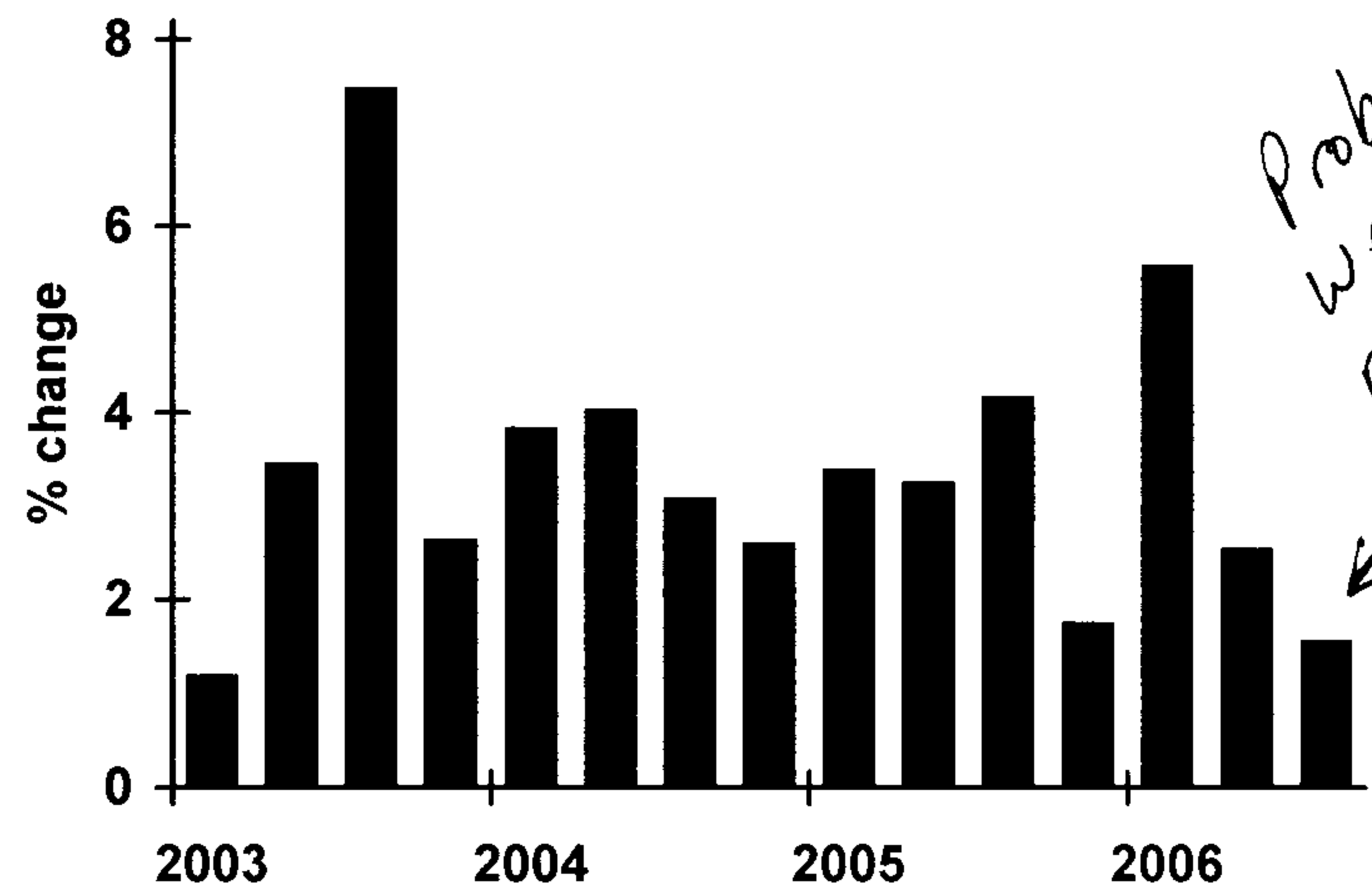
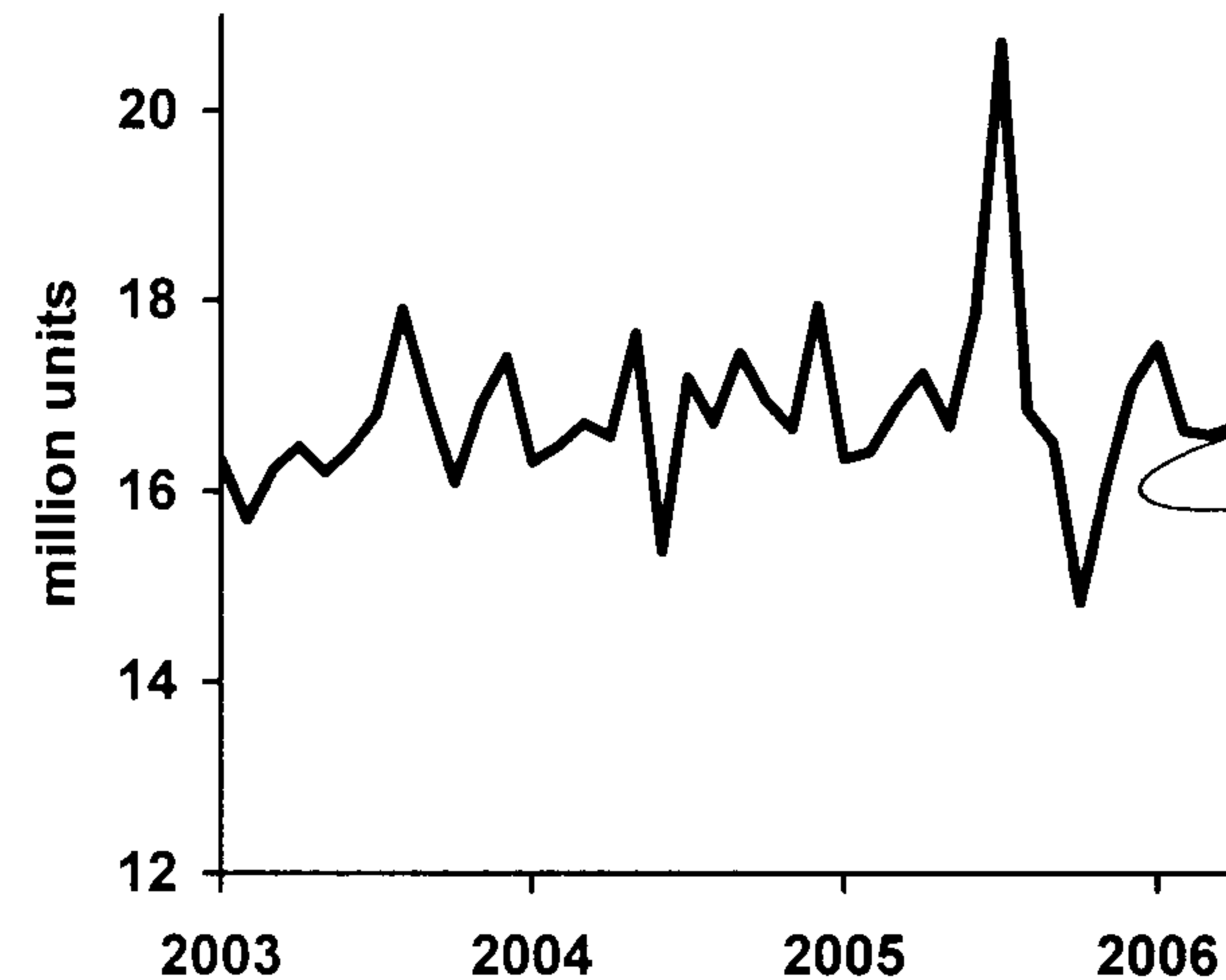


Gross Domestic Product
adjusted for inflation



Probably the weakest growth rate of the cycle.

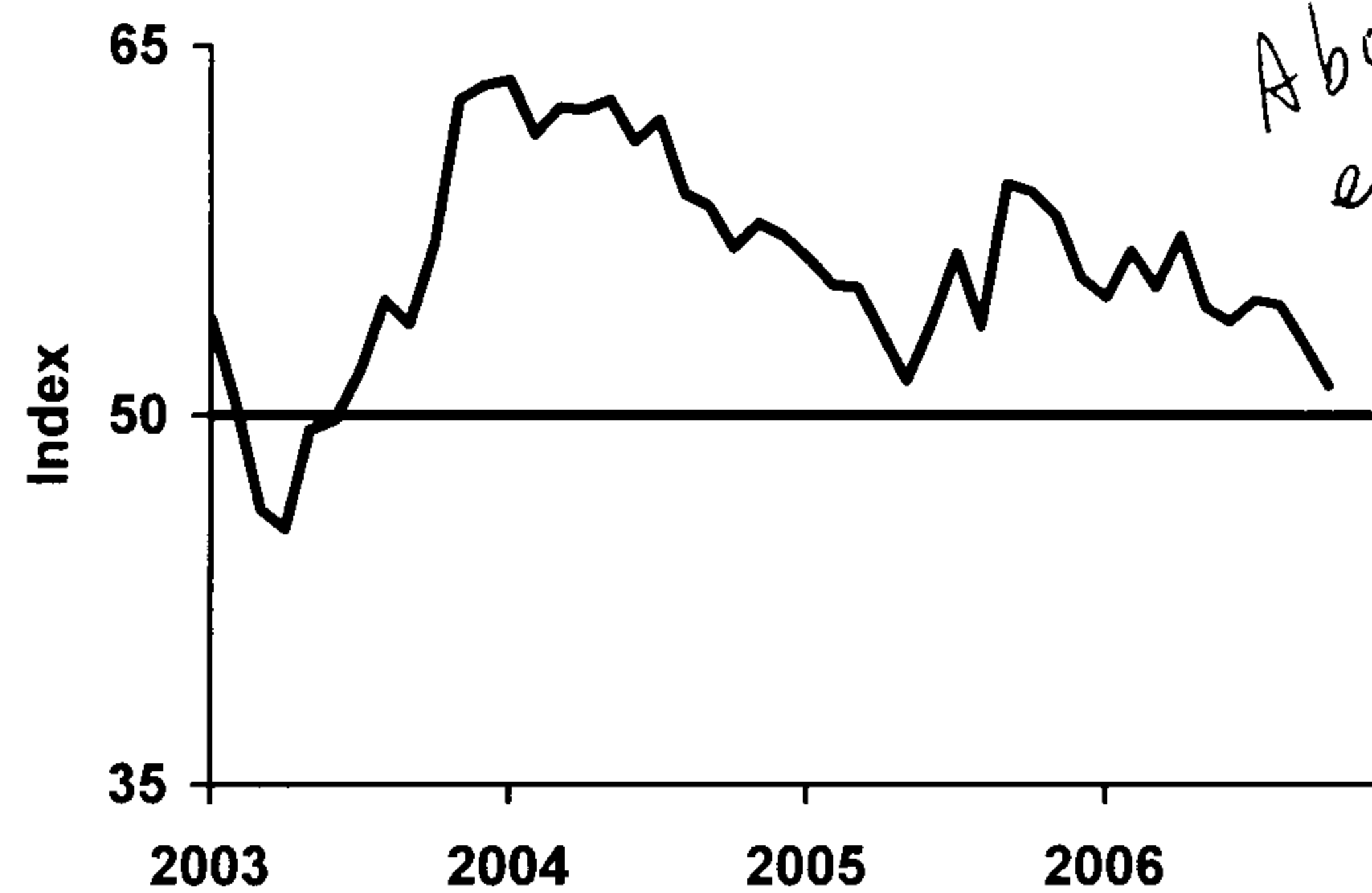
Auto & Light Truck Sales



Low end of normal range, but not likely to improve soon.

ISM Index

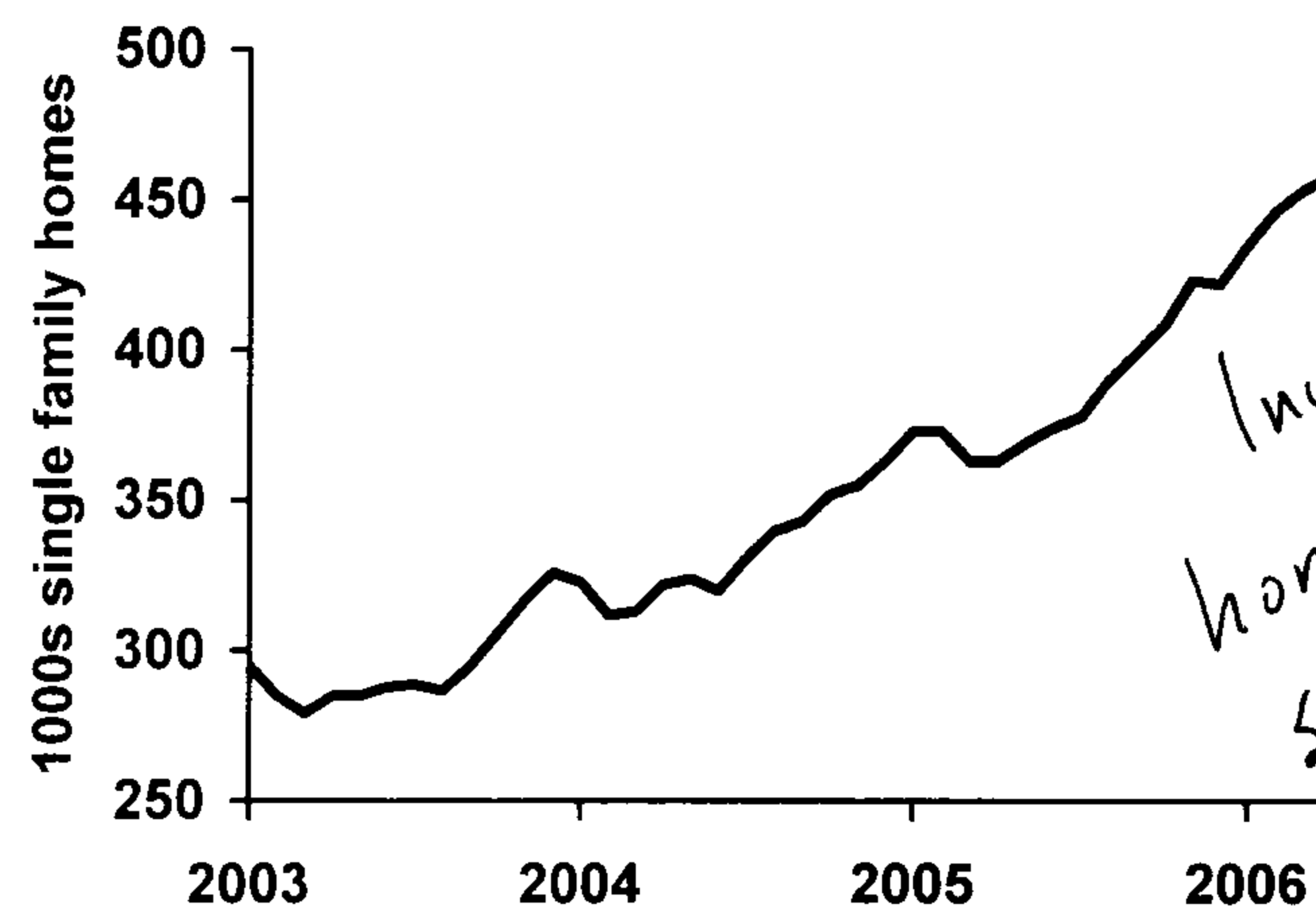
formerly Purchasing Managers Index



Above 50 means expansion, so manufacturers just barely growing.

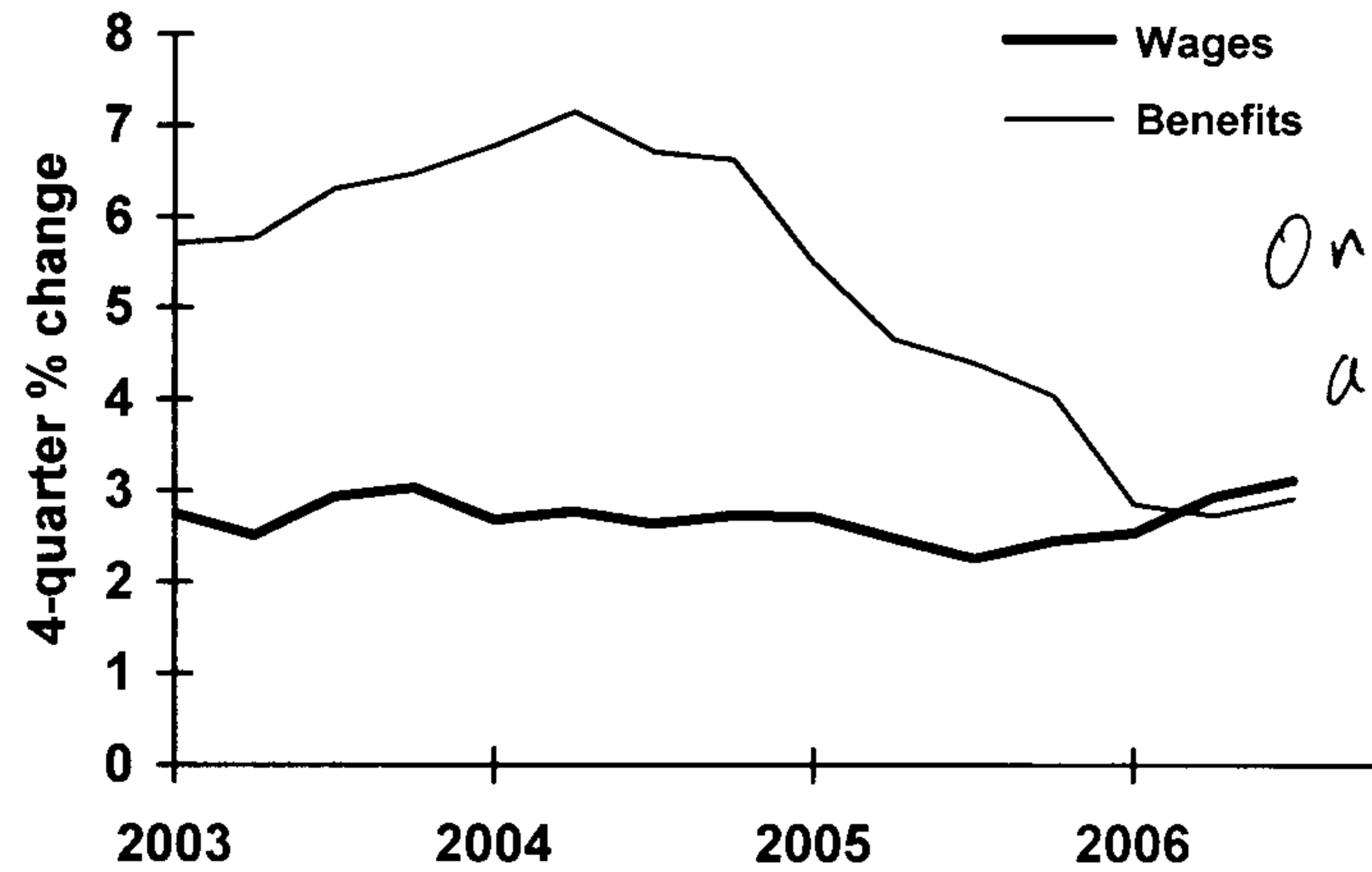
New Homes For Sale

Completed & Under Construction Only



Inventory of unsold homes very high, so construction falling sharply.

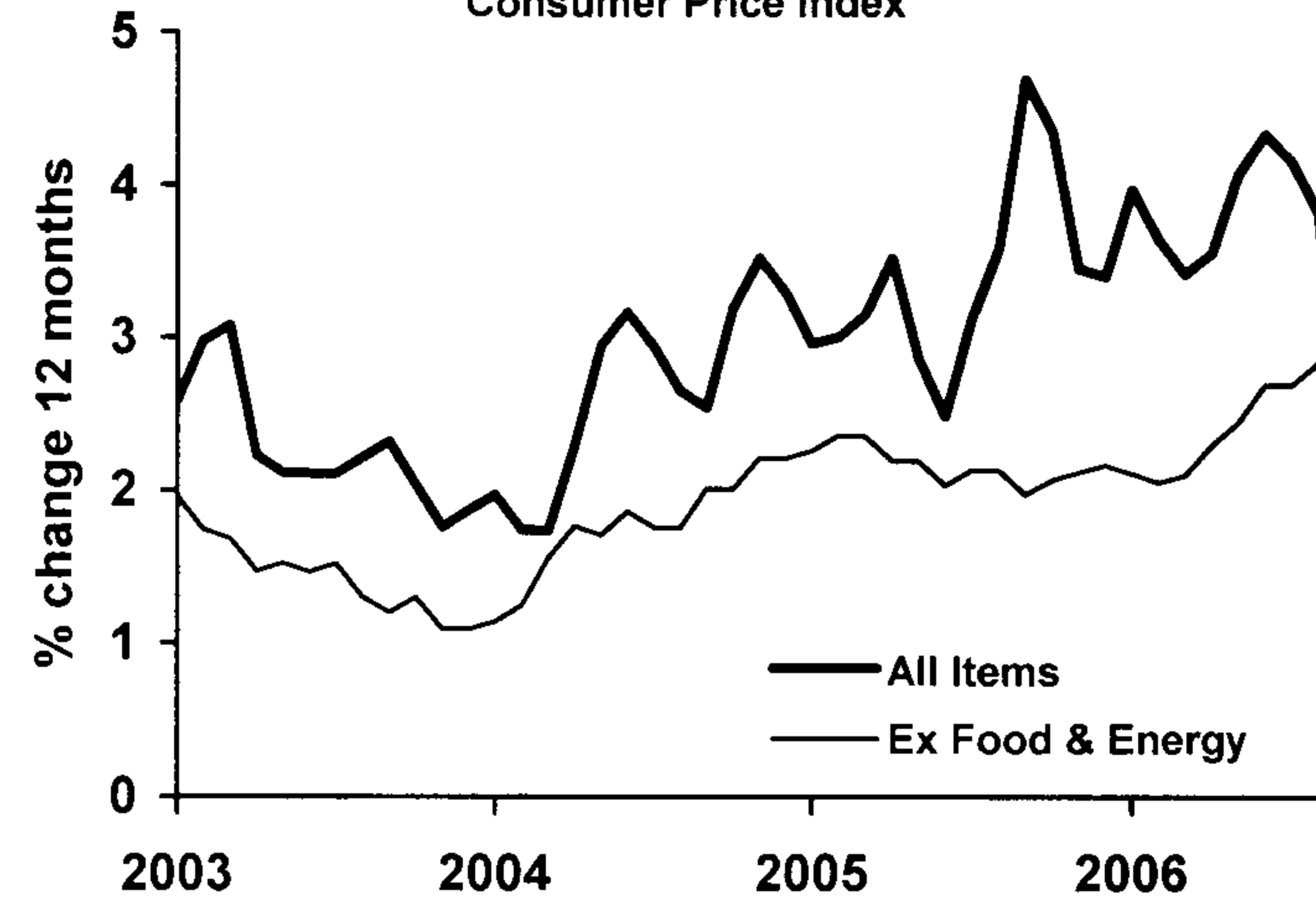
Employment Cost Inflation



Only a little acceleration of labor costs.

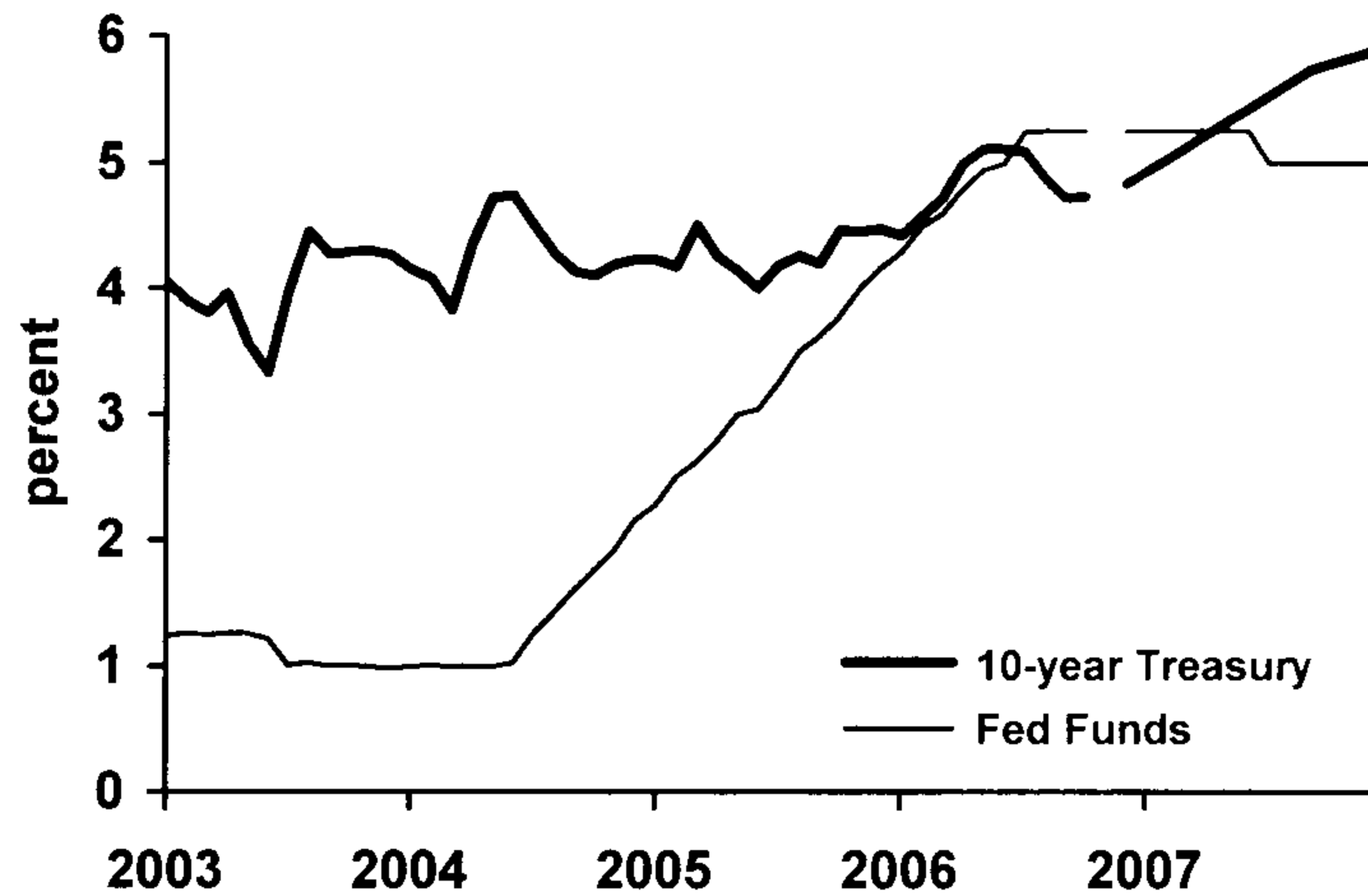
Inflation

Consumer Price Index



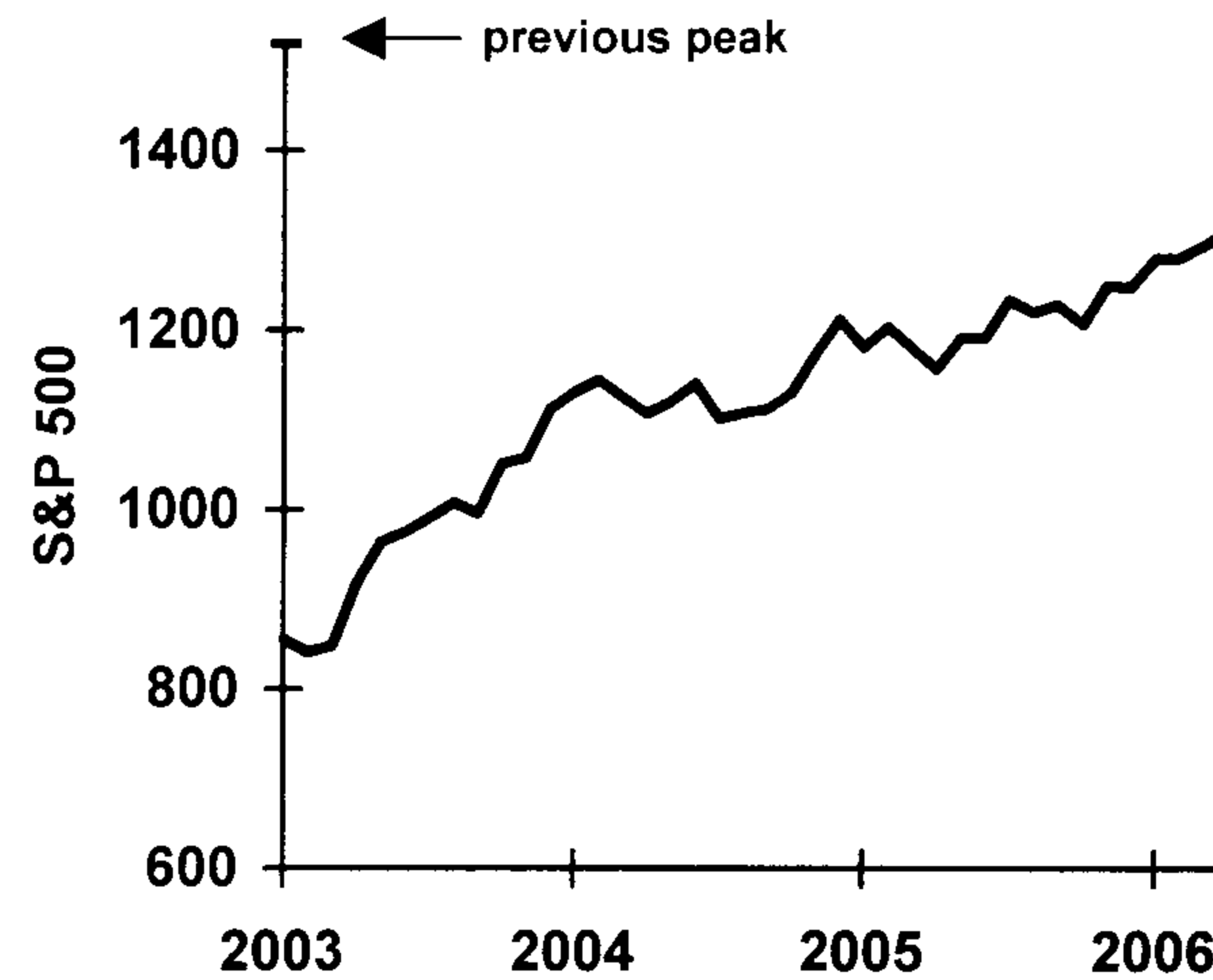
The fall in oil & gasoline is bringing inflation down.

Interest Rates



I'm still forecasting rising long rates.

Stock Market



Last month was very good for stocks, and I think we'll have some good months next year.