The economy will turn up.

More decline in next few months.

No improvement despite drop in housing starts.
People are sharing space or moving back to Mexico.

Inventory down to normal, but we need less than normal this year.
Bank Earnings

A terrible, horrible, no good, very bad quarter.

Ted Spread
3-month LIBOR minus T-bills

But financial markets are feeling less stress.

Interest Rates

Mortgage rates will edge down briefly, but the trend will be up.

Stock Market

The market has incorporated all possible pessimism.