

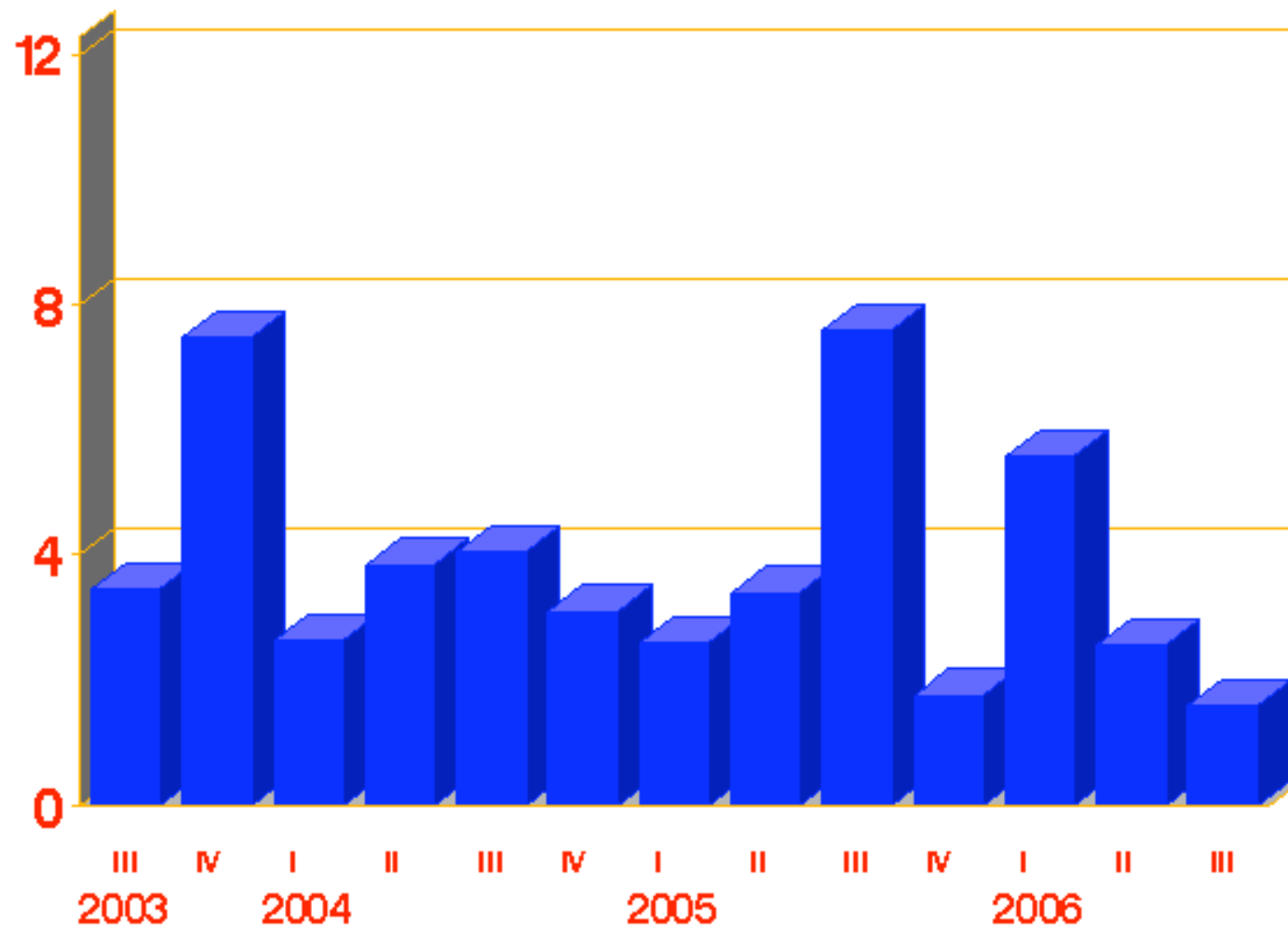
# **U.S. and Indiana Economic Update**

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# **U.S. Economic Highlights**

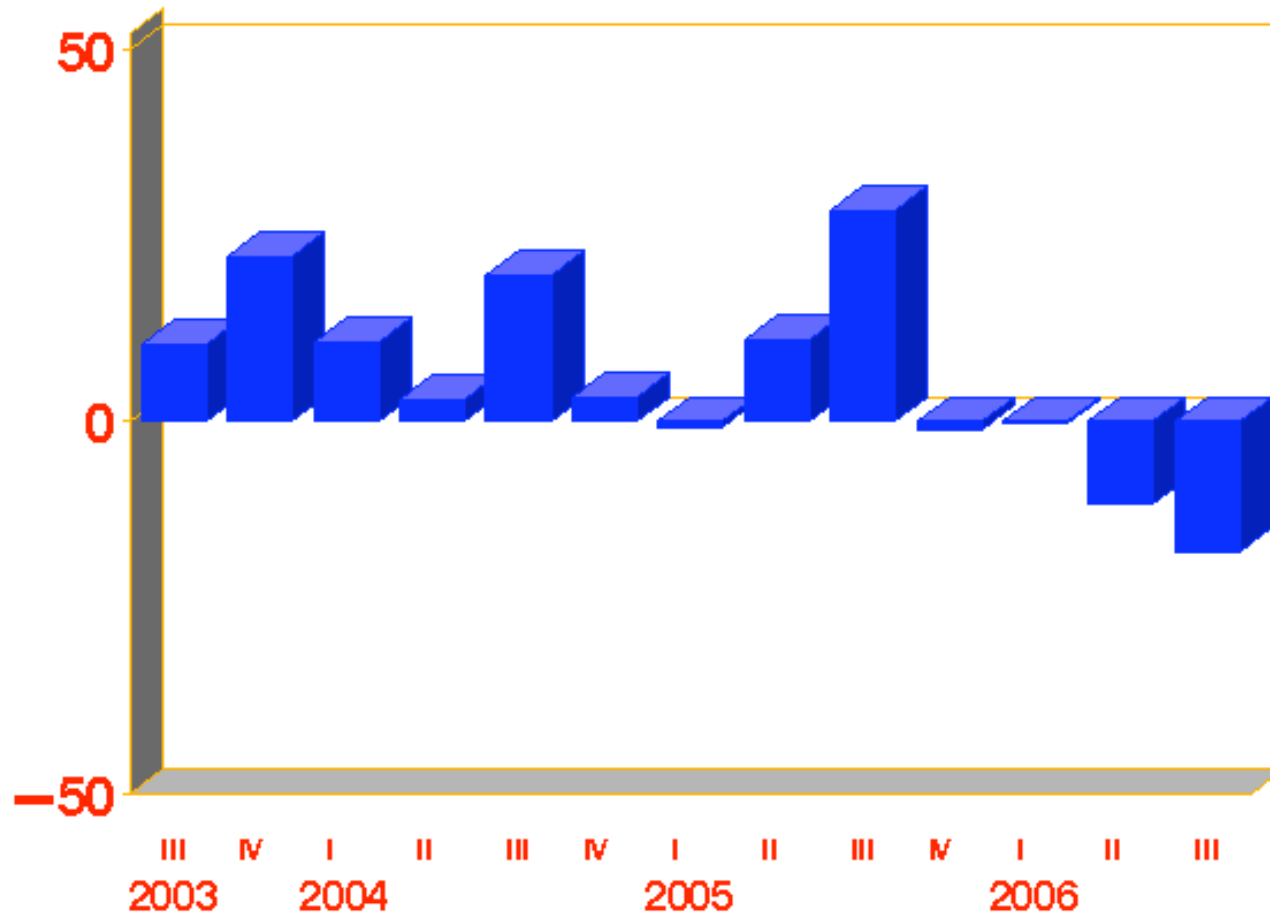
- Economic growth weakens as housing investment drops sharply
- ISM Manufacturing Index drops for three consecutive months
- Energy prices soften
- Employment gains continue, unemployment rate falls to 4.4%
- Federal Reserve leaves short term interest rates unchanged

# Steady Deceleration in GDP



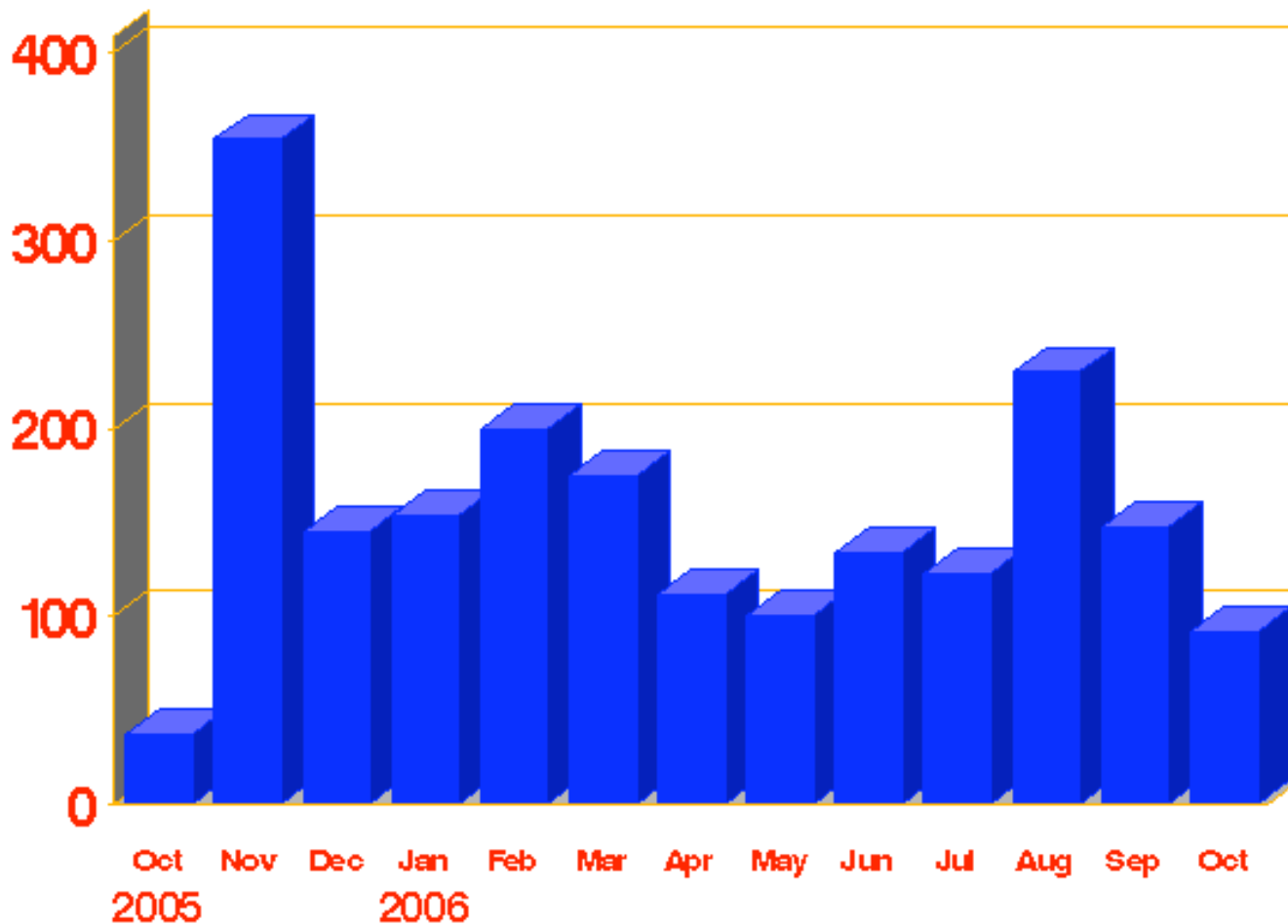
Real U.S. Gross Domestic Product, SAAR

# Tumbling Housing Investment is to Blame



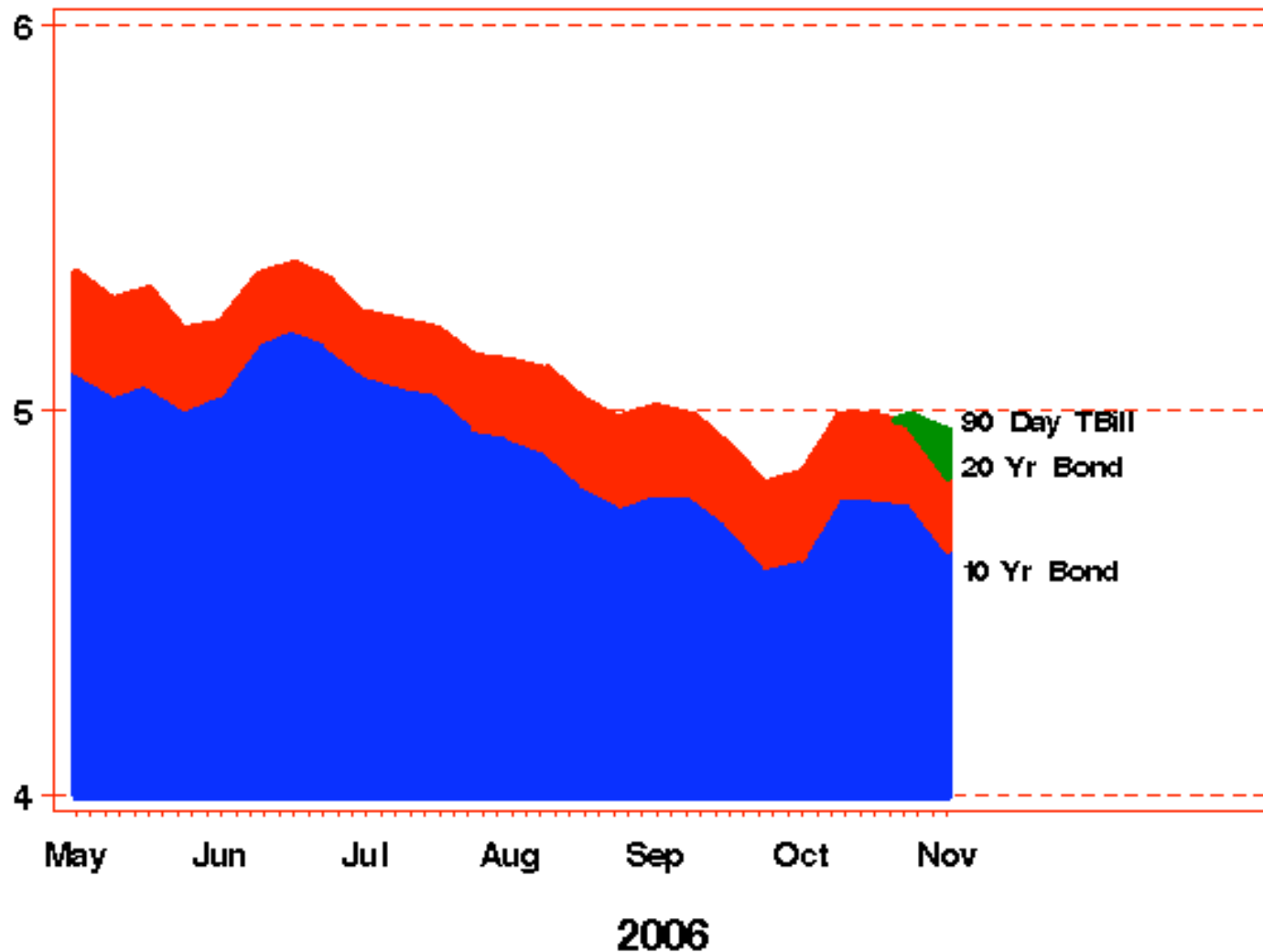
U.S. Real Residential Investment, SAAR

# Job Growth Still Respectable



U.S. Establishment Employment Growth, thous.

# Declines in Long Term Rates Invert the Yield Curve



# Indiana Economic Developments

- Guide announces closure in Anderson
- Cutbacks in Big Three vehicle production reverberate
- A harvest of ethanol plants
- IEDC enjoys success
- Preliminary data continue to portray employment growth as weak