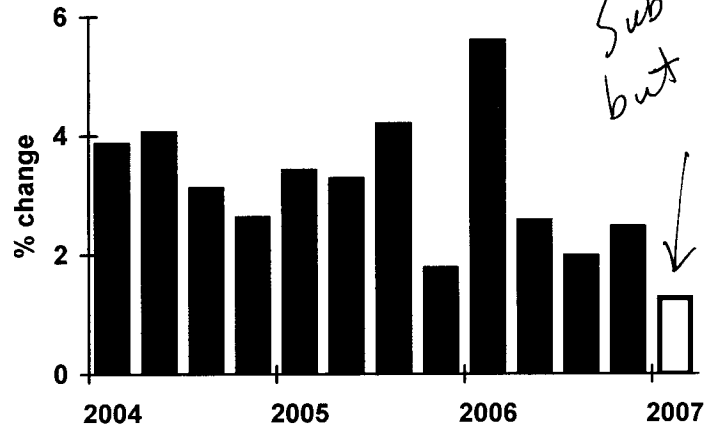
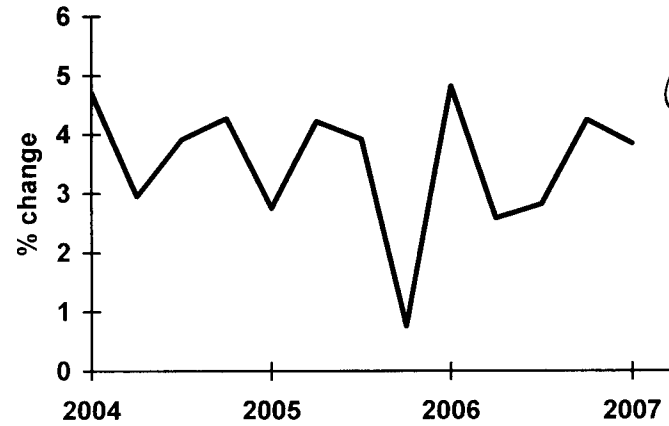


Gross Domestic Product
adjusted for inflation



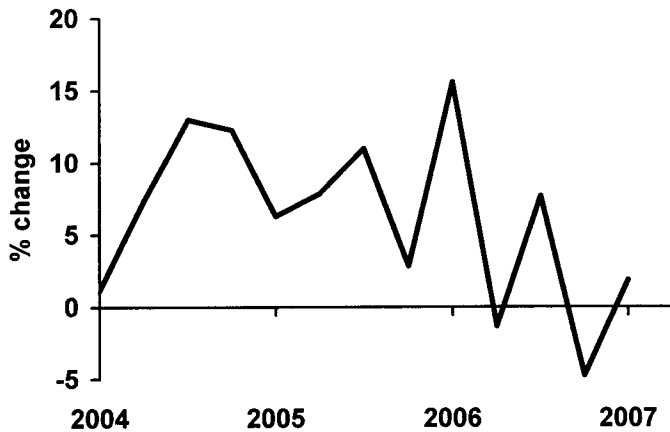
Sub-normal, but not recessionary.

Consumer Spending Growth
Inflation Adjusted



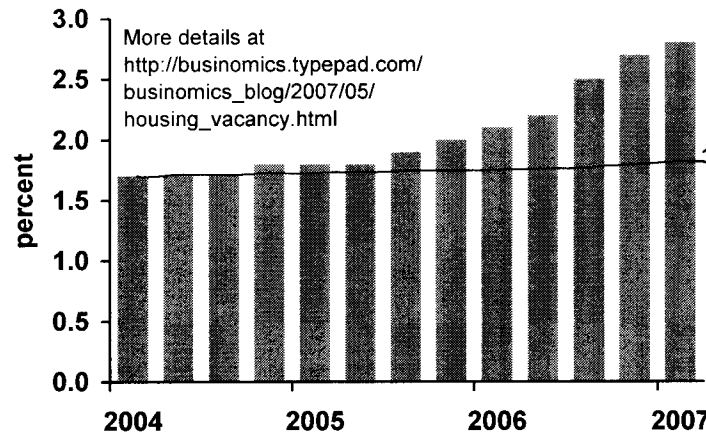
Consumers holding up well.

Business Spending
Equipment & Software



Businesses have lost some optimism.

Homeowner Vacancy Rate



More details at http://businomics.typepad.com/businomics_blog/2007/05/housing_vacancy.html

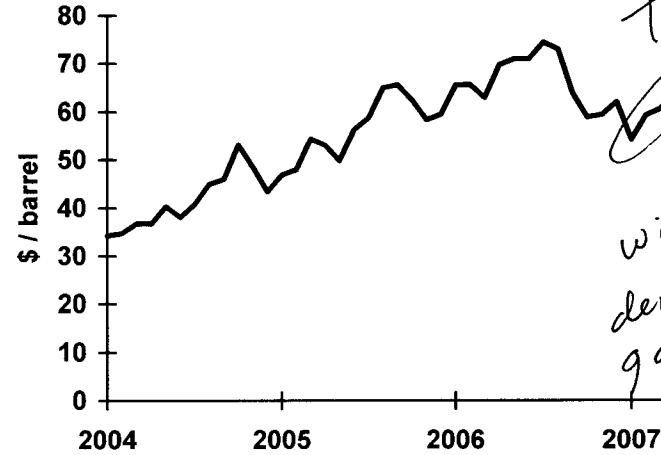
800,000 too many houses, and that doesn't count rentals.

Value of U.S. Dollar



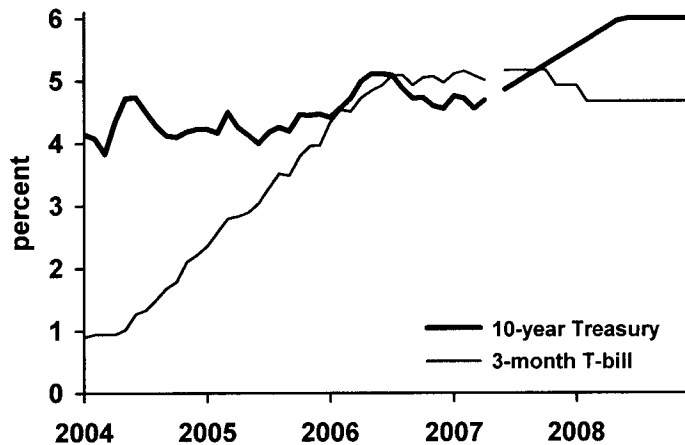
Down 4% in last 12 months. Look for this depreciation to continue.

Oil Price



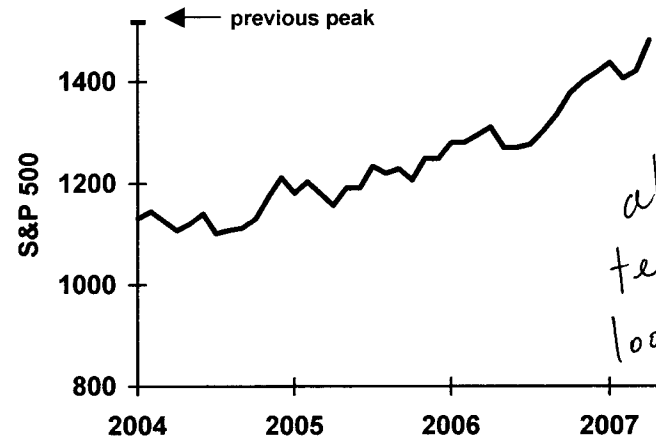
The rise in crude coincided with seasonal demand for gasoline, pushing pump prices up.

Interest Rates



Lots of stability lately.

Stock Market



If I'm right about long-term rates, look for stock prices to level off.