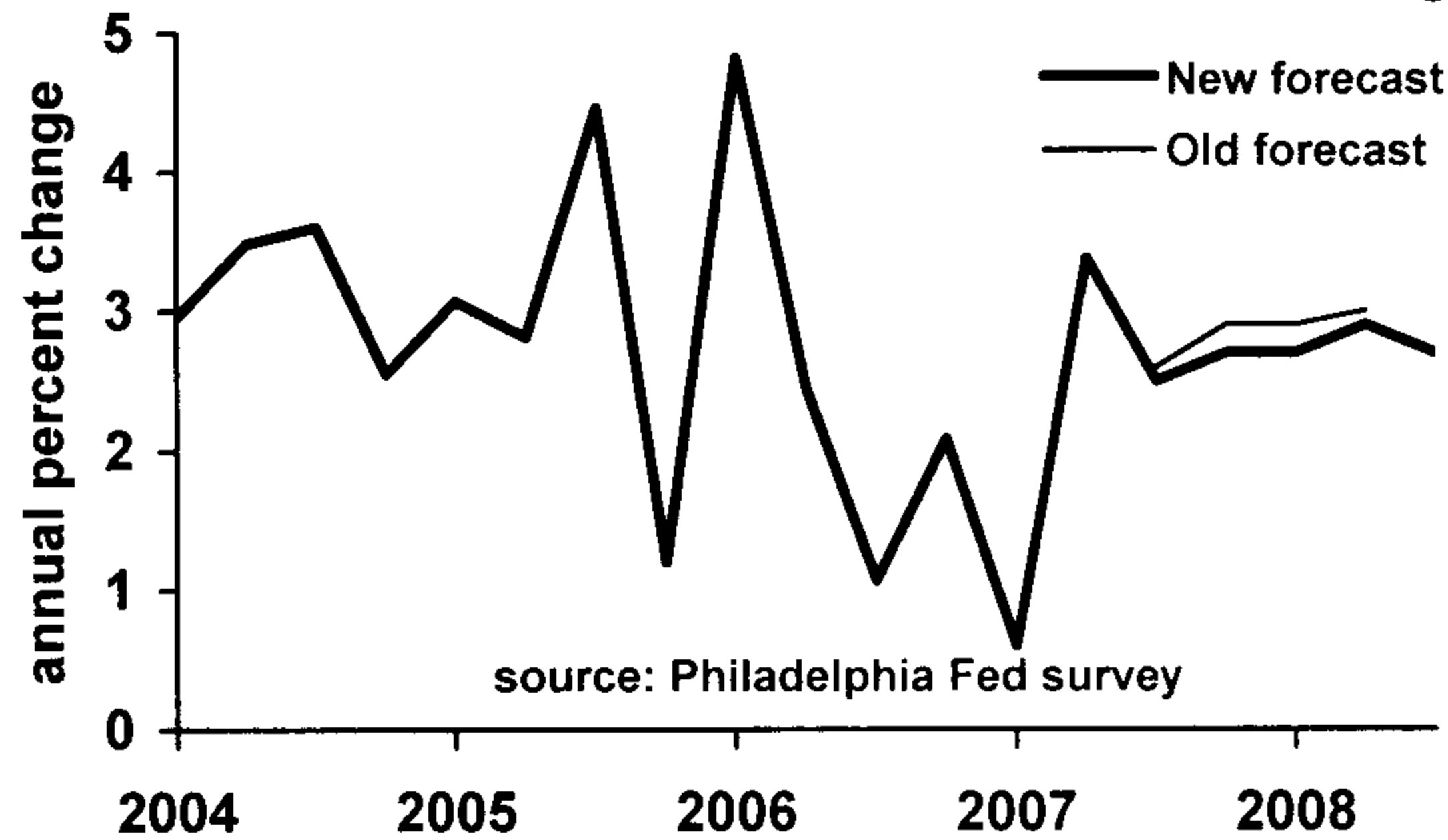


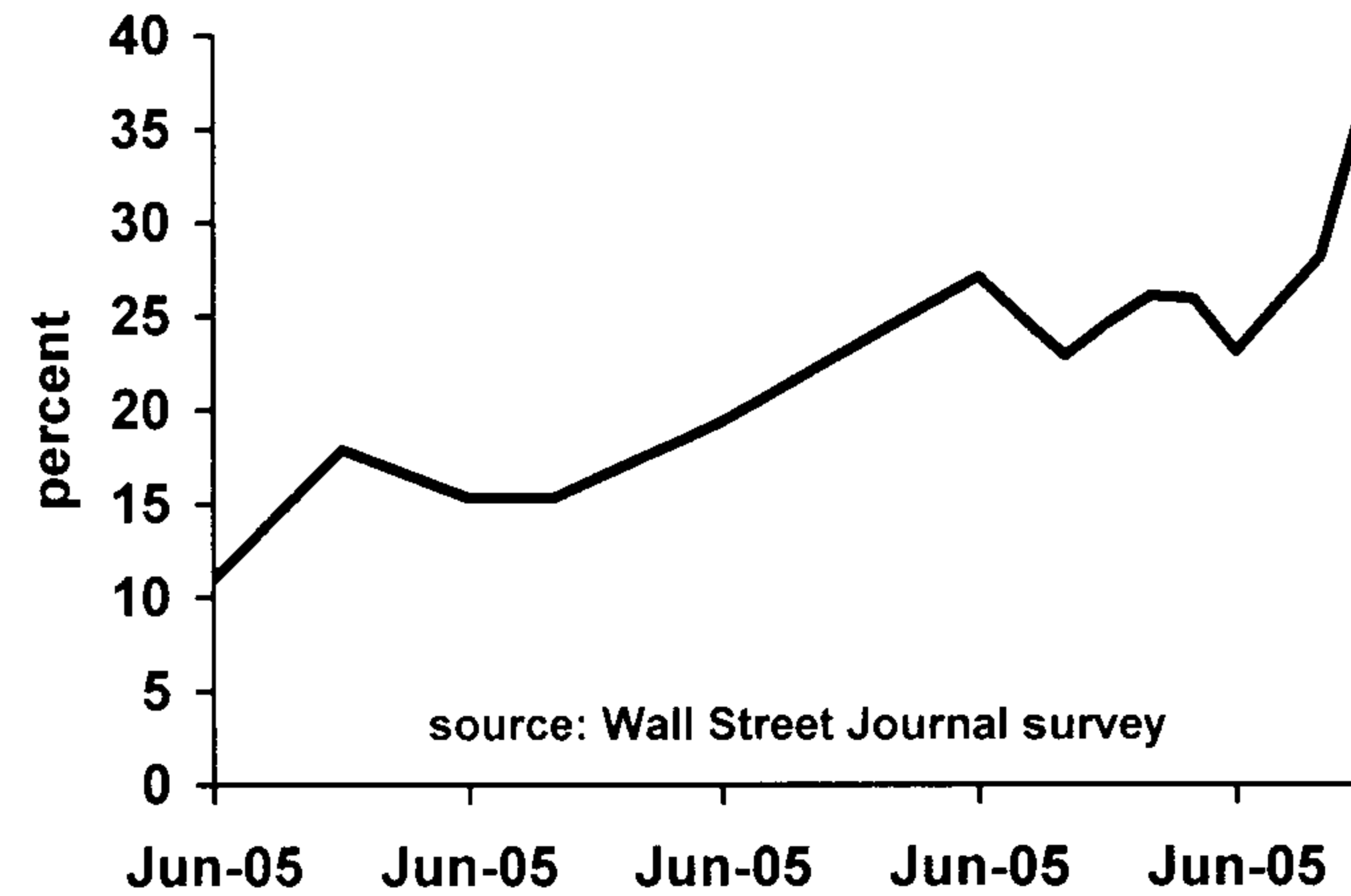
Real GDP Growth

Consensus Economic Forecast



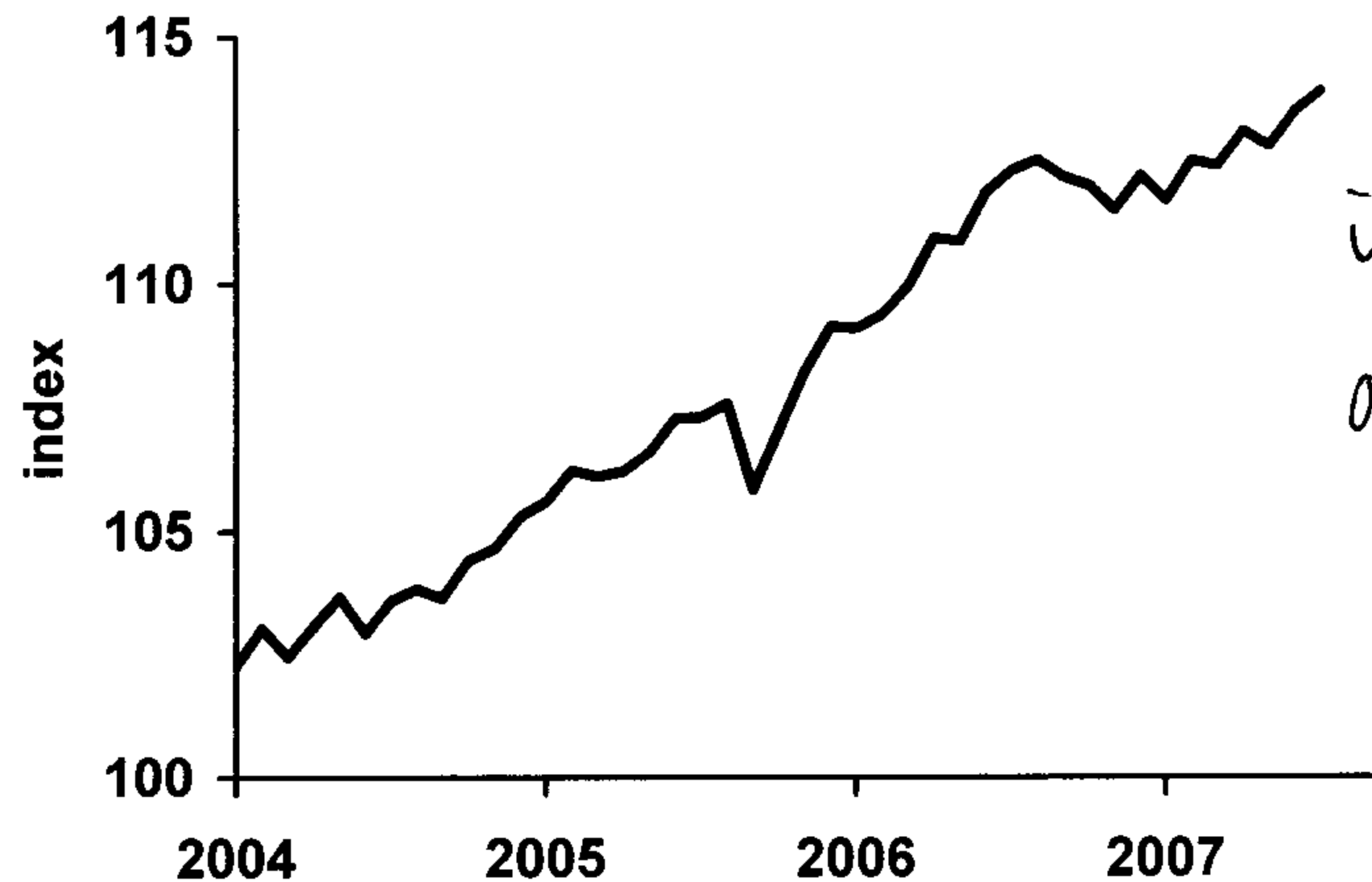
Consensus calls for slightly sub-par growth.

Probability of Recession



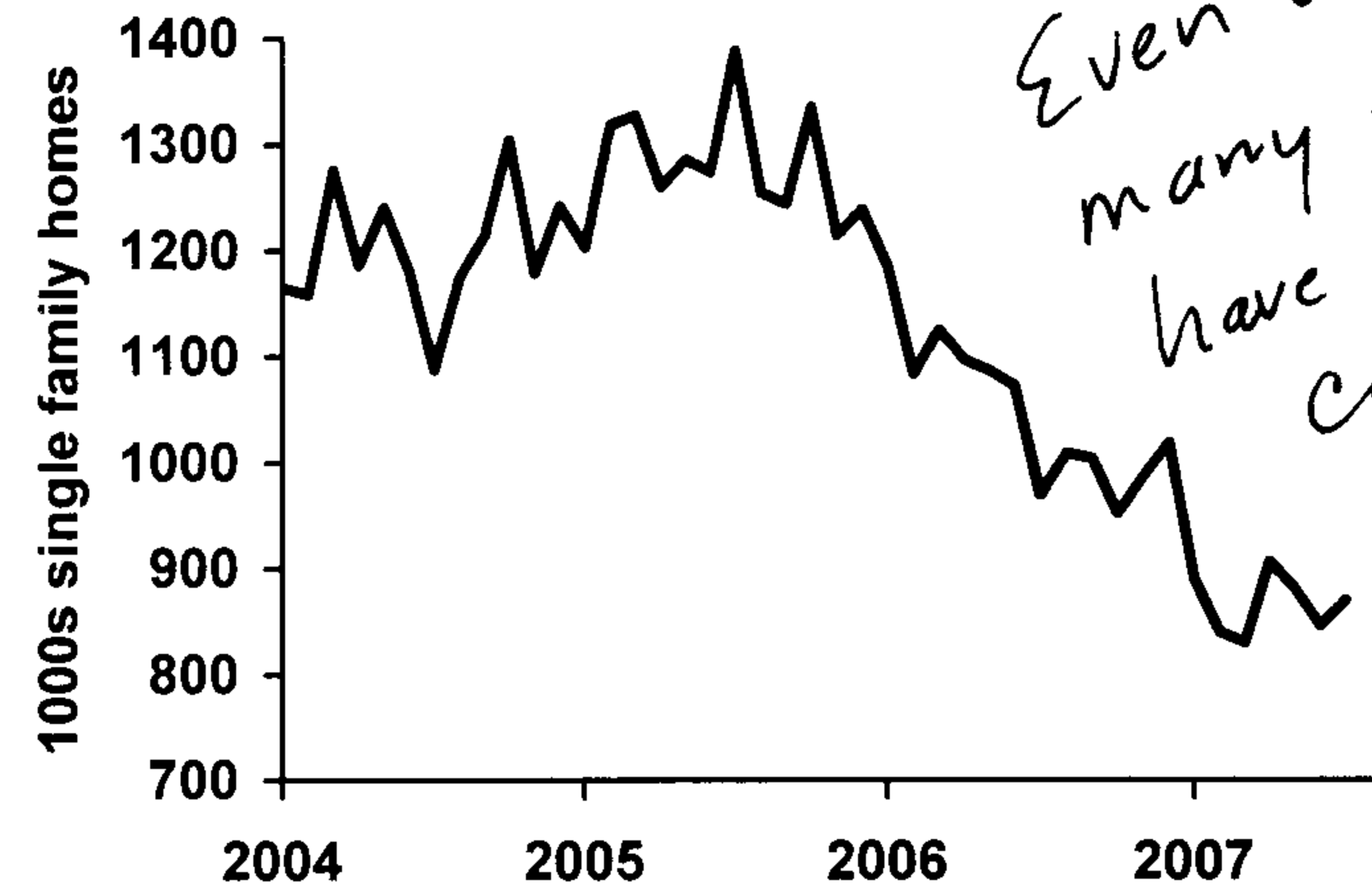
But we economists are worrying about recession.

Industrial Production



Industry is looking better after a little slump.

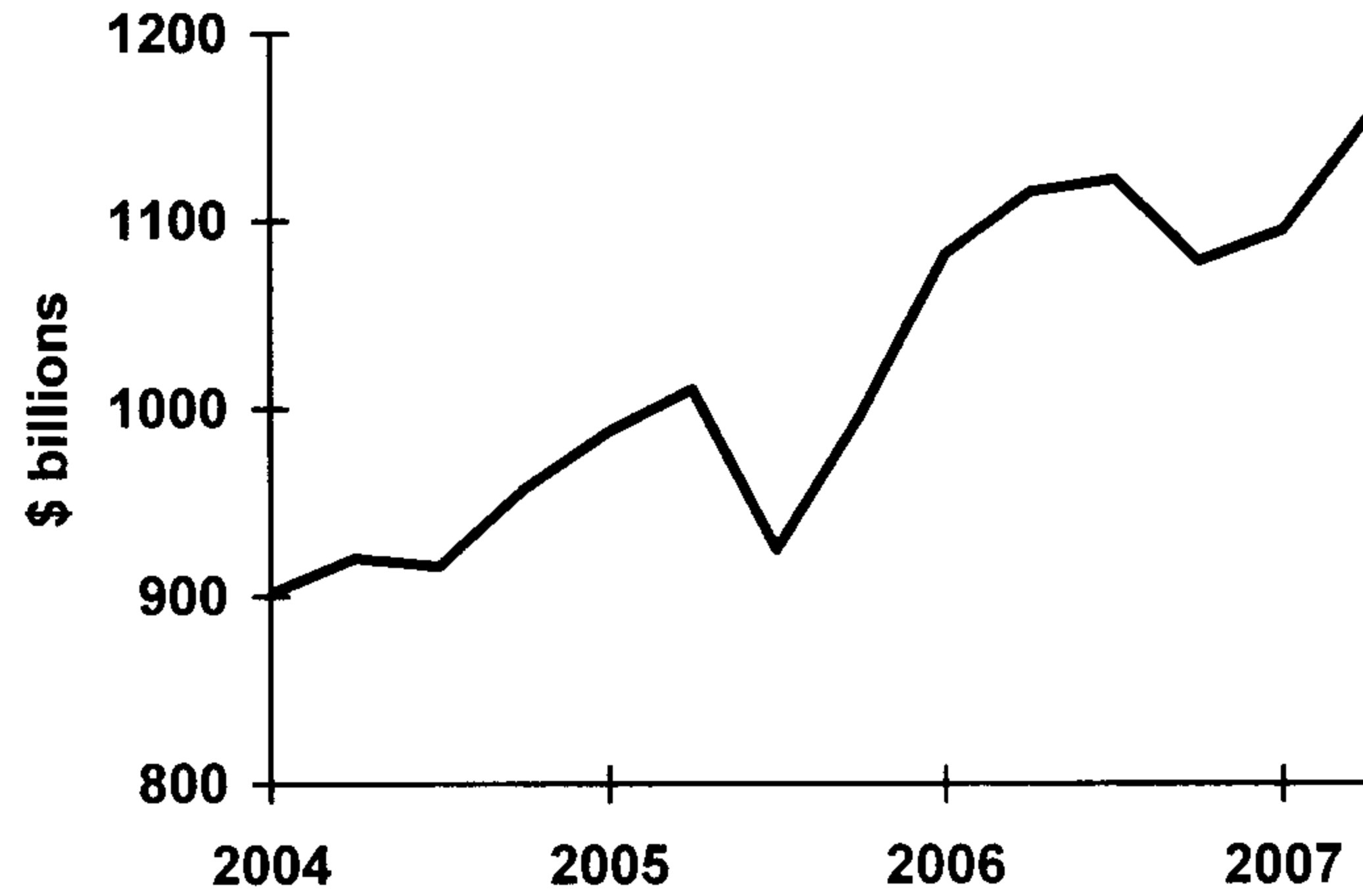
New Home Sales



Even worse news: many of these sales have been cancelled by the buyers.

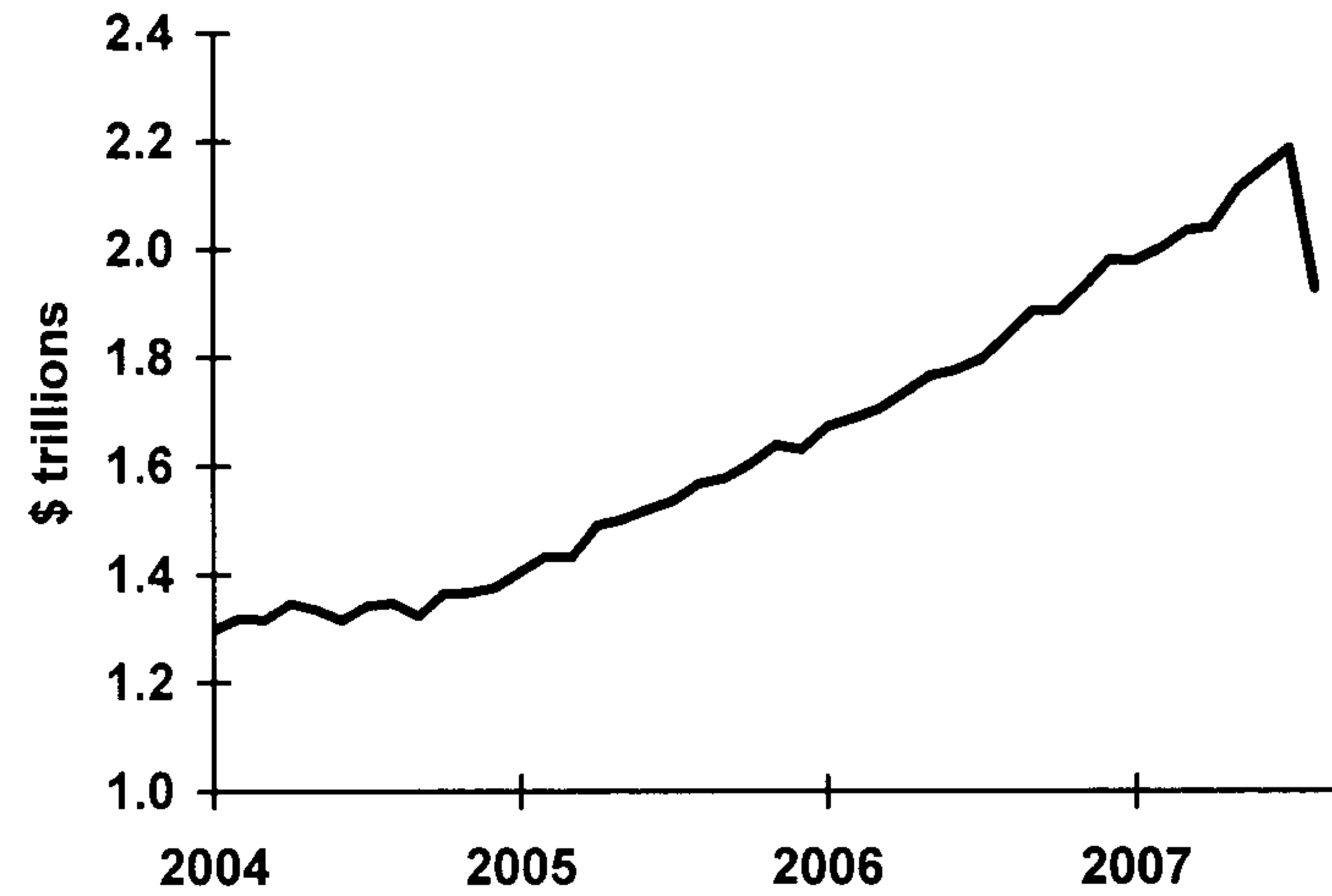
Corporate Profits After-Tax

based on tax data



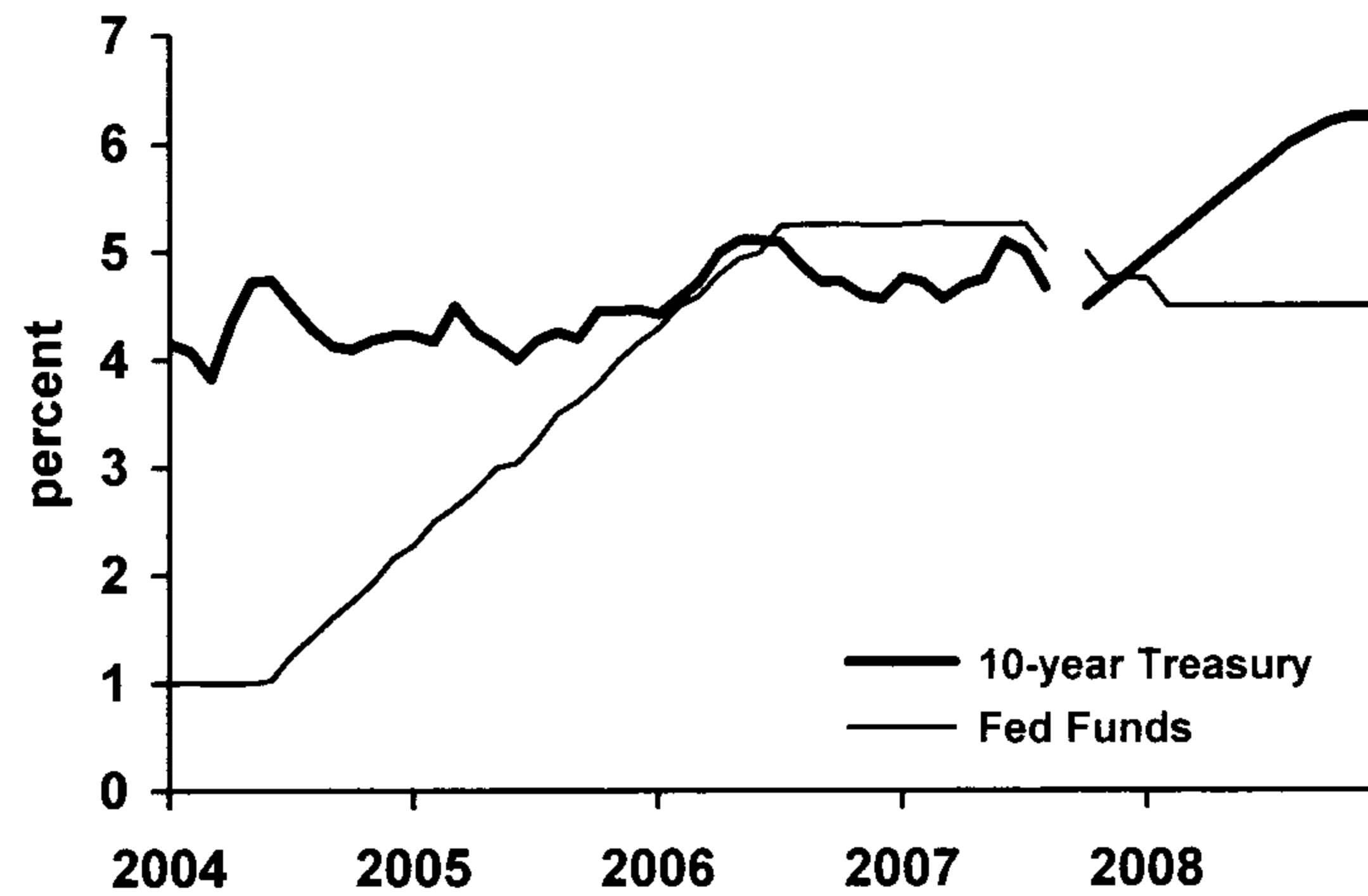
Earnings are OK.

Commercial Paper Outstanding



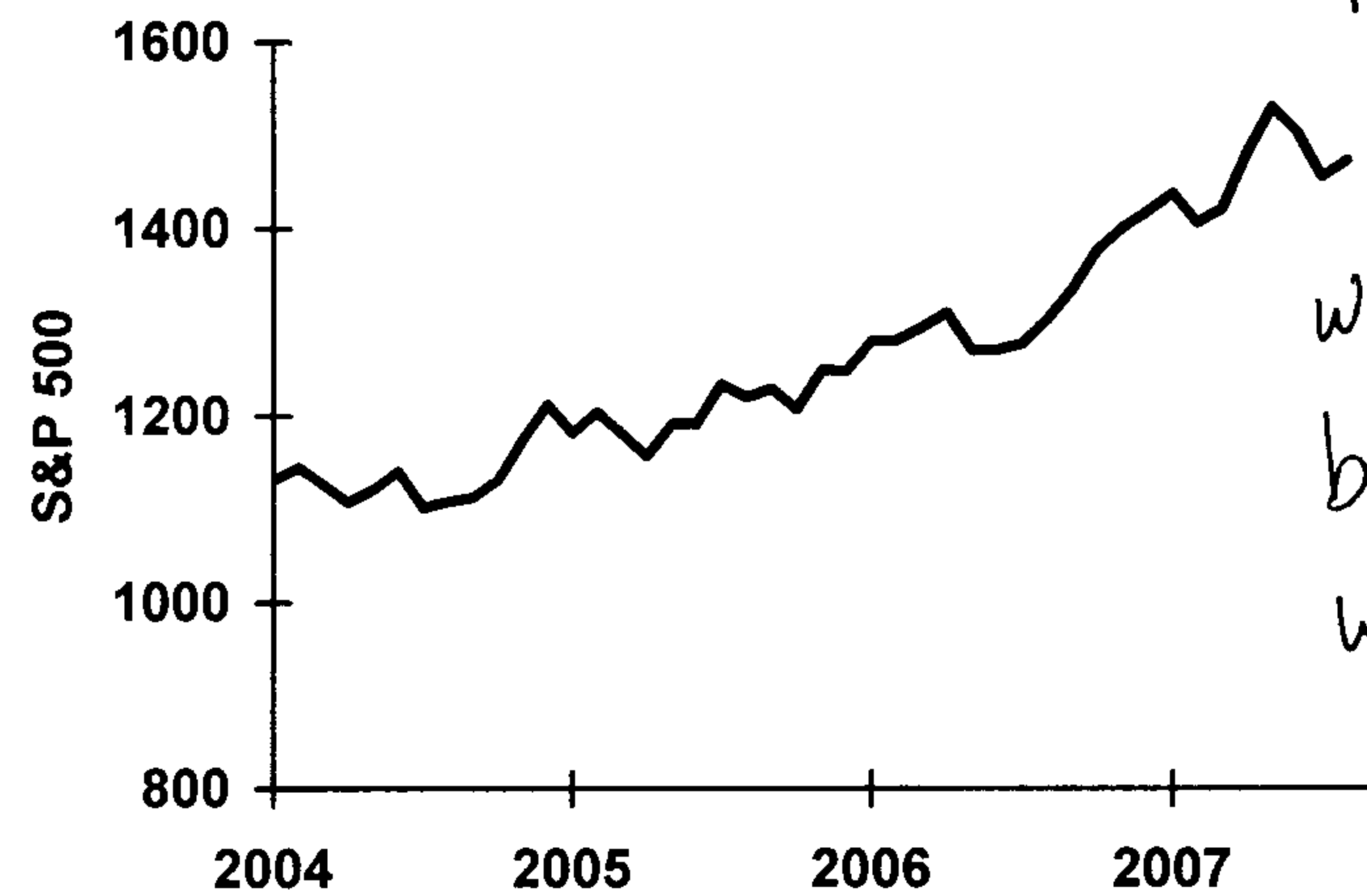
Investors are now a afraid of risk.

Interest Rates



Look for a few Fed cuts, but long rates to rise.

Stock Market



After it sorts out who is holding bad assets, Wall Street will buy everything else.