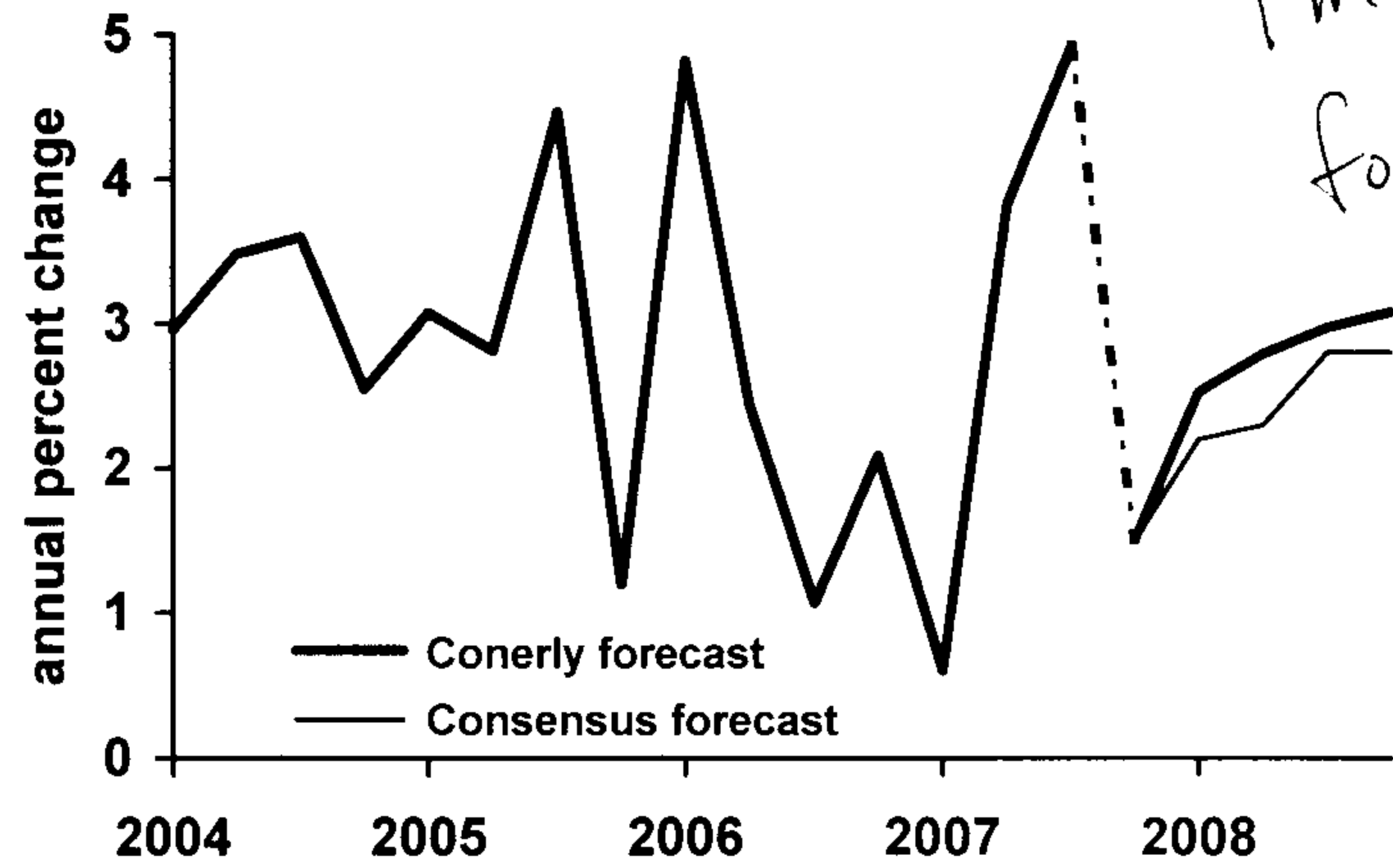
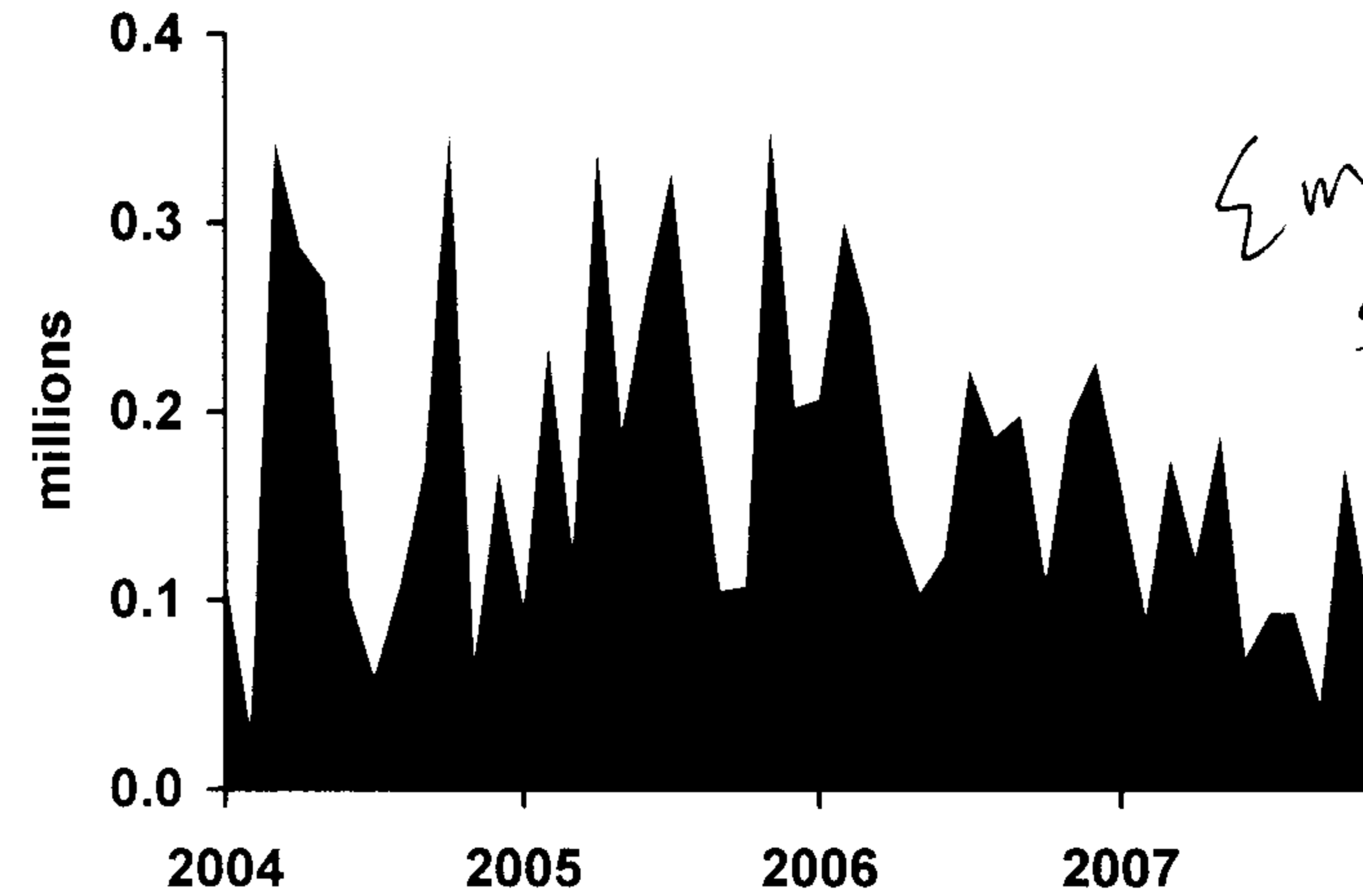


Real GDP Growth



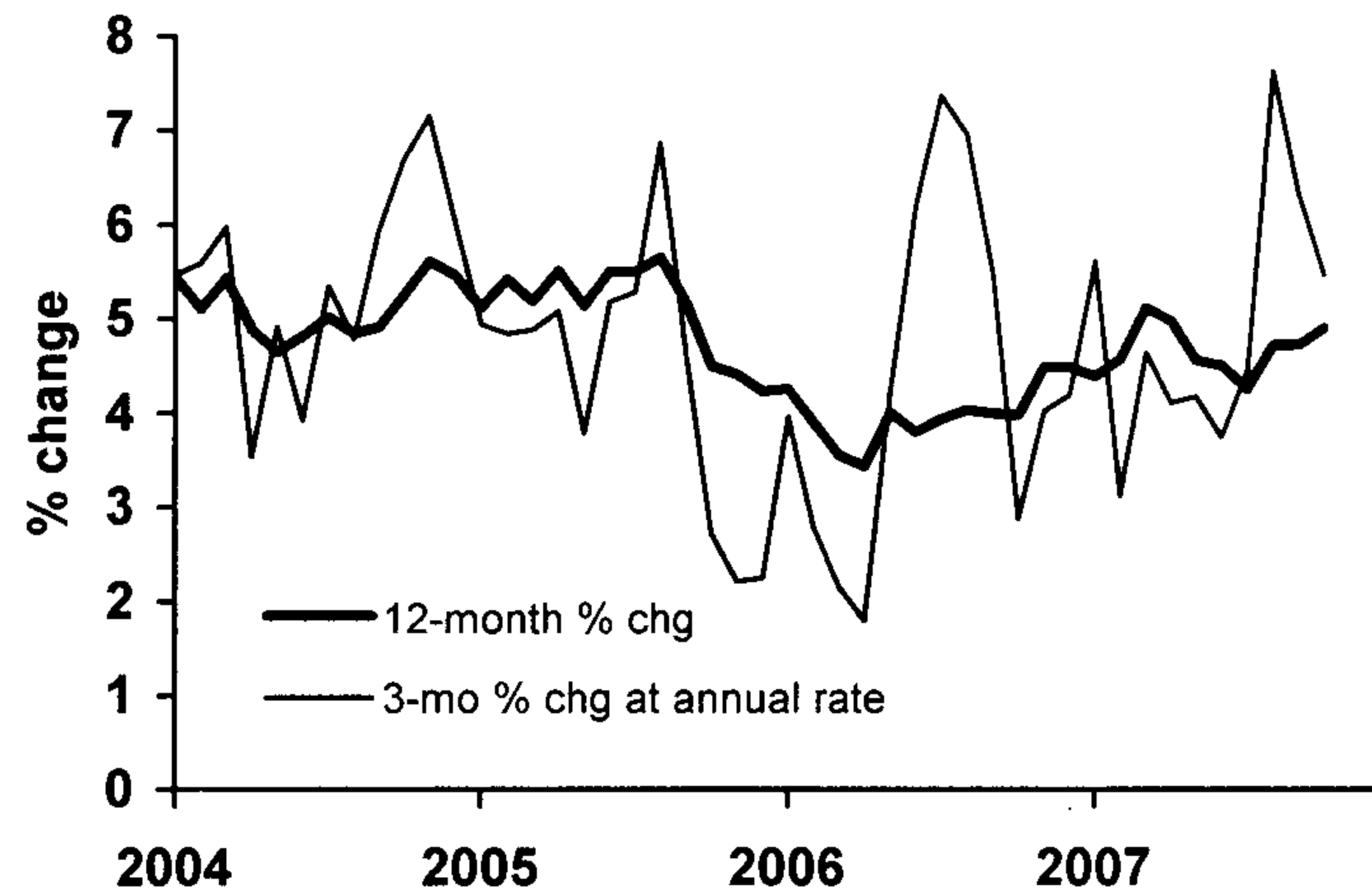
I'm not forecasting recession, but the risk is real.

Net New Jobs



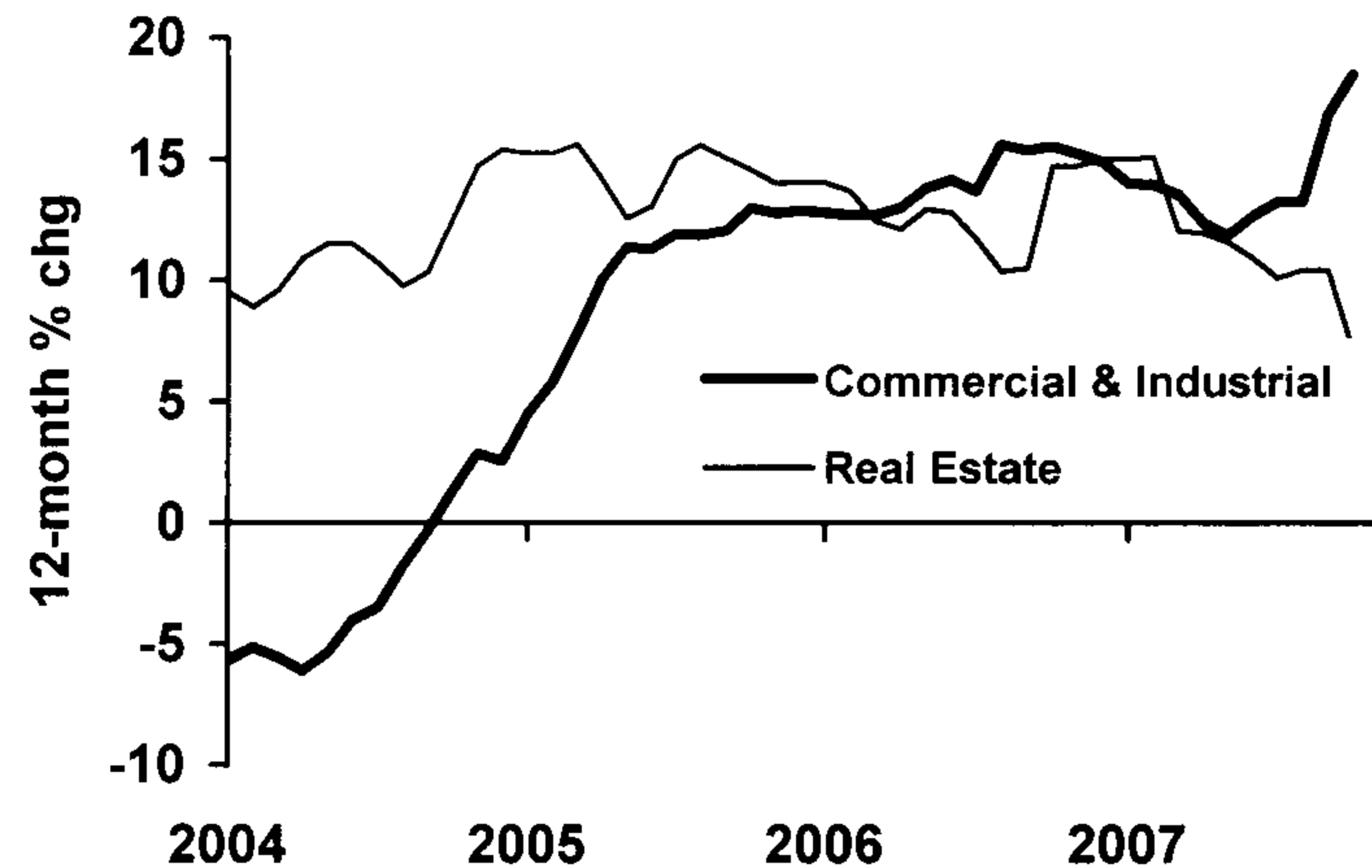
Employment still on the increase, but at a slow pace.

Consumer Credit
Growth of \$ Outstanding



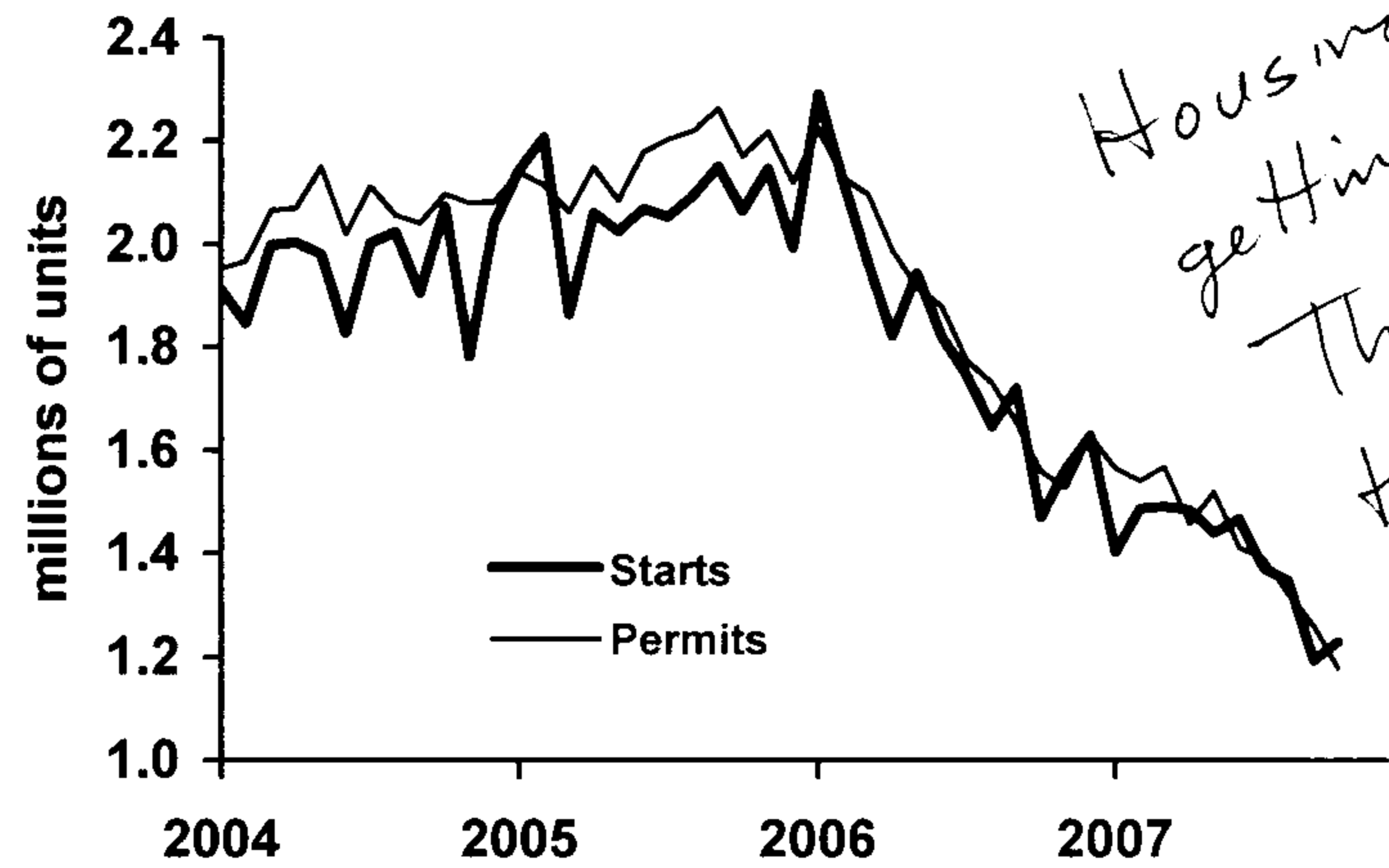
Consumers still have access to credit...

Bank Loan Growth



... as do businesses outside of real estate.

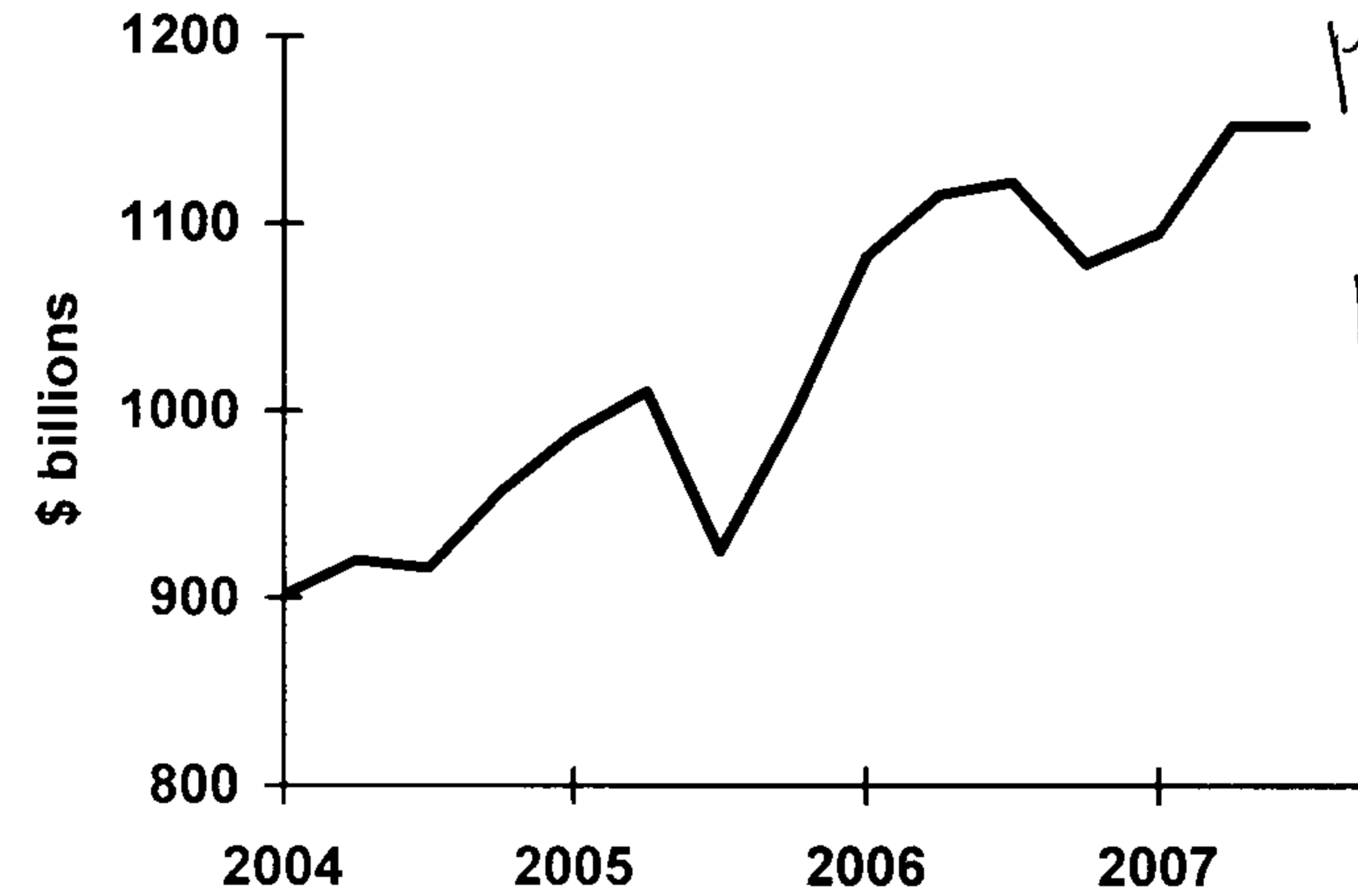
Housing Starts & Permits



Housing keeps getting weaker. That continues through 2008

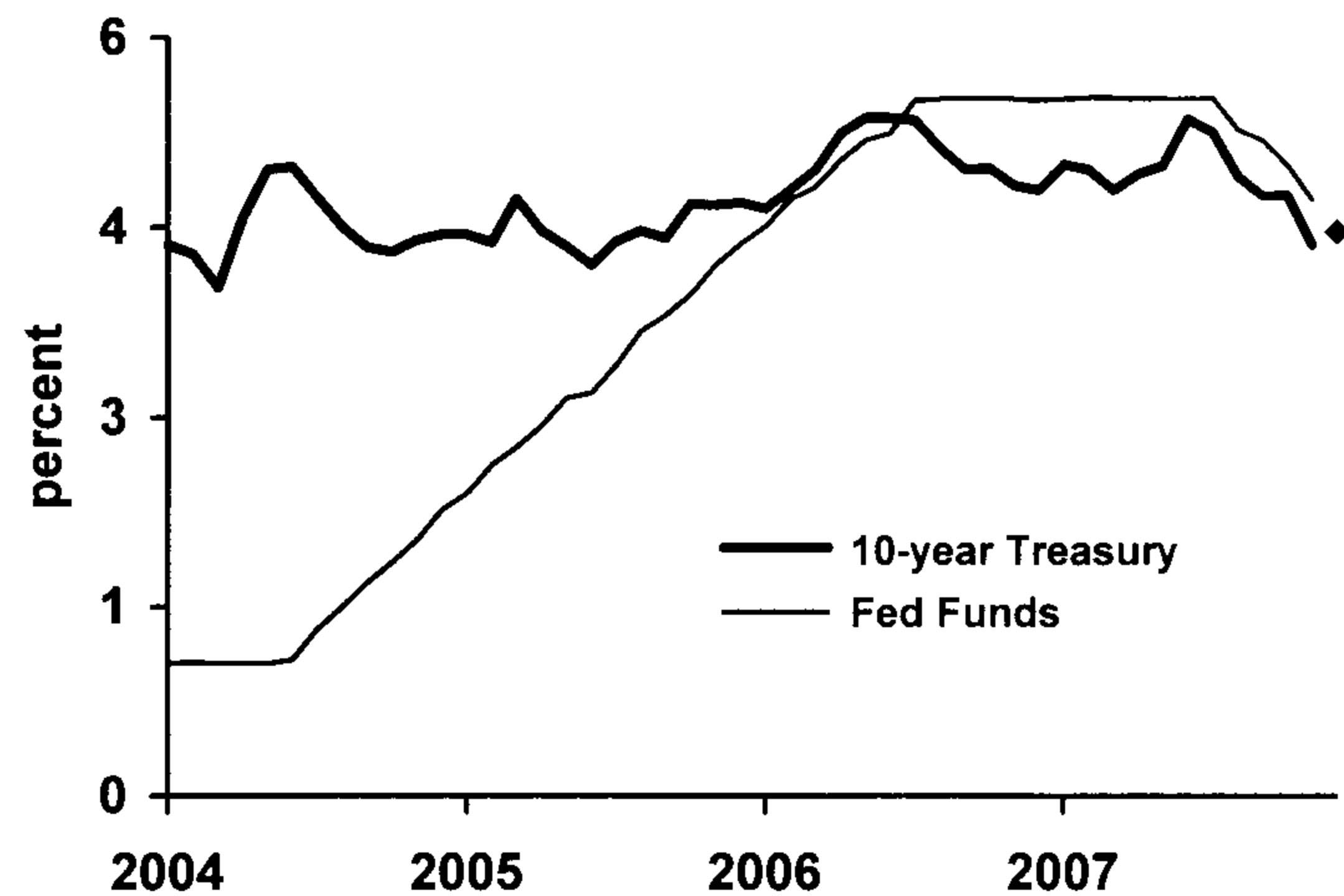
Corporate Profits After-Tax

based on tax data



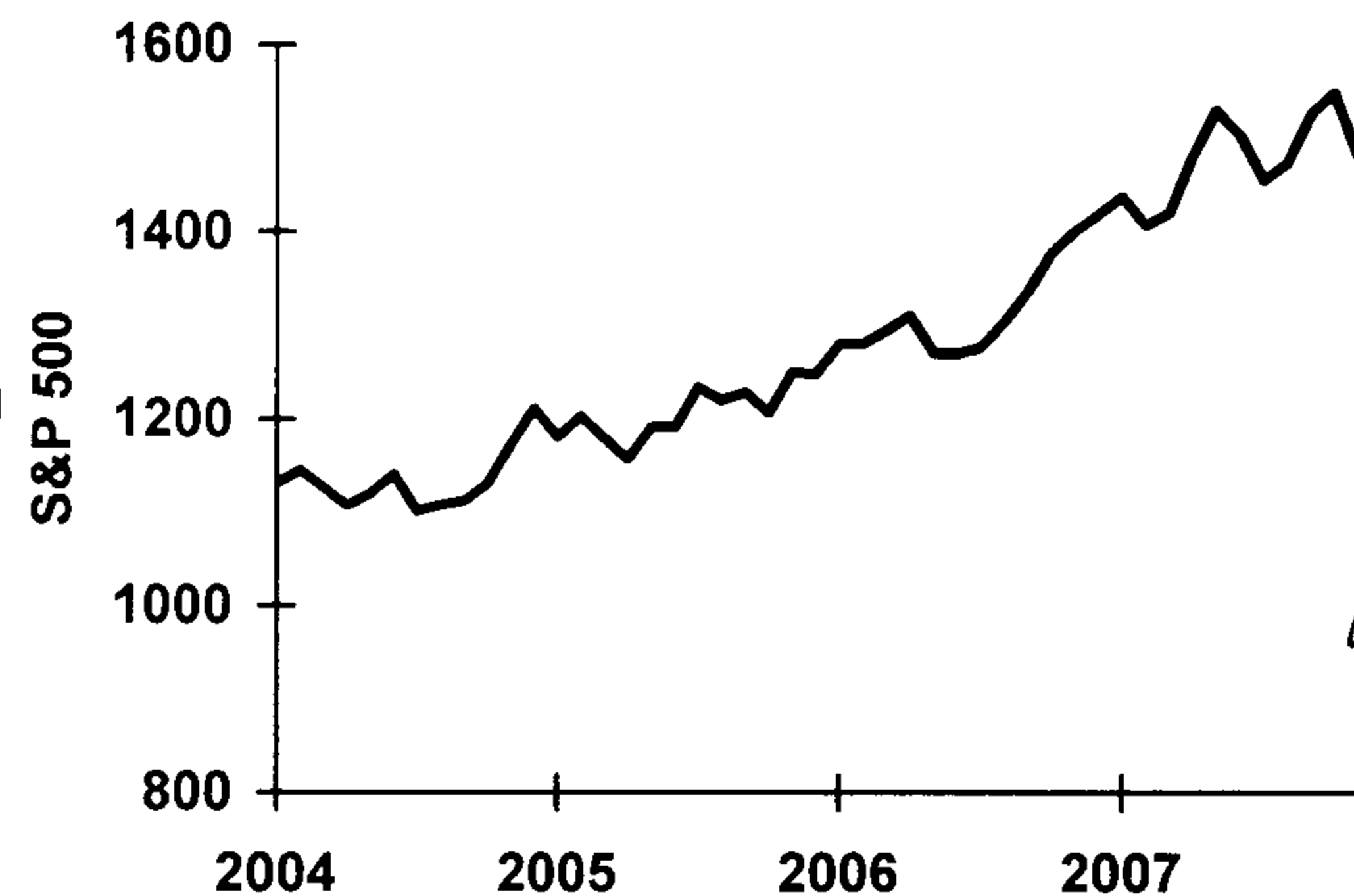
Profits leveled off last quarter, and will probably dip in Q4.

Interest Rates



A little Fed rate cut. Not shown: a widening spread on risky bonds

Stock Market



Holding up surprisingly well, given all the doom and gloom.