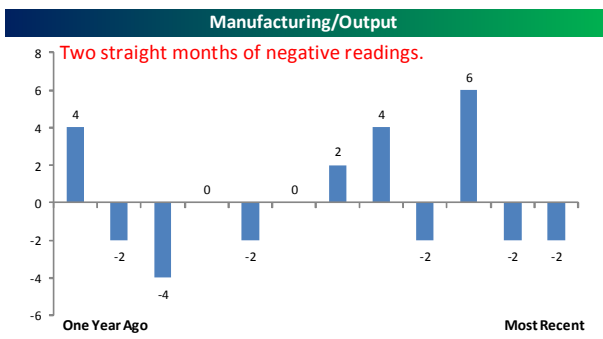
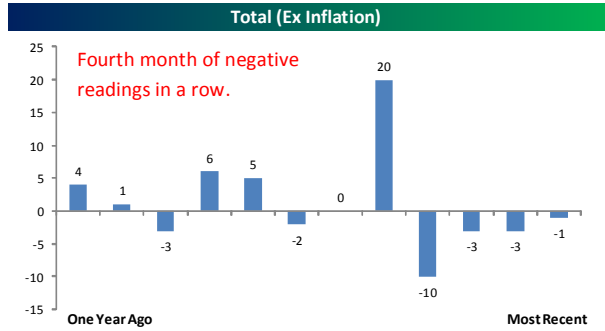
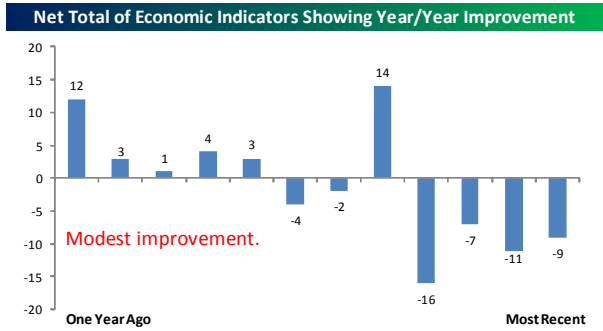
Stronger than prior month. Weaker than prior month.

The table above summarizes the y/y change (unless otherwise noted) in economic indicators over the last year by category. We also highlight each release to show if the report got better (green) or worse (red) since its last reading. Charts of each indicator are provided on the following pages.

As shown in the 'Total' line above, the net number of indicators showing an improvement this month was negative for the fourth straight month and showed a modest improvement from last month's level of negative eleven. As we noted last month, the US economy is slowing, and the only question is how bad is it going to get.

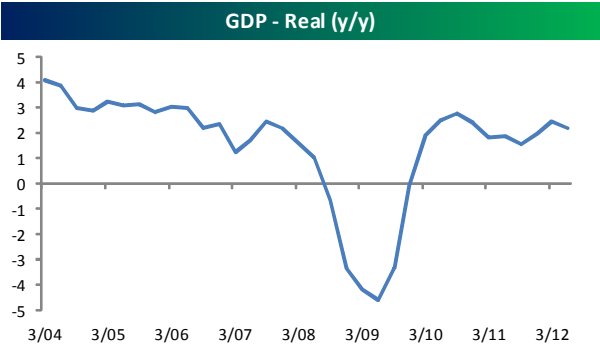
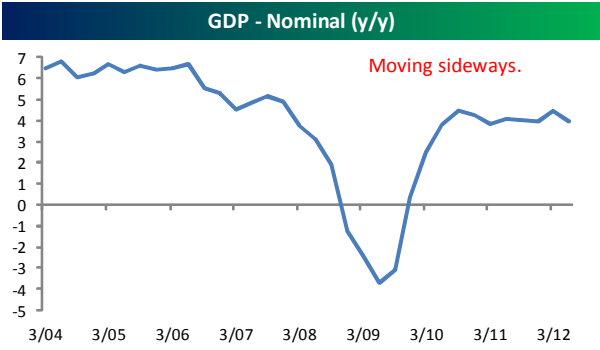
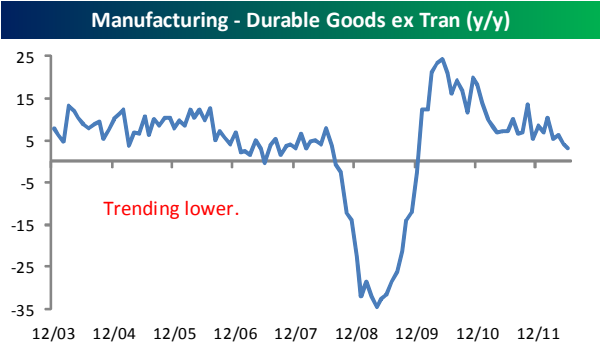
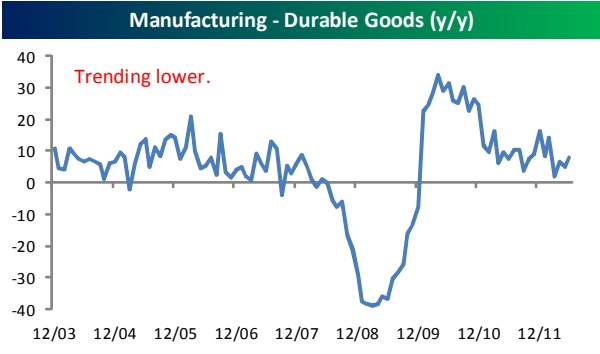
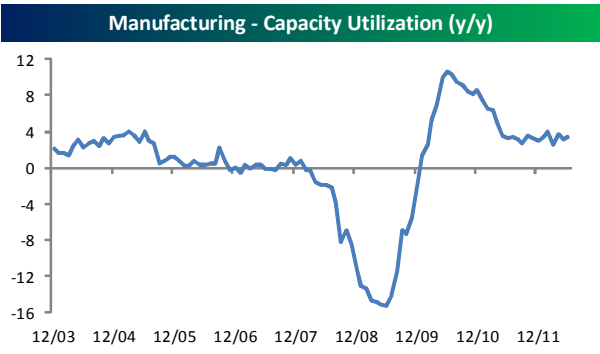
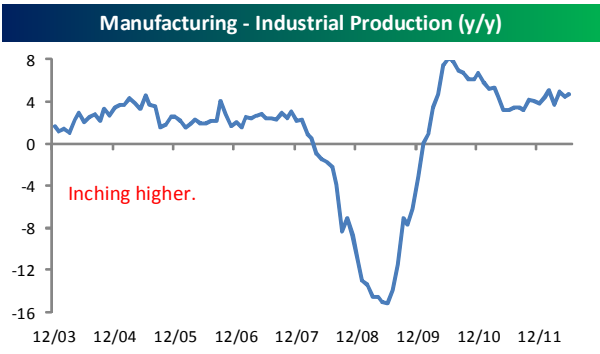
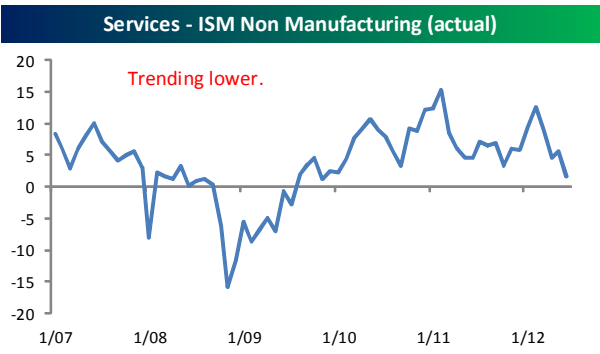
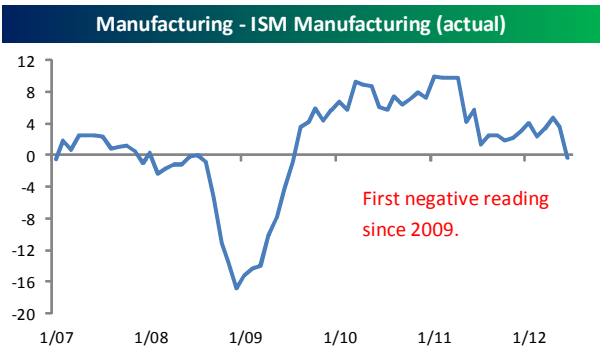
This month we actually saw some improvement in the employment components of our Matrix, as Non Farm Payrolls is the only component that showed slower growth this month. Interestingly, although housing has been a bright spot for the economy, six out of the eight components we track showed slower momentum this month. The two components that did show growth, however, both hit their highest levels in at least a year. Finally, all eight measures of inflation that we track showed slower momentum for the second month in a row. At least with inflation measures in check, the Fed has the green light to provide added accommodation.

Summary Charts of Net Indicators Improving By Sector



The charts above highlight the net number of indicators showing improvement by category on a monthly basis. The top two charts show the totals for all indicators and all indicators ex the inflation category. The following five charts show the monthly change by each individual category.

Manufacturing/Output

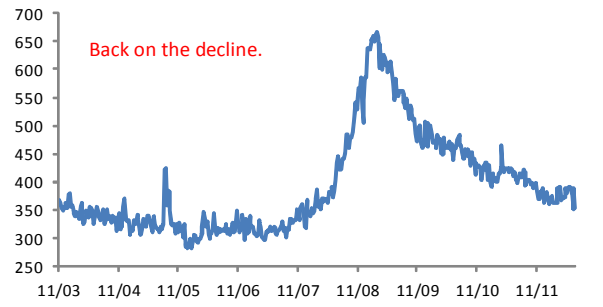


Sources: ADP, Bloomberg, Bureau of Economic Analysis, Bureau of Labor Statistics, Challenger, Gray & Christmas, Conference Board, Federal Reserve, Institute for Supply Management, ICSC, NAHB, National Association of Realtors, Standard and Poor's, US Census Bureau, US Department of Labor.

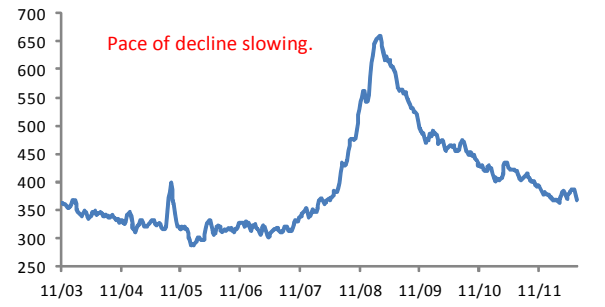
Employment

Bespoke Investment Group

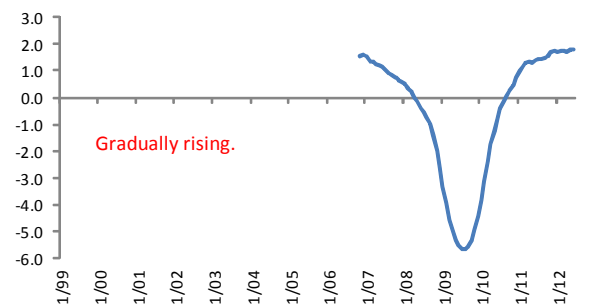
Employment - Jobless Claims ('000s)



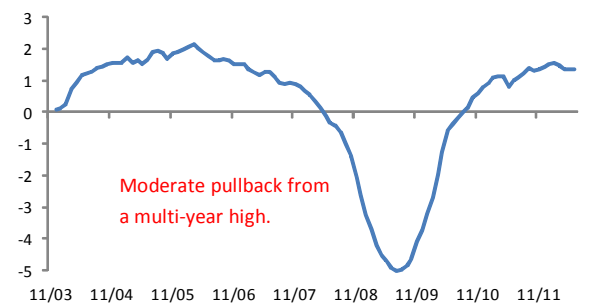
Employment - Jobless Claims (Four week moving average)



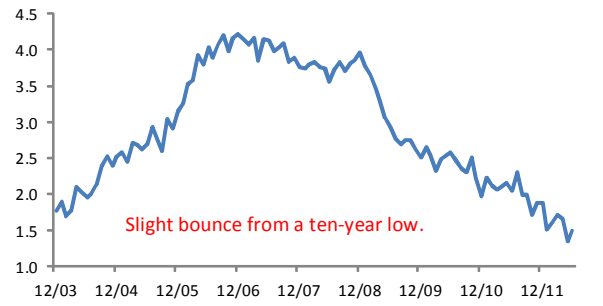
Employment - ADP Employment (y/y)



Employment - Non Farm Payrolls (y/y)



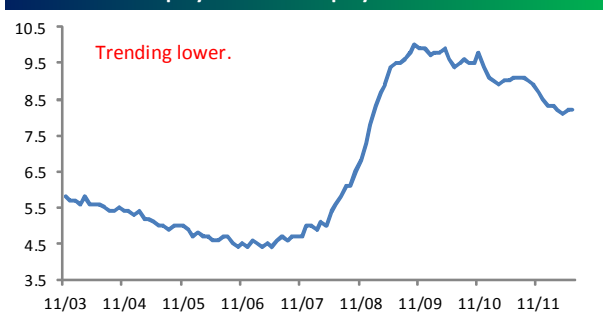
Employment - Average Hourly Earnings (y/y)



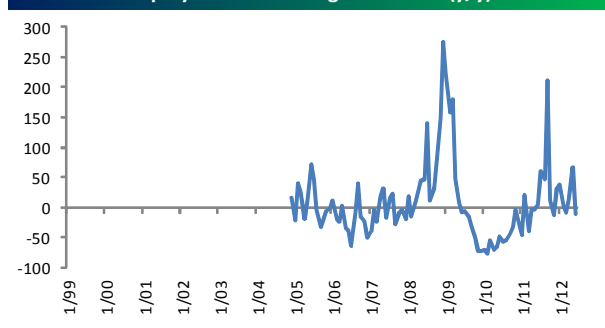
Employment - Average Workweek (Hours)



Employment - Unemployment Rate



Employment - Challenger Job Cuts (y/y)



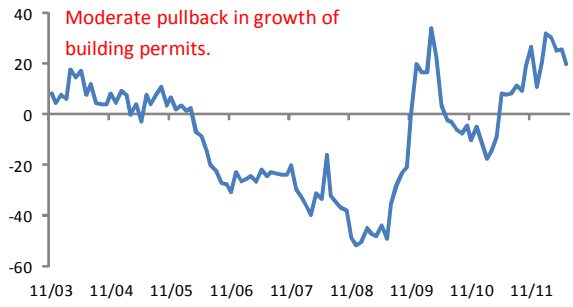
Bespoke Investment Group

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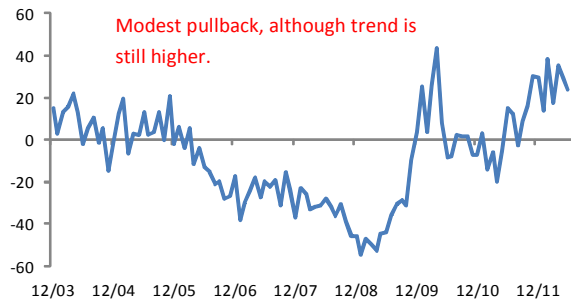
Housing

Bespoke Investment Group

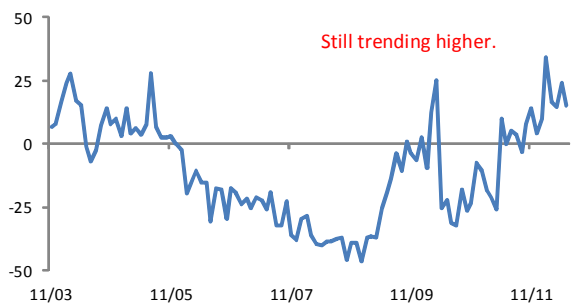
Housing - Building Permits (y/y)



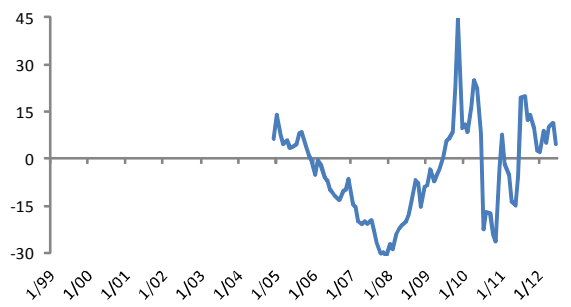
Housing - Housing Starts (y/y)



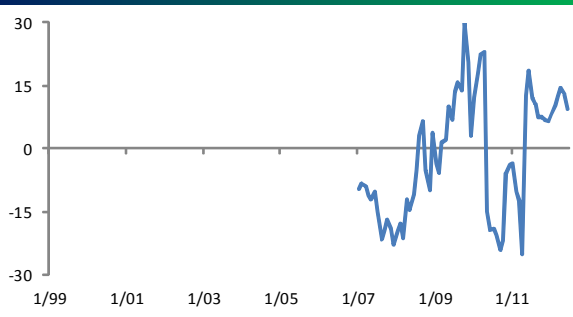
Housing - New Home Sales (y/y)



Housing - Existing Home Sales (y/y)



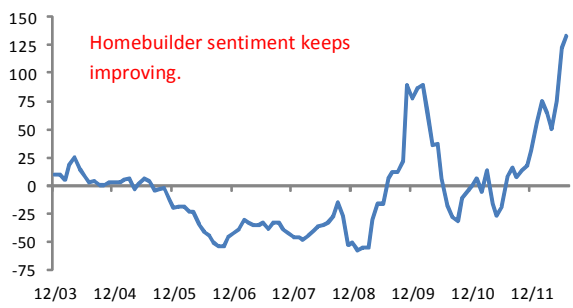
Housing - Pending Home Sales (y/y)



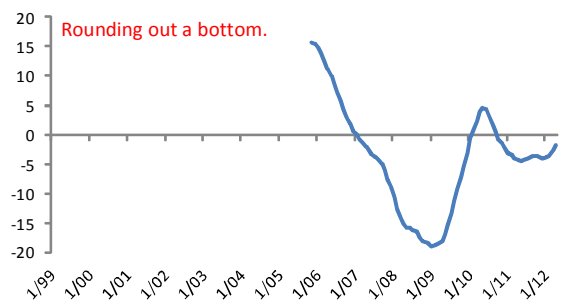
Housing - Monthly Supply (y/y)



Housing - NAHB Homebuilder Index (y/y)



Housing - Case Shiller 20 Market Home Price Index (y/y)



Bespoke Investment Group

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Inflation

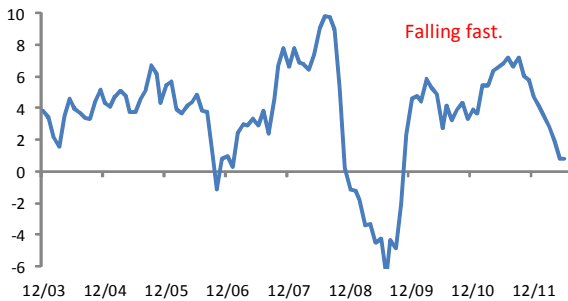
Inflation - CPI (y/y)



Inflation - Core CPI (y/y)



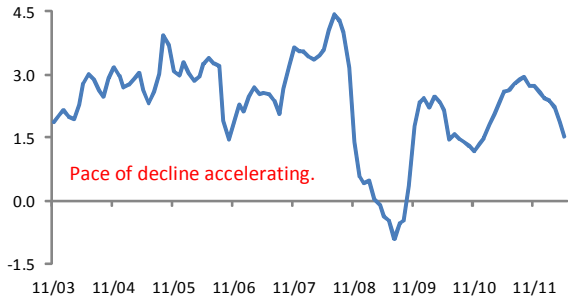
Inflation - PPI (y/y)



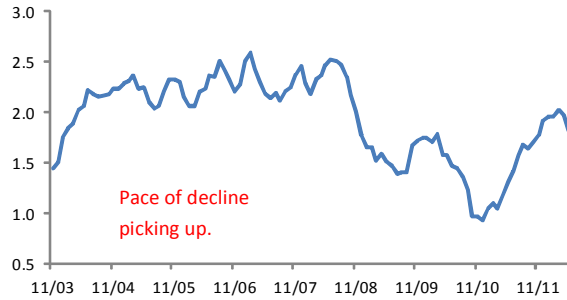
Inflation - Core PPI (y/y)



Inflation - PCE (y/y)



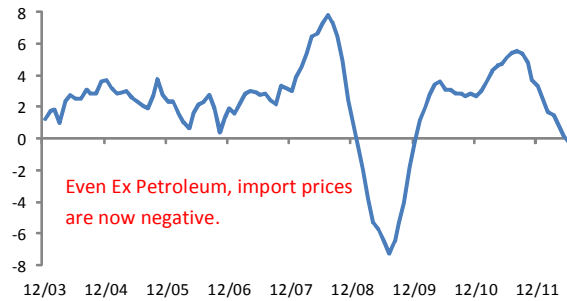
Inflation - Core PCE (y/y)



Inflation - Import Prices (y/y)



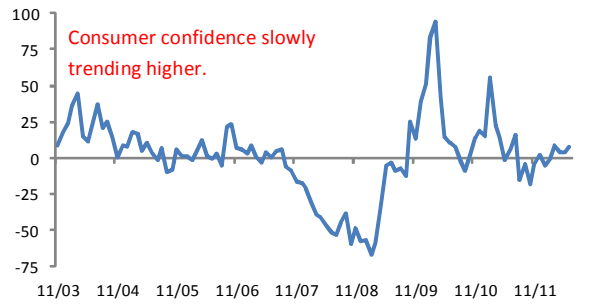
Inflation - Import Prices ex Petroleum (y/y)



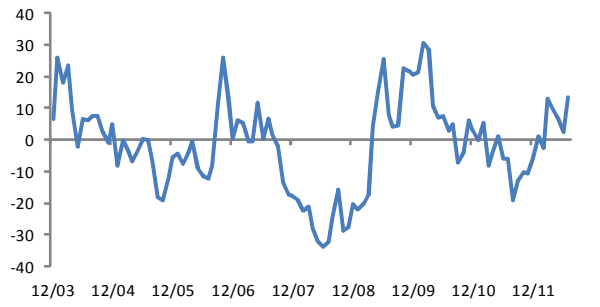
Sources: ADP, Bloomberg, Bureau of Economic Analysis, Bureau of Labor Statistics, Challenger, Gray & Christmas, Conference Board, Federal Reserve, Institute for Supply Management, ICSC, NAHB, National Association of Realtors, Standard and Poor's, US Census Bureau, US Department of Labor.

Consumer

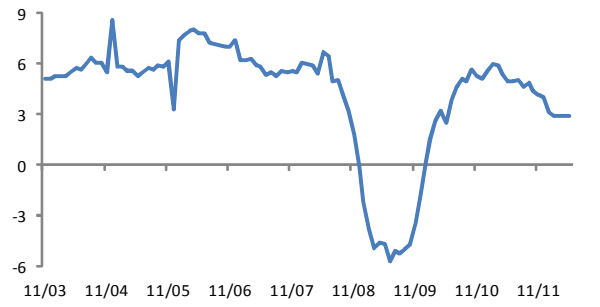
Consumer - Consumer Confidence (y/y)



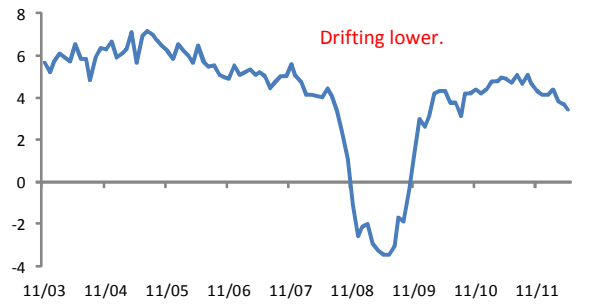
Consumer - Michigan Confidence (y/y)



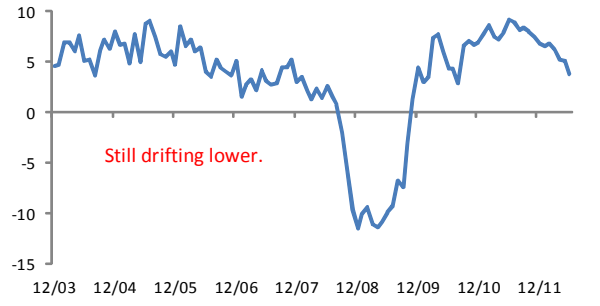
Consumer - Personal Income (y/y)



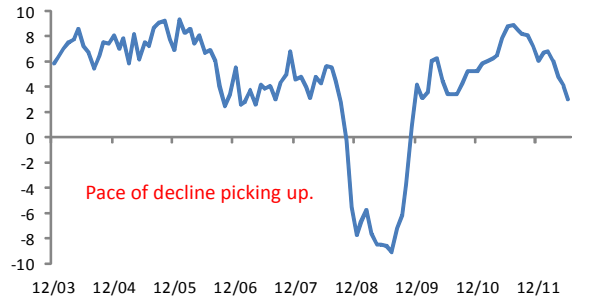
Consumer - Personal Spending (y/y)



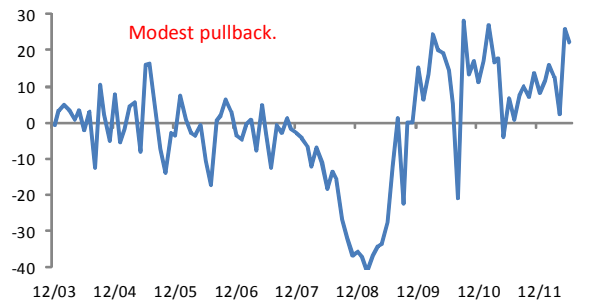
Consumer - Retail Sales (y/y)



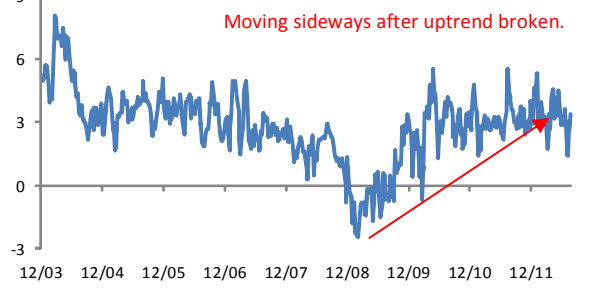
Consumer - Retail Sales ex Autos (y/y)



Consumer - Auto Sales (y/y)



Consumer - Chain Store Sales (y/y)



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