Real GDP Growth

Most pessimistic I've been in a long time.

Business Capital Spending Growth

Weakest part of my forecast.

Industries With High Uncertainty

<table>
<thead>
<tr>
<th>Industry</th>
<th>Reason for uncertainty</th>
<th>% GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>Immigration, foreign trade</td>
<td>1%</td>
</tr>
<tr>
<td>Construction</td>
<td>Immigration</td>
<td>4%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>Immigration, foreign trade</td>
<td>19%</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>Foreign trade</td>
<td>5%</td>
</tr>
<tr>
<td>Retail trade</td>
<td>Foreign trade</td>
<td>5%</td>
</tr>
<tr>
<td>Transportation</td>
<td>Foreign trade</td>
<td>3%</td>
</tr>
<tr>
<td>Health Care</td>
<td>ObamaCare</td>
<td>6%</td>
</tr>
<tr>
<td>Hotels/Restaurants</td>
<td>Immigration</td>
<td>3%</td>
</tr>
</tbody>
</table>

47%

U.S. Exports

No gains this year, be cause of foot-dragging discretionary spending.

Bill Conerly
U.S. Population Growth

Lowest in post-WW2 era. Not much need for more housing.

Capacity Utilization: Manufacturing

Not much need for new factory equipment.

Interest Rates

This year Fed will do "one and done."

Stock Market

Too optimistic about the new business friendly politics.
Consulting

Free Assessment: How Flexible Is Your Business? Determine your strengths and weaknesses in dealing with the unexpected at www.TheFlexibleStance.com/Assessment

Are You Ready For Expansion?: Dr. Bill Conerly can coach your team to plan for the challenges they would face with strongly better demand for your products. Call him to get started.

SpeECHes:

Speeches: Dr. Bill Conerly has great content and great delivery--lots of humor and stories and actionable insights. Invite him the next time you want to provide value to your clients or ideas to your management team.

"Prepare for Perpetual Change—Capture Opportunities and Avoid Risk in an Uncertain World." Dr. Conerly's speech on change management presents key concepts from The Flexible Stance in a vivid and humorous presentation.

The Flexible Stance:
Thriving in a Boom/Bust Economy

Visualize a baseball game. A fast runner is on first base, looking to steal second. The runner takes a lead, then plants himself in a flexible stance. He's ready to run in either direction: to second base if he gets a chance to steal, or back to first base if the pitcher tries to pick him off. Using that stance in business is the subject of Dr. Bill Conerly's latest book, The Flexible Stance: Thriving in a Boom/Bust Economy.

Free Resources

Forbes.com: Dr. Conerly's current insights into the economy--and what business leaders should have on their to-do lists--appears on Forbes.com.

Data: Links to many data sources are at www.ConerlyConsulting.com/links.php


Bill Conerly gives speeches to management teams, trade associations, and customer groups. For fees and availability, call 503-785-3485.