

Economic Advisory Panel Meeting

May 15, 2009

Agenda:

Overview of Forecast and Risks
(Simon Potter)

“Stress Test”
(Bev Hirtle, Art Angulo and Kevin Stiroh)

Go-round on Economic Policy

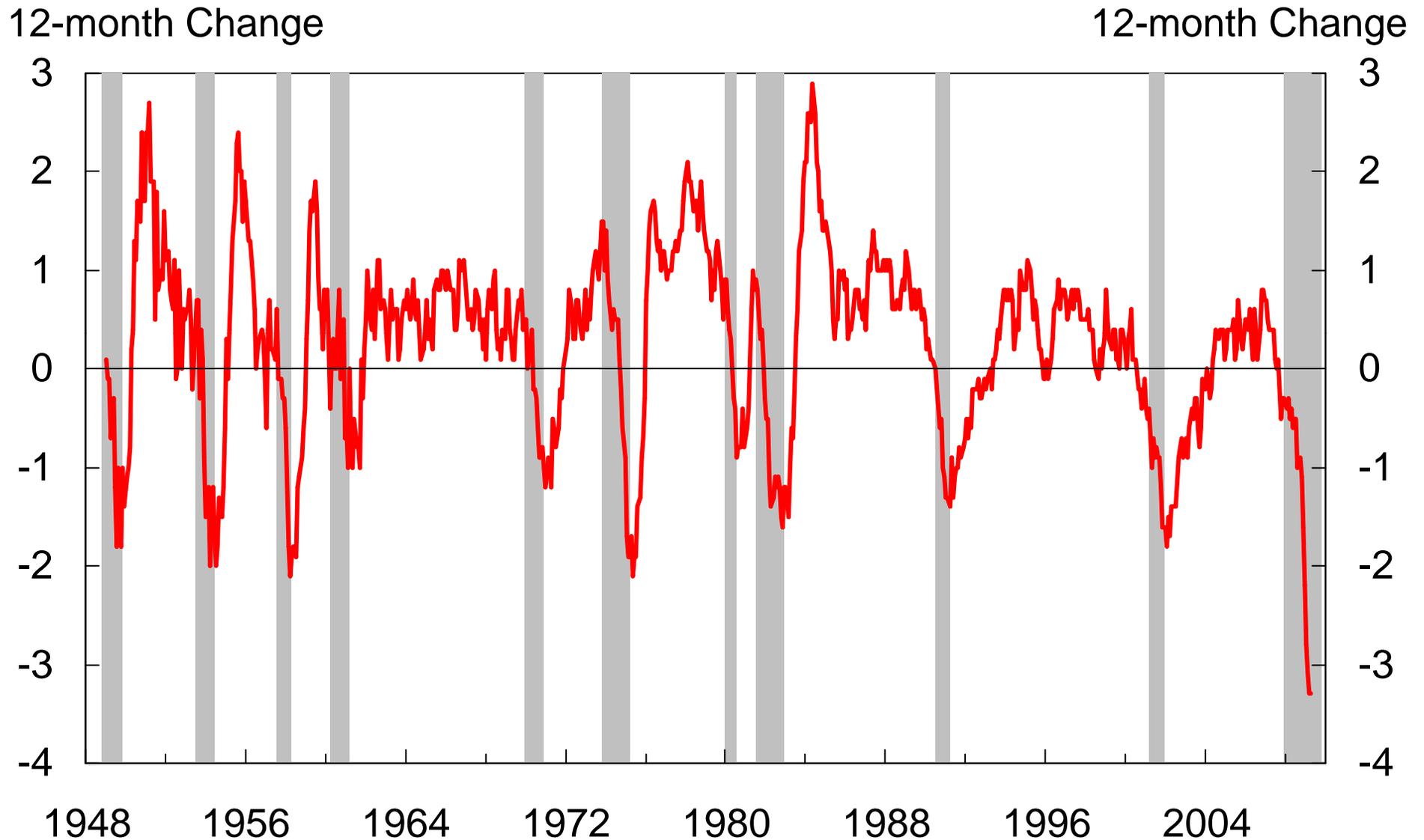


FRBNY Outlook

May '09
(November '08)

<u>Q4/Q4 growth rate</u>	2008H2 (AR)	2009H1 (AR)	2008	2009	2010
GDP	-3.4 (-2.0)	-4.0 (-2.7)	-0.8 (-0.1)	-1.6 (0.2)	2.6 (2.5)
Total PCE Inflation	0.1 (1.6)	0.2 (0.2)	1.9 (2.8)	0.7 (1.4)	1.7 (1.7)
Core PCE Inflation	1.7 (2.1)	1.1 (1.2)	1.9 (2.2)	0.9 (1.5)	1.3 (1.5)
Unemployment (end of period level)	6.9 (6.6)	9.2 (8.0)	6.9 (6.6)	9.7 (9.3)	9.4 (9.1)

Change in Prime-Age Employment to Population Ratio



Source: Bureau of Labor Statistics

Note: Seasonally adjusted. for internal use only

Policy Initiatives

- Central Bank
 - “Extended” period of exceptionally low policy rate
 - Large scale asset purchases of OMO eligible collateral
 - TALF
 - “Long-run” inflation forecasts
 - Extension of 13(3) Facilities to end of October
- Fiscal Authority
 - Large fiscal stimulus package
 - Various housing plans
 - Proposed change in long-run tax and spending policies/priorities
 - Public Ownership/intervention for some large corporations
- Financial Stability
 - Citi and BofA ring-fence and additional capital
 - Supervisory Capital Assessment Program
 - Public-Private Investment Program
 - Extension of TLGP to end of October

Private Forecast Comparison

Q4/Q4 Core PCE

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Long-run</u>
FRBNY	0.9	1.3	1.7	2.0
SPF	1.3	1.4	1.7	2.3

Consumer Price Index

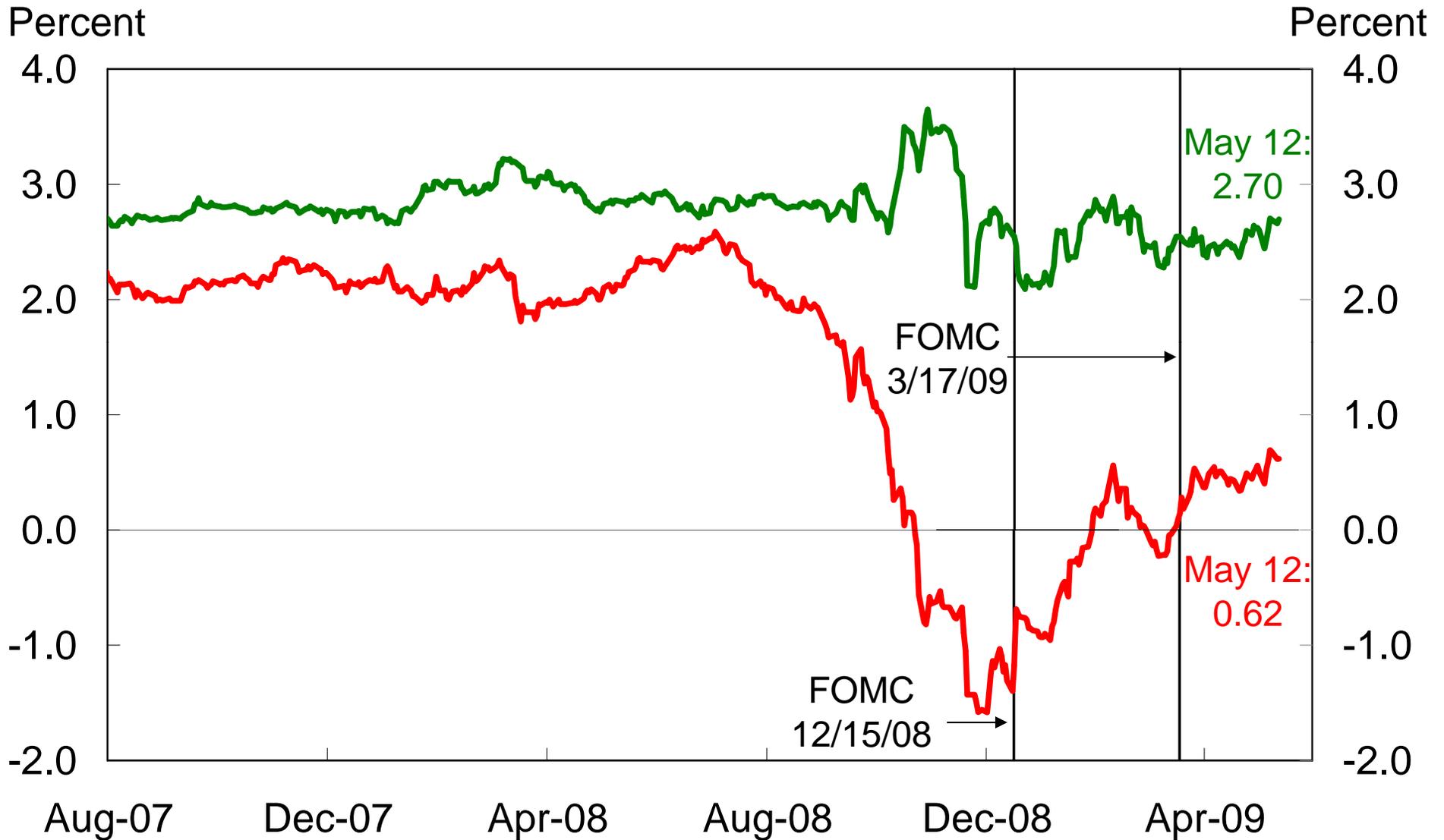
(percent change at annual rate)

	Weights		24 Month	12 Month	6 Month	3 Month	1 Month
	(December 2008)						
	Total	Core					
Consumer Price Index	100.00		1.6	-0.6	-3.9	0.9	-0.2
Energy	7.63		-6.5	-24.5	-43.8	-8.5	-25.1
All Items Ex. Energy			2.4	2.1	1.4	1.8	2.2
Food	14.63		4.2	3.3	-0.3	-1.7	-2.2
Food Away From Home (NSA)	6.47		4.3	4.6	3.3	2.9	3.8
All Items Ex. Food and Energy	77.75	100.00	2.1	1.9	1.7	2.5	3.1
Core Chain-Weight CPI (NSA)			1.7	1.4	1.4	4.3	2.3
Core Goods	21.46	27.60	0.5	0.9	2.2	5.4	6.0
Apparel	3.69	4.75	0.1	0.9	1.2	3.5	-2.1
Medical Care Commodities	1.63	2.10	2.7	2.4	4.9	4.7	3.6
Durable Goods	10.51	13.52	-1.6	-2.0	-1.2	1.3	2.2
New Vehicles	4.48	5.76	-0.8	-0.2	2.8	7.6	5.1
Used Vehicles	1.63	2.10	-5.0	-11.4	-11.8	-12.9	-0.9
Core Services	56.29	72.40	2.7	2.3	1.5	1.4	2.0
Rent of Primary Residence	5.96	7.67	3.4	3.1	2.5	1.9	2.1
Owners' Equivalent Rent	24.43	31.42	2.3	2.1	2.2	2.0	1.7
Lodging Away from Home	2.48	3.19	-2.4	-5.9	-11.8	-13.9	6.2
Medical Care Services	4.77	6.14	4.0	3.3	3.4	3.3	4.8
Transportation Services	5.57	7.16	3.5	3.6	1.3	2.5	3.9
Other Services	11.00	14.15	3.2	3.0	2.1	2.0	-0.9
All Items Ex. Food, Energy, and Tobacco			1.9	1.6	1.2	1.6	1.8

Source: Bureau of Labor Statistics

Note: Data through April 2009.

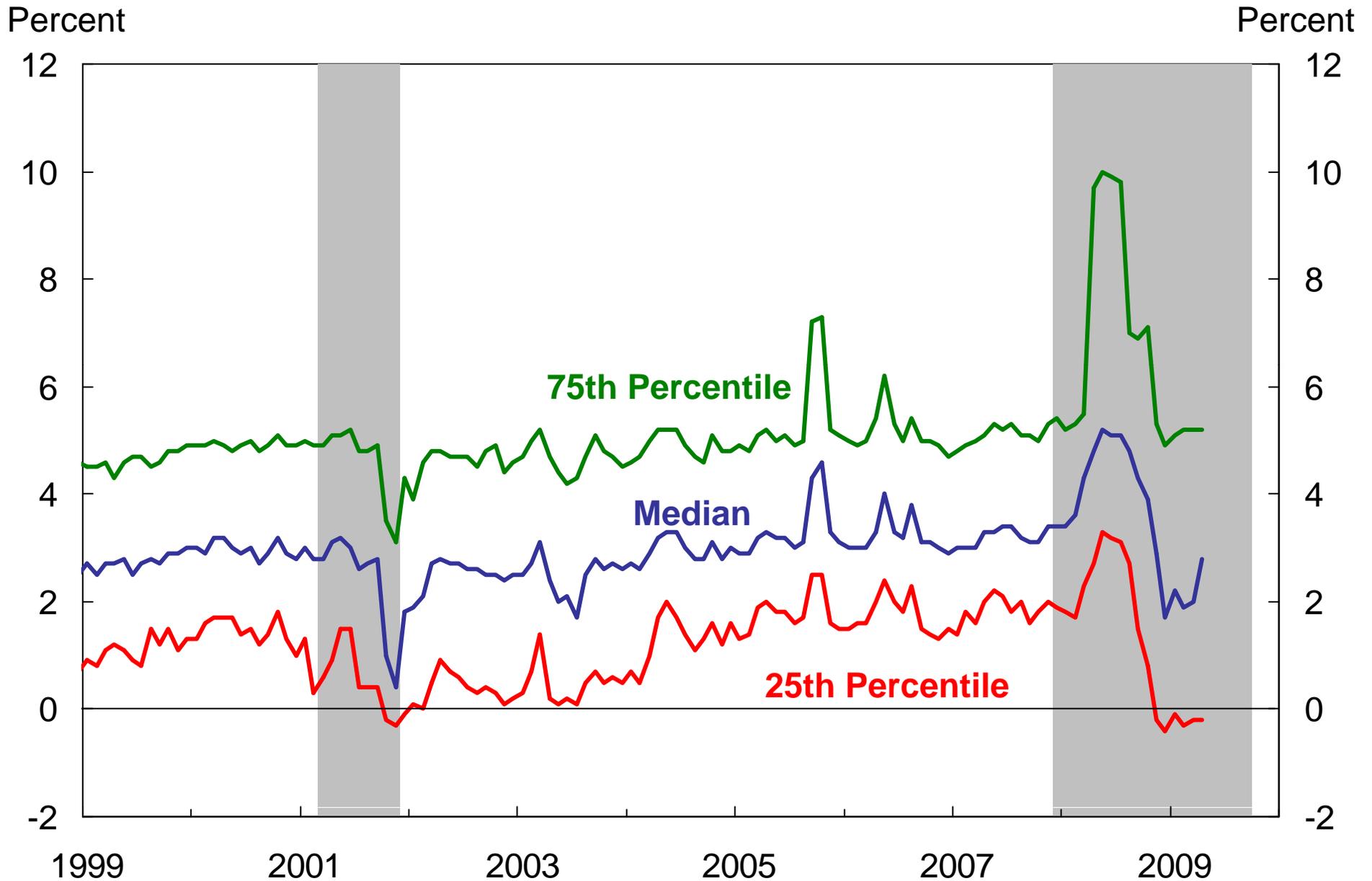
TIPS Implied Inflation Compensation: 0-5, 5-10 Year Horizons



Source: Federal Reserve Board

Note: Carry-adjusted

Michigan Survey Inflation Expectations: 1 Year Ahead



Source: University of Michigan

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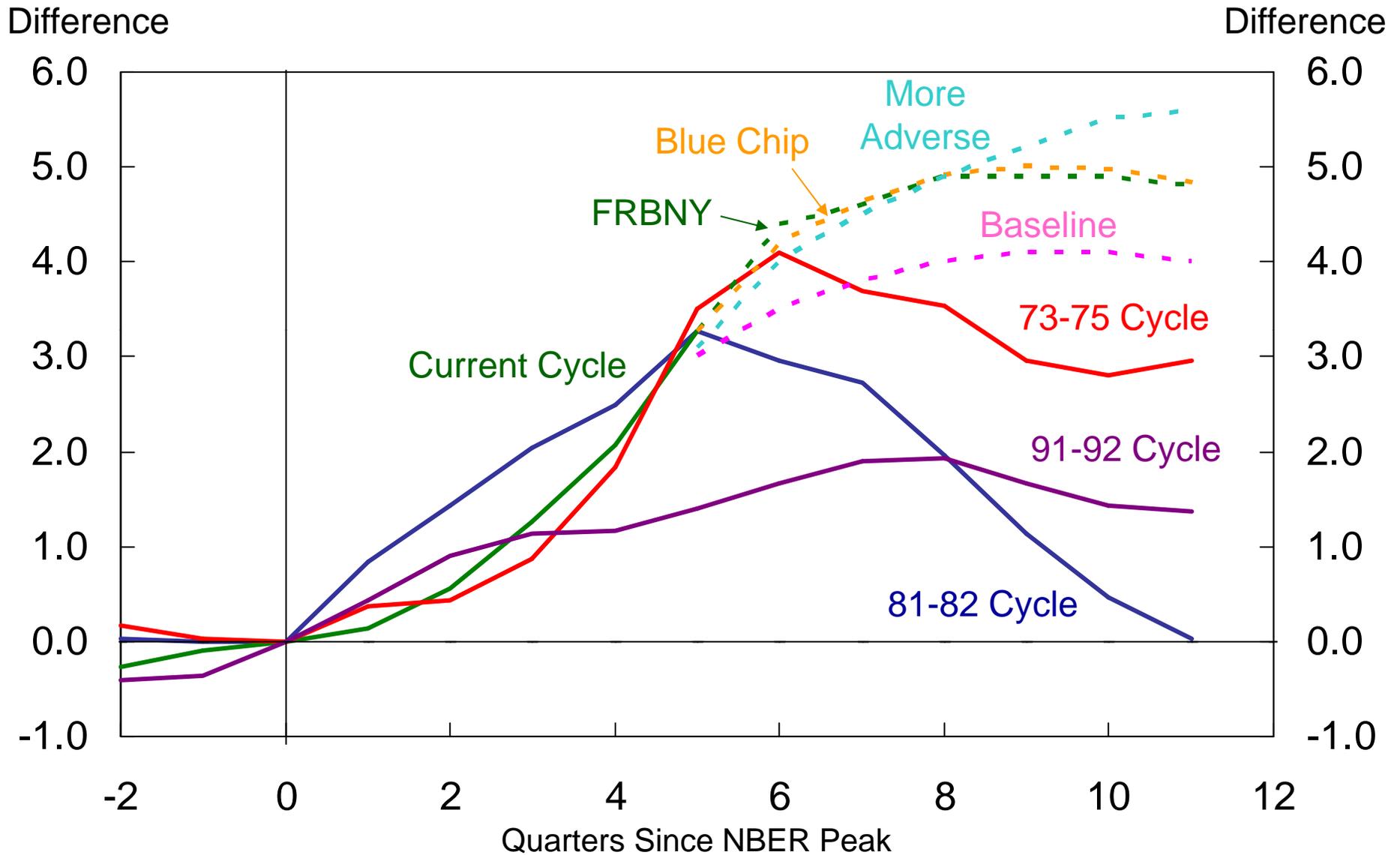
Private Forecast Comparison

Q4/Q4 GDP

	<u>2009</u>	<u>2010</u>
FRBNY	-1.6	2.6
Blue Chip	-1.4	2.7
SCAP Baseline	-0.8	2.8
SCAP More Adverse	-2.7	1.5

Unemployment Rate

(Series Set to 0.0 at NBER Peak)



Source: Bureau of Labor Statistics

Note: Dashed lines represent forecasts.

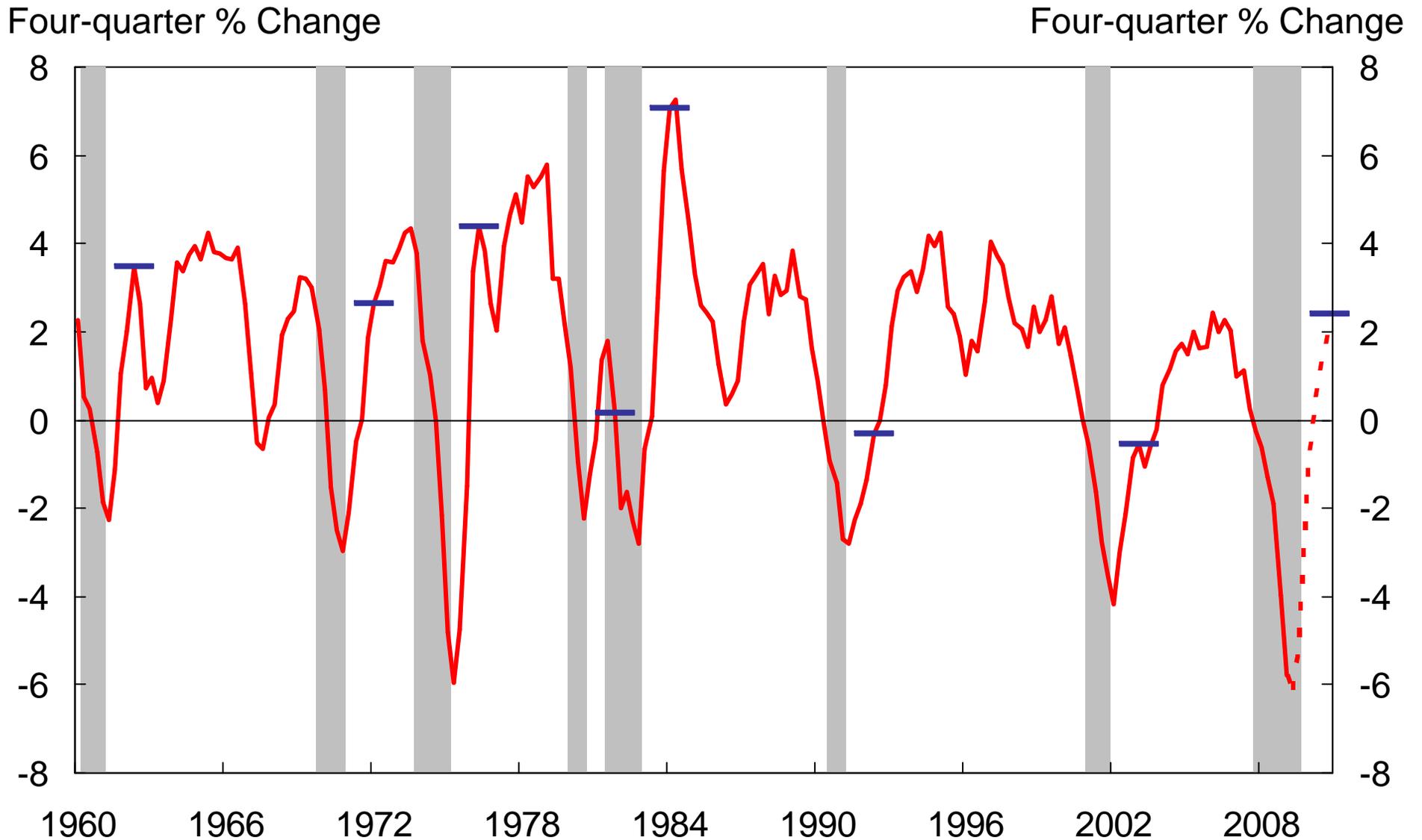
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FRBNY Outlook: Contributions to GDP Growth

May '09
(November '08)

<u>Q4/Q4 growth rate</u>	2008	2009	2010
GDP	-0.8 (-0.1)	-1.6 (0.2)	2.6 (2.5)
Consumption	-1.1 (-1.0)	0.8 (0.6)	2.0 (1.6)
Residential Investment	-0.8 (-0.8)	-0.7 (-0.4)	0.2 (0.1)
Business Fixed Investment	-0.6 (0.1)	-2.6 (-1.1)	0.0 (0.7)
Inventory Investment	-0.2 (-0.5)	0.4 (0.3)	0.1 (0.0)
Net Exports	1.1 (1.5)	0.7 (0.4)	-0.2 (-0.5)

Hours of All Persons: Nonfarm Business Sector

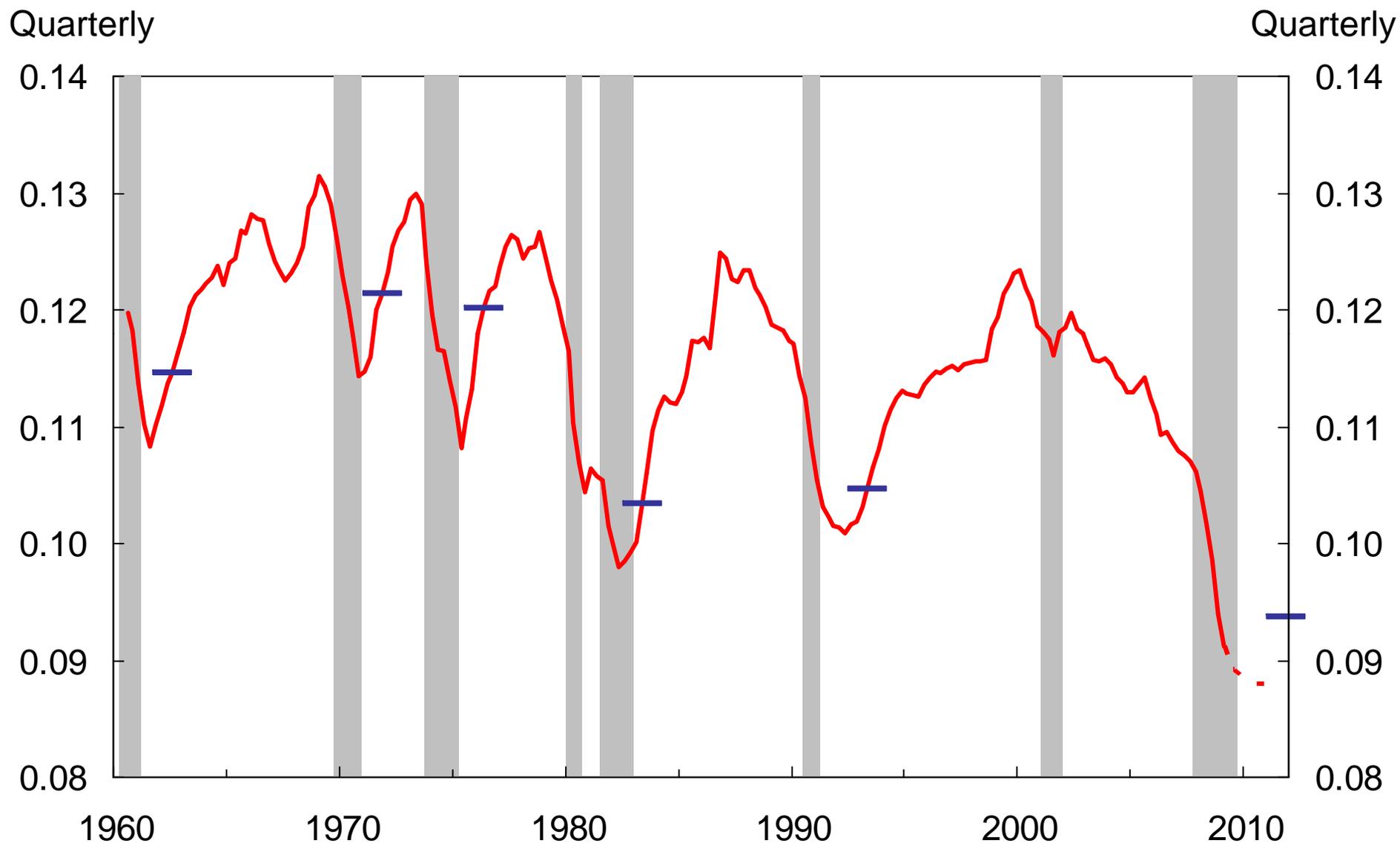


Source: Bureau of Labor Statistics

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Durable Goods Expenditures as a Share of DPI



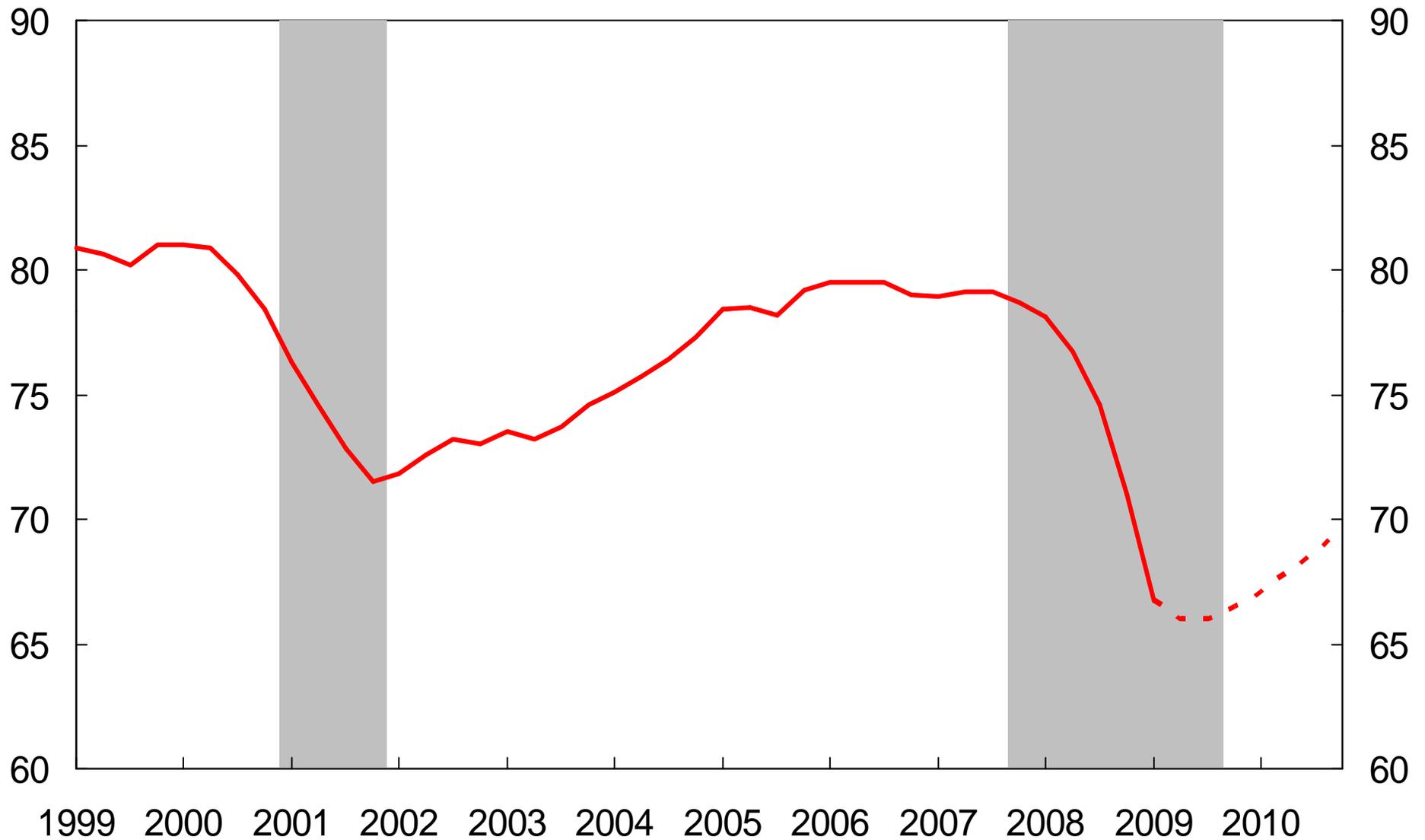
Source: Bureau of Economic Analysis

Note: Dotted lines represent current FRBNY forecasts.

Capacity Utilization

Percent

Percent

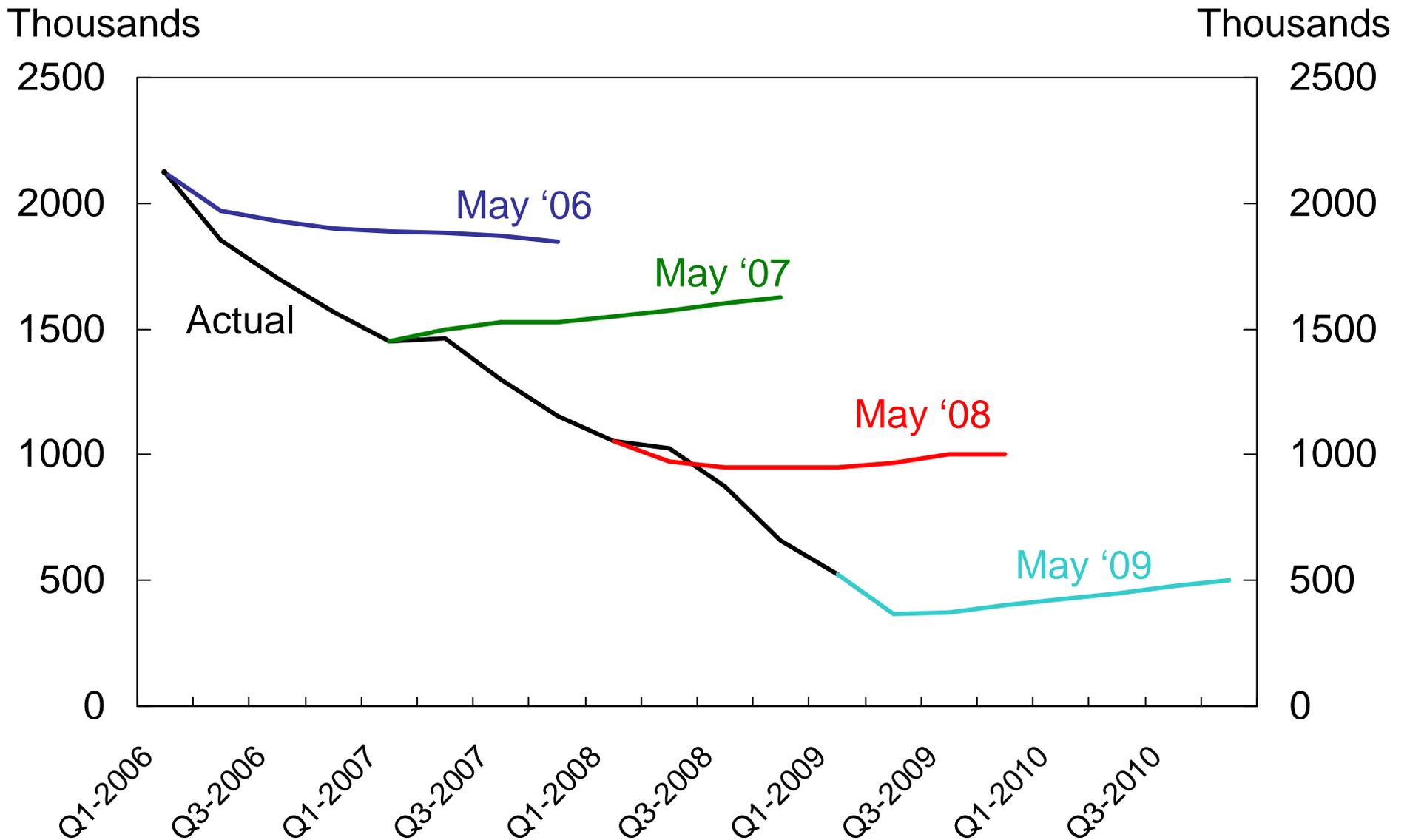


Source: Federal Reserve Board

Note: Dotted lines represent current FRBNY forecasts.

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Housing Starts Vintage Forecast



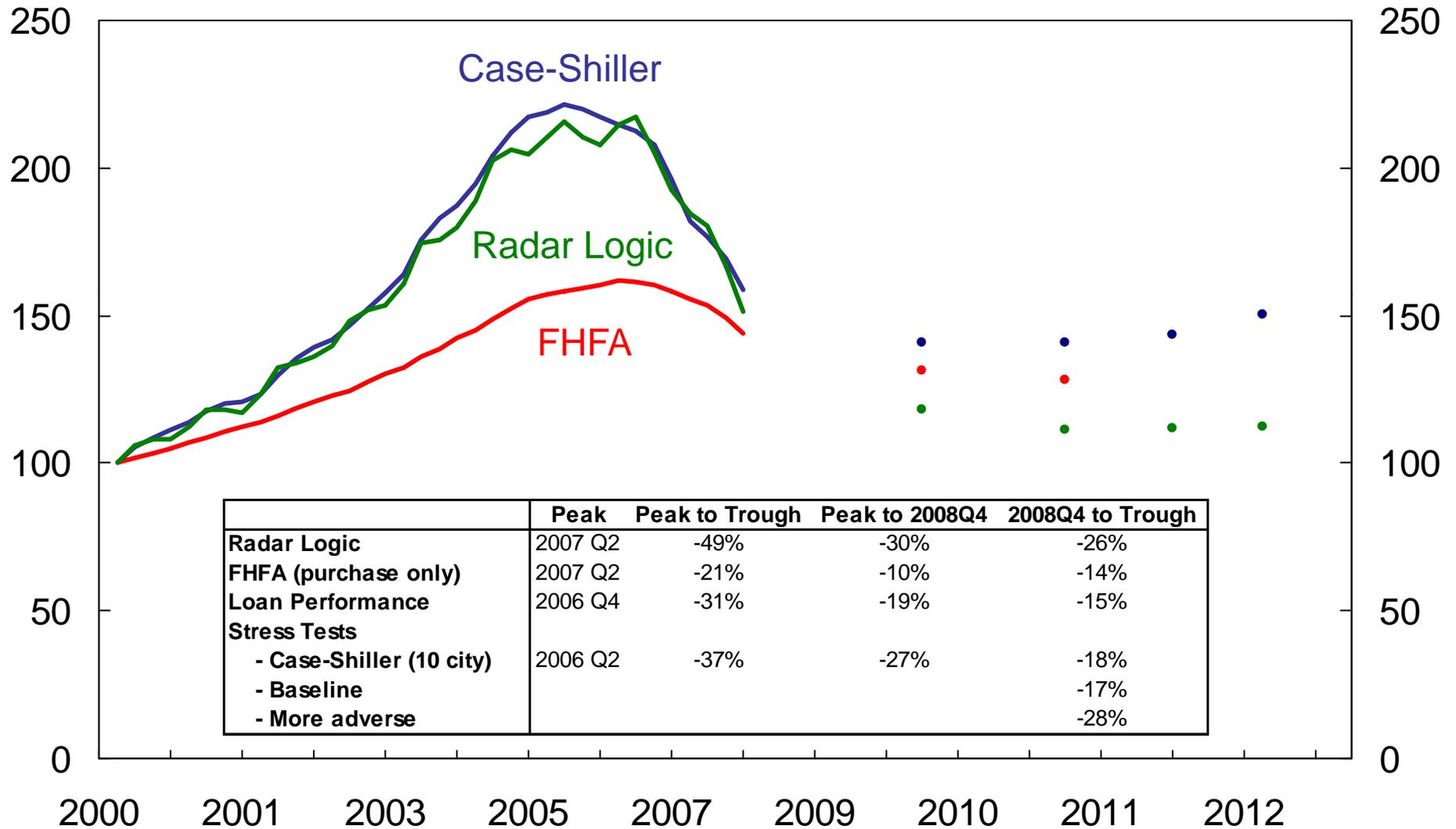
Source: Census Bureau/FRBNY

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Actual and Projected House Price Indices

Index, 2000 = 100

Index, 2000 = 100

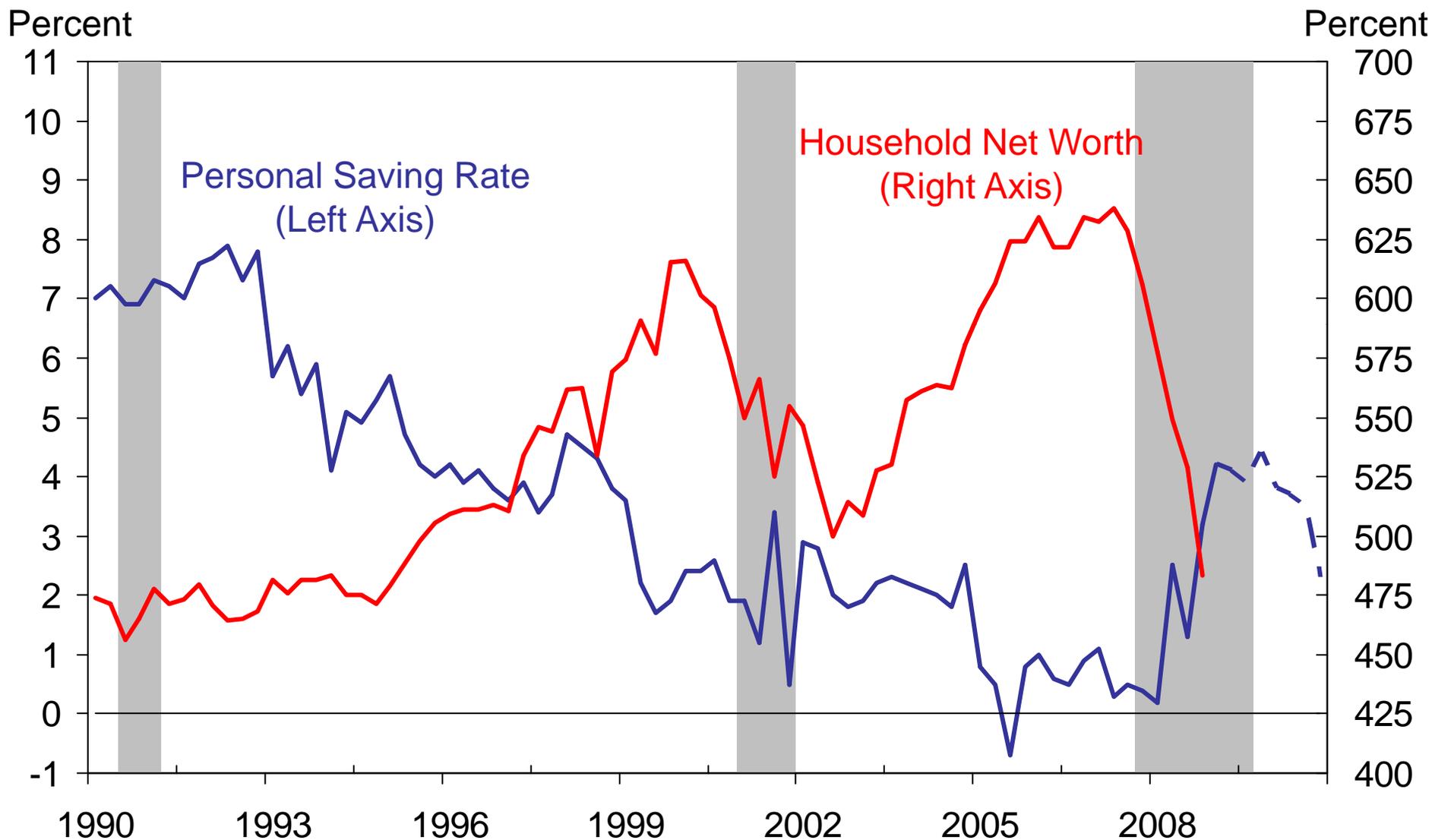


Source: Bloomberg, FHFA, S&P, and Radar Logic

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Personal Saving Rate and Household Net Worth

(Percent of Disposable Personal Income)



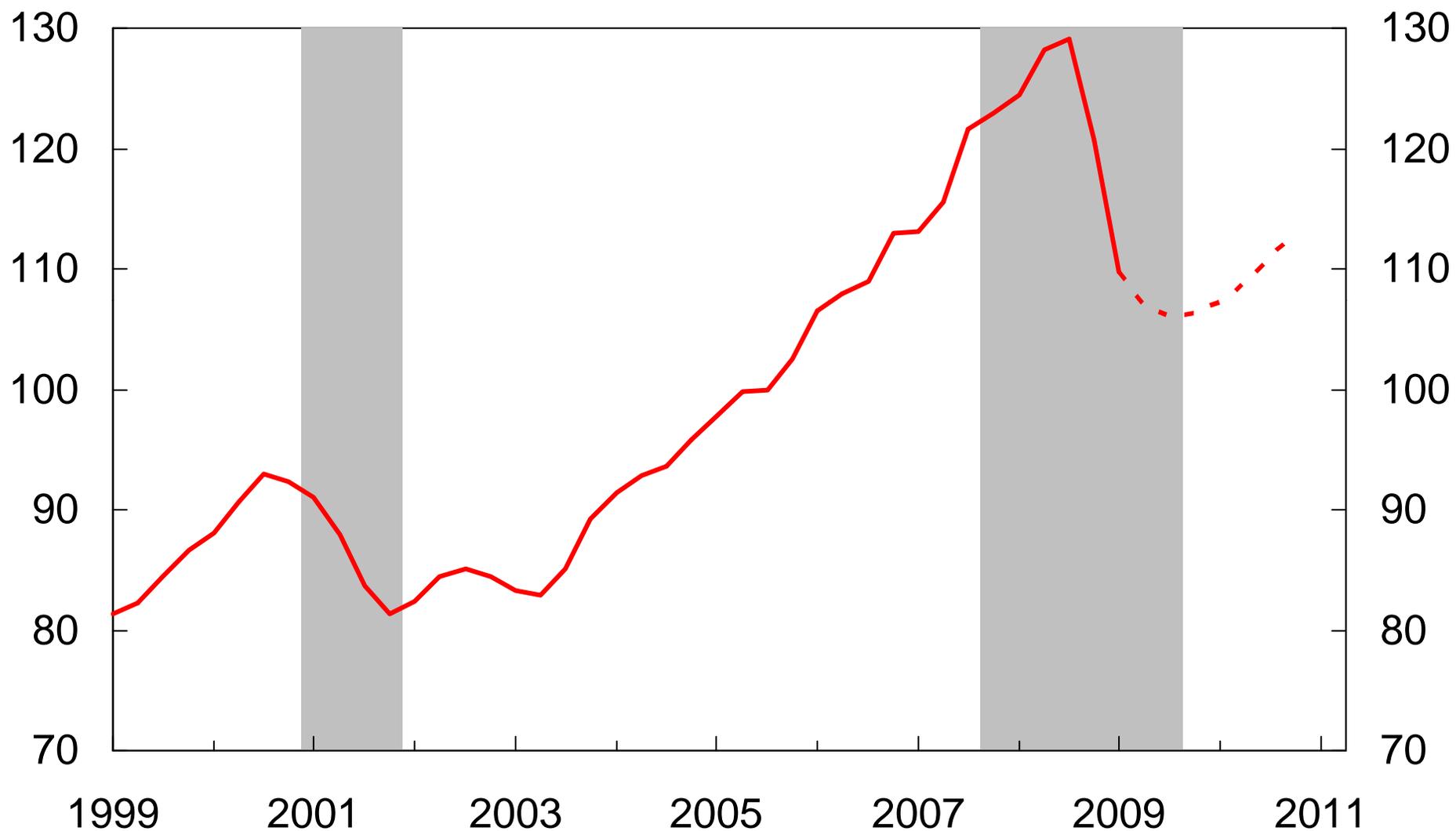
Source: FRB and BEA

Note: Dashed line represents forecast.

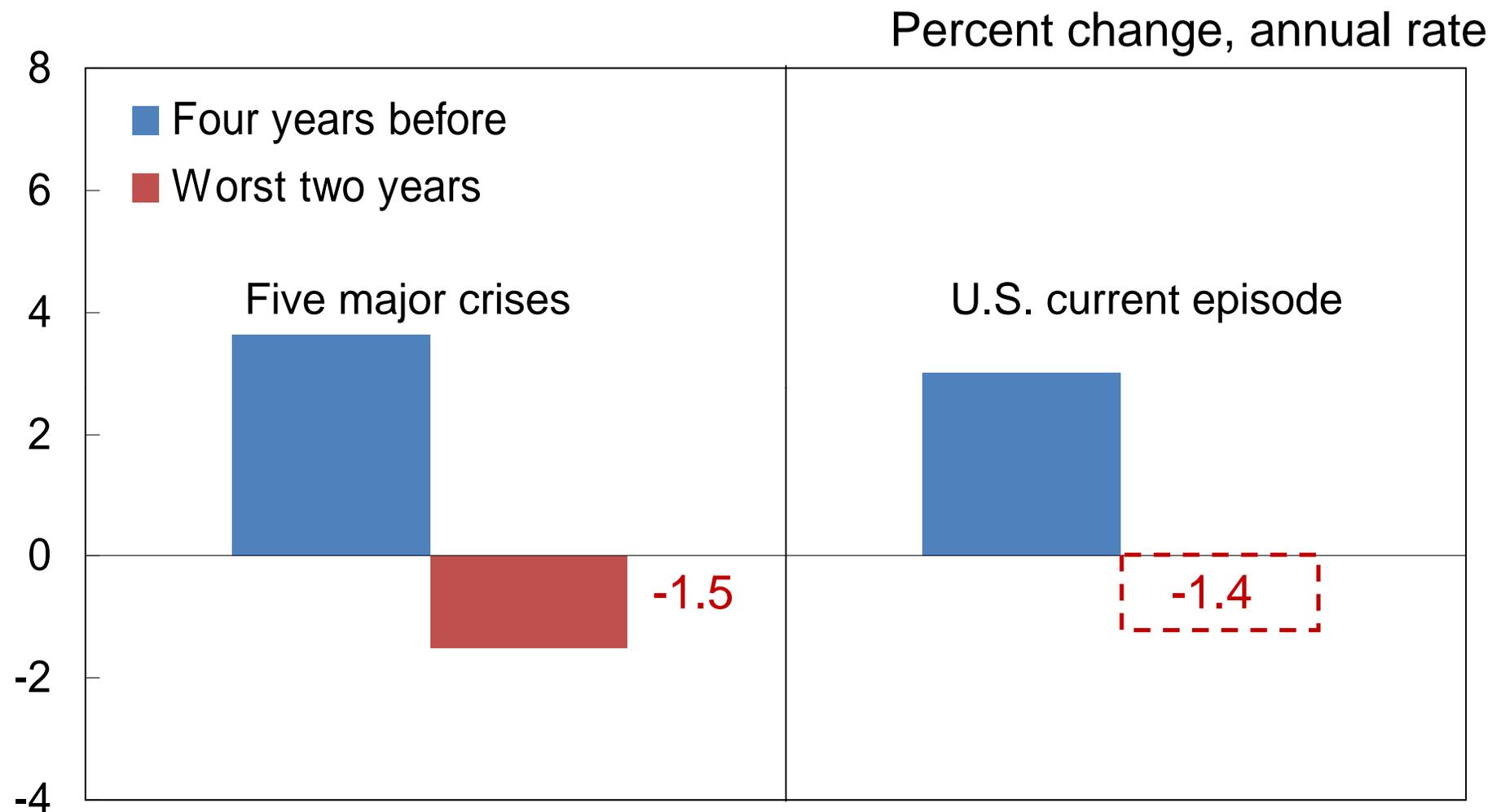
Real Exports

Index, 2005=100

Index, 2005=100



Economic Growth Before and After Onset*

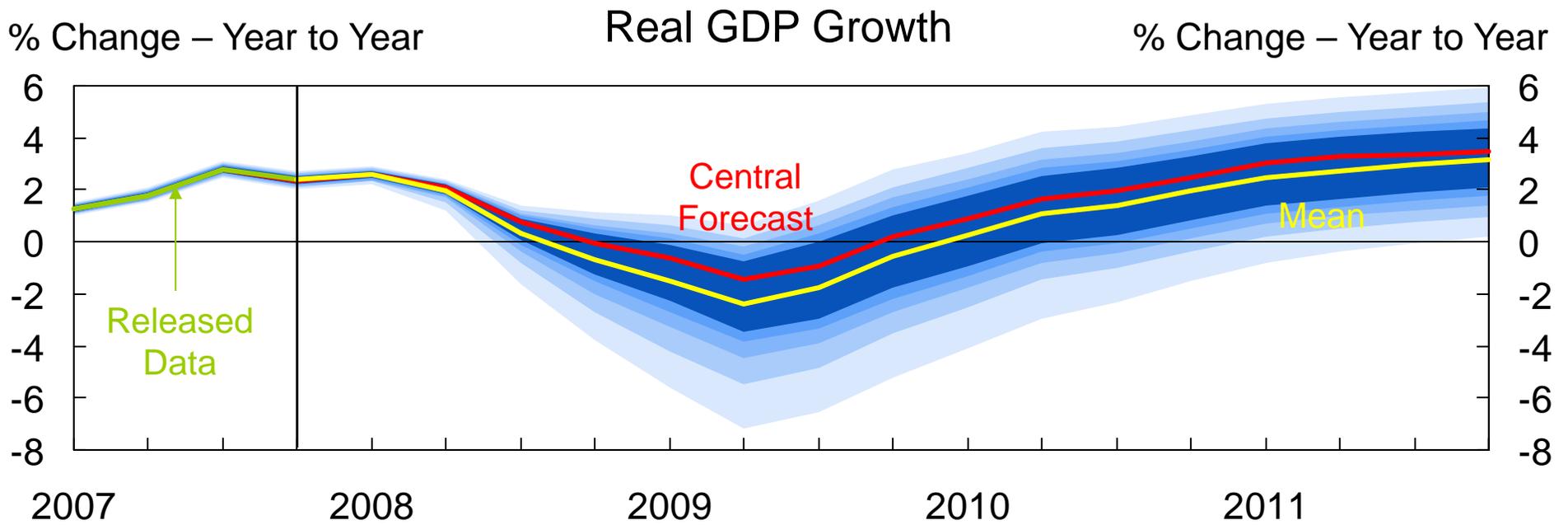
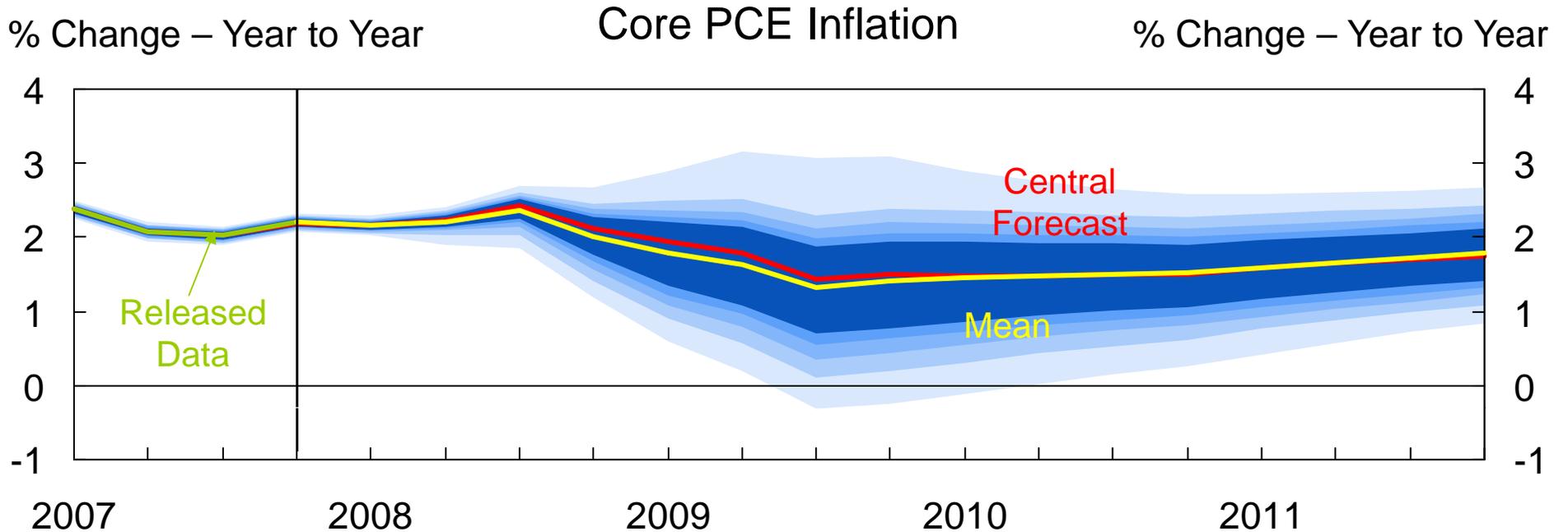


*As identified by Reinhart and Rogoff; includes Spain (1977), Norway (1987), Finland (1991), Sweden (1991) and Japan (1992). Onset of U.S. crisis dated to 2007.

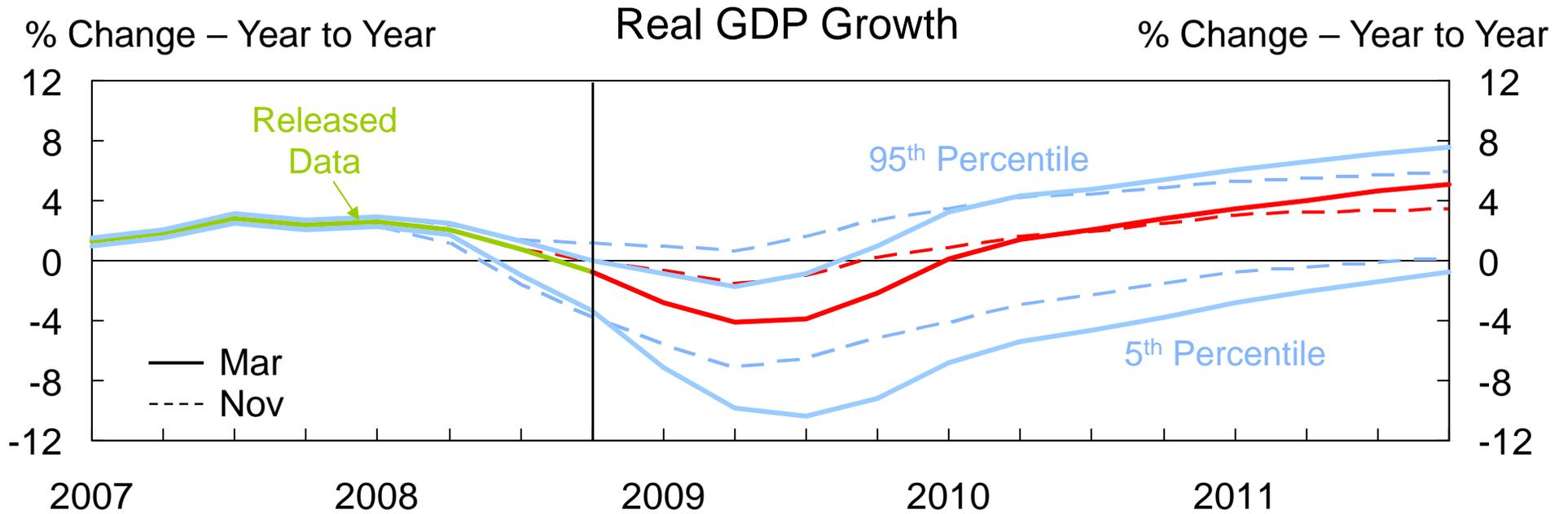
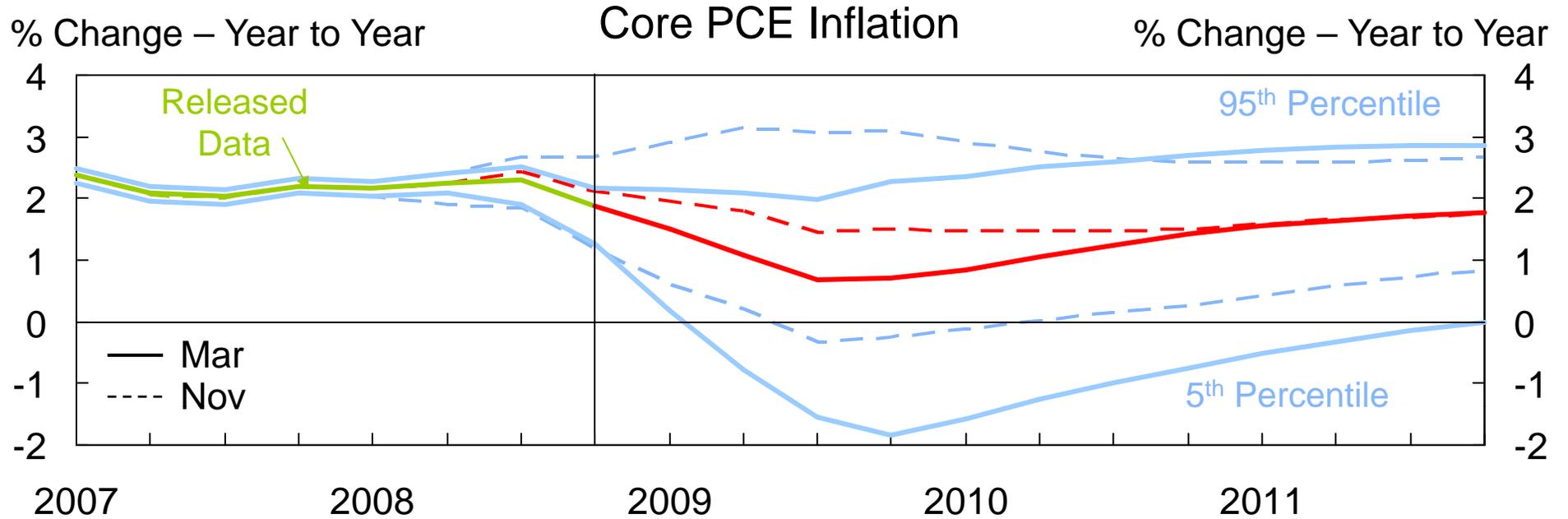
Main Risks to Central Scenario

Scenario	Evidence in Favor	Effect on Forecast
<i>Global Deflation</i>	Synchronized decline in global output, strong disinflationary pressures	Output: Down Sharply, long period of stagnation Inflation: Down Sharply
<i>Credit Repricing: US Economy over consumed</i>	Global and domestic imbalances Weak state of household balance sheets	Output: Down Inflation: down in short run/up in medium run
<i>Policy Stance too Accomodative</i>	Massive Increases in deficit, Fed balance sheet and excess reserves	Output: Up in short run, down in medium run Inflation: Up, potentially large

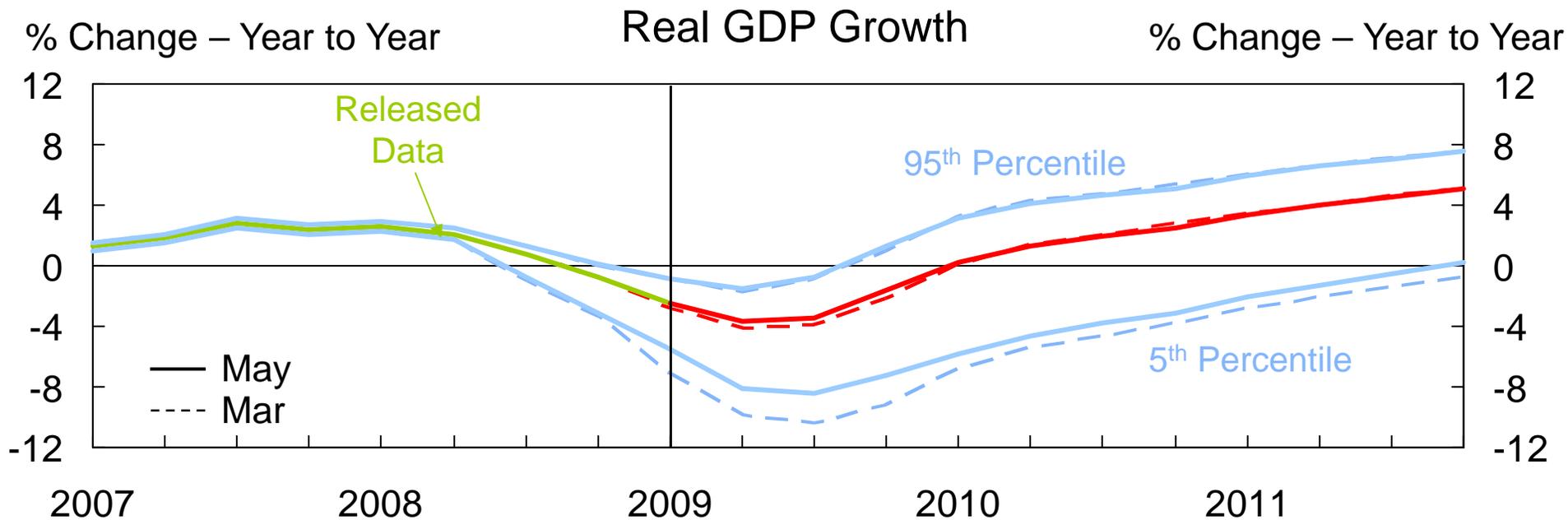
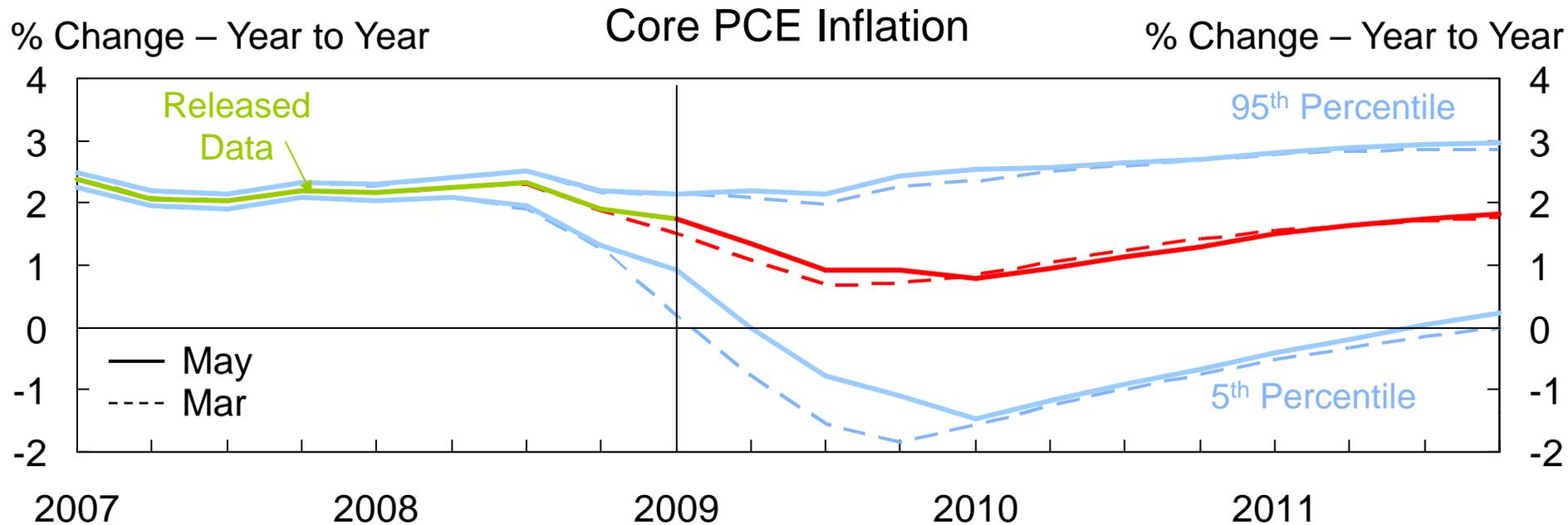
Nov '08 Forecast Distributions



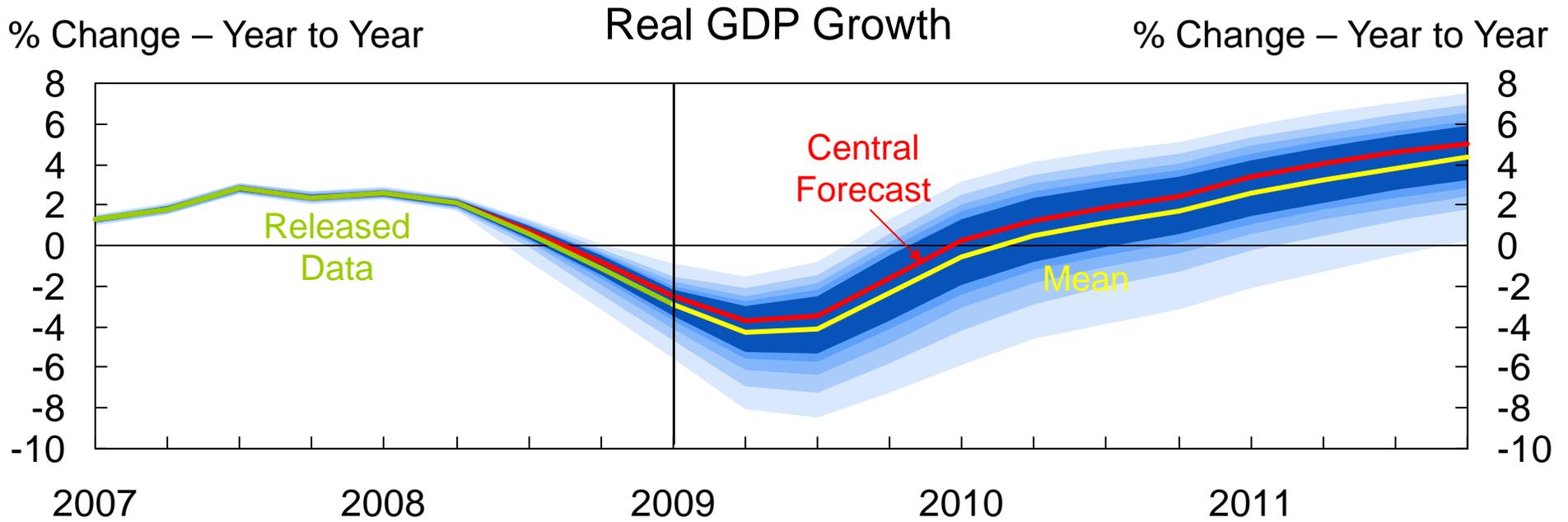
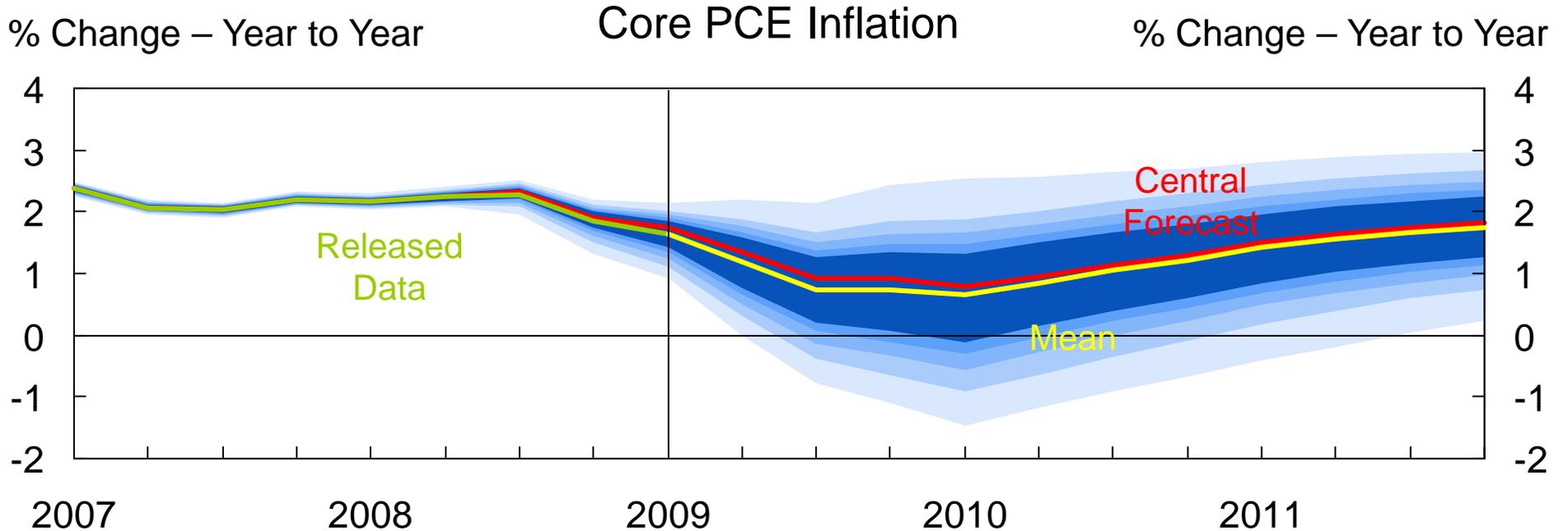
Change from Nov '08 to March '09



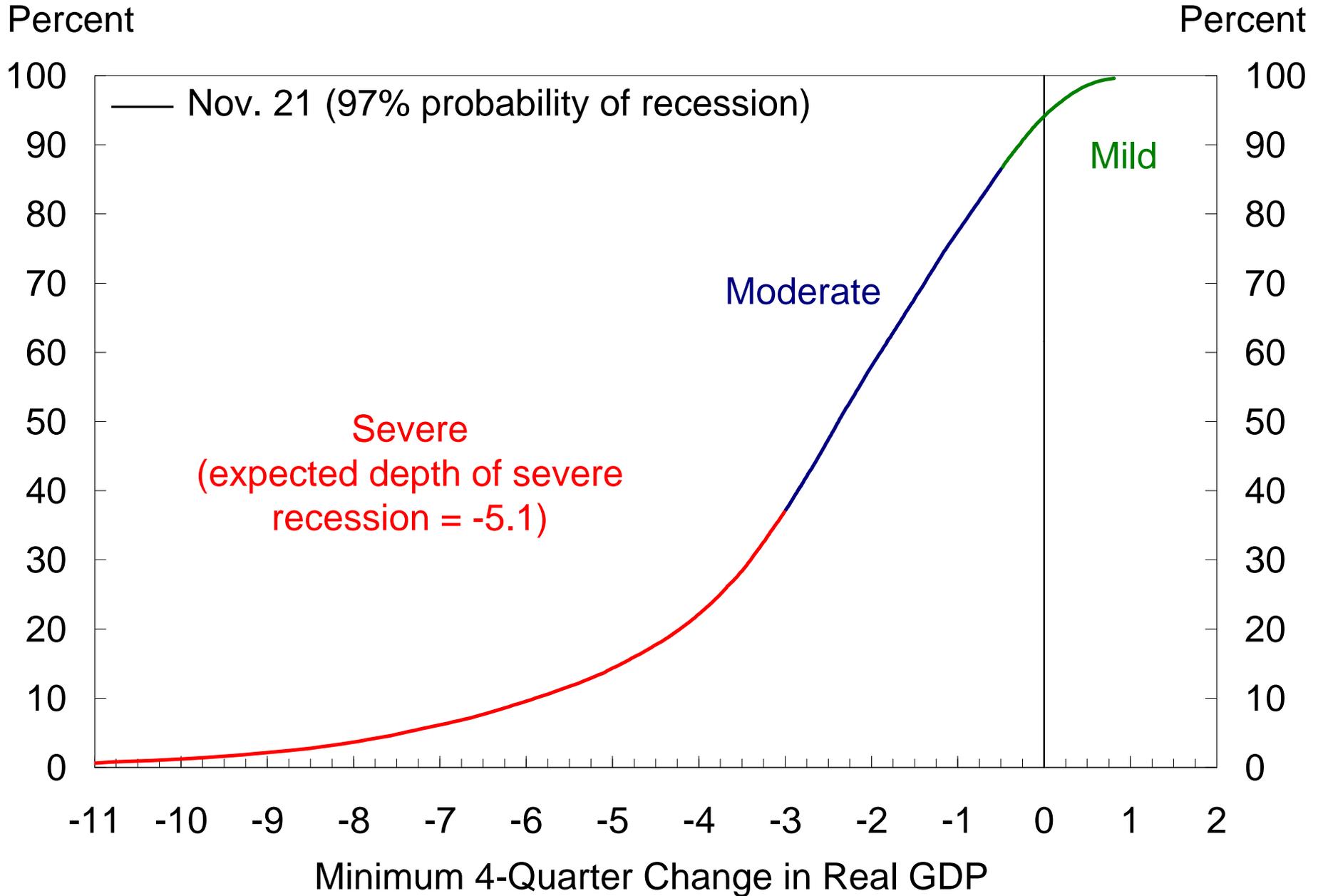
Change from March '09 to May '09



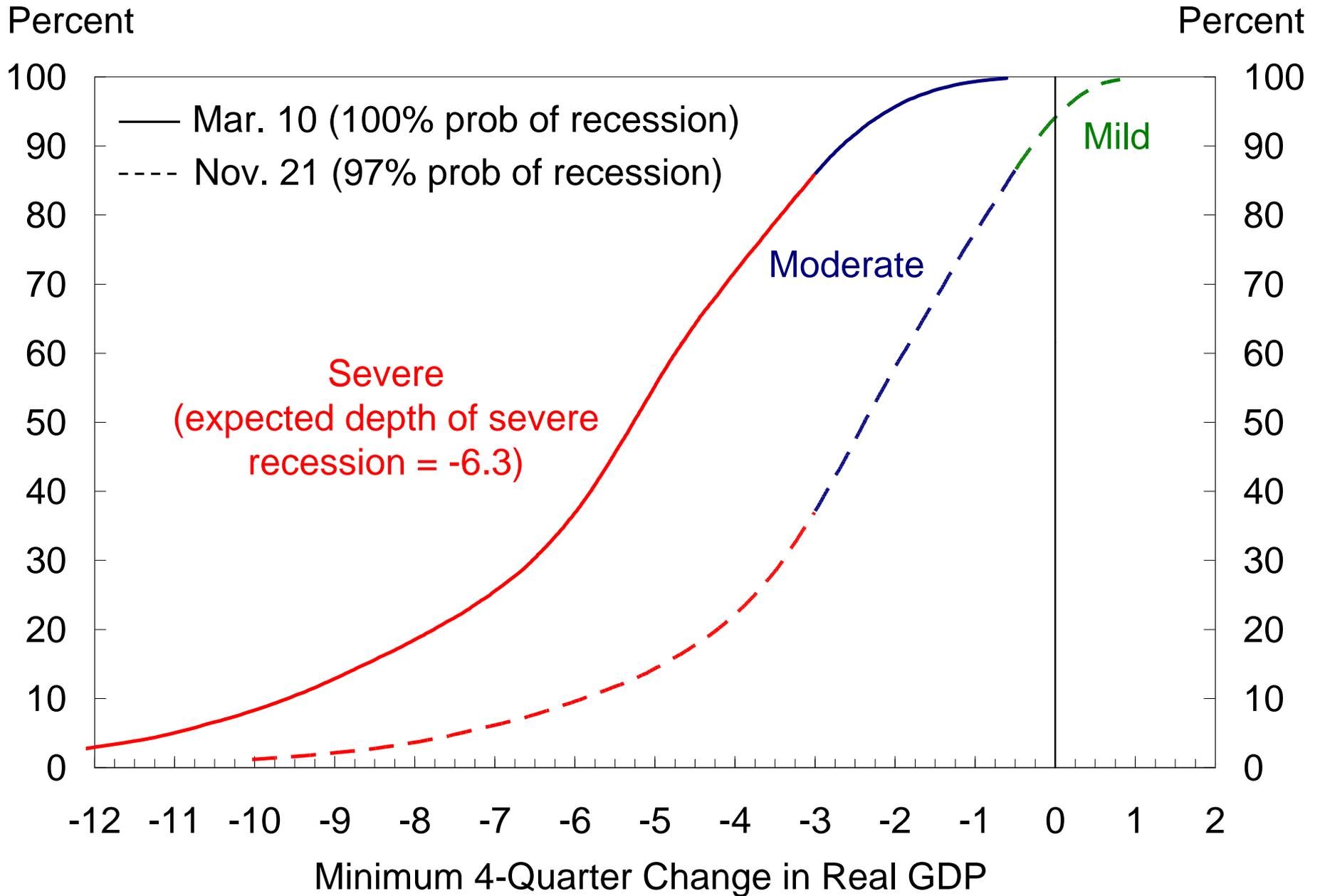
May '09 Forecast Distributions



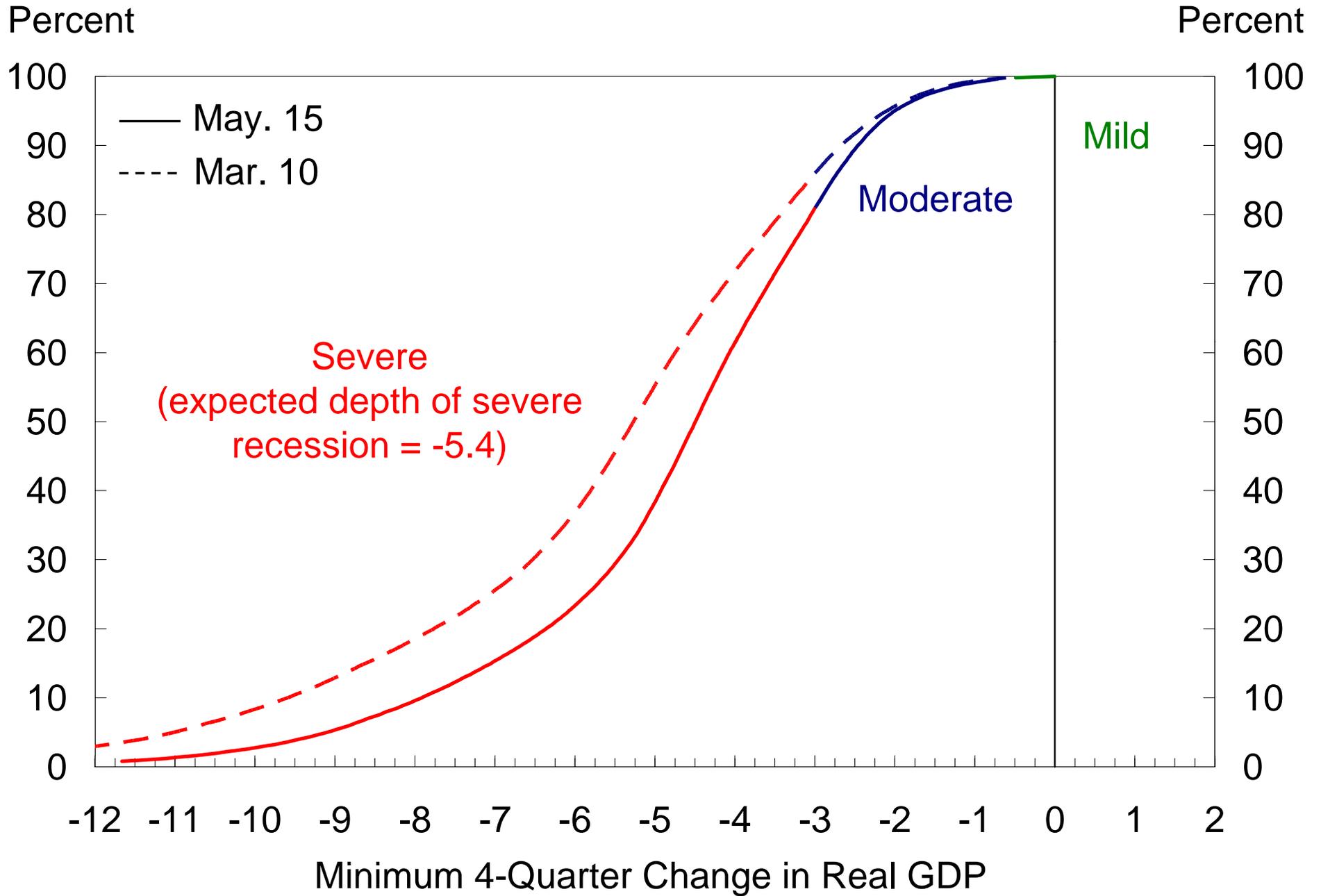
Depth of Recession



Depth of Recession



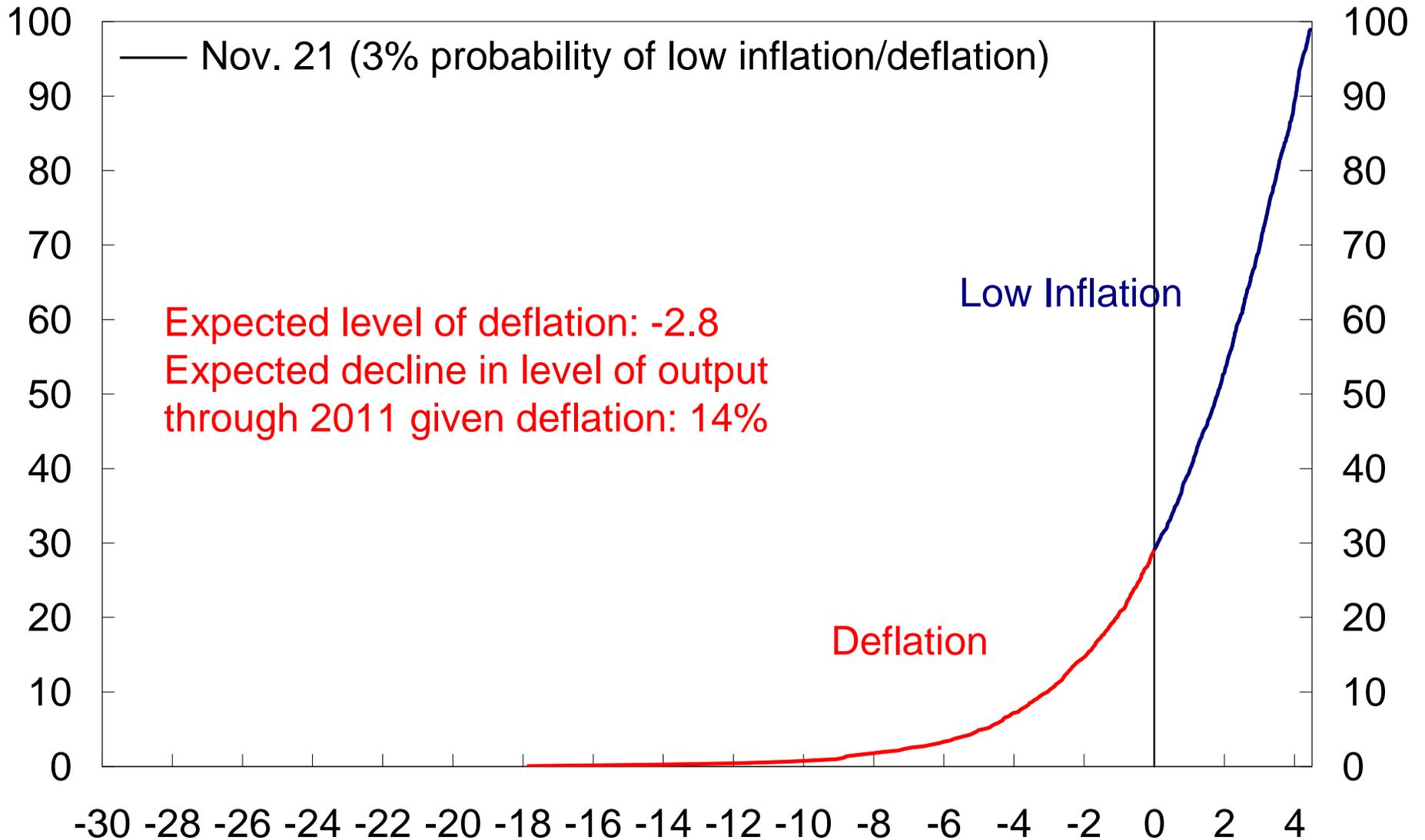
Depth of Recession



Depth of Deflation

Percent

Percent

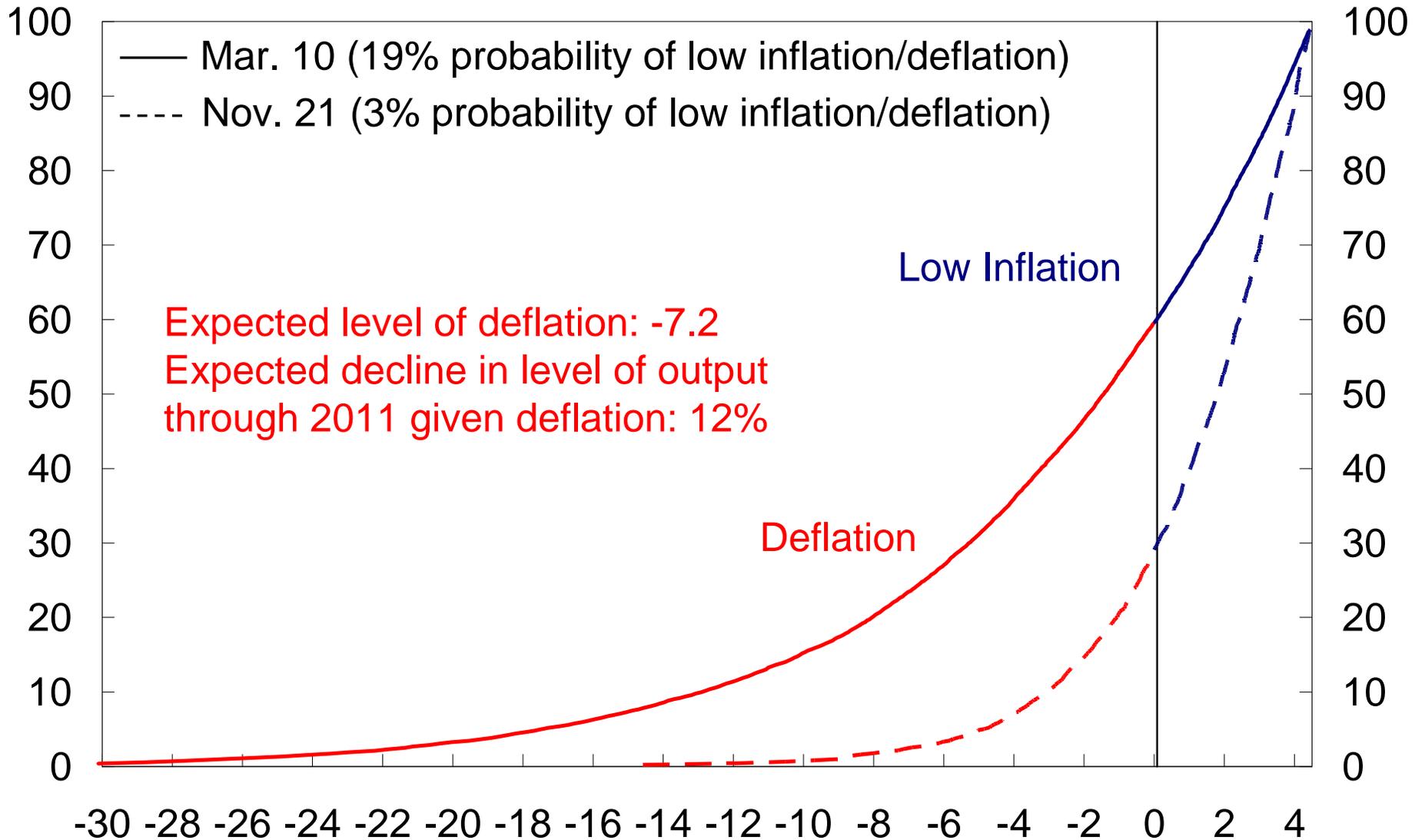


Negative Deviation from 4.5% increase in Core PCE Prices 2009-2011

Depth of Deflation

Percent

Percent

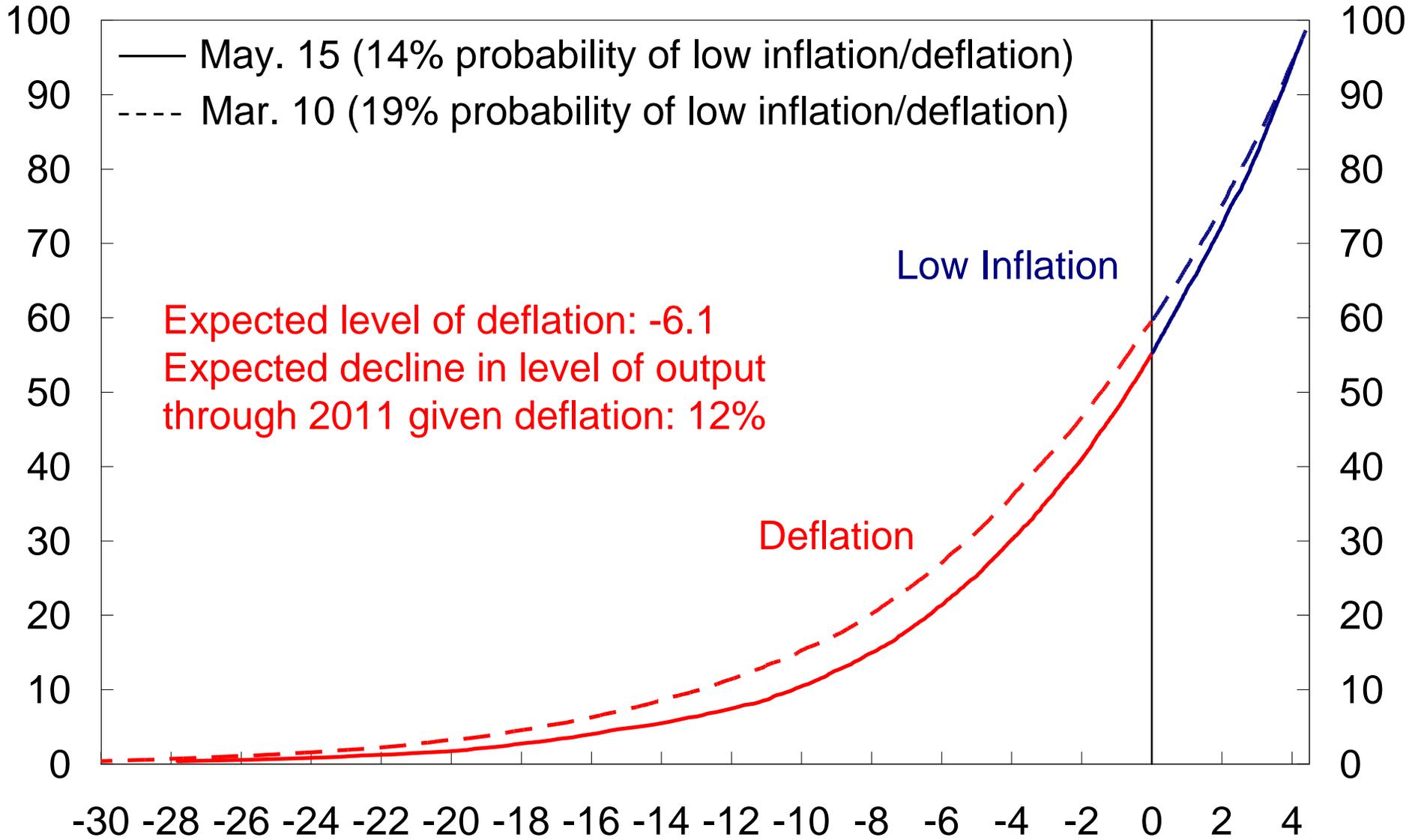


Negative Deviation from 4.5% increase in Core PCE Prices 2009-2011

Depth of Deflation

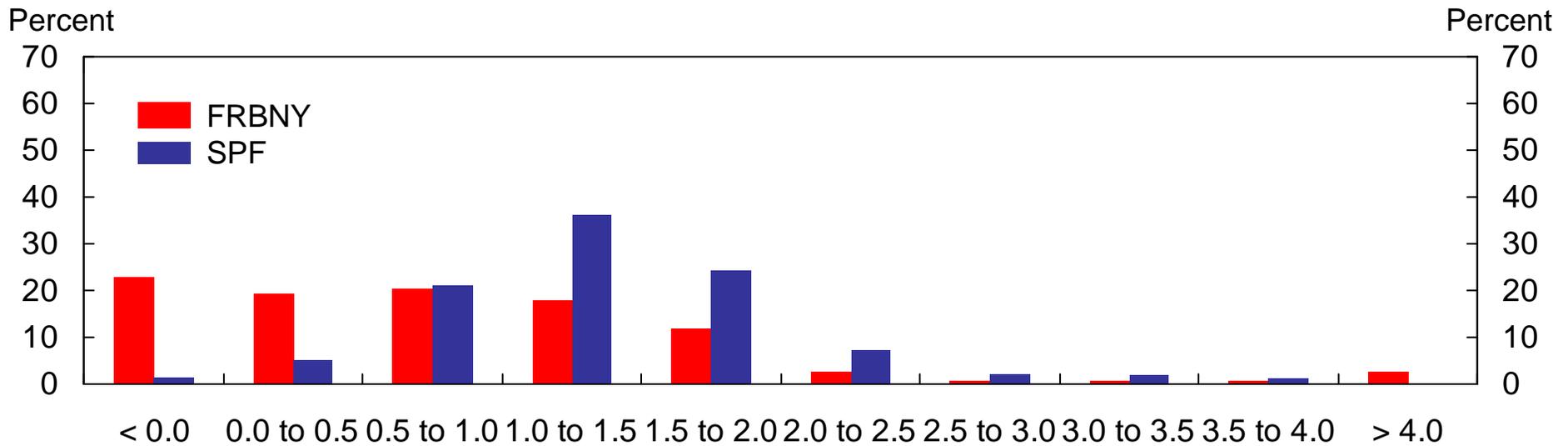
Percent

Percent

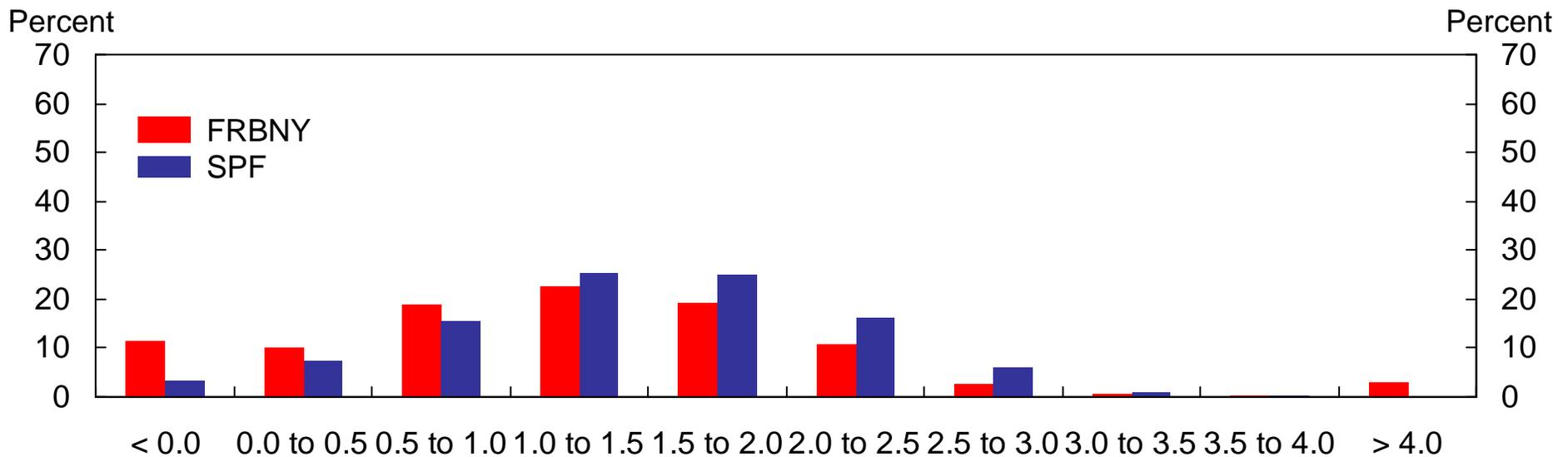


Negative Deviation from 4.5% increase in Core PCE Prices 2009-2011

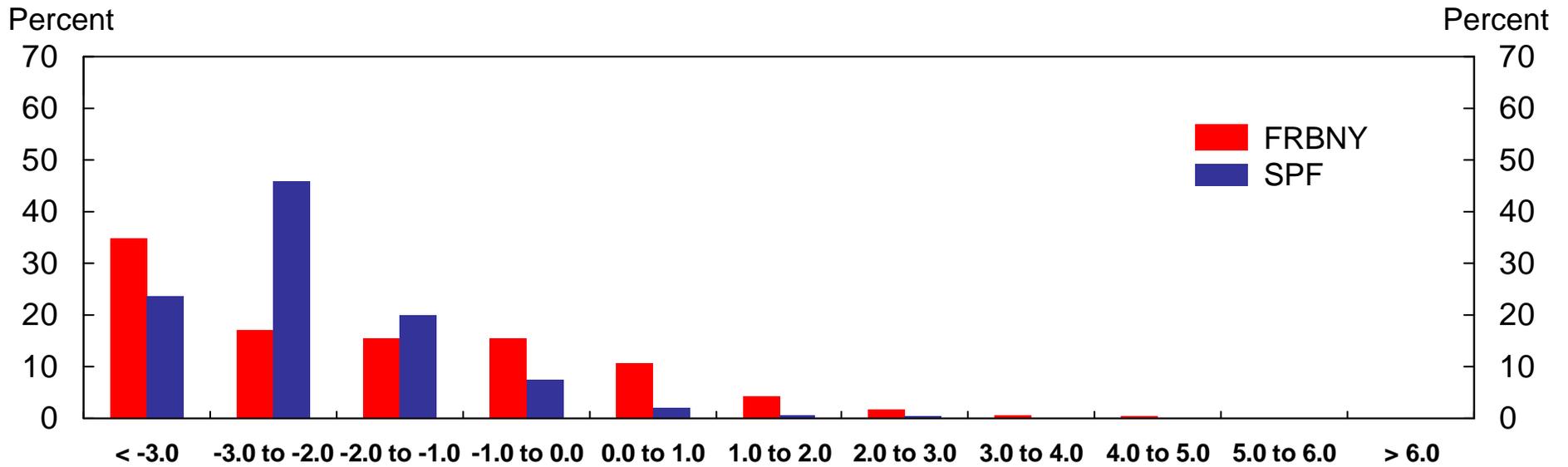
2009Q4/Q4 Core PCE Inflation Probabilities



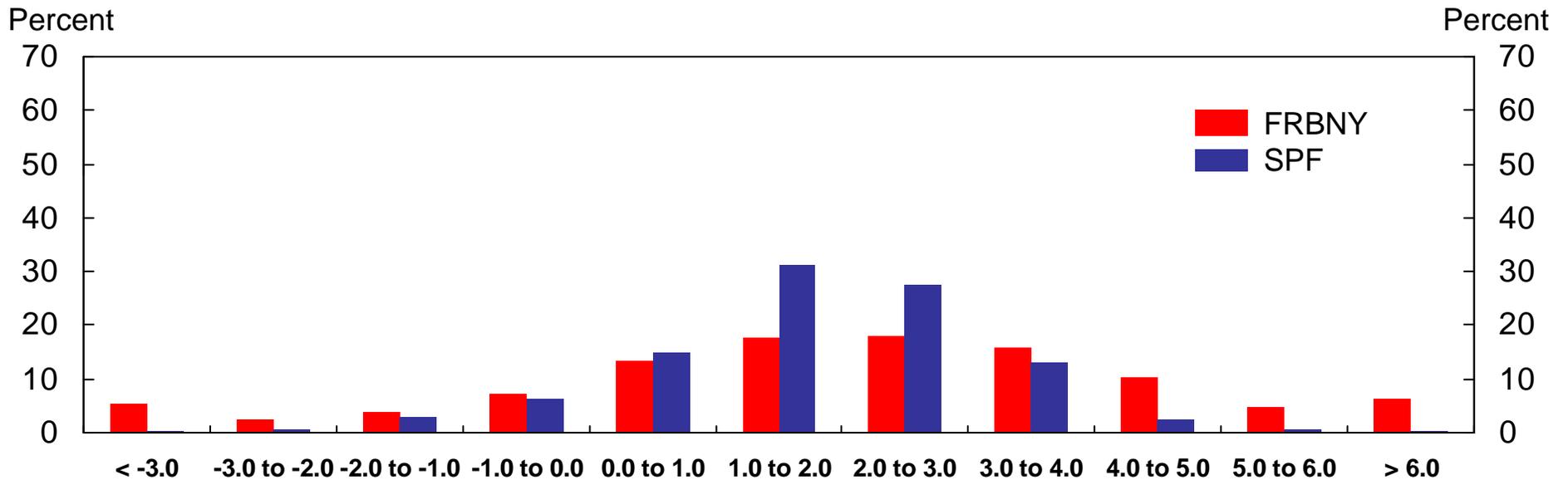
2010Q4/Q4 Core PCE Inflation Probabilities



2009/2008 Real GDP Growth Probabilities



2010/2009 Real GDP Growth Probabilities



Some Measures of the Current Stance of Monetary Policy

Policy Rule	Rate Prescription
Contemporaneous Feedback	-1.5 to 0.0
Forecast Based	-4.0 to -2.5
Forecast Based with Risks	-5.0 to -3.5
Counterfactual with DSGE-VAR	0.75
Counterfactual with DSGE	0.0

Supervisory Capital Assessment Program

Beverly Hirtle
Economic Advisory Panel
Federal Reserve Bank of New York
May 15, 2009



Motivation/Goals of the SCAP

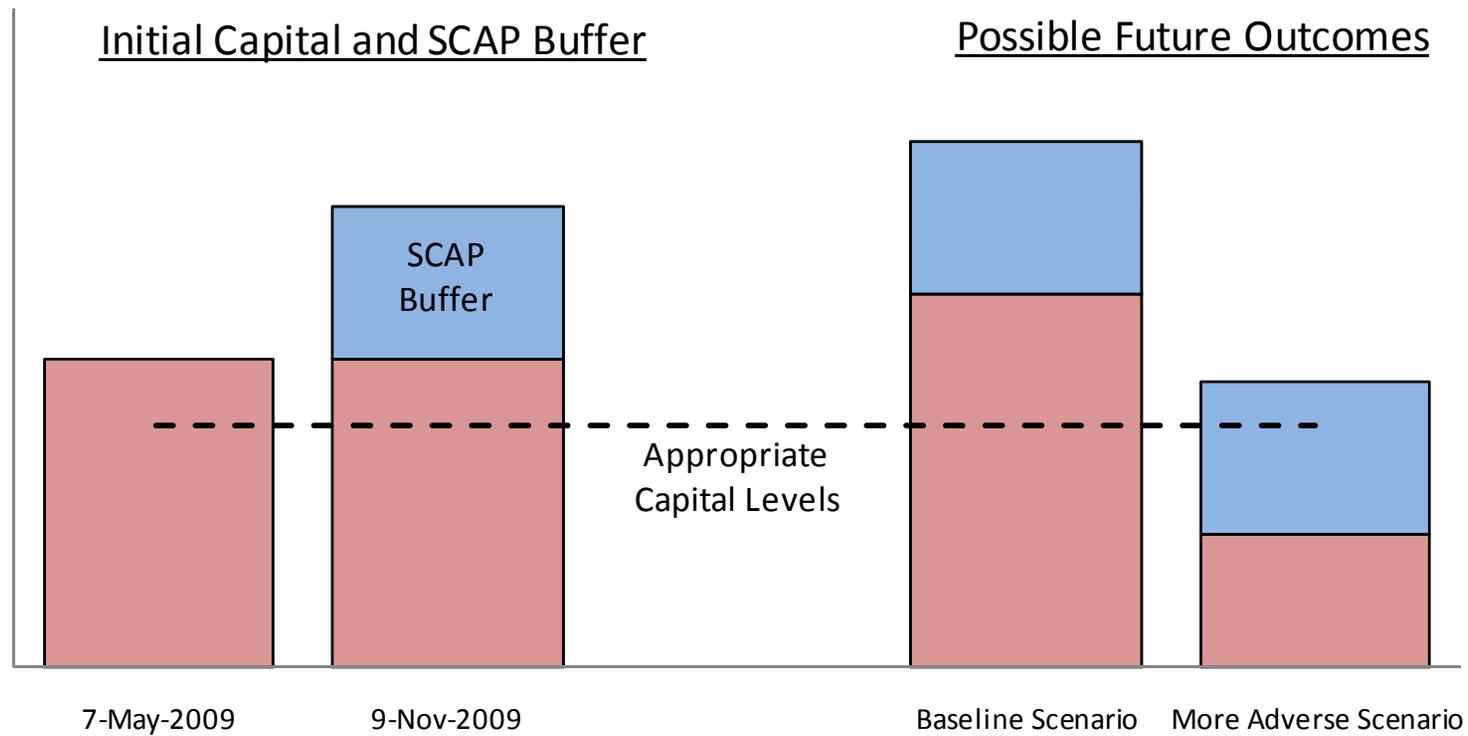
- Benefits of large U.S. banking companies having capital sufficient to absorb losses and remain well-capitalized in worse-than-anticipated economic environment.
- Reduce uncertainty about banking sector health in “more adverse” outcomes.
 - Having capital now to absorb (possible) future losses may make banks more willing to lend.
- Reduce likelihood of “more adverse” economic outcomes by enhancing confidence and supporting lending now.

What did the SCAP Do?

- The SCAP is a supervisory exercise to determine the amount capital needed to ensure BHCs remain well-capitalized in a stressed economic environment.
- 19 large BHCs – two-thirds of assets and half of loans of U.S. banking system.
- Two-year forward projection of losses, resources, and capital needs under two macroeconomic scenarios: “baseline” and “more adverse”.
- Aimed at assessment of level of capital and composition of capital.
 - Tier 1 capital composed of common equity and certain types of preferred.
 - Composition question focuses on amount of common equity in Tier 1.
- Do banks have “buffer” large enough to absorb losses in “more adverse” scenario and still meet target capital ratios?
 - Tier 1 capital to risk-weighted assets of at least 6 percent.
 - Tier 1 Common to risk-weighted assets of at least 4 percent.

The SCAP Capital Buffer

SCAP Buffer Helps Ensure Appropriate Bank Capital in the More Adverse Scenario



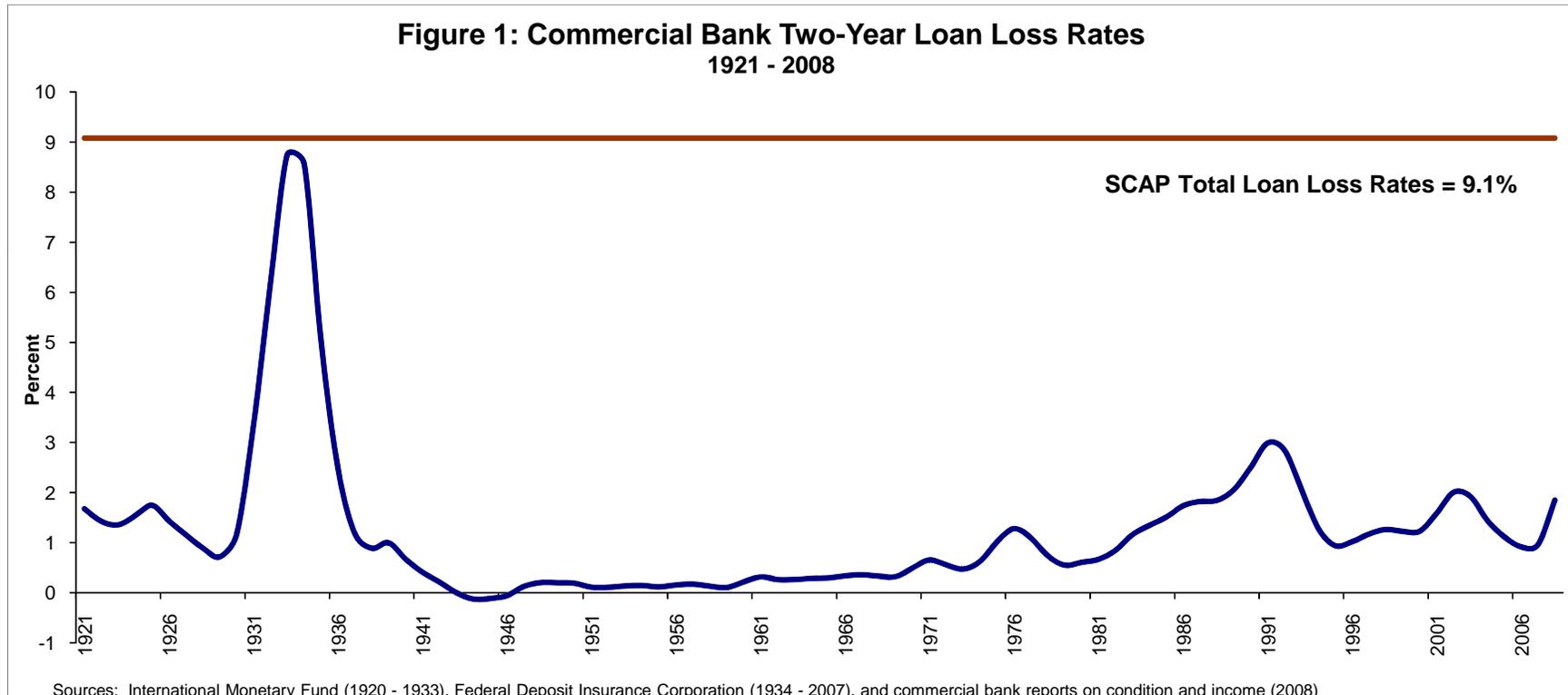
Projections of Losses and Resources

- Basic Calculation: $K_t = K_{t-1} + \text{Revenue} - \text{Losses}$
- Project losses on:
 - Loan portfolios – cash flow losses
 - Securities held for investment – accounting recognition of market losses
 - Trading portfolios (including derivatives) – mark to market shock
- Resources to absorb losses:
 - Revenue after operating expenses, but before credit costs.
 - Required provisioning for the loan loss reserve at 2010.
- Calculate impact on regulatory capital:
 - After taxes
 - After preferred dividends
- Compare to capital ratio targets to assess any additional capital buffer needed.

Results: Losses

- Aggregate losses total \$600 billion.
 - Predominantly loan losses – about three-quarters.
 - Of these, predominantly mortgages and consumer loans (credit cards and other consumer loans, such as auto and personal loans).
 - Significant losses on trading positions at 5 BHCs with big trading portfolios (~\$100B)
 - Smaller securities losses, reflecting significant mark downs already taken (and accounting treatment re: OTTI).
- With losses to date by these BHCs of approximately \$350 billion, total “lifetime” loss equivalent of nearly \$950 billion.
 - These BHCs not the whole system. Extended to whole system based on asset share, losses of \$1.4 trillion.

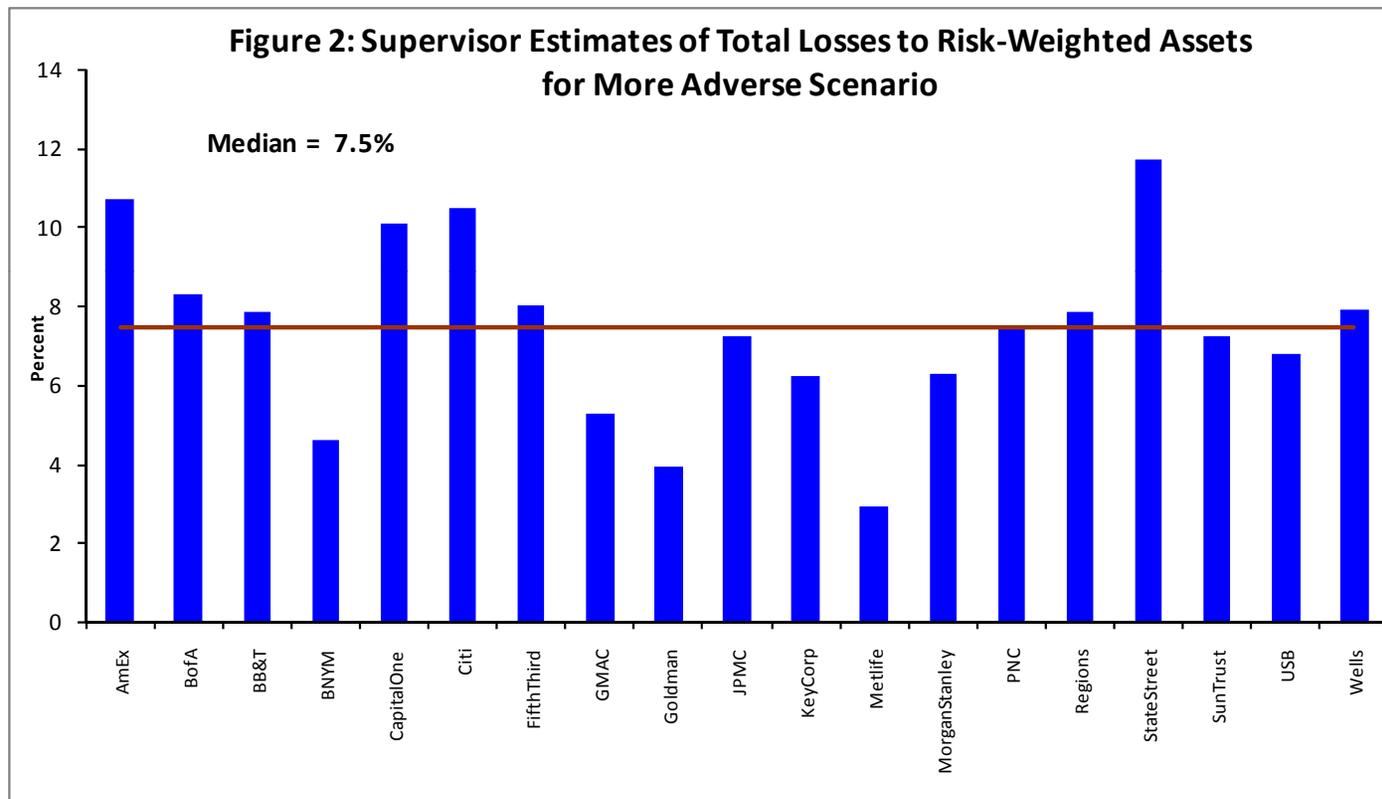
Loan Loss Rates Very High Historically



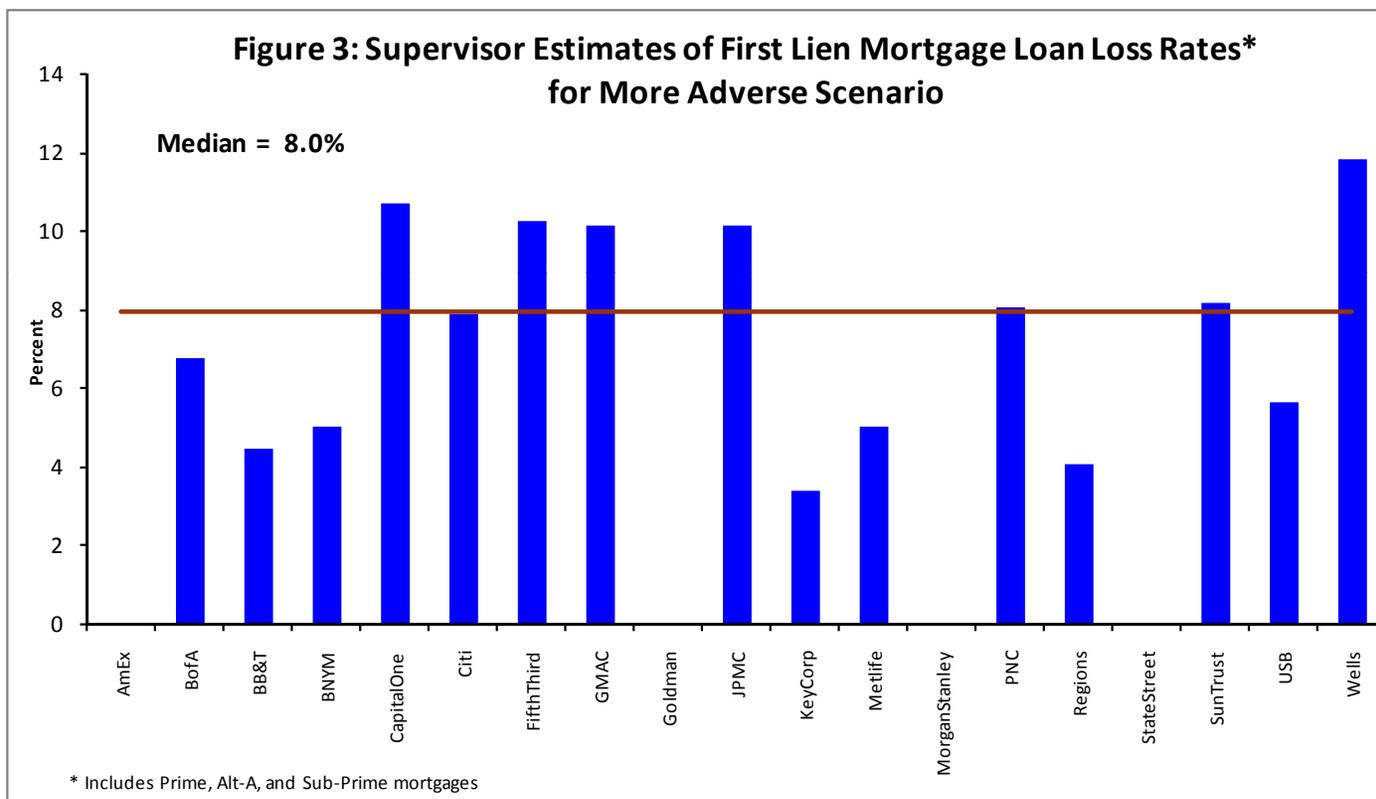
Results: Differentiation Across BHCs

- Significant differentiation across firms in loss rates by asset category.
- Differences reflect detailed information received during the SCAP on portfolio characteristics, such as vintage, FICO score, LTV, geographic distribution, industry distribution, credit rating.
- Can make substantial difference in overall loss estimates as compared to using a single loss rate per asset category across firms.

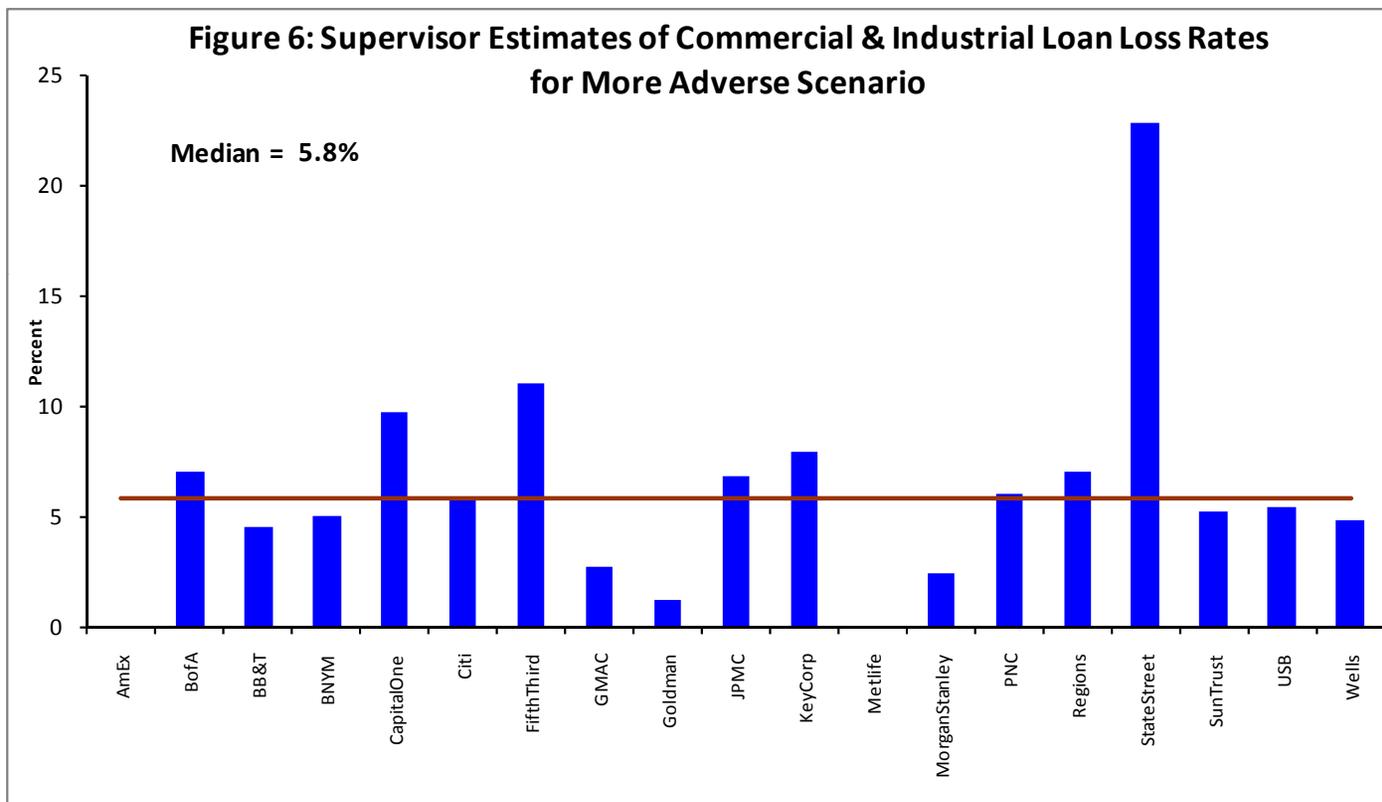
Differences in Total Loss to Risk-Weighted Assets



Differences in Loan Loss Rates: First Lien Mortgages



Differences in Loan Loss Rates: C&I Loans



Results: Capital Needs

- Ten of 19 BHCs needed additional capital buffer, almost always reflecting the composition of capital more so than the level.
 - Total of \$185 billion to meet SCAP capital buffers.
- A number of the firms have “capital actions” already in train that will address the gap.
 - Exchange offers
 - Asset/business sales
 - These reduce capital needed to \$75 billion
- Capital “buffer” expressed as amount of capital rather than target ratio, so buffer cannot be reached by shrinking assets.

Next Steps

- Each firm with an identified capital need is required to develop a capital plan, to be approved by supervisors by June 8, 2009.
- BHCs have until November to raise the dollar amount of capital indicated by the SCAP
- BHCs can apply to issue Mandatory Convertible Preferred (MCP) securities as part of the U.S. Treasury's Capital Assistance Program (CAP) to help meet their SCAP capital buffer.
 - May also apply to exchange existing U.S. government preferred for MCP, subject to a prior new capital raise or exchange of private securities for common.
- Some BHCs will redeem existing government preferred, subject to supervisory approval.

REFERENCE SLIDES

Definition of the Macroeconomic Scenarios

Table 1
Economic Scenarios: Baseline and More Adverse Alternatives
 (Minus signs indicate negative values)

	2009	2010
Real GDP ¹		
Average Baseline ²	-2.0	2.1
Consensus Forecasts	-2.1	2.0
Blue Chip	-1.9	2.1
Survey of Professional Forecasters	-2.0	2.2
Alternative More Adverse	-3.3	0.5
Civilian unemployment rate ³		
Average Baseline ²	8.4	8.8
Consensus Forecasts	8.4	9.0
Blue Chip	8.3	8.7
Survey of Professional Forecasters	8.4	8.8
Alternative More Adverse	8.9	10.3
House prices ⁴		
Baseline	-14	-4
Alternative More Adverse	-22	-7

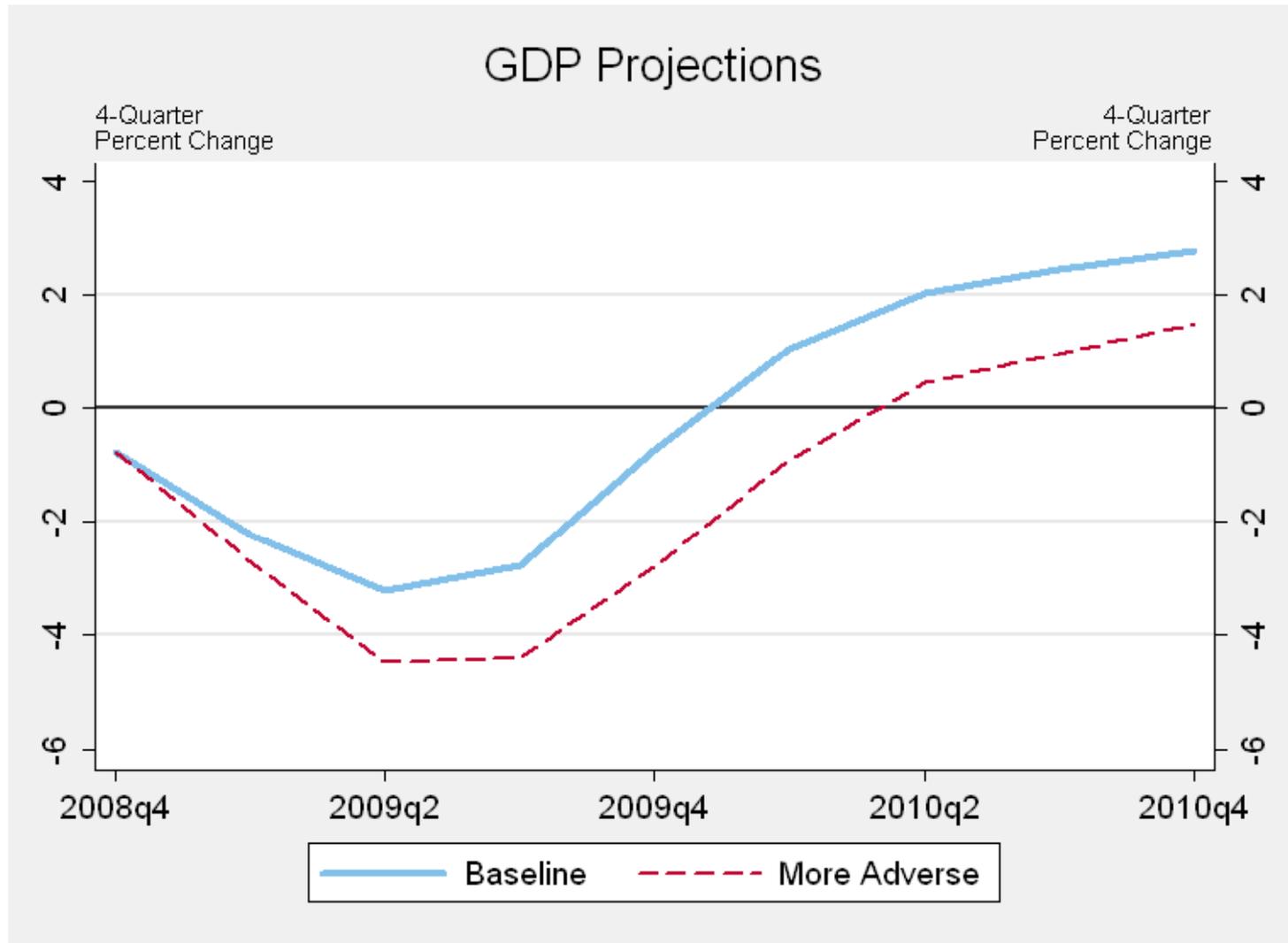
¹Percent change in annual average.

²Baseline forecasts for real GDP and the unemployment rate equal the average of projections released by Consensus Forecasts, Blue Chip, and Survey of Professional Forecasters in February.

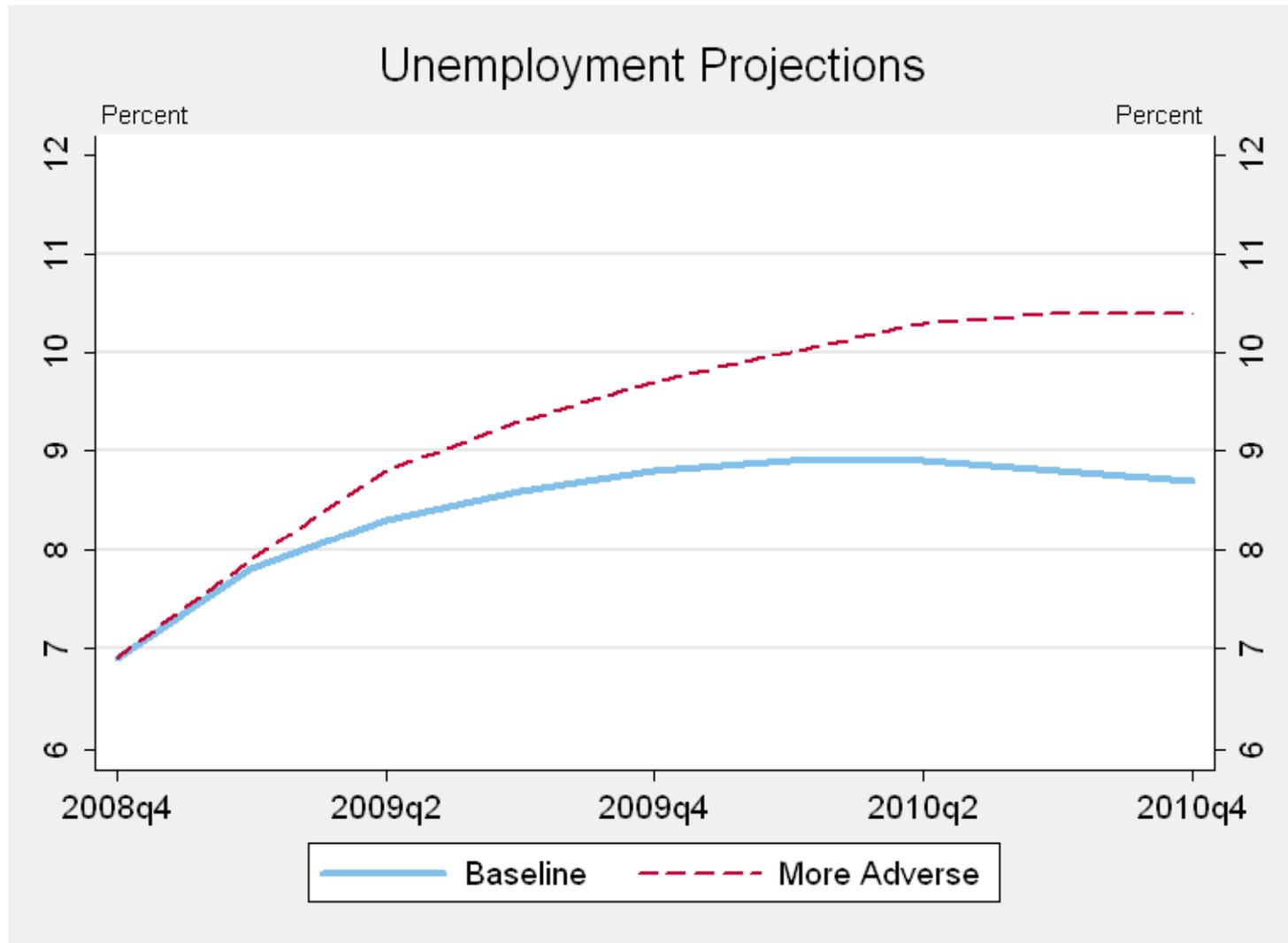
³Annual average.

⁴Case-Shiller 10-City Composite, percent change, fourth quarter of the previous year to fourth quarter of the year indicated.

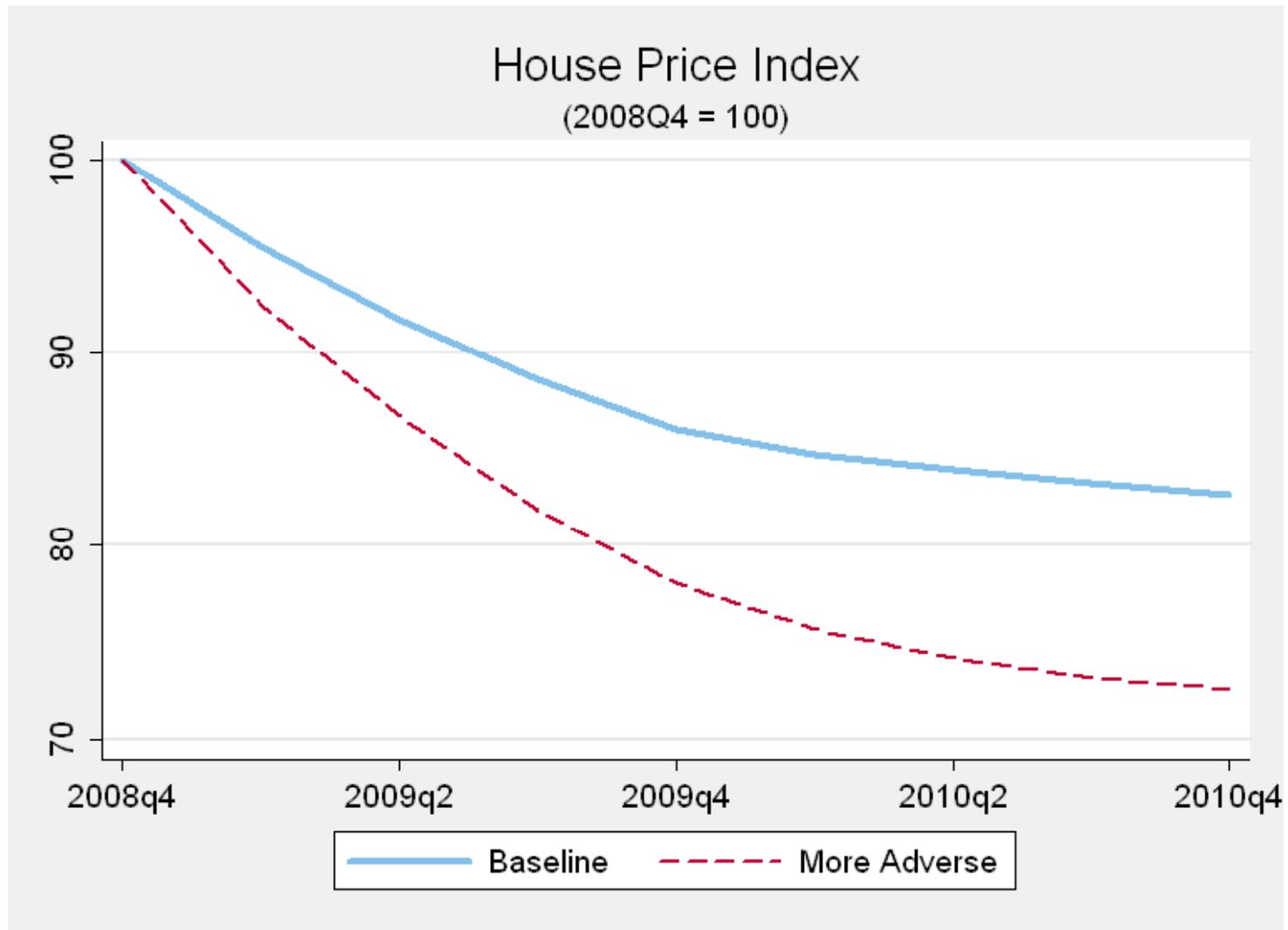
GDP Projections



Unemployment Rate Projections



House Price Projections



Structure of the Assessment

- Estimate future losses over a two-year horizon
 - Contrasts with some studies that estimate “lifetime” losses since onset of the financial crisis.

For loans, losses are “cash flow”

- Take account of losses already booked through mergers (“purchase accounting”).
 - Indicative loss rate ranges provided to the BHCs.
- For securities held for investment (AFS/HTM), estimates of future losses consistent with accounting treatment to recognize losses in market value
 - “Other than temporary impairment” (OTTI).
- For trading, mark-to-market shock based on historical market prices from June to December 2008.

Indicative Loss Rate Ranges

**Table 1: Indicative Loss Rates Provided to BHCs for SCAP
(cumulative two-year, in percent)**

	Baseline	More Adverse
First Lien Mortgages	5 – 6	7 – 8.5
Prime	1.5 – 2.5	3 – 4
Alt-A	7.5 – 9.5	9.5 – 13
Subprime	15 – 20	21 – 28
Second/Junior Lien Mortgages	9 – 12	12 – 16
Closed-end Junior Liens	18 – 20	22 – 25
HELOCs	6 – 8	8 – 11
C&I Loans	3 – 4	5 – 8
CRE	5 – 7.5	9 – 12
Construction	8 – 12	15 – 18
Multifamily	3.5 – 6.5	10 – 11
Nonfarm, Non-residential	4 – 5	7 – 9
Credit Cards	12 – 17	18 – 20
Other Consumer	4 – 6	8 – 12
Other Loans	2 – 4	4 – 10

Structure of the Assessment

- Project resources to absorb losses.
- Pre-provision net revenue (PPNR)
 - revenue before provisions and other credit losses.
 - net interest income plus non-interest income minus non-interest expense.
- Loan loss reserve needs at end of horizon
 - adequate reserve coverage at year-end 2010, given expectations for 2011.
 - if reserve build is needed, a drain on resources.

SCAP Process

- BHC projections subjected to extensive review by supervisors, analysts, and economists.
 - Teams with specialists in accounting, regulatory capital, risk management, asset pricing.
 - Insights from on-site supervisory teams.
 - Interagency participation, including FRS, FDIC, and OCC.
- Additional data requests for detailed information on loan and securities portfolio characteristics, revenue and expense sources, trading books, counterparty exposures, hedges, capital action.
- Independent benchmark models, including vendor models, existing supervisory models, and newly developed models.
- All reflected in final SCAP loss and resource projections, as well as capital need calculations.

Calculating the Capital Buffer

- Consistent with existing regulatory capital guidelines for BHCs, focus on both the level and the composition of capital.
- Calculate impact of losses on retained earnings.
 - After resources to absorb losses and loan loss reserve build/release.
 - Take account of tax effects and preferred dividends.
- Then follow through to impact on regulatory capital.
 - Tier 1 capital (common plus preferred).
 - Tier 1 common.
- Two capital “bogeys” determine any additional capital needs:
 - Tier 1 ratio to risk-weighted assets (RWA) of 6 percent.
 - Tier 1 common ratio to RWA of 4 percent.
- BHCs must have capital now sufficient to meet these bogeys after absorbing losses under the “more adverse” scenario.

Summary of the Results

**Table 2: Supervisory Capital Assessment Program
Aggregate Results for 19 Participating Bank Holding Companies for the More Adverse Scenario**

The estimates below represent a hypothetical 'what-if' scenario that involves an economic outcome that is more adverse than expected. These estimates are not forecasts of expected losses or revenues.

At December 31, 2008	\$ Billions	
Tier 1 Capital	836.7	
Tier 1 Common Capital	412.5	
Risk-Weighted Assets	7,814.8	
	More Adverse Scenario	
	\$ Billions	As % of Loans
Estimated for 2009 and 2010 for the More Adverse Scenario		
Total Estimated Losses (Before purchase accounting adjustments)	599.2	
First Lien Mortgages	102.3	8.8%
Second/Junior Lien Mortgages	83.2	13.8%
Commercial and Industrial Loans	60.1	6.1%
Commercial Real Estate Loans	53.0	8.5%
Credit Card Loans	82.4	22.5%
Securities (AFS and HTM)	35.2	-na-
Trading & Counterparty	99.3	-na-
Other (1)	83.7	-na-
 Memo: Purchase Accounting Adjustments	 64.3	
 Resources Other Than Capital to Absorb Losses in the More Adverse Scenario (2)	 362.9	
 SCAP Buffer Added for More Adverse Scenario (SCAP buffer is defined as additional Tier 1 Common/contingent Common)		
Indicated SCAP Buffer as of December 31, 2008	185.0	
Less: Capital Actions and Effects of Q1 2009 Results (3) (4)	110.4	
SCAP Buffer (5)	74.6	

(1) Includes other consumer and non-consumer loans and miscellaneous commitments and obligations

(2) Resources to absorb losses include pre-provision net revenue less the change in the allowance for loan and lease losses

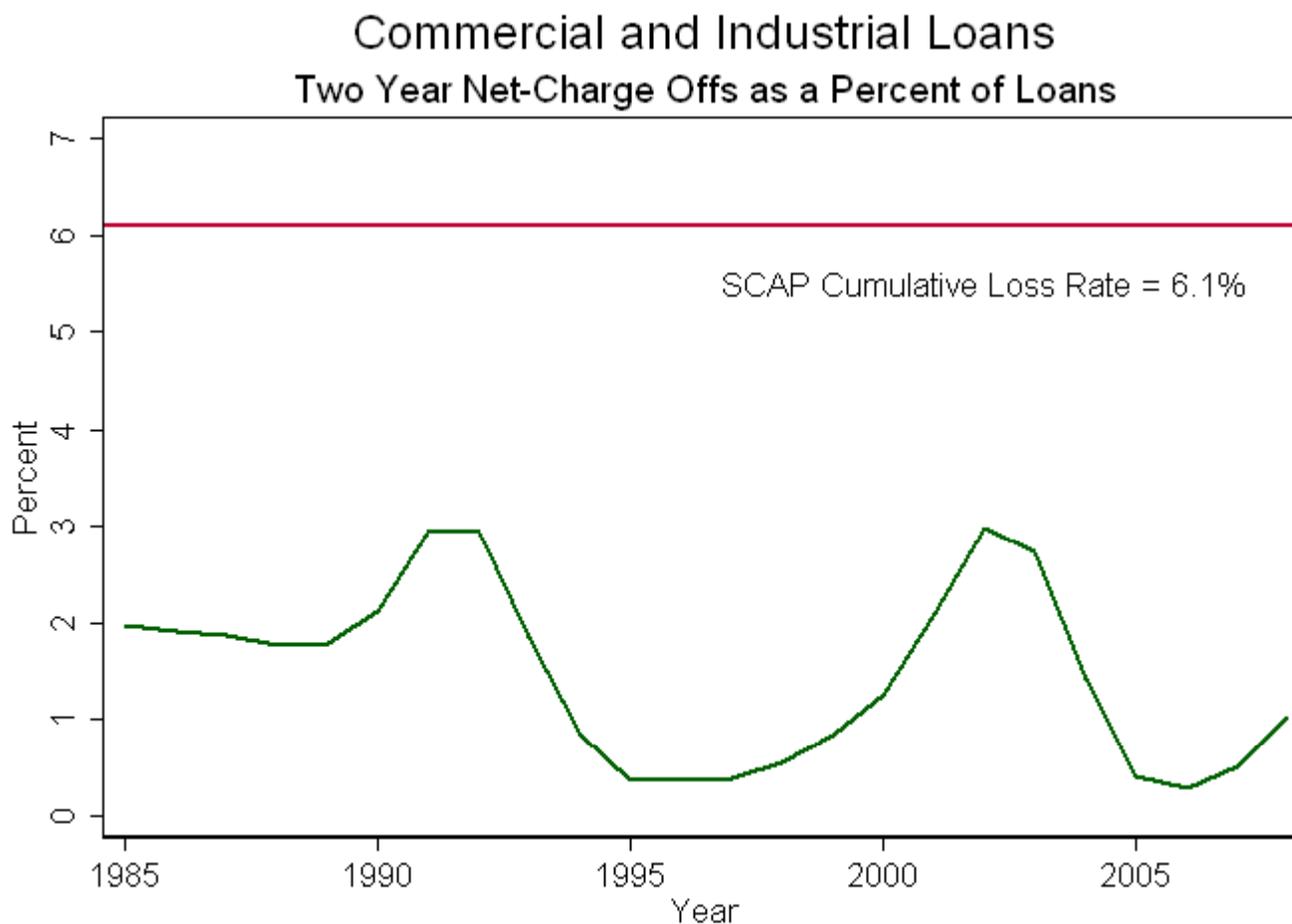
(3) Capital actions include completed or contracted transactions since Q4 2008

(4) Total includes only capital actions and effects of Q1 2009 results for firms that need to establish a SCAP buffer

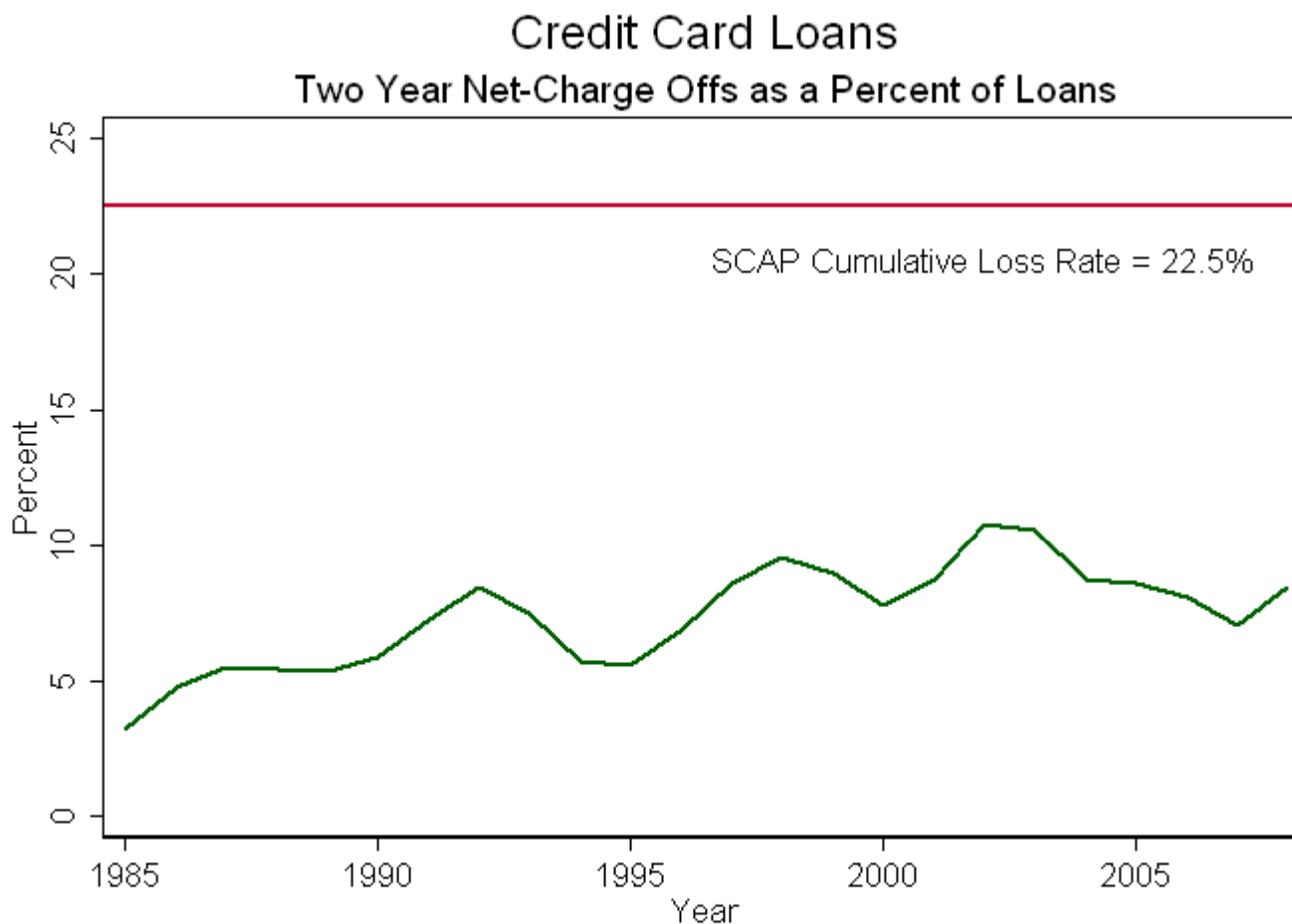
(5) There may be a need to establish an additional Tier 1 capital buffer, but this would be satisfied by the additional Tier 1 Common capital buffer unless otherwise specified for a particular BHC

Note: Numbers may not sum due to rounding

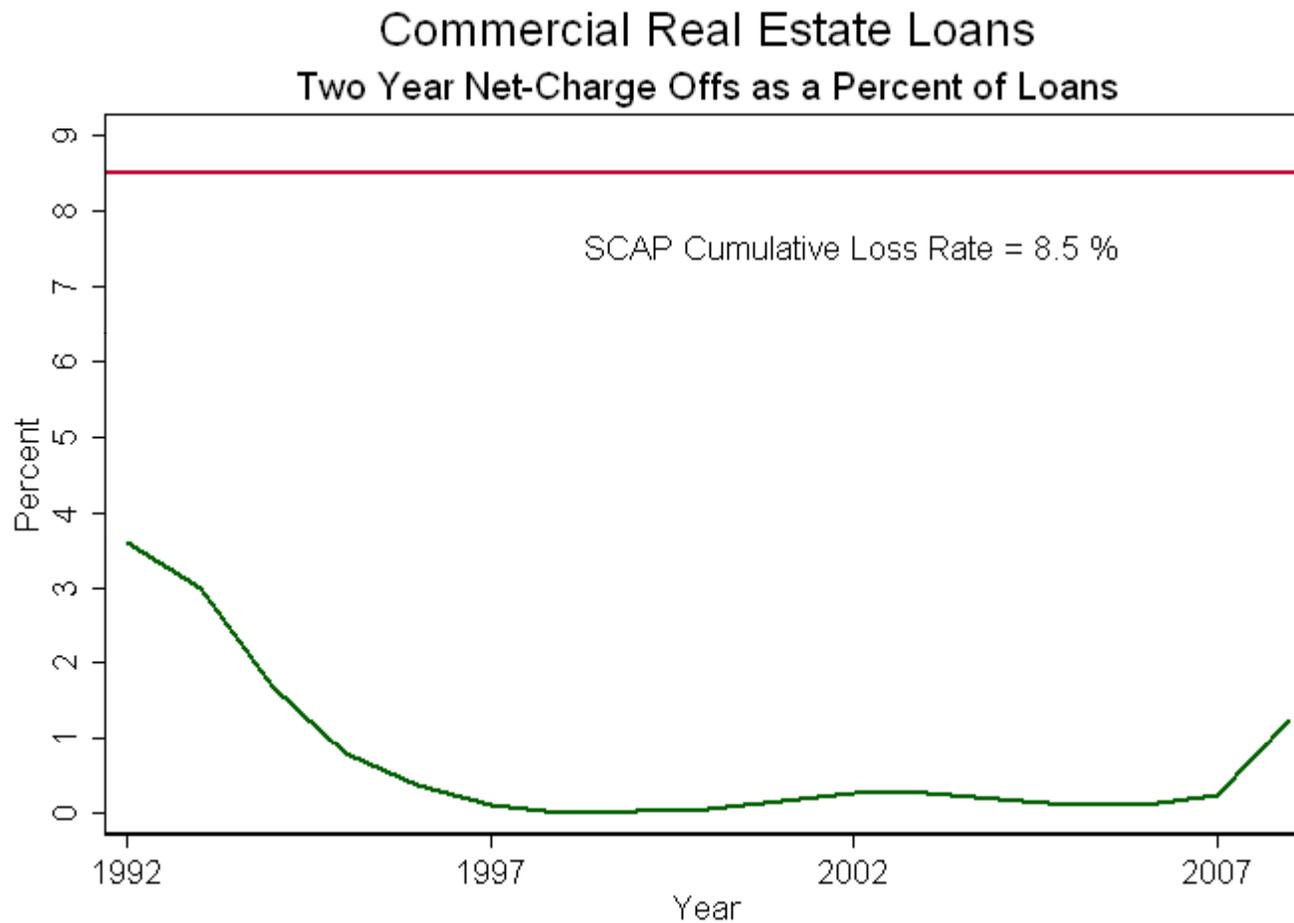
Comparison of SCAP Loss Rates to Historical: C&I Loans



Comparison of SCAP Loss Rates to Historical: Credit Cards



Comparison of SCAP Loss Rates to Historical: Commercial Real Estate



Estimated Macro Effects of ARRA

Effect on Level of Real GDP

		2009	2010	2011
Congressional Budget Office	Low	1.40	1.10	0.40
	High	3.80	3.30	1.30
MacroAdvisers		1.75	2.25	1.50
Survey of Professional Forecasters		0.90	2.00	2.40

Forecast Growth Rate of Real GDP (year-over-year)

MacroAdvisers		-1.60	3.20	4.60
Survey of Professional Forecasters		-2.00	2.20	n/a

Forecast Growth Rate w/o Stimulus

MacroAdvisers		-3.40	2.70	5.50
Survey of Professional Forecasters		-2.90	1.10	n/a

Source: CBO, MA, Philadelphia Fed, and author's calculations

Economic Advisory Panel Meeting

May 15, 2009

Agenda:

Overview of Forecast and Risks
(Simon Potter)

“Stress Test”
(Bev Hirtle, Arthur Angulo and Kevin Stiroh)

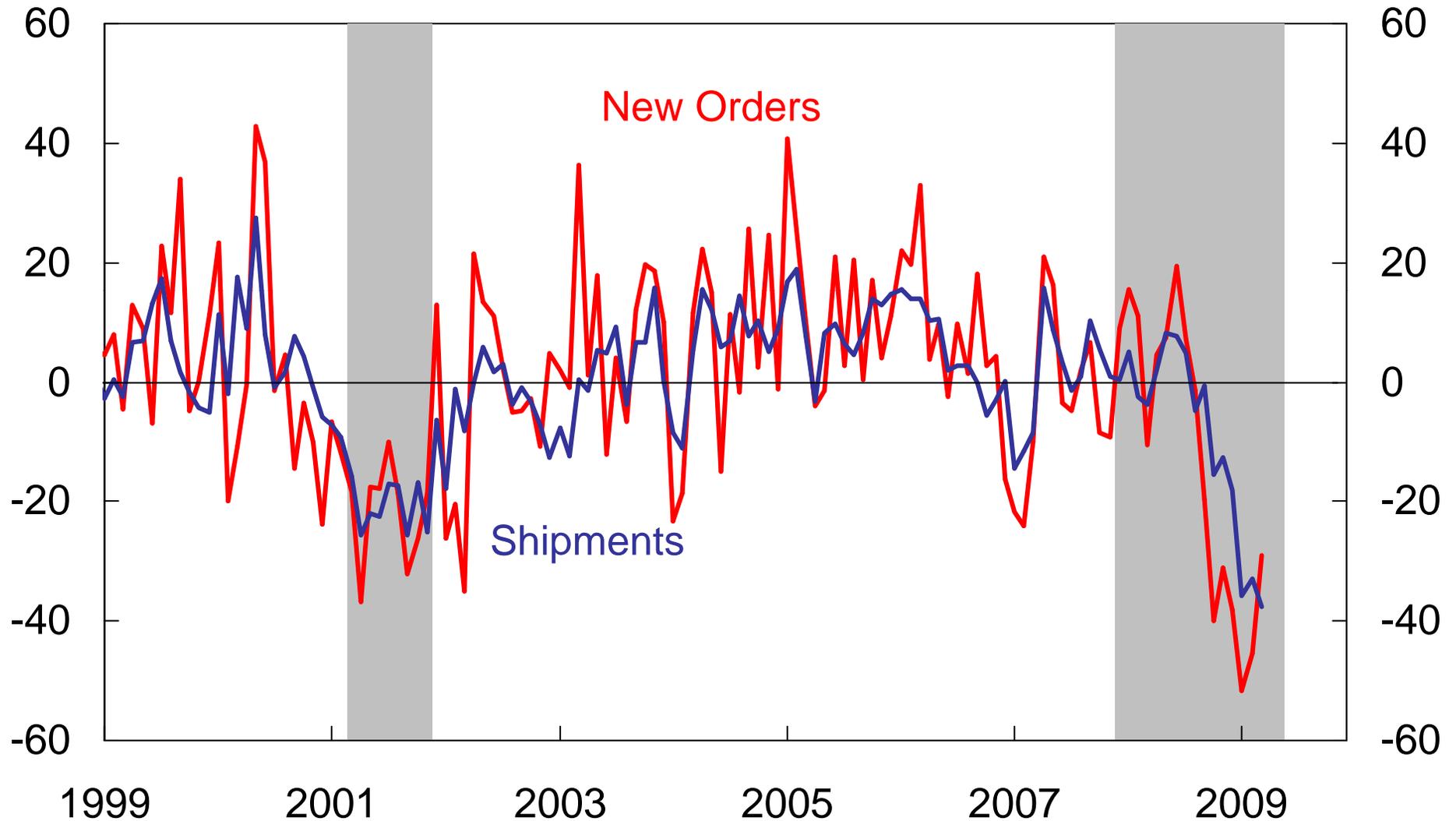
Go-round on Economic Policy



Nondefense Capital Goods Excluding Aircraft

% Change - 3 months (AR)

% Change - 3 months (AR)



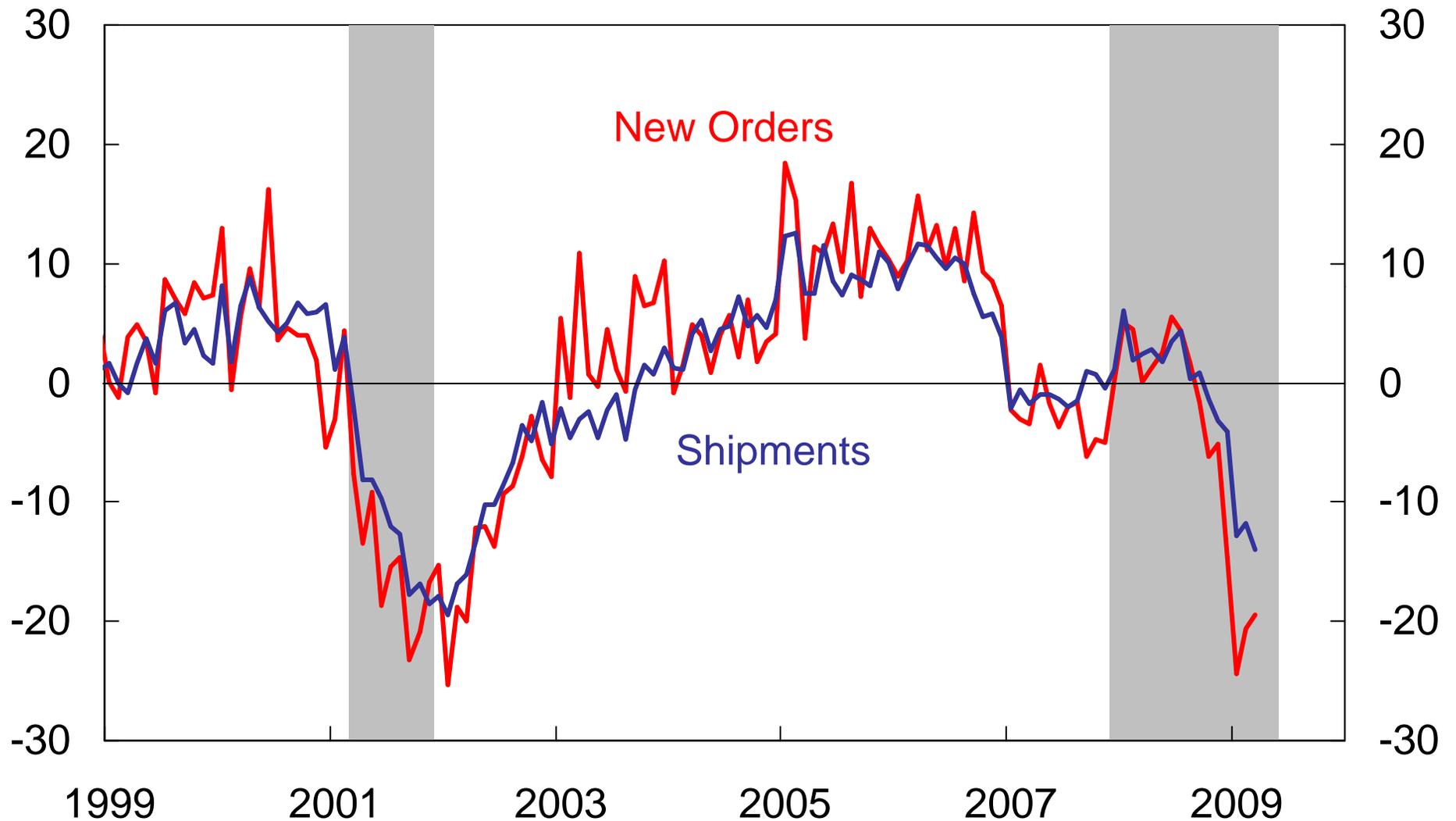
Source: Census Bureau



Nondefense Capital Goods Excluding Aircraft

% Change - Year to Year

% Change - Year to Year



Source: Census Bureau



Manufacturers' New Orders

(current dollars)
(percent change at annual rate)

	24 Month	12 Month	6 Month	3 Month	1 Month
Total	-9.6	-21.6	-35.3	-14.2	-10.3
Durable Goods	-14.1	-25.6	-39.3	-25.5	-9.5
Primary Metals	-21.1	-43.4	-62.2	-40.8	-35.1
Fabricated Metals	-7.0	-18.8	-29.7	-25.7	4.7
Machinery	-12.9	-29.2	-50.3	-33.5	-33.8
Computers and Electronic Products	-2.2	-10.9	-15.1	0.1	7.6
Computers	-2.2	-10.9	-15.1	0.1	7.6
Nondefense Communications	-6.9	-20.6	-22.3	-38.0	63.0
Electrical Equipment	-12.6	-10.6	-33.7	-35.4	19.3
Transportation Equipment	-25.0	-37.7	-52.1	-37.0	-13.8
Motor Vehicle Bodies, Parts, and Trailers	-18.6	-24.3	-25.3	-9.7	-17.1
Nondefense Aircrafts and Parts	-53.8	-75.2	-83.8	1289.0	99.4
Furniture	-11.4	-17.8	-18.7	-2.8	21.2
Nondurable Goods	-5.0	-17.7	-31.5	-2.6	-11.1
Topical Series					
Construction Materials and Supplies	-8.7	-14.7	-25.6	-5.9	-32.4
Information Technology Equipment	-2.7	-9.7	-16.3	-6.1	-1.2
Capital Goods	-15.4	-28.6	-44.3	-34.2	-17.7
Nondefense Capital Goods	-18.6	-31.9	-42.9	-18.1	9.8
Nondefense Capital Goods Ex. Aircraft	-10.2	-19.4	-33.7	-29.1	5.1
Defense Capital Goods	19.2	1.6	-51.7	-78.5	-83.7
Consumer Goods	-7.6	-20.6	-33.8	-4.9	-1.1
Durable Consumer Goods	-19.3	-26.5	-36.9	-30.6	3.4
Nondurable Consumer Goods	-4.7	-19.4	-33.2	1.3	-2.0

Source: Census Bureau

Note: Data through March 2009.



Manufacturers' Shipments

(current dollars)

(percent change at annual rate)

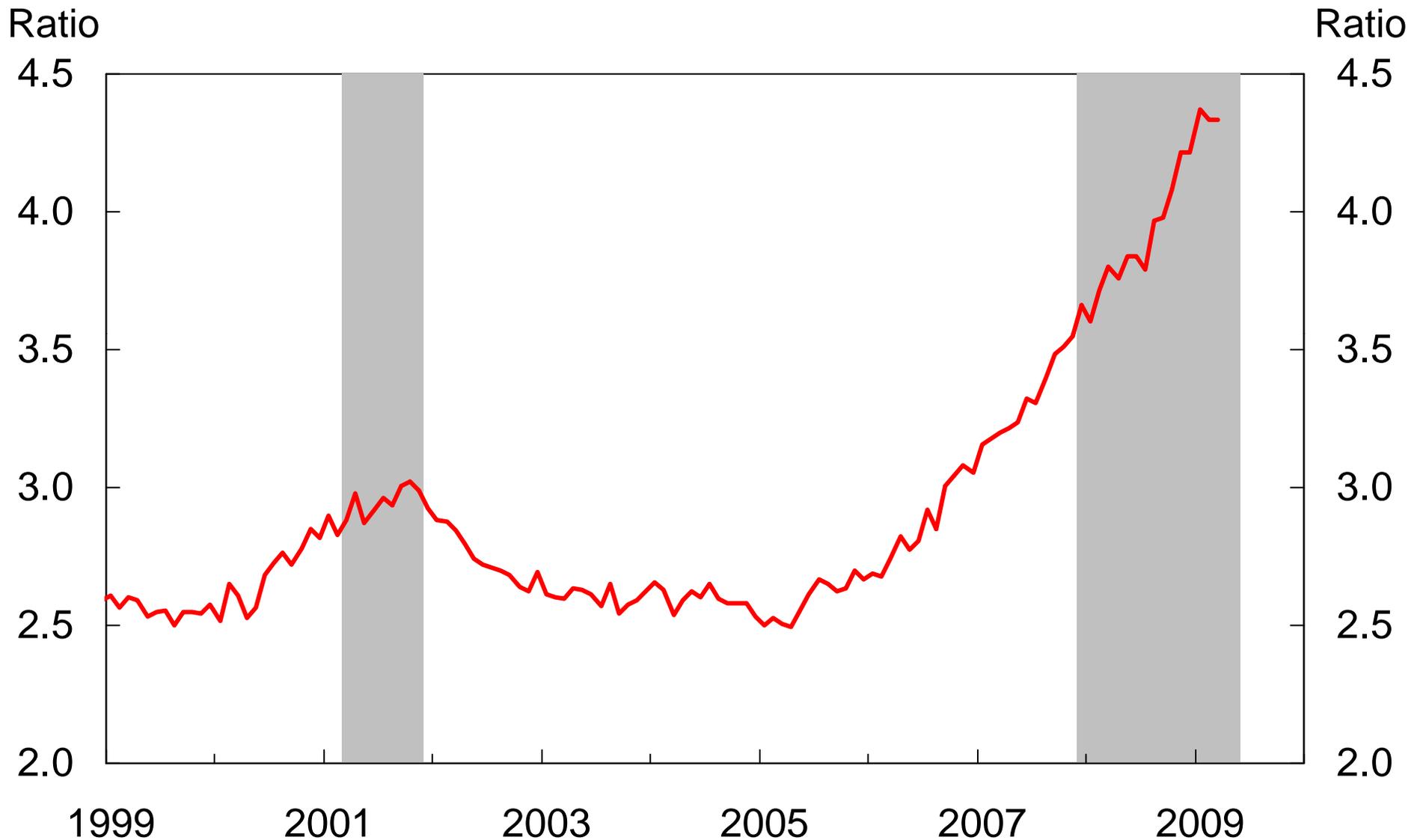
	24 Month	12 Month	6 Month	3 Month	1 Month
Total	-7.2	-17.1	-30.4	-16.0	-13.9
Durable Goods	-9.2	-16.5	-29.3	-27.7	-16.8
Primary Metals	-17.9	-37.7	-64.3	-55.0	-53.3
Fabricated Metals	-4.0	-8.7	-20.2	-16.3	-4.5
Machinery	-5.9	-18.0	-37.5	-51.9	-31.6
Computers and Electronic Products	-7.0	-13.1	-19.9	-29.8	-20.3
Computers	-11.8	-22.9	-11.1	8.4	-54.4
Nondefense Communications	-11.5	-21.9	-34.1	-45.0	-3.0
Electrical Equipment	-10.4	-19.2	-34.5	-35.1	-26.3
Transportation Equipment	-12.3	-15.8	-21.7	-11.1	11.9
Automobiles	-26.5	-35.6	-58.6	-60.0	-43.8
Light Trucks	-29.2	-37.1	-42.7	-39.5	10.9
Heavy Trucks	-22.9	-26.4	-36.1	-60.3	-40.5
Nondefense Aircrafts and Parts	-0.8	1.8	9.5	-1.5	20.3
Furniture	-12.9	-18.2	-29.8	-21.8	-25.4
Nondurable Goods	-5.0	-17.7	-31.5	-2.6	-11.1
Topical Series					
Construction Materials and Supplies	-7.6	-12.2	-23.3	-14.1	-29.8
Information Technology Equipment	-4.8	-9.9	-17.1	-12.2	-21.0
Capital Goods	-3.4	-9.6	-21.2	-25.1	-11.9
Nondefense Capital Goods	-5.8	-12.9	-26.0	-35.5	-9.9
Nondef. Capital Goods Ex. Aircrafts	-6.2	-14.0	-28.5	-37.6	-18.6
Defense Capital Goods	15.7	15.9	18.8	102.7	-22.7
Consumer Goods	-7.7	-20.7	-34.0	-5.1	-5.5
Durable Consumer Goods	-19.6	-26.8	-37.6	-31.7	-21.7
Nondurable Consumer Goods	-4.7	-19.4	-33.2	1.3	-2.0

Source: Census Bureau

Note: Data through March 2009.



Unfilled Orders/Shipments: Durable Goods



Source: Census Bureau



Auto Sales

Light-Weight Vehicle Sales, Production, and Inventories
(millions of units, SAAR)

	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2
Sales					
Total*	14.2	12.9	10.3	9.5	9.3
Retail Auto*	7.6	6.6	5.2	4.8	4.8
Domestic*	4.9	4.3	3.5	3.0	3.1
Imported*	2.7	2.3	1.8	1.8	1.7
Light Truck*	6.6	6.3	5.1	4.7	4.5
Domestic*	5.3	5.2	4.1	3.7	3.7
Imported*	1.2	1.1	1.0	1.1	0.8
Total Domestic*	10.2	9.6	7.6	6.7	6.8
Domestic Auto Inventories (units)**	871.4	1050.6	1250.2	1053.3	#N/A
Domestic Auto I-S Ratio (level)**	2.1	2.7	4.1	4.4	#N/A
I P: Autos and Light Trucks (Index, 2002=100)**	80.8	79.6	67.1	43.1	#N/A
Domestic Light Vehicle Production (units)**	8.6	8.6	7.2	4.4	#N/A
North American Light Vehicle Production (units)**	13.1	13.0	10.8	6.7	#N/A

*Based on data through April 2009.

Source: Bureau of Economic Analysis, Autodata Corporation

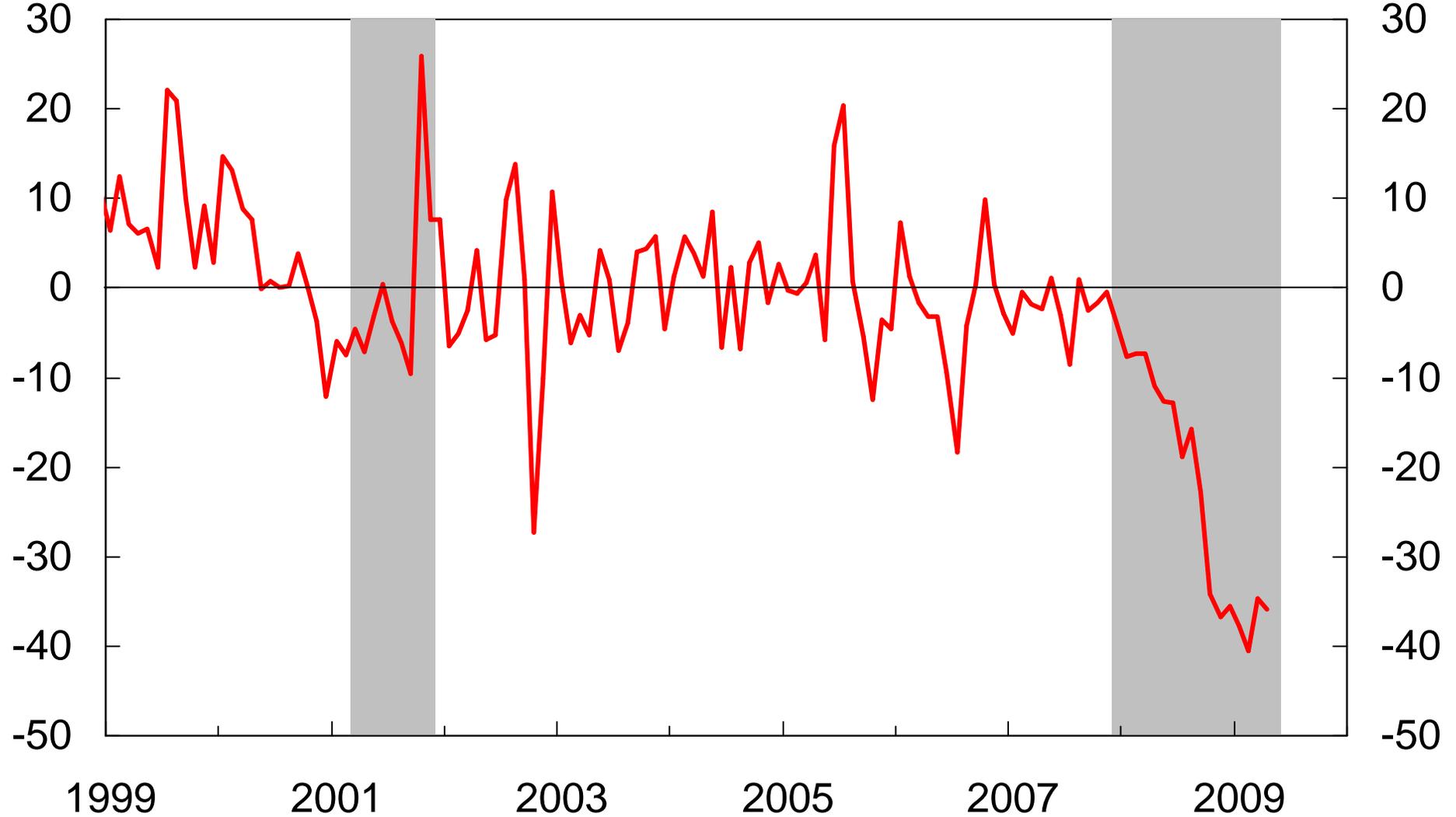
**Based on data through March 2009.



Auto Sales

% Change - Year to Year

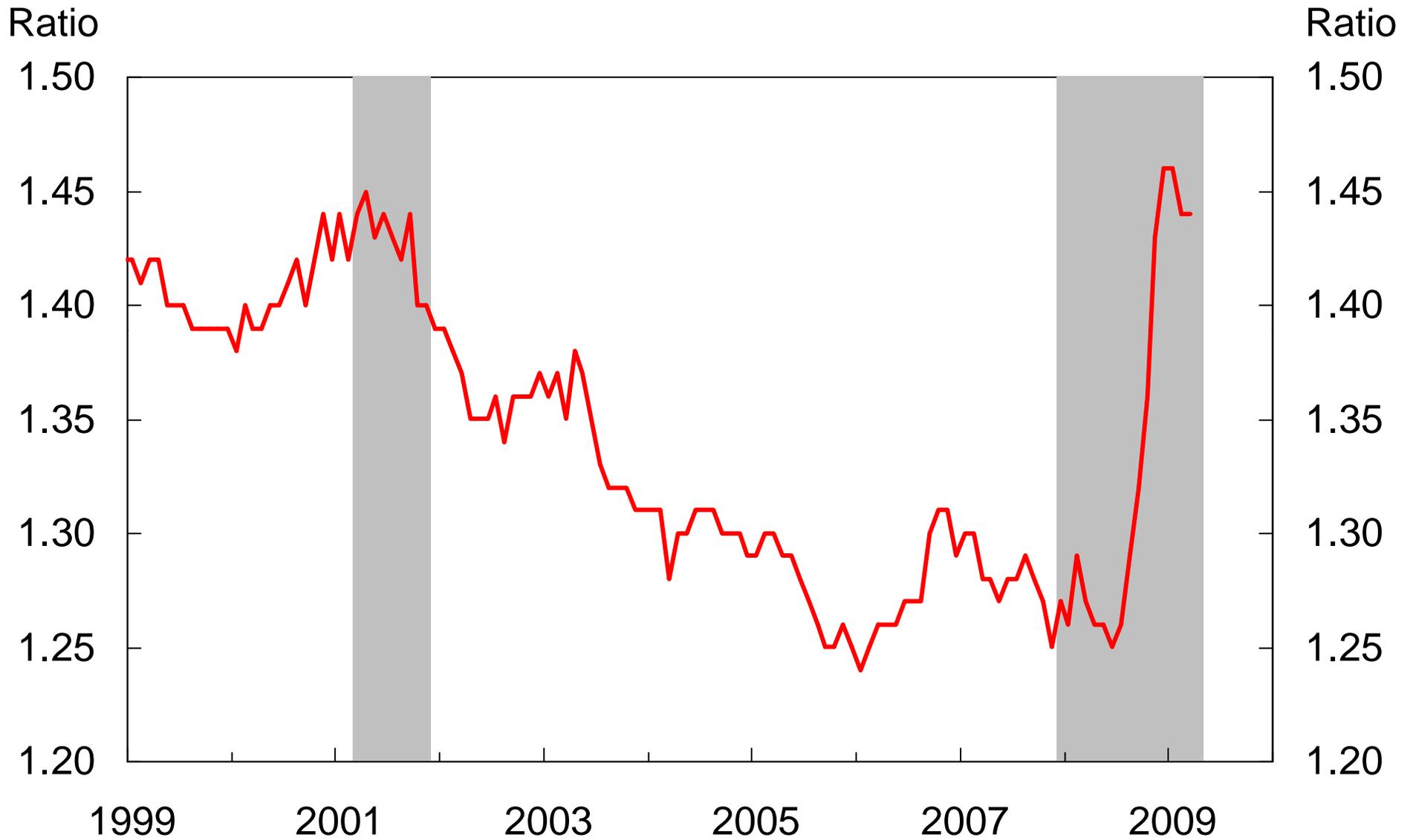
% Change - Year to Year



Source: Autodata Corporation



Inventory / Sales: Total Business



Source: Census Bureau



Consumer Price Index

(percent change at annual rate)

	Weights (December 2008)		24 Month	12 Month	6 Month	3 Month	1 Month
	Total	Core					
Consumer Price Index	100.00		1.6	-0.6	-3.9	0.9	-0.2
Energy	7.63		-6.5	-24.5	-43.8	-8.5	-25.1
All Items Ex. Energy			2.4	2.1	1.4	1.8	2.2
Food	14.63		4.2	3.3	-0.3	-1.7	-2.2
Food Away From Home (NSA)	6.47		4.3	4.6	3.3	2.9	3.8
All Items Ex. Food and Energy	77.75	100.00	2.1	1.9	1.7	2.5	3.1
Core Chain-Weight CPI (NSA)			1.7	1.4	1.4	4.3	2.3
Core Goods	21.46	27.60	0.5	0.9	2.2	5.4	6.0
Apparel	3.69	4.75	0.1	0.9	1.2	3.5	-2.1
Medical Care Commodities	1.63	2.10	2.7	2.4	4.9	4.7	3.6
Durable Goods	10.51	13.52	-1.6	-2.0	-1.2	1.3	2.2
New Vehicles	4.48	5.76	-0.8	-0.2	2.8	7.6	5.1
Used Vehicles	1.63	2.10	-5.0	-11.4	-11.8	-12.9	-0.9
Core Services	56.29	72.40	2.7	2.3	1.5	1.4	2.0
Rent of Primary Residence	5.96	7.67	3.4	3.1	2.5	1.9	2.1
Owners' Equivalent Rent	24.43	31.42	2.3	2.1	2.2	2.0	1.7
Lodging Away from Home	2.48	3.19	-2.4	-5.9	-11.8	-13.9	6.2
Medical Care Services	4.77	6.14	4.0	3.3	3.4	3.3	4.8
Transportation Services	5.57	7.16	3.5	3.6	1.3	2.5	3.9
Other Services	11.00	14.15	3.2	3.0	2.1	2.0	-0.9
All Items Ex. Food, Energy, and Tobacco			1.9	1.6	1.2	1.6	1.8

Source: Bureau of Labor Statistics

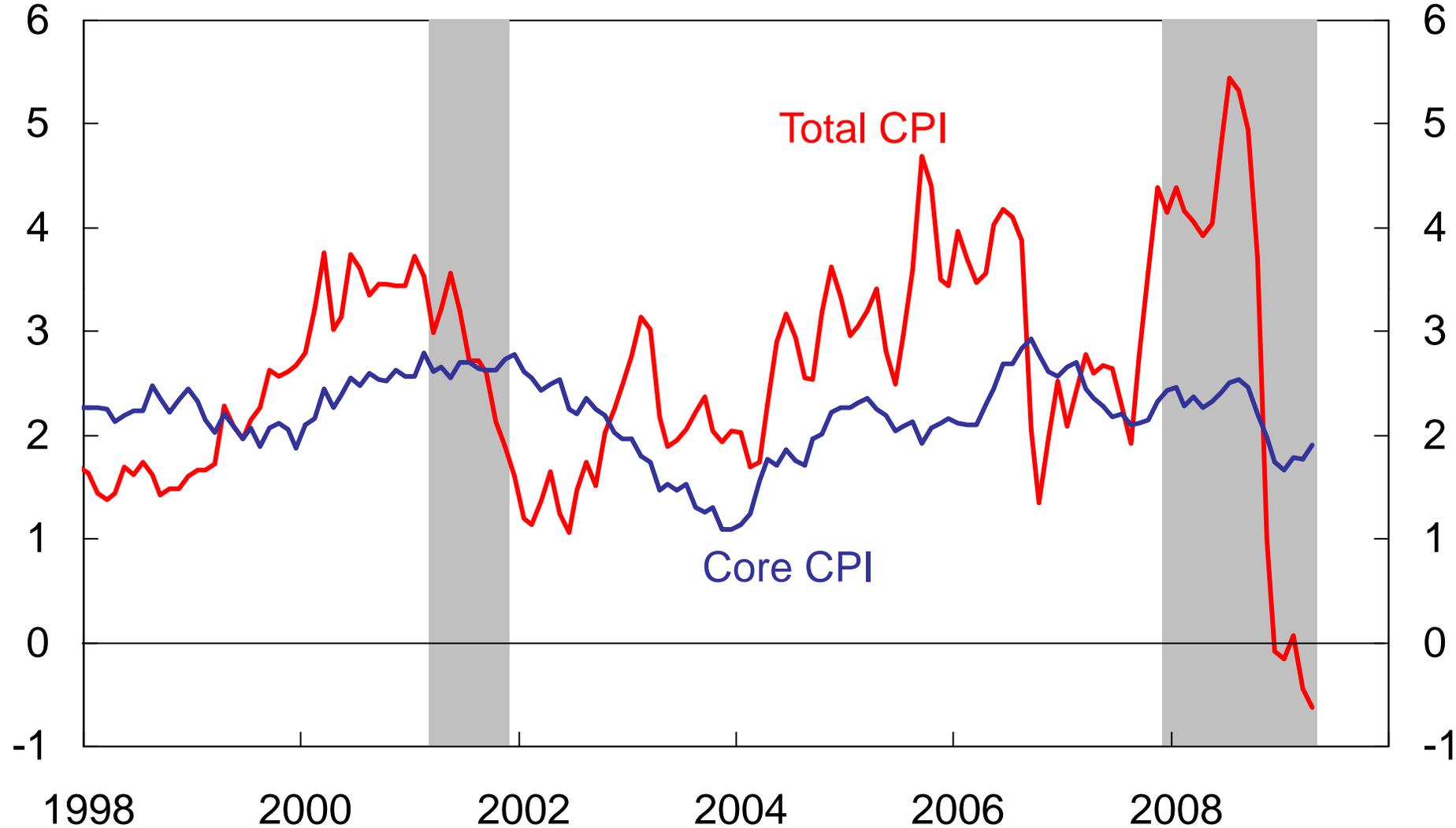
Note: Data through April 2009.



Total and Core CPI

% Change - Year to Year

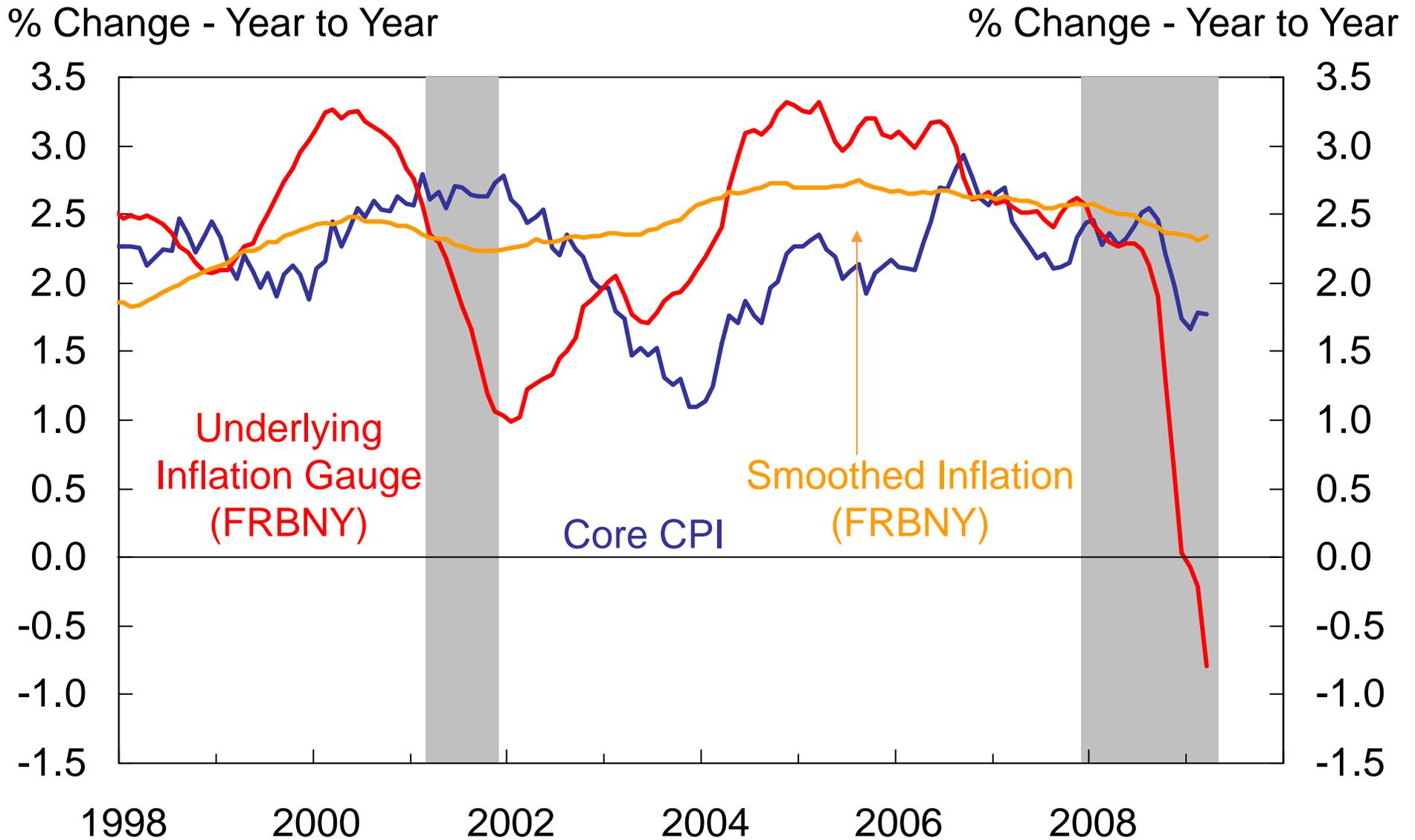
% Change - Year to Year



Source: Bureau of Labor Statistics



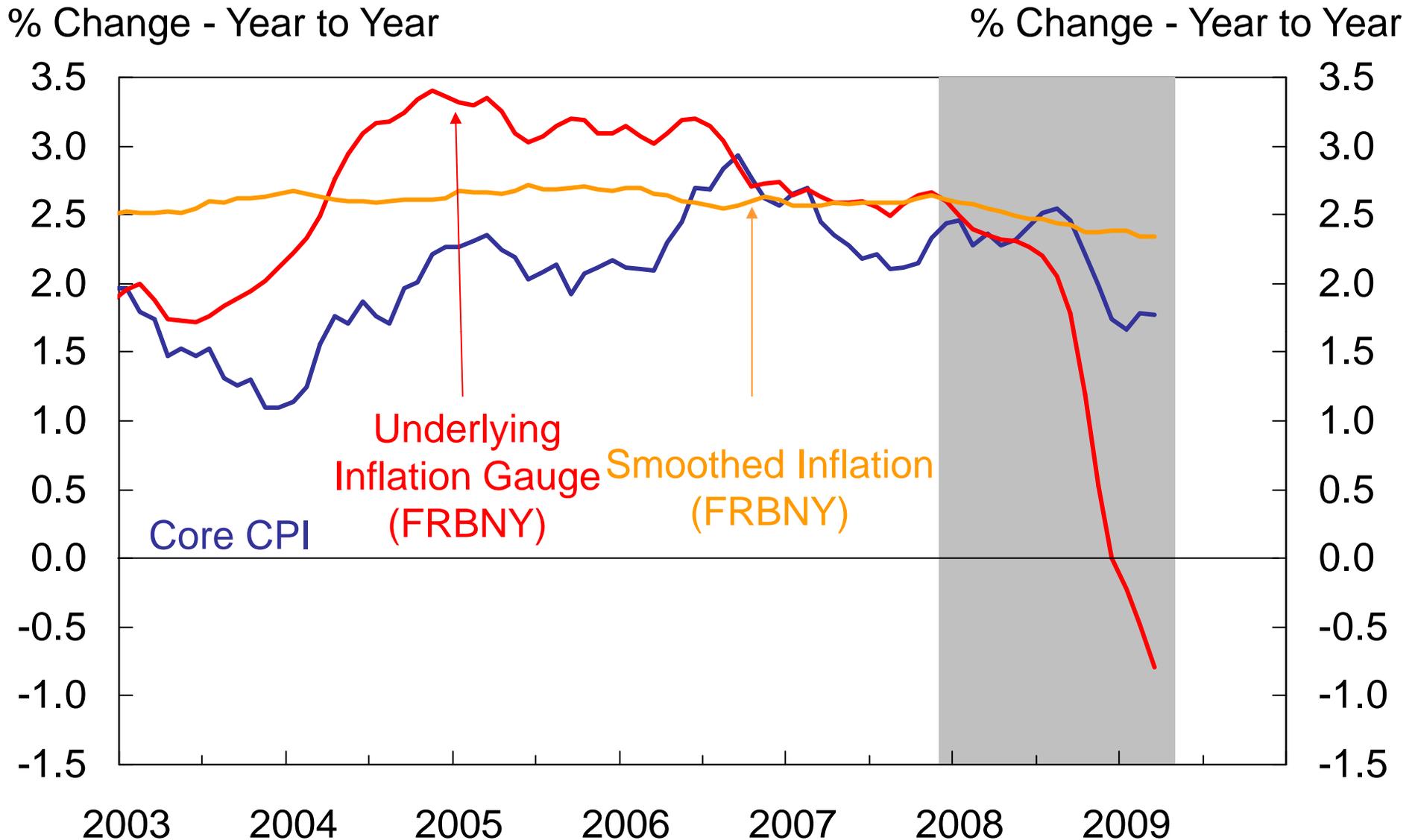
Measures of CPI Inflation Since 1998



Source: Bureau of Labor Statistics and FRBNY



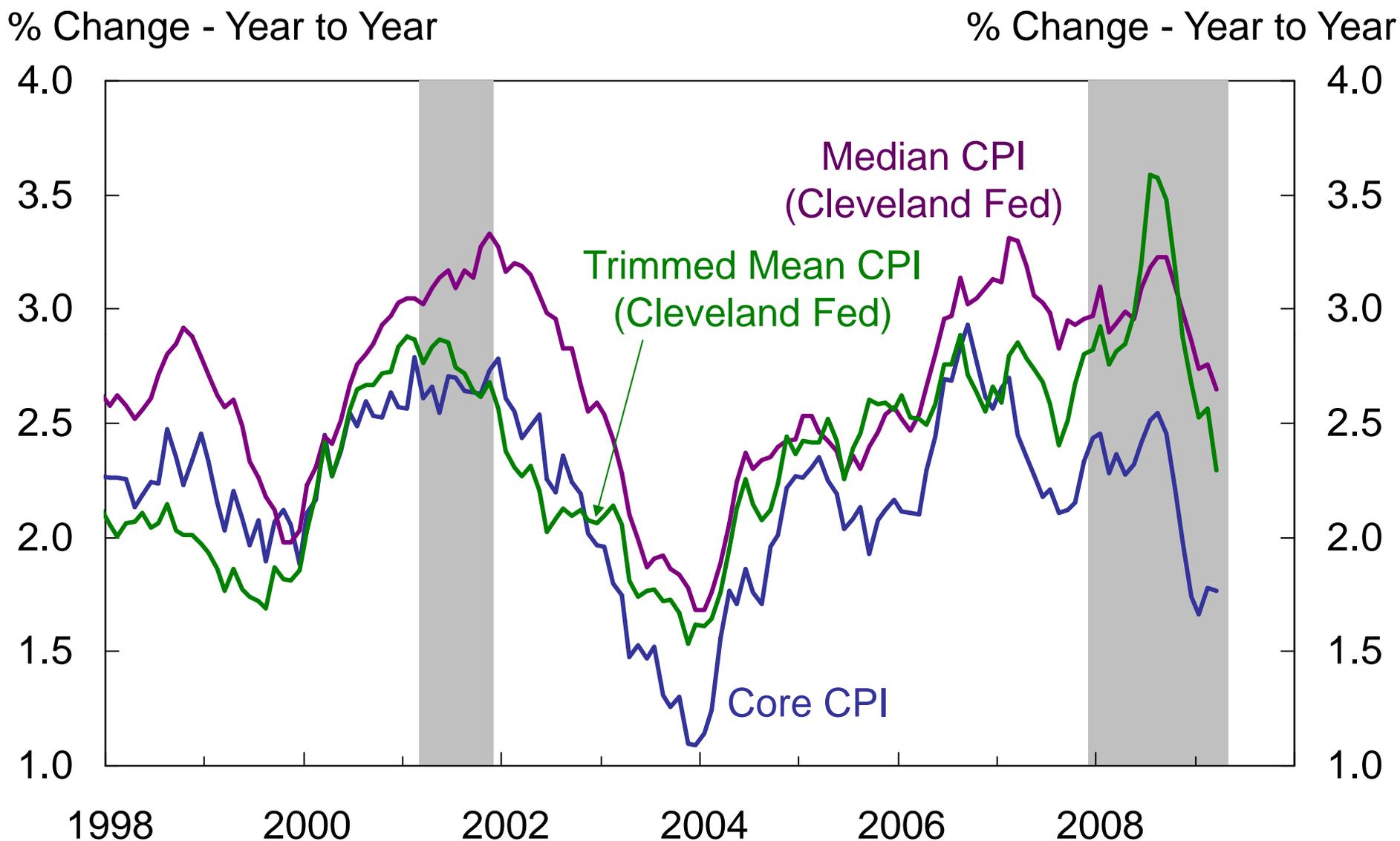
Measures of CPI Inflation Since 2003



Source: Bureau of Labor Statistics and FRBNY



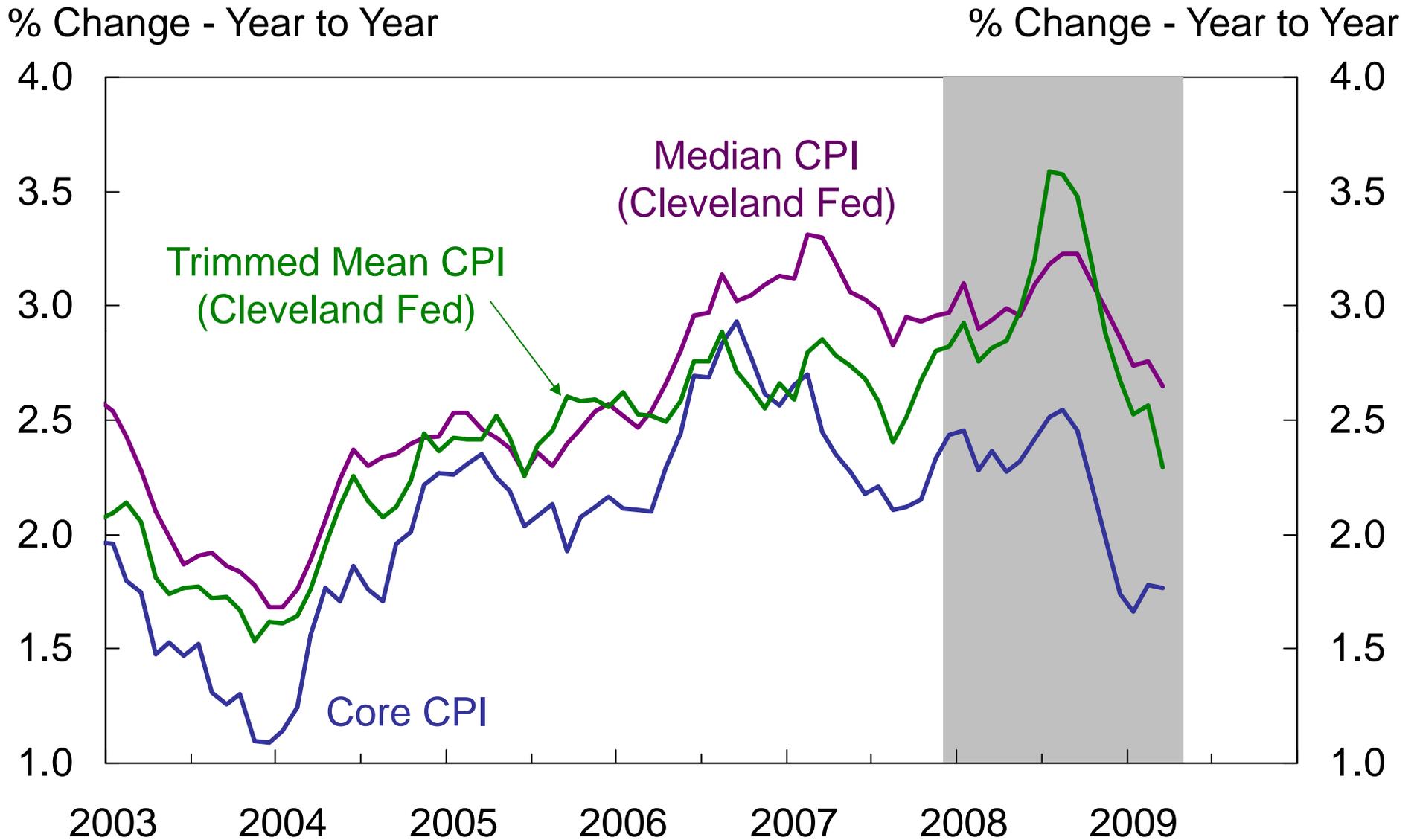
Measures of CPI Inflation Since 1998



Source: Bureau of Labor Statistics and Cleveland Fed



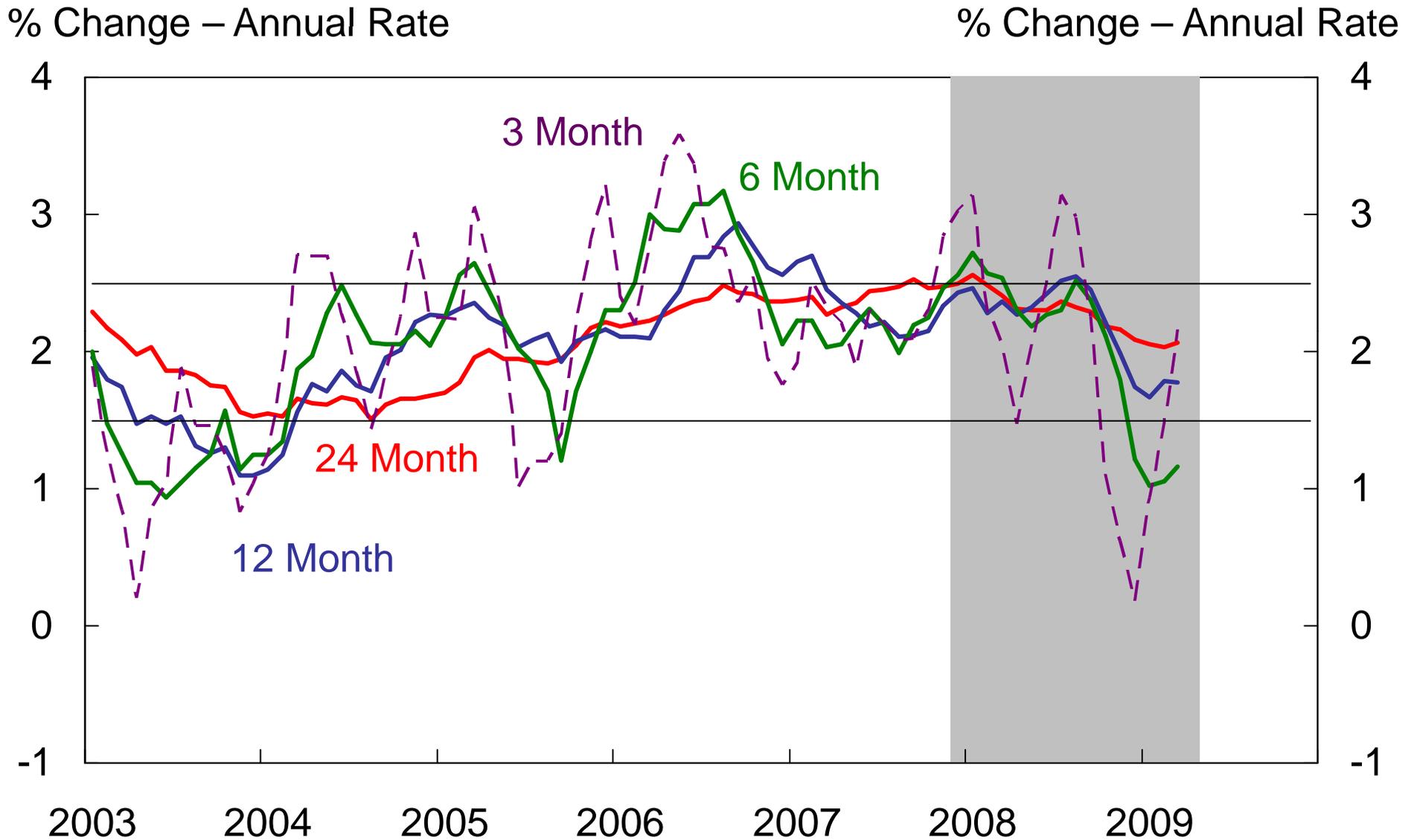
Measures of CPI Inflation Since 2003



Source: Bureau of Labor Statistics and Cleveland Fed



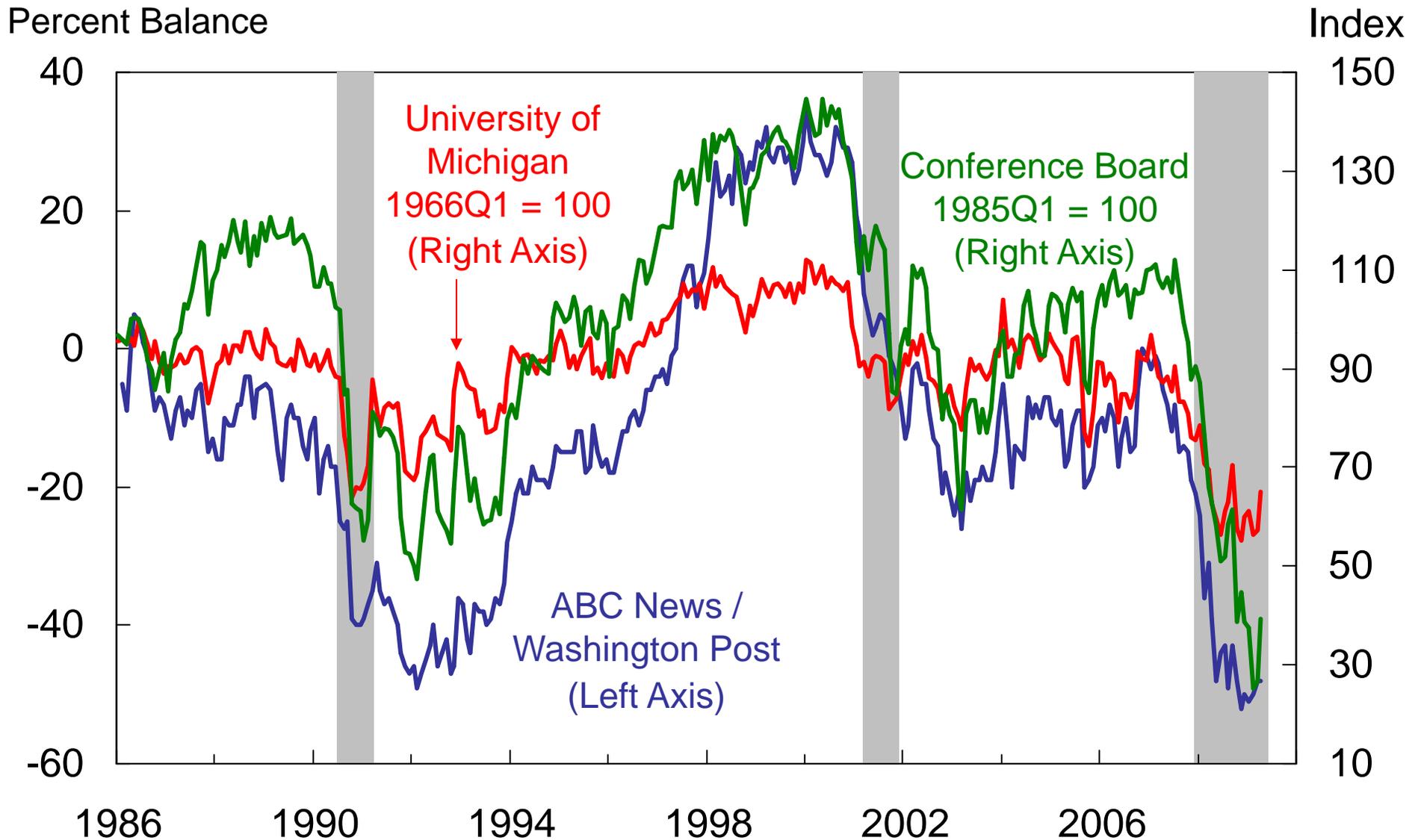
Core CPI Inflation over Various Horizons



Source: Bureau of Labor Statistics



Consumer Confidence/Sentiment Indices



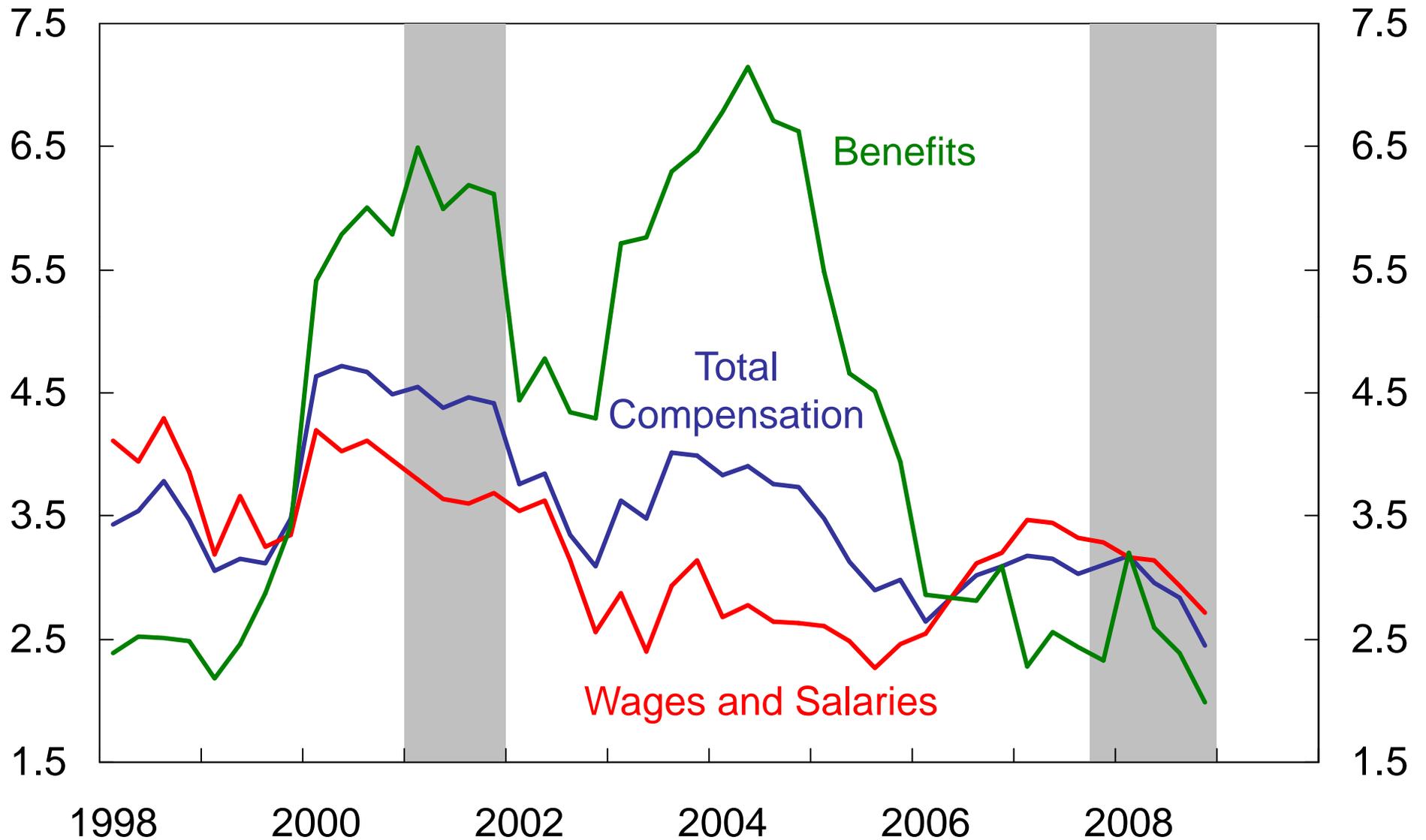
Source: University of Michigan, ABC News, Washington Post, and the Conference Board



Employment Cost Index: Private Industry Workers

% Change - Year to Year

% Change - Year to Year



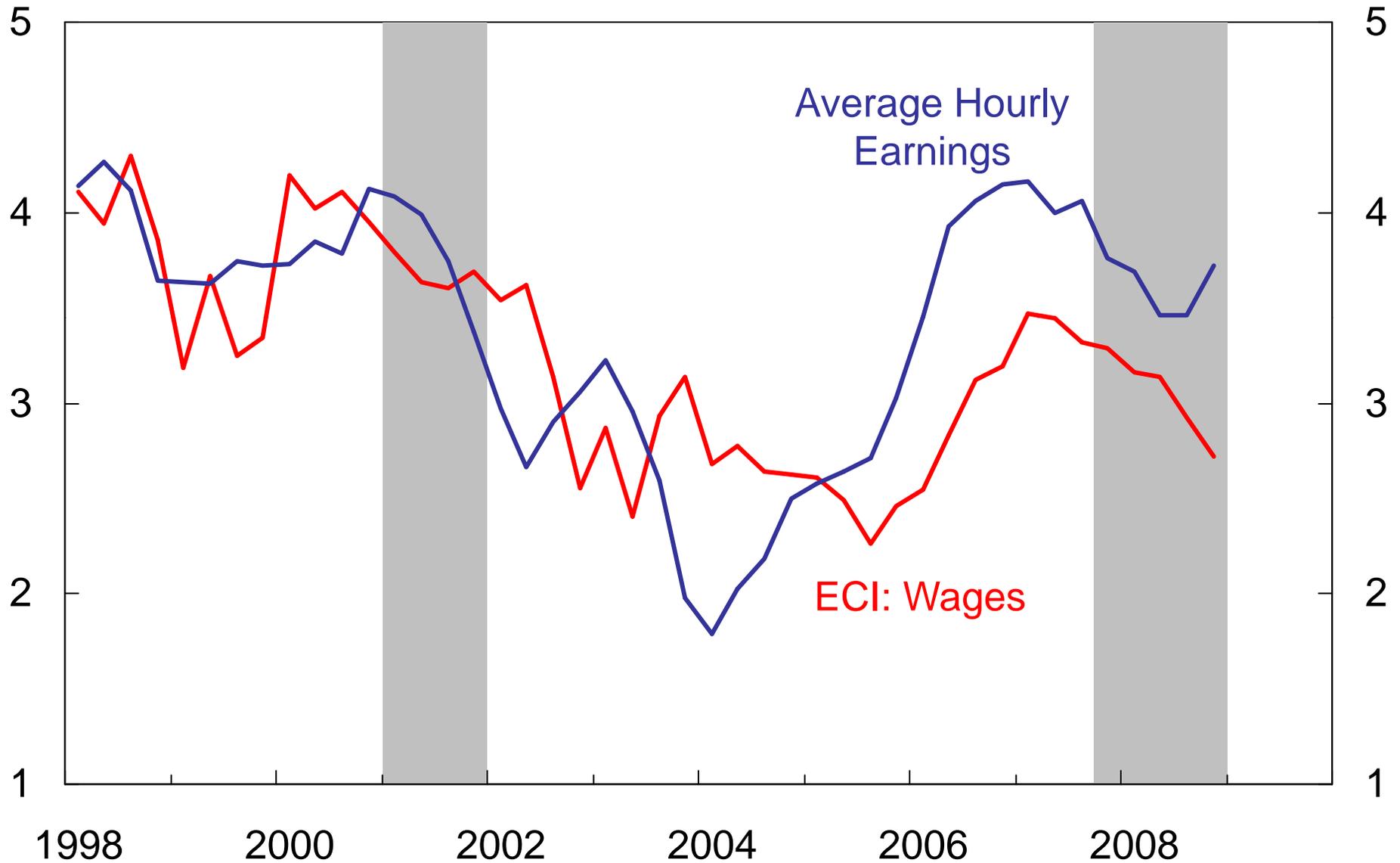
Source: Bureau of Labor Statistics



Wages and Earnings: Total Private Industries

% Change - Year to Year

% Change - Year to Year



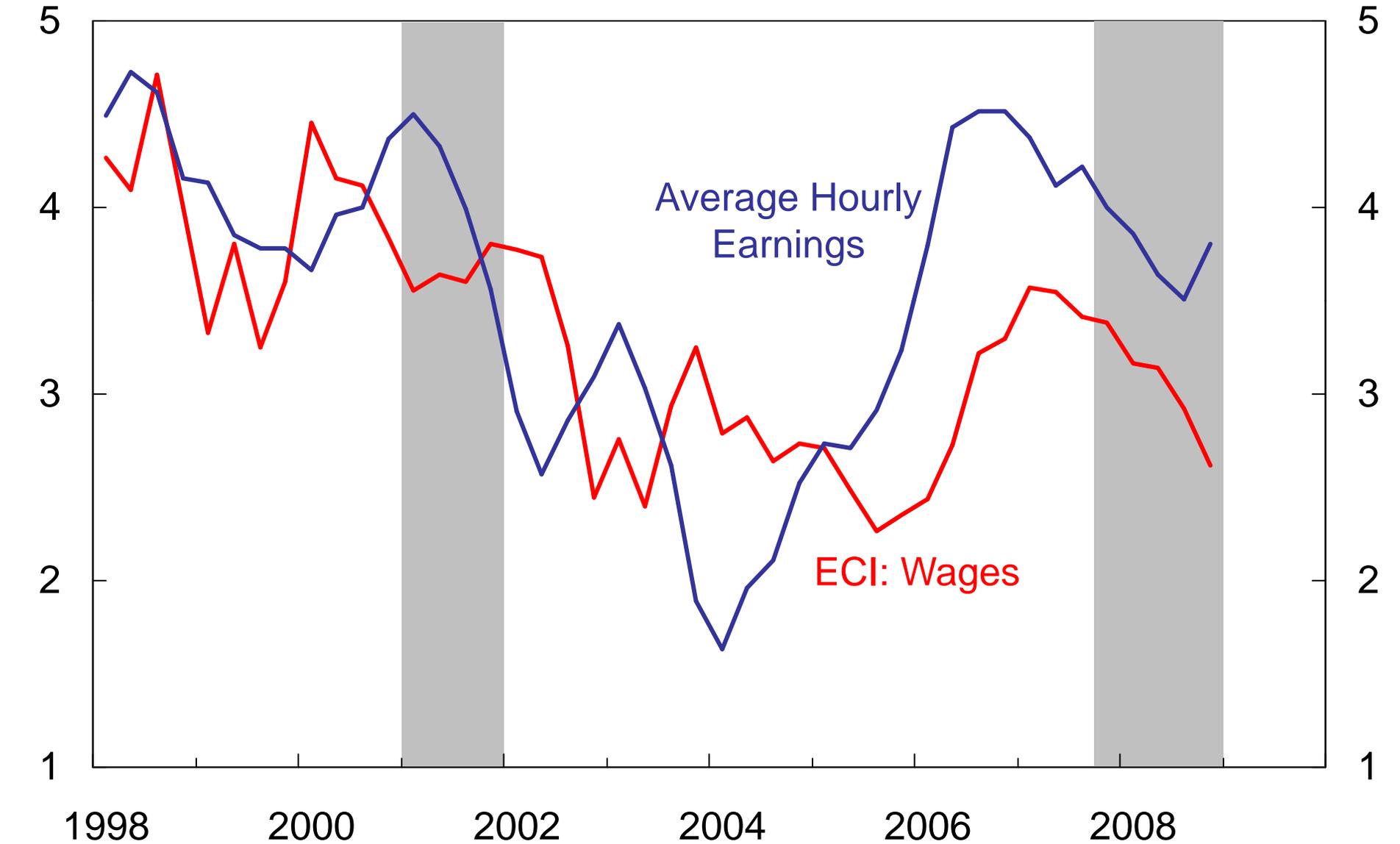
Source: Bureau of Labor Statistics



Wages and Earnings: Service-Providing Industries

% Change - Year to Year

% Change - Year to Year



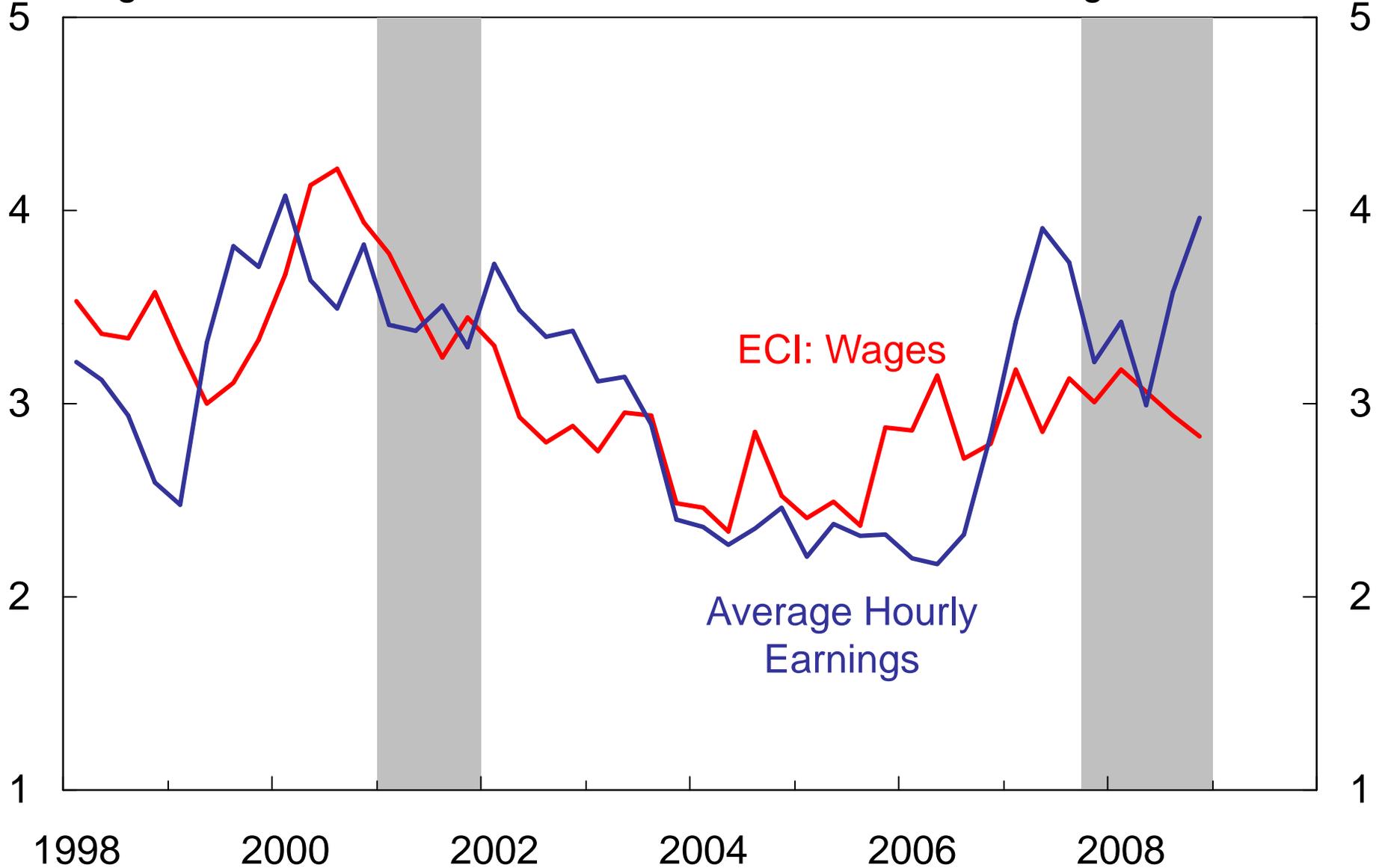
Source: Bureau of Labor Statistics



Wages and Earnings: Goods-Producing Industries

% Change - Year to Year

% Change - Year to Year



Source: Bureau of Labor Statistics



Nonfarm Payroll Employment

Annualized Growth of Nonfarm Payroll Employment
(percent change at an annual rate)

	24 Month	12 Month	6 Month	3 Month	1 Month
Total	-1.3	-3.0	-4.7	-5.7	-5.7
Private	-1.7	-3.7	-5.7	-6.9	-6.9
Goods-Producing	-5.7	-9.2	-13.3	-16.8	-15.3
Construction	-6.9	-11.1	-14.9	-17.2	-17.1
Manufacturing	-5.6	-8.9	-13.1	-17.3	-14.8
Durables	-6.6	-10.7	-15.7	-21.0	-18.4
Nondurables	-3.8	-5.8	-8.6	-10.7	-8.7
Private Service Providing	-0.8	-2.5	-3.9	-4.6	-4.9
Wholesale Trade	-1.7	-4.0	-5.7	-7.1	-7.4
Retail Trade	-1.7	-3.6	-4.8	-4.3	-3.1
Transportation and Warehousing	-2.6	-5.5	-8.8	-10.6	-12.7
Utilities	1.9	2.4	3.8	4.3	2.3
Information	-2.1	-3.9	-5.5	-7.7	-6.0
Financial Activities	-2.7	-3.6	-5.5	-6.3	-6.4
Professional and Business Services	-2.4	-5.4	-7.6	-9.8	-11.8
Temporary Help Services	-15.4	-24.7	-32.0	-36.8	-38.2
Education and Health Services	2.8	2.6	2.1	2.2	1.6
Leisure and Hospitality	-0.4	-2.1	-3.1	-3.0	-2.9
Food and Drinking Places	0.1	-1.1	-2.2	-1.9	-1.7
Other Services	-0.2	-1.5	-2.8	-4.1	-3.0
Government	1.0	0.7	0.1	0.5	0.5
Federal Government	1.1	1.7	1.9	1.6	0.0
State Government	0.7	0.7	-0.5	-0.5	-0.7
Local Government	1.1	0.5	0.1	0.7	1.0

Source: Bureau of Labor Statistics

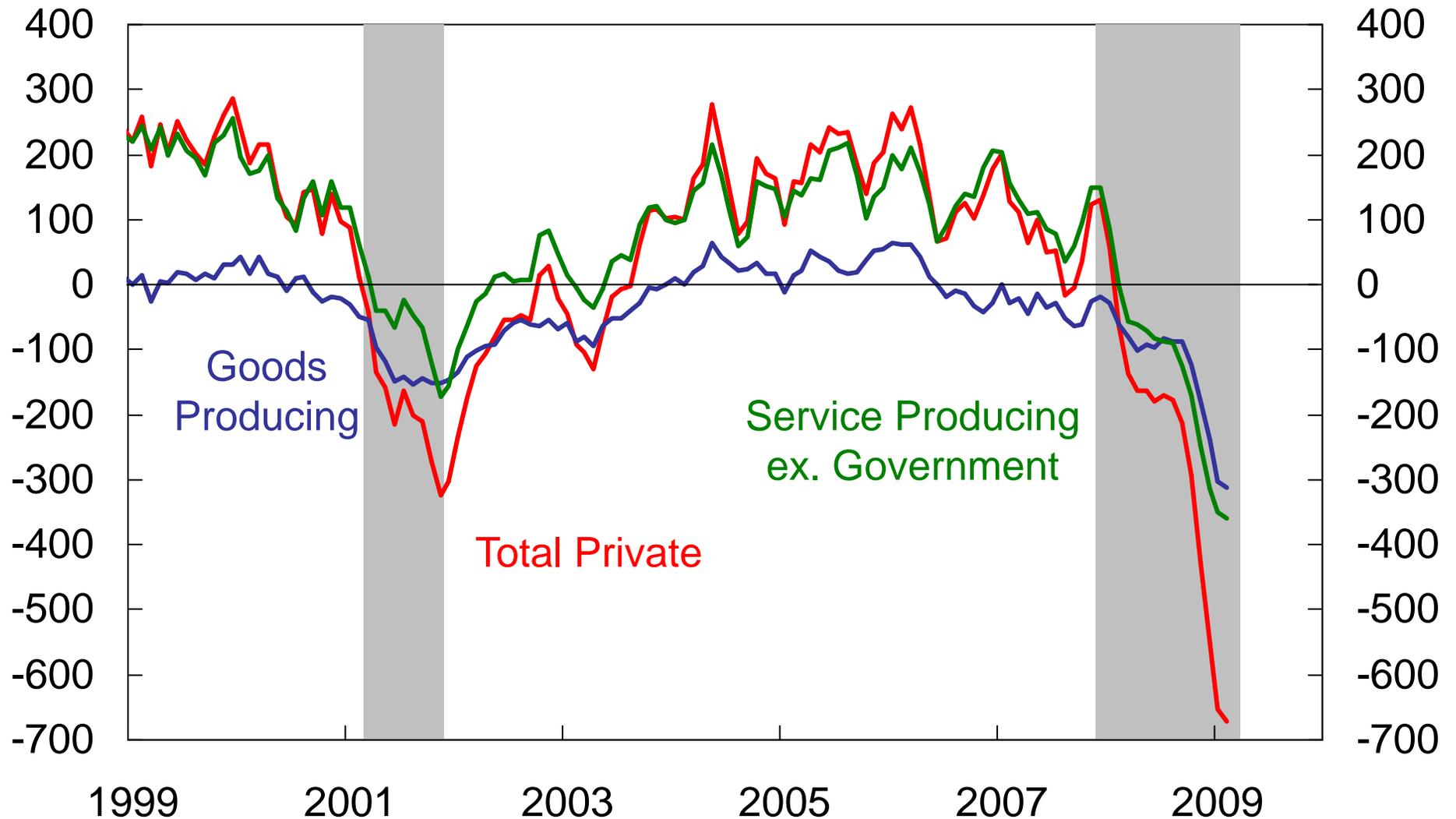
Note: Data through February 2009.



Private Nonfarm Payroll Employment 3-Month Moving Average

Change-Thousands

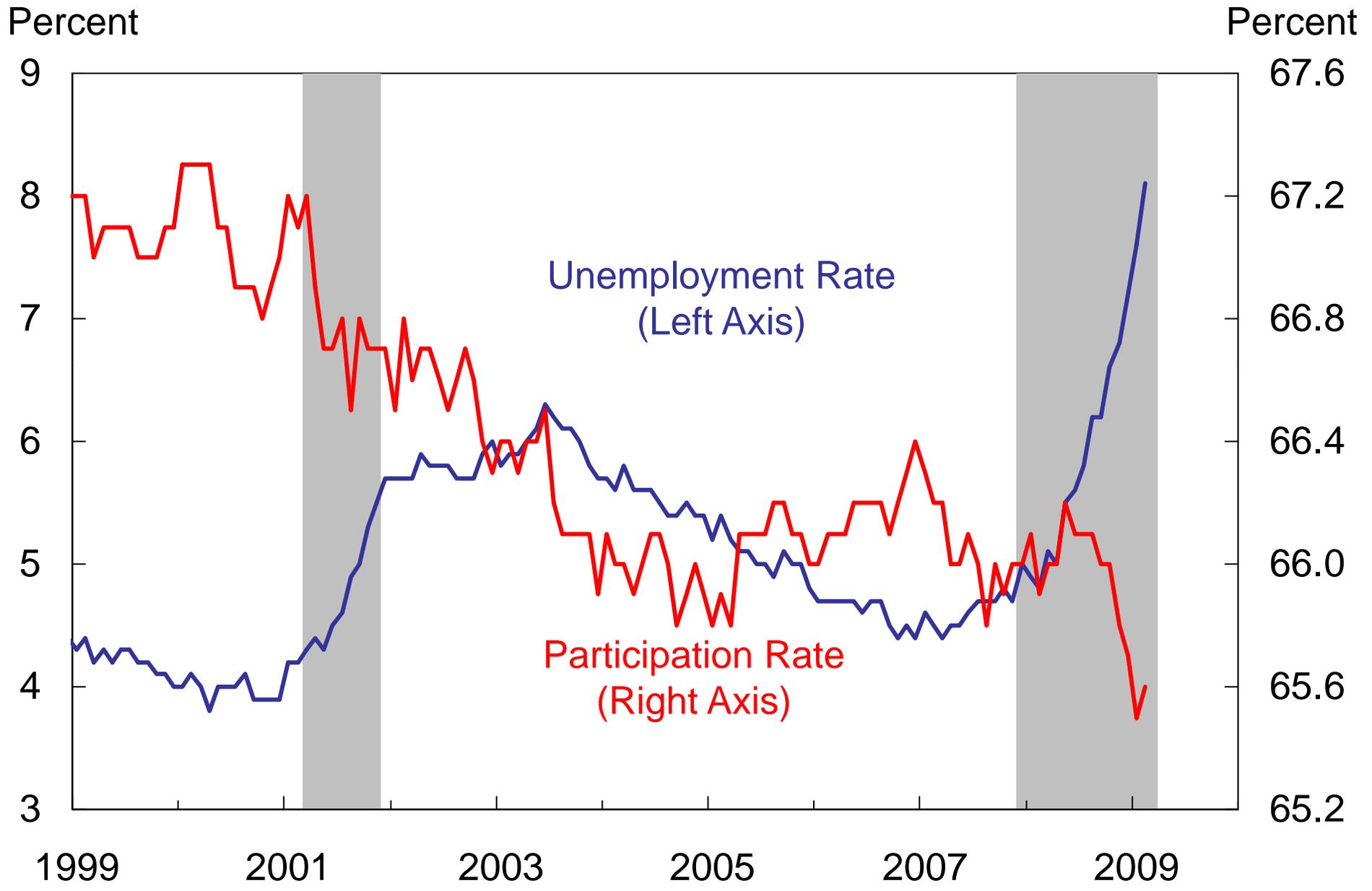
Change-Thousands



Source: Bureau of Labor Statistics



Unemployment and Labor Force Participation Rates



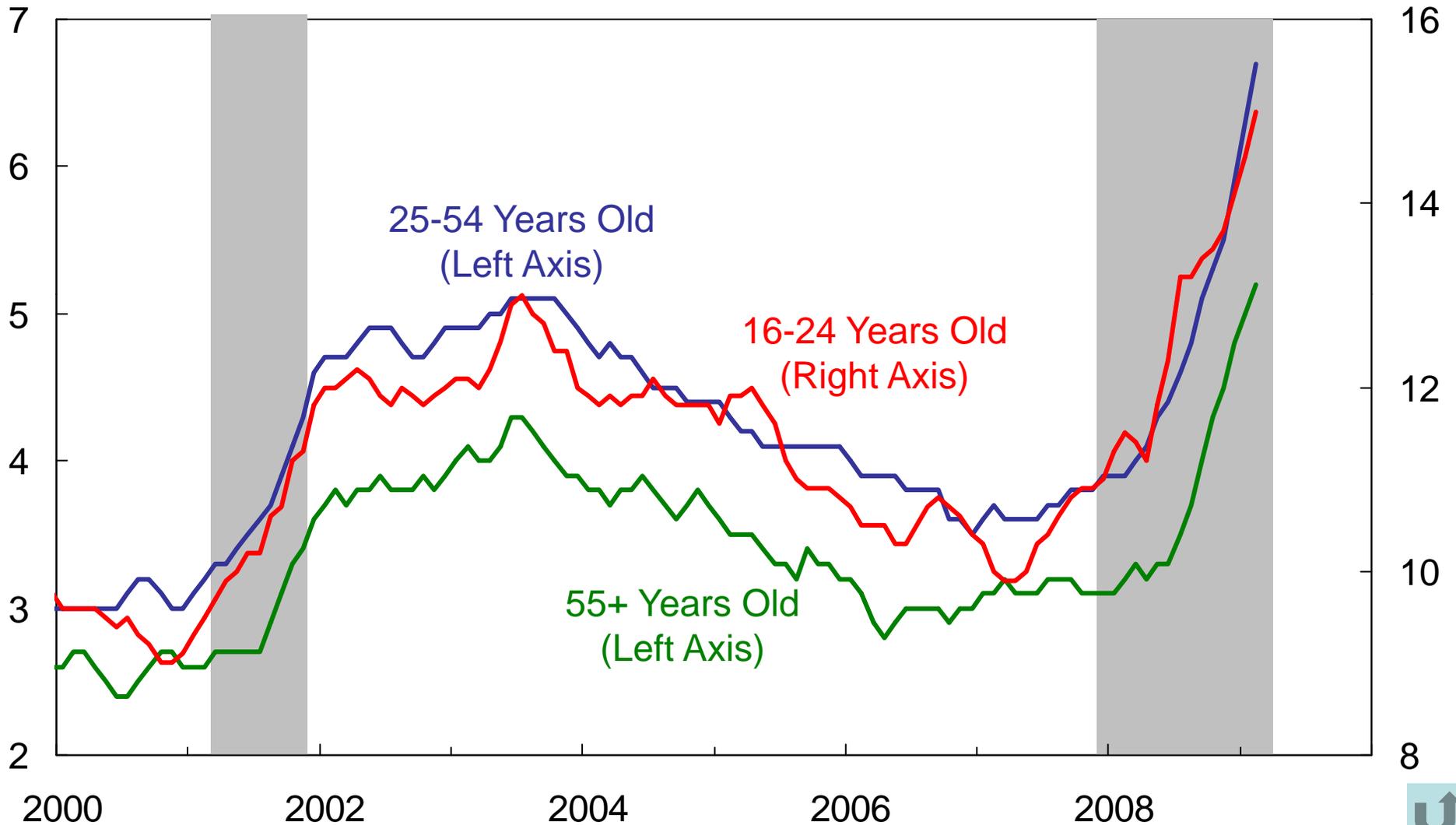
Source: Bureau of Labor Statistics



Total Unemployment Rate by Age Group

3-month Moving Average

3-month Moving Average

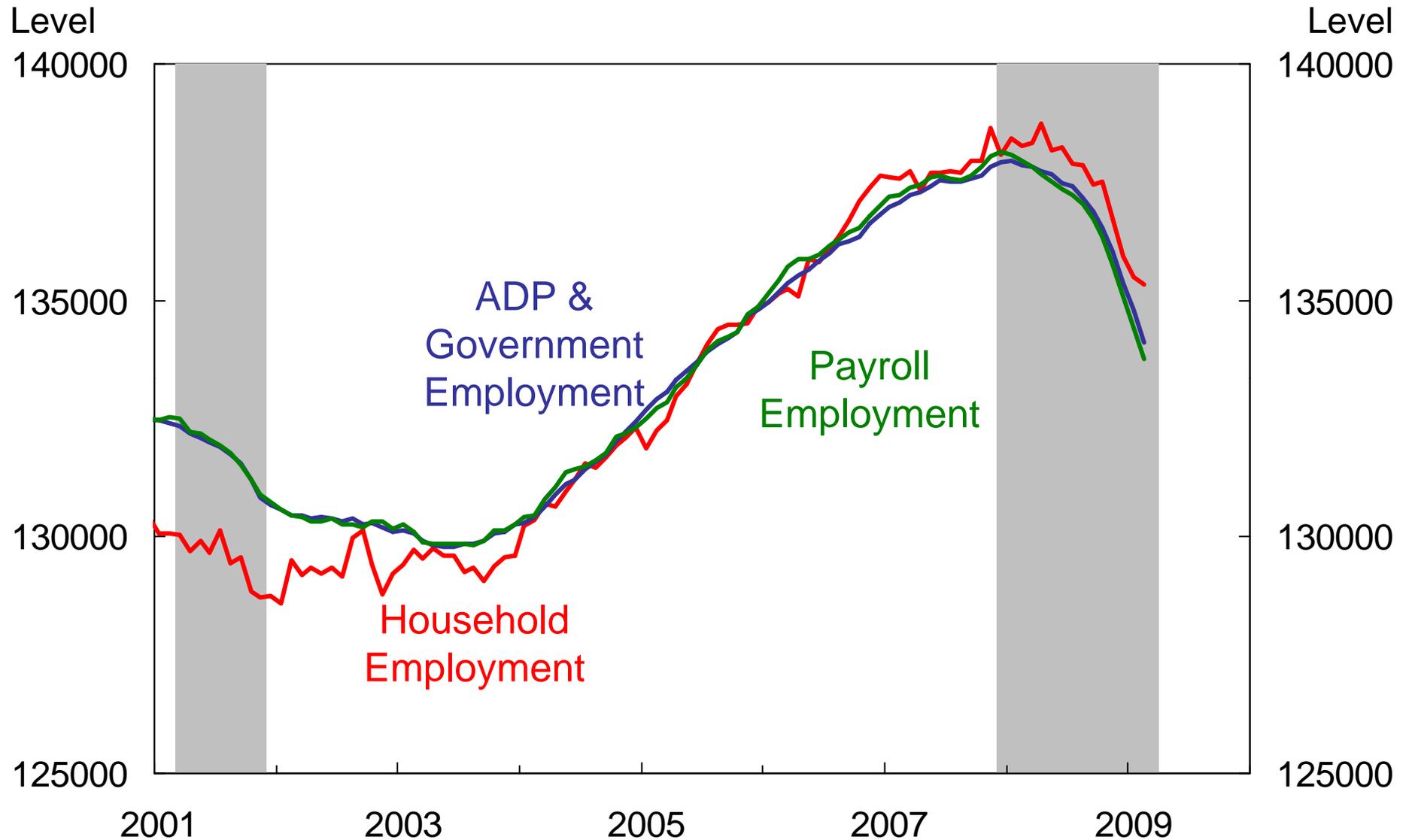


Note: Includes both male and female labor force participants.

Source: Bureau of Labor Statistics



Three Measures of Employment

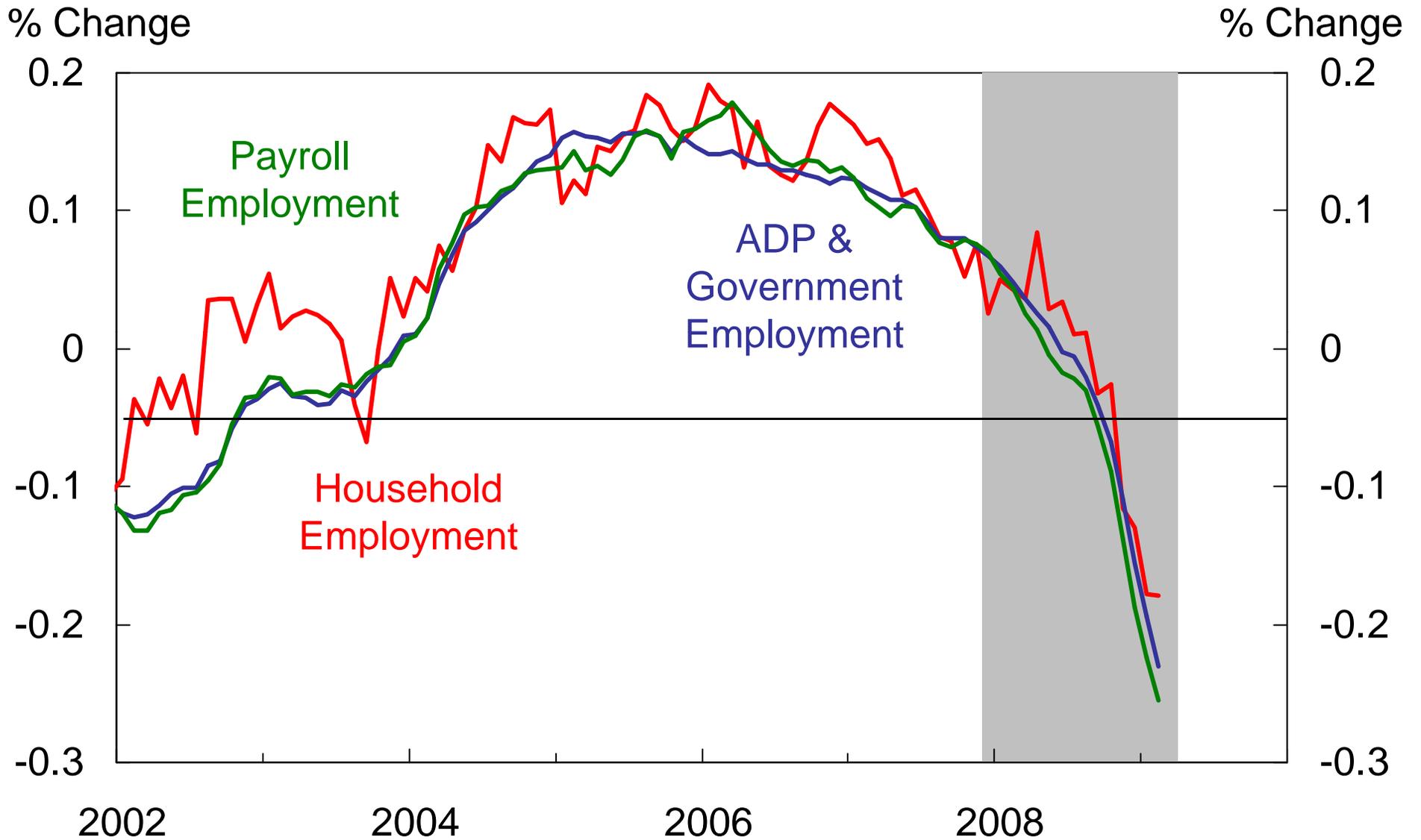


Source: ADP and Bureau of Labor Statistics



Three Measures of Employment

12-month moving average of 1-month changes



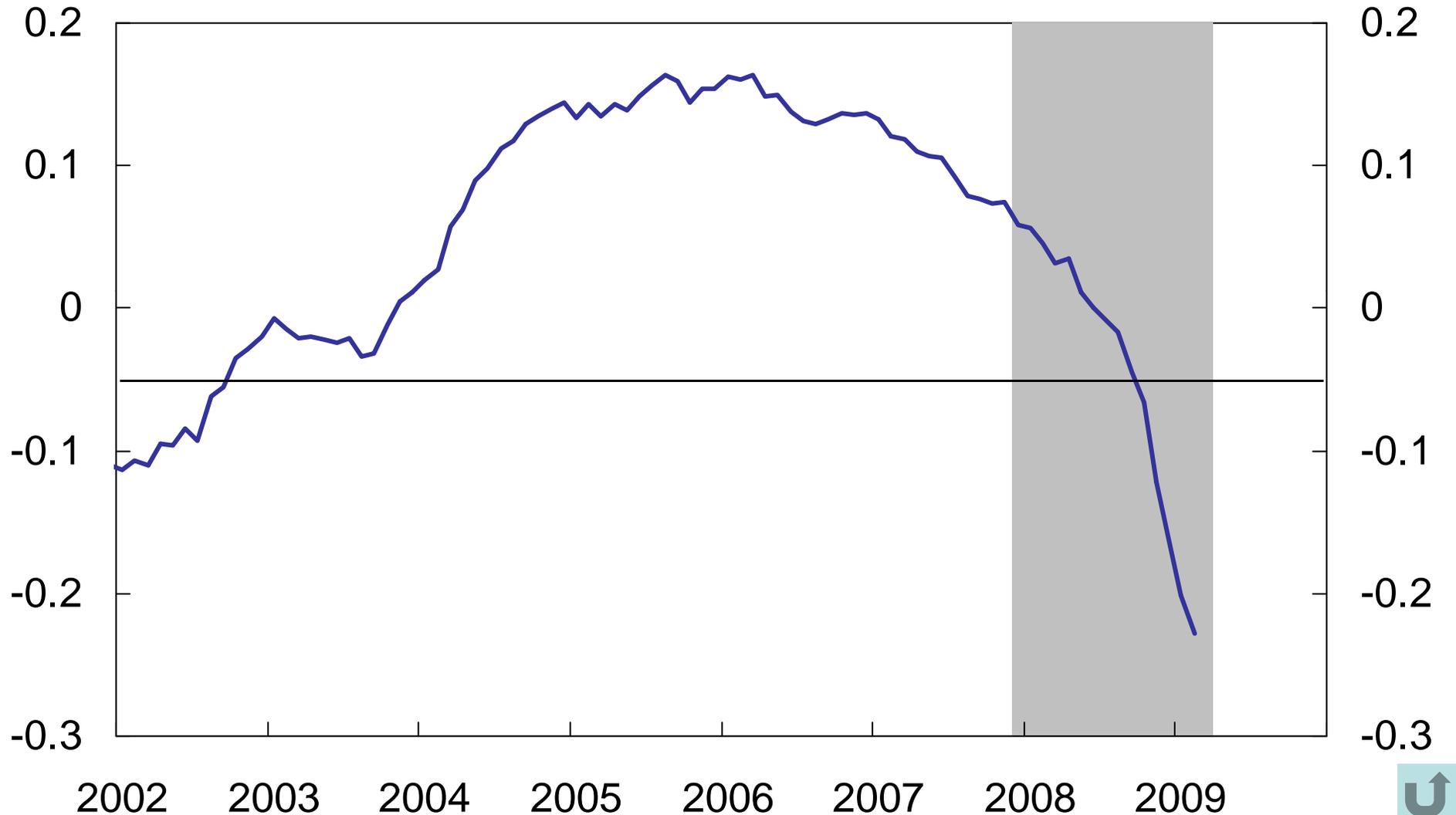
Source: ADP and Bureau of Labor Statistics



An Alternative Measure of Employment Changes

12-month moving average of 1-month changes

% Change



Source: ADP and Bureau of Labor Statistics

* Weighted average of payroll, household adjusted to total payroll basis, and ADP using principal components.

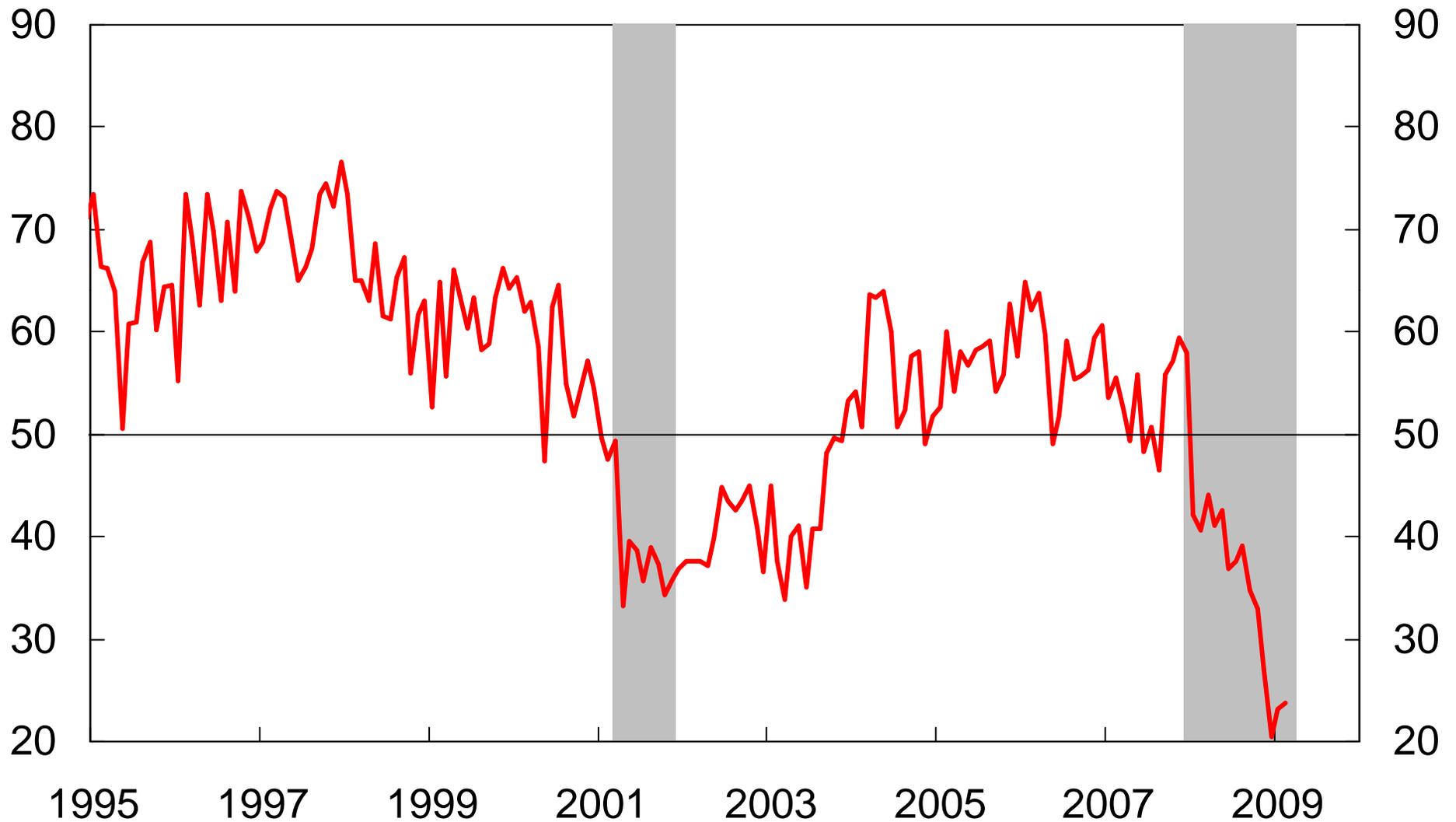


Diffusion Index of Employees on Private Nonagricultural Payrolls

1-Month Span

Percent Rising

Percent Rising



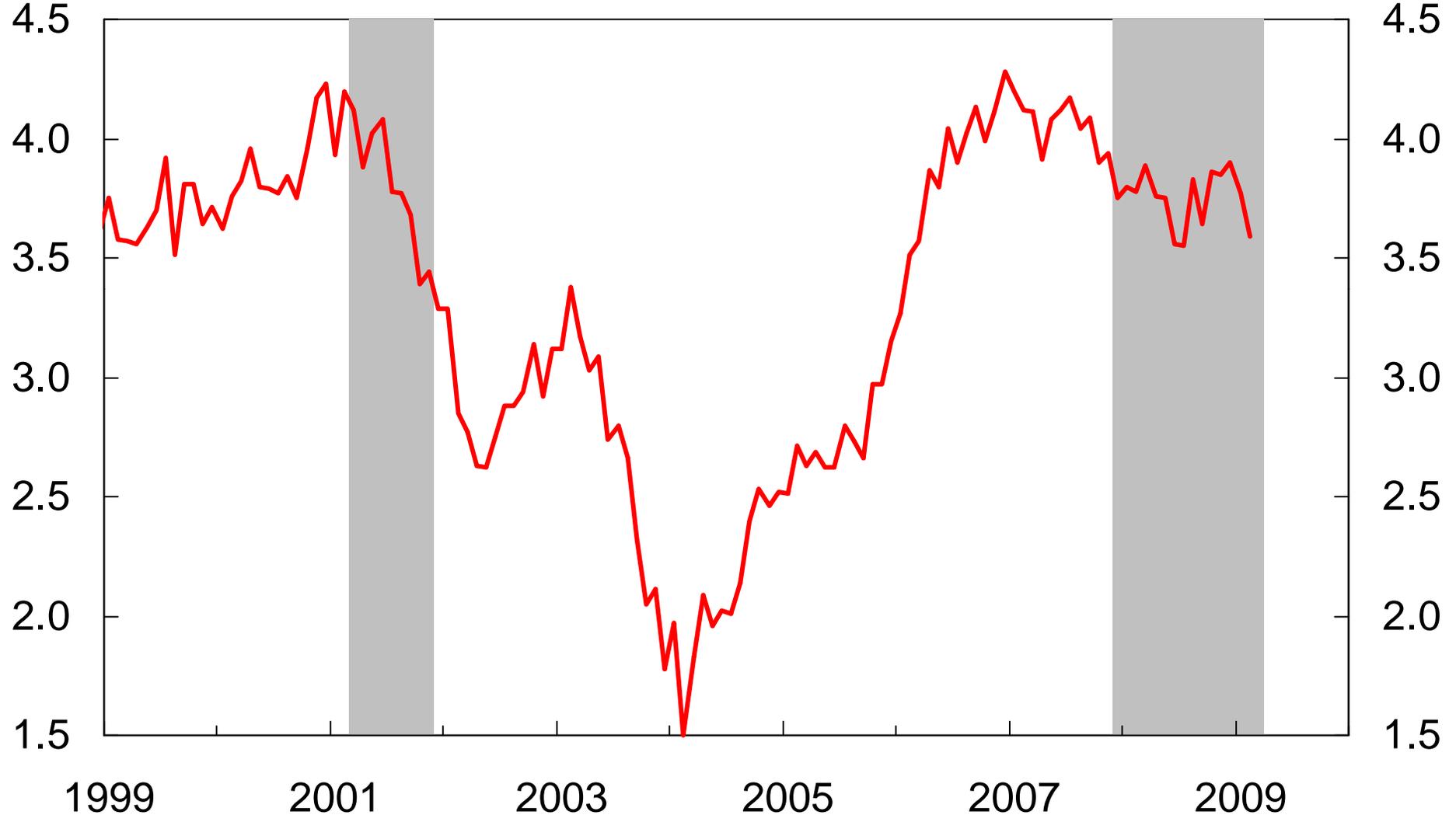
Source: Bureau of Labor Statistics



Total Private Average Hourly Earnings

% Change - Year to Year

% Change - Year to Year



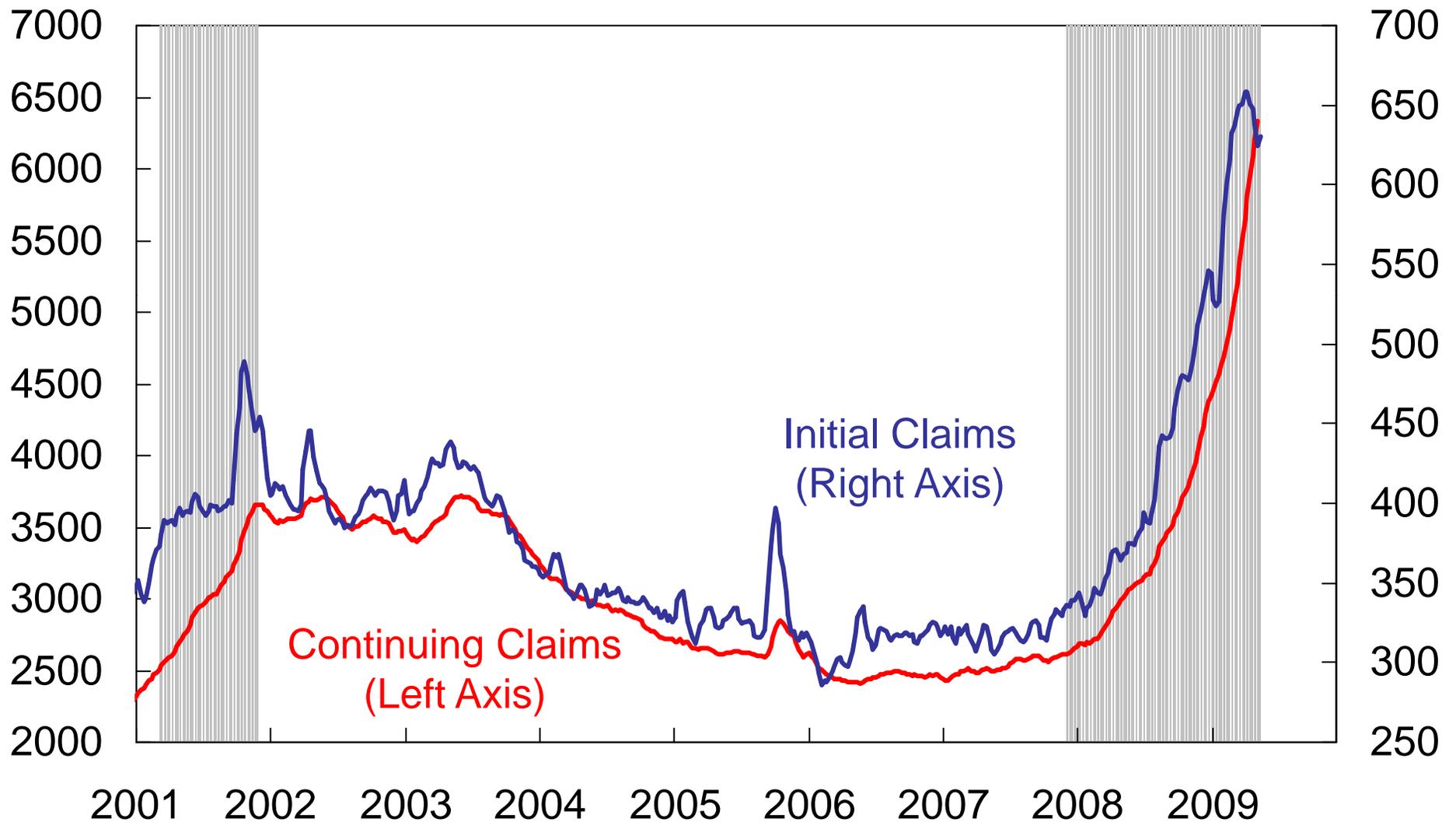
Source: Bureau of Labor Statistics



Unemployment Insurance

4-Week Moving Average

4-Week Moving Average

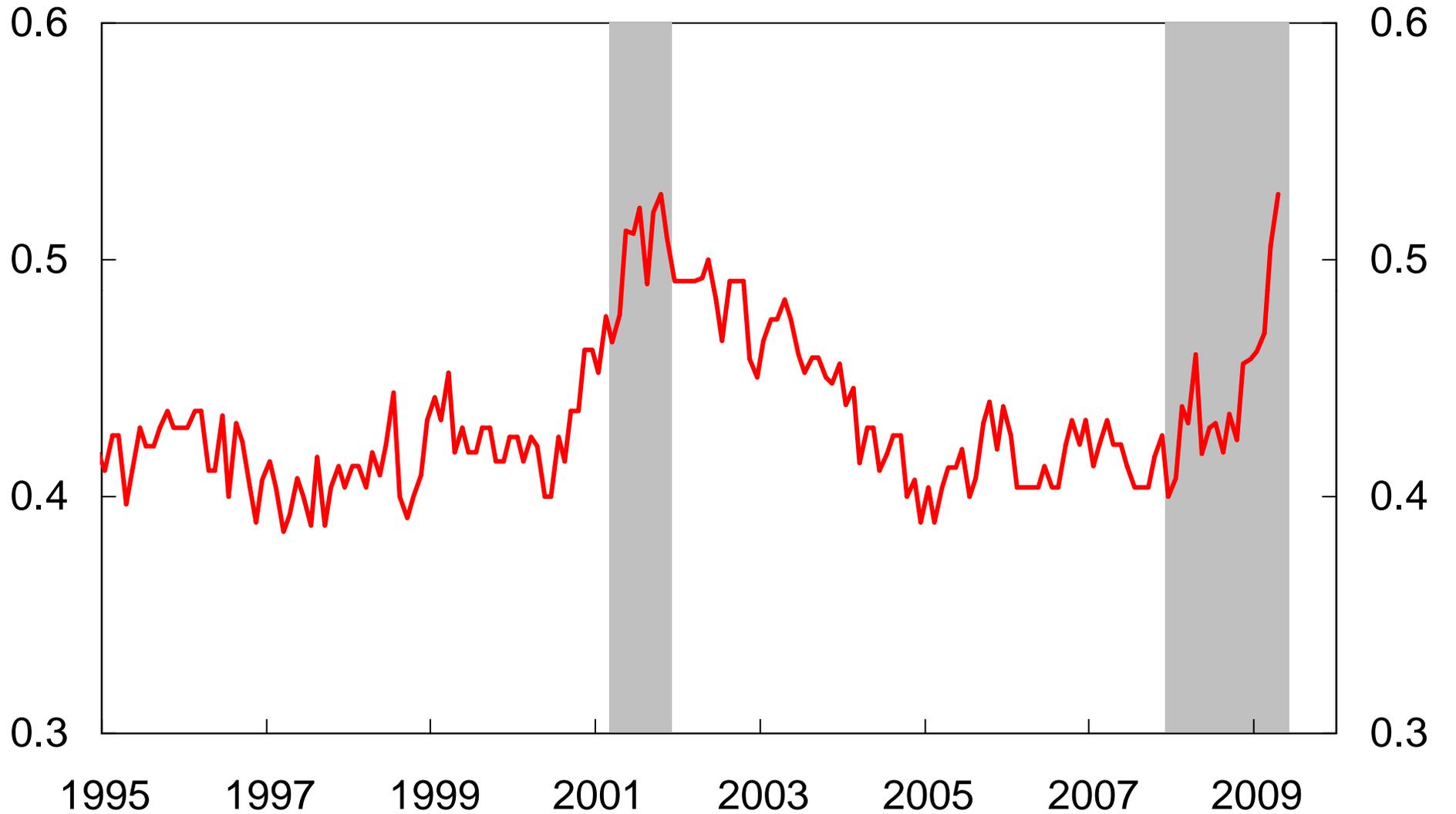


Source: Department of Labor



Unemployment Rate (SA) Insured/Total

Ratio

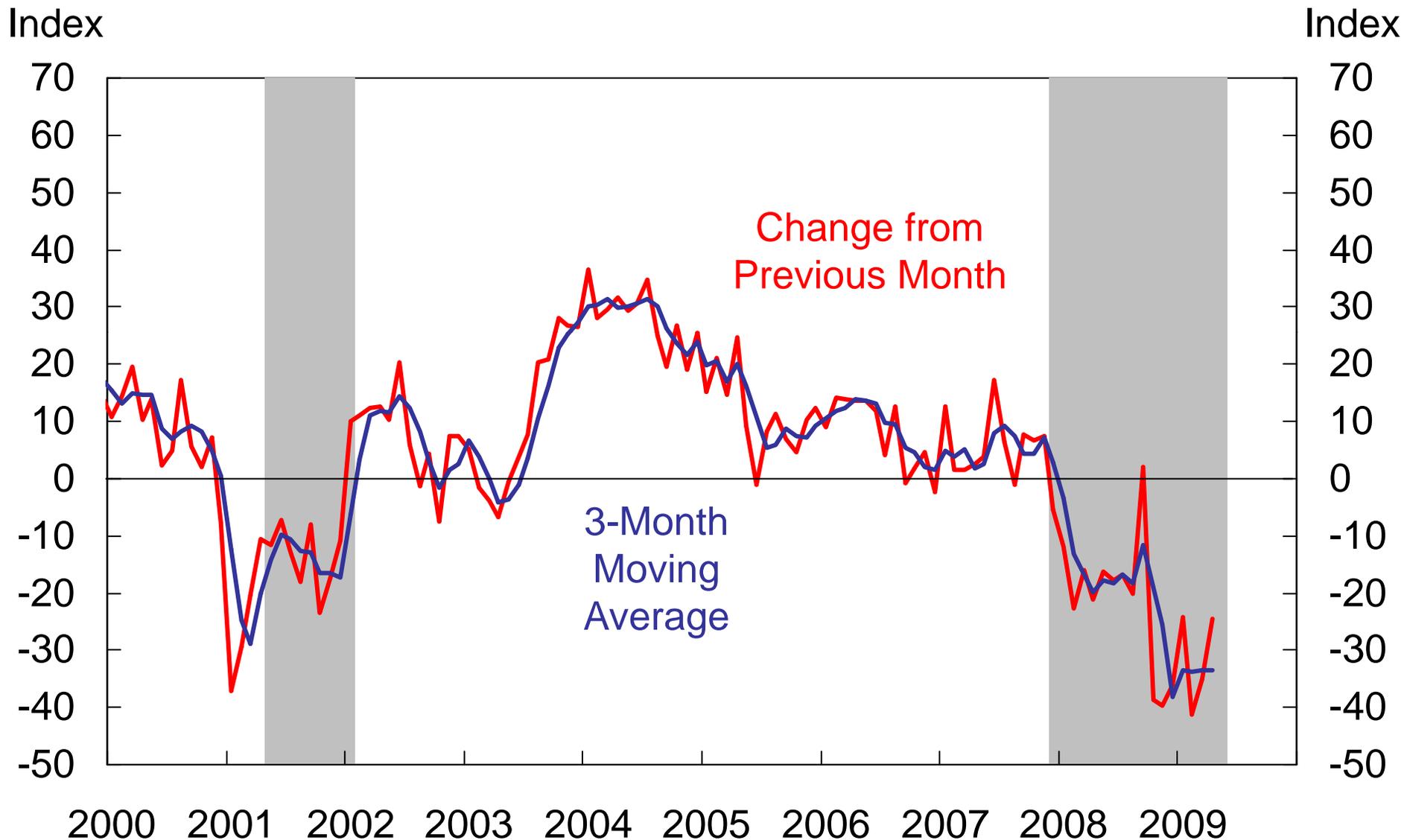


Source: Bureau of Labor Statistics/Department of Labor



Philadelphia Fed Survey

General Business Conditions

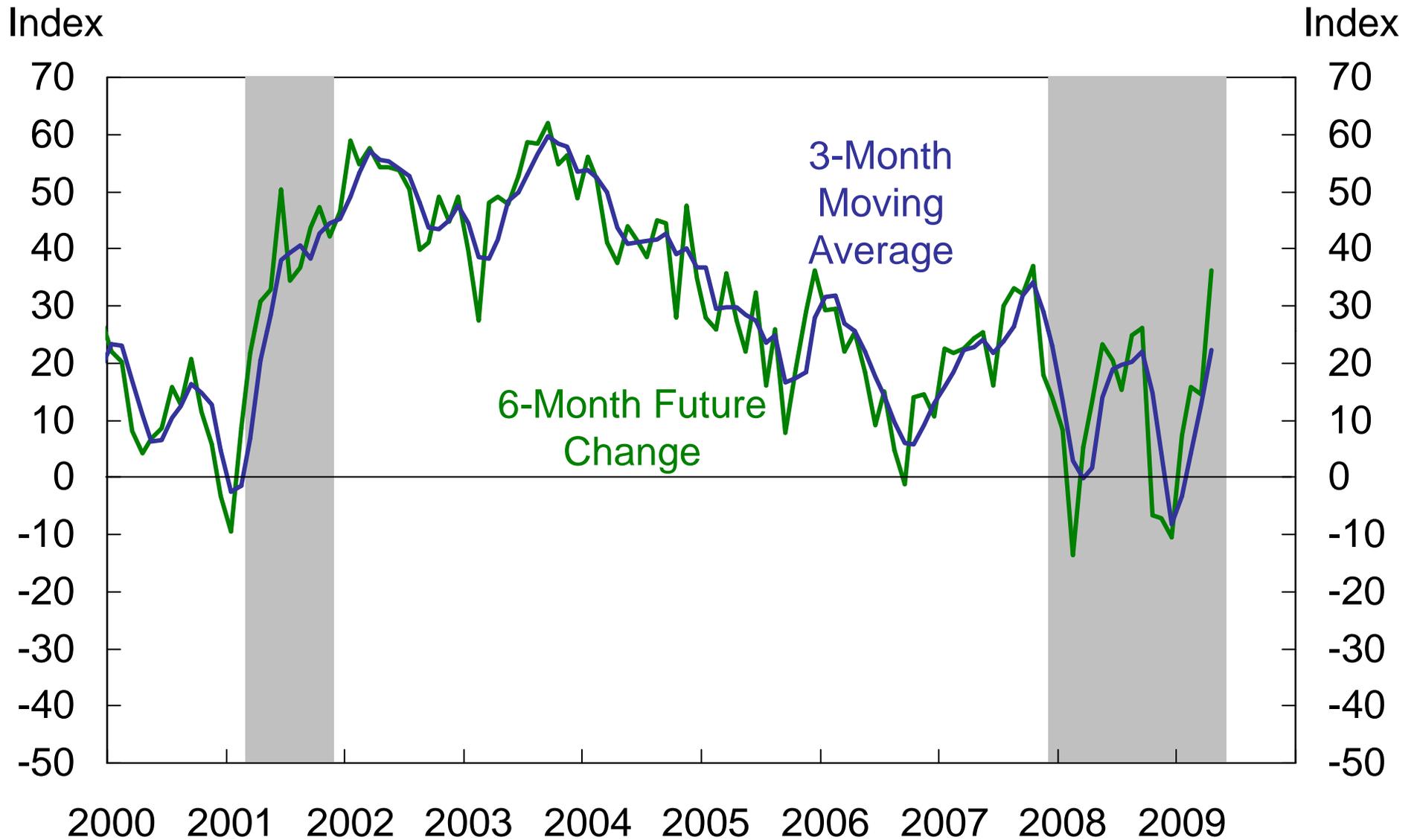


Source: Philadelphia Fed



Philadelphia Fed Survey

General Business Conditions

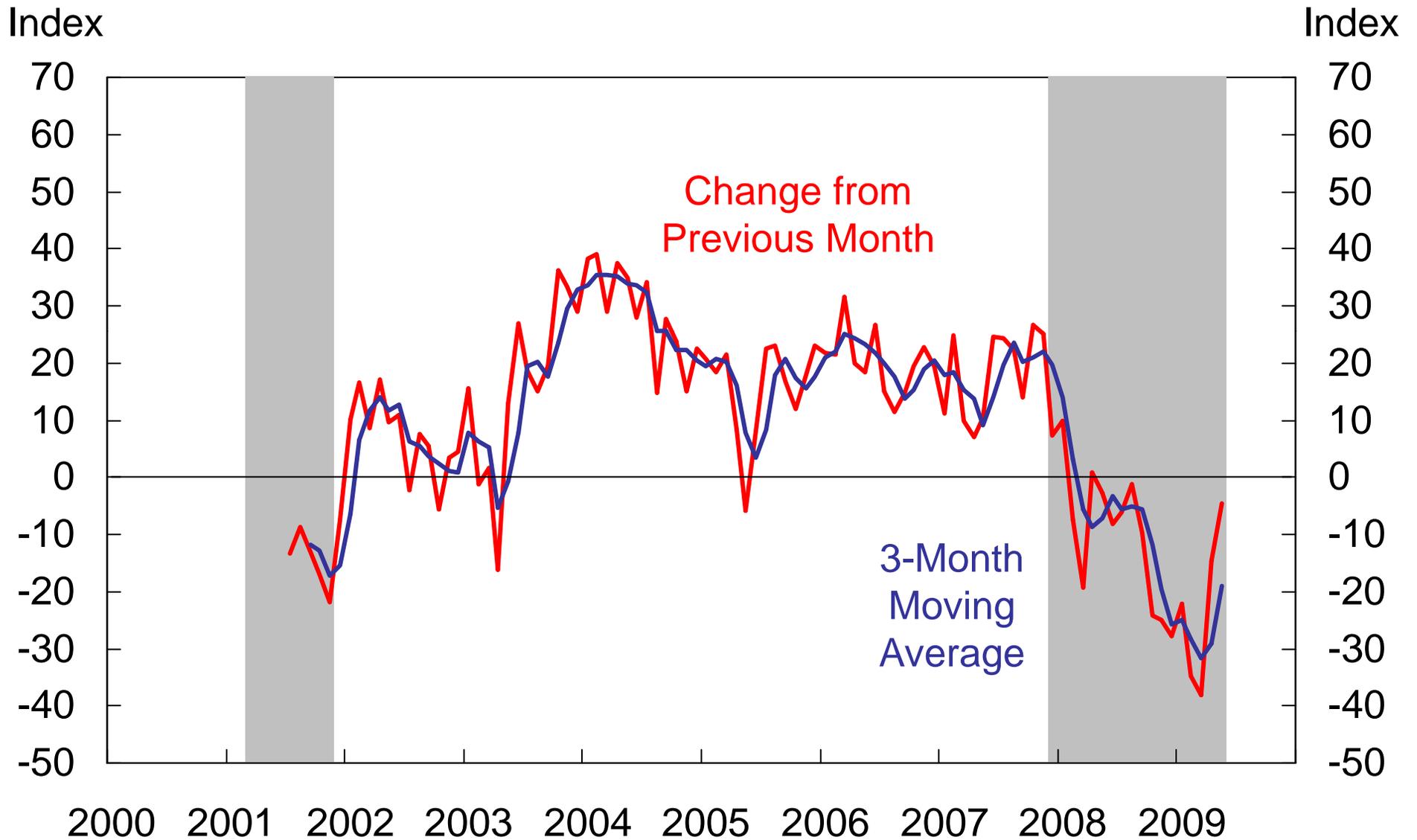


Source: Philadelphia Fed



Empire State Manufacturing Survey

General Business Conditions

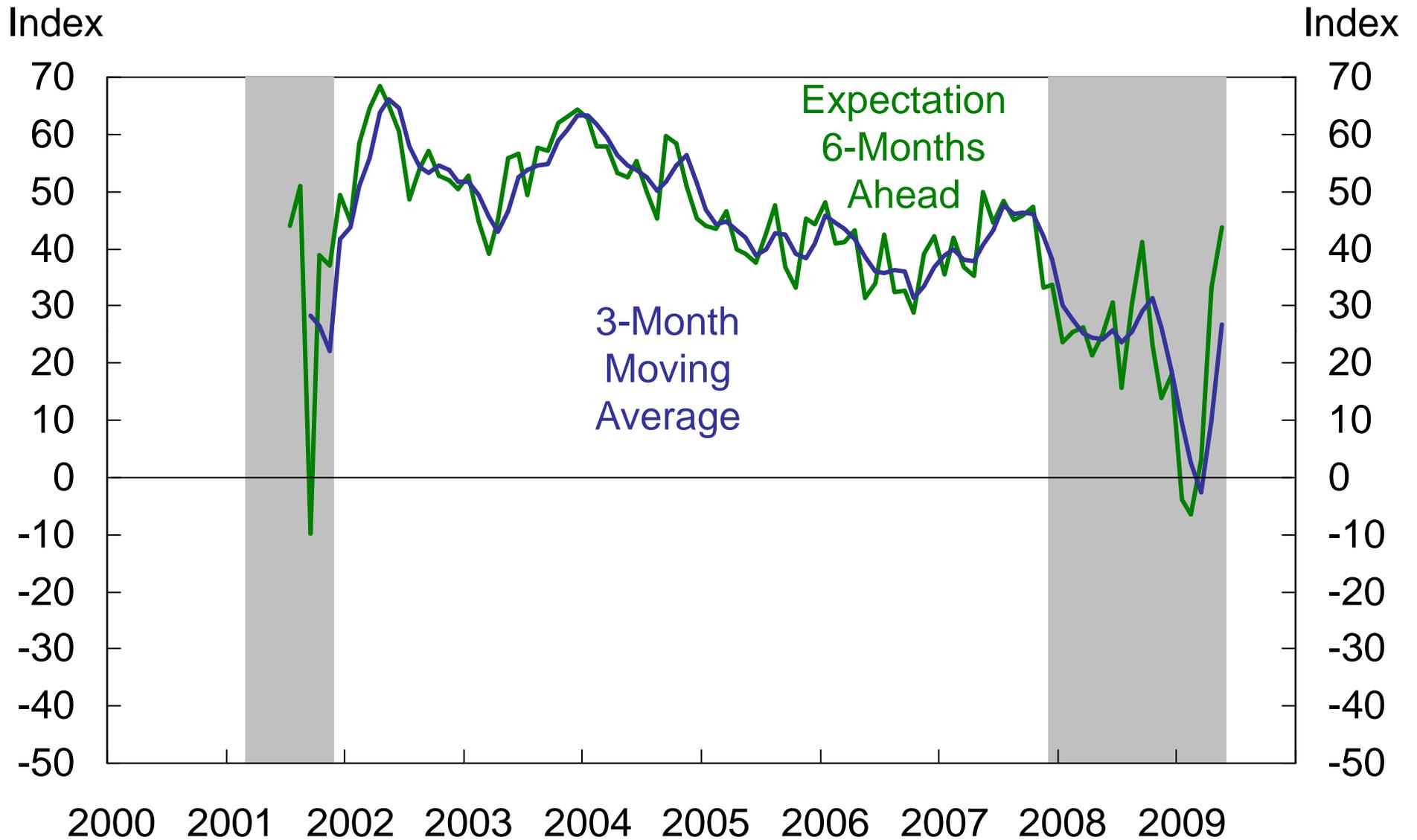


Source: FRBNY



Empire State Manufacturing Survey

General Business Conditions



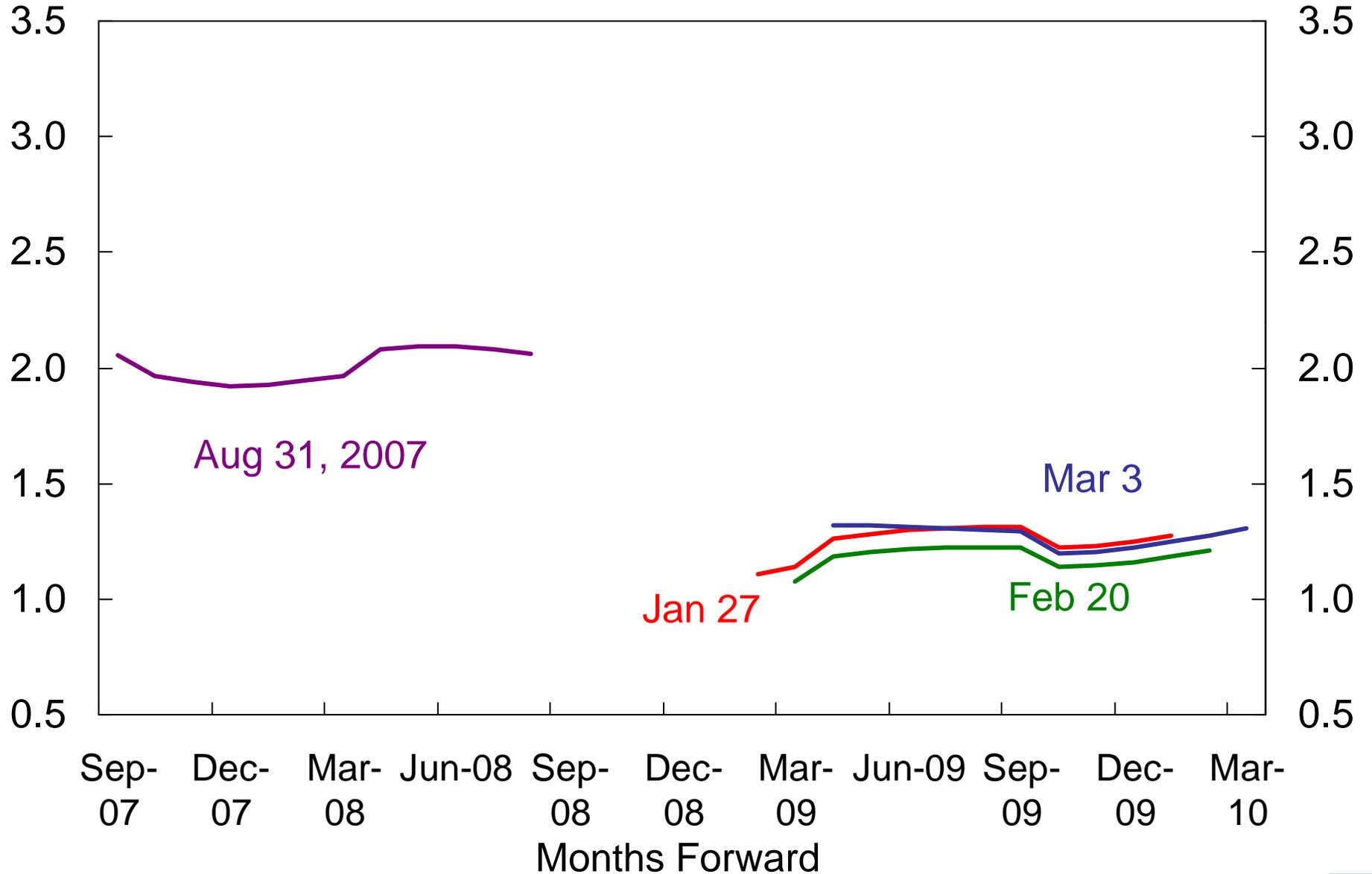
Source: FRBNY



Gasoline Futures

\$/gallon

\$/gallon



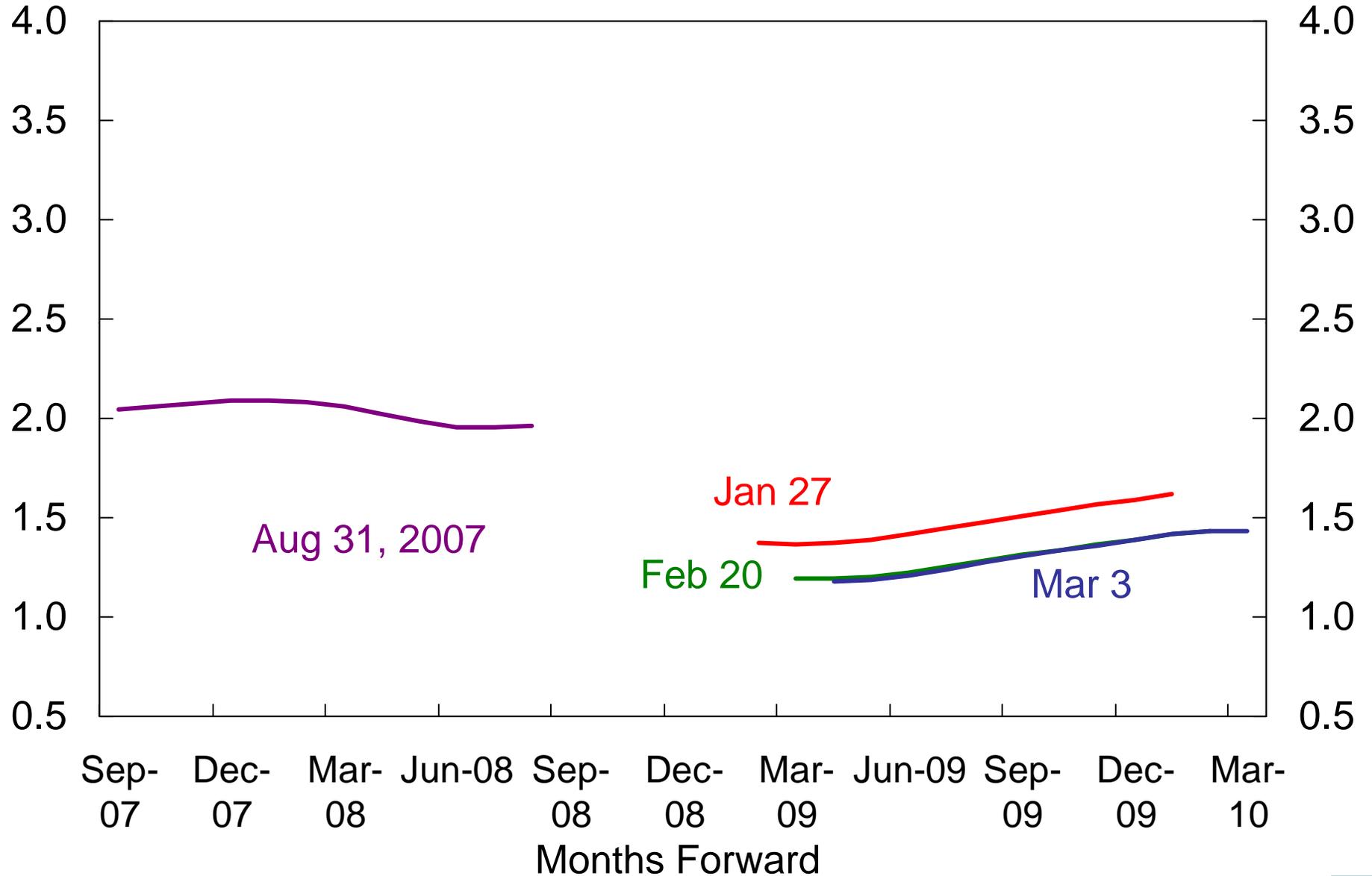
Source: Bloomberg



Heating Oil Futures

\$/gallon

\$/gallon



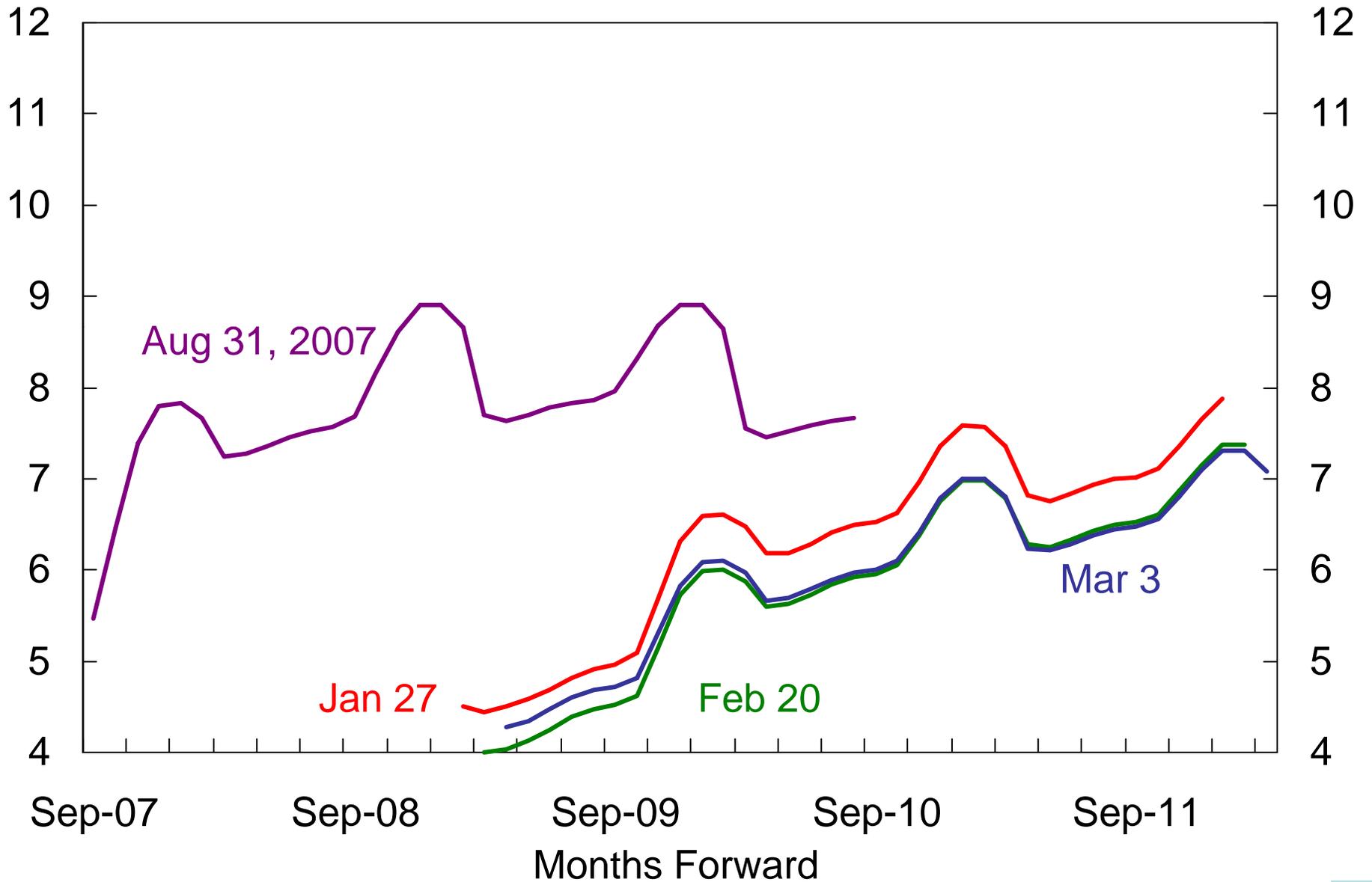
Source: Bloomberg



Natural Gas Futures

\$/MMBtu

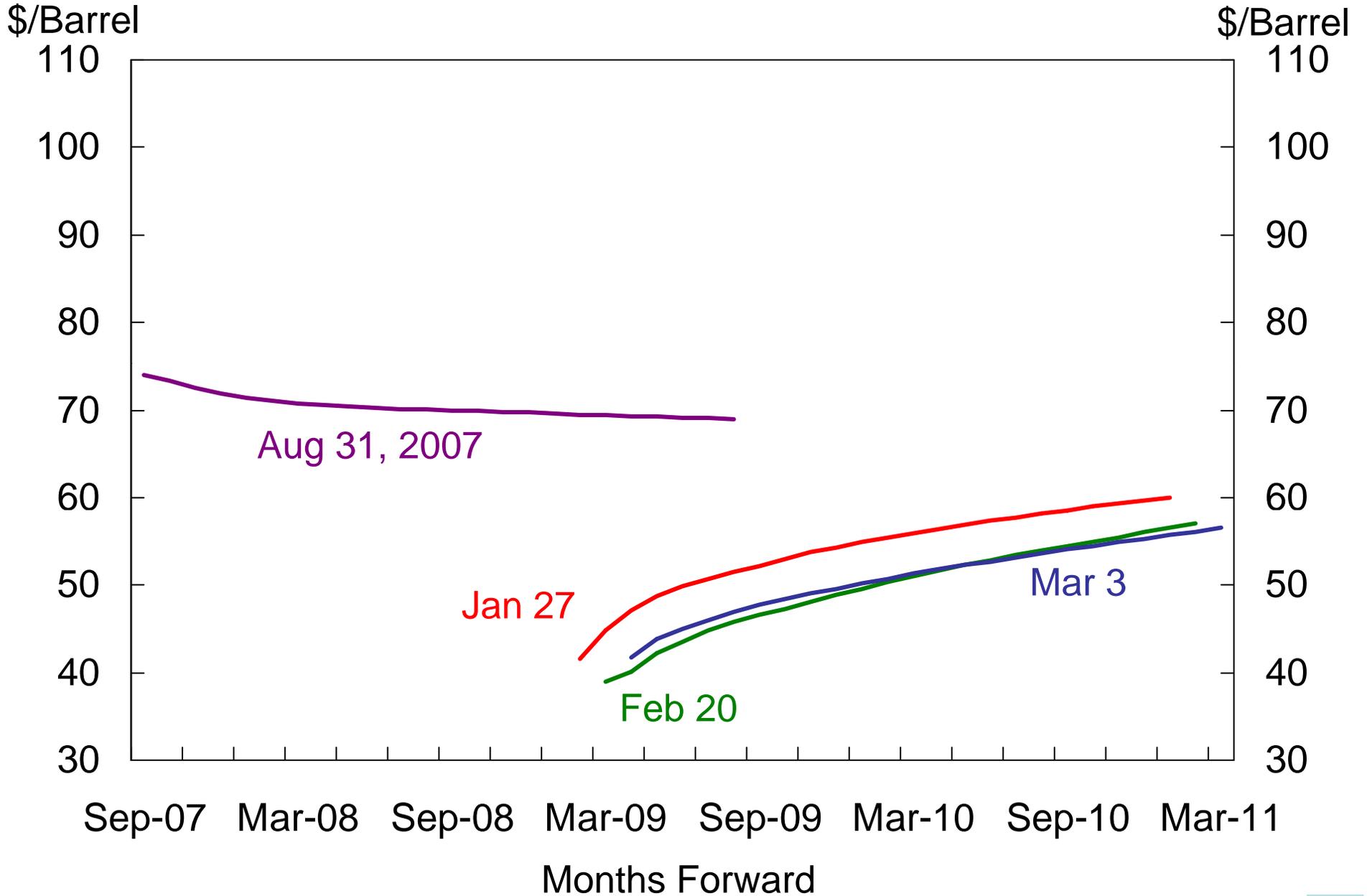
\$/MMBtu



Source: Bloomberg



Crude Oil Futures

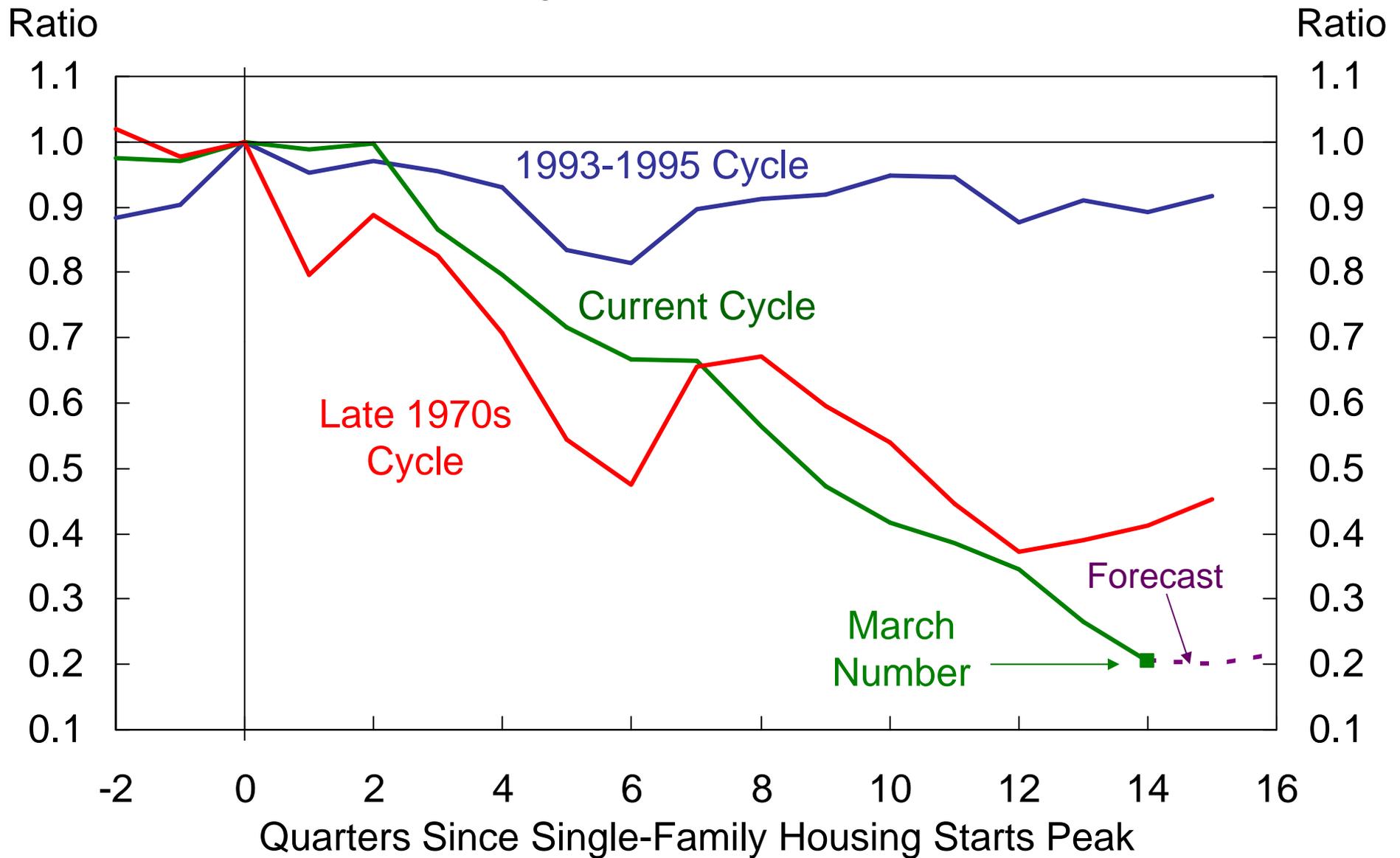


Source: Bloomberg



Single-Family Housing Starts

(Series Set to 1.0 at Housing Start Peak)

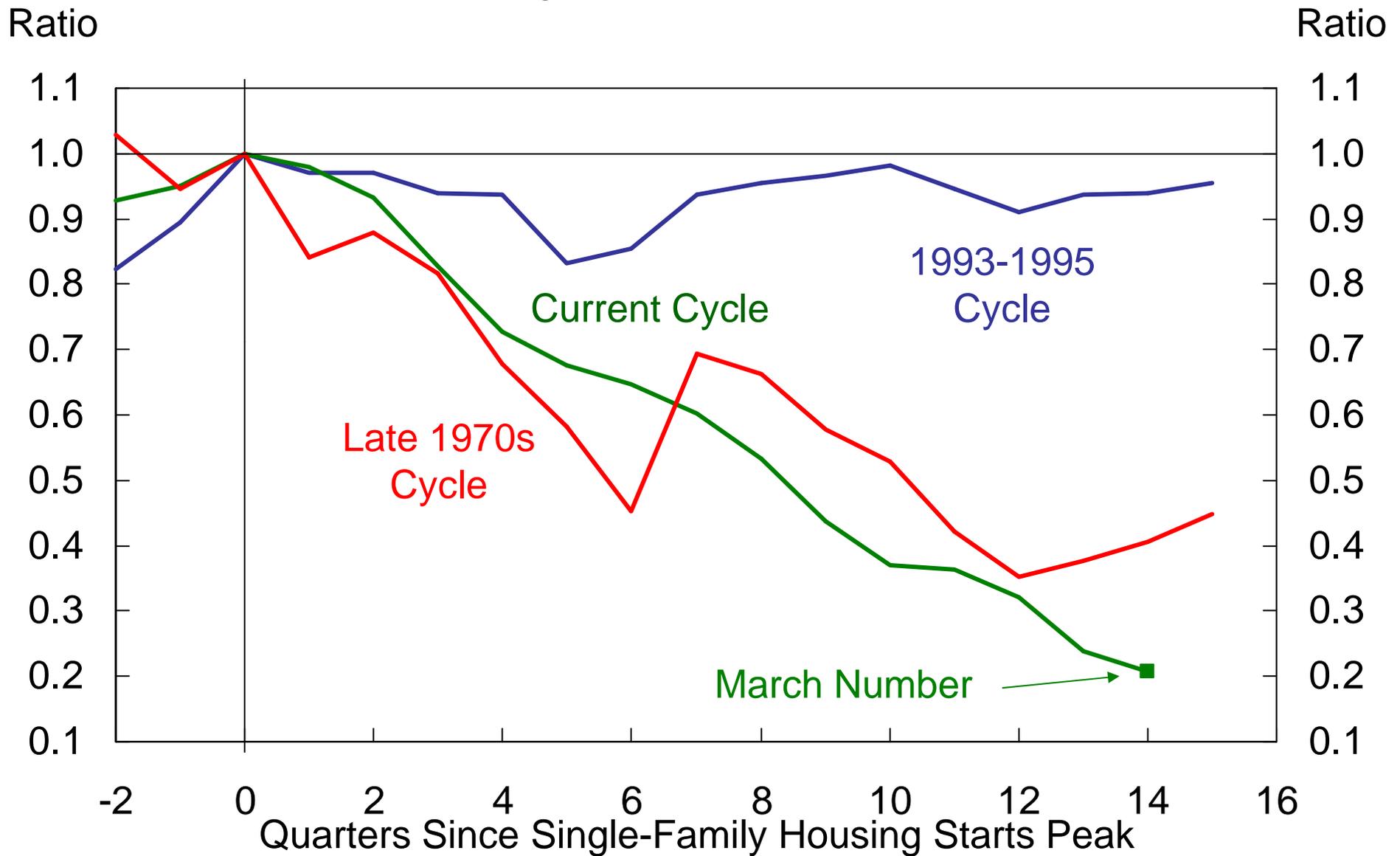


Source: Census Bureau



Single-Family Housing Permits

(Series Set to 1.0 at Housing Start Peak)

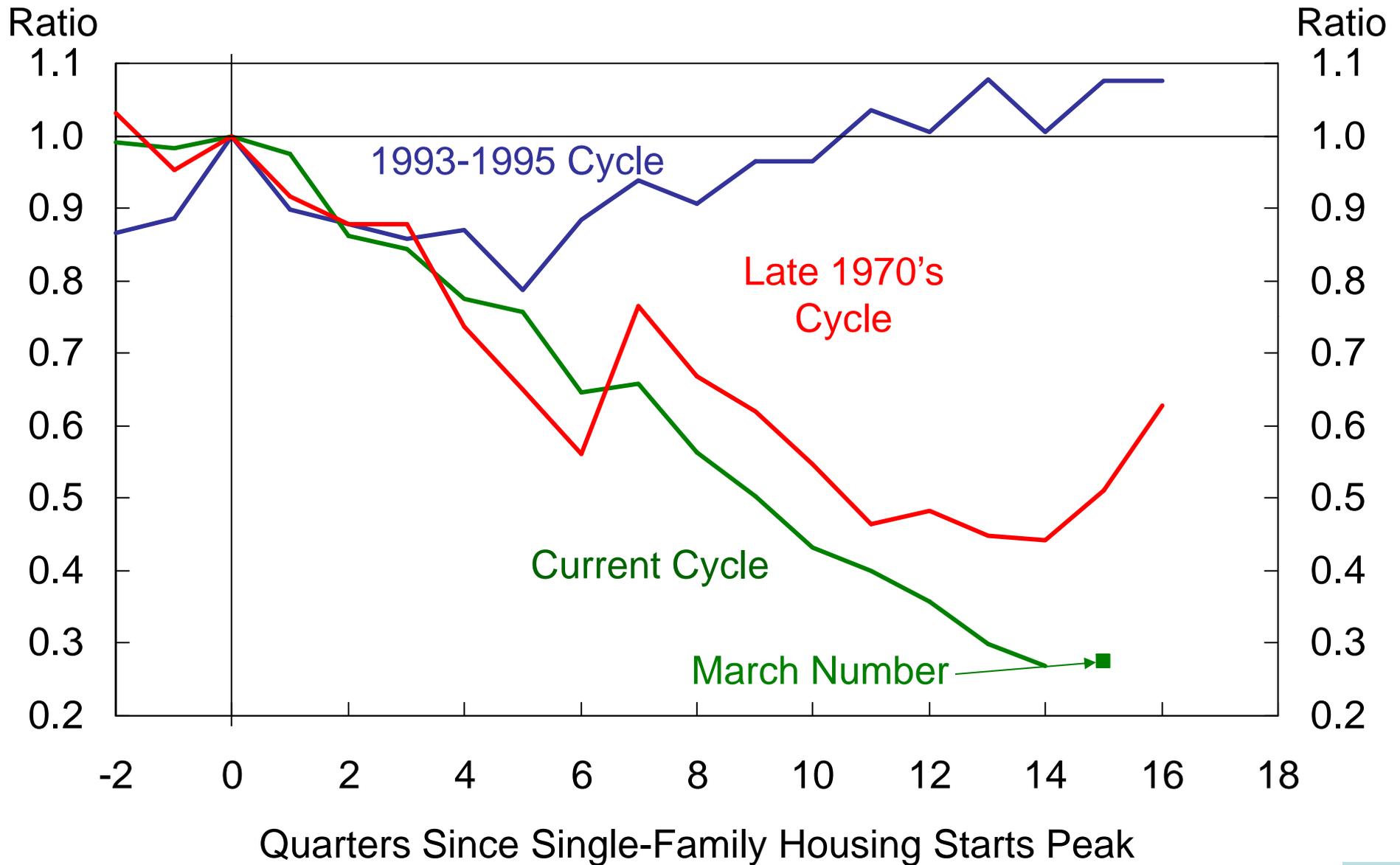


Source: Census Bureau



Single-Family New Home Sales

(Series Set to 1.0 at Housing Start Peak)

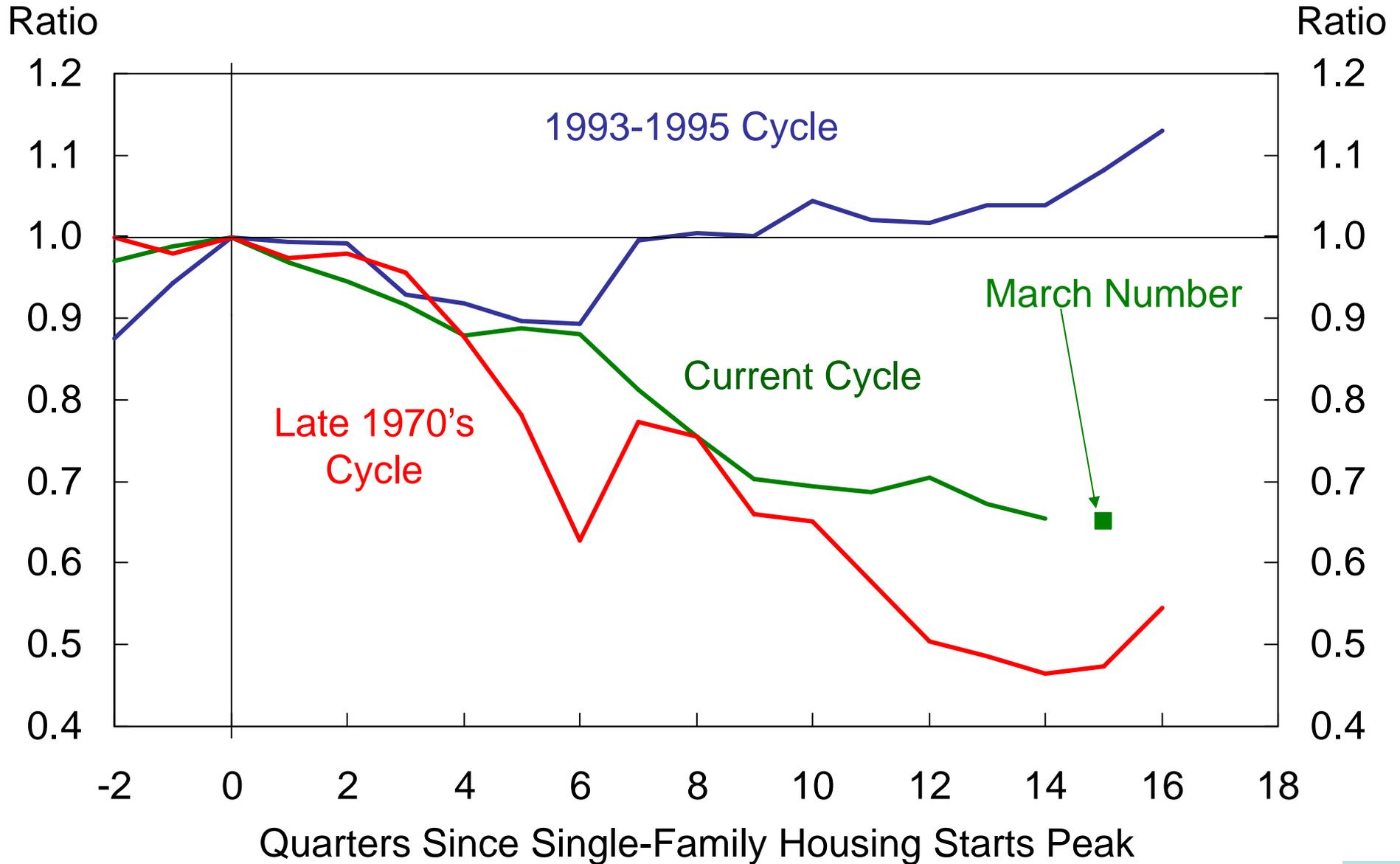


Source: Census Bureau



Single-Family Existing Home Sales

(Series Set to 1.0 at Housing Start Peak)



Source: Census Bureau

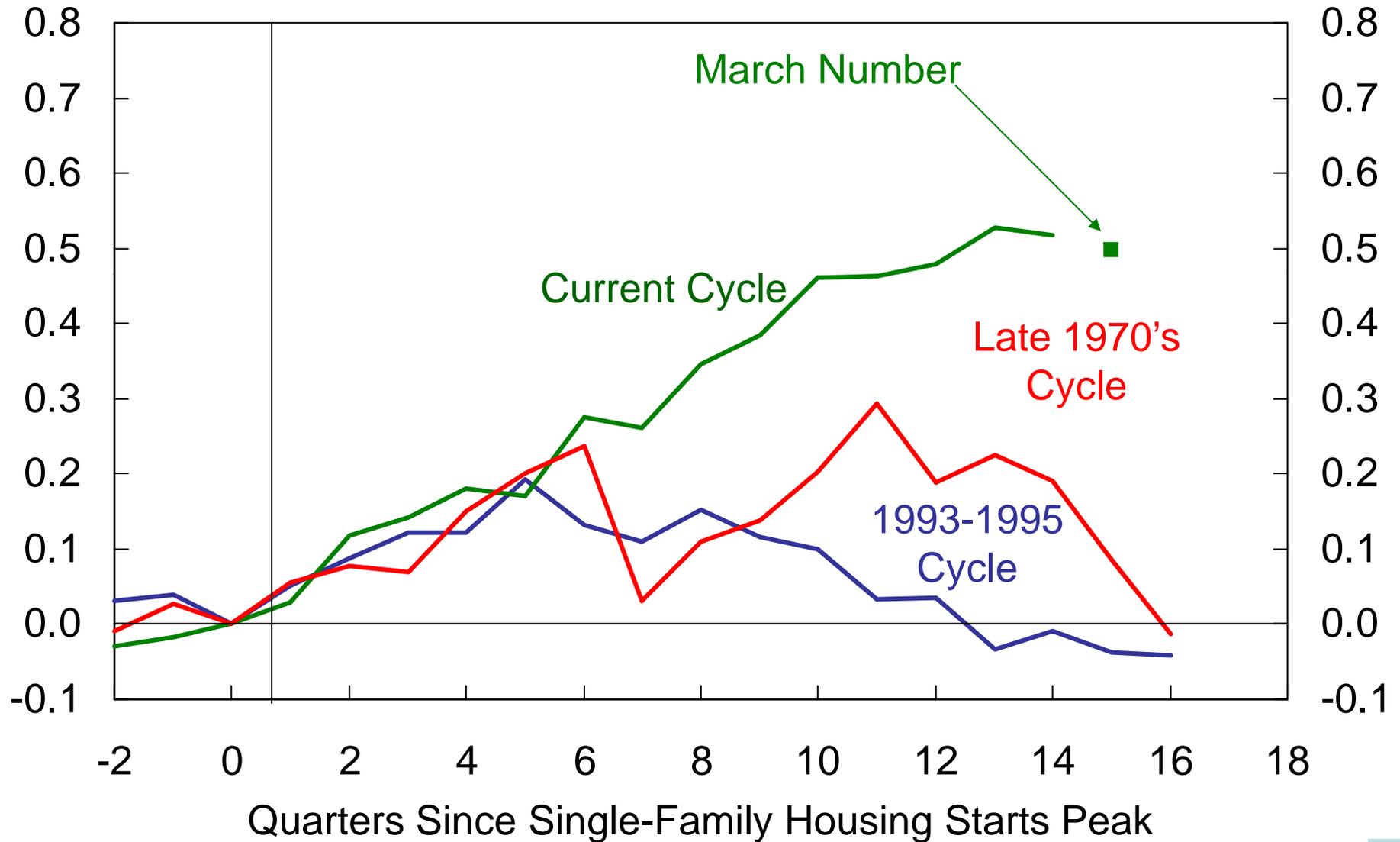


New Home Inventory / Sales Ratio

(Series Set to 0.0 at Housing Start Peak)

Difference

Difference



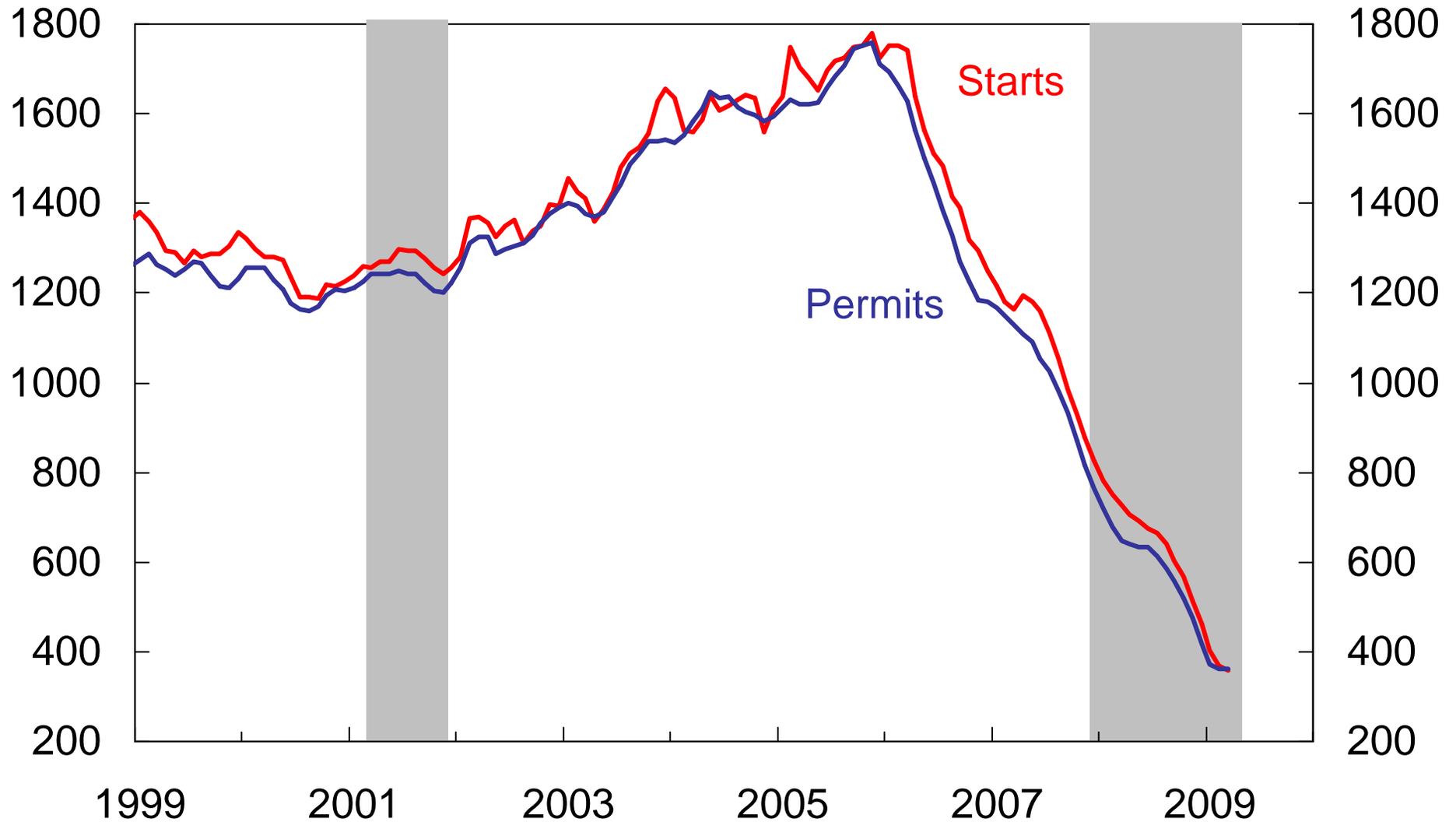
Source: Census Bureau



Housing Starts and Permits

3-month Moving Average

3-month Moving Average



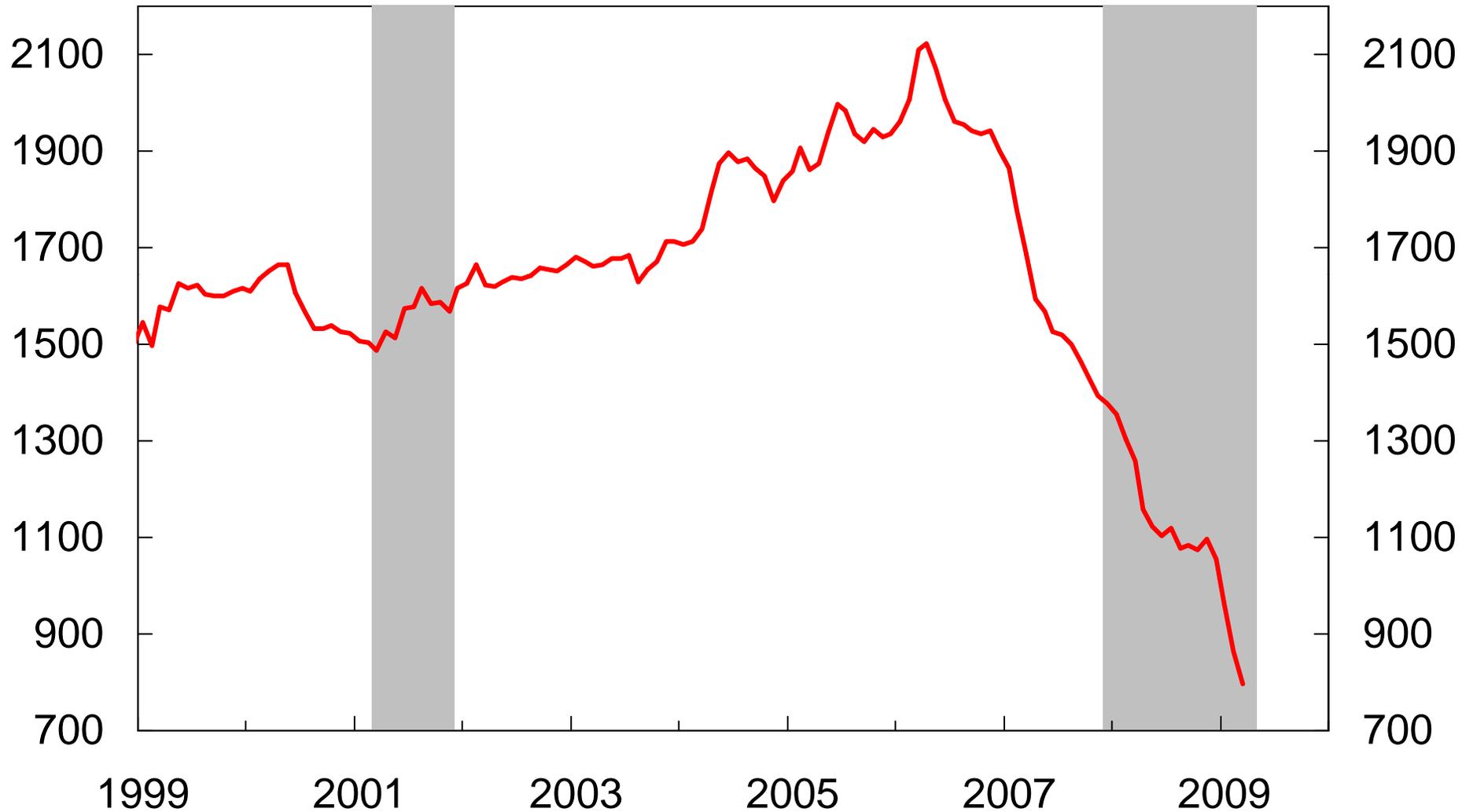
Source: Census Bureau



Housing Completions

3-month Moving Average

3-month Moving Average



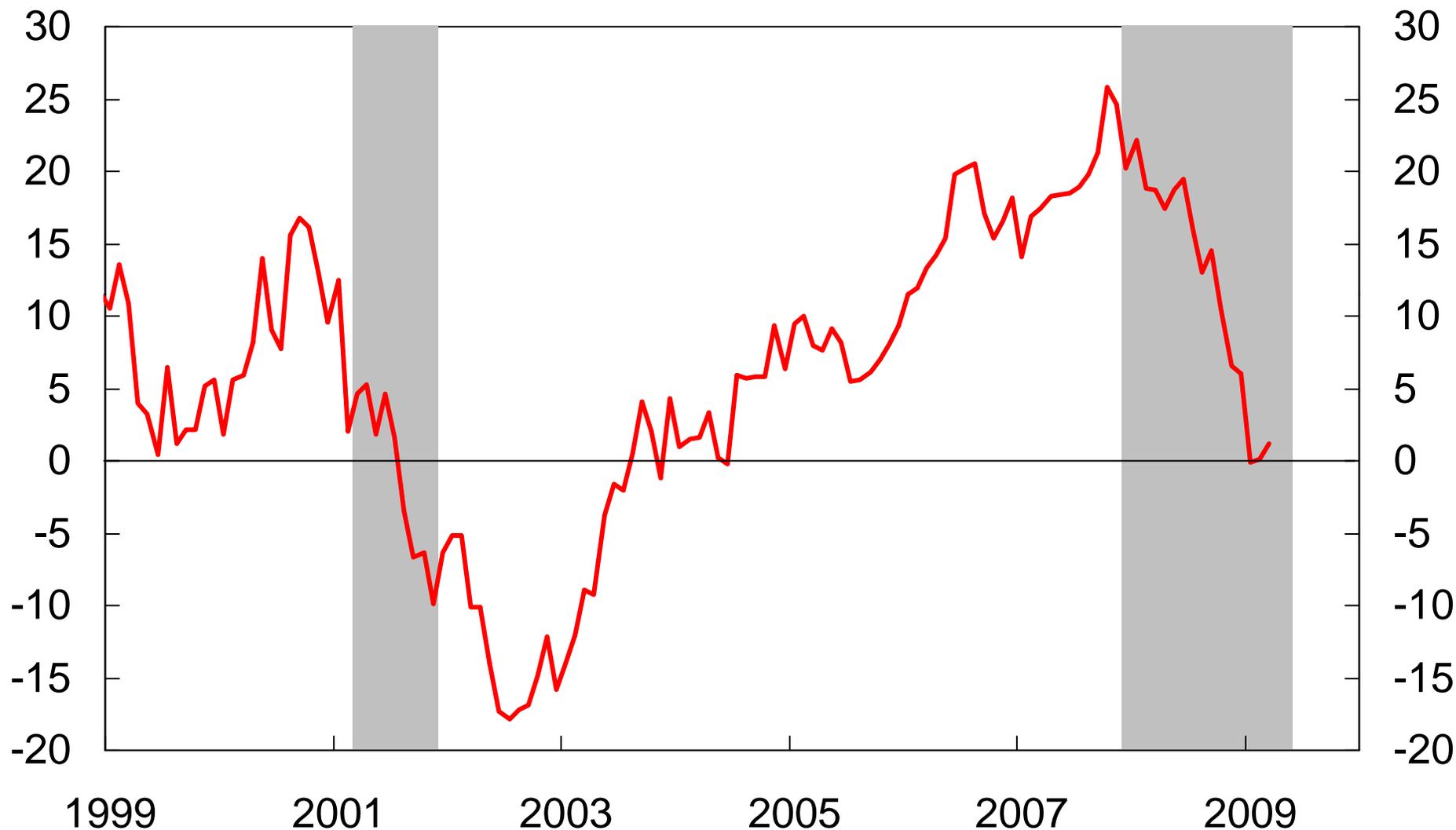
Source: Census Bureau



Private Nonresidential Construction

% Change - Year to Year

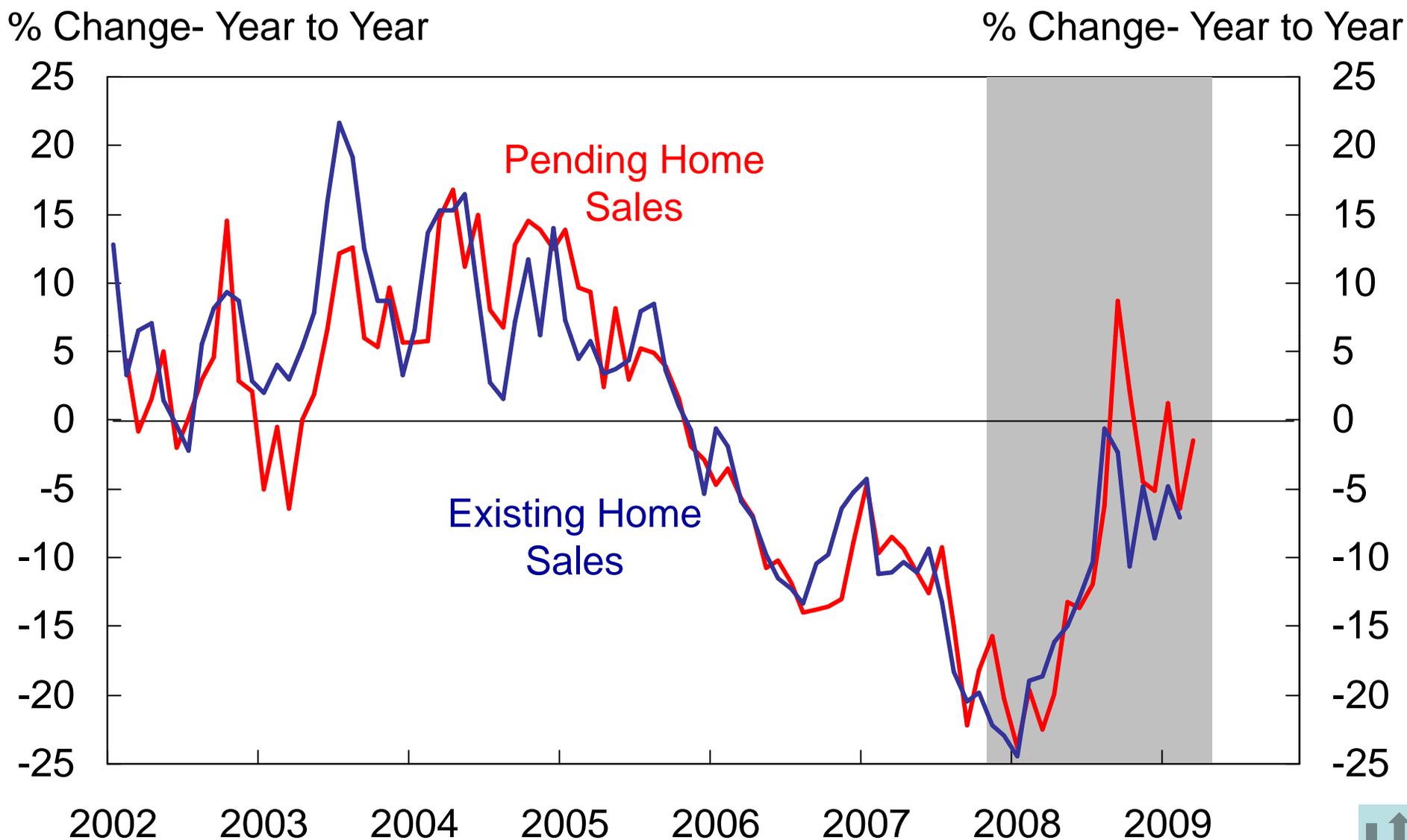
% Change - Year to Year



Source: Census Bureau



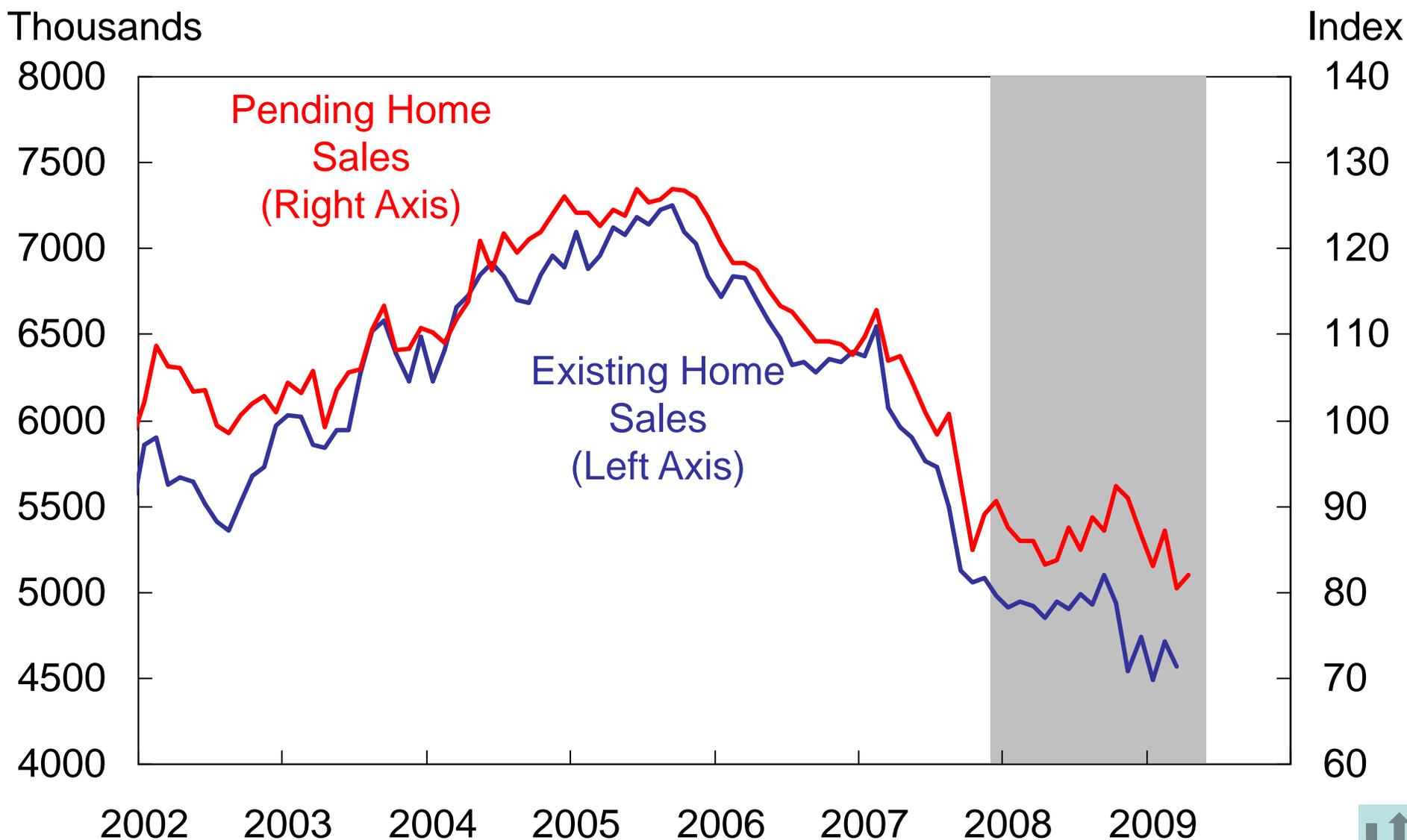
Pending and Existing Home Sales



Source: National Association of Realtors

Note: For proper comparison, pending sales data leads existing sales by two months

Pending and Existing Home Sales



Source: National Association of Realtors

Note: For proper comparison, pending sales data leads existing sales by two months

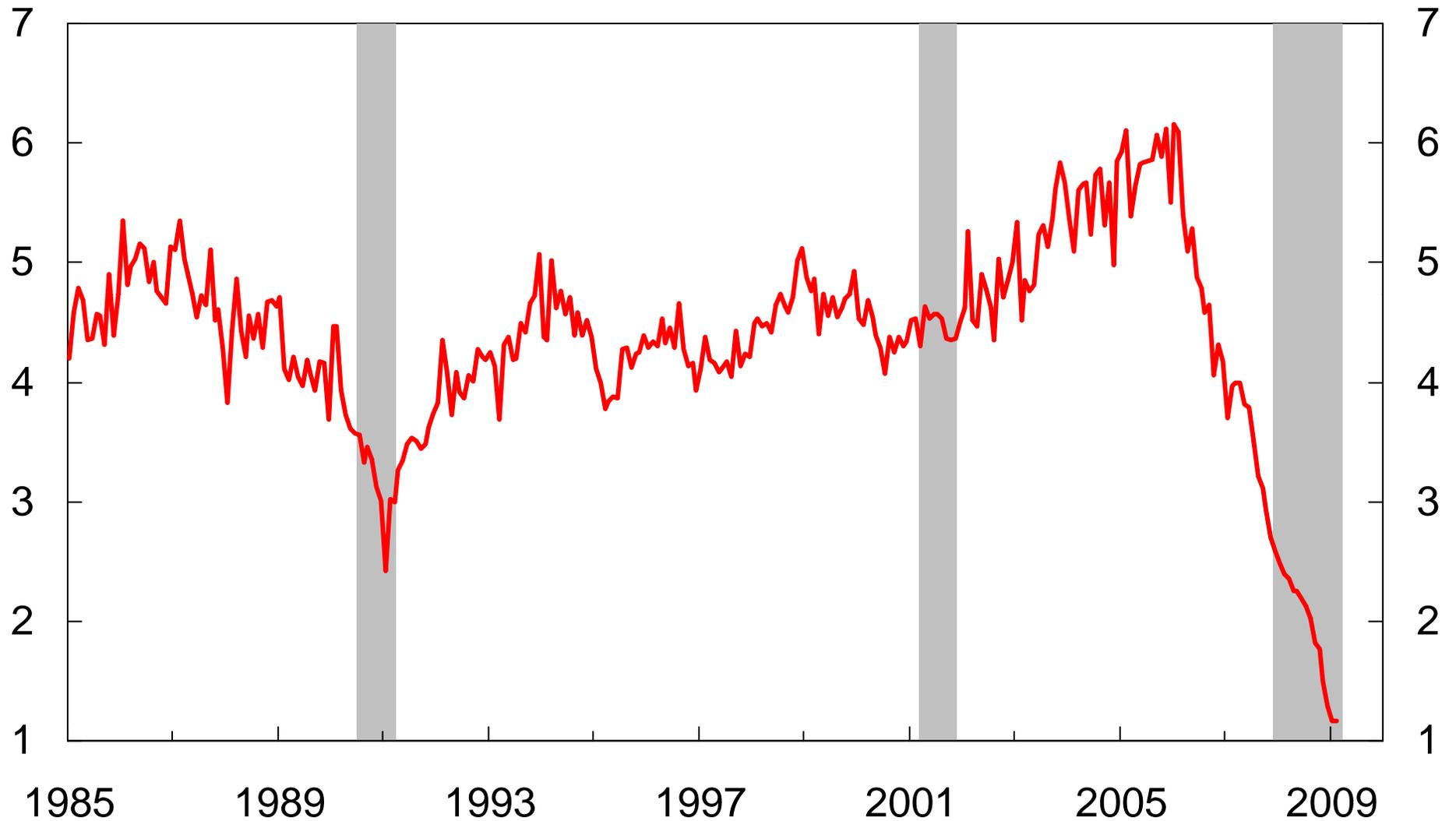


Ratio of Housing Starts to Population

Single-Family Homes

Starts per 1,000 people

Starts per 1,000 people



Source: Census Bureau

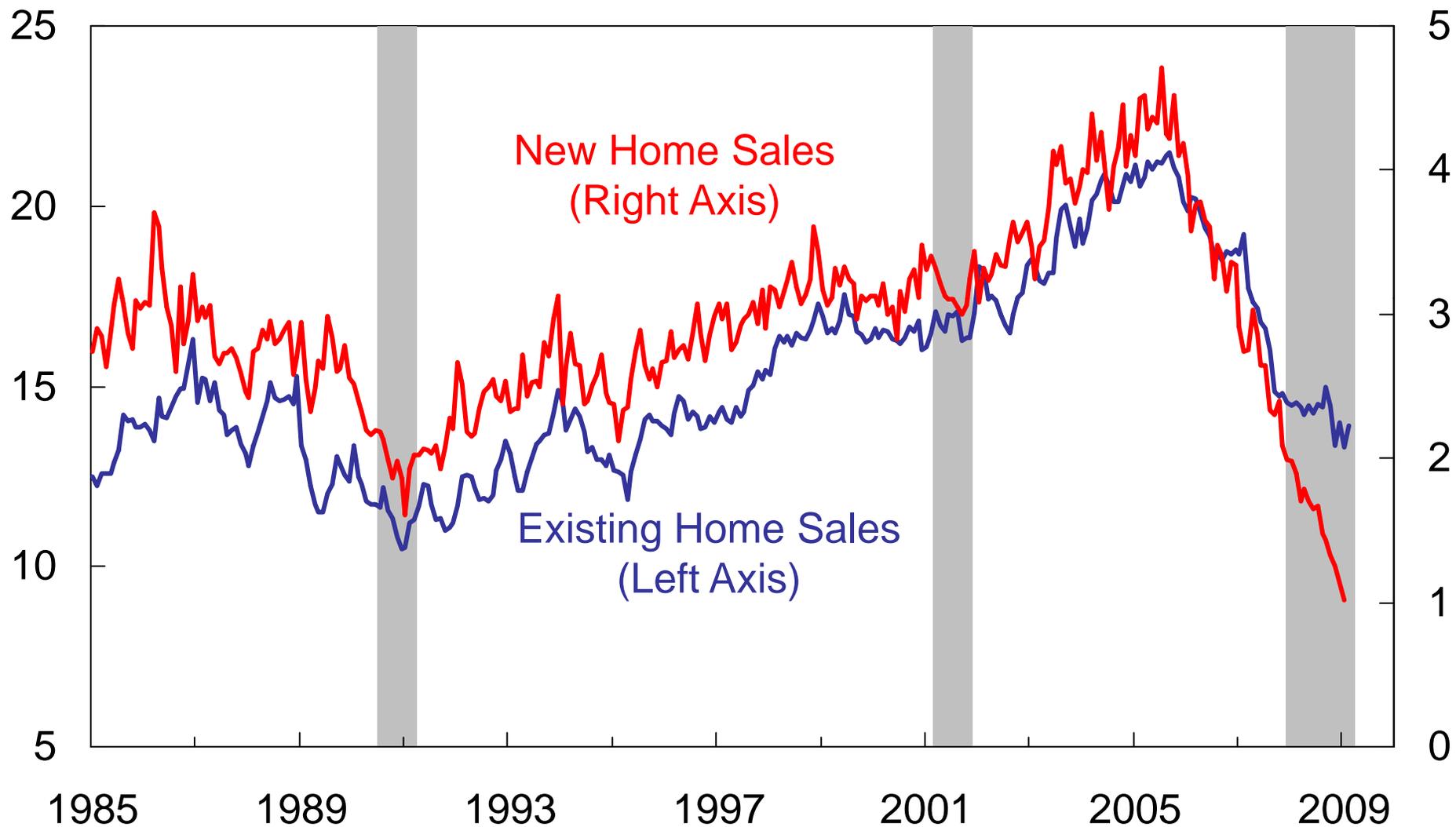


Ratio of Sales to Population

Single-Family Homes

Sales per 1,000 People

Sales per 1,000 People



Source: Census Bureau

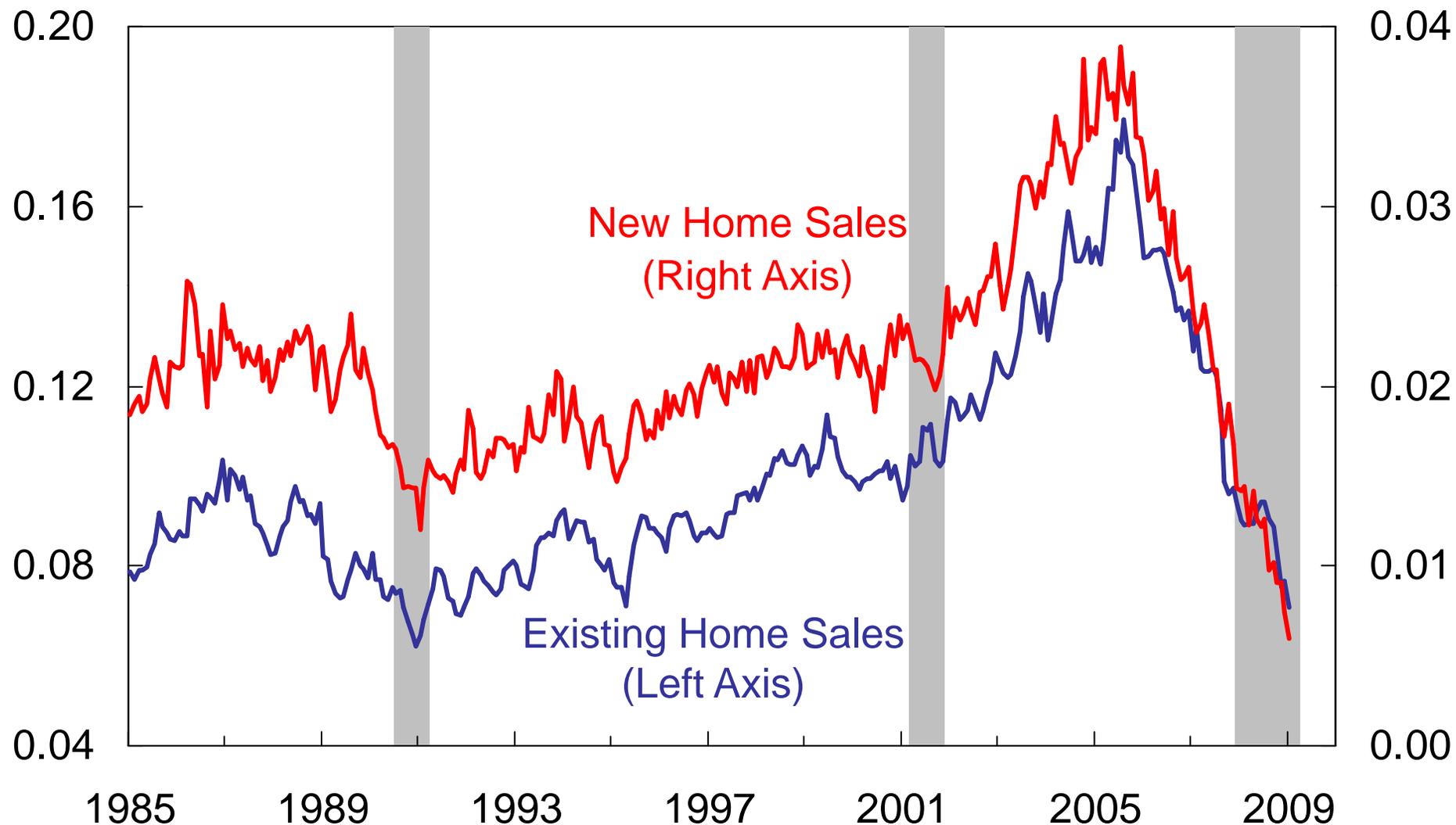


Ratio of Sales Value to Personal Income

Single-Family Homes

Sales Value per Dollar Earned

Sales Value per Dollar Earned



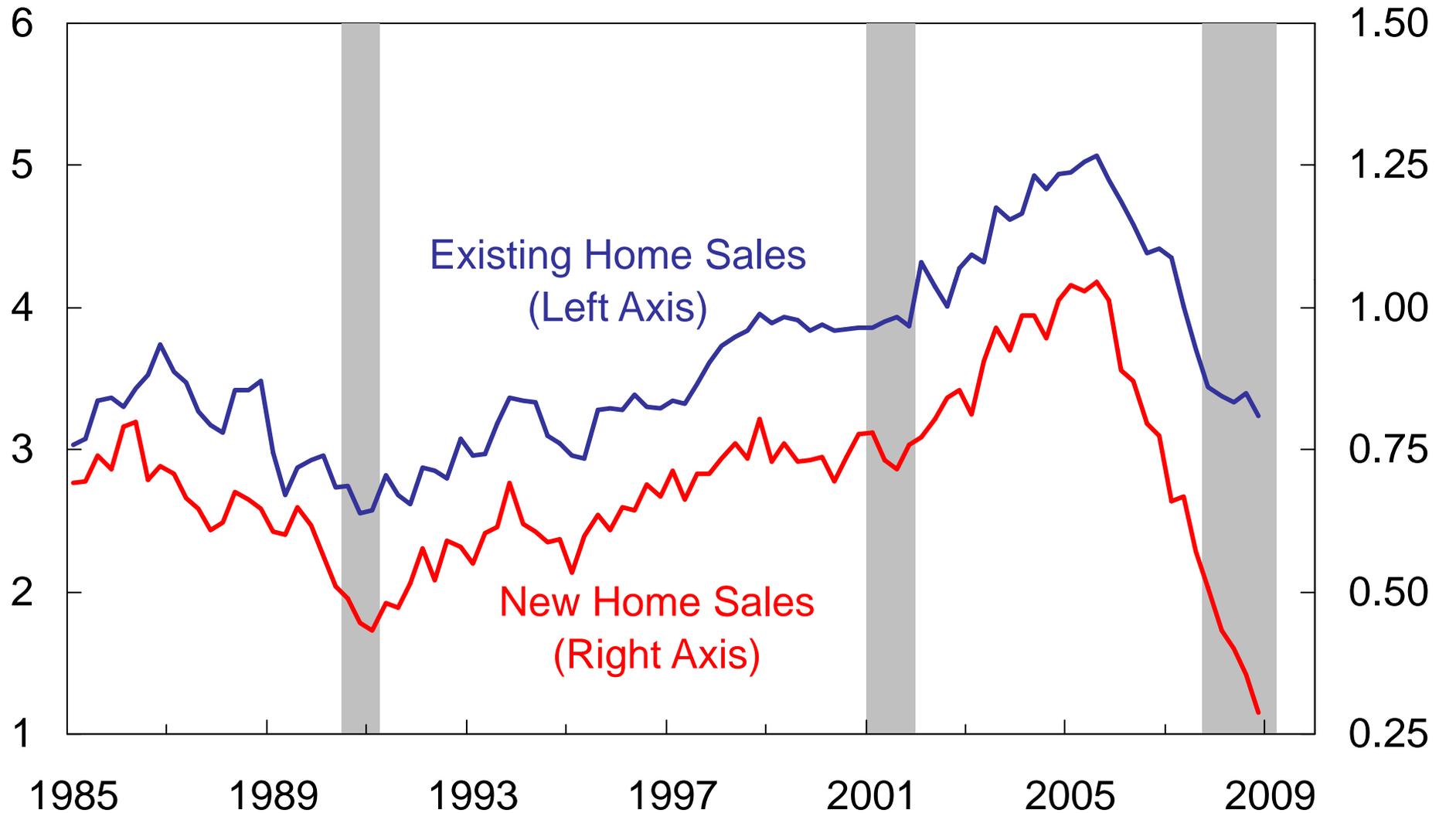
Source: Census Bureau and Bureau of Economic Analysis



Ratio of Sales to Housing Stock

Single-Family Homes

Ratio



Source: Census Bureau

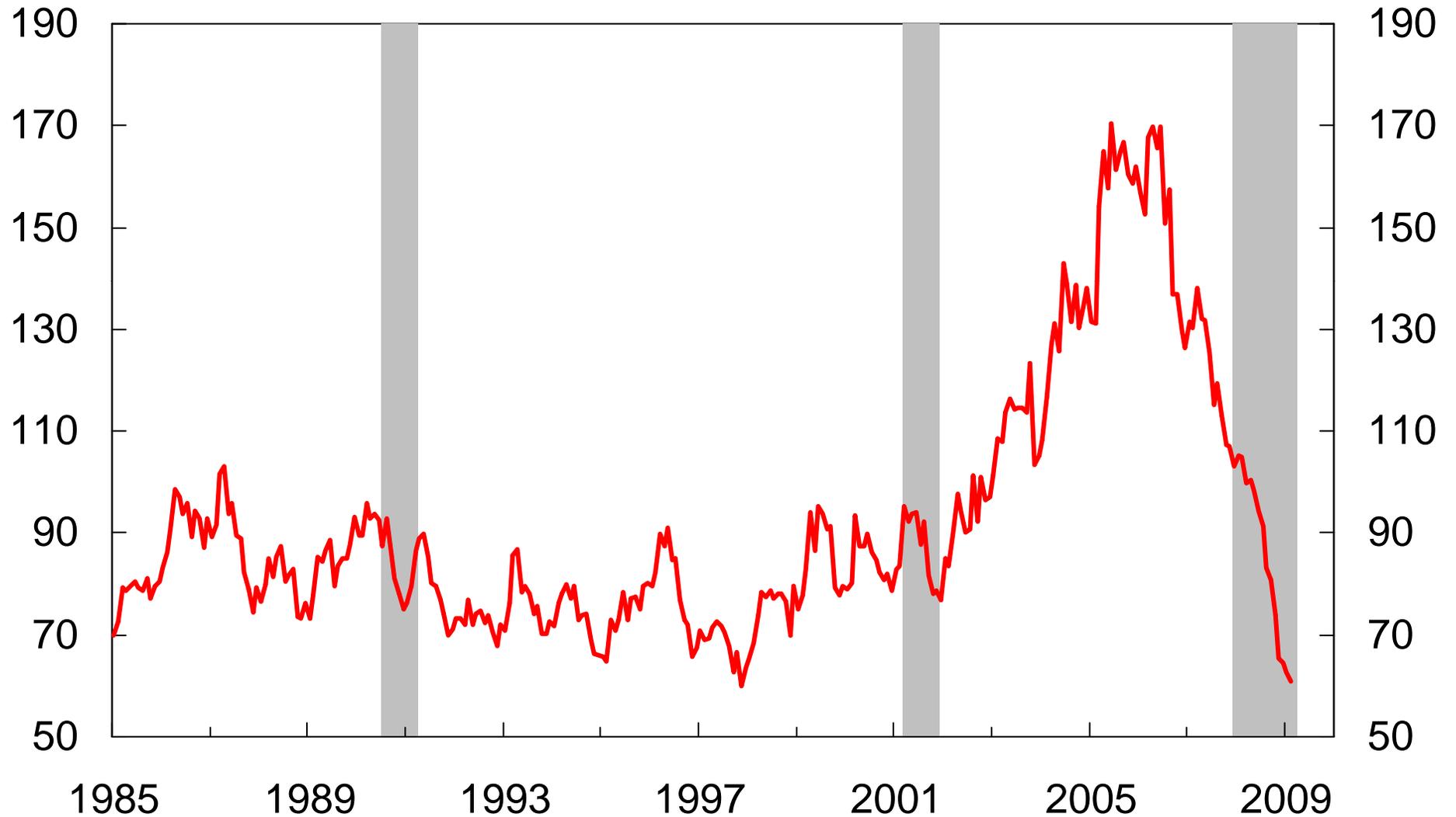


Housing Units Authorized but Not Started

Single-Family Homes

Thousands of Units

Thousands of Units



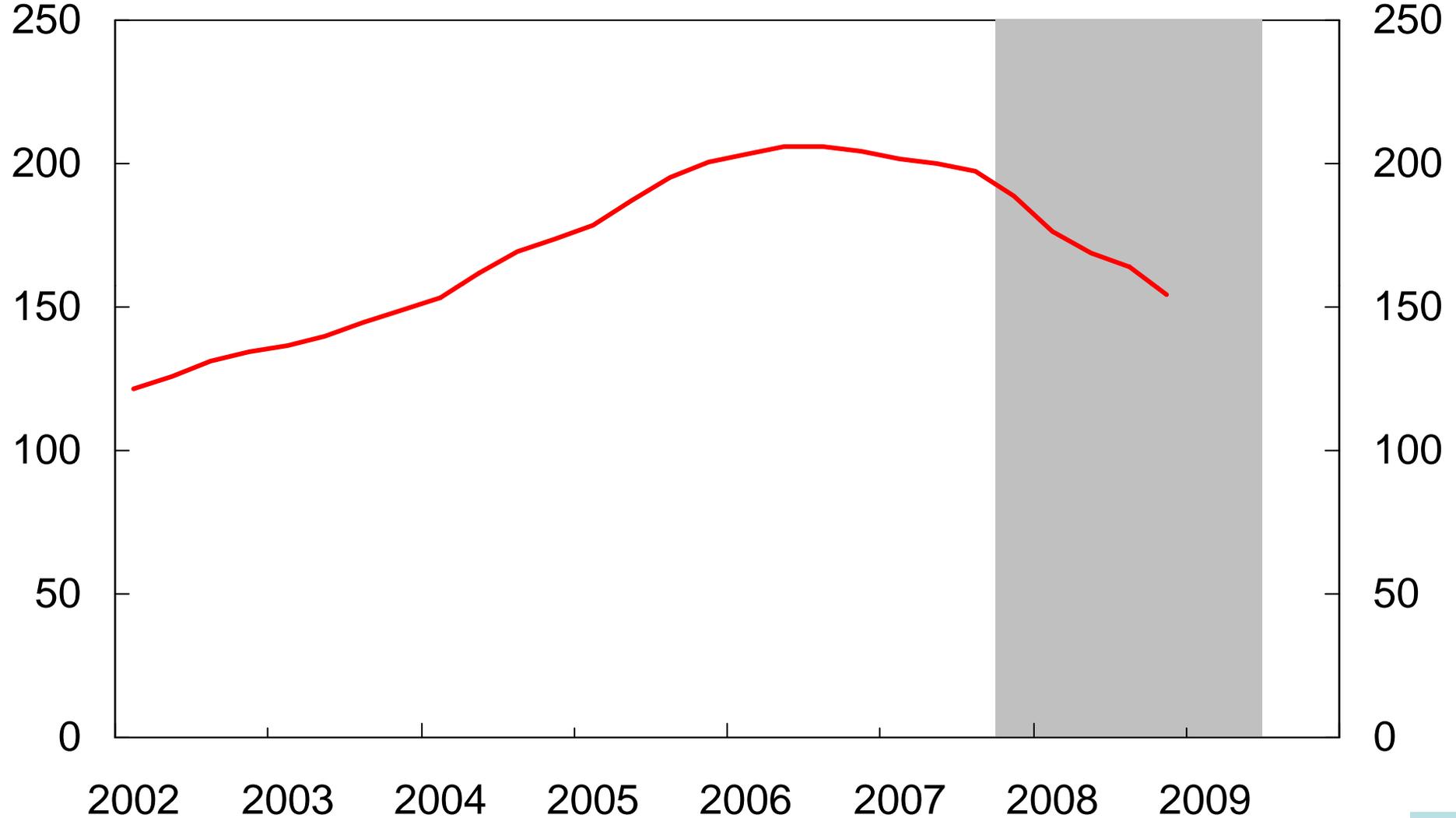
Source: Census Bureau



Case-Shiller Home Price Index

Composite 20

Level



Source: S&P, Fiserv, and MacroMarkets LLC

Note: Quarterly Data

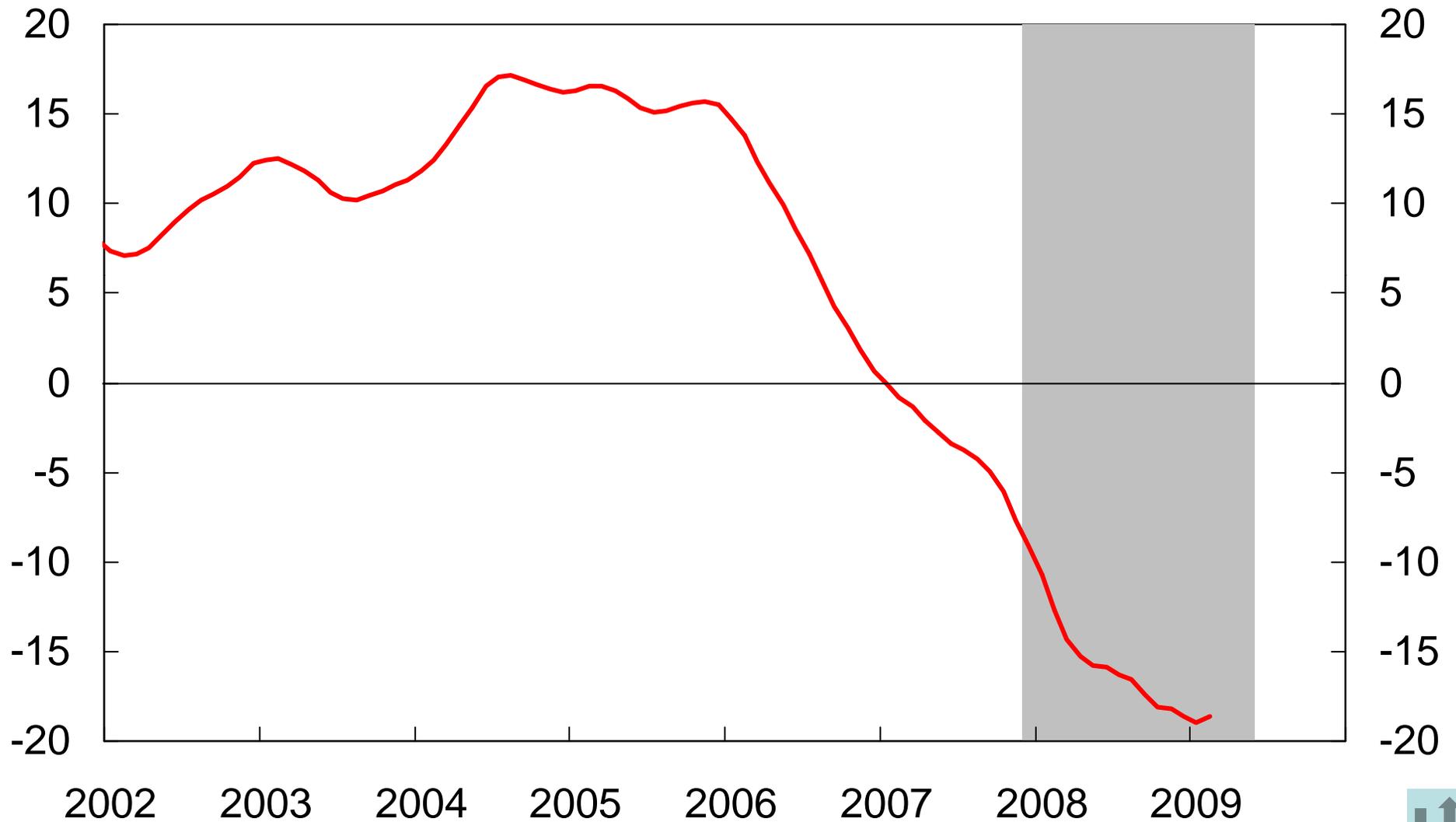


Case-Shiller Home Price Index

Composite 20

% Change - Year to Year

% Change - Year to Year



Source: S&P, Fiserv, and MacroMarkets LLC

Note: Monthly Data

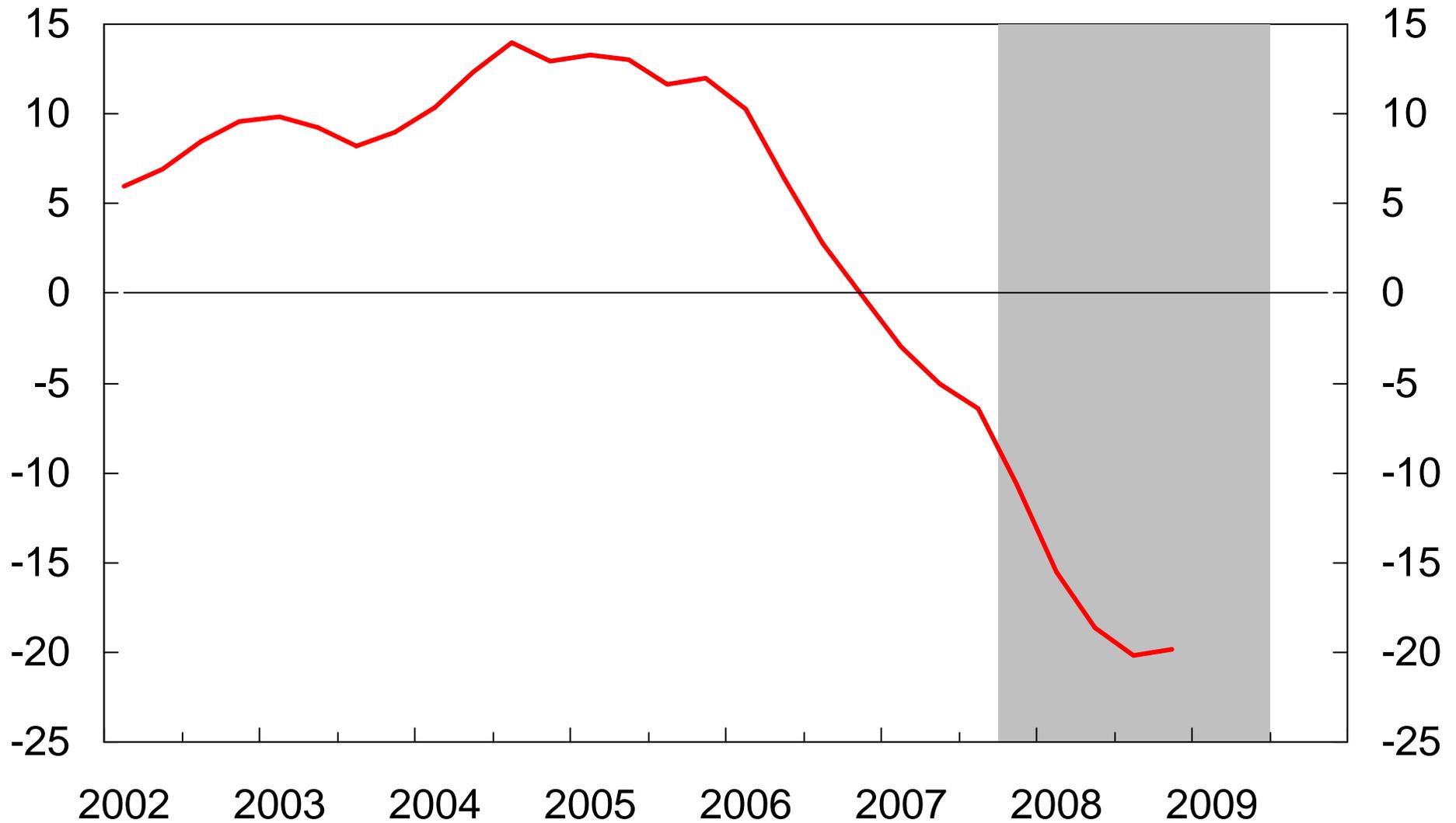


Case-Shiller Home Price Index/PCE Deflator

Composite 20

% Change - Year to Year

% Change - Year to Year



Source: S&P, Fiserv, MacroMarkets LLC, and Bureau of Economic Analysis

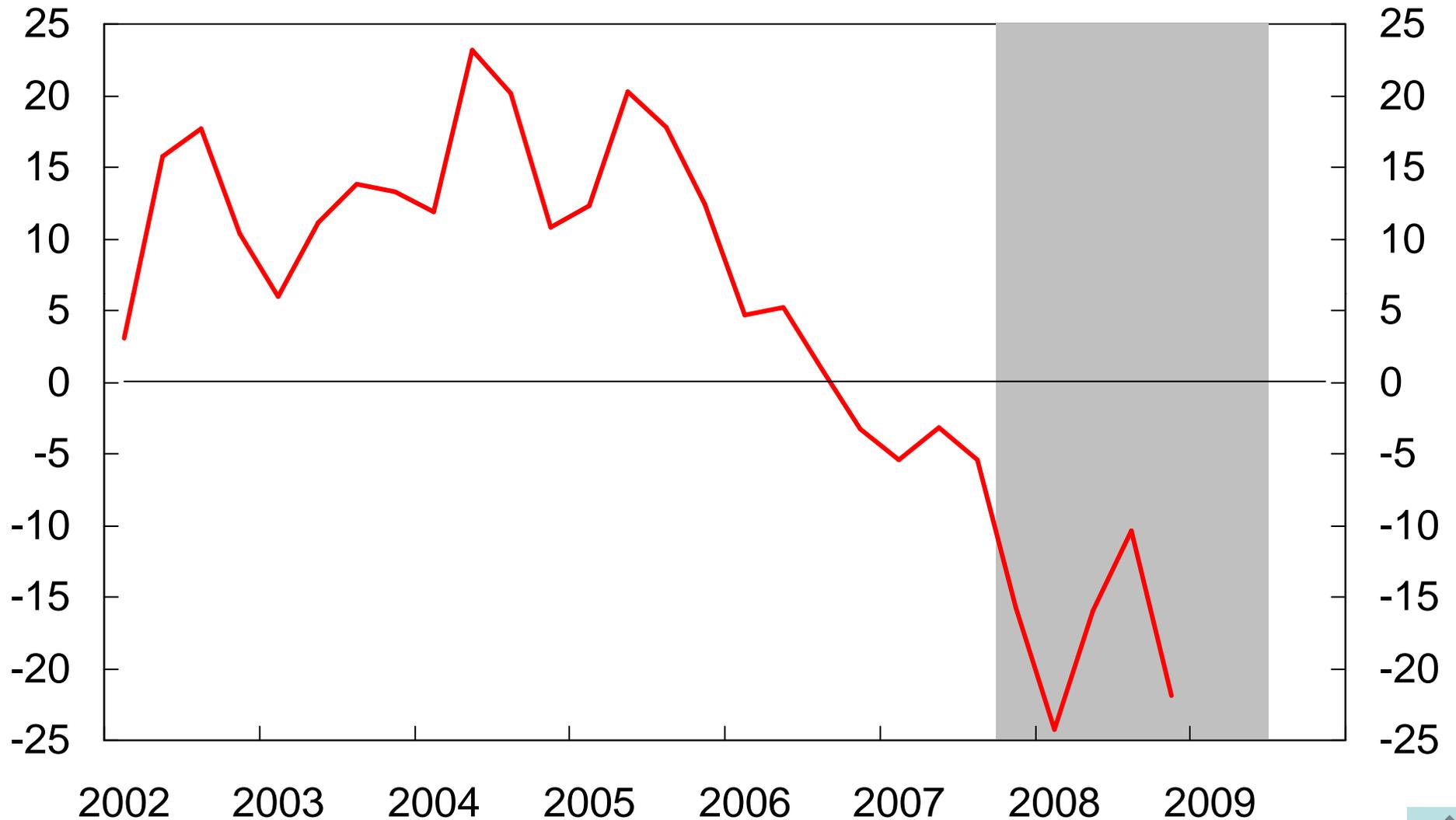


Case-Shiller Home Price Index

Composite 20

% Change - Annual Rate

% Change - Annual Rate

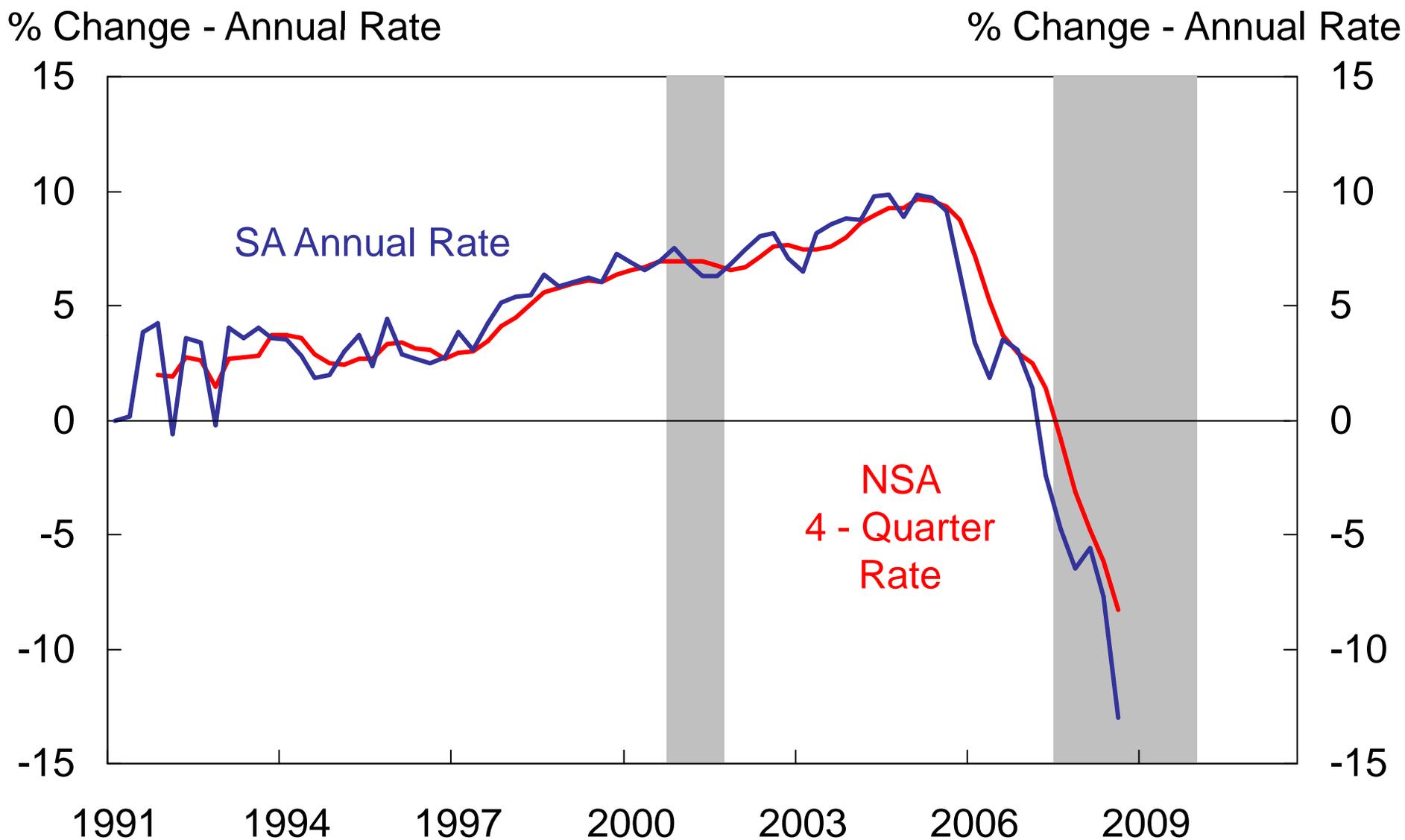


Source: S&P, Fiserv, and MacroMarkets LLC

Note: Quarterly Data



FHFA Purchases Only Index



Source: Federal Housing Finance Administration



Industrial Production: Manufacturing Output

(percent change at an annual rate)

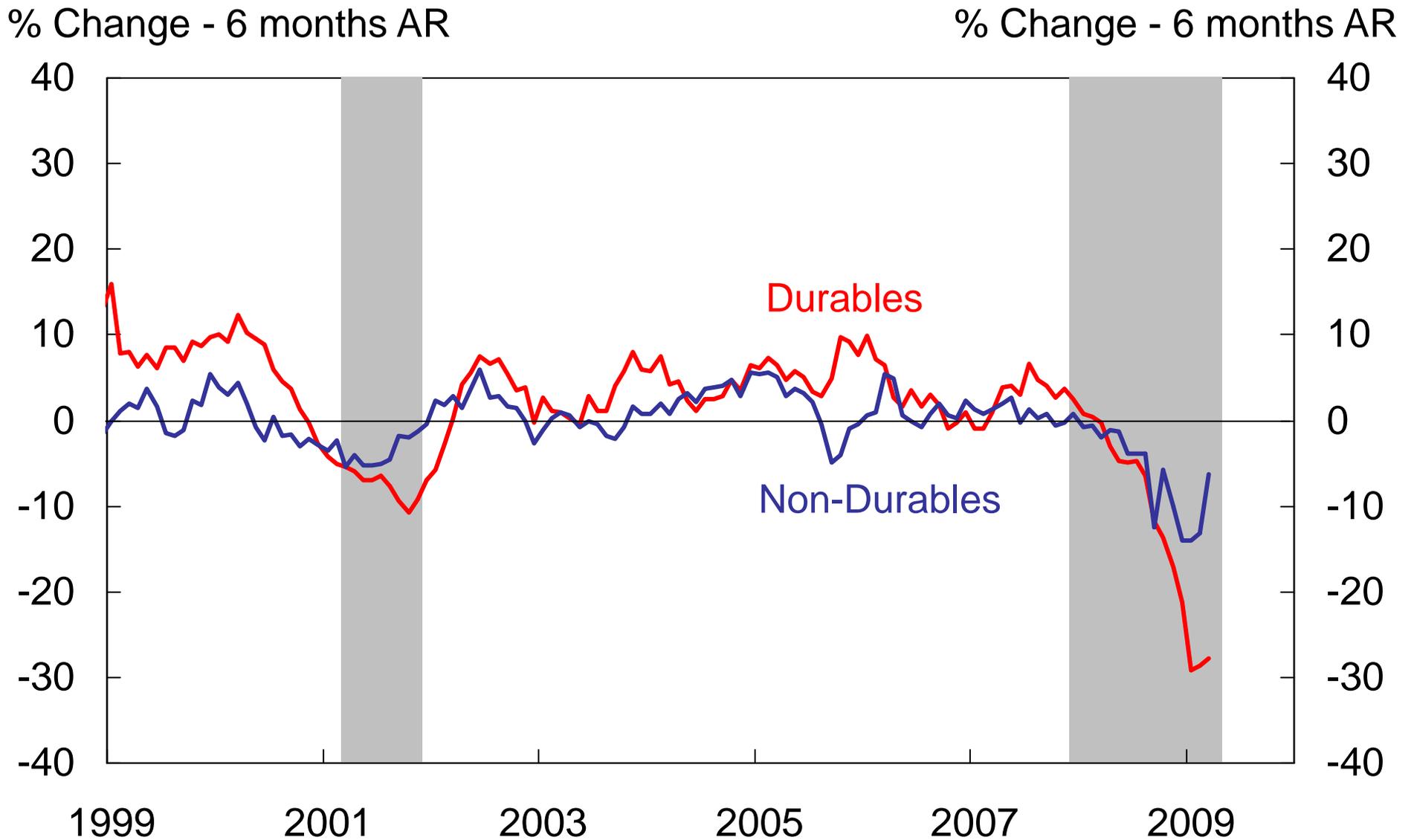
	24 Month	12 Month	6 Month	3 Month	1 Month
Total	-7.6	-15.0	-17.9	-18.7	-19.0
Durable Goods	-9.8	-20.2	-27.8	-30.0	-25.5
Wood Products	-21.2	-29.3	-41.0	-30.7	-35.9
Nonmetallic Mineral Products	-12.3	-21.1	-30.9	-34.8	-33.0
Primary Metals	-24.2	-43.1	-62.0	-42.1	-37.4
Fabricated Metals	-9.3	-19.1	-29.2	-35.1	-37.7
Machinery	-12.4	-22.1	-30.6	-35.6	-39.3
Computers and Electronic Equipment	-0.7	-15.5	-26.2	-20.1	-25.8
Electrical Equipment, Appliances, and Components	-6.0	-12.7	-20.1	-24.4	-36.0
Motor Vehicles and Parts	-22.7	-34.5	-47.1	-51.7	18.1
Aerospace and Misc. Transportation Equipment	1.2	-4.6	33.6	-14.6	-6.8
Furniture and Related Products	-13.9	-21.1	-26.8	-21.9	-18.6
Miscellaneous	-2.5	-6.4	-11.5	-11.0	-13.9
Nondurable Goods	-5.1	-9.4	-6.3	-4.8	-10.6
Food, Beverages, and Tobacco	-1.2	-4.3	-5.1	-0.4	-6.5
Textile Mill Products	-14.1	-18.7	-27.3	-21.4	-29.3
Apparel Products	-8.1	-13.0	-23.2	-16.5	11.4
Paper	-9.3	-16.7	-25.1	-10.8	-24.8
Printing and Related Activities	-10.5	-16.1	-20.7	-22.1	-9.7
Chemicals	-6.5	-11.1	-1.8	2.4	-10.2
Petroleum and Coal	-1.7	-4.1	16.4	-6.8	-12.6
Plastics and Rubber	-10.1	-18.0	-26.8	-23.9	-23.6
Memo Item: Special Aggregates					
IT Equipment	-2.0	-22.7	-36.1	-23.8	-31.3
Motor Vehicles and Parts	-22.7	-34.5	-47.1	-51.7	18.1
Nonenergy, Non IT, Non Auto	-6.9	-13.2	-14.4	-15.7	-19.4

Source: Federal Reserve Board

Note: Data through March 2008.



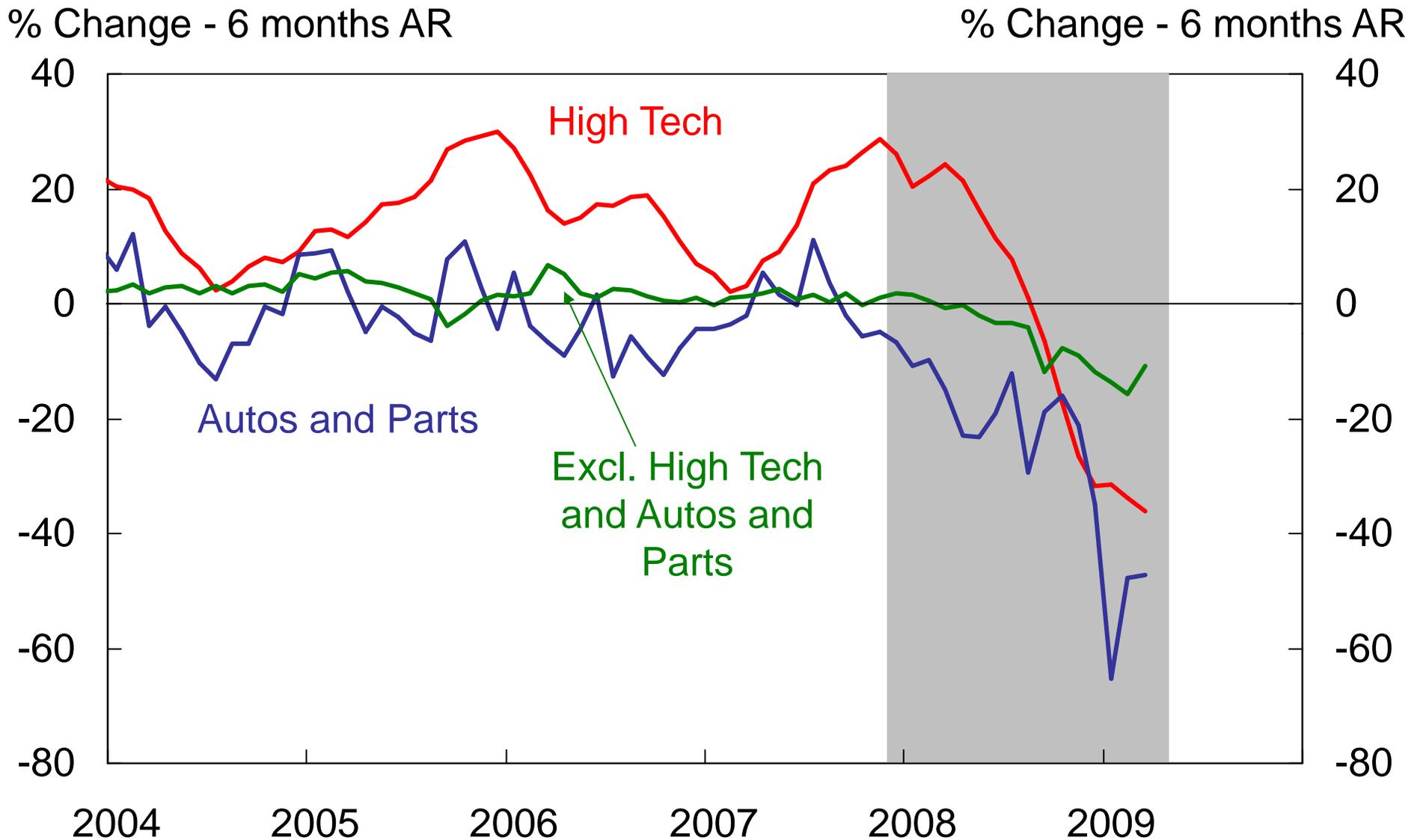
Industrial Production



Source: Federal Reserve Board



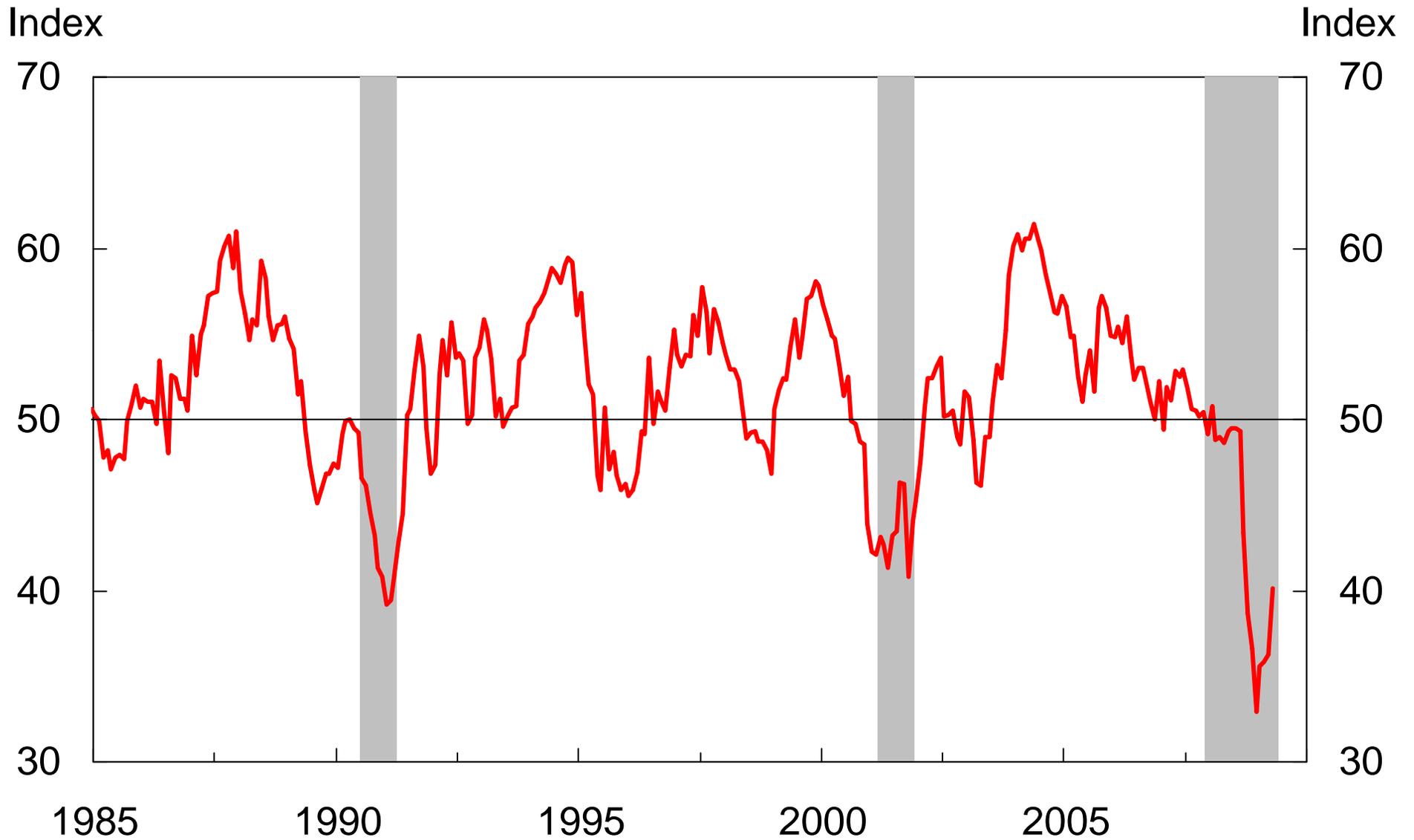
Industrial Production



Source: Federal Reserve Board



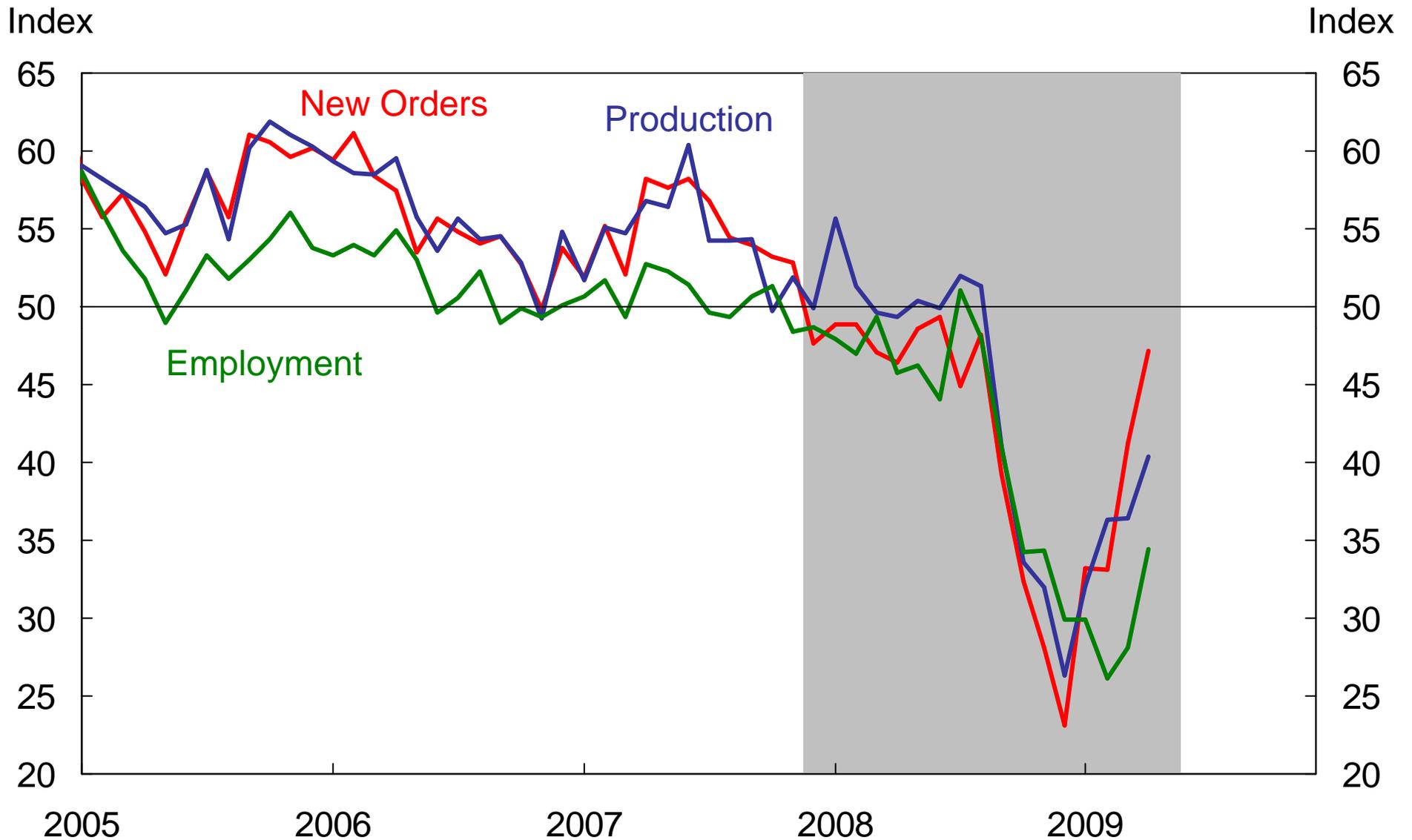
ISM Manufacturing Index



Source: Institute for Supply Management



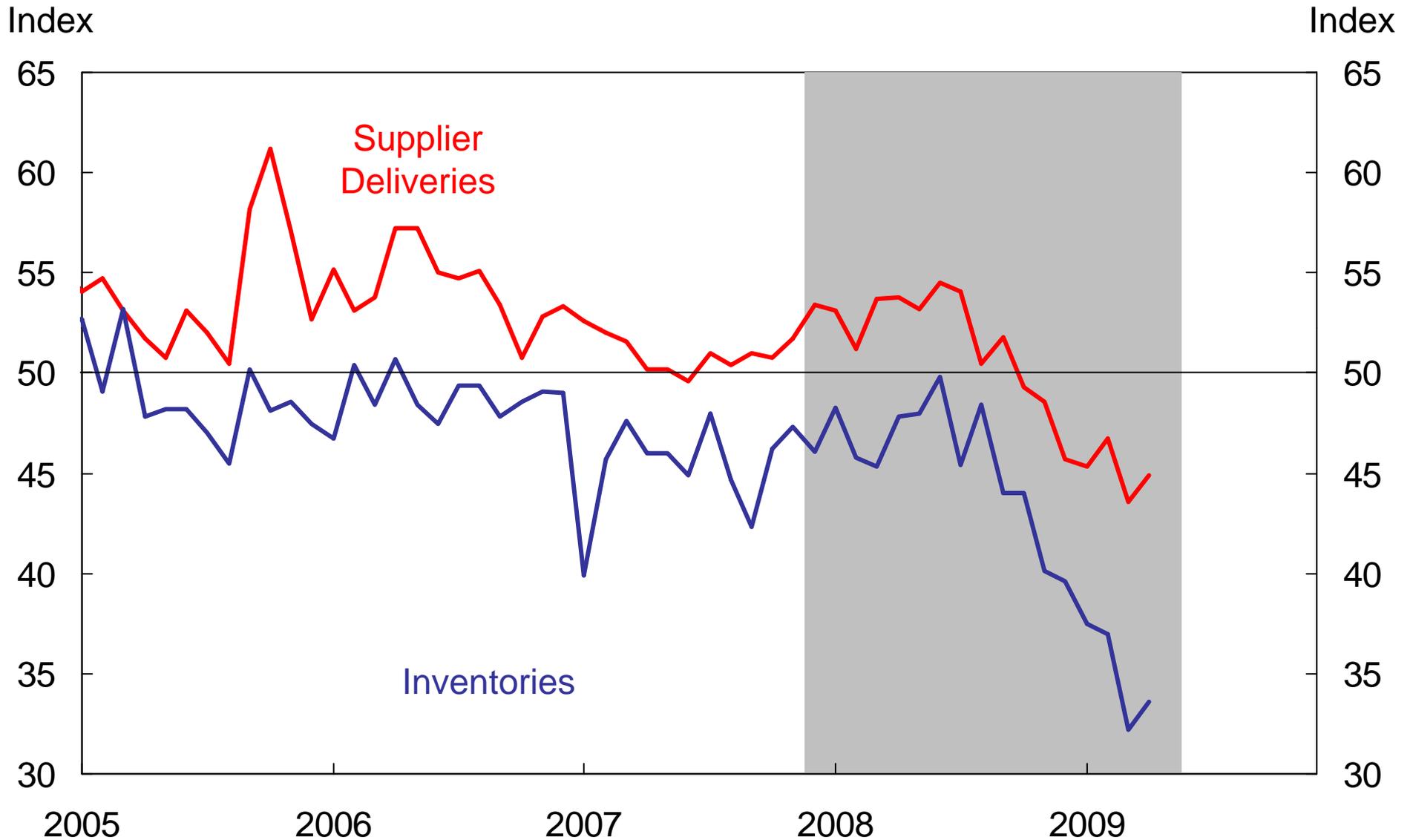
Components of ISM Manufacturing Index



Source: Institute for Supply Management



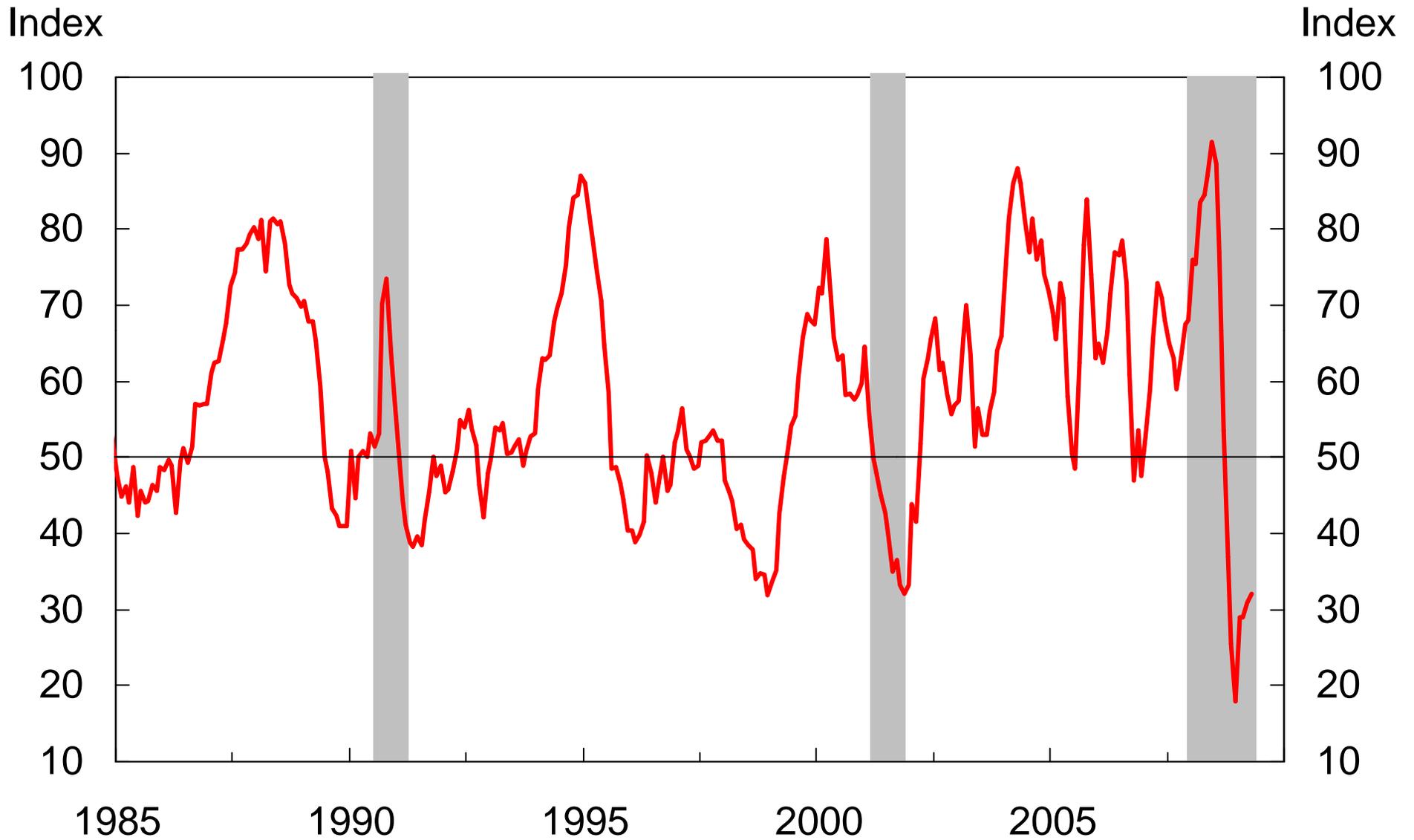
Components of ISM Manufacturing Index



Source: Institute for Supply Management



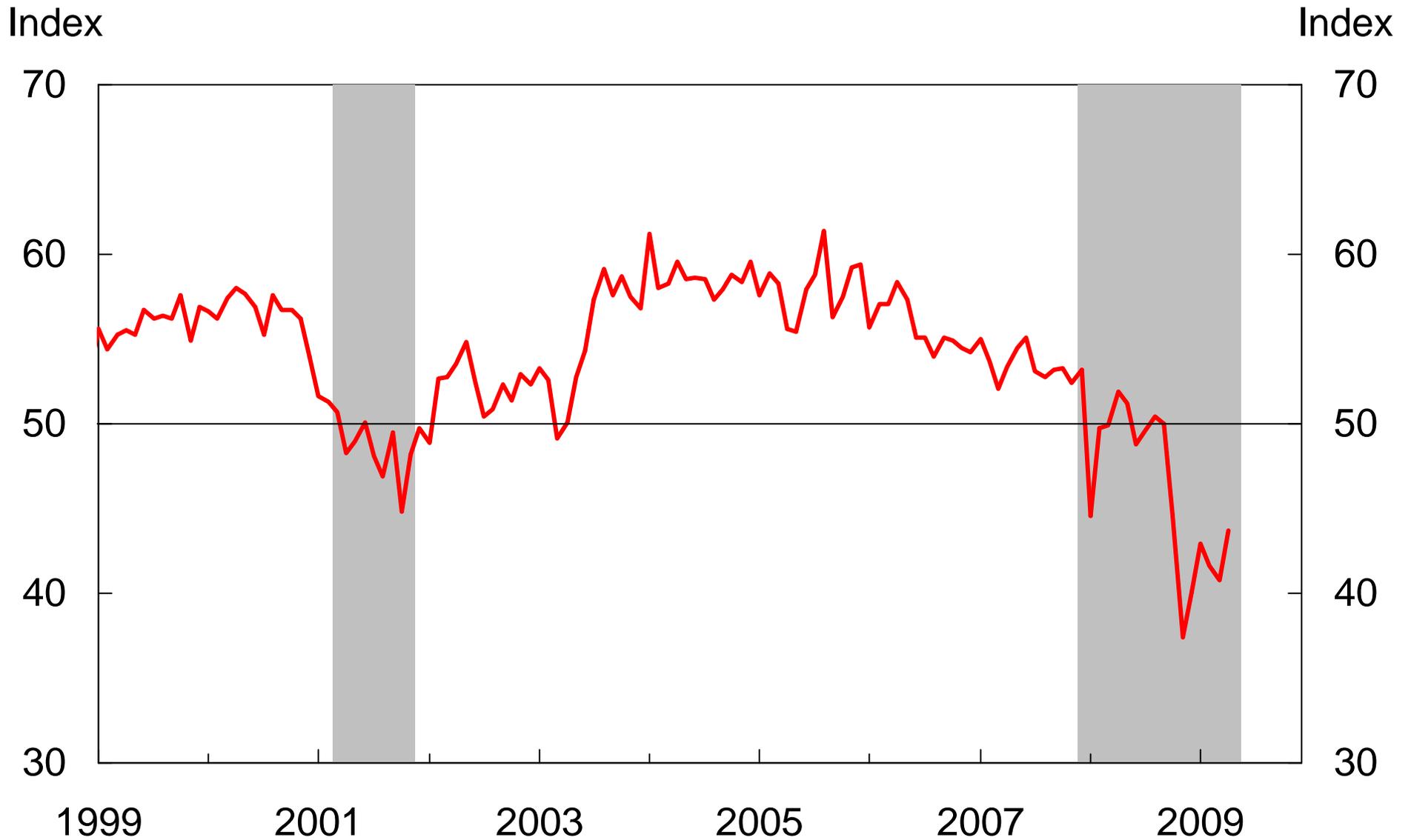
ISM Manufacturing Price Index



Source: Institute for Supply Management



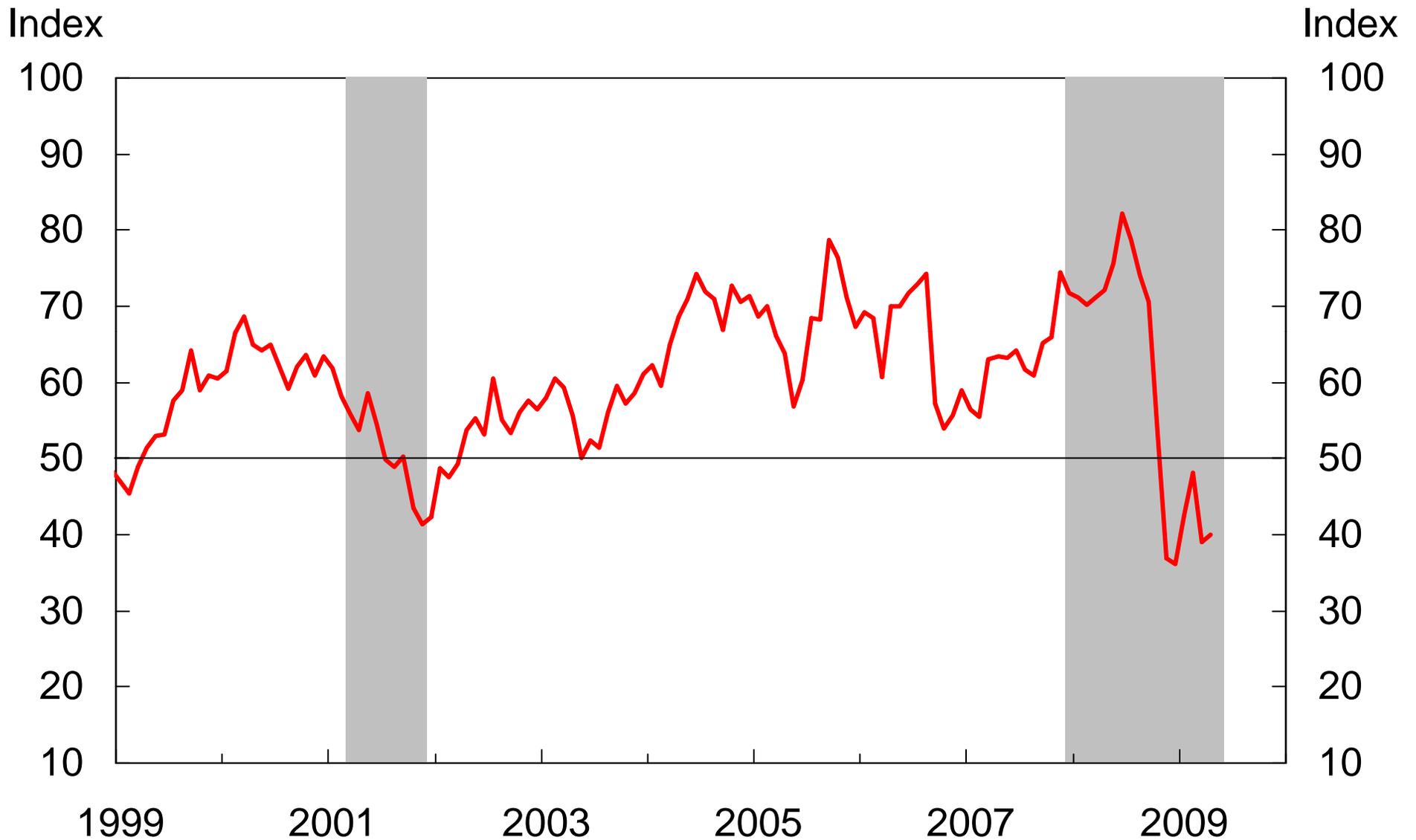
ISM Non-Manufacturing Index



Source: Institute for Supply Management



ISM Non-Manufacturing Price Index



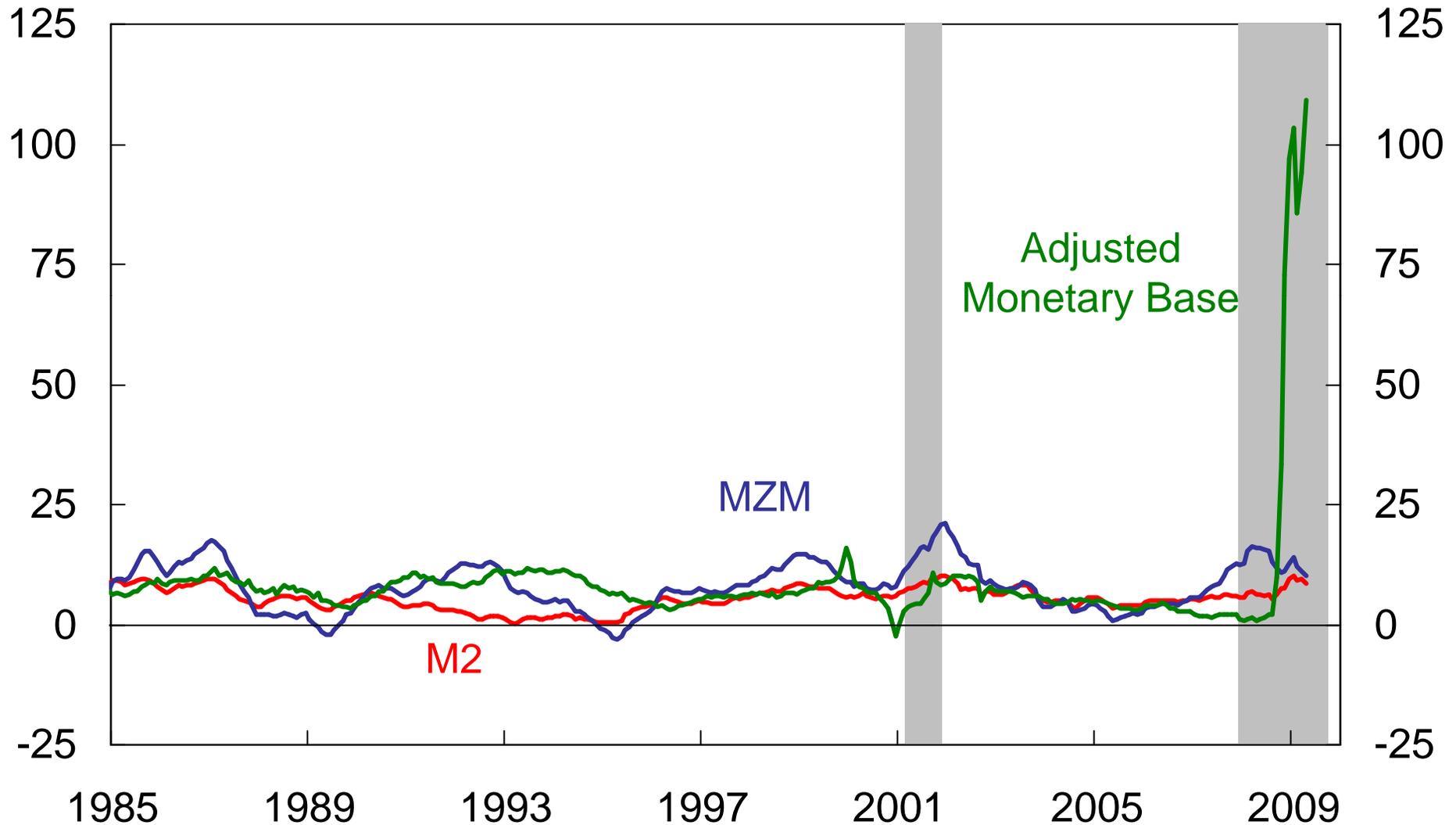
Source: Institute for Supply Management



Growth of Monetary Aggregates

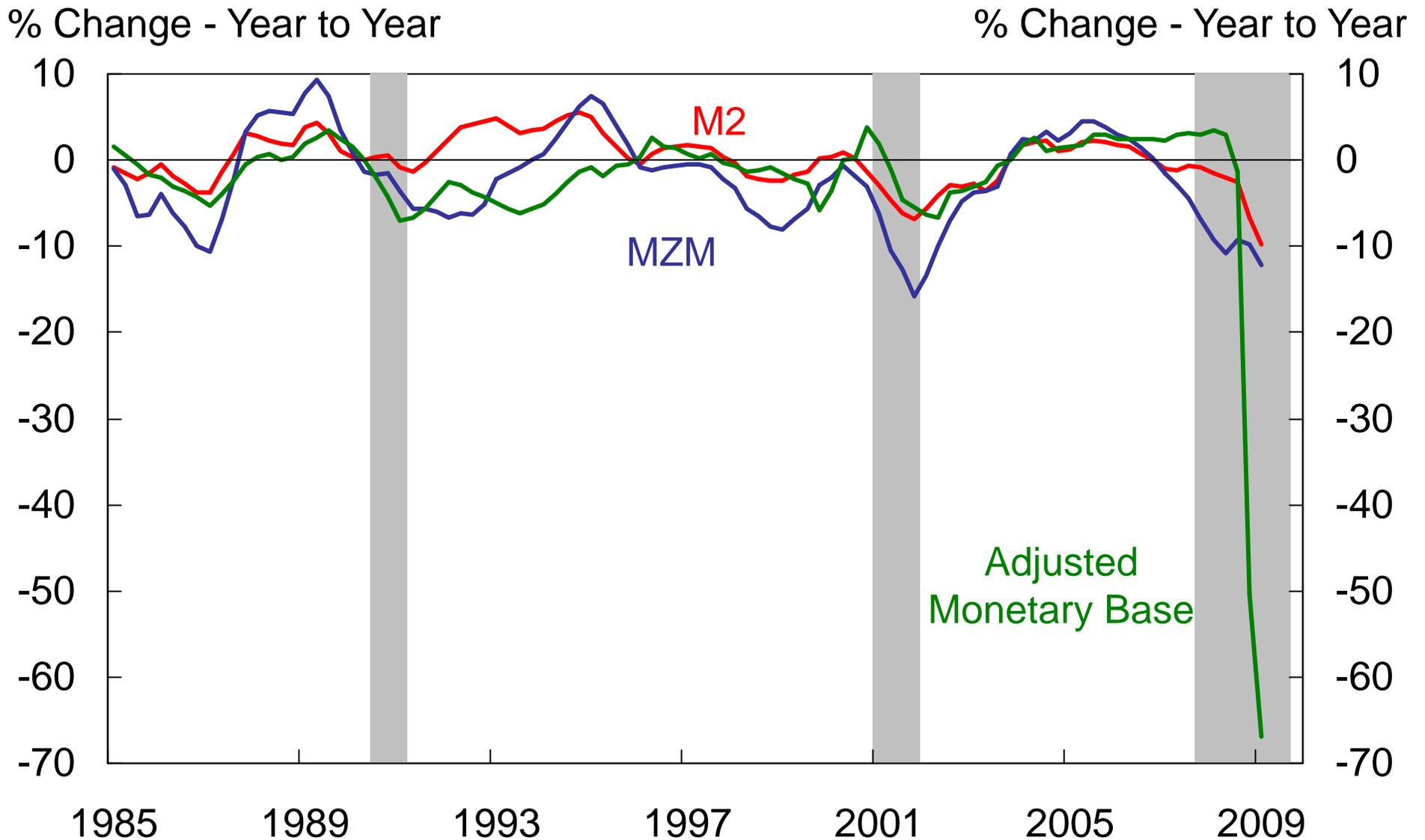
% Change - Year to Year

% Change - Year to Year



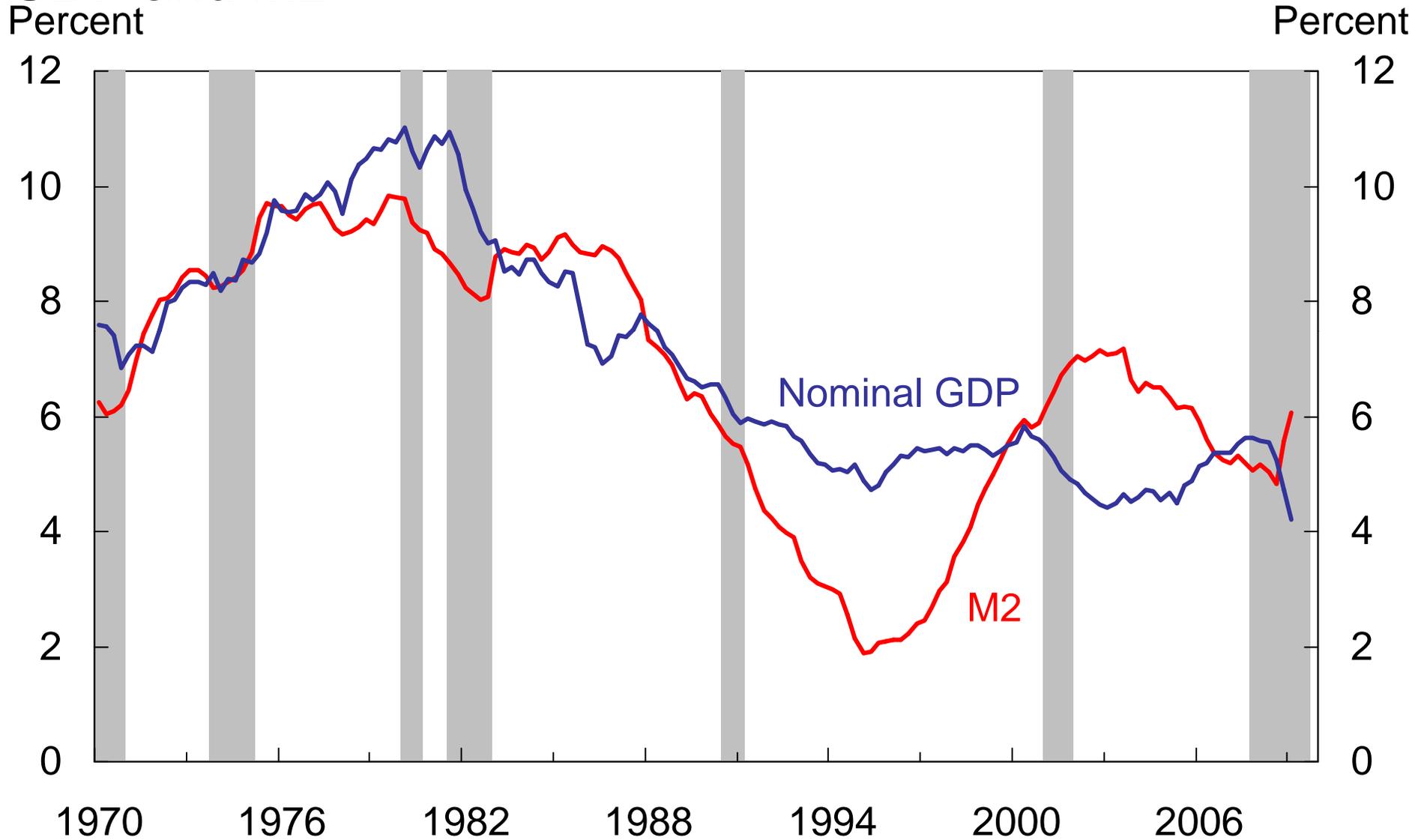
Source: Federal Reserve Board

Growth of Velocity of Monetary Aggregates



Source: Federal Reserve Board

5-Year Average Logarithmic Growth Rates of Nominal GDP and M2

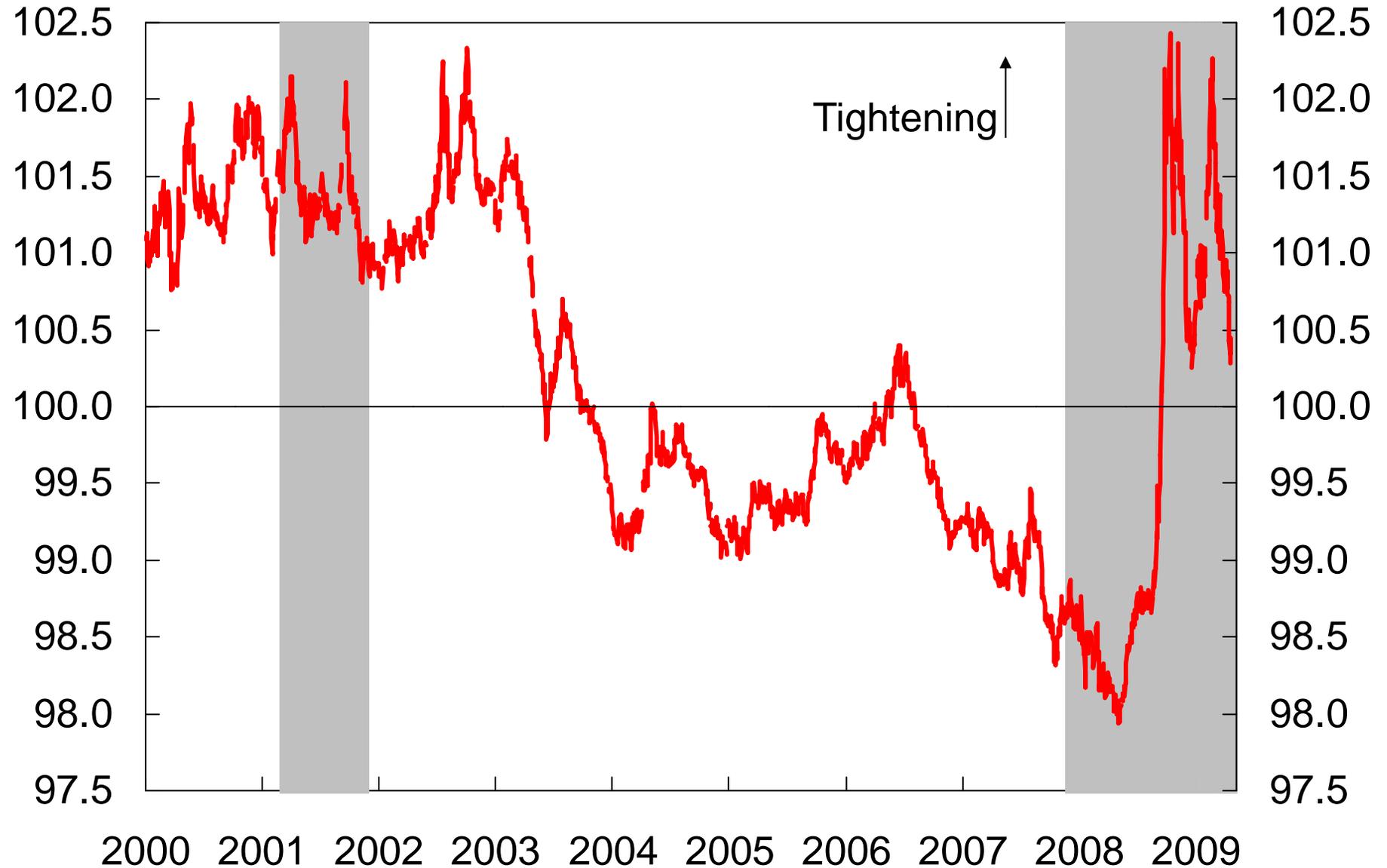


Source: Bureau of Economic Analysis and Federal Reserve Board

Financial Conditions Index

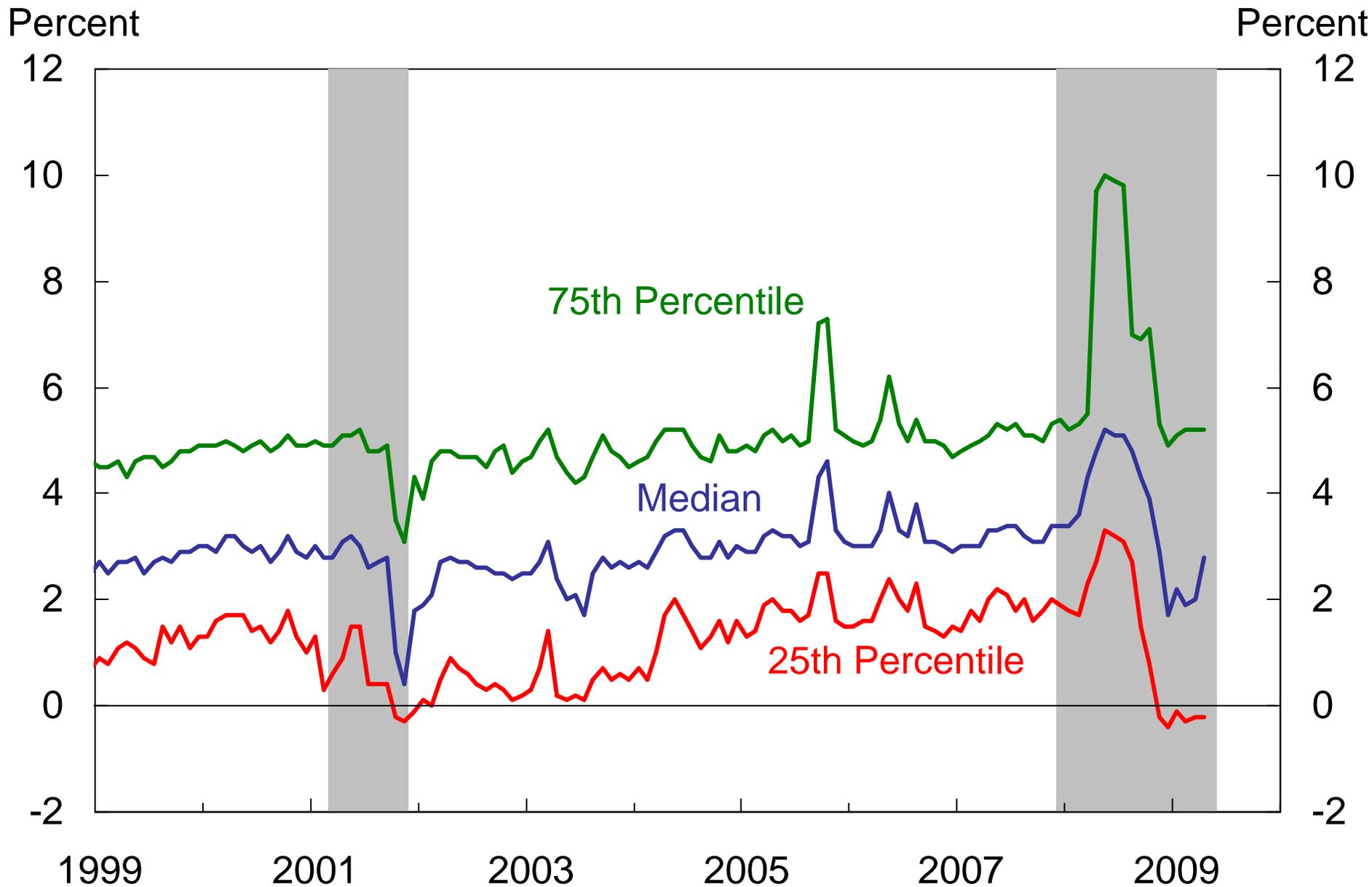
Index, 10/20/2003=100

Index, 10/20/2003=100



Source: FRBNY calculations, based on Goldman Sachs FCI

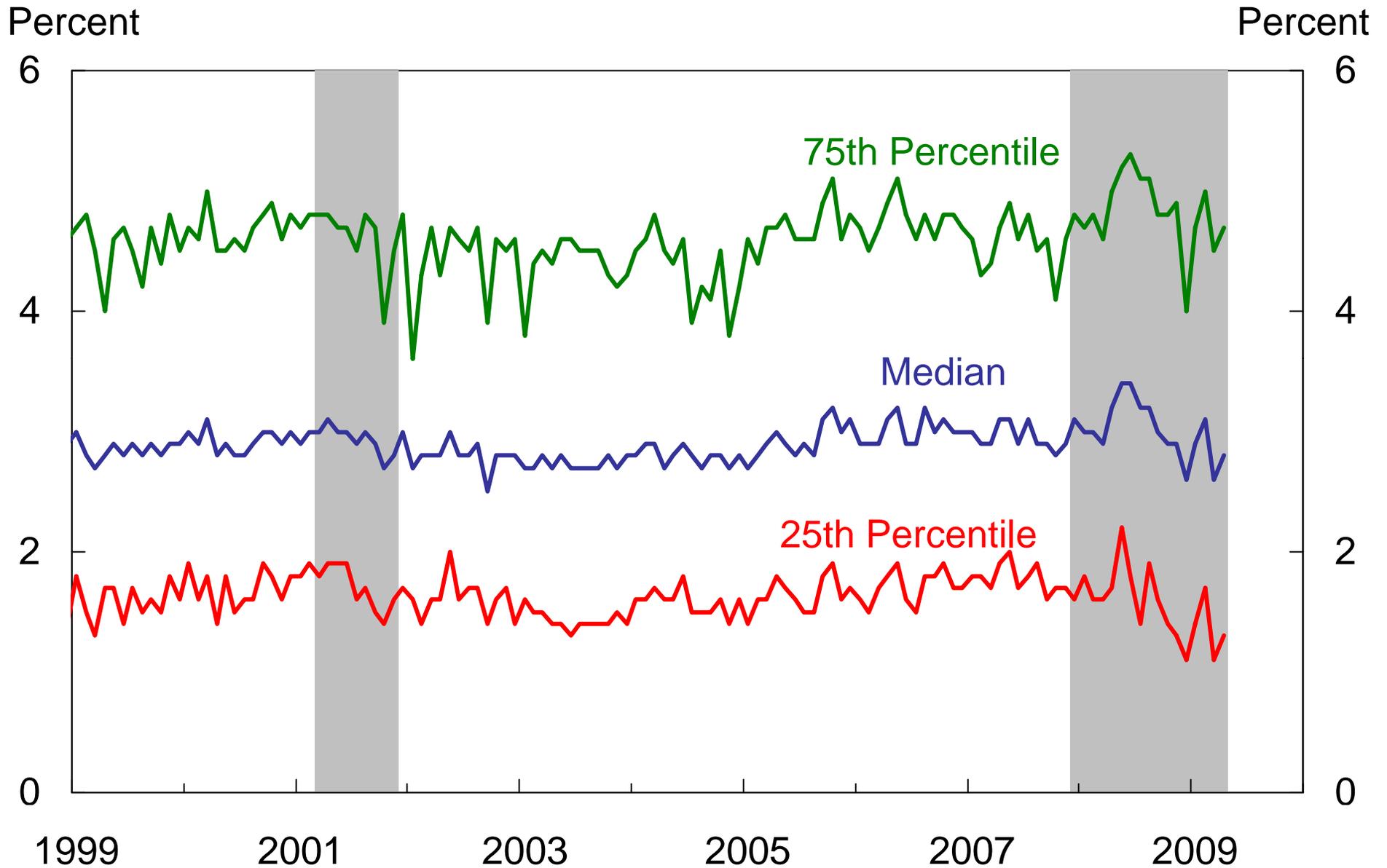
Michigan Survey Inflation Expectations: 1 Year Ahead



Source: University of Michigan



Michigan Survey Inflation Expectations: 5-10 Years Ahead



Source: University of Michigan



PCE Deflator

(percent change at annual rate)

	24 Month	12 Month	6 Month	3 Month	1 Month
PCE Deflator	2.0	0.6	-2.9	2.2	-0.3
Market-Based	1.8	0.4	-3.6	2.3	-0.5
Durable Goods	-1.5	-1.8	-2.0	0.7	0.9
Motor Vehicles and Parts	-0.8	-1.8	-2.5	3.1	3.2
Nondurable Goods	1.8	-1.7	-10.8	5.5	-1.4
Clothing and Shoes	-0.1	2.1	0.1	6.2	-4.5
Services	2.7	2.1	1.0	1.0	0.0
Housing	2.4	2.0	1.6	1.6	1.3
Transportation	4.4	4.6	2.0	1.4	-2.3
Medical Care	2.4	2.3	2.0	2.0	1.0
Recreation Services	2.6	2.1	0.4	3.1	1.9
Other Services	2.8	1.2	0.2	0.0	-0.4
PCE Deflator Excluding Food and Energy	2.0	1.8	1.3	2.3	2.2
Market-Based	1.8	1.8	1.4	2.6	2.6
Personal Business Services-MB	0.3	-3.1	-7.9	-4.3	-7.1
Personal Business Services-NMB	2.2	-0.3	-1.4	0.2	-1.6

Source: Bureau of Economic Analysis

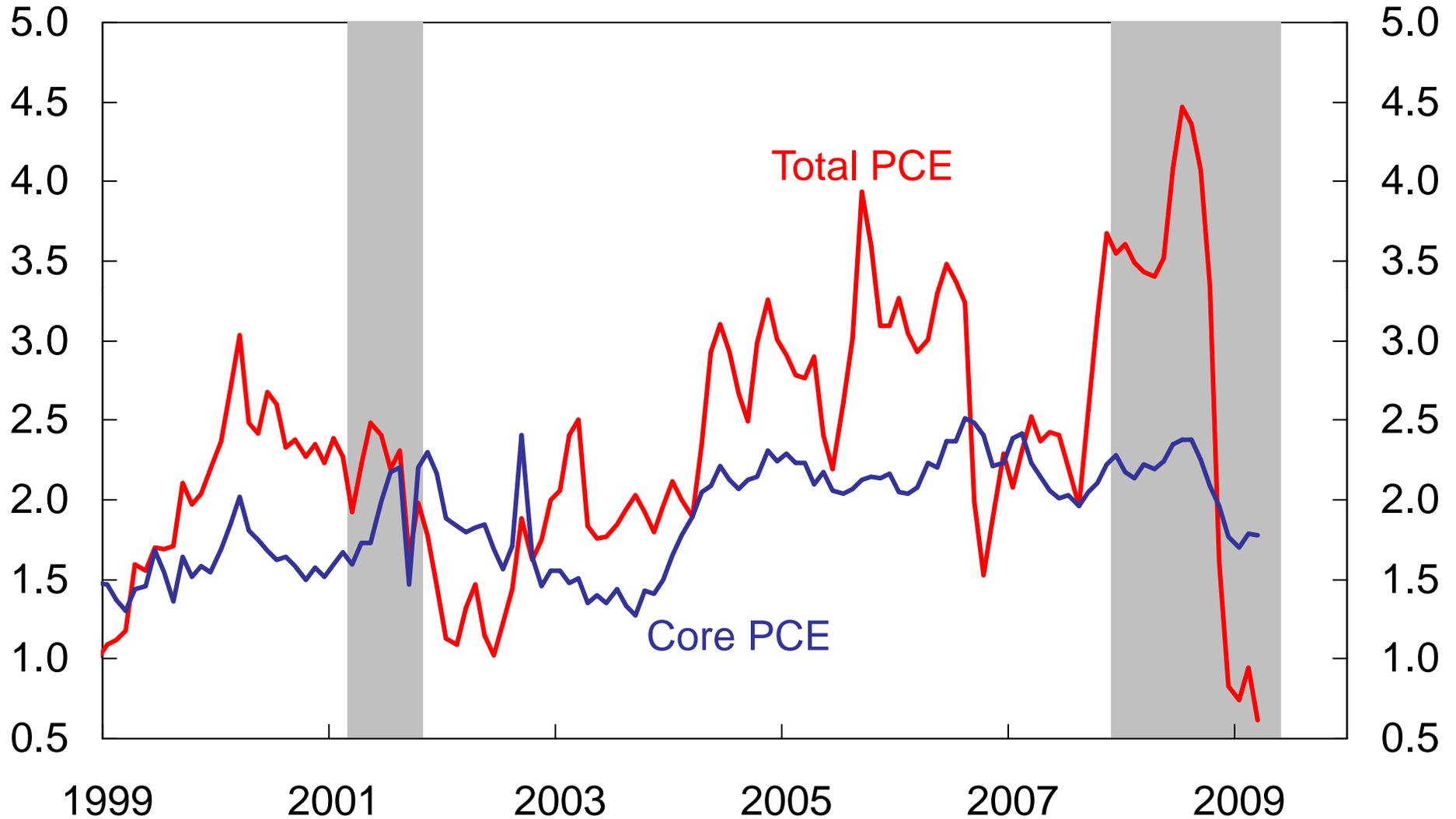
Note: Data through March 2009.



Total and Core PCE Deflator

% Change - Year to Year

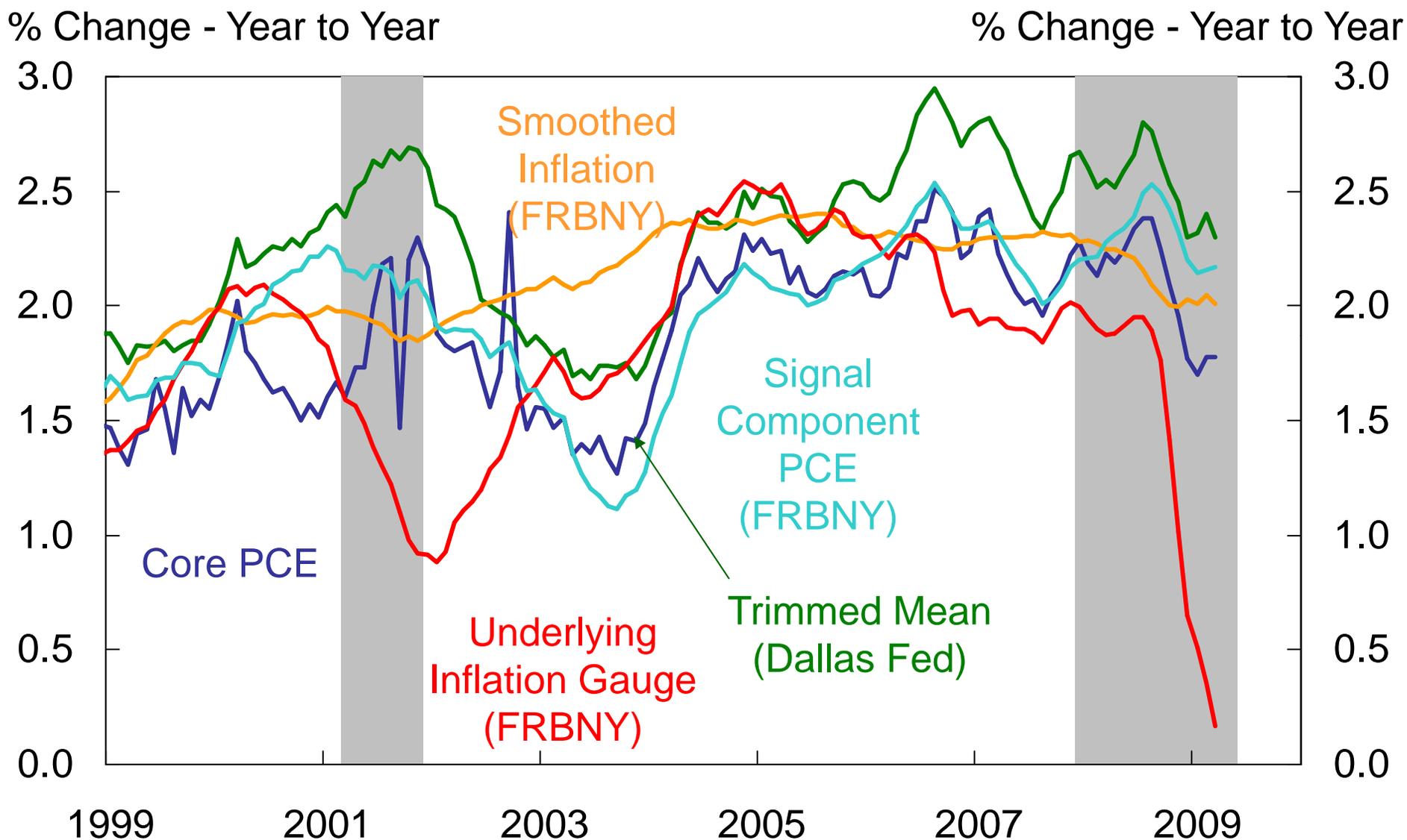
% Change - Year to Year



Source: Bureau of Economic Analysis



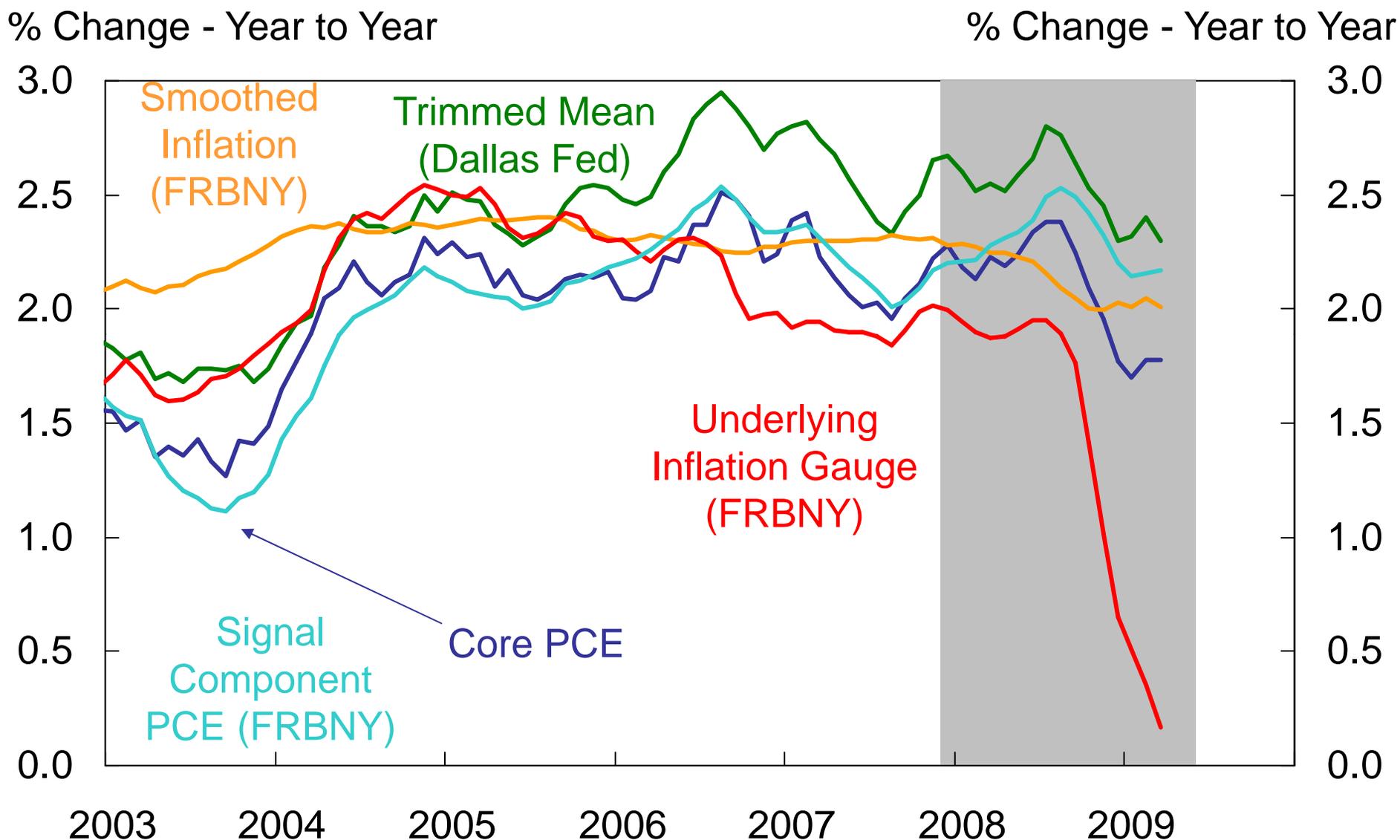
Measures of PCE Inflation Since 1999



Source: Bureau of Economic Analysis, Dallas Fed, FRBNY and Bank of Switzerland



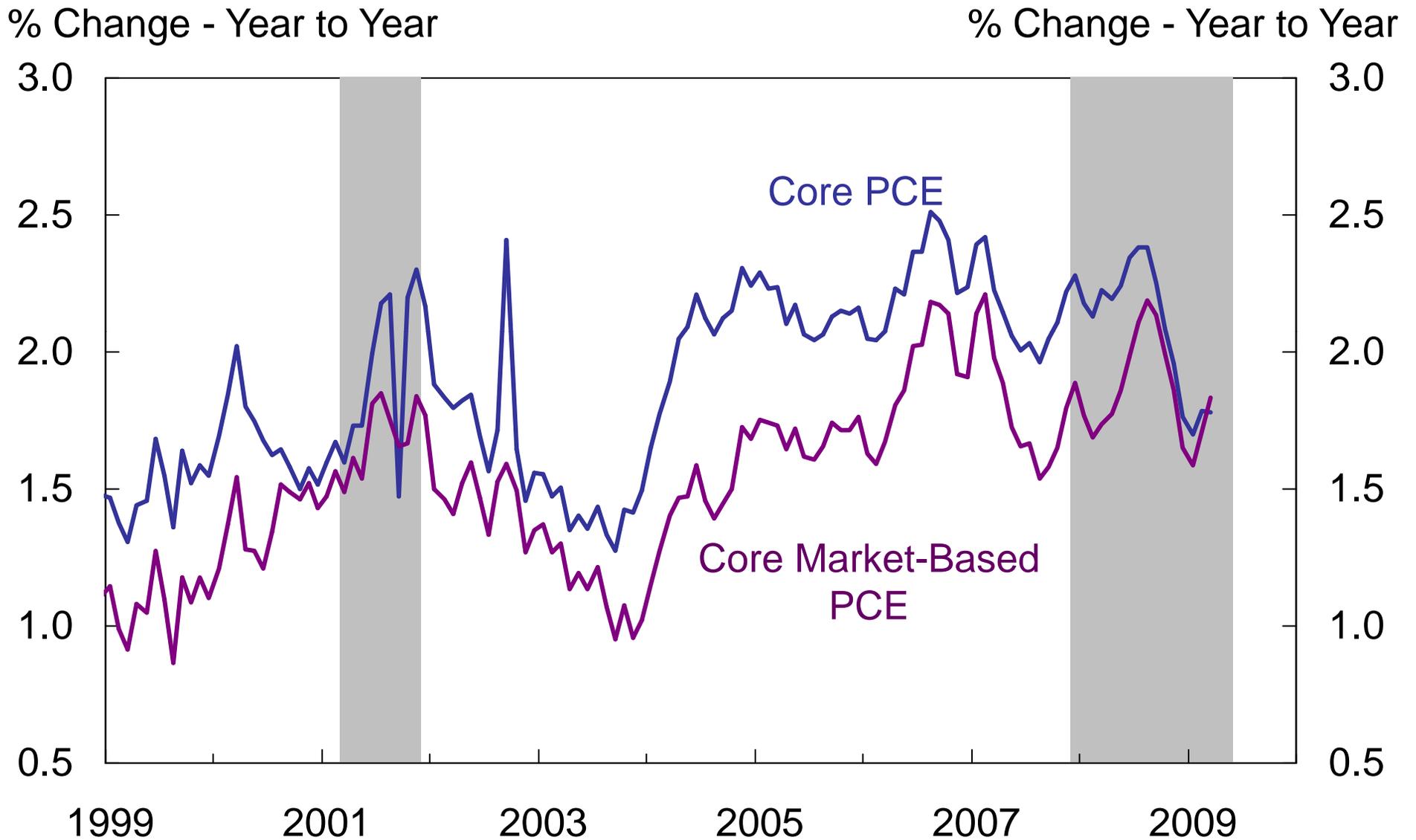
Measures of PCE Inflation Since 2003



Source: Bureau of Economic Analysis, Dallas Fed, FRBNY and Bank of Switzerland



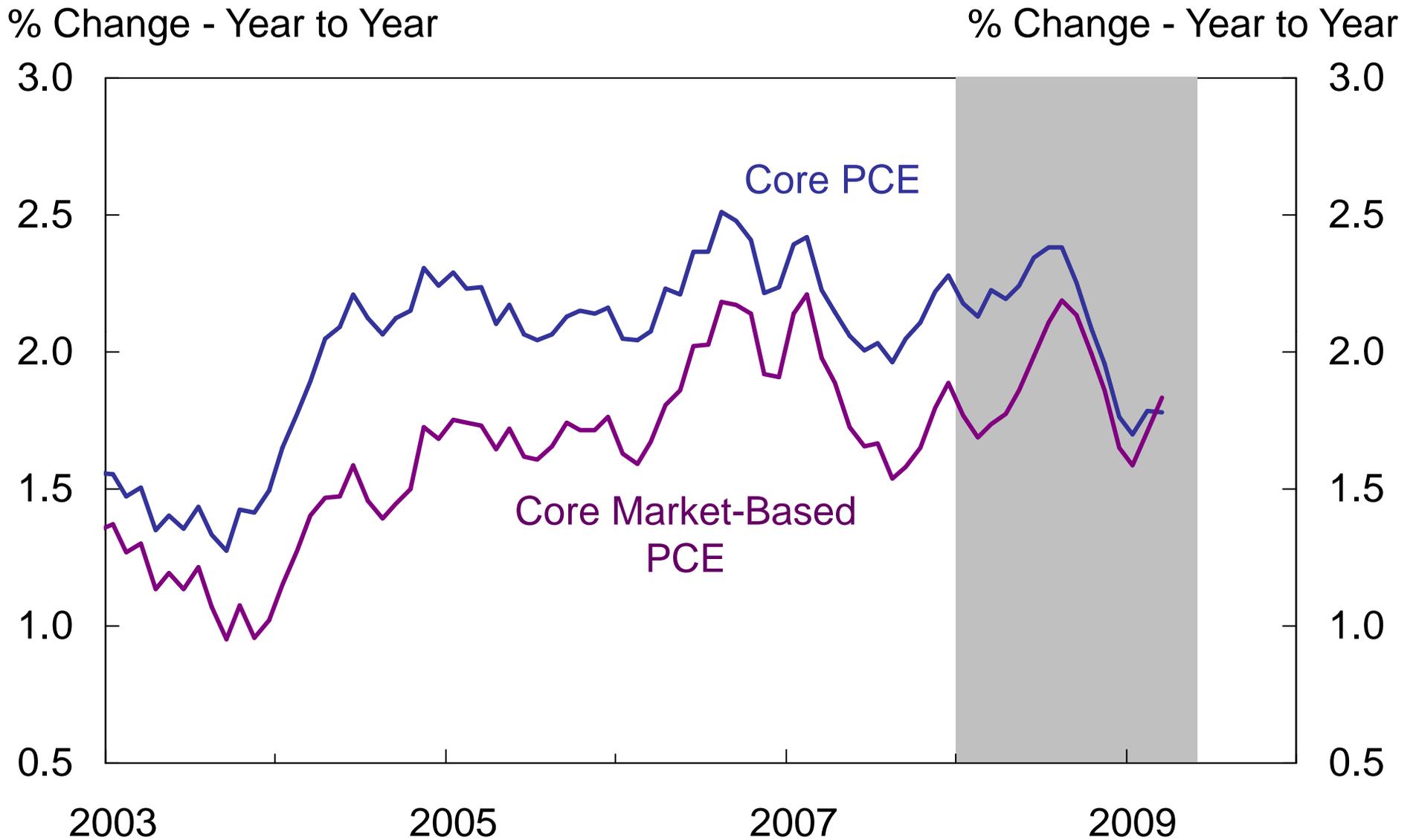
Core PCE and Core Market-Based PCE Since 1999



Source: Bureau of Economic Analysis



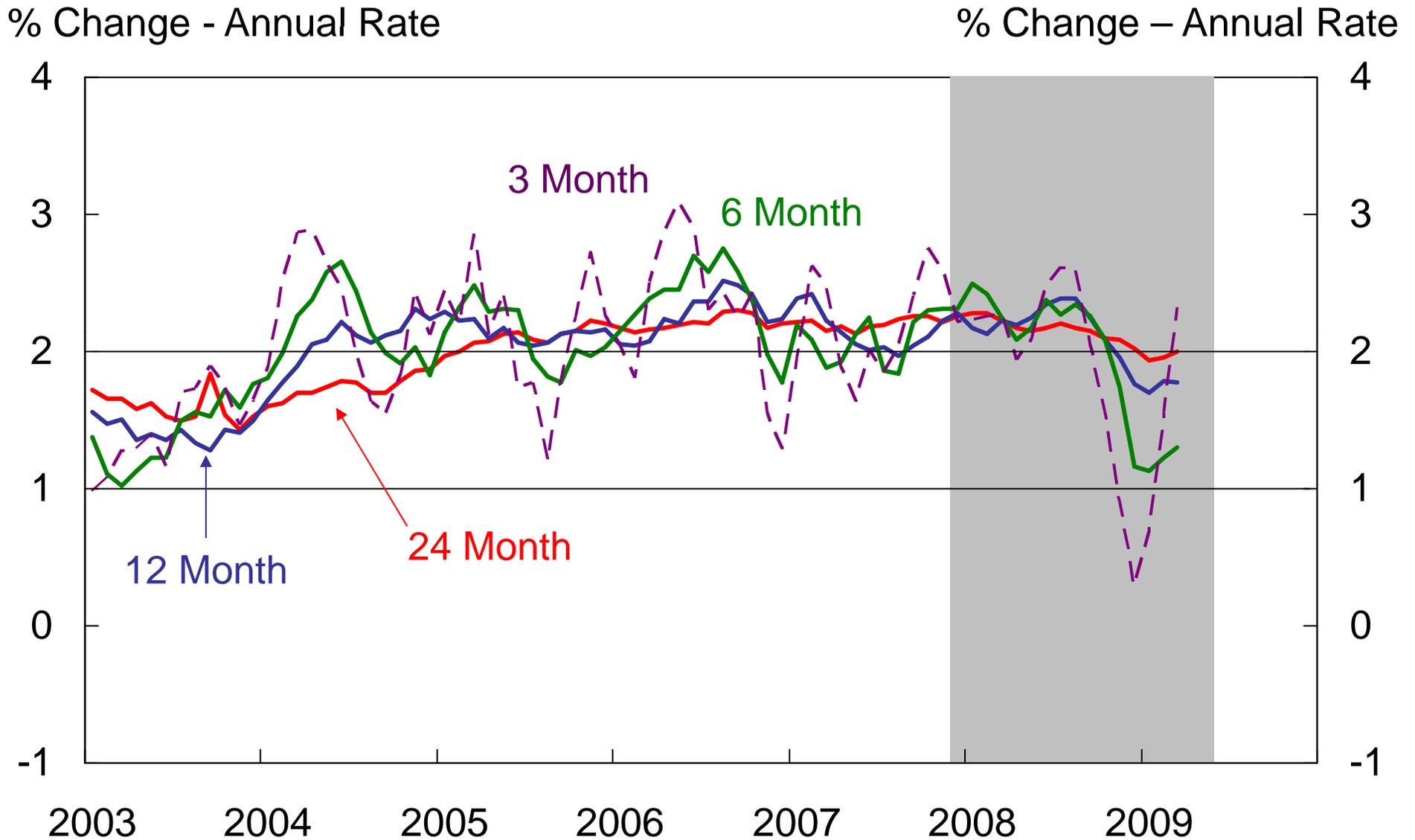
Core PCE and Core Market-Based PCE Since 2003



Source: Bureau of Economic Analysis



Core PCE Inflation over Various Horizons



Source: Bureau of Economic Analysis



Producer Price Index

(percent change at annual rate)

	24 Month	12 Month	6 Month	3 Month	1 Month
Finished Goods	1.3	-3.5	-8.6	-3.0	3.6
Finished Consumer Goods	0.9	-5.4	-11.3	-3.8	4.9
Finished Consumer Goods Ex. Food	0.2	-7.6	-13.8	-3.8	1.4
Nondurables Ex. Food	-0.9	-11.4	-19.3	-6.4	0.0
Durables	2.4	2.7	1.5	2.0	3.4
Capital Equipment	2.5	2.8	0.8	-0.8	-0.8
Electronic Computers (NSA)	-20.7	-15.7	-19.1	-28.2	-31.2
Communication and Related Equipment (NSA)	1.2	1.1	1.7	-2.2	2.3
Finished Goods Ex. Food & Energy	3.2	3.4	1.7	1.2	0.7
Finished Consumer Goods Ex. Food & Energy	3.7	3.8	2.4	2.9	2.7
Intermediate Materials	-0.3	-10.4	-21.4	-11.1	-6.2
Intermediate Materials Ex. Food & Energy	1.2	-3.8	-13.9	-6.9	-9.9
Crude Materials	-10.3	-39.9	-39.7	-7.6	42.5
Crude Materials Ex. Food & Energy	-12.4	-39.7	-37.3	-3.0	-6.8

Source: Bureau of Labor Statistics

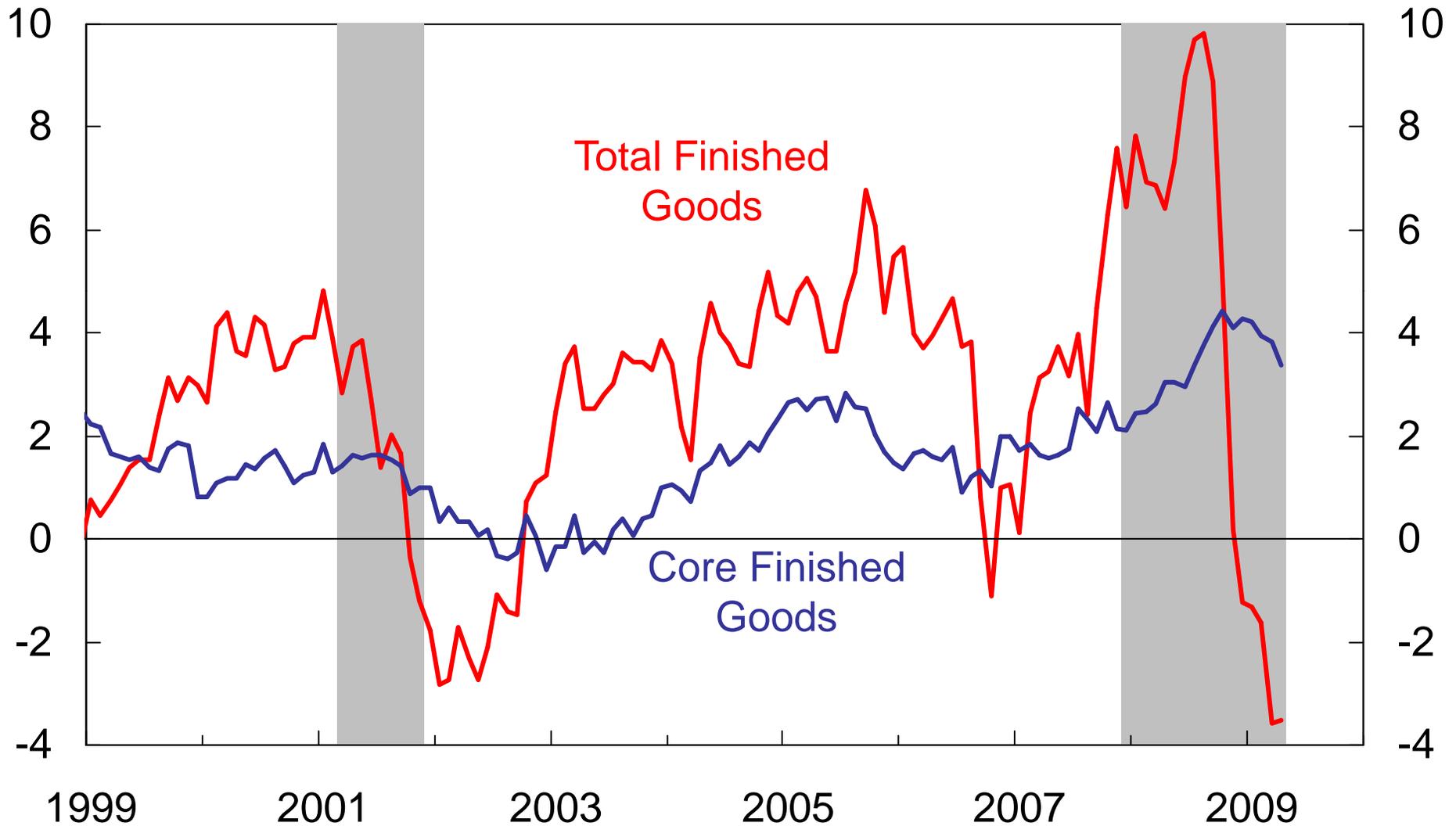
Note: Data through April 2009.



Producer Price Index

% Change - Year to Year

% Change - Year to Year



Source: Bureau of Labor Statistics



Productivity and Cost

Estimate of Growth Of Productivity and Unit Labor Costs in the Nonfarm Business Sector
(quarterly percent change at annual rate)

	2007Q2	2007Q3	2007Q4	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1
Output	5.8	5.5	-0.7	0.9	2.8	-1.9	-8.8	-8.2
Hours Worked	0.9	-1.5	-0.2	-1.7	-1.7	-3.9	-8.3	-9.0
Productivity	4.8	7.0	-0.5	2.6	4.7	2.2	-0.6	0.8
Compensation/Hour	1.3	4.4	4.4	3.7	1.7	5.7	5.2	4.1
Unit Labor Costs	-3.3	-2.5	5.0	1.1	-2.8	3.5	5.7	3.3
Memo Items:								
Total Labor Compensation	2.7	4.1	5.3	3.5	1.2	3.0	-0.4	-2.9
Less Hours Worked	1.8	5.6	5.5	5.2	2.9	6.9	7.9	6.1
Private Wages and Salaries	2.6	4.2	5.9	2.6	0.0	2.7	-1.5	-6.5
Less Hours Worked	1.7	5.7	6.1	4.3	1.7	6.6	6.8	2.5
Nonfarm Proprietors Income	4.1	3.4	4.1	1.3	3.5	3.6	-5.2	-7.0

Source: Bureau of Labor Statistics and FRBNY

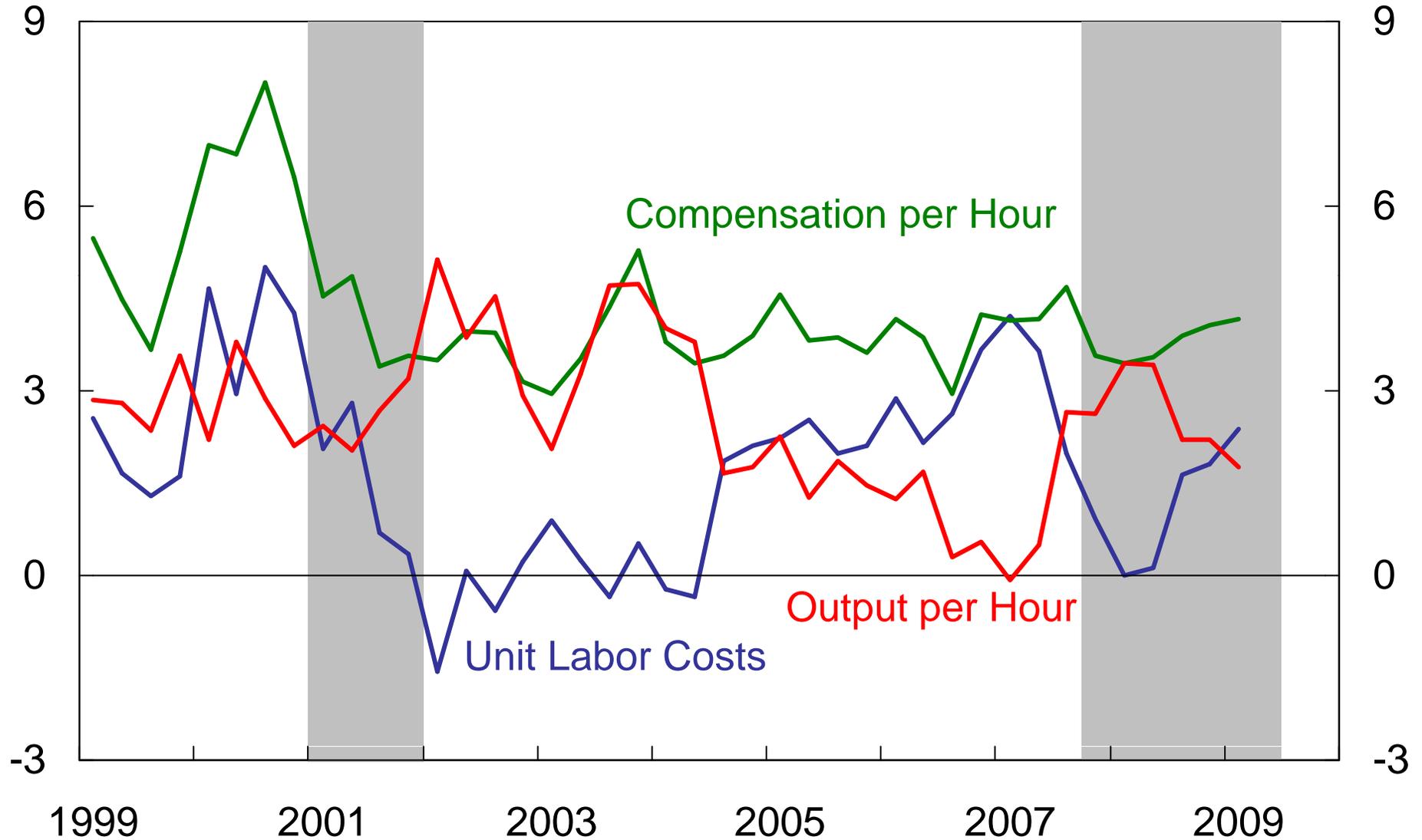


Productivity, Compensation, and Unit Labor Costs

Nonfarm Business Sector

% Change - Year to Year

% Change - Year to Year



Source: Bureau of Labor Statistics



Real Personal Consumption Expenditures

(percent change at an annual rate)

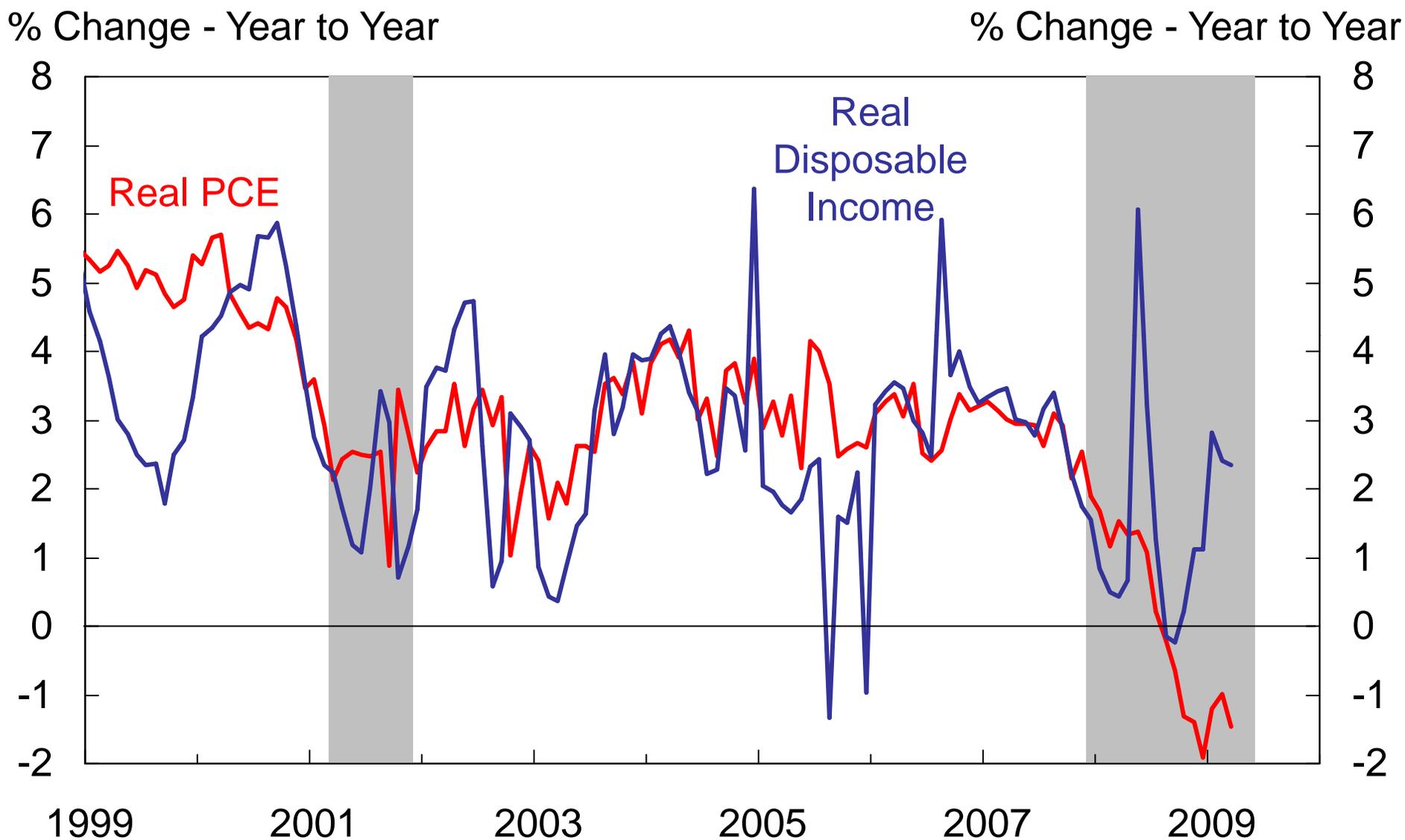
	2009Q1 Nominal Share	24 Months	12 Months	6 Months	3 Months	1 Month
Personal Consumption Expenditures	100.0	0.0	-1.5	-0.7	2.8	-2.6
Durable Goods	9.7	-4.4	-8.4	-6.0	5.9	-8.9
Motor vehicles and parts	3.4	-11.6	-17.2	-9.9	17.4	11.3
Furniture and household equipment	4.0	1.4	-1.3	-2.5	-0.4	-23.9
Other durable goods	2.3	-1.7	-5.2	-6.0	1.3	-7.1
Nondurable goods	28.2	-1.5	-3.8	-3.3	4.7	-7.4
Food	13.9	-1.9	-5.3	-7.5	4.0	-8.0
Clothing and shoes	3.7	-1.3	-3.6	0.6	1.8	-6.9
Gasoline, fuel oil, and other energy goods	2.7	-1.6	-3.6	10.0	15.7	-4.4
Other nondurable goods	8.0	-0.5	-0.6	-3.2	3.5	-7.6
Services	62.1	1.5	0.9	1.5	1.5	0.7
Housing services	15.4	0.7	0.5	0.1	-0.4	-0.3
Household operation services	5.7	3.1	1.6	7.7	4.3	6.6
Gas and electric	2.4	6.0	2.0	18.4	9.9	15.2
Other	3.3	1.3	1.3	0.6	0.4	0.9
Transportation services	3.7	-1.9	-5.0	-4.6	-6.4	-2.1
Medical care services	18.4	3.0	2.5	2.6	1.9	2.5
Recreation services	4.2	-0.3	0.2	1.6	1.4	-7.3
Other	14.6	1.5	0.8	0.8	4.0	0.6
Energy goods and services	5.1	1.3	-1.5	13.4	13.2	4.2
PCE less food and energy	81.0	0.3	-0.7	-0.4	2.0	-2.0
PCE less autos and household operation	90.9	0.5	-0.8	-0.6	2.1	-3.7

Source: Bureau of Economic Analysis

Note: Data through March 2009.



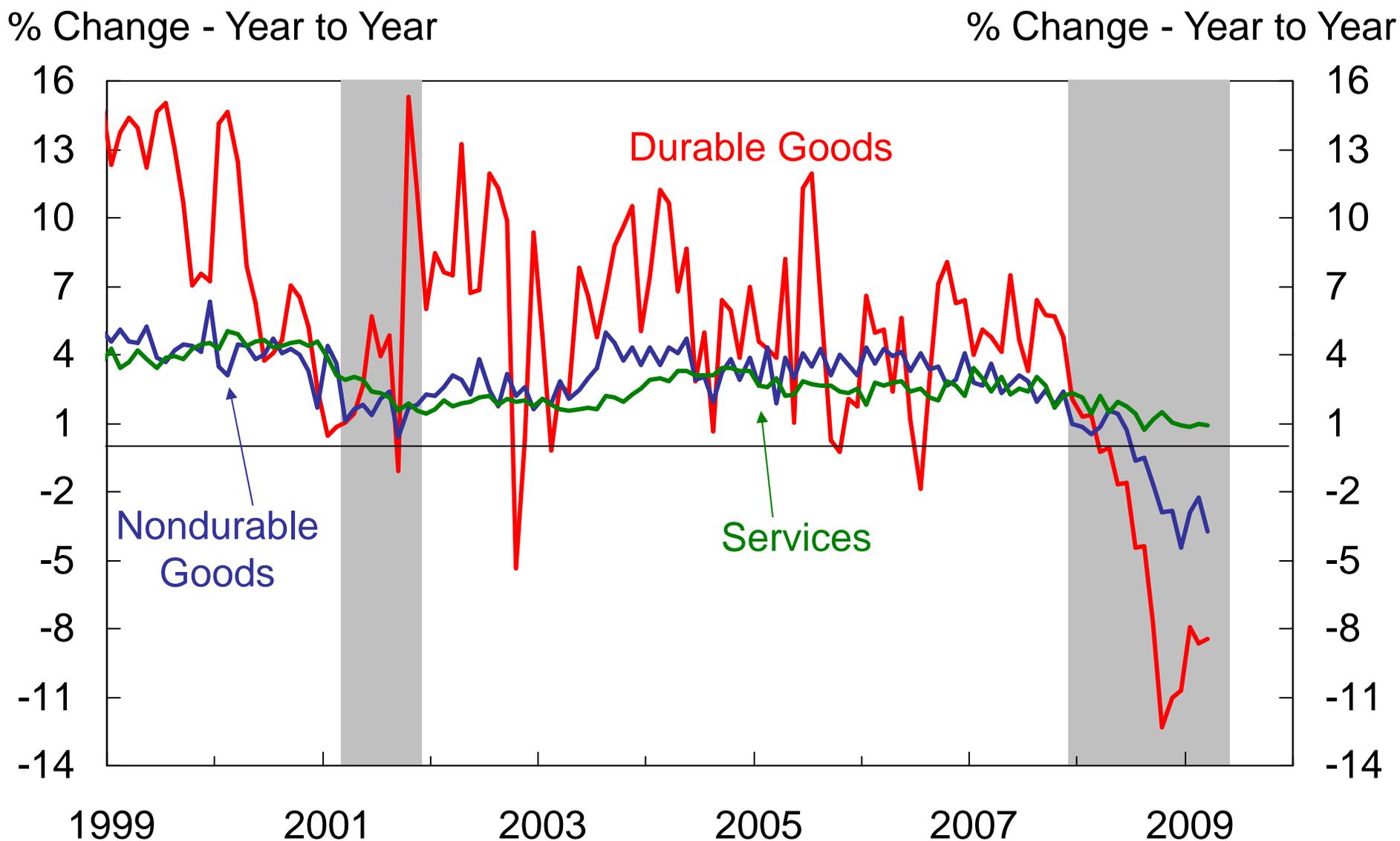
Real PCE and Disposable Income



Source: Bureau of Economic Analysis



Real PCE Components



Source: Bureau of Economic Analysis



Retail Sales

(percent change at an annual rate)

	24 Month	12 Month	6 Month	3 Month	1 Month
Retail Sales and Food Services	-3.9	-10.1	-9.5	-5.0	-4.3
Excluding Motor Vehicles and Parts	-1.4	-7.7	-9.4	-2.4	-5.6
Retail Sales	-4.7	-11.4	-10.8	-5.7	-5.1
Excluding Motor Vehicles and Parts	-2.0	-8.9	-10.9	-2.9	-6.8
Motor Vehicles and Parts Dealers	-14.2	-20.7	-10.4	-16.9	2.4
Auto and Other Motor Vehicle Dealers	-15.9	-23.0	-11.7	-18.5	2.5
Furniture, Home Furnishings, Electronics, & Appliances	-7.5	-13.1	-13.3	-23.0	-18.7
Furniture and Home Furnishings	-10.3	-14.2	-12.2	-10.3	-5.8
Electronics and Appliances	-4.6	-12.0	-14.3	-32.9	-29.2
Building Materials, Garden Equipment, & Supply	-6.1	-10.7	-13.7	-4.6	3.3
Food and Beverages	2.5	-1.3	-4.4	-5.6	-11.2
Health and Personal Care	3.8	4.0	4.8	8.1	4.4
Gasoline Stations	-13.6	-36.4	-48.9	-6.7	-24.5
Clothing and Accessories	-2.5	-6.5	-1.3	-2.0	-6.0
Food Services and Drinking Places	2.8	1.4	1.7	0.7	2.2
BEA Control	-0.8	-7.2	-8.7	-2.2	-6.2

Source: Census Bureau

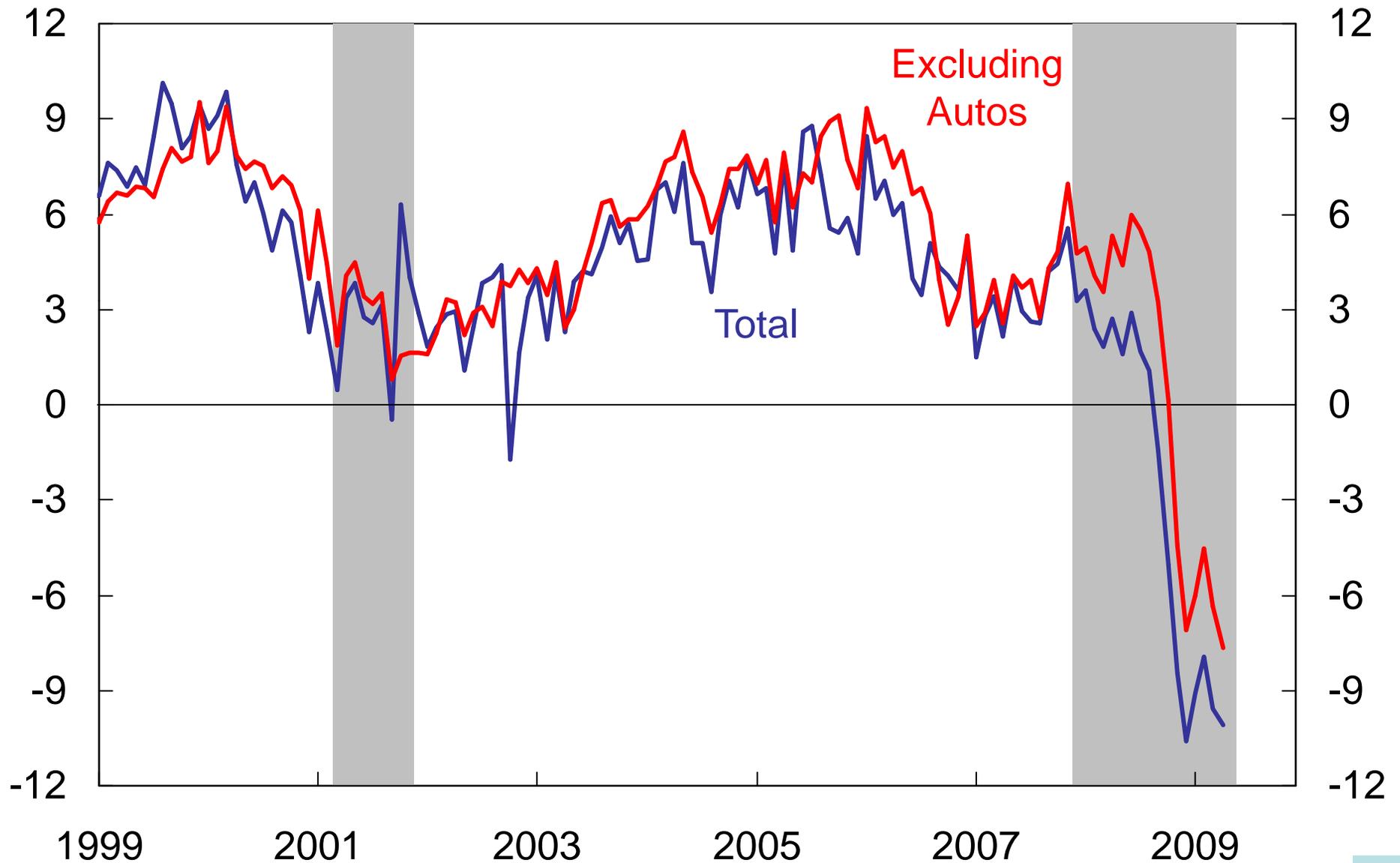
Note: Data through April 2009.



Retail Sales

% Change - Year to Year

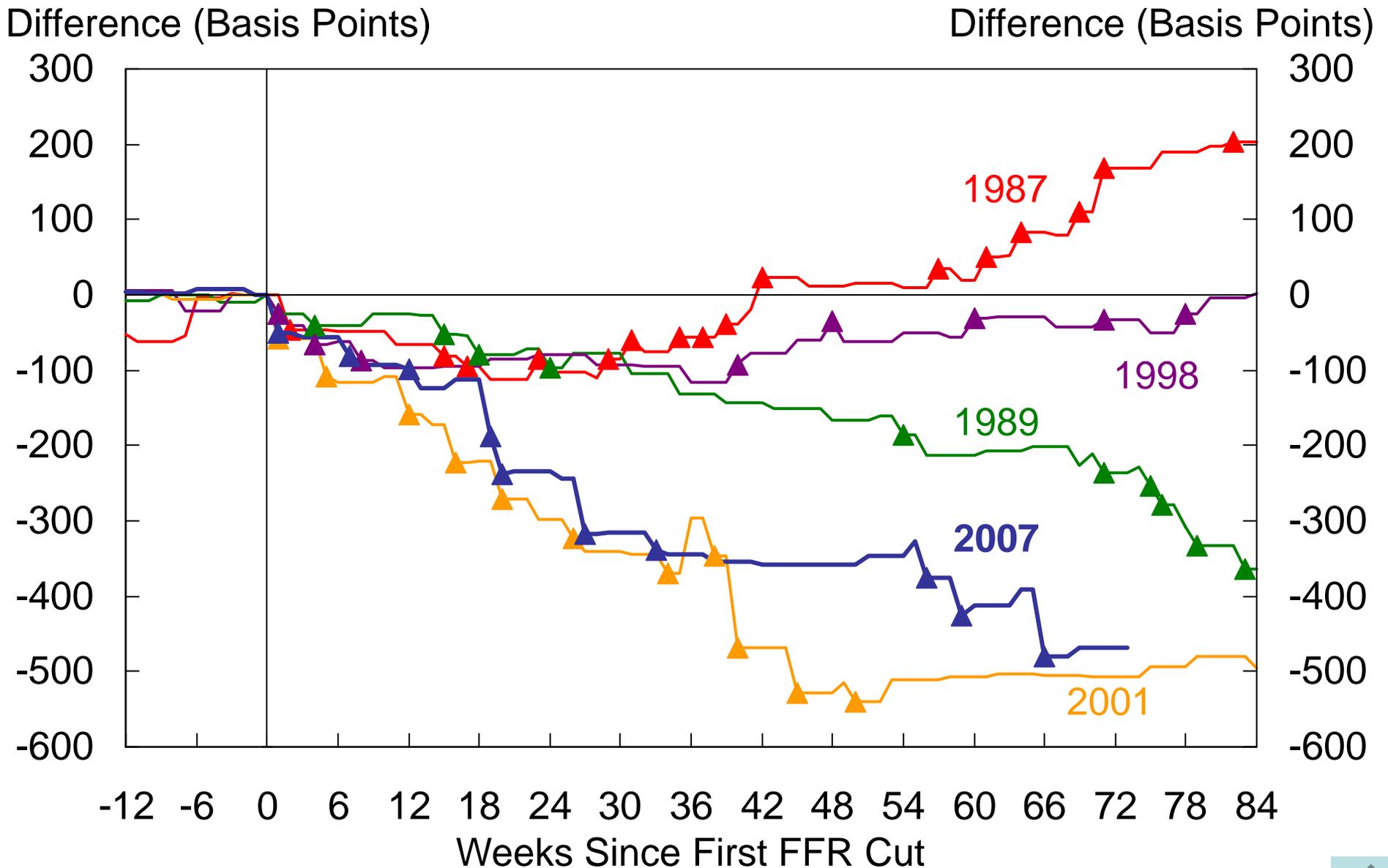
% Change - Year to Year



Source: Census Bureau



Real* Target Fed Funds Rate

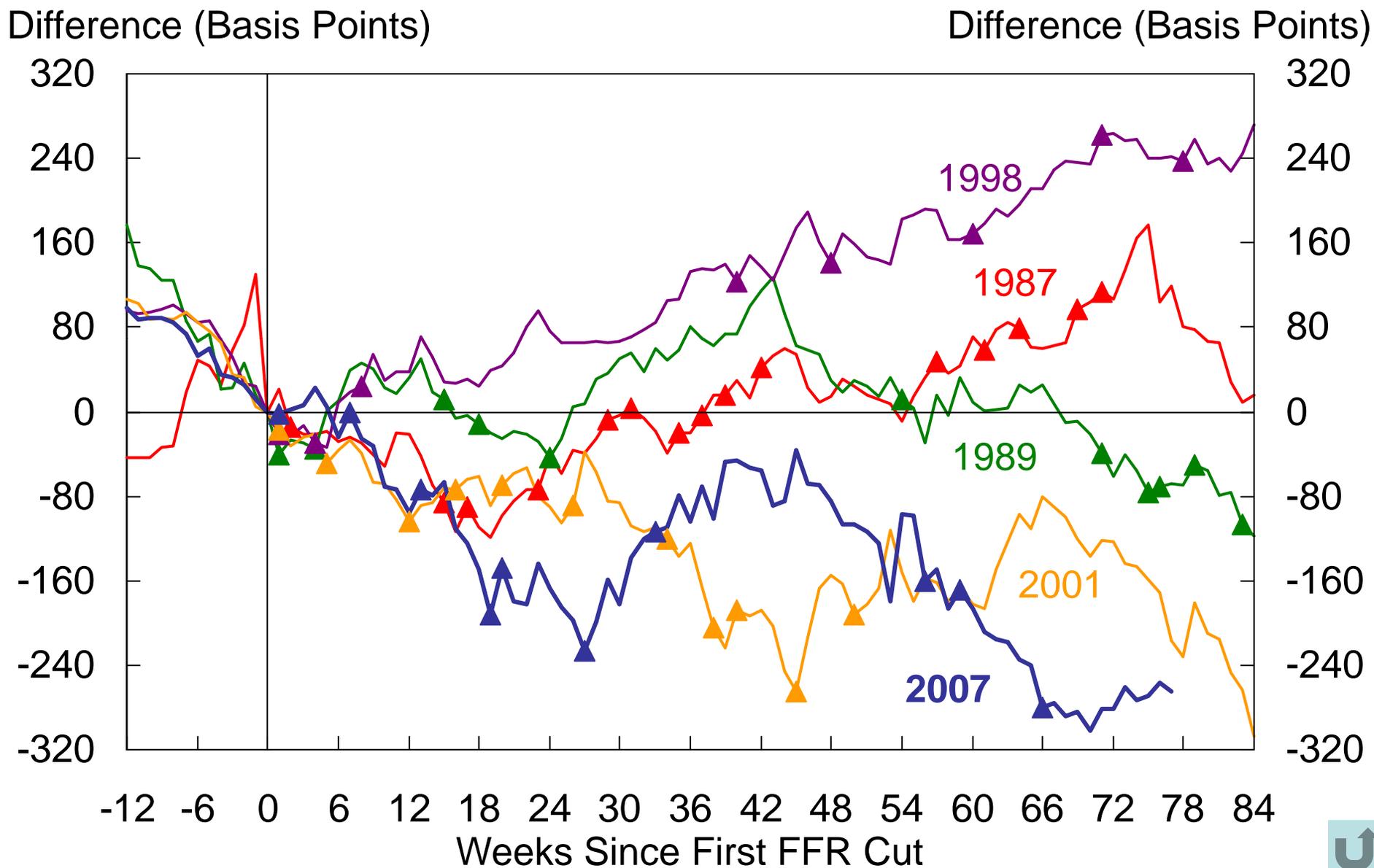


Source: Federal Reserve Board,
Bureau of Economic Analysis

*Deflated by monthly core PCE.



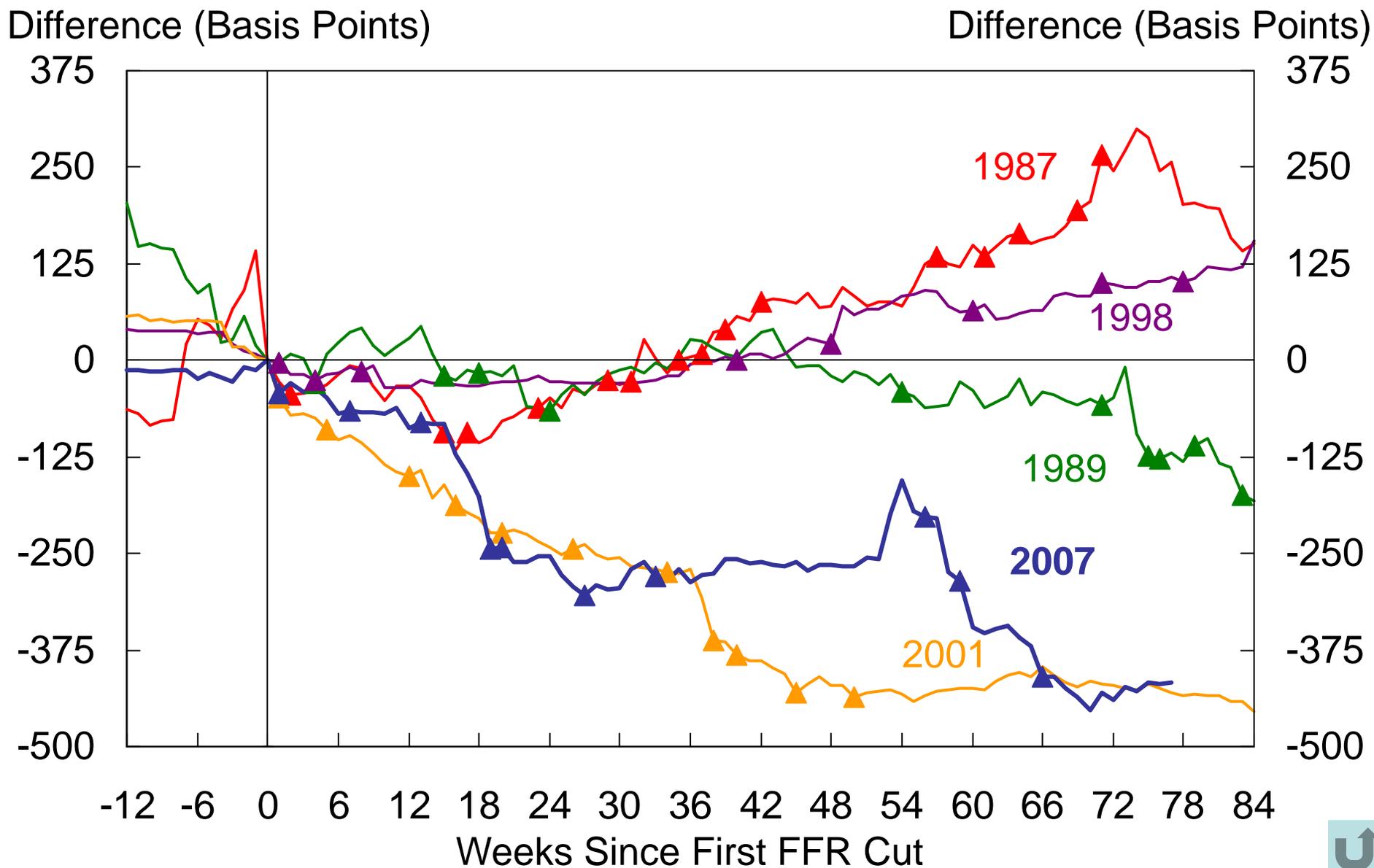
One-Year Ahead* Eurodollar Futures



Source: Federal Reserve Board

*Relative to the zero week.

Near-term* Eurodollar Futures



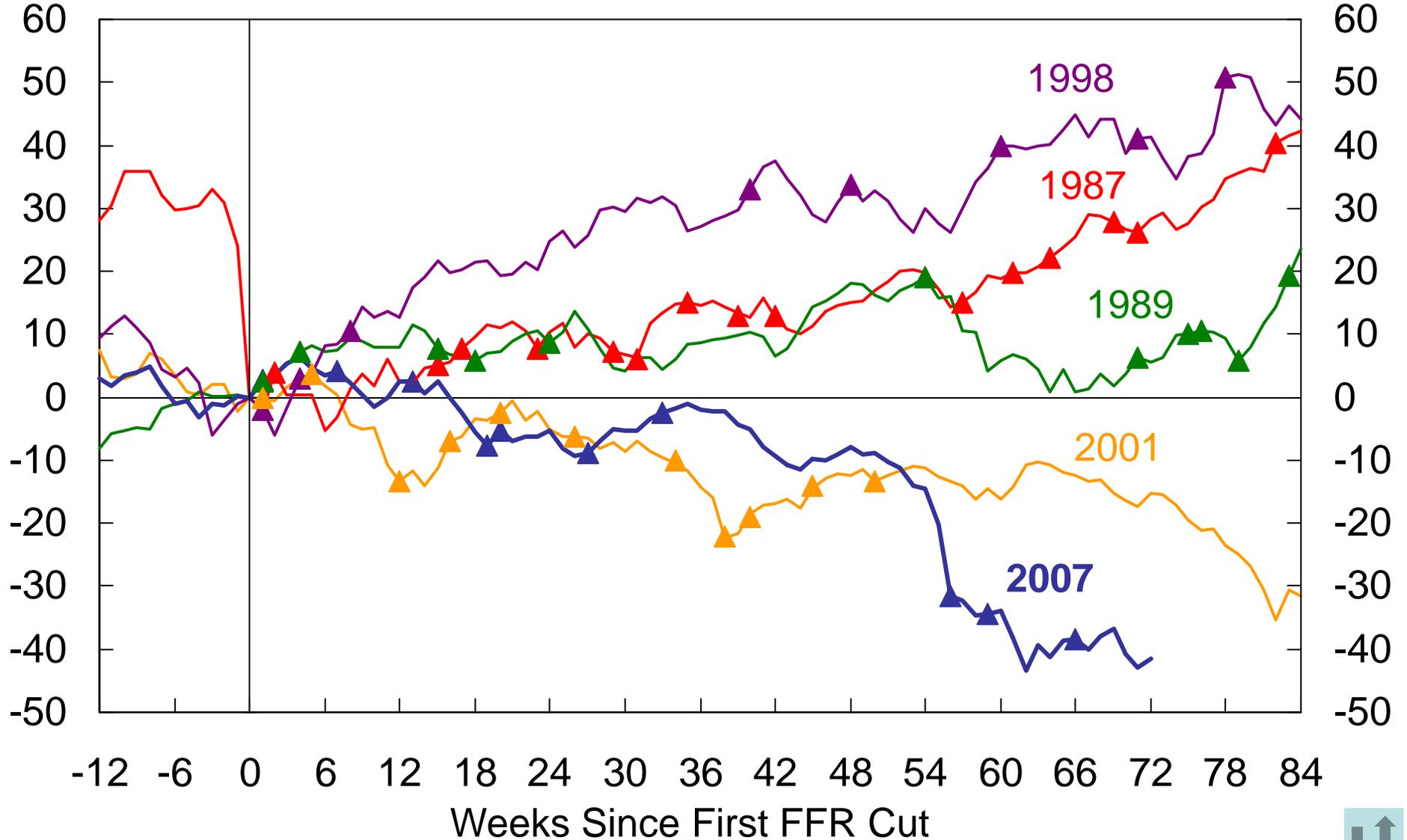
Source: Federal Reserve Board

*Relative to the zero week.

Real* S&P 500

Percent Change

Percent Change

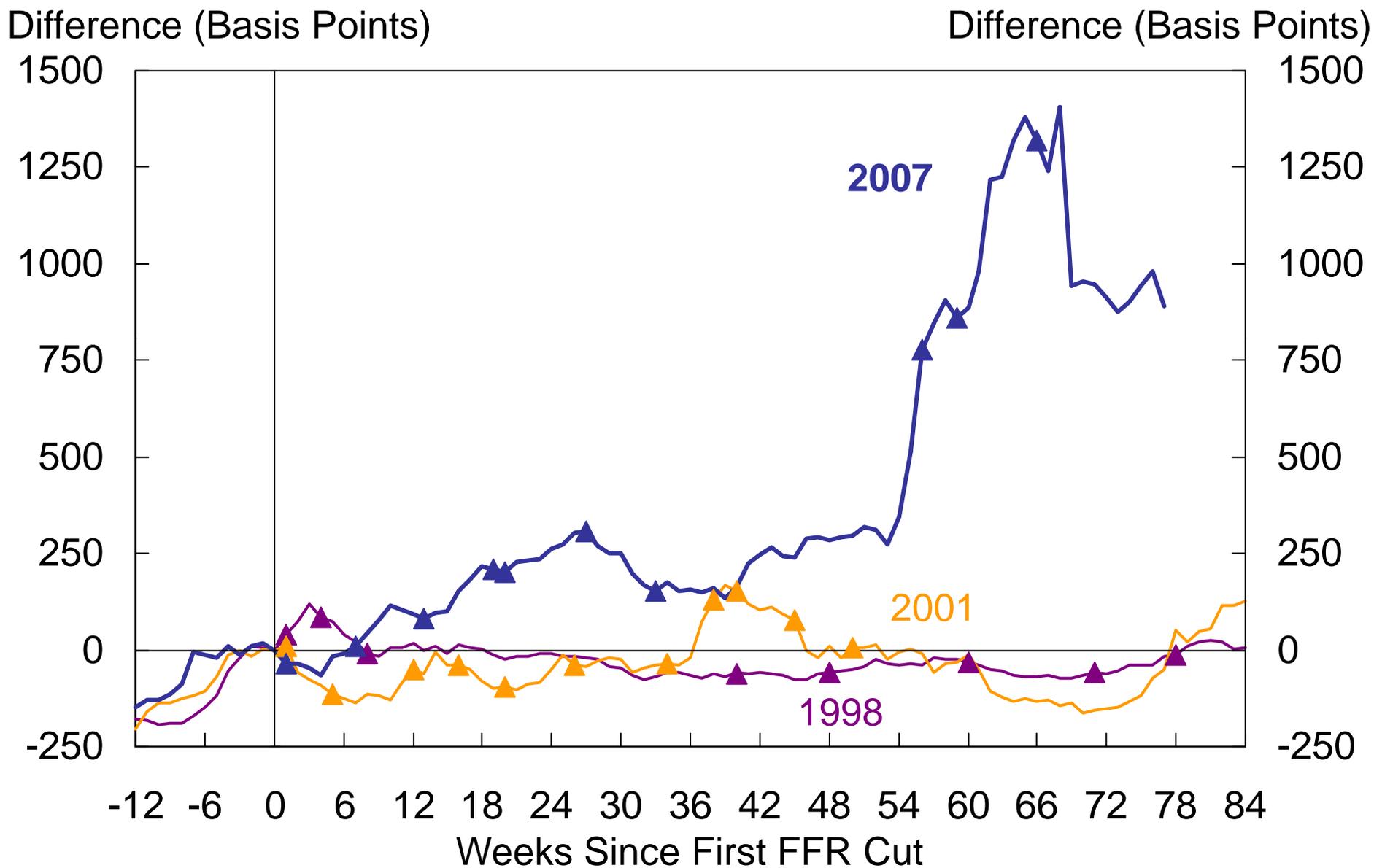


Source: Bureau of Labor and Statistics and WSJ

*Deflated by total CPI.



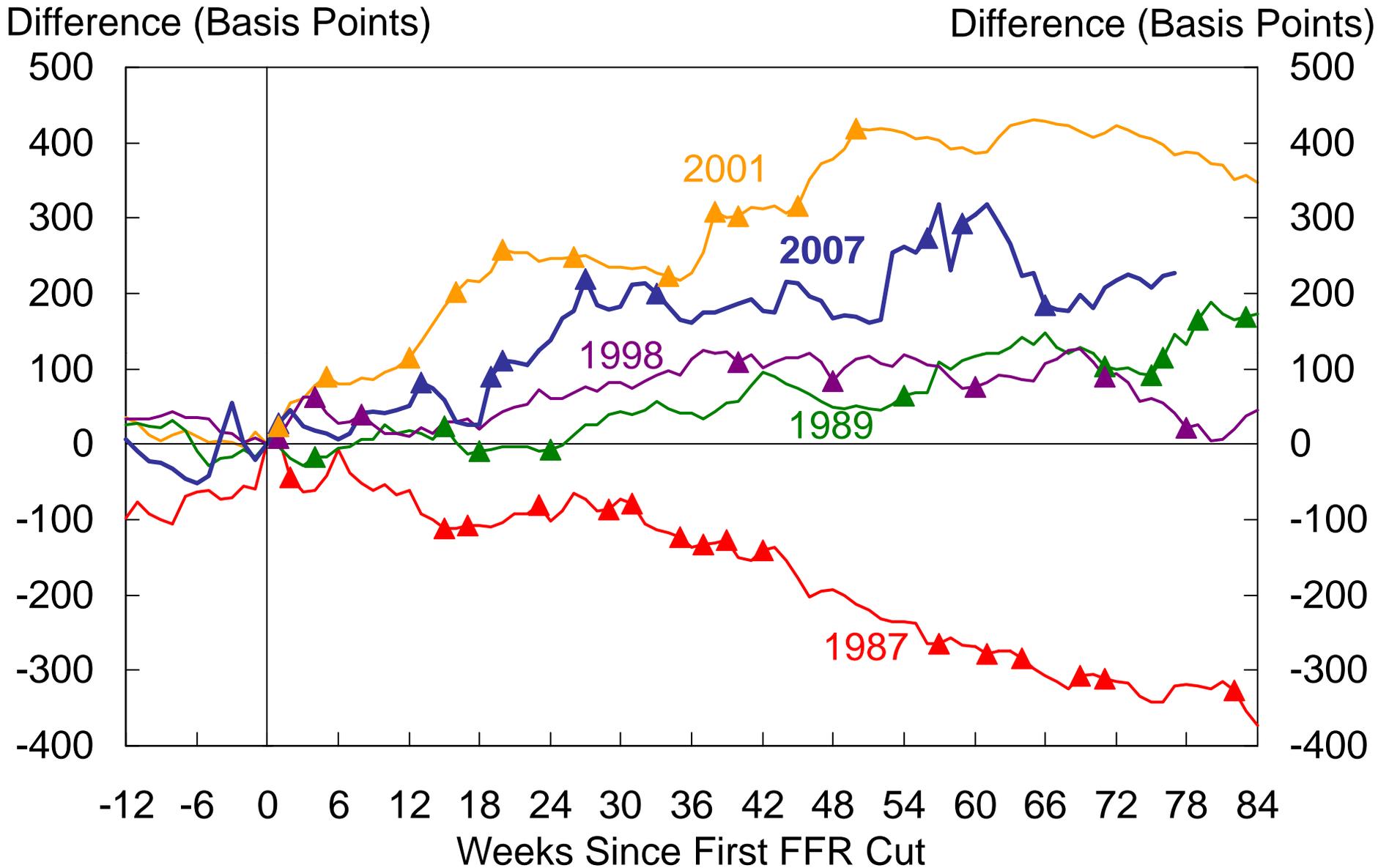
Speculative-Grade to AAA Corporate Bond Spread



Source: Merrill Lynch



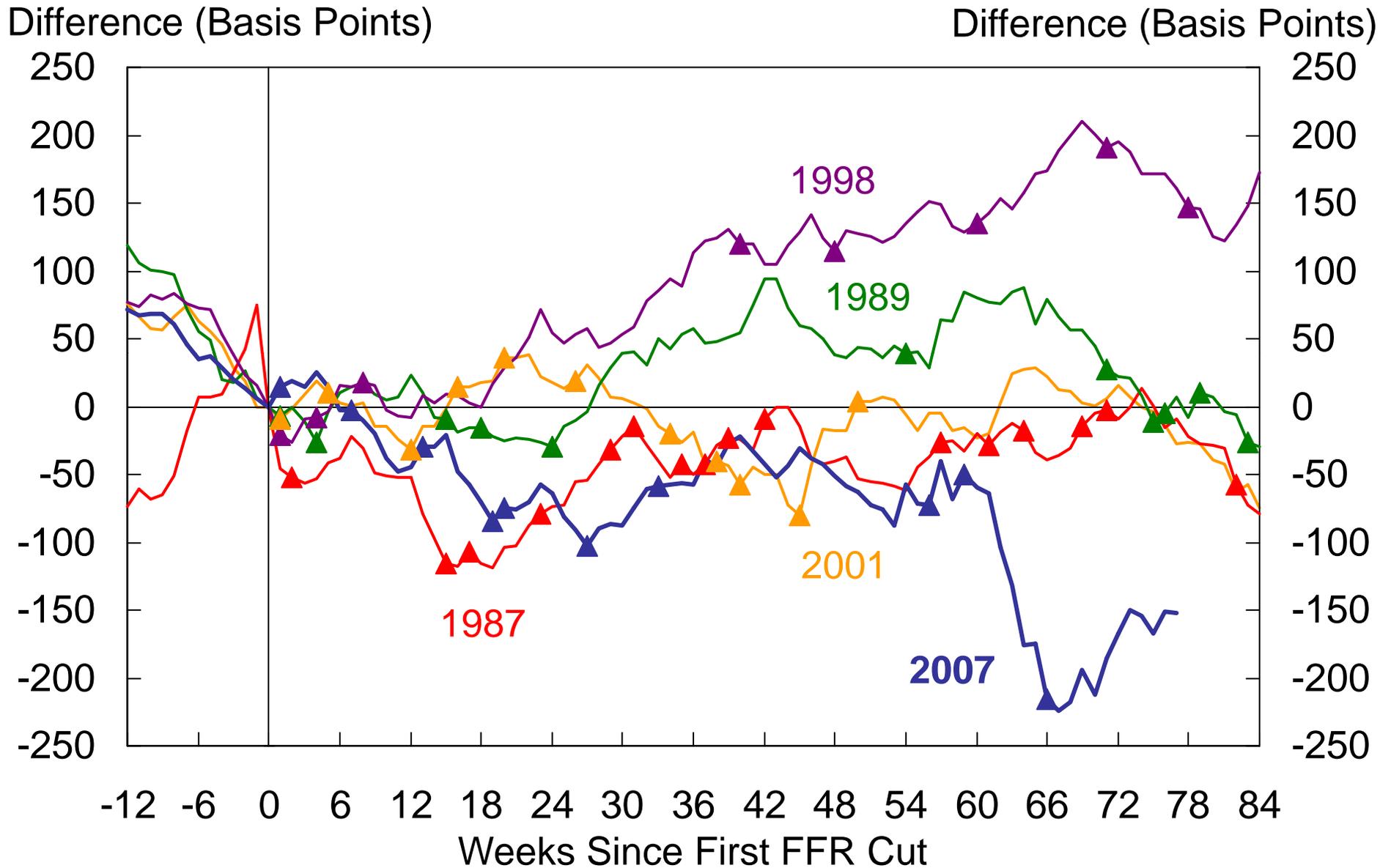
10-Year to 3-Month Treasury Spread



Source: Treasury



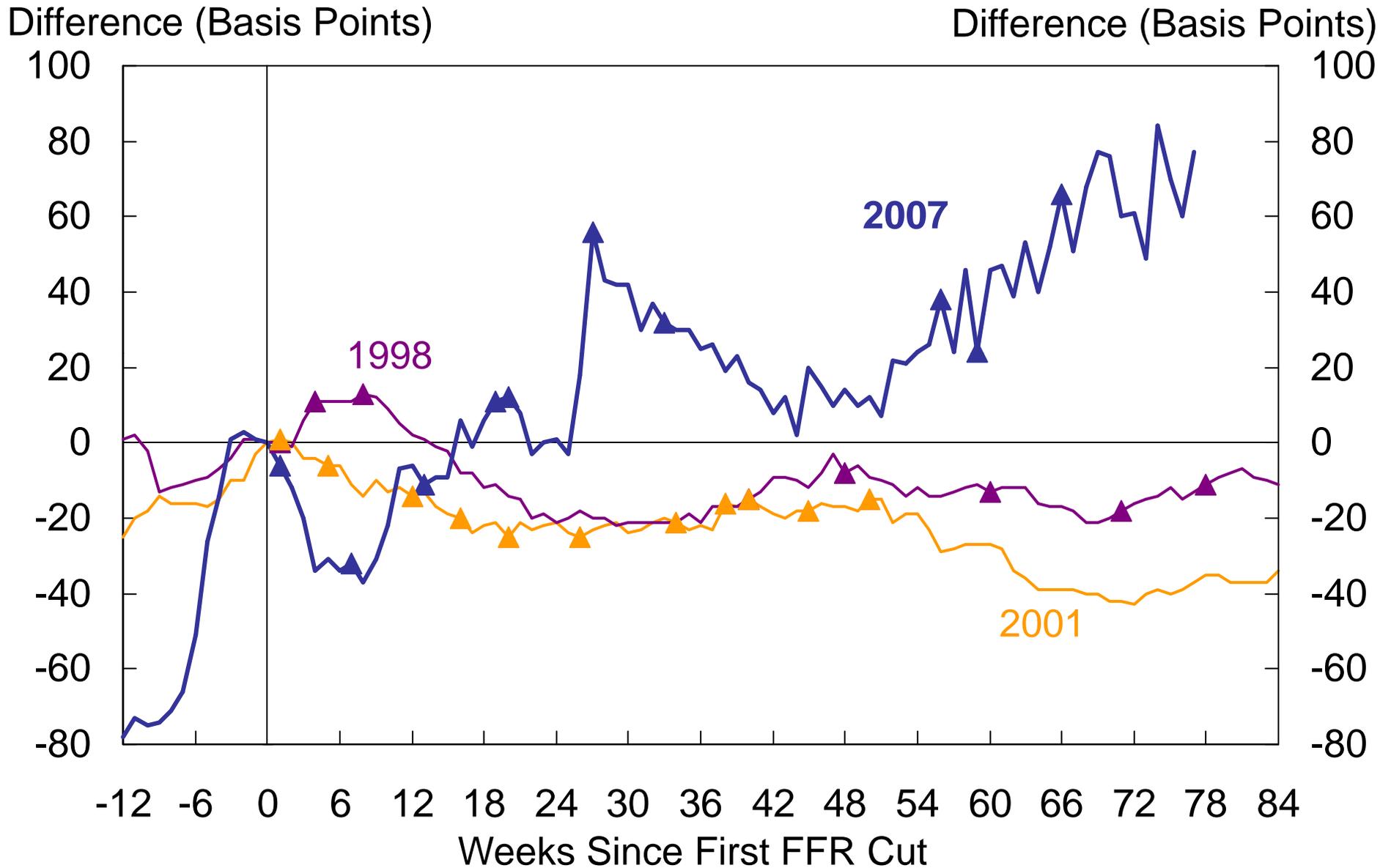
On-the-Run 10-Year Treasury Yield



Source: Treasury



30-Year FRM Jumbo-Conforming Spread



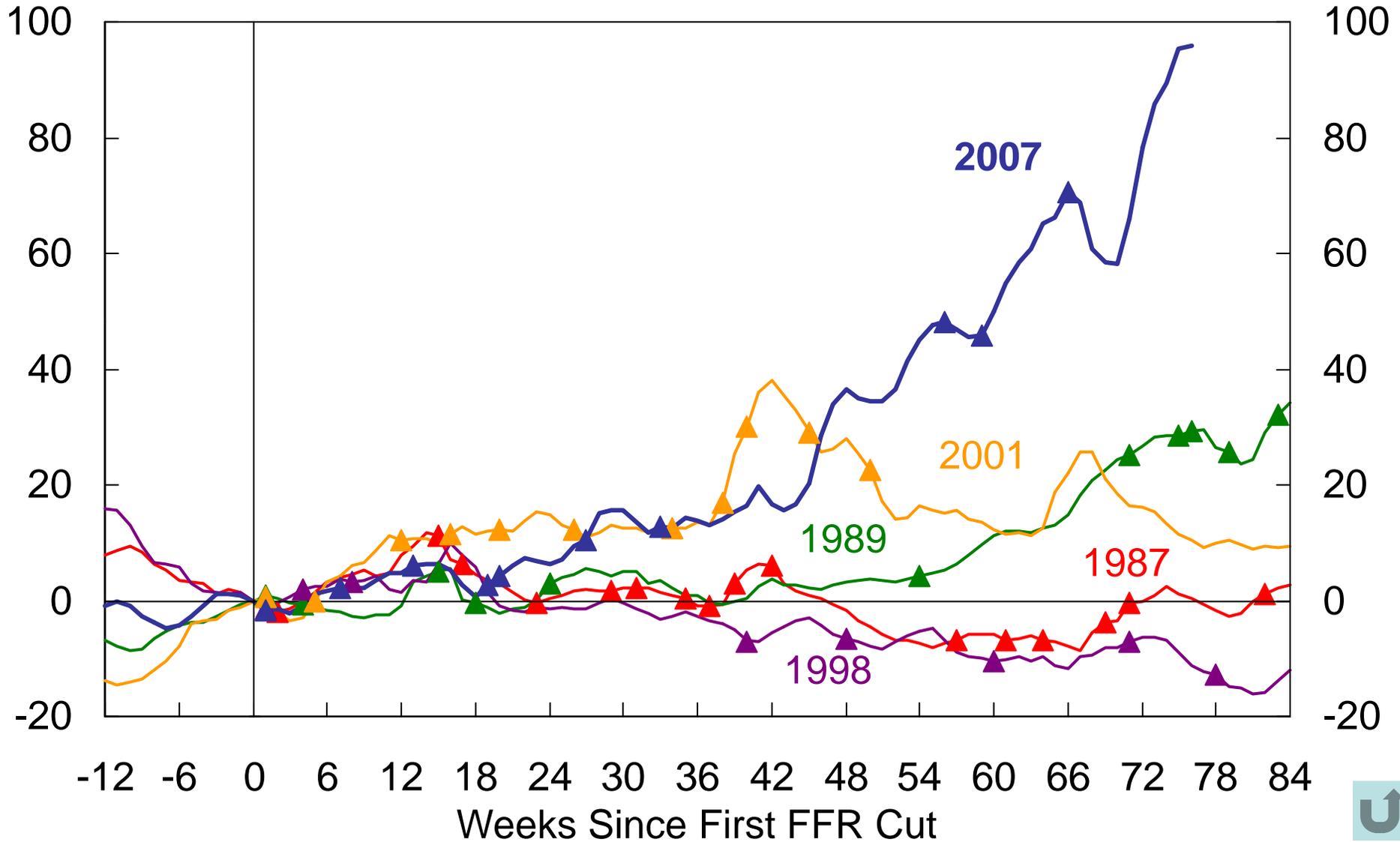
Source: Treasury



Initial Unemployment Claims*

Percent Change

Percent Change

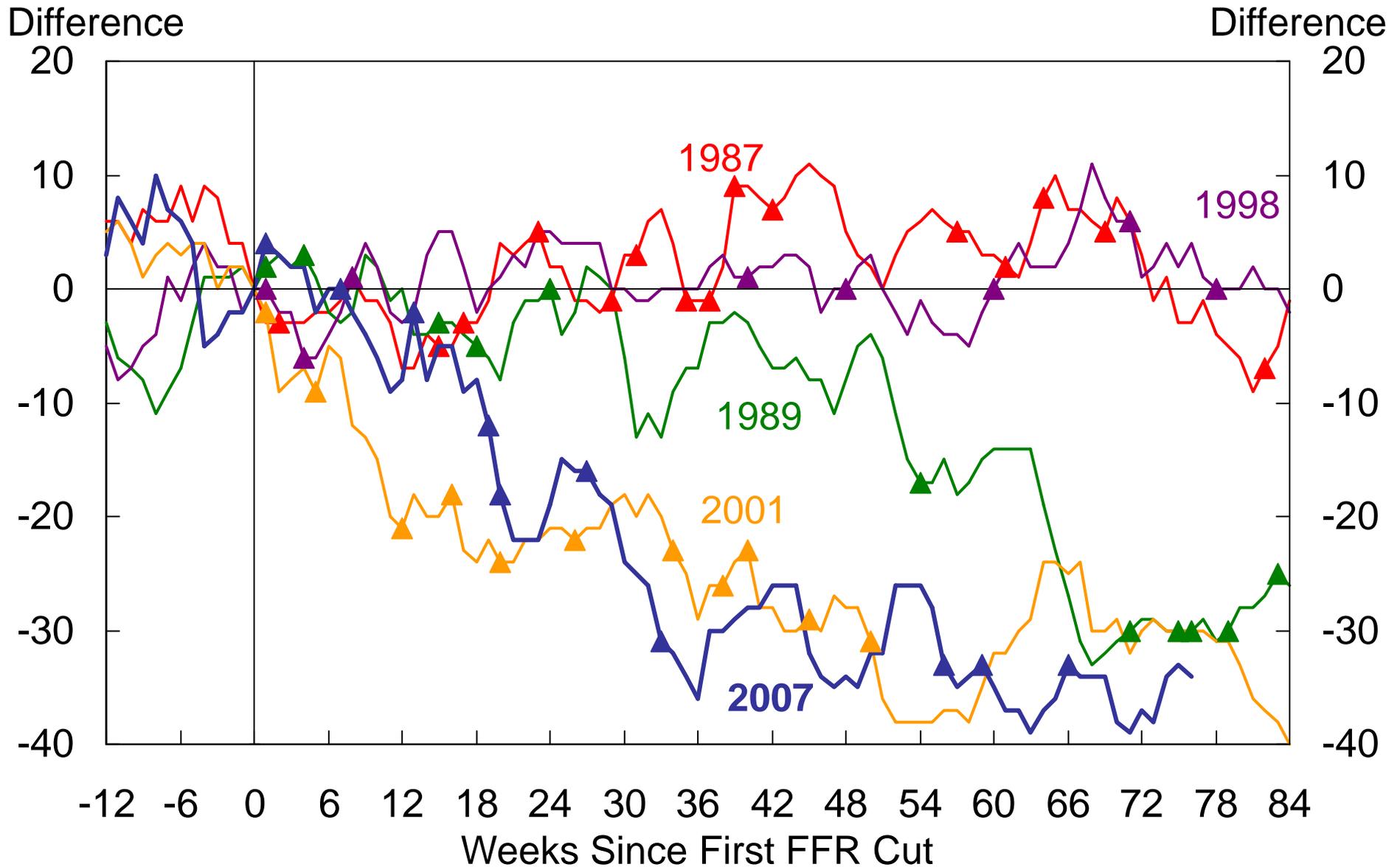


Source: Department of Labor

*4-week moving average;
Normalized by insured employment.



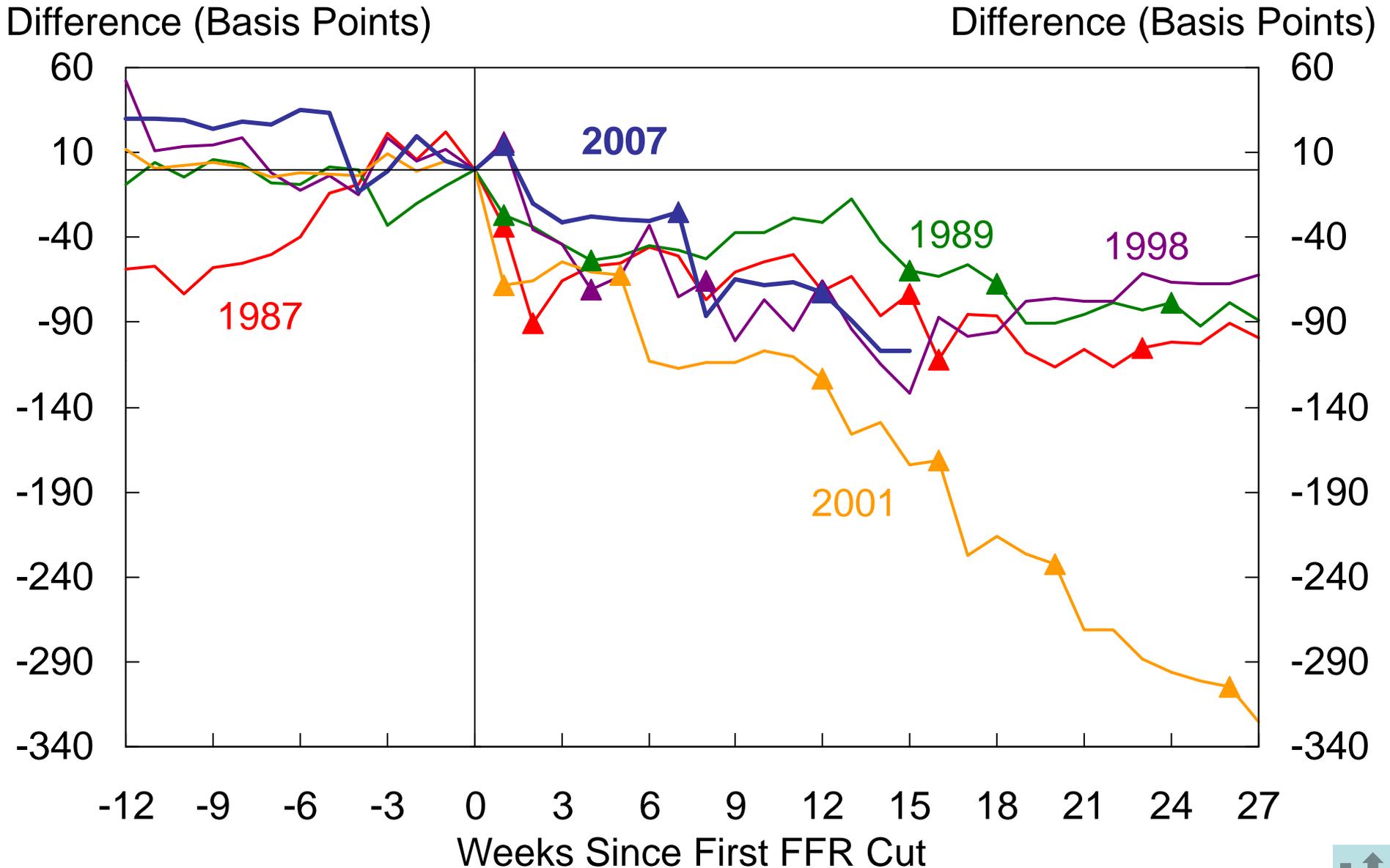
ABC/Washington Post Consumer Comfort Index



Source: ABC News Washington Post



Real* Effective Fed Funds Rate

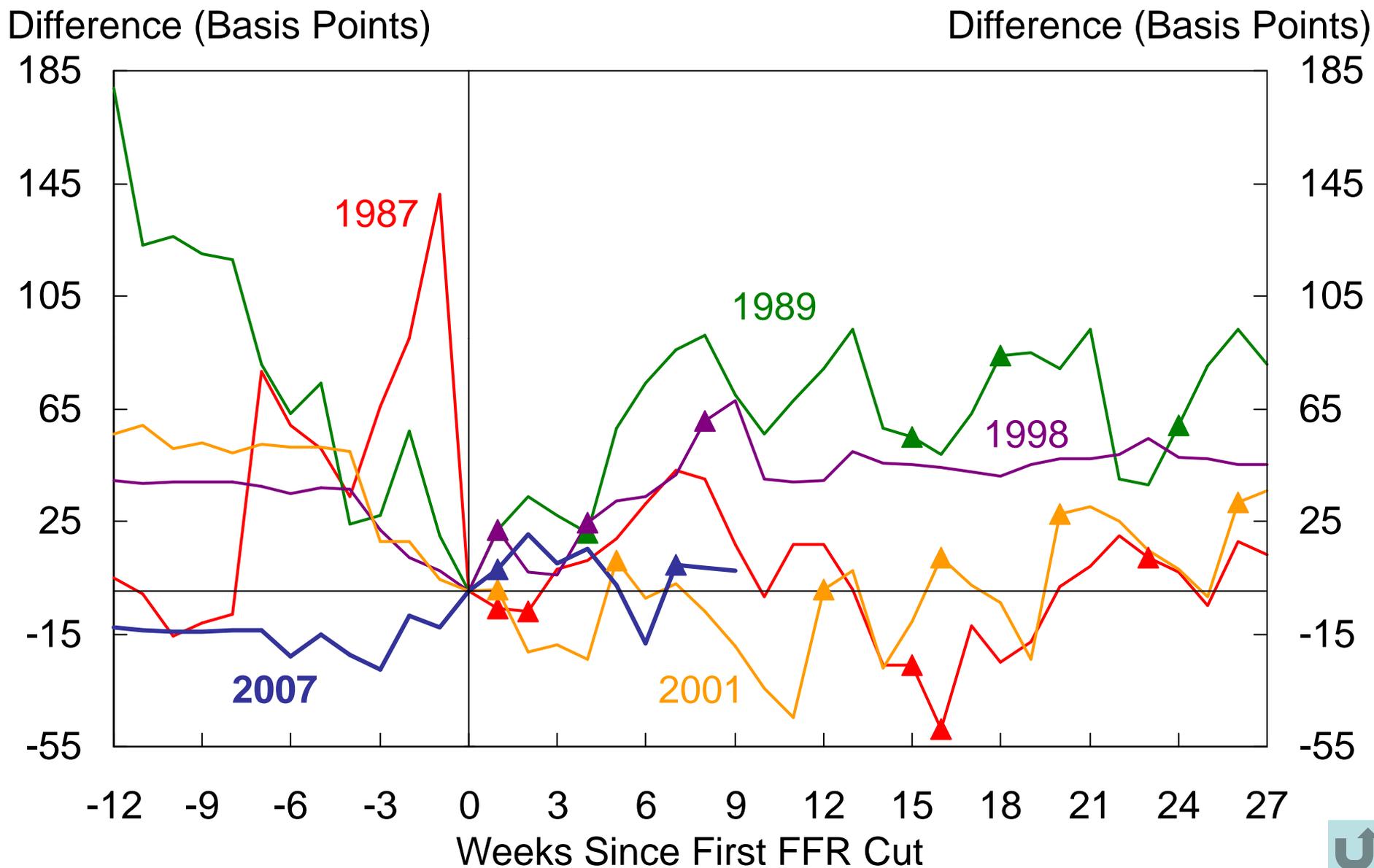


Source: Federal Reserve Board,
Bureau of Economic Analysis

*Deflated by monthly core PCE.



Near-term* Eurodollar Futures less FFR

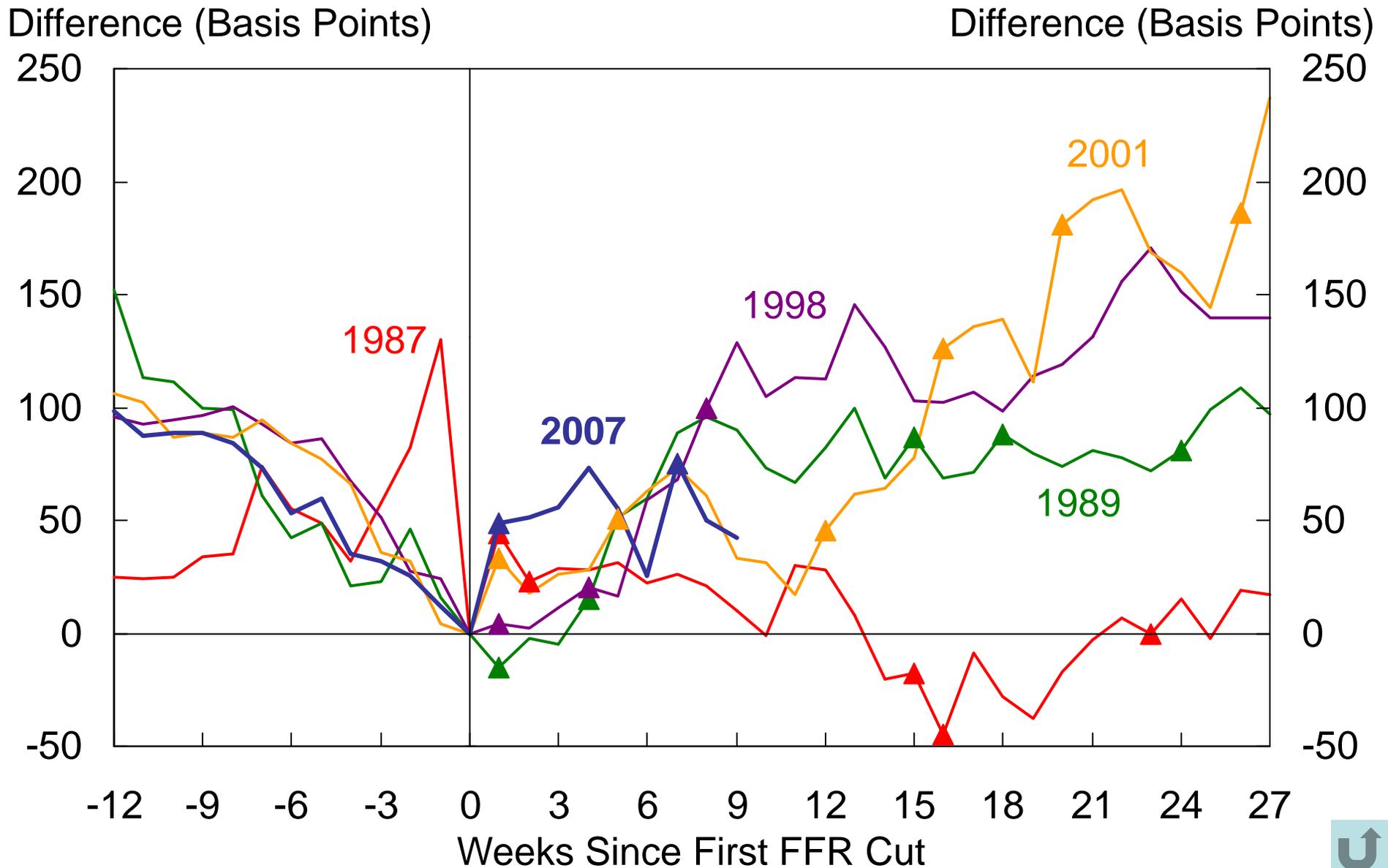


Source: Federal Reserve Board

*Relative to each week pictured.



One-Year Ahead* Eurodollar Futures less FFR

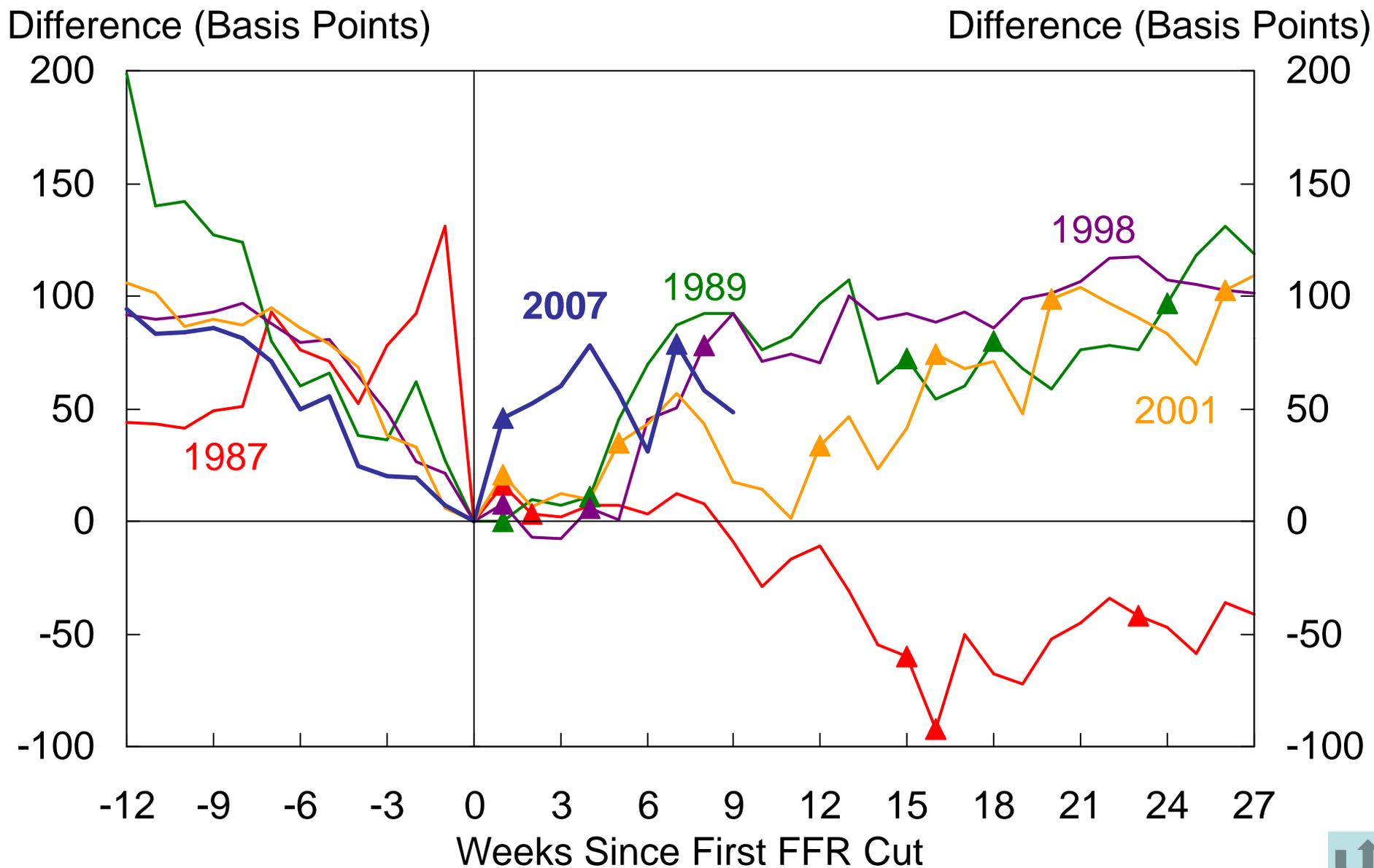


Source: Federal Reserve Board

*Relative to each week pictured.



Near-term* Eurodollar Futures less FFR

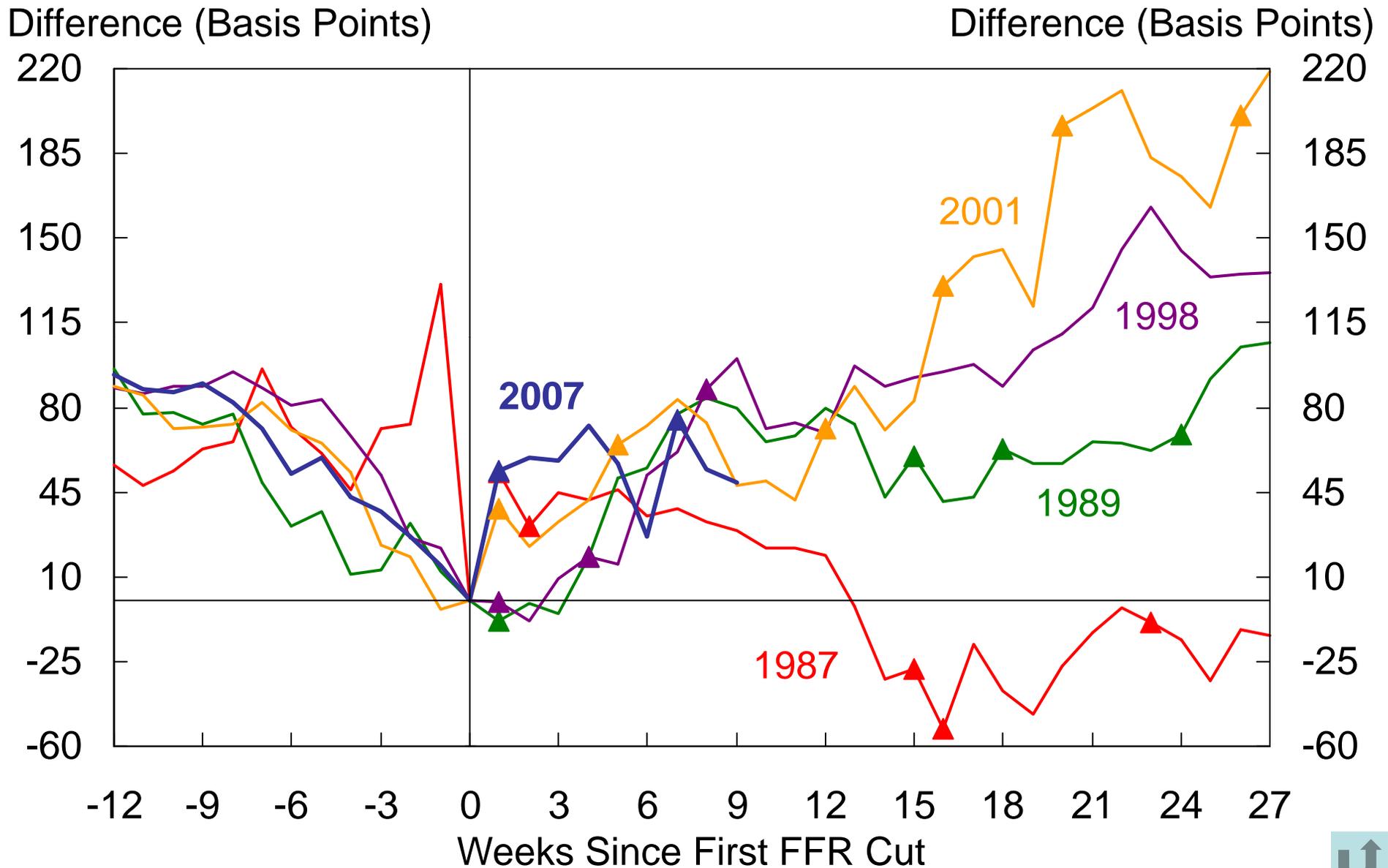


Source: Federal Reserve Board

*Relative to the zero week.



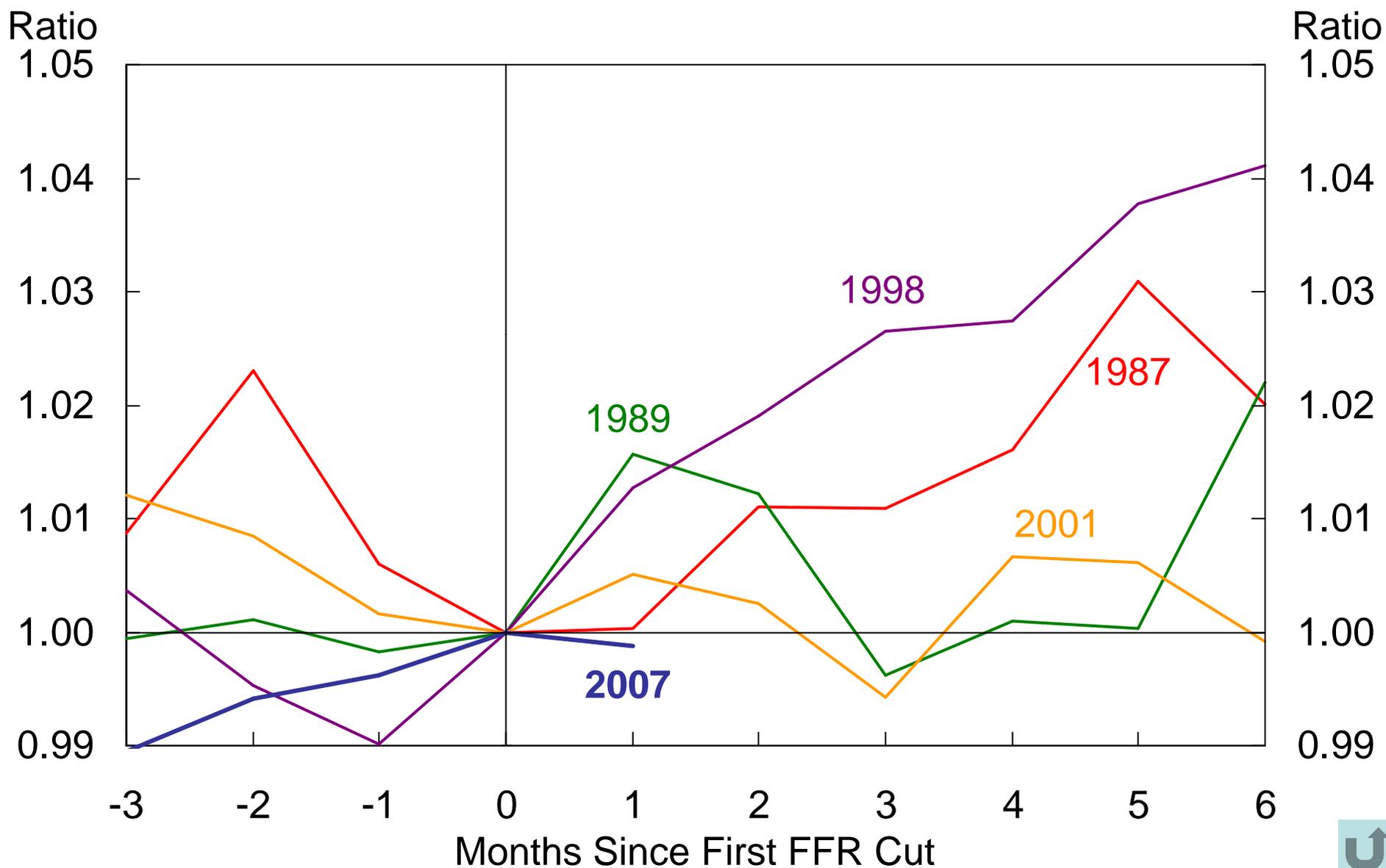
One-Year Ahead* Eurodollar Futures less FFR



Source: Federal Reserve Board

*Relative to the zero week.

Real* Retail Sales

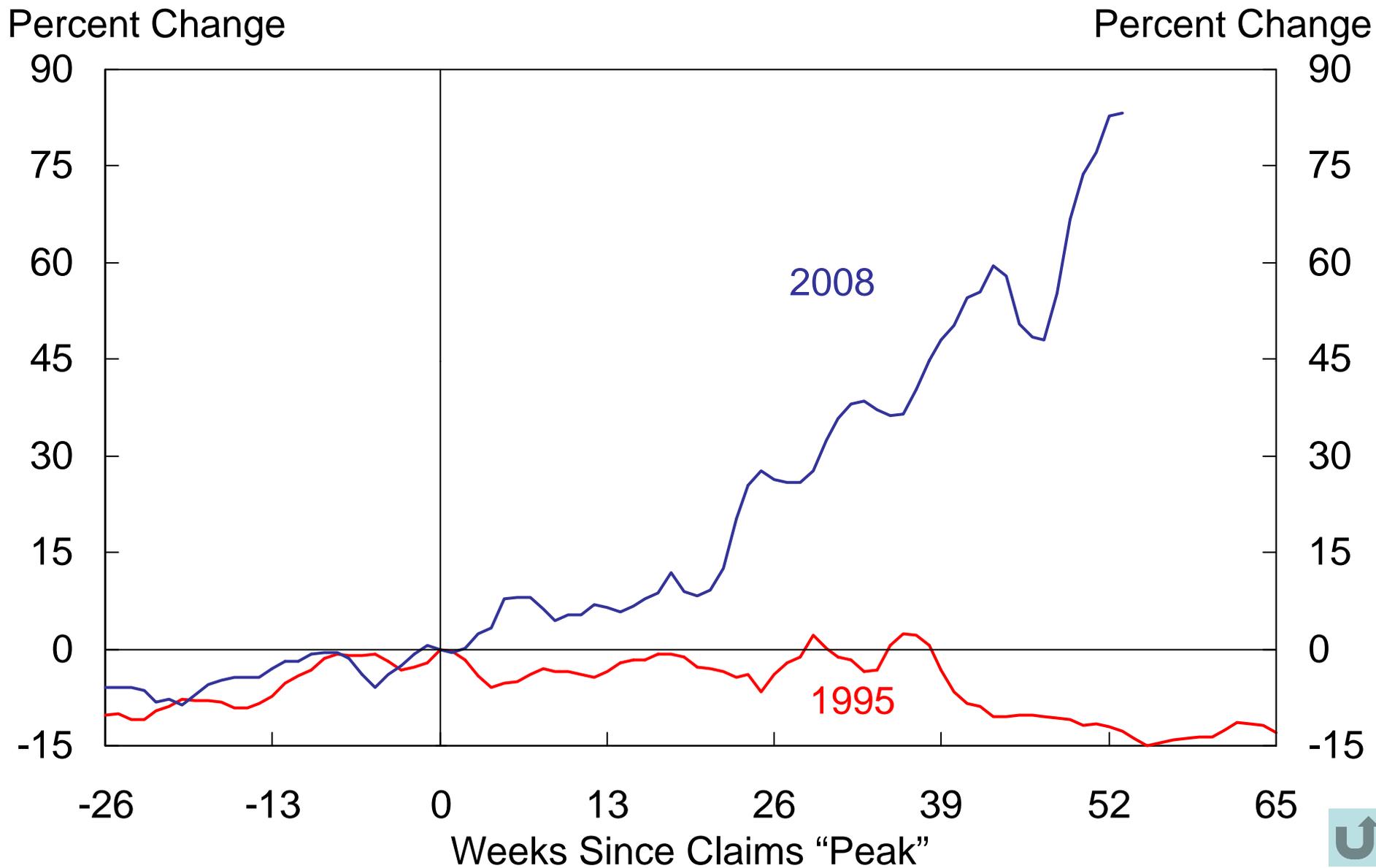


Source: ABC News Washington Post

*Deflated by total CPI.



Initial Unemployment Claims*

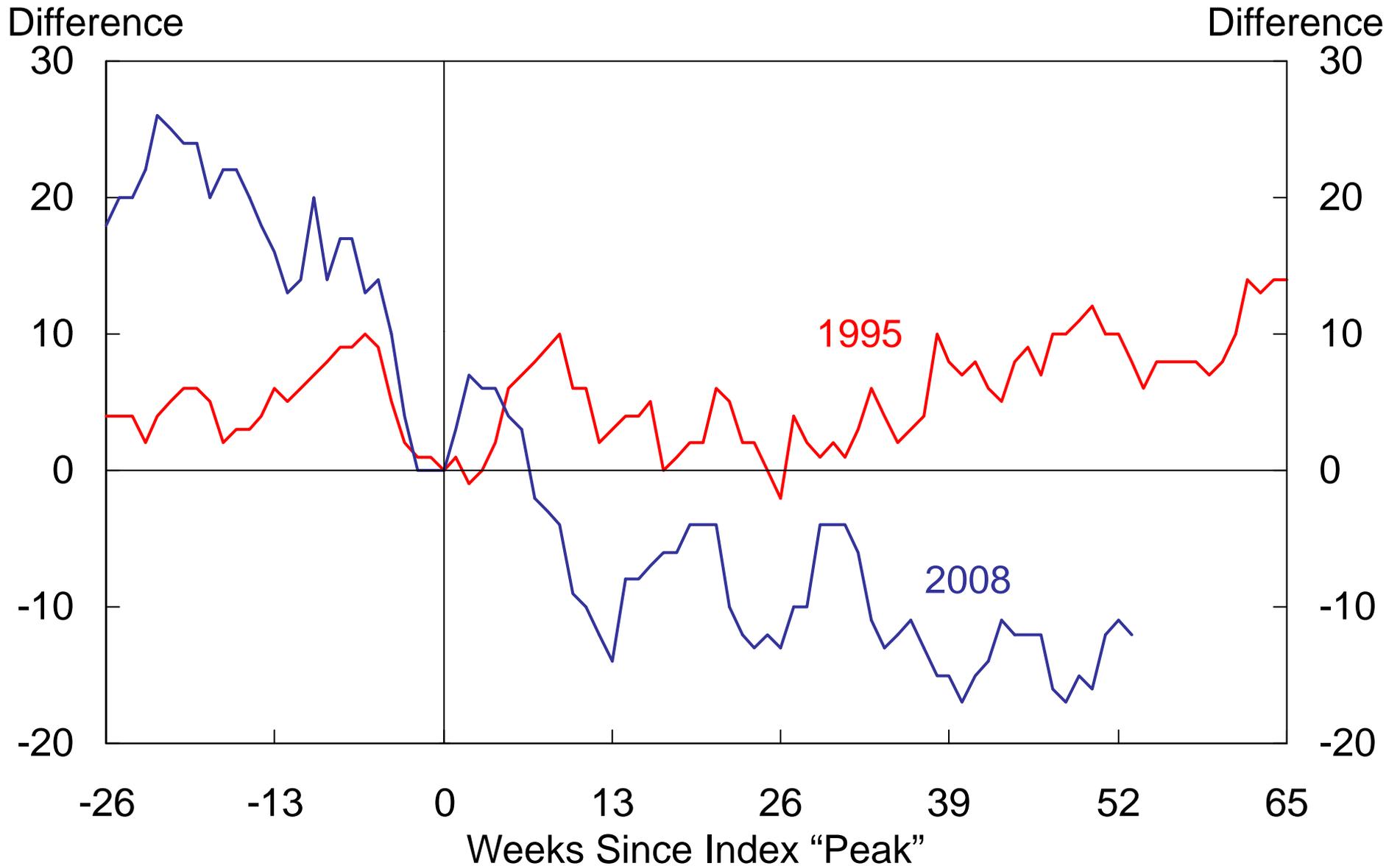


*4-week moving average;

Source: Department of Labor

Normalized by insured employment.

ABC/Washington Post Consumer Comfort Index



Source: ABC News, Washington Post



Short- and Long-Term Rates

Percent

Percent



Source: Bloomberg

Note: Yields of on-the-run securities



Short- and Long-Term Rates (Intraday)



Source: Bloomberg

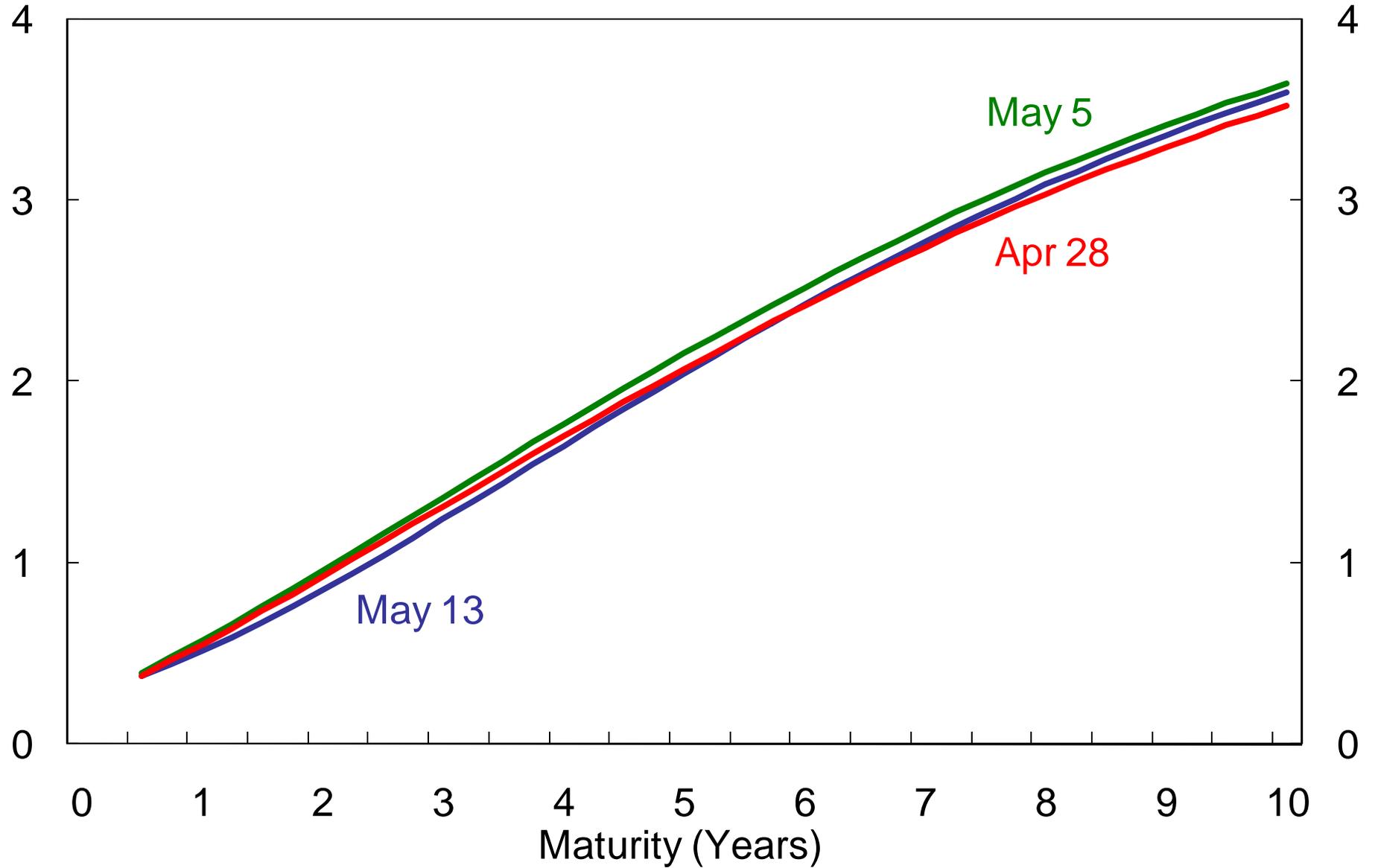
Note: On-the-run securities, 8:00 am to 4:00 pm.



Yield Curves

Percent

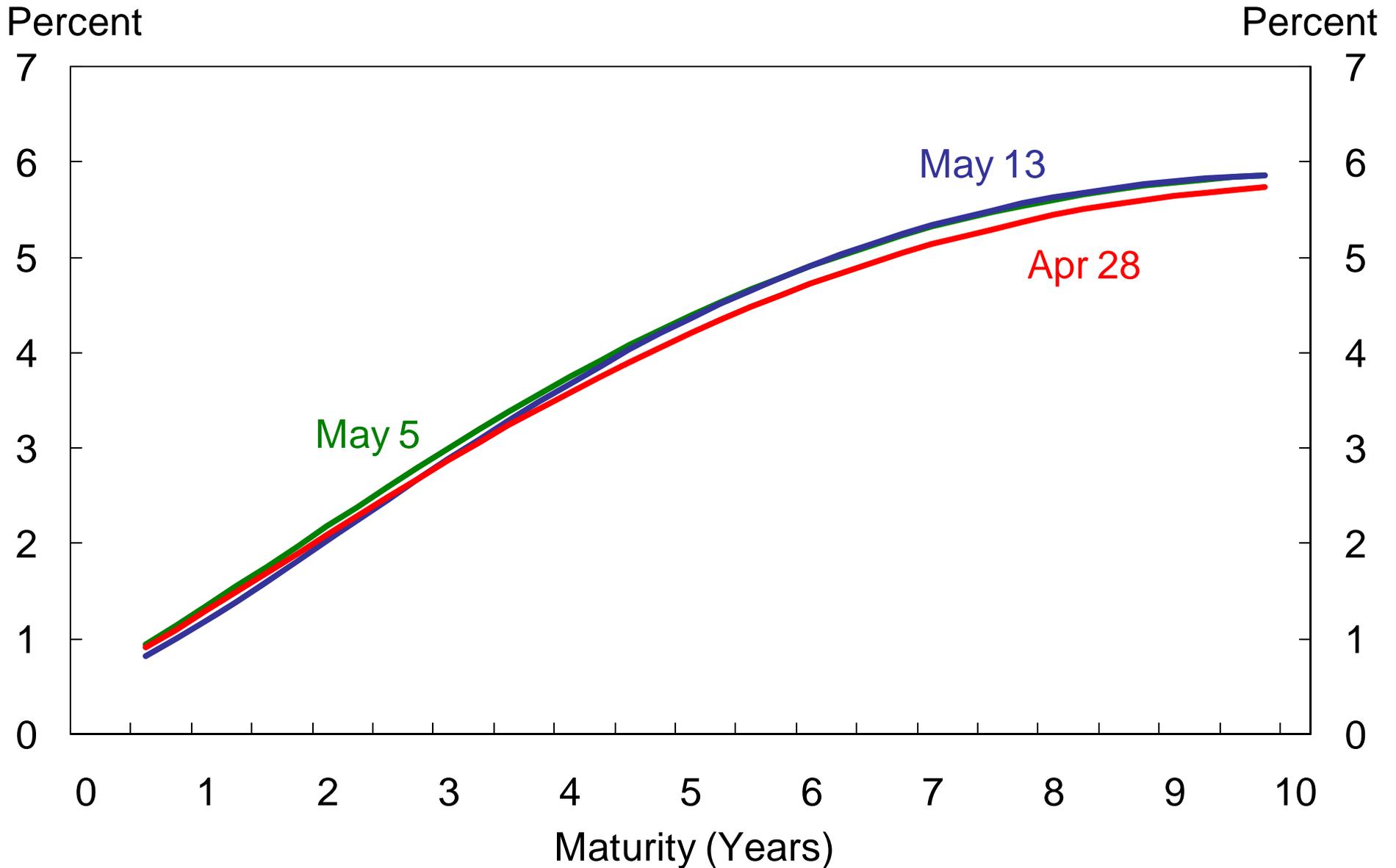
Percent



Source: Federal Reserve Board



Yield Curves: Implied One-Year Forward Rates



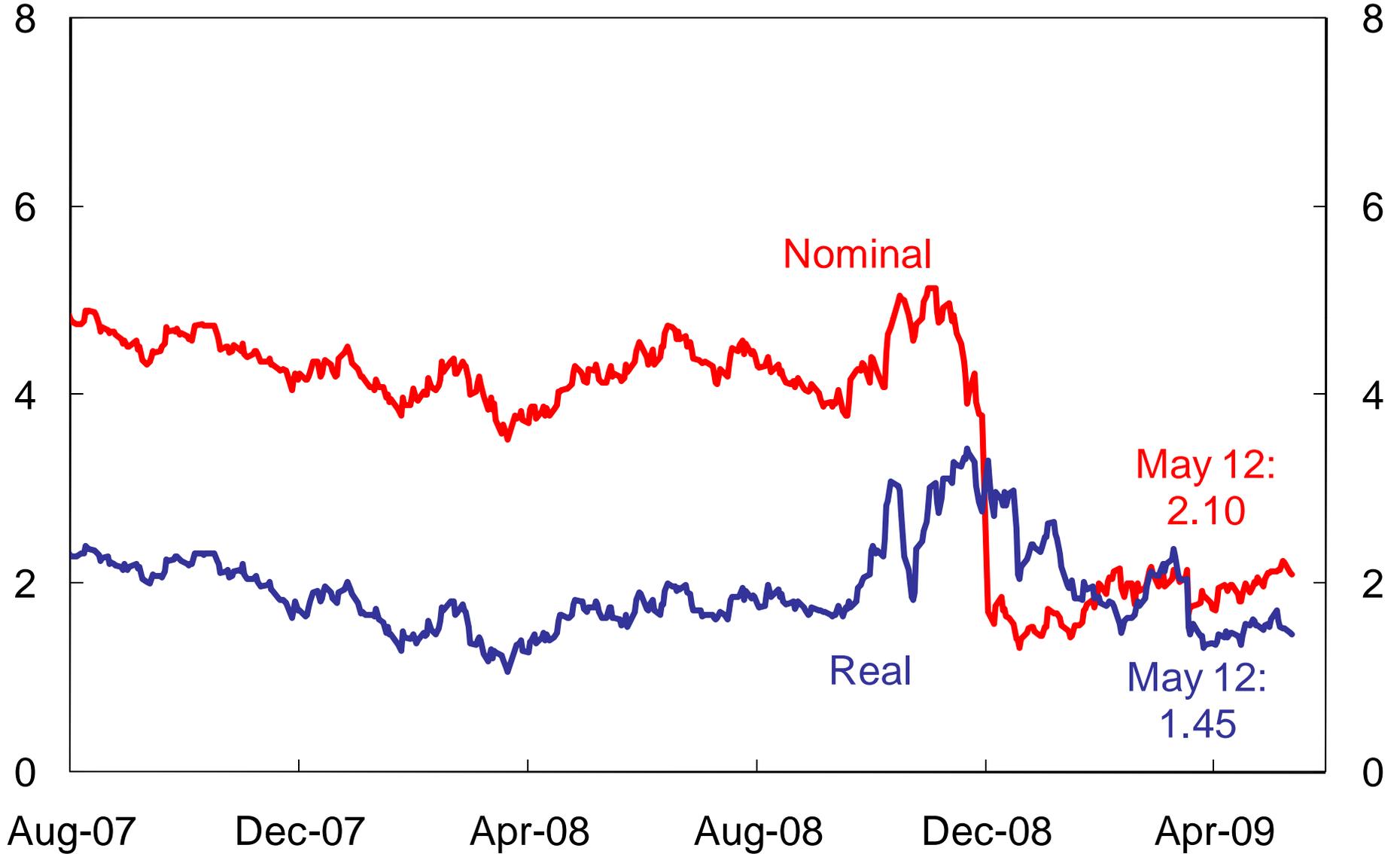
Source: Federal Reserve Board



5 Year Spot Rate

Percent

Percent



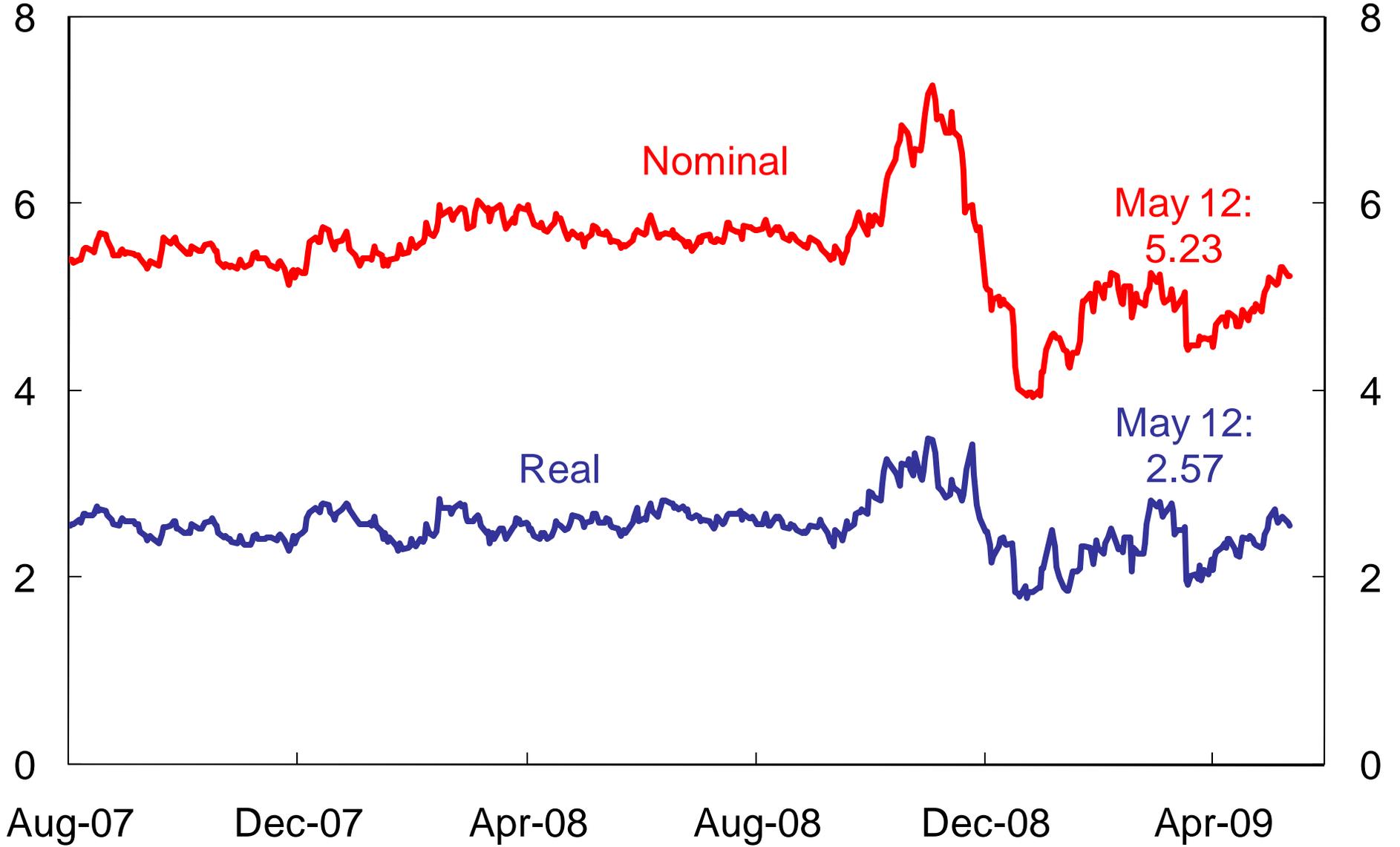
Source: Federal Reserve Board



5-10 Year Forward Rates

Percent

Percent



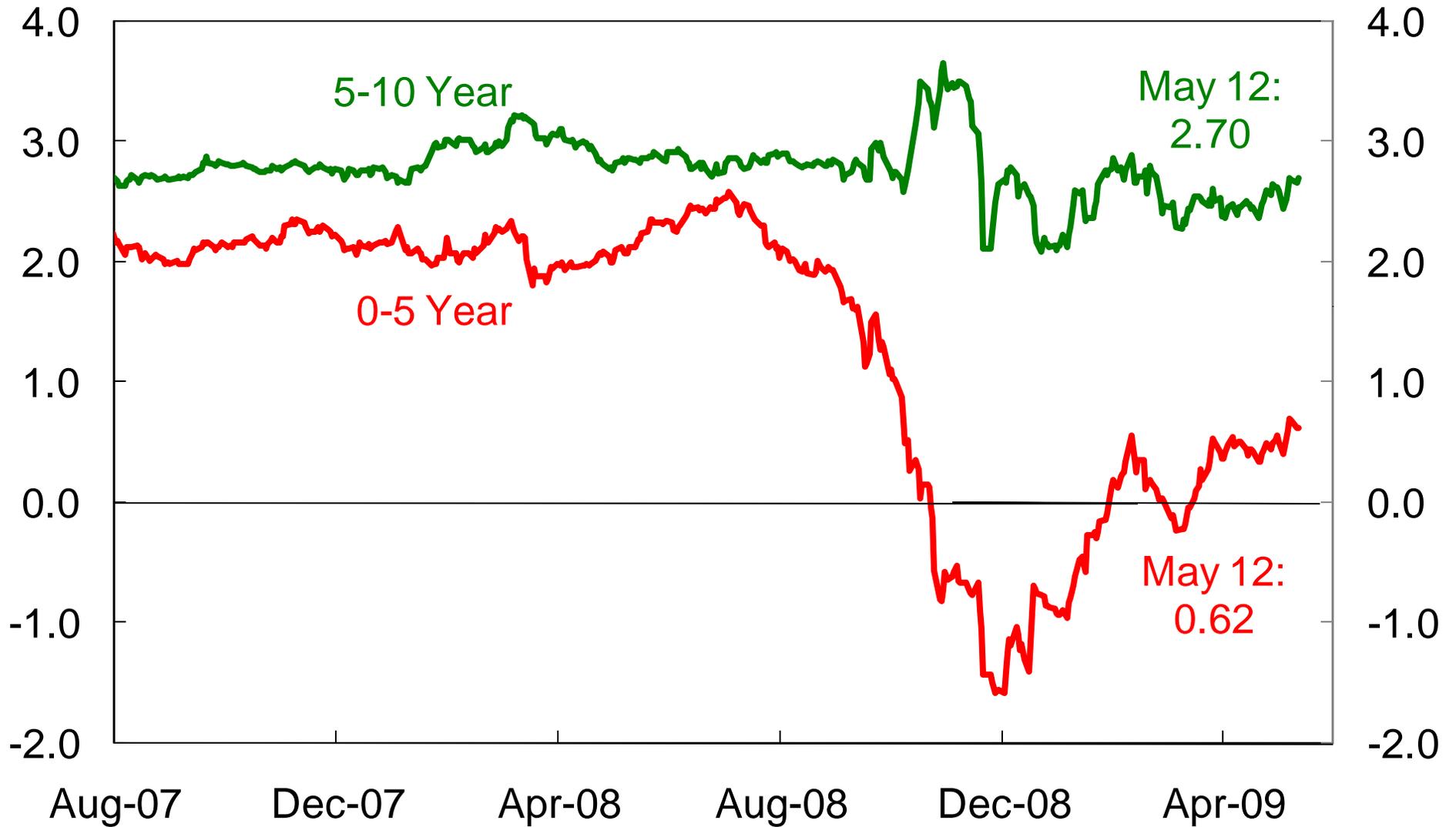
Source: Federal Reserve Board



TIPS Implied Inflation Compensation: 0-5, 5-10 Year Horizons

Percent

Percent



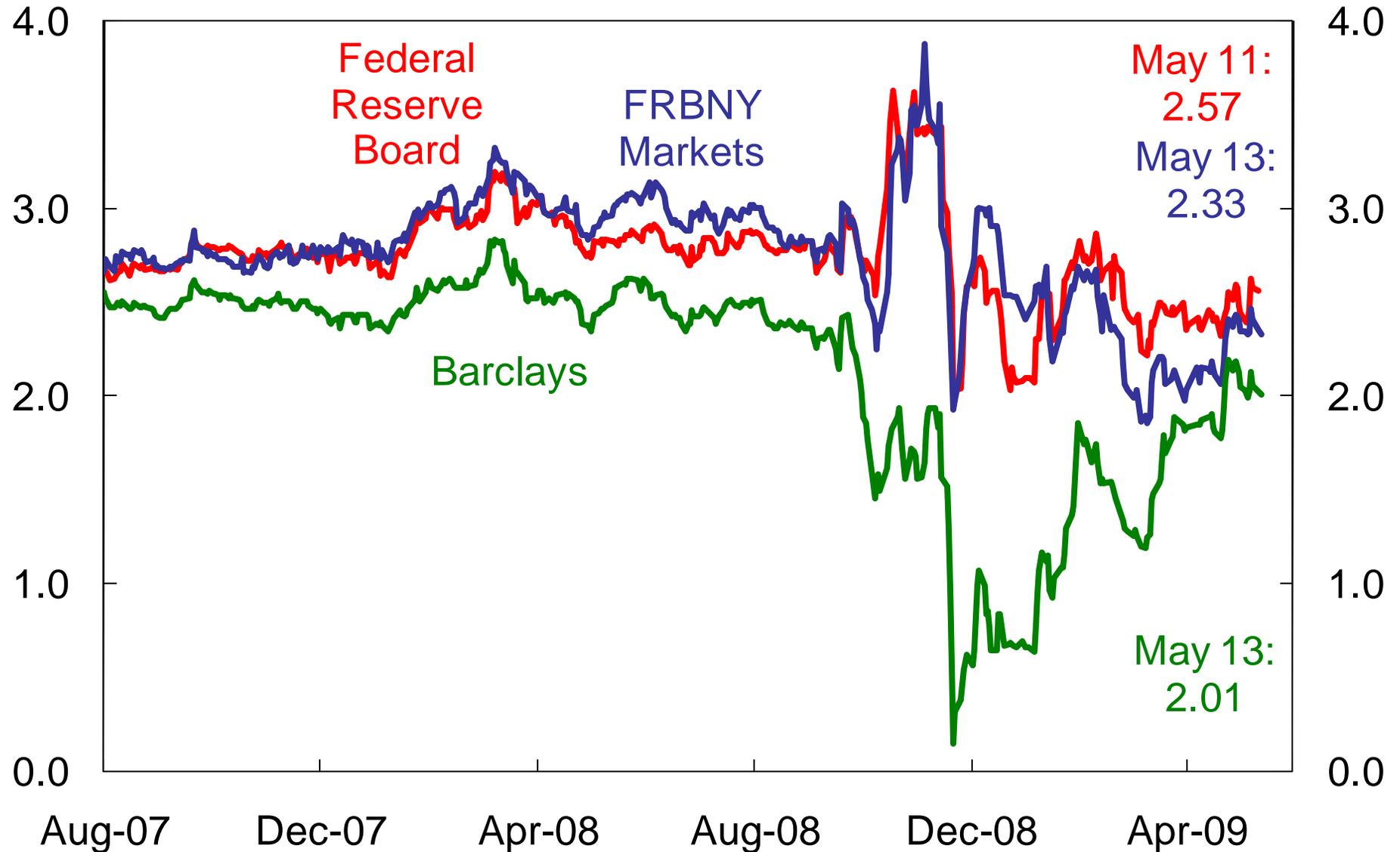
Source: Federal Reserve Board

Note: Carry-adjusted 

Alternative Measures of 5-10 Year Implied Inflation Compensation

Percent

Percent

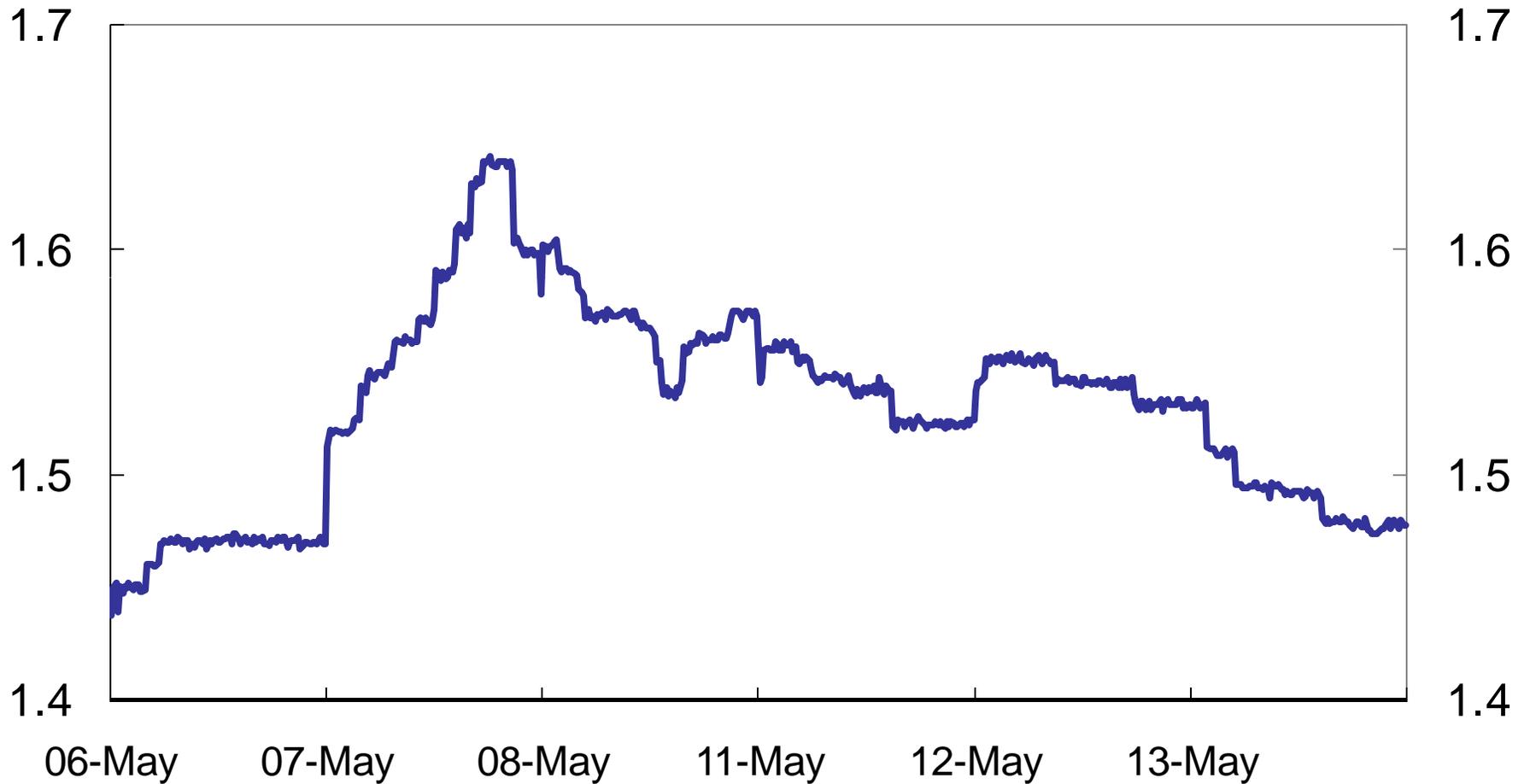


Source: Federal Reserve Board, Barclays, and FRBNY calculations



10-year Breakeven Inflation Compensation (Intraday)

Percent



Source: Bloomberg

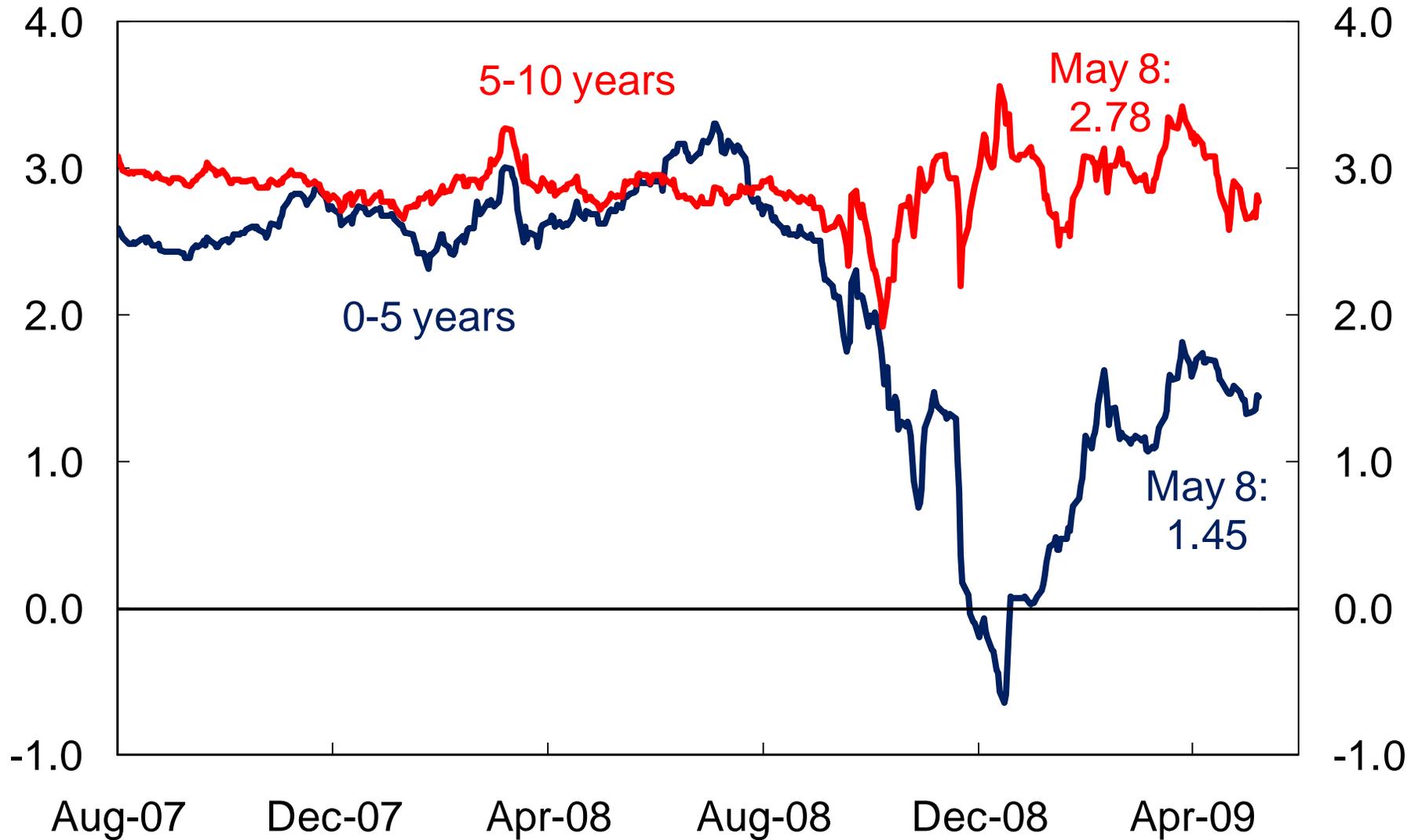
Note: On-the-run securities, 8:00 am to 4:00 pm.



Implied Inflation from Inflation Swaps: 0-5, 5-10 Year Horizon

Percent

Percent



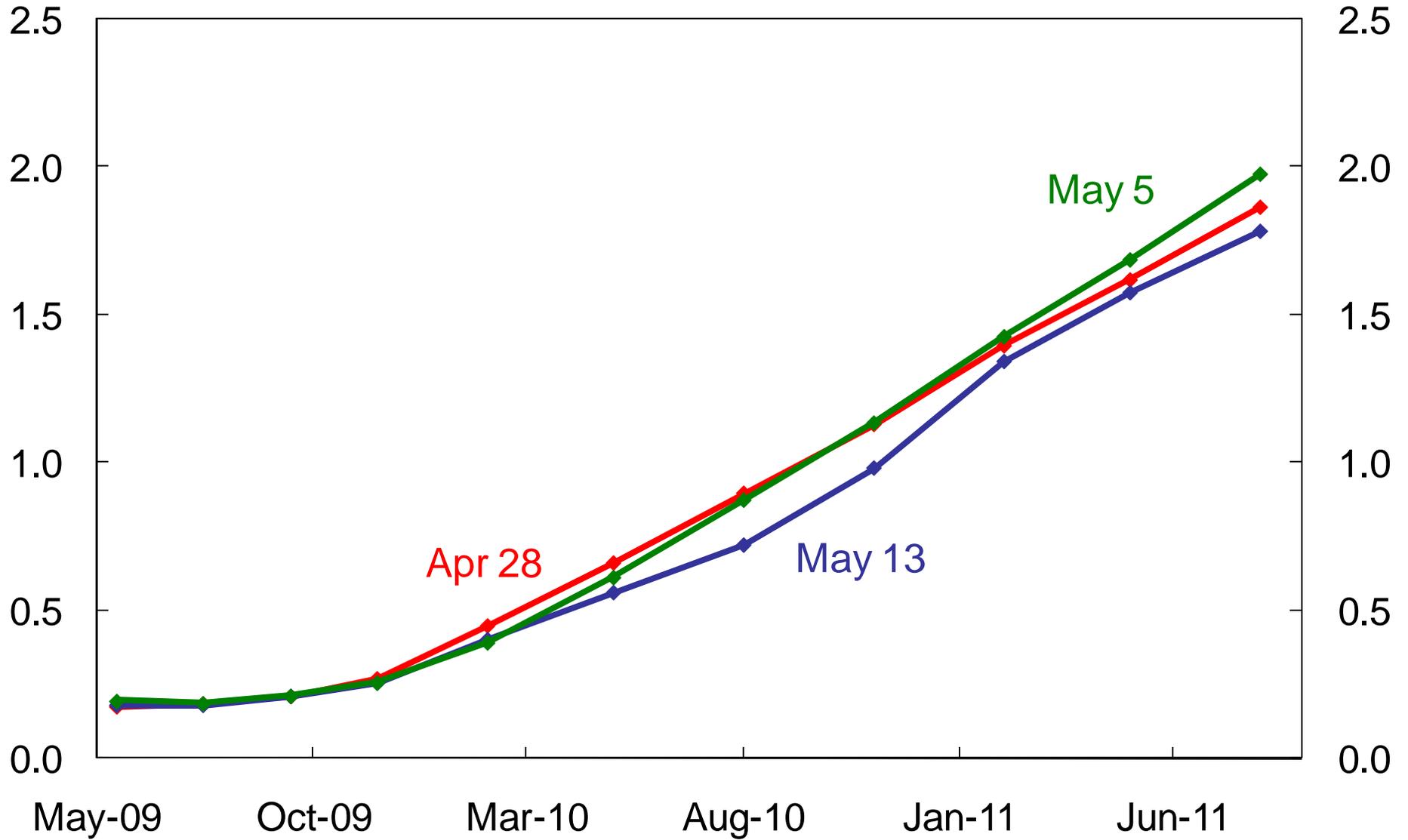
Source: Barclays



Expected Fed Funds

Percent

Percent



Note: Estimated using fed funds and Eurodollar future 

Source: Federal Reserve Board

Implied Eurodollar Rates (Intraday)

Percent

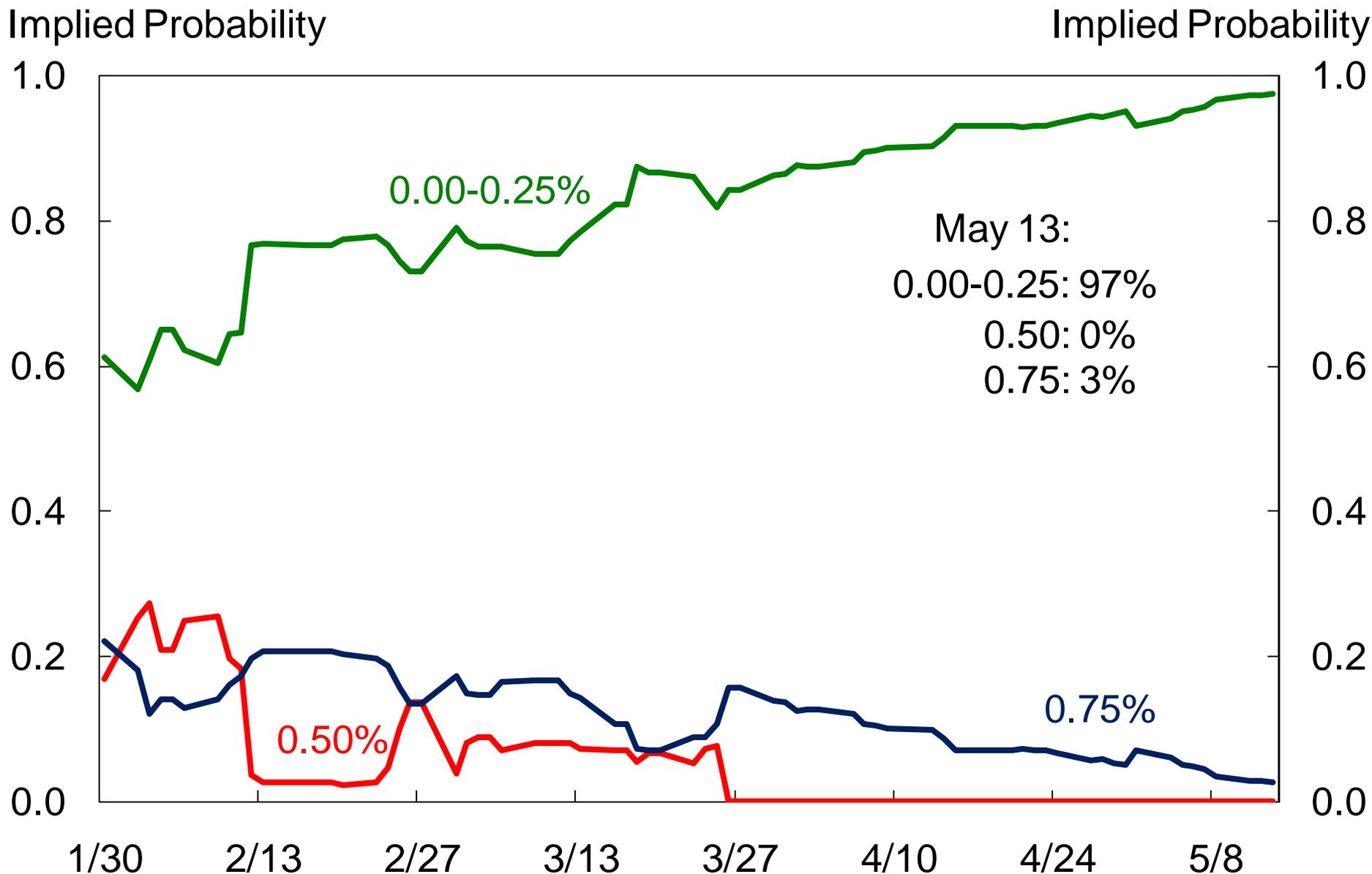


Source: Bloomberg

Note: 8:00 am to 4:00 pm.



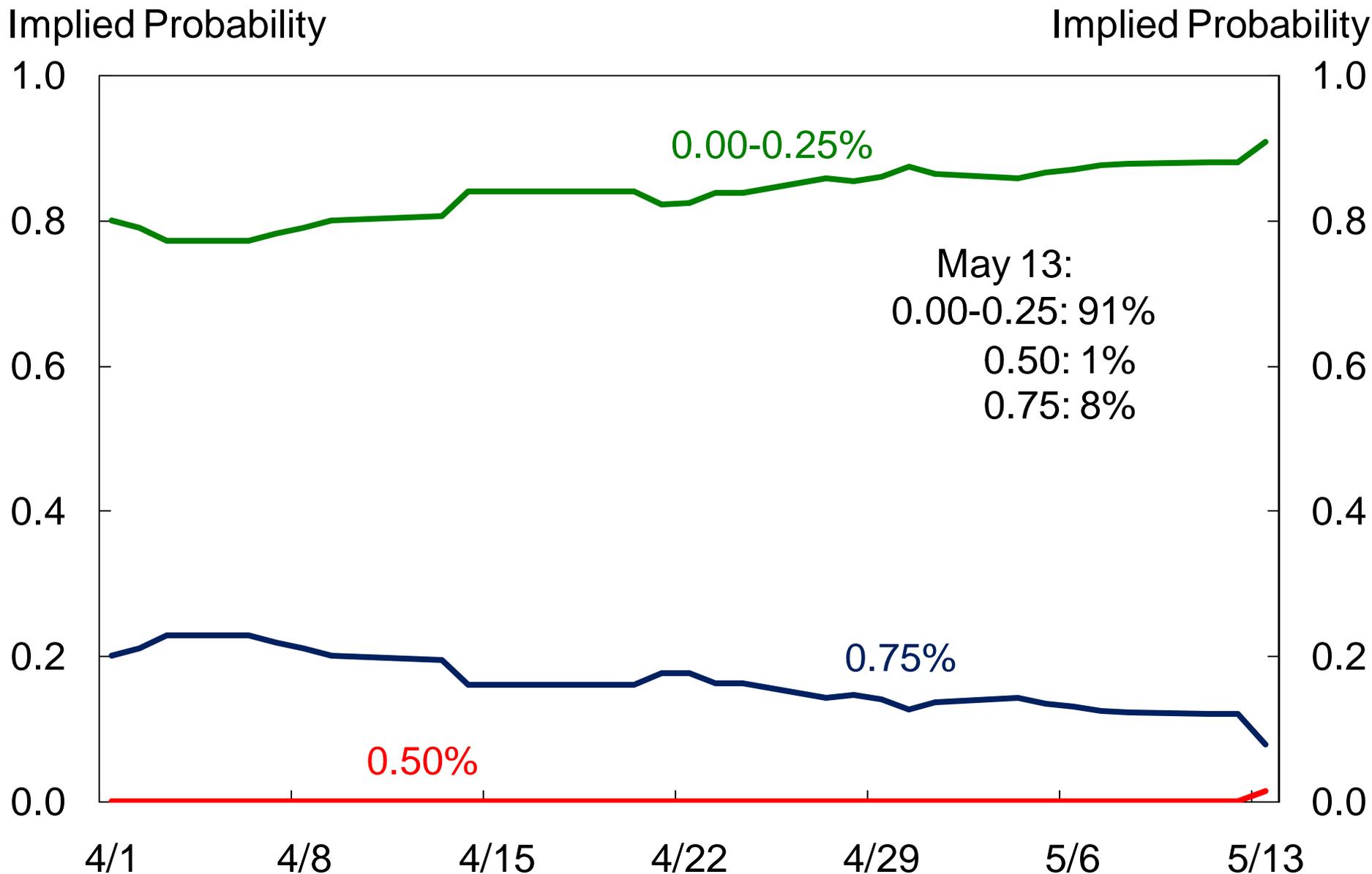
FOMC Target Probabilities: June 2009 Meeting



Source: Cleveland FRB

Note: Estimated using options on fed funds future 

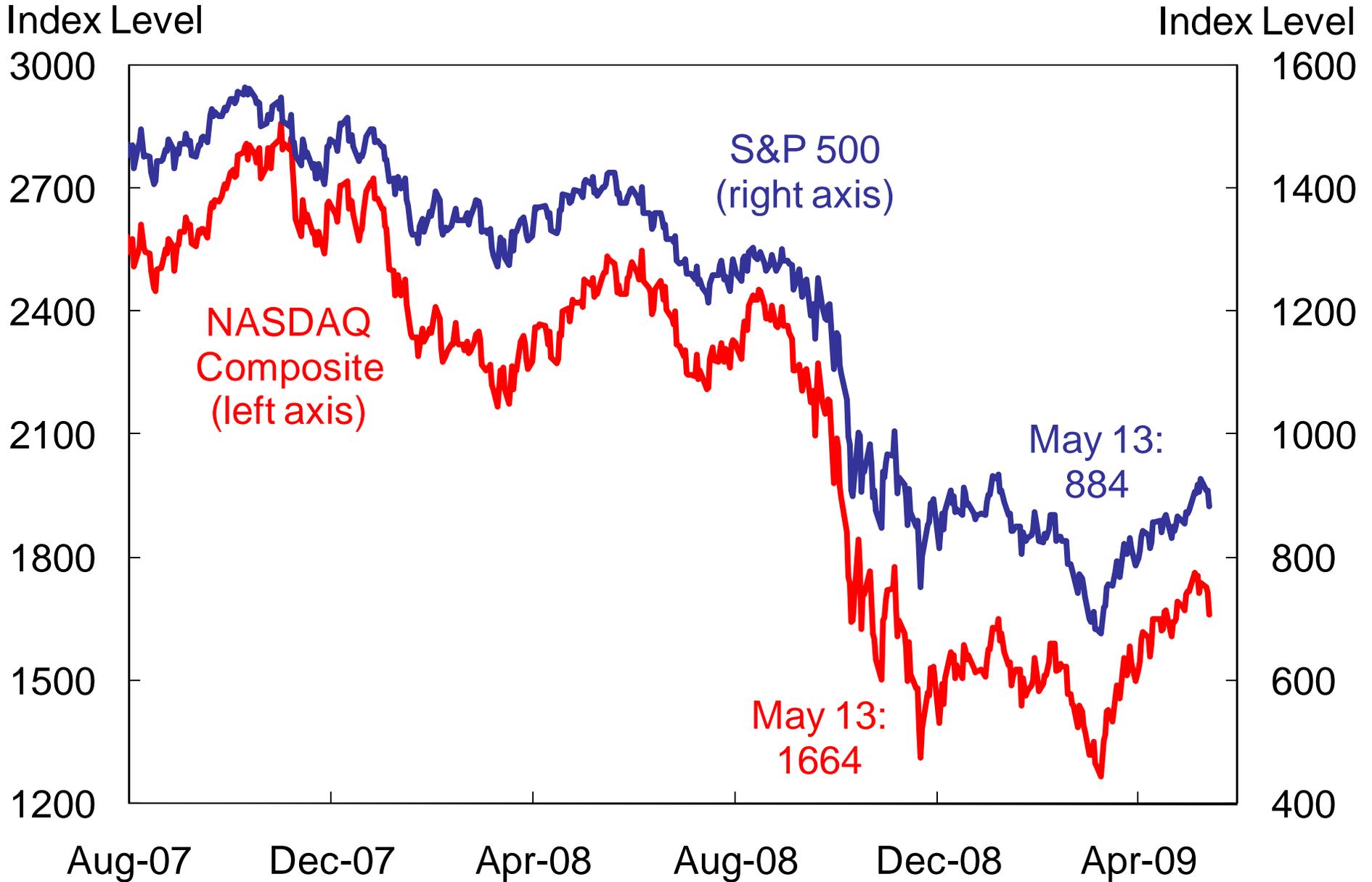
FOMC Target Probabilities: August 2009 Meeting



Source: Cleveland FRB

Note: Estimated using options on fed funds future 

Equity Index Levels



Source: Datastream



S&P 500 Indices (Intraday)



Source: Bloomberg

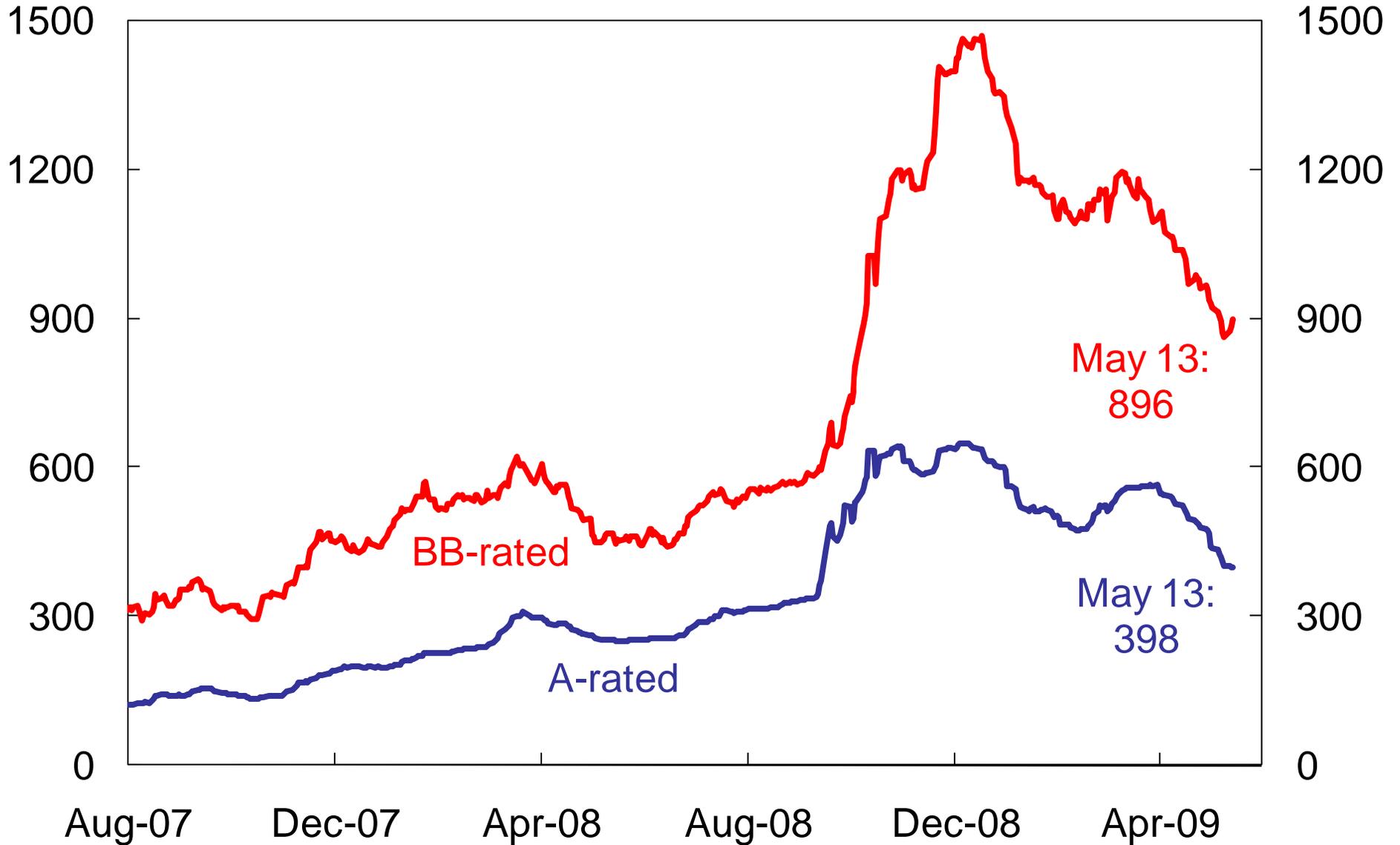
Note: 9:30 am to 4:00 pm.



Credit Spreads - All Corporates

Basis points

Basis points



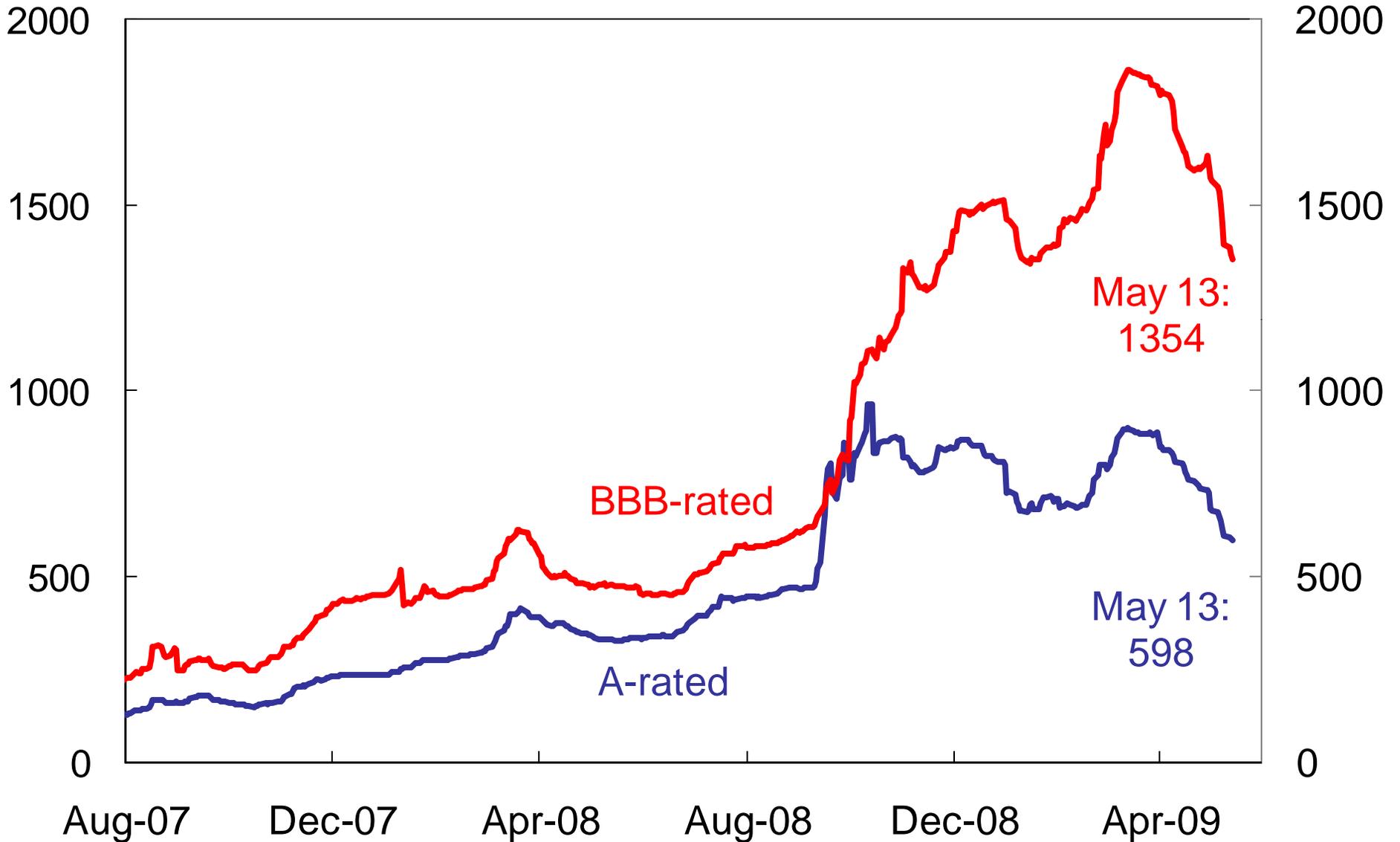
Source: Merrill Lynch

Note: Option-adjusted spread 

Credit Spreads - Financials

Basis points

Basis points



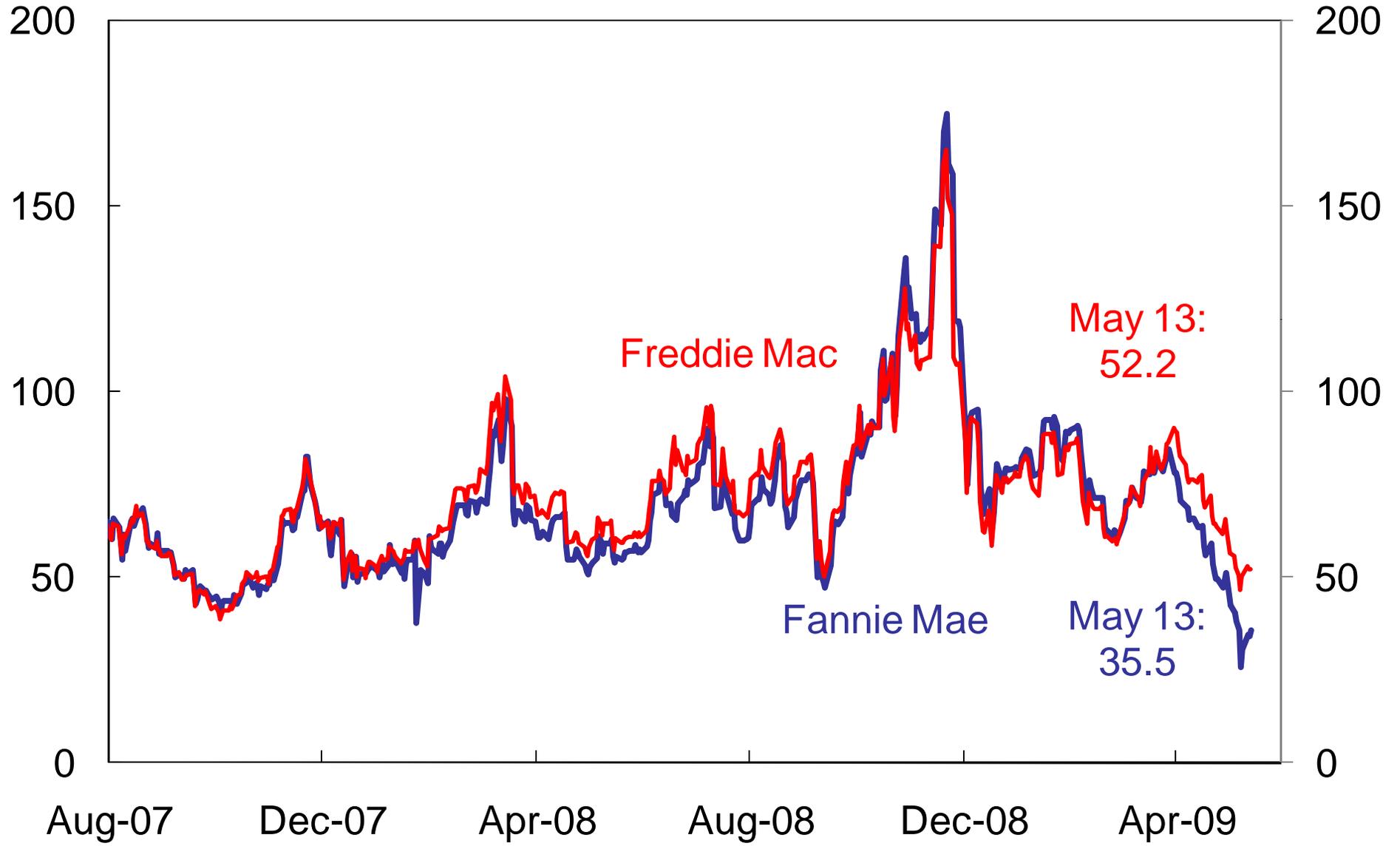
Source: Merrill Lynch

Note: Option-adjusted spread 

10-Year Senior Agency Debt Spreads

Basis points

Basis points



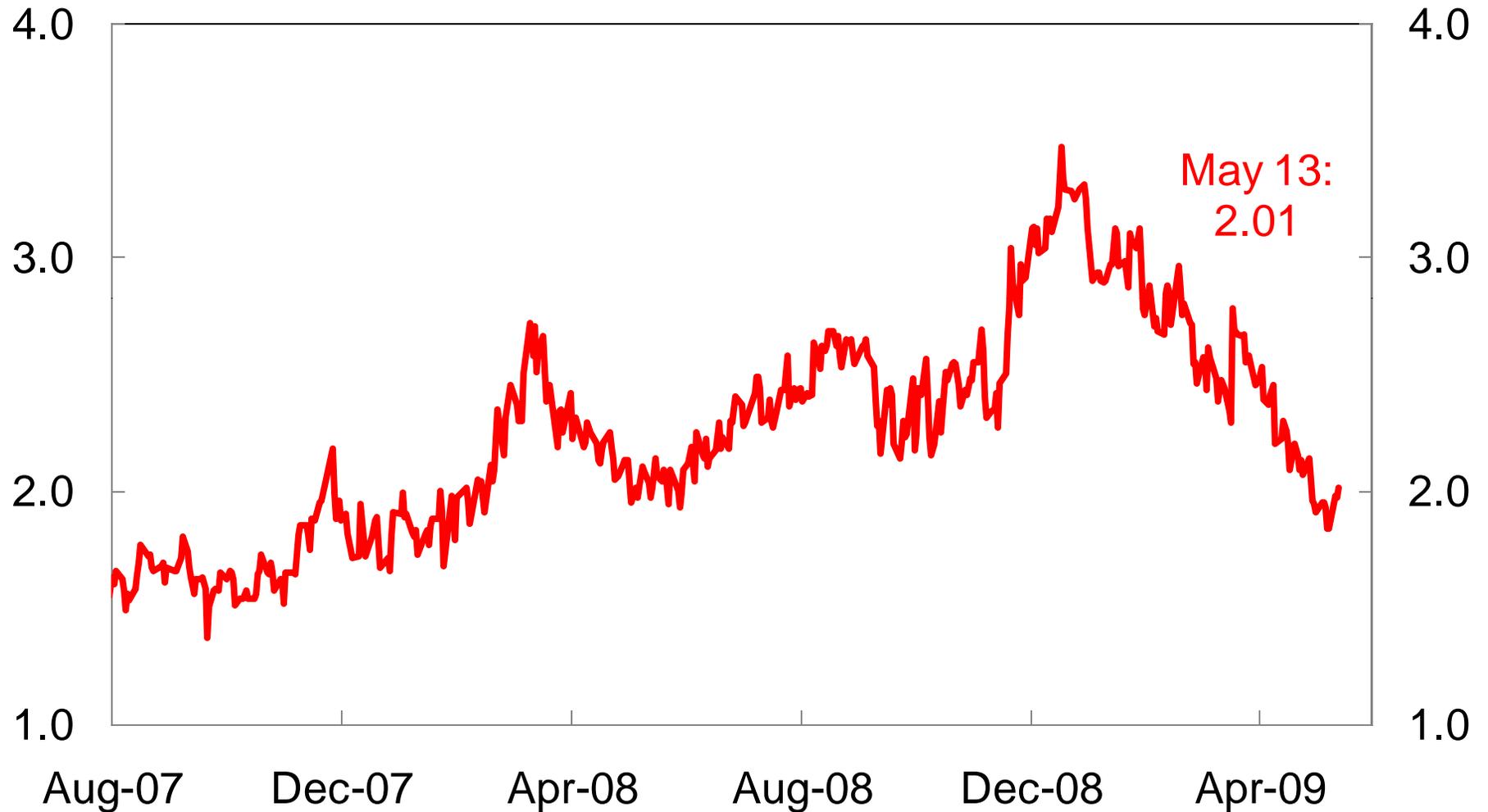
Source: Bloomberg



30-year Fixed Rate Mortgage Spread

Basis Points

Basis Points



Source: Federal Reserve Board, Haver Analytics

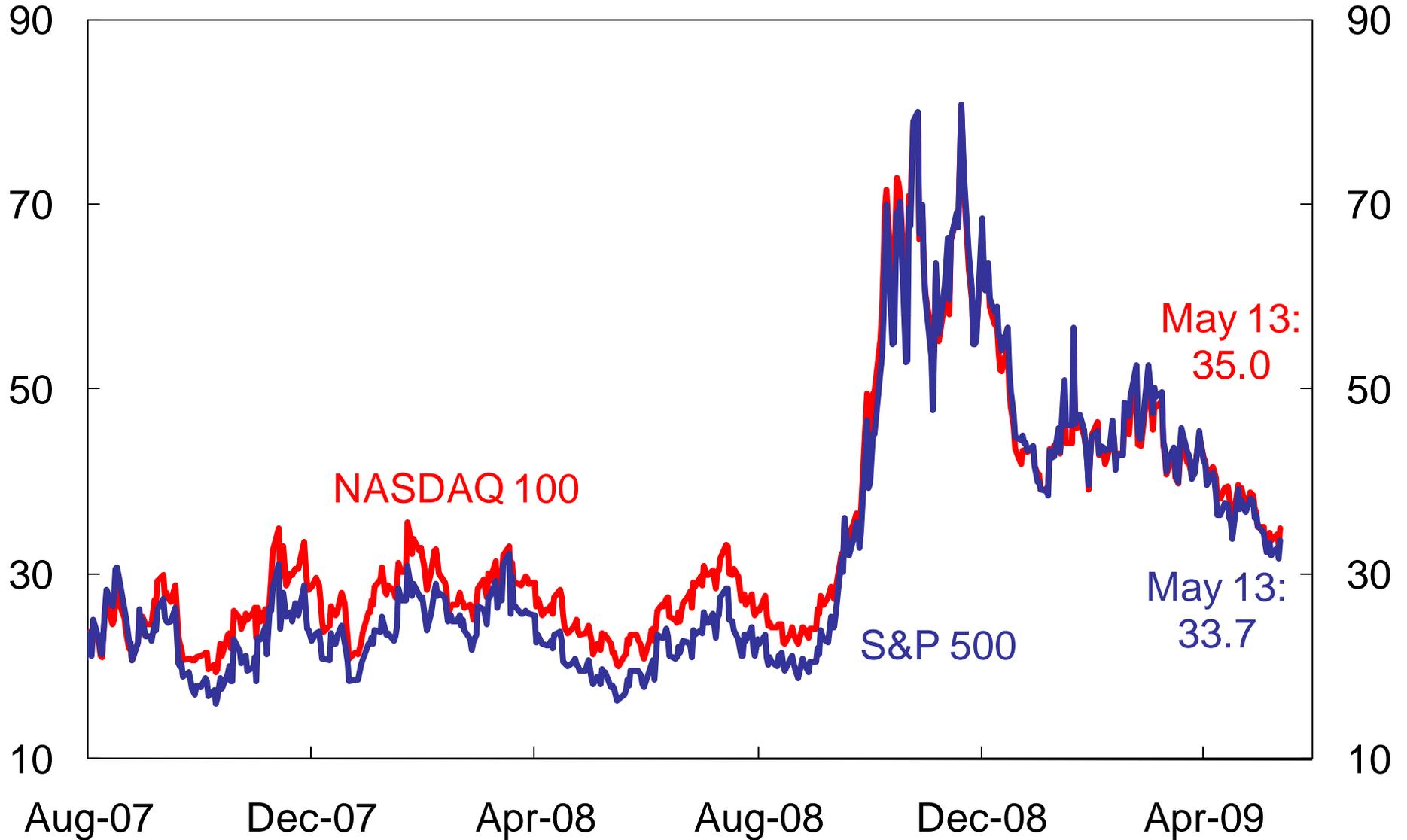
Note: Spread is to 10-year Treasury Note



Equity Index Implied Volatility: 1-Month

Percent

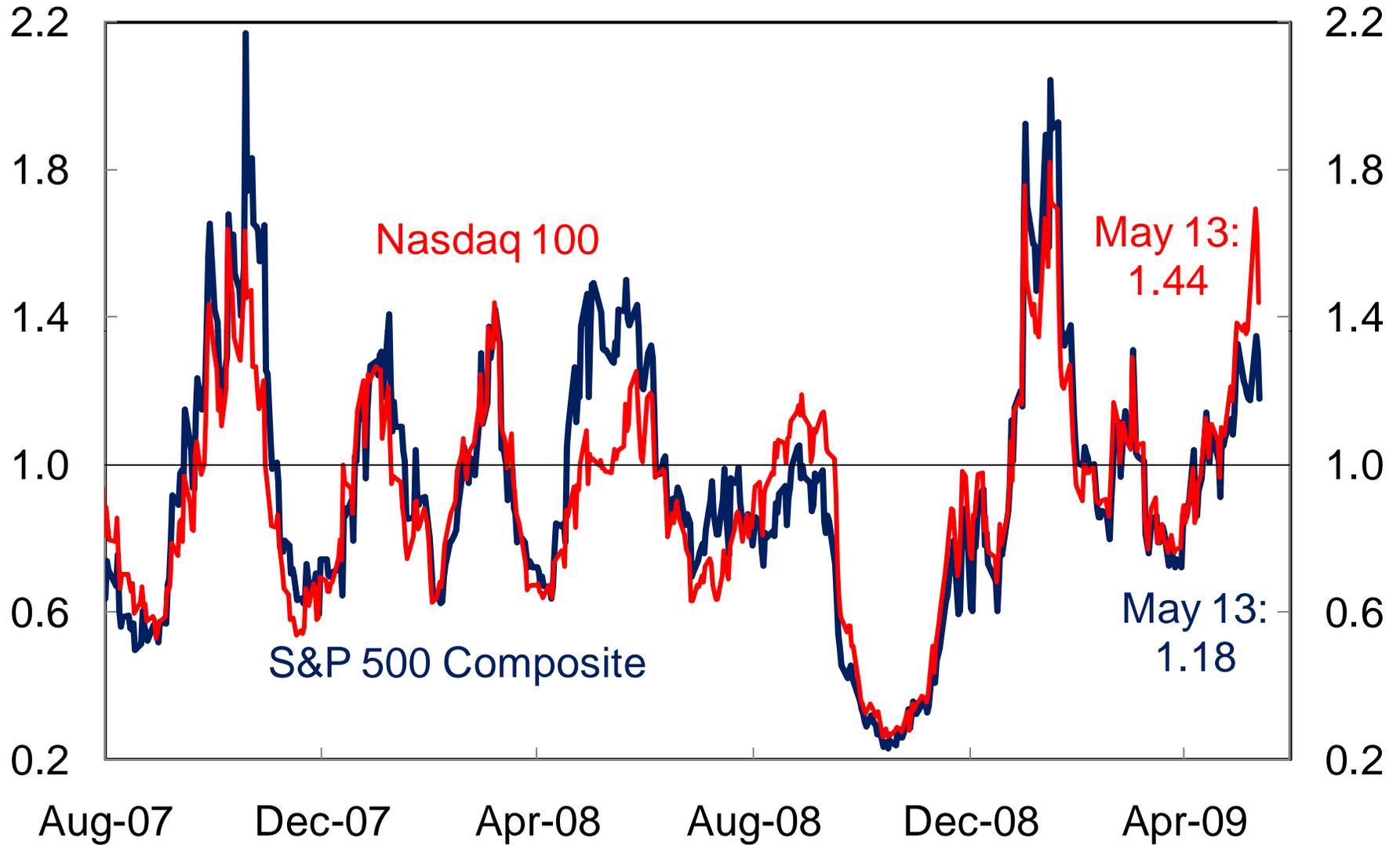
Percent



Source: Datastream



Ratio of Implied to Realized Volatility



Source: Datastream

Note: Realized volatility is annualized 1-month rolling standard deviation of daily returns (360-day year) for S&P 500 and Nasdaq 100.

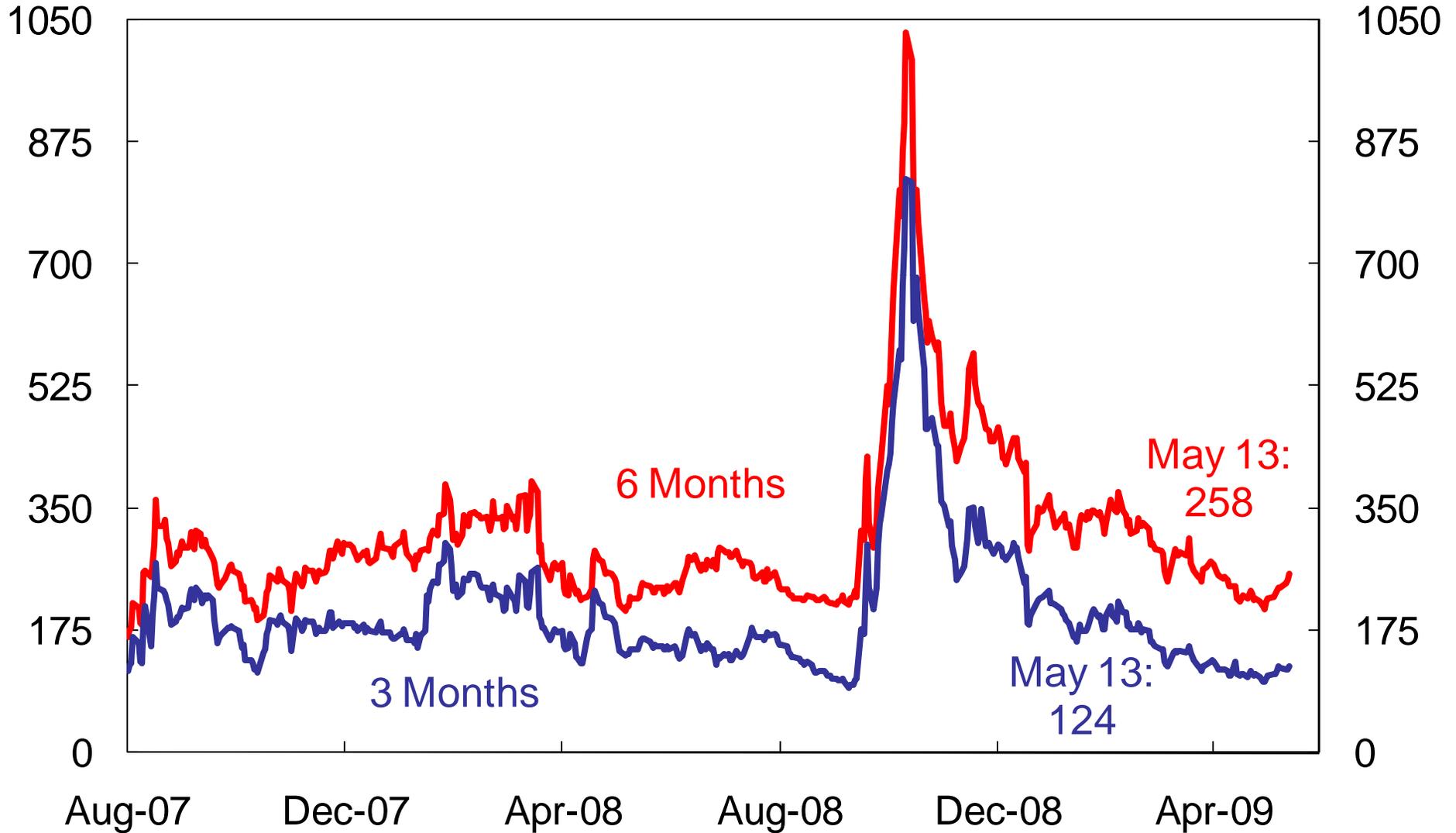


Short-Term Interest Rate Expectations

Width of 90% Confidence Interval Implied by Eurodollar Options

Basis Points

Basis Points



Source: Datastream, FRBNY calculations

Note: Data not available past 12/30/2

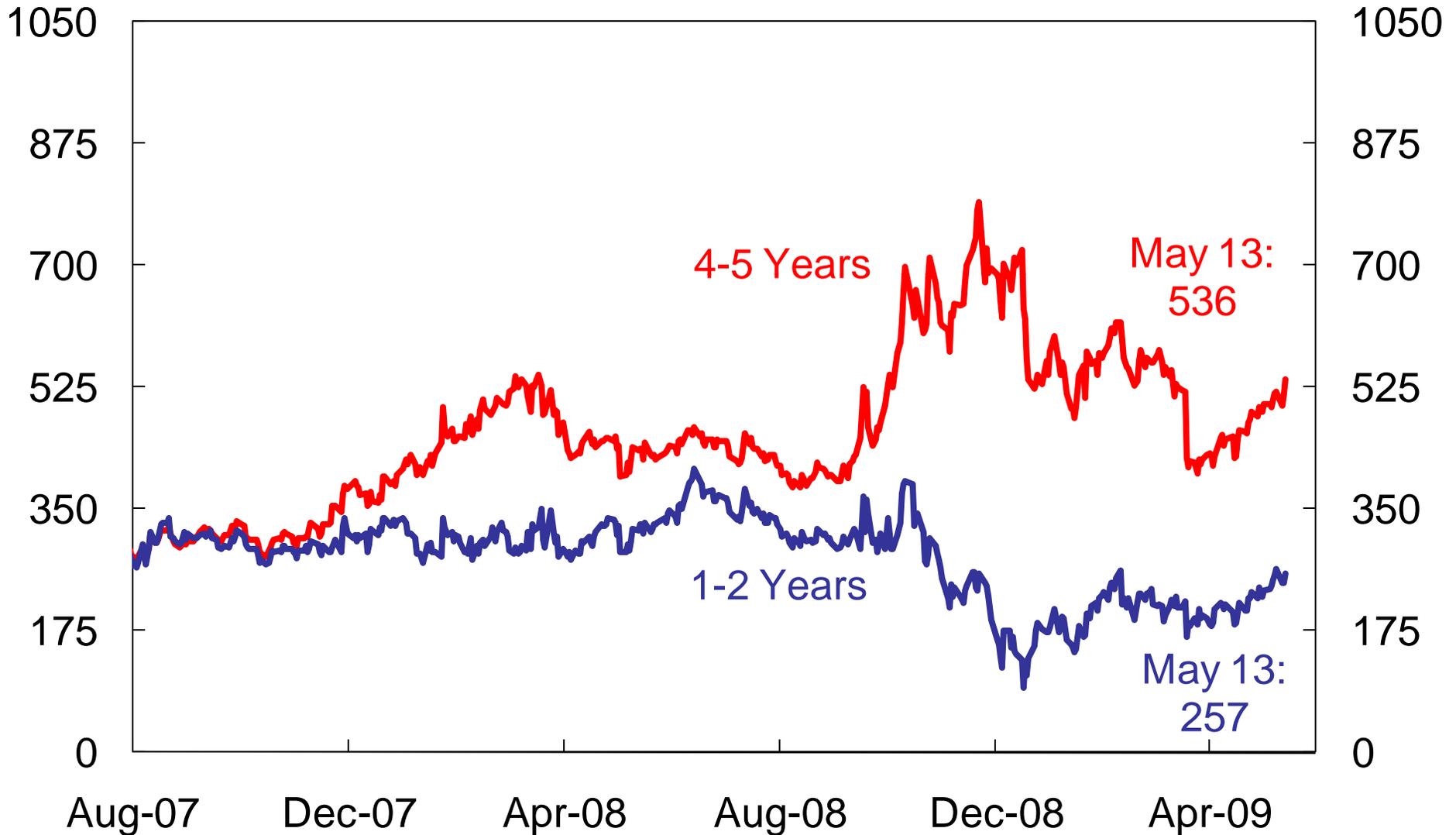


Long-Term Interest Rate Expectations

Width of 90% Confidence Interval Implied by Swaptions

Basis Points

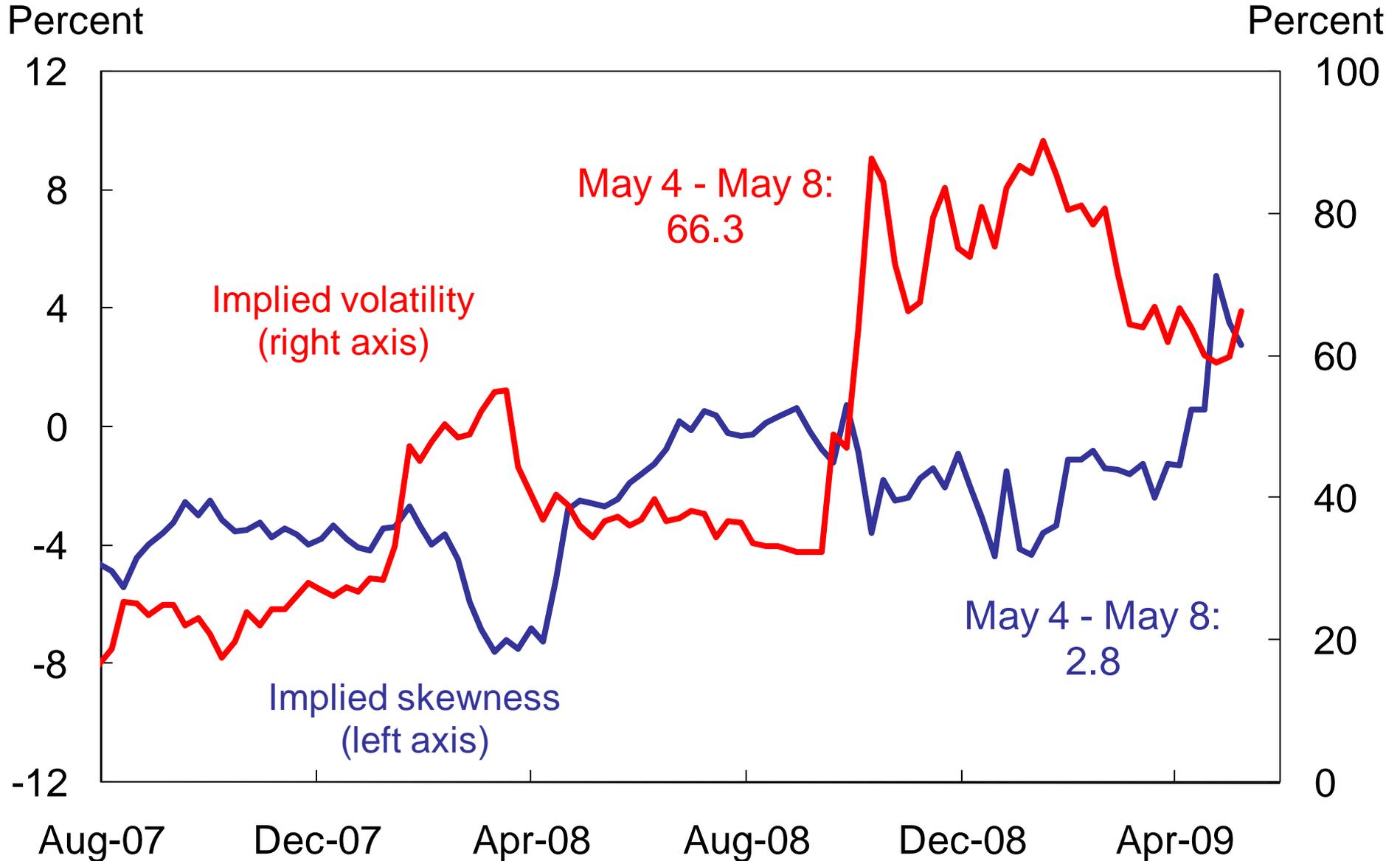
Basis Points



Source: Datastream, FRBNY calculations



Implied Skewness and Volatility



Source: CME and FRBNY calculations

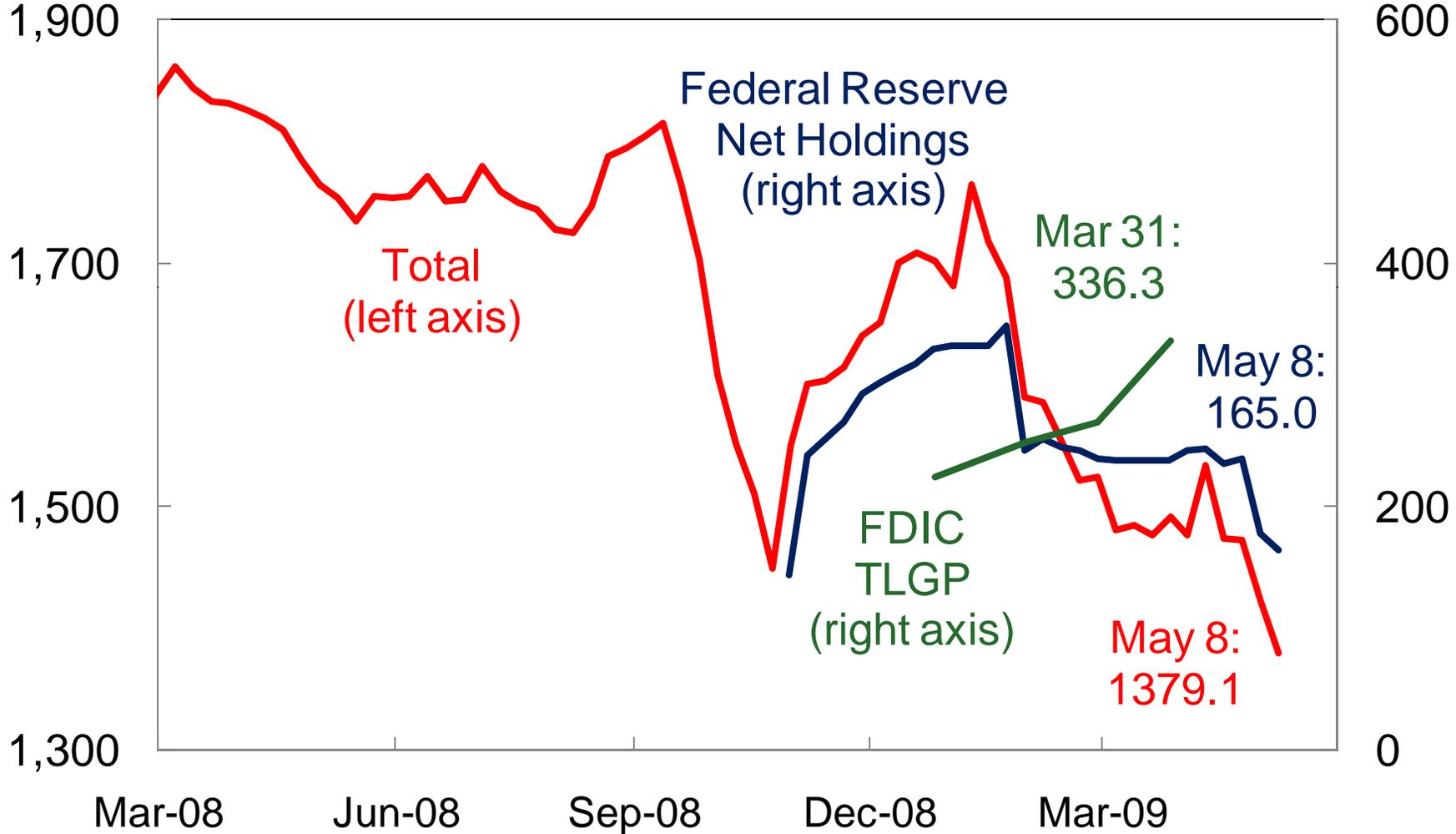
Note: Weekly averages based on 3-9 month implied volatilities from Eurodollar futures options



CPFF and Commercial Paper Outstanding

Billions of Dollars

Billions of Dollars



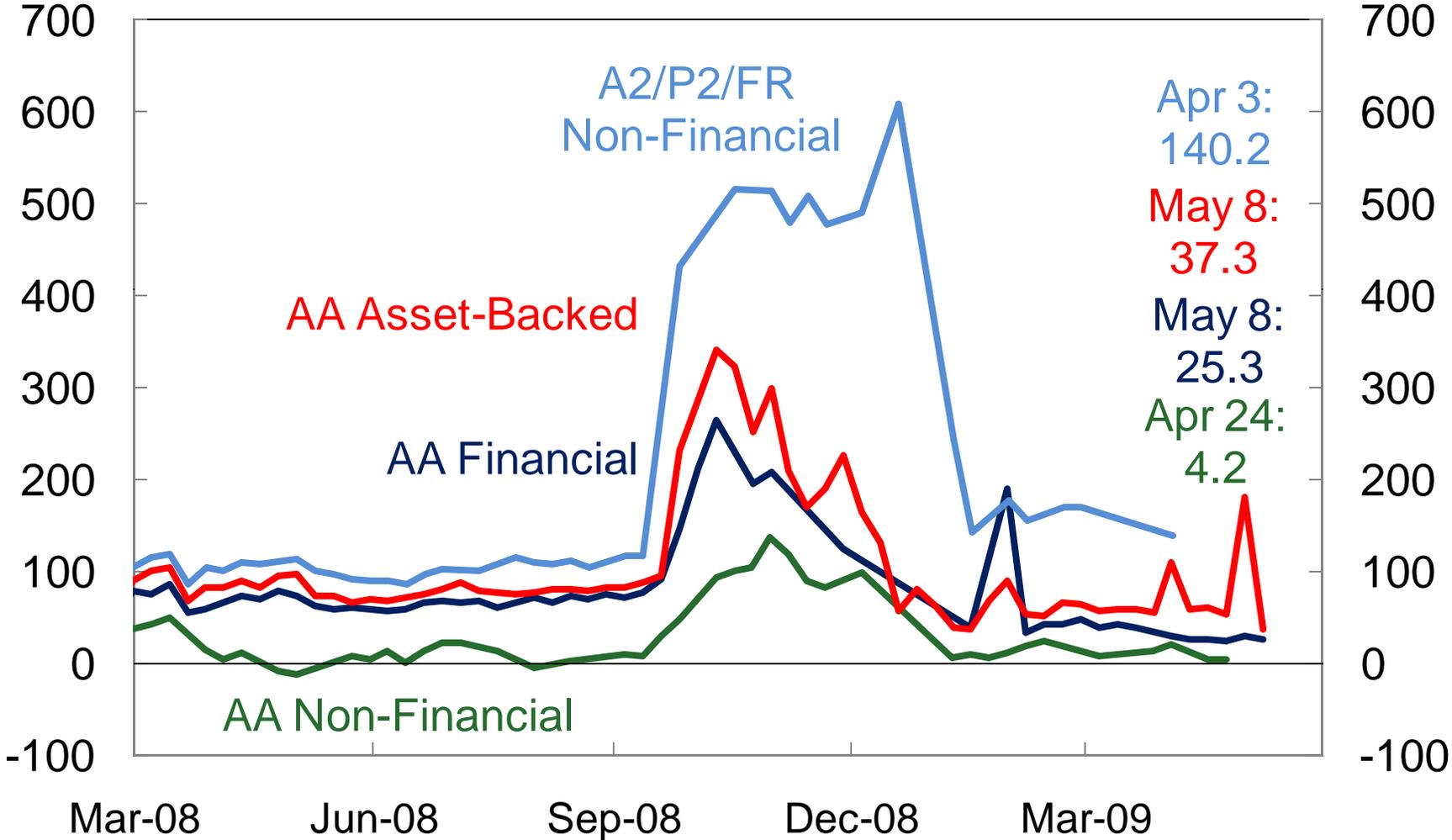
Source: Federal Reserve Board, Haver



3-month CP Rates over OIS

Basis Points

Basis Points



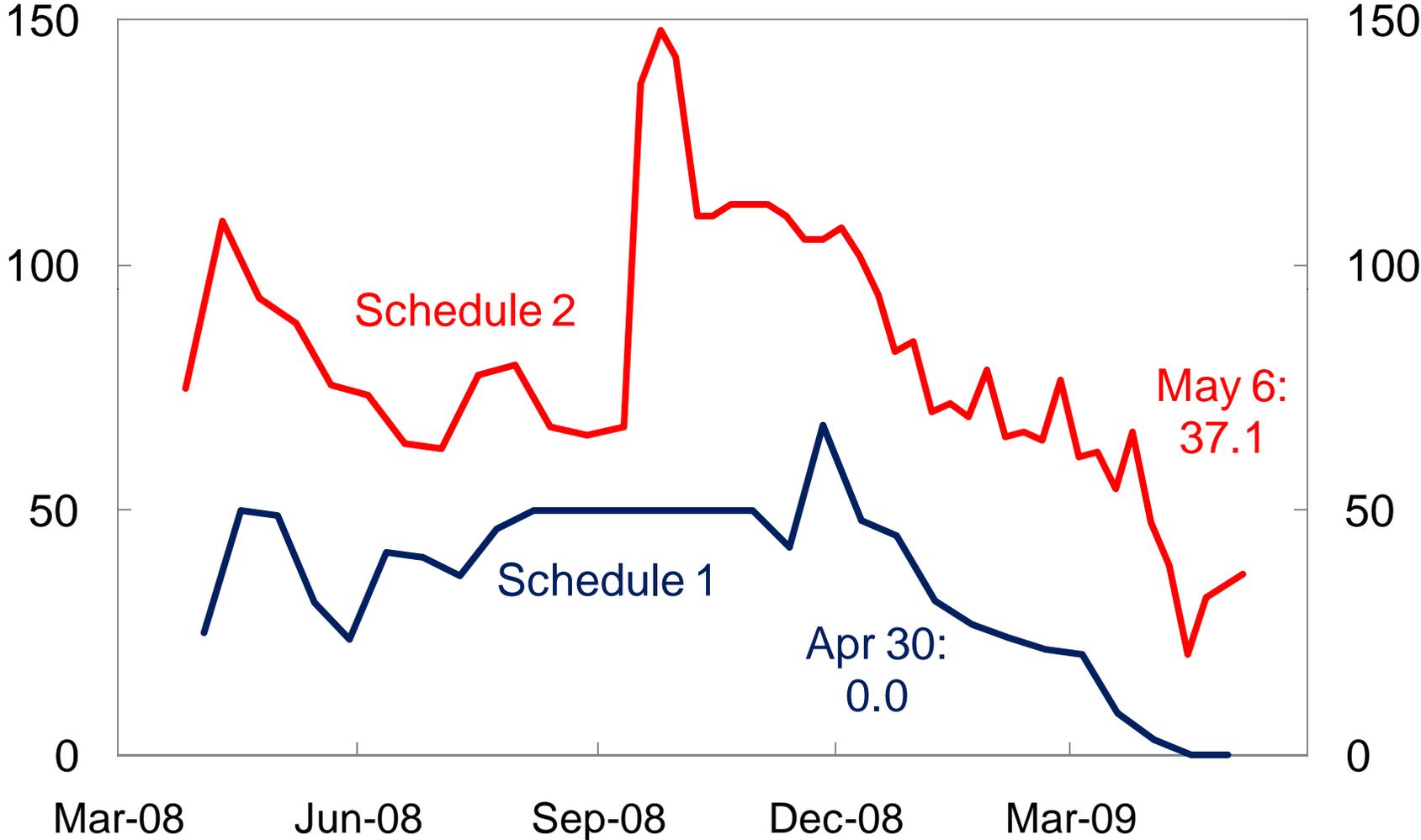
Source: Federal Reserve Board, Haver, Bloomberg



TSLF Schedule 1 & 2 Total Outstanding

Billions of Dollars

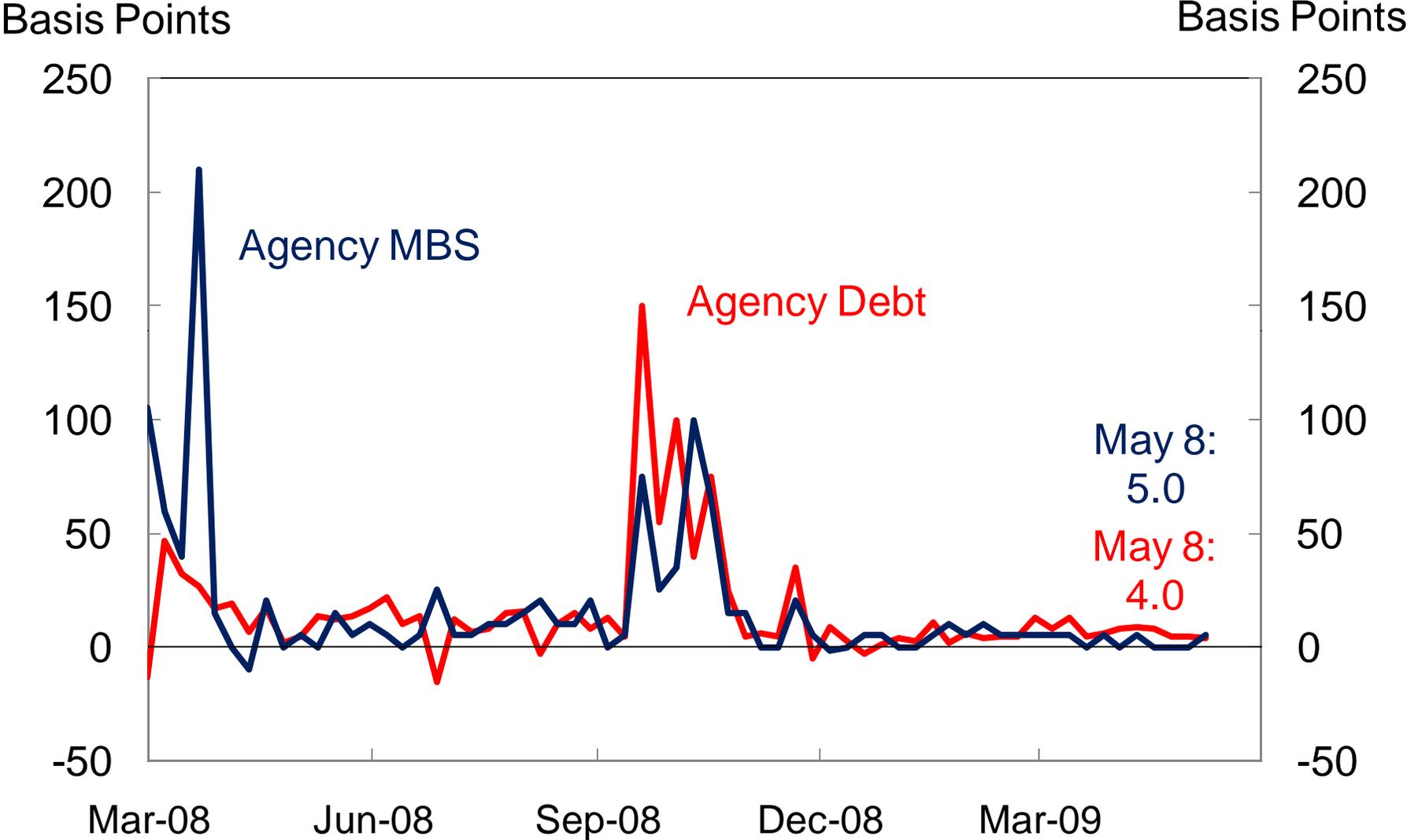
Billions of Dollars



Source: Federal Reserve Board



Overnight Financing Spreads



Source: Bloomberg

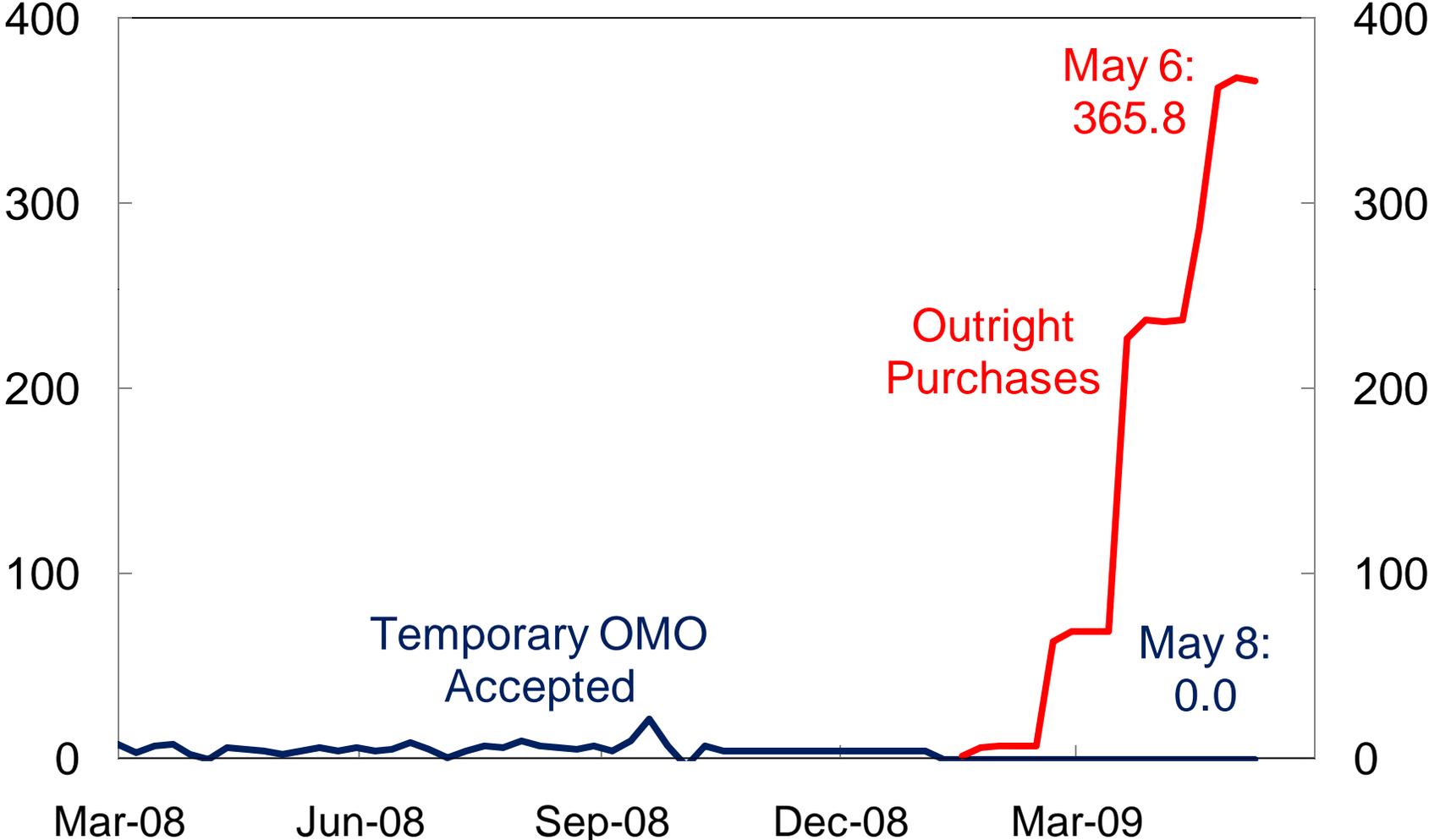
Note: Spreads are between overnight agency debt and MBS and Treasury general collateral repo rates



Agency MBS Transactions

Billions of Dollars

Billions of Dollars



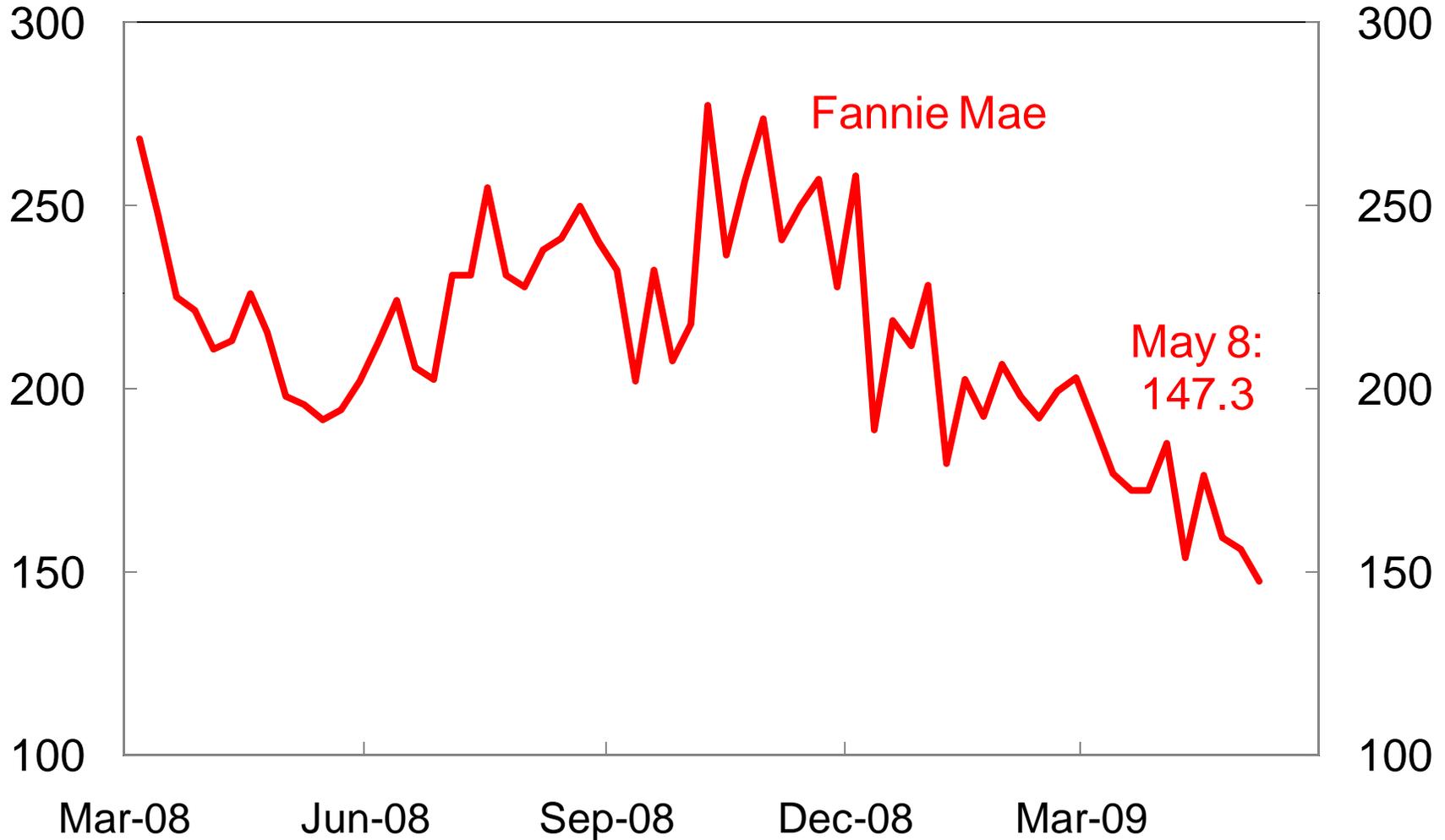
Source: Federal Reserve Board, Haver



Agency MBS to Blended 5y and 10y Yields

Basis Points

Basis Points



Source: FRB, Haver, Bloomberg

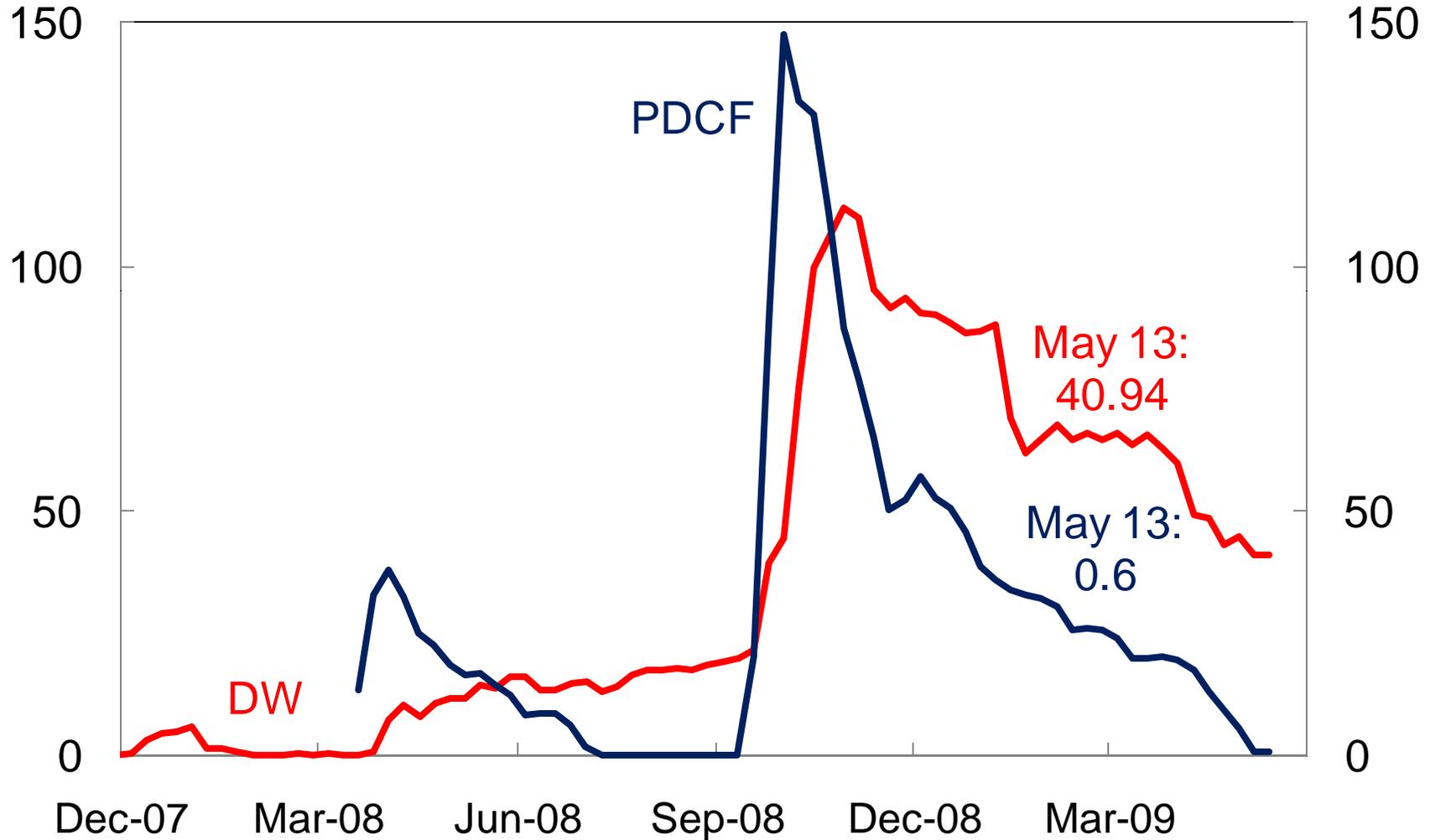
Note: Spreads are agency 30 year on-the-run coupon to average of 5 and 10 year yields



Discount Window and PDCF Borrowing

Billions of Dollars

Billions of Dollars



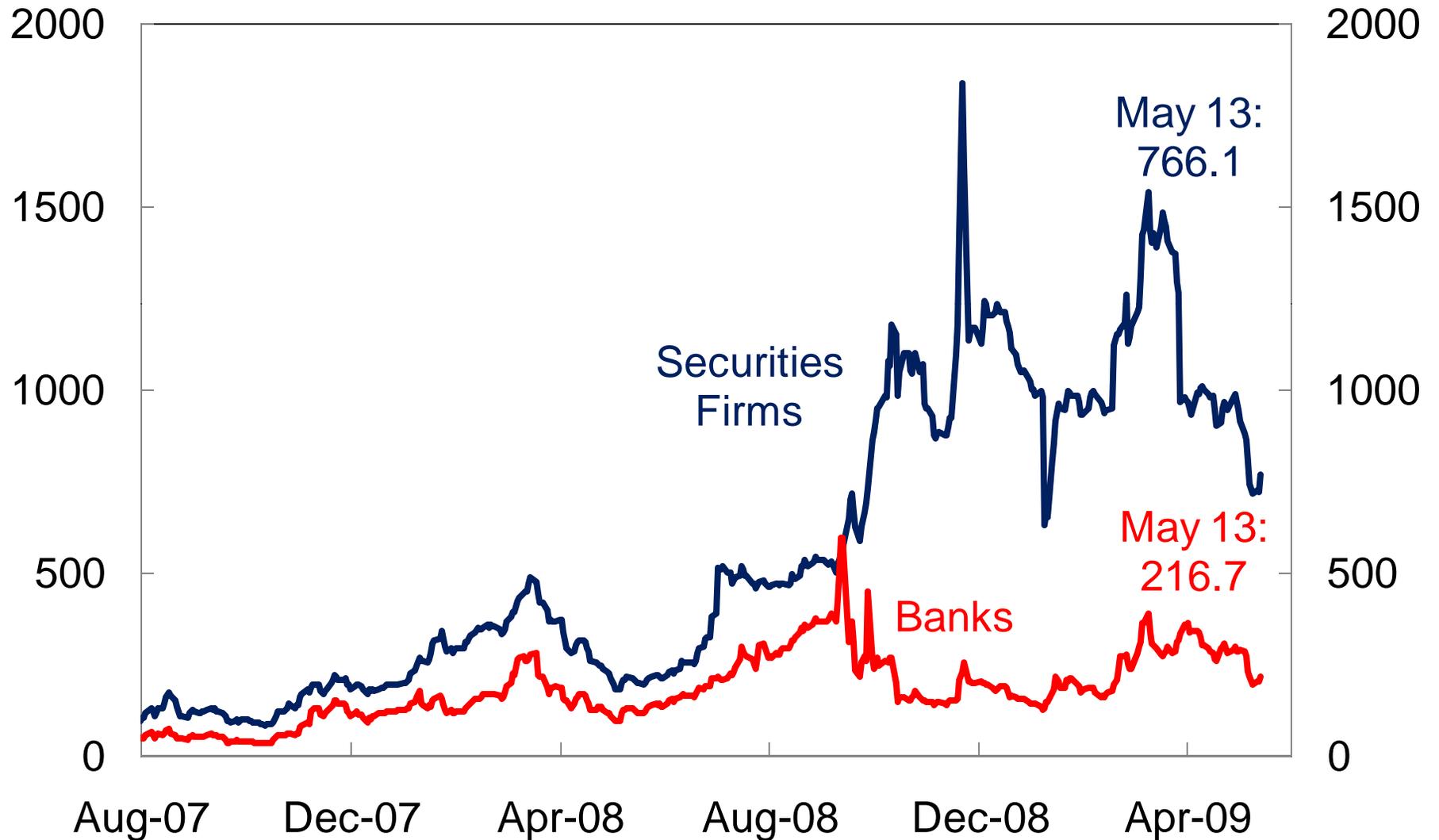
Source: Federal Reserve Board



Sector CDS Spreads

Basis Points

Basis Points



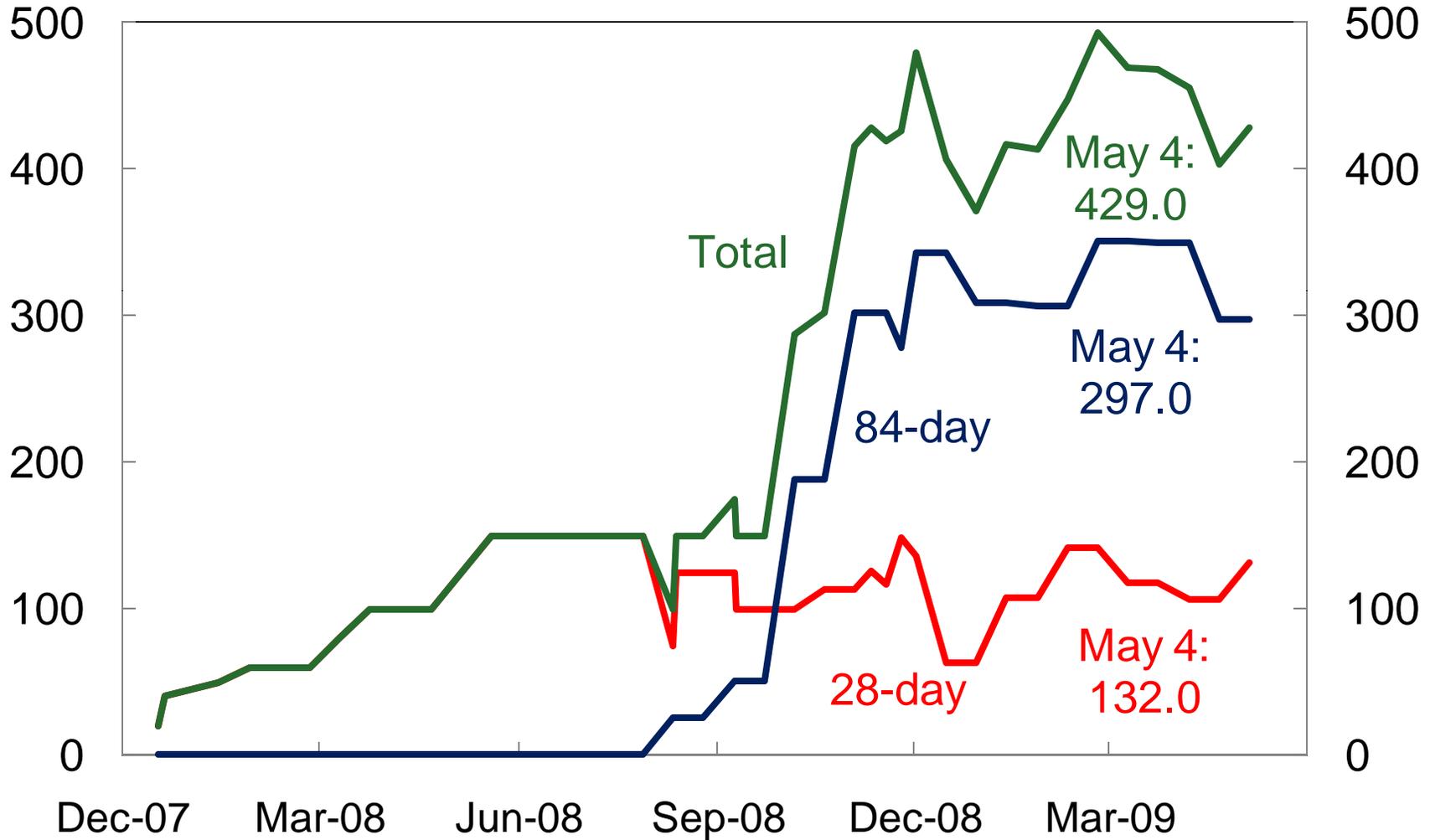
Source: Datastream



TAF 28-day, 84-day, and Total Outstanding

Billions of Dollars

Billions of Dollars



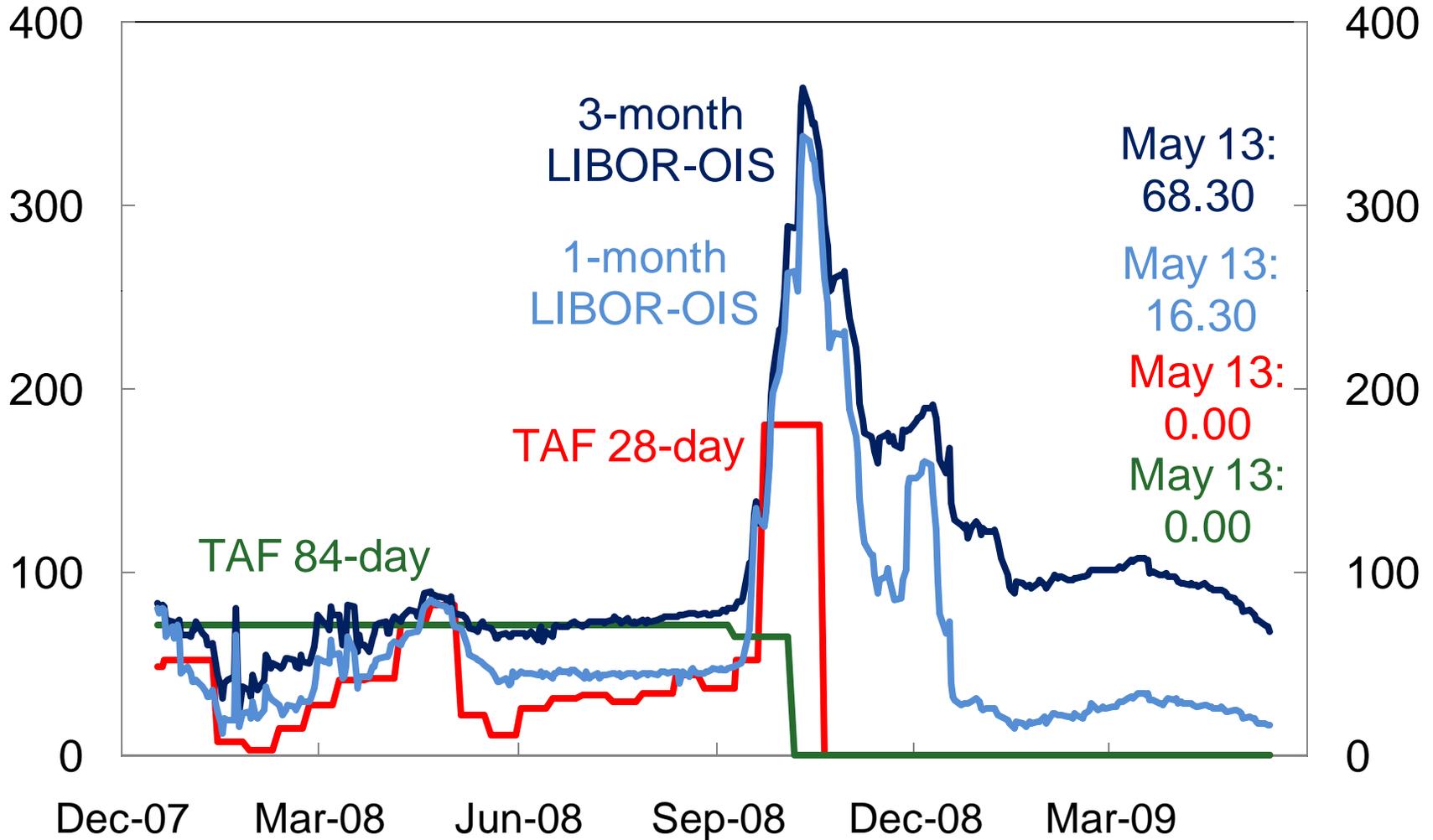
Source: Federal Reserve Board



TAF spreads and Libor to OIS

Basis Points

Basis Points



Source: Federal Reserve Board, Bloomberg

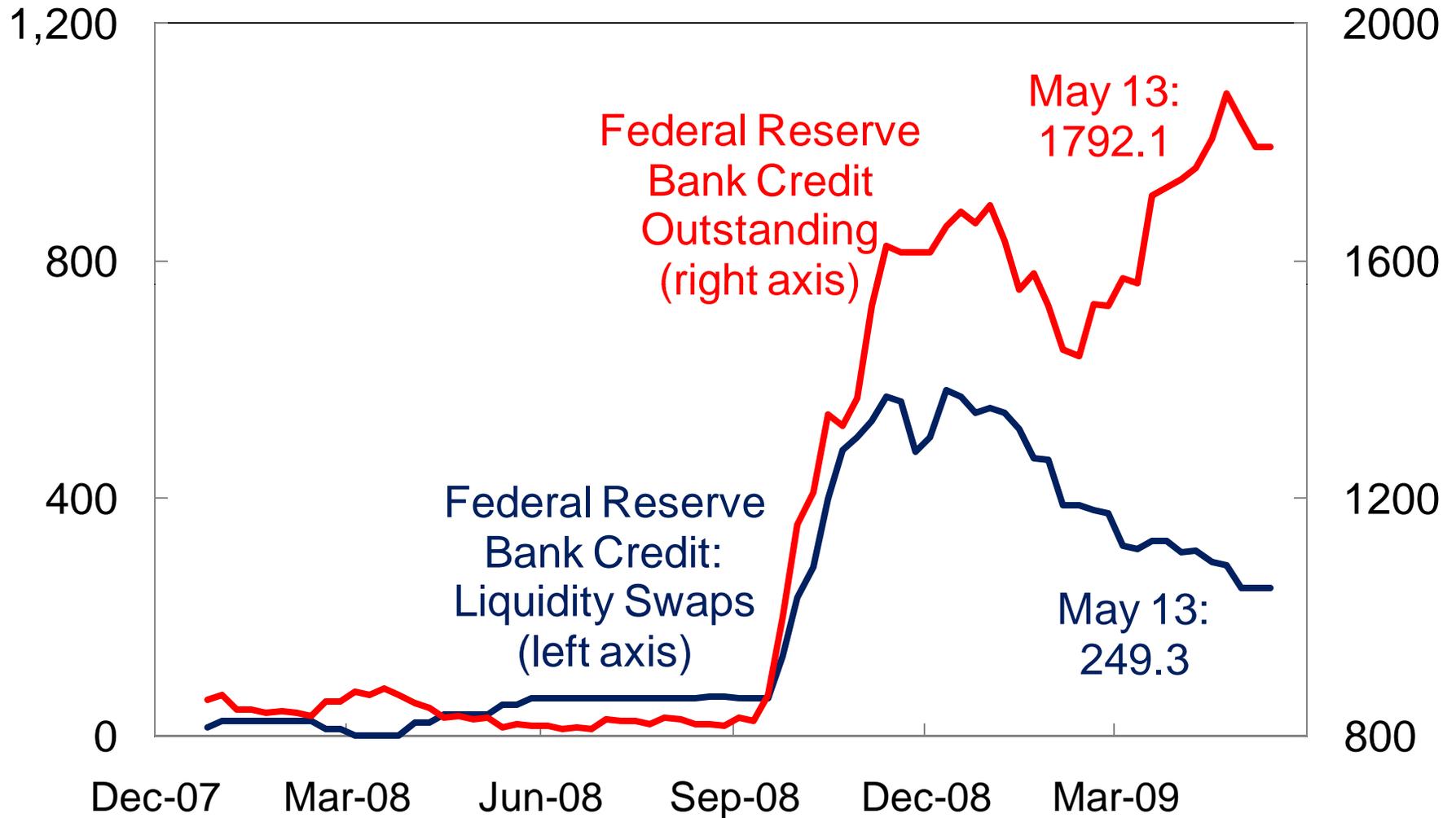
Note: The TAF spread is defined as the stop-out rate less the minimum bid rate



Central Bank Liquidity Swaps

Billions of Dollars

Billions of Dollars

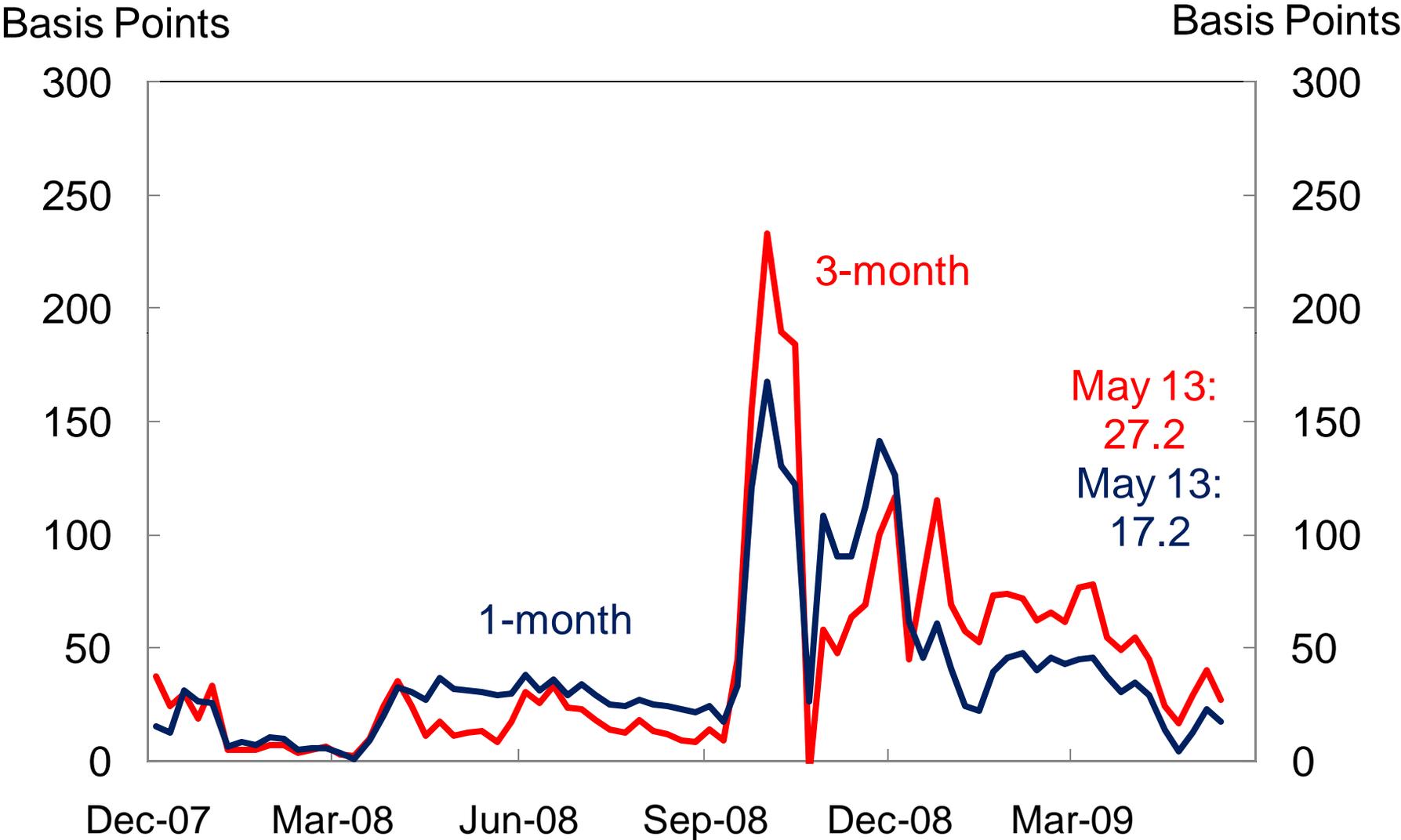


Source: Federal Reserve Board, Bloomberg

Note: FRB Credit Outstanding is net of Credit to Liquidity Swaps



Euro-Dollar Swap Implied Basis Spreads



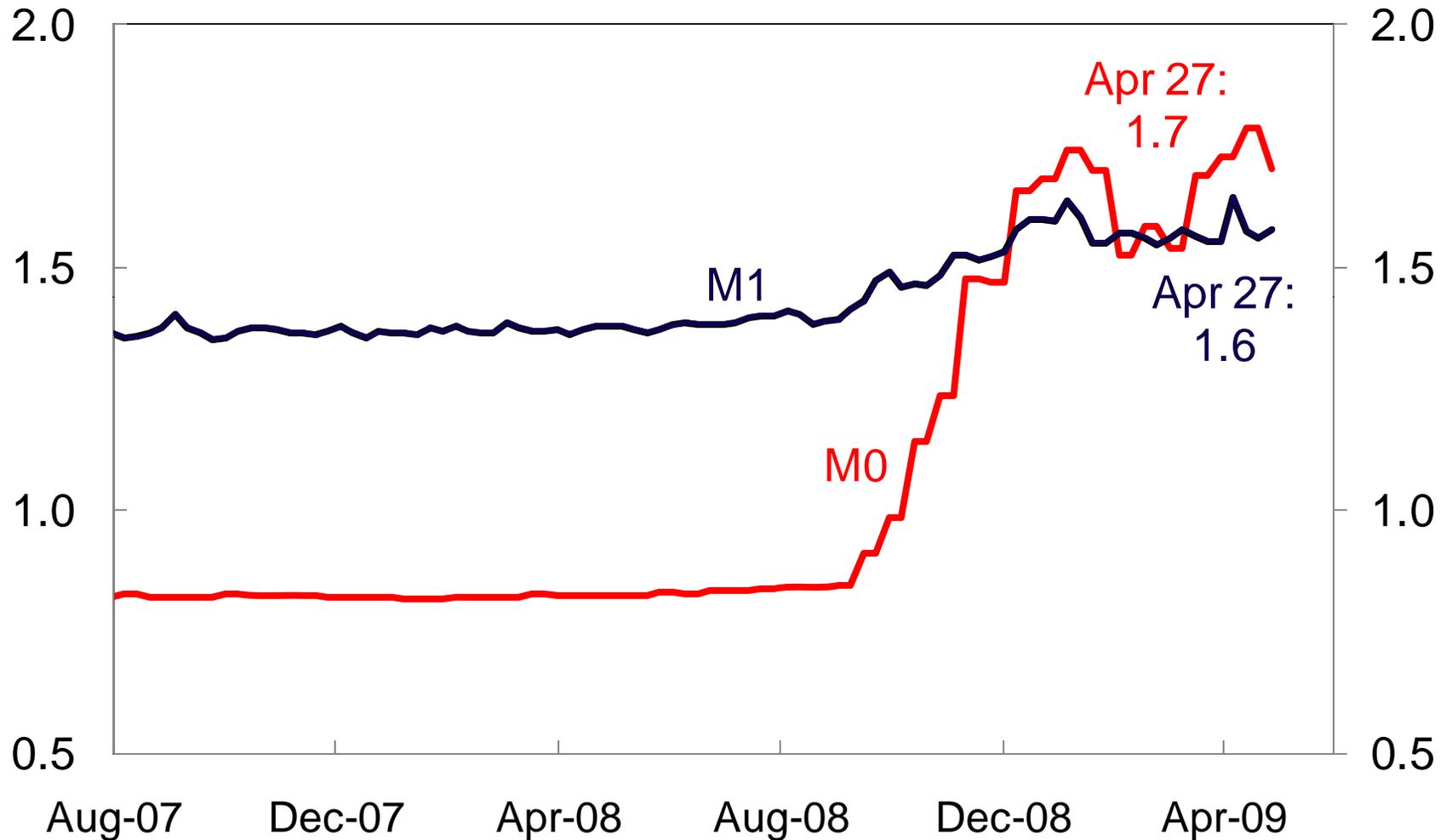
Source: Reuters, Tulletts



Measures of Money Supply: M0, M1

Trillions of Dollars

Trillions of Dollars



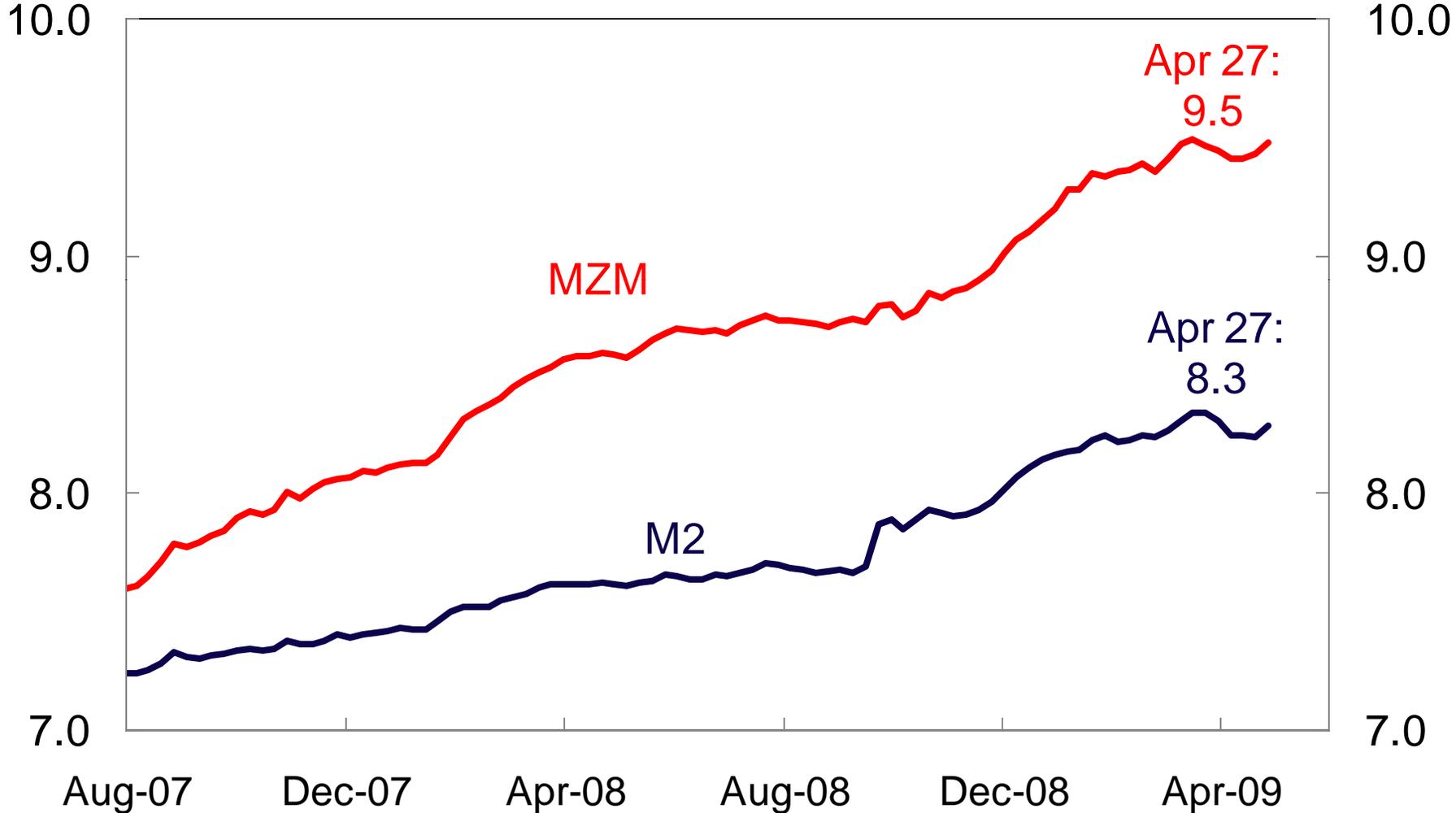
Source: Federal Reserve Board and Haver Analytics



Measures of Money Supply: M2, MZM

Trillions of Dollars

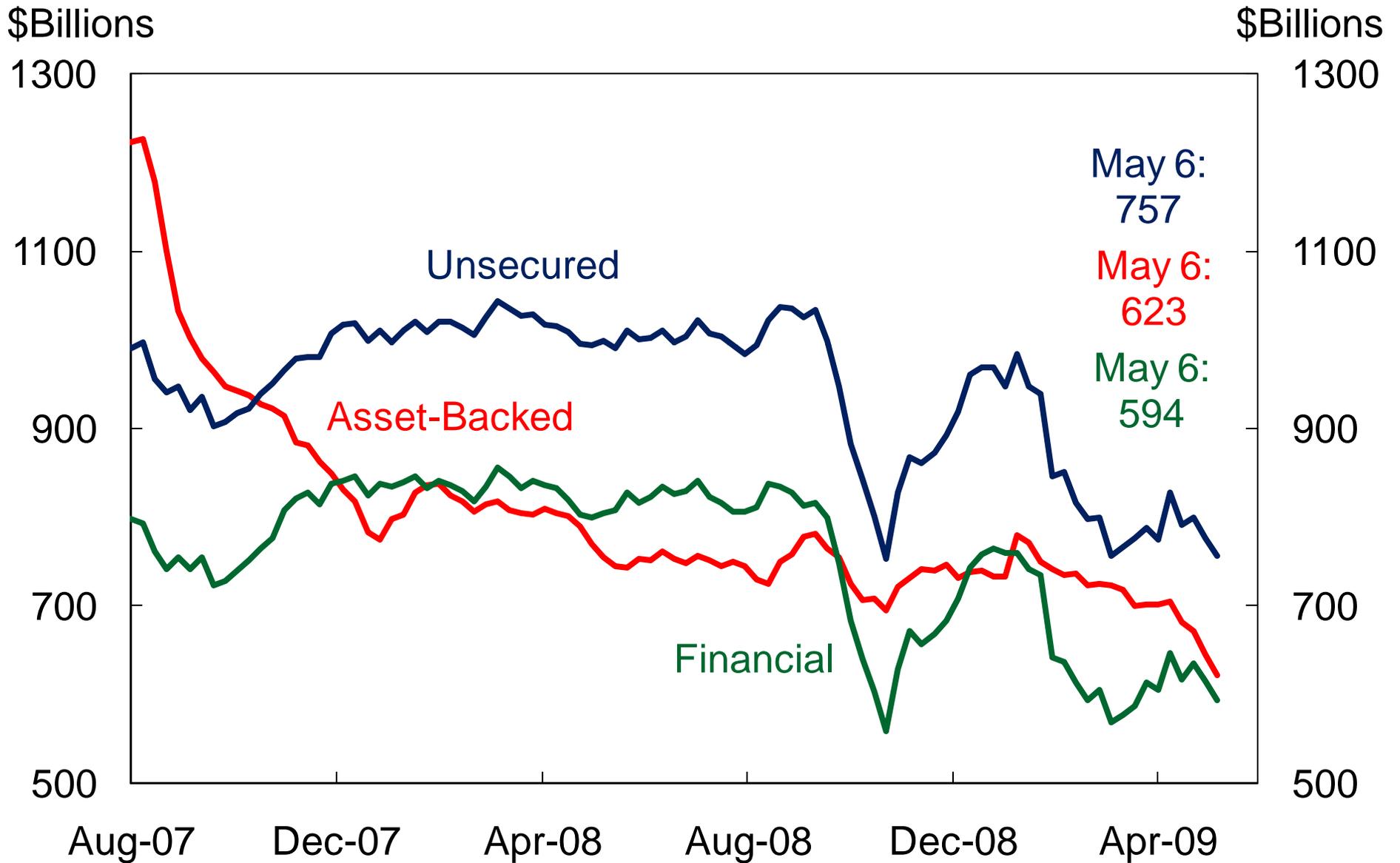
Trillions of Dollars



Source: Federal Reserve Board and Haver Analytics



Commercial Paper Outstanding



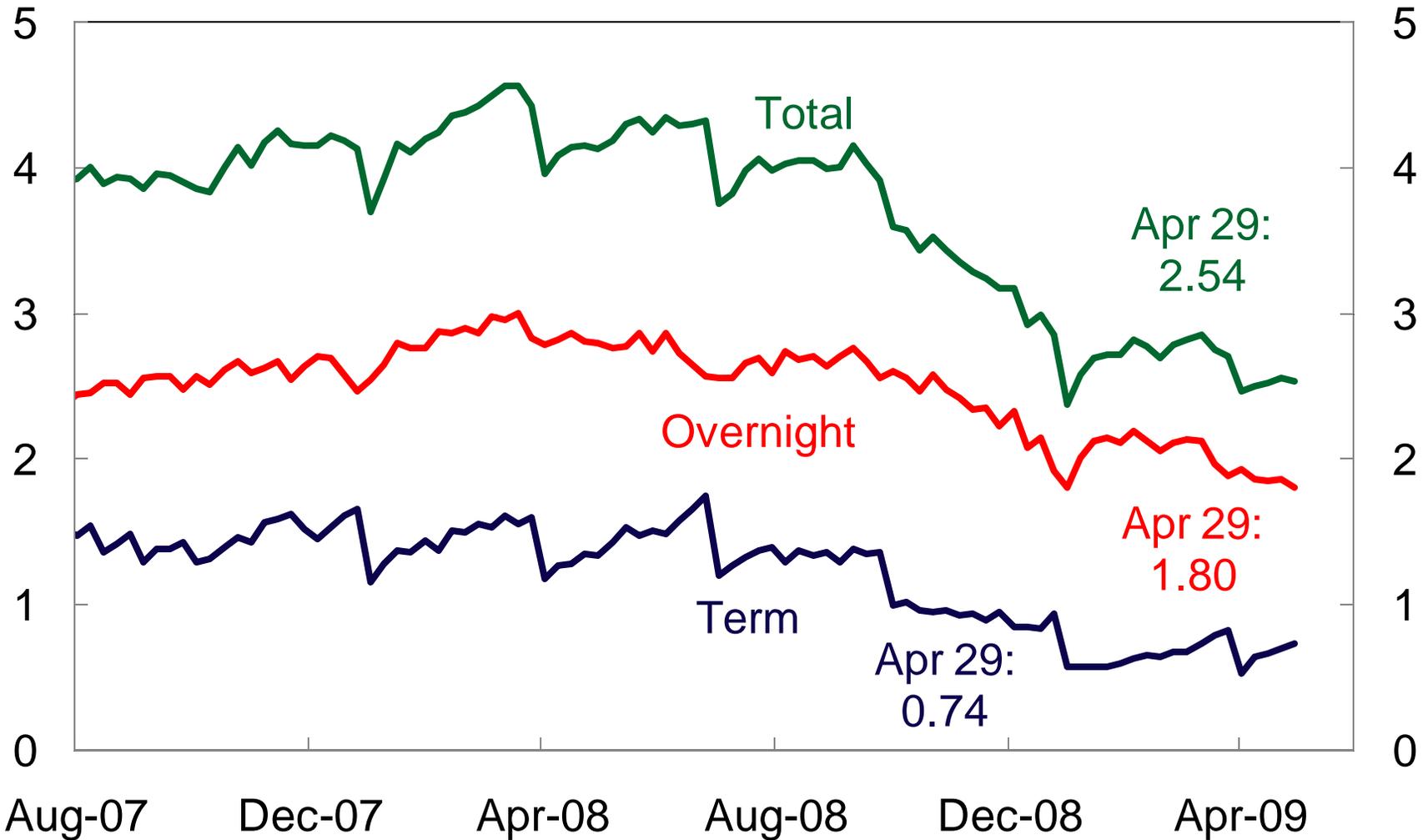
Source: Federal Reserve Board



Primary Dealer Repurchase Agreements

Trillions of Dollars

Trillions of Dollars



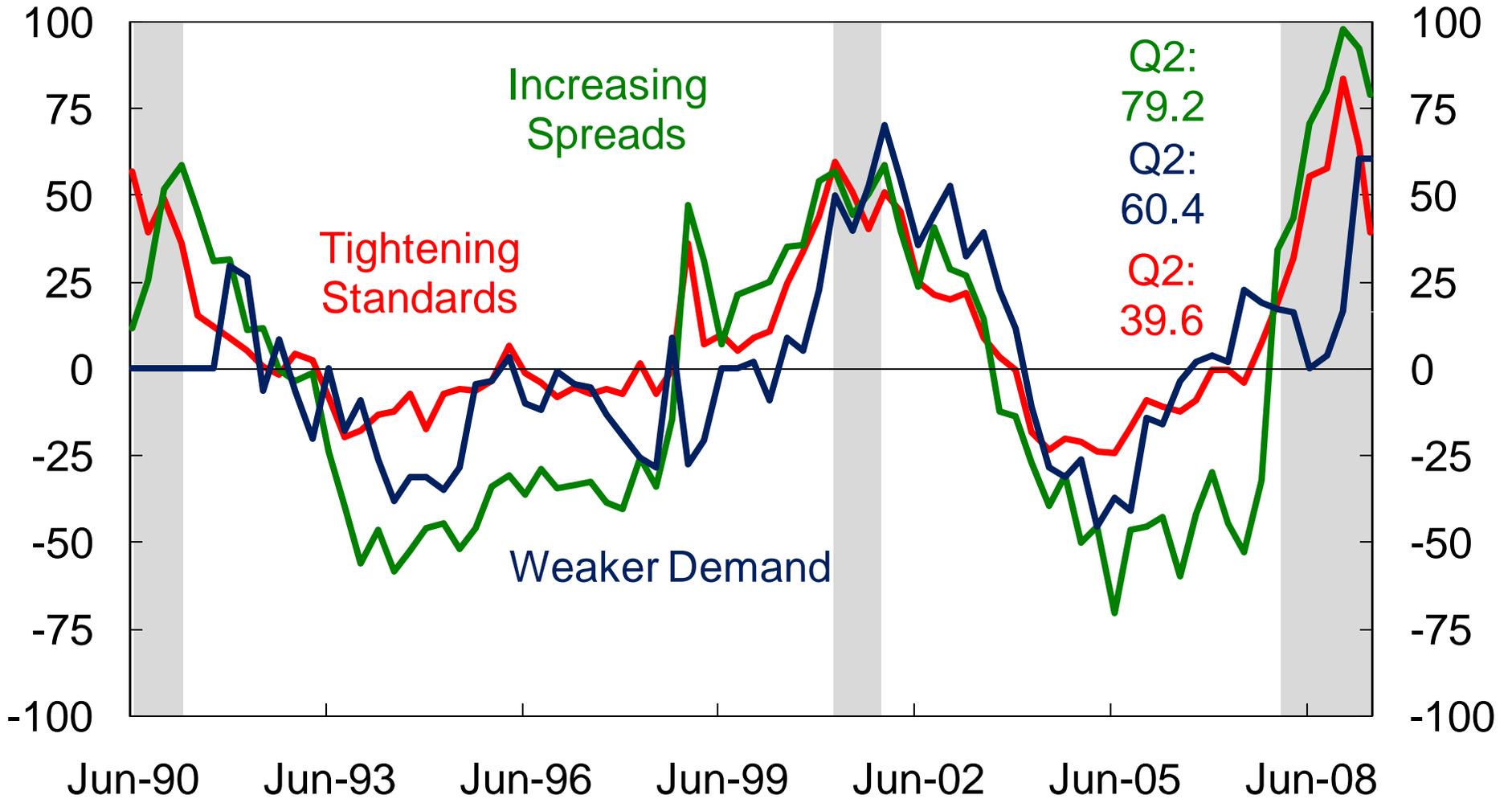
Source: Federal Reserve Board



Bank Lending Practices

Net % of Respondents

Net % of Respondents



Source: Federal Reserve Board

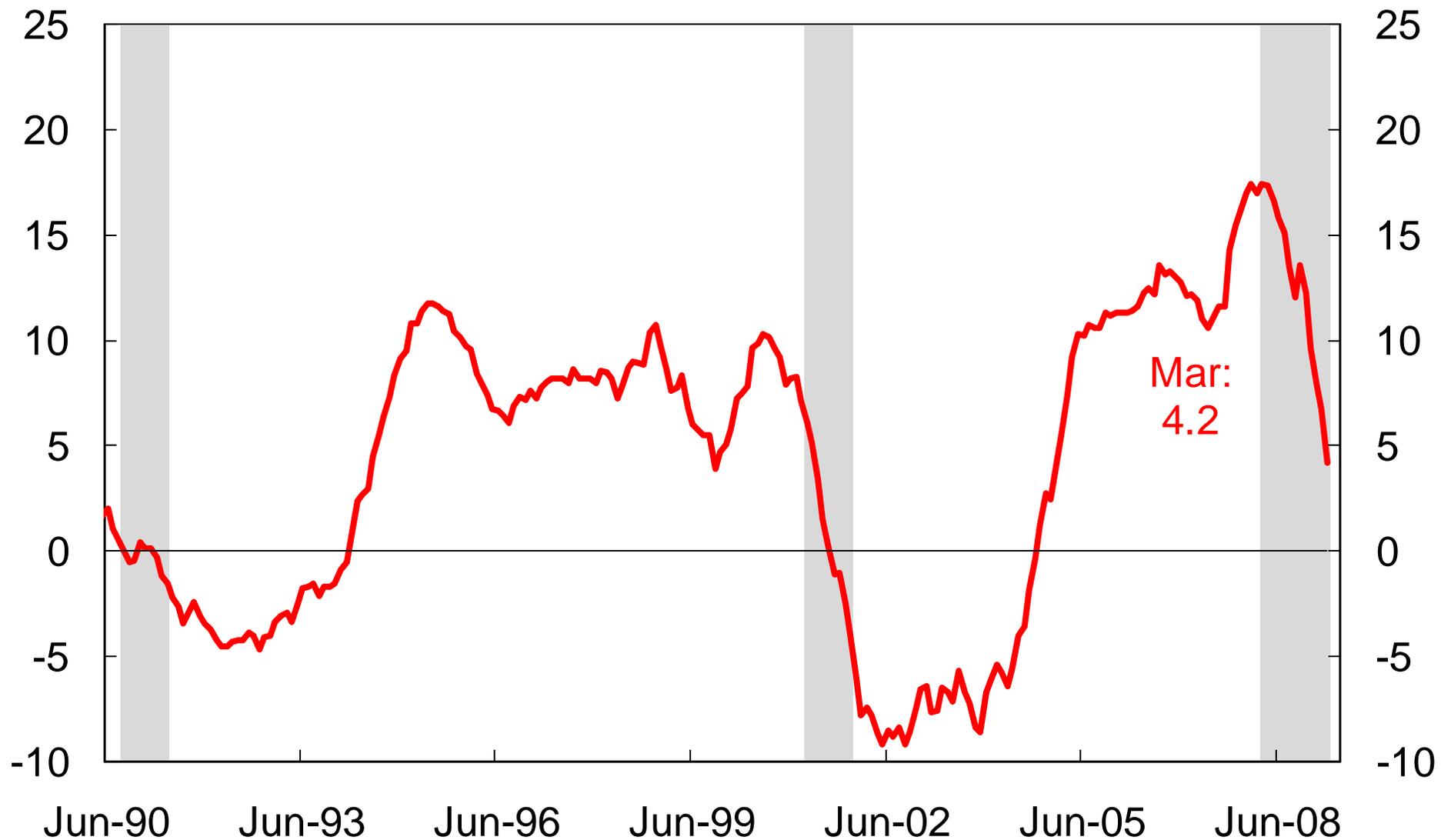
Note: Data cover C&I loans to large- and medium-sized firms



Commercial and Industrial Loans Outstanding

% Change - Year to Year

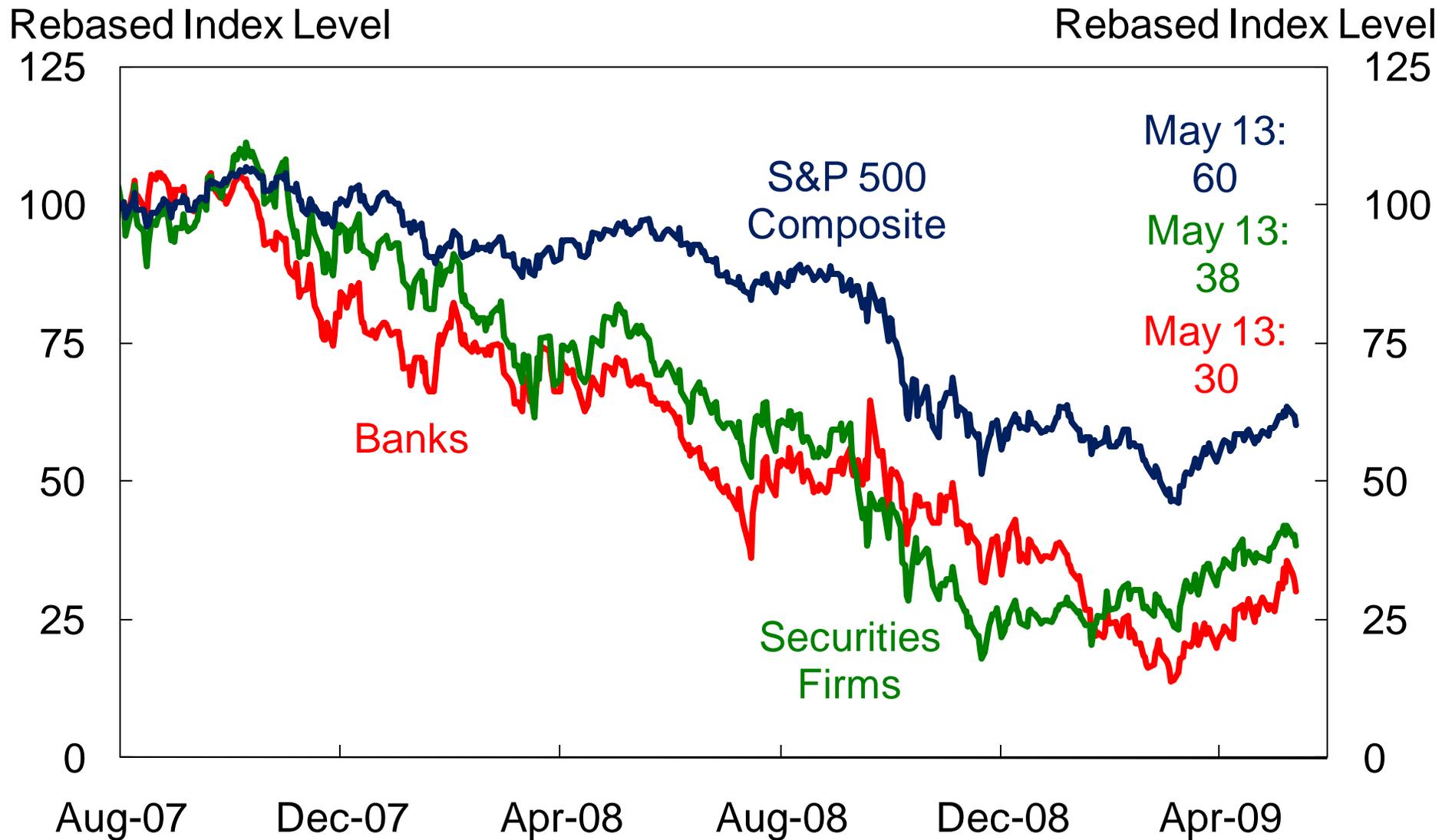
% Change - Year to Year



Source: Federal Reserve Board



Equity Performance

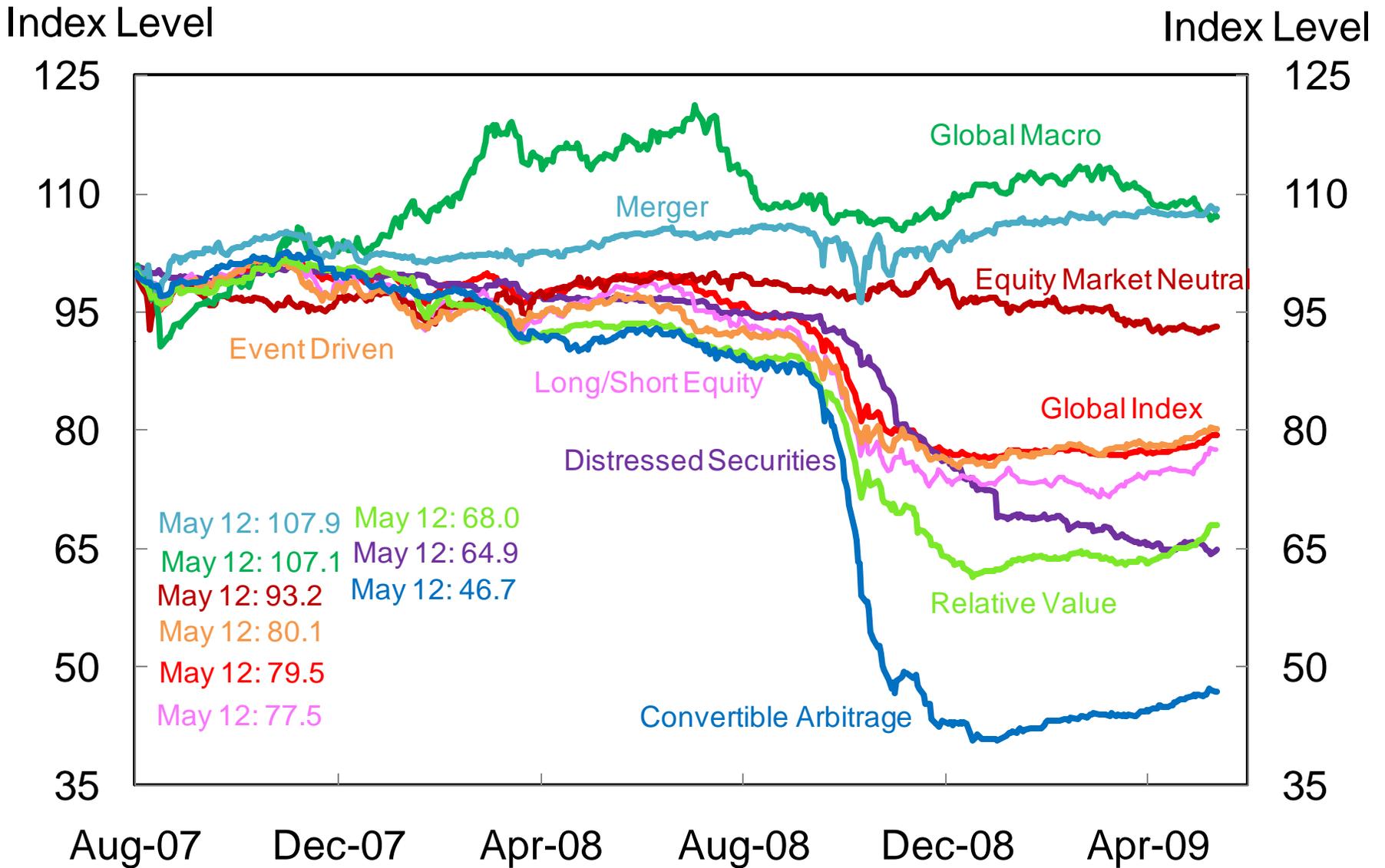


Note: Rebased to equal 100 on August 1, 2007. Banks series is S&P 500 Banks index. Securities Firms series is S&P 500 Investment Banks and Brokerages inc

Source: Datastream



HFRX Hedge Fund Indices

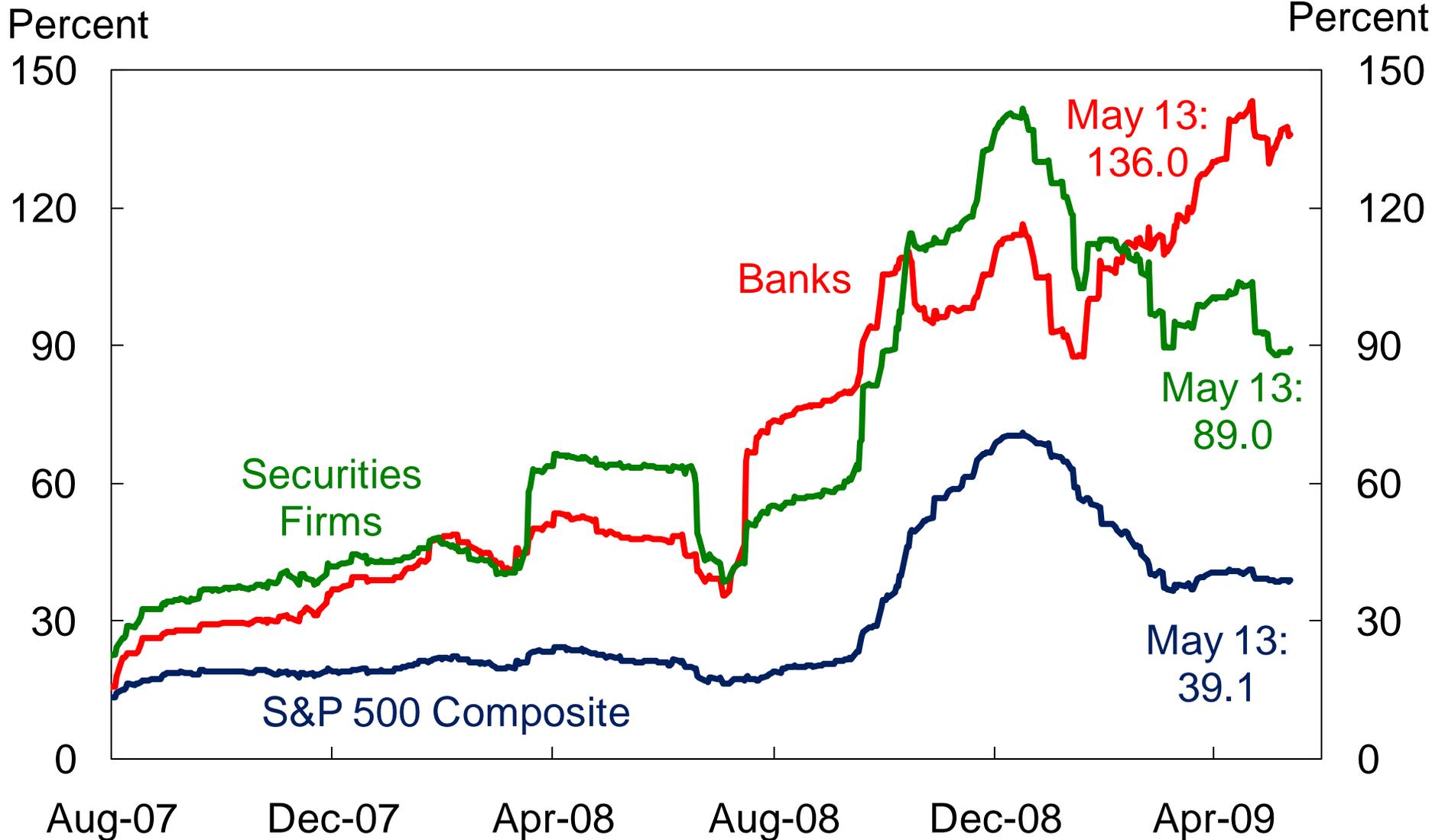


Source: HFR

Note: Rebased to equal 100 on August 1, 2007.



Historical Equity Volatility

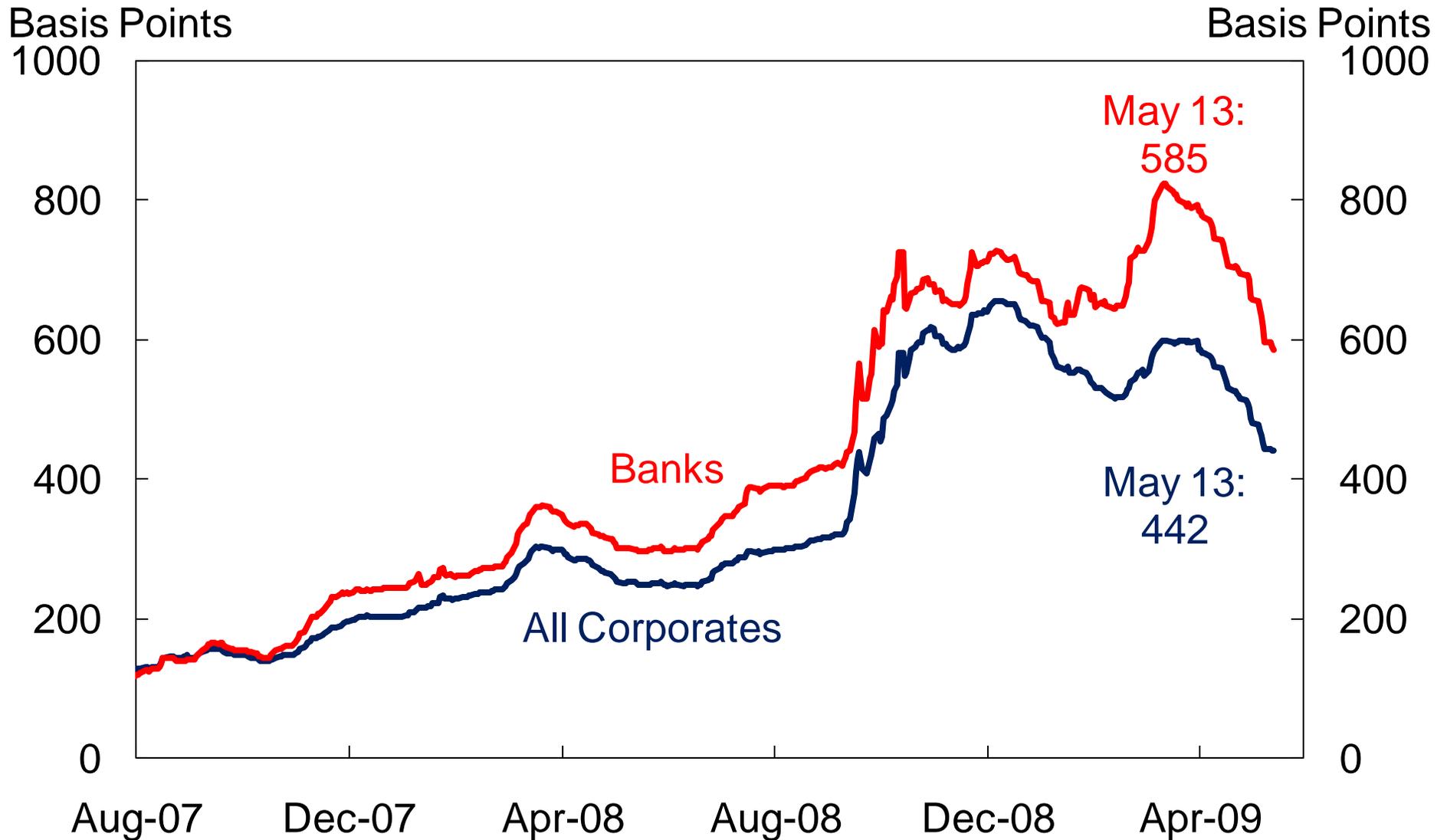


Note: Annualized rolling 3-month standard deviation of daily returns. Banks series is S&P 500 Banks index. Securities Firms series is S&P 500 Investment Banks and Brokerages index.

Source: Datastream



Credit Spreads



Note: Option-adjusted spreads. Banks series is Merrill Lynch Corporates, Banks bond index. Securities Firms series is Merrill Lynch Corporates, Brokerages bond index.

Source: Merrill Lynch

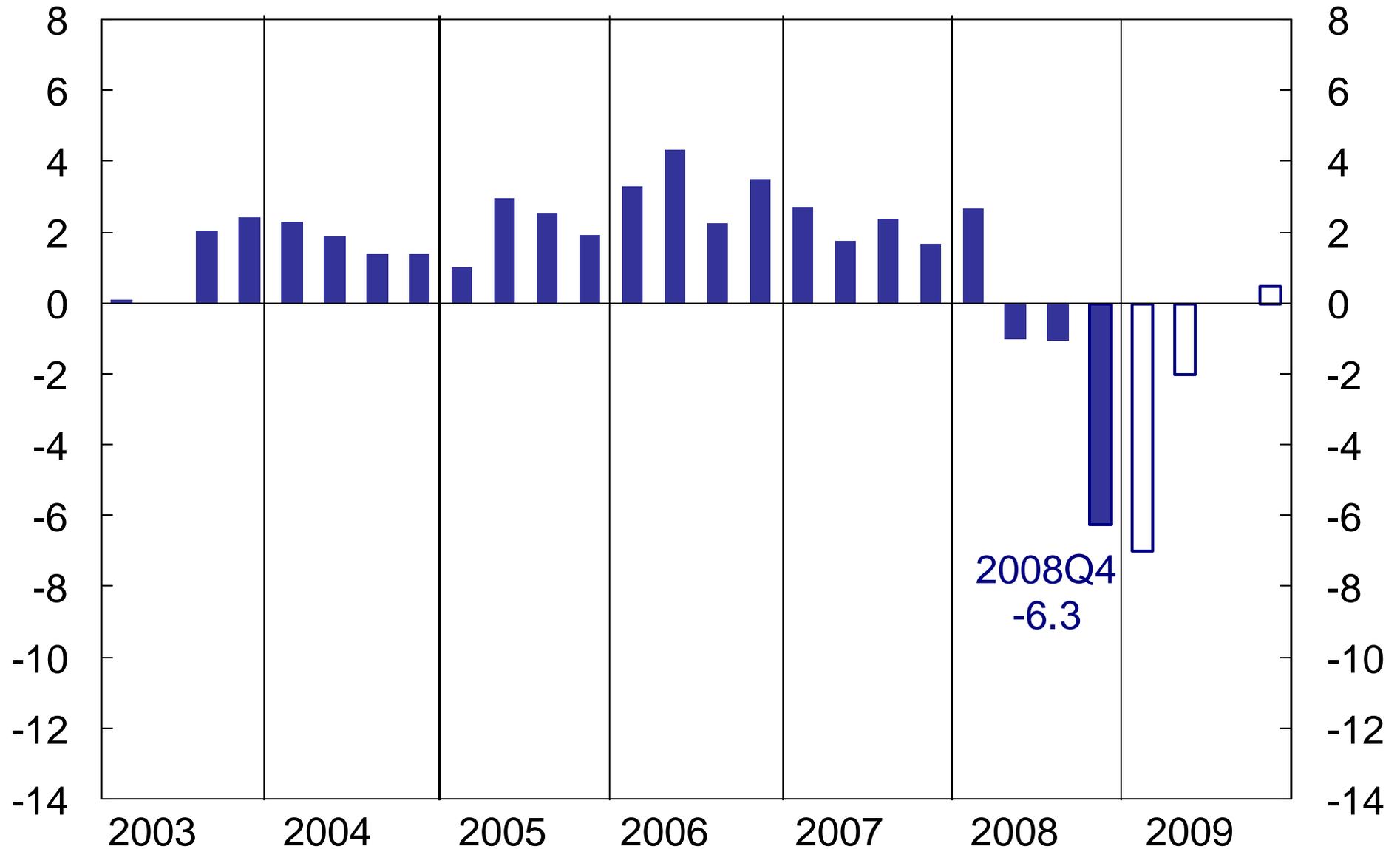


Euro Area Real GDP Growth



% Change at Annual Rate

% Change at Annual Rate



Source: Bloomberg

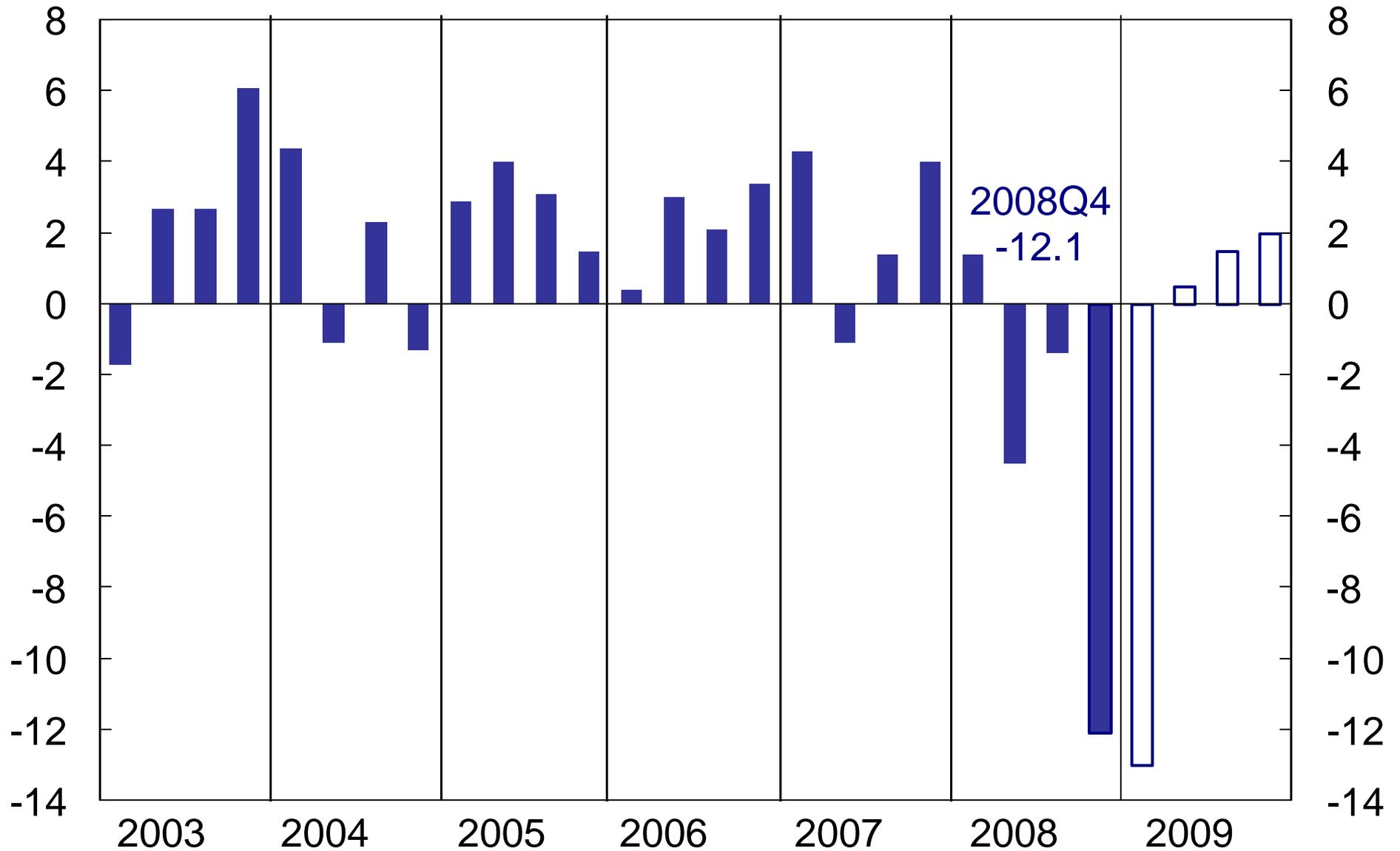
Note: White bar indicates staff forecast.

Japan Real GDP Growth



% Change at Annual Rate

% Change at Annual Rate



Source: Bloomberg

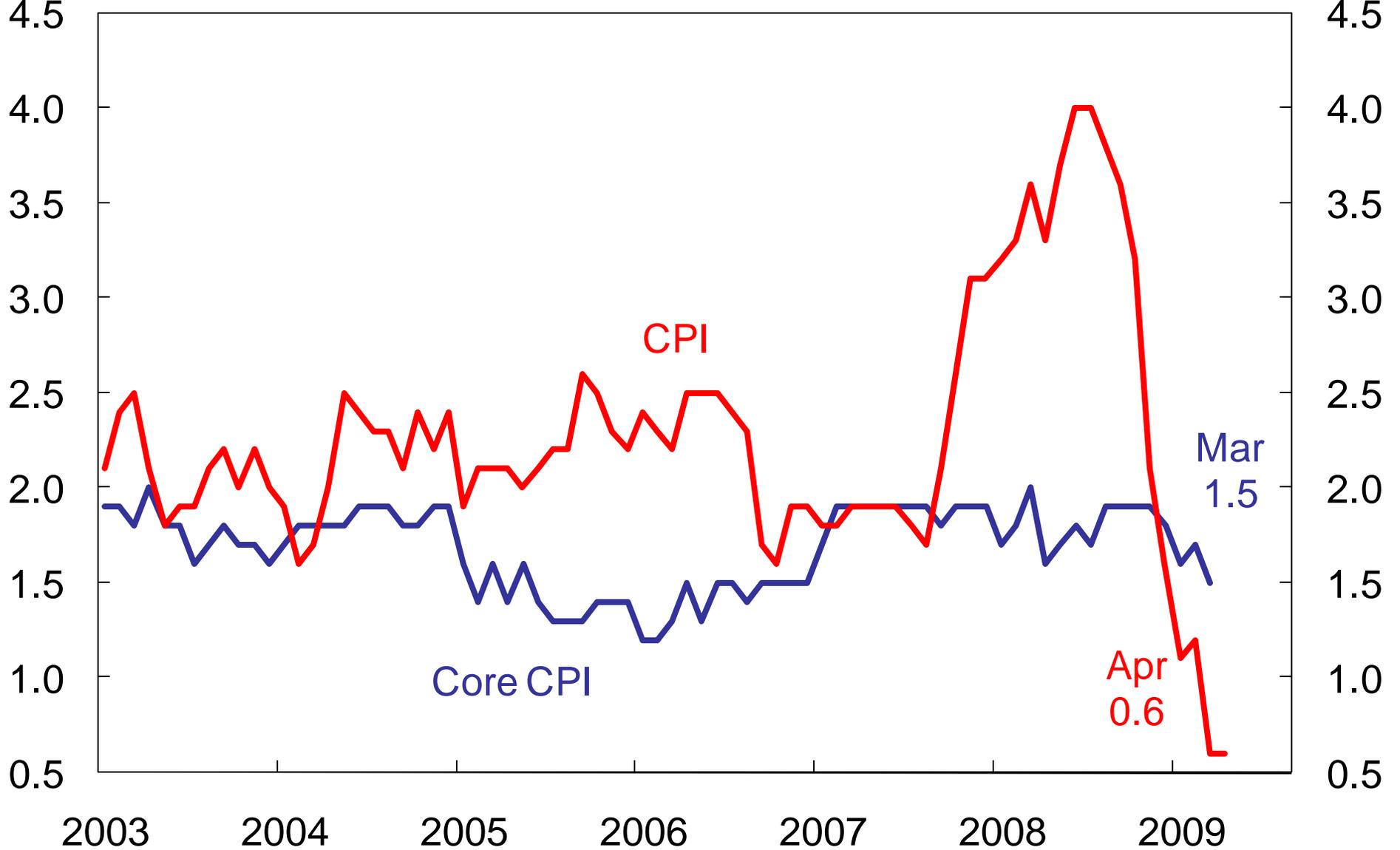
Note: White bar indicates staff forecast.

Euro Area Inflation



% Change - Year to Year

% Change - Year to Year



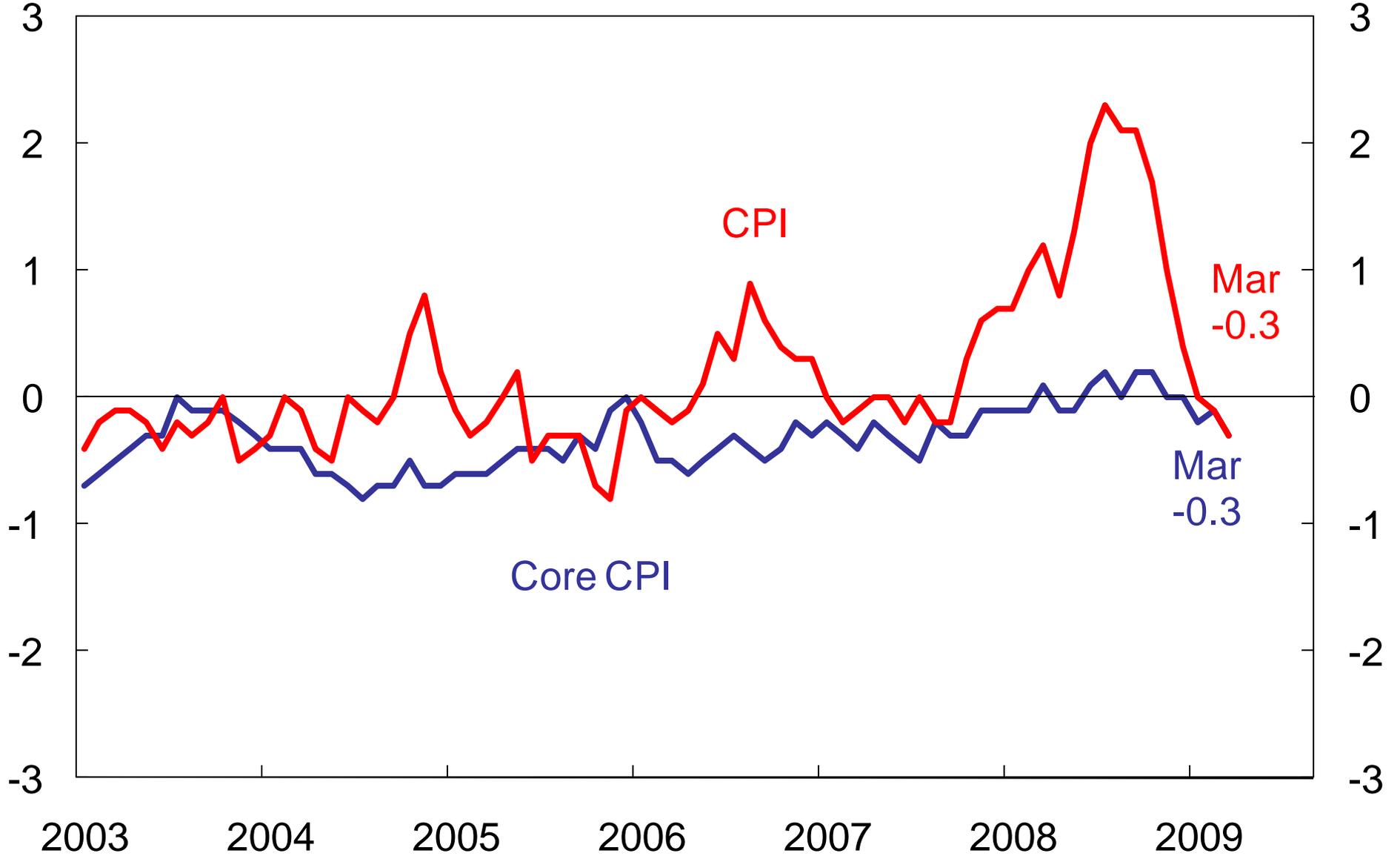
Source: Bloomberg

Japan Inflation



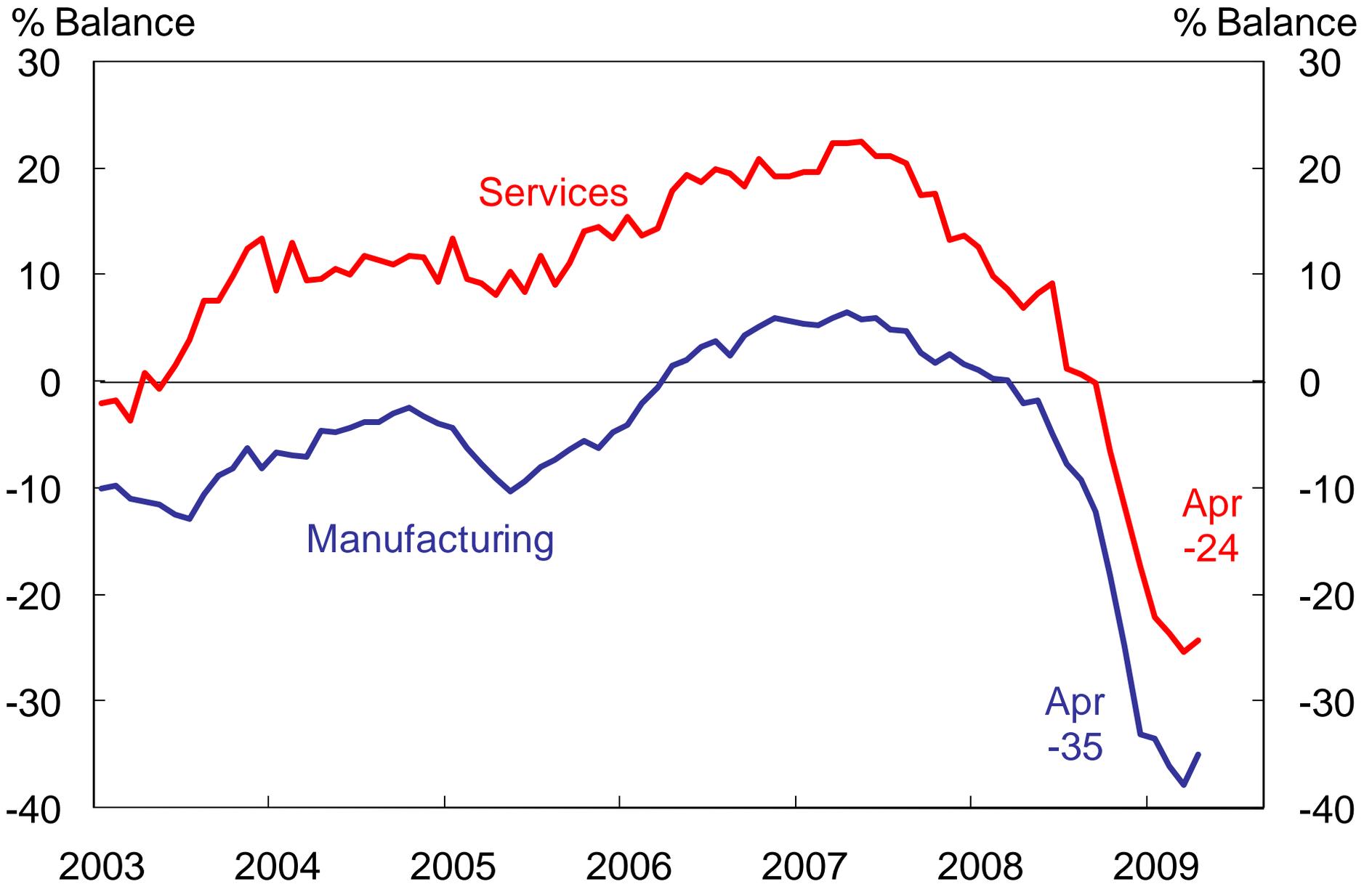
% Change - Year to Year

% Change - Year to Year



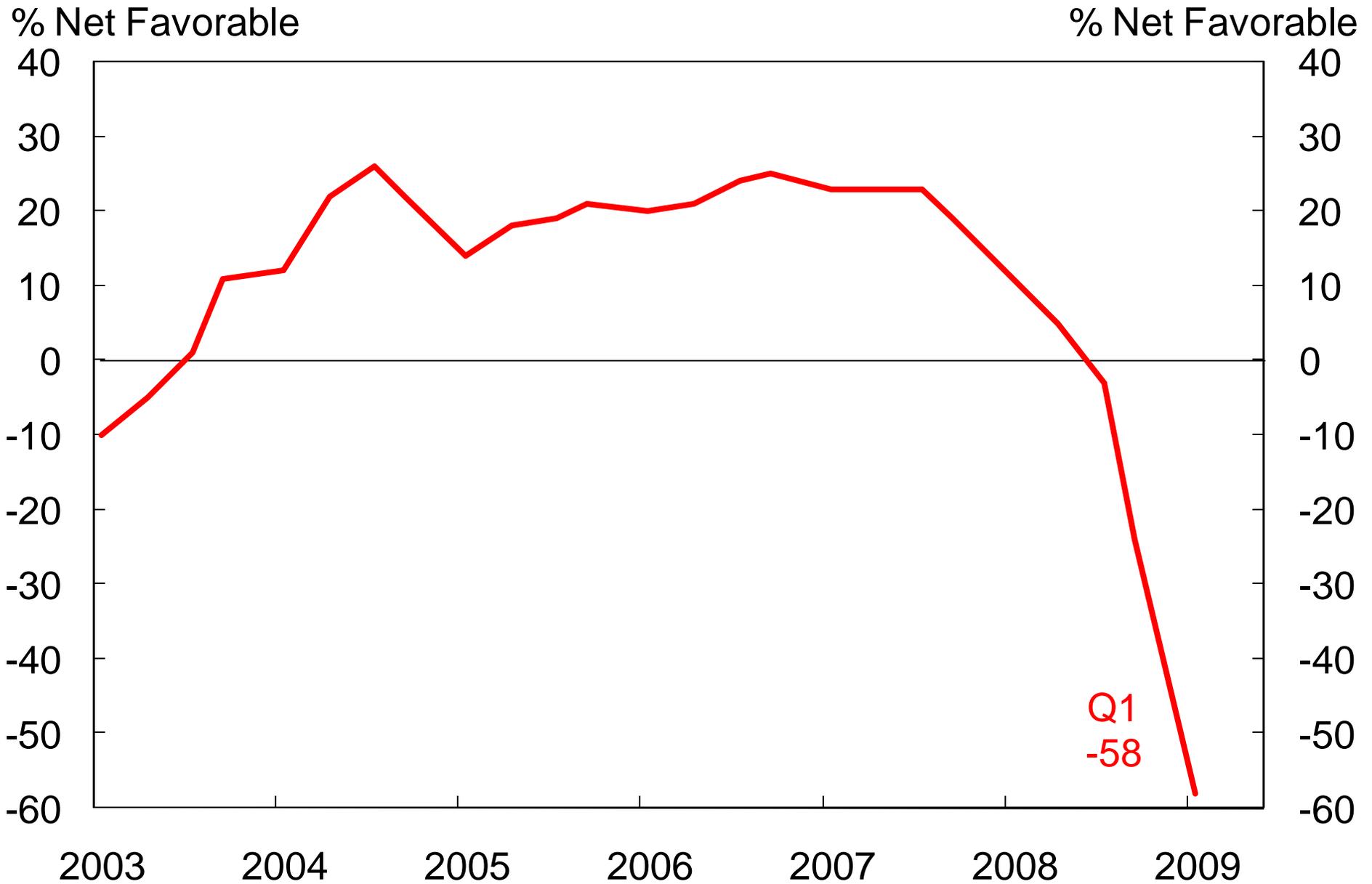
Source: Bloomberg

Euro Area Confidence



Source: European Commission, Bloomberg

Japan Tankan Survey: Business Conditions

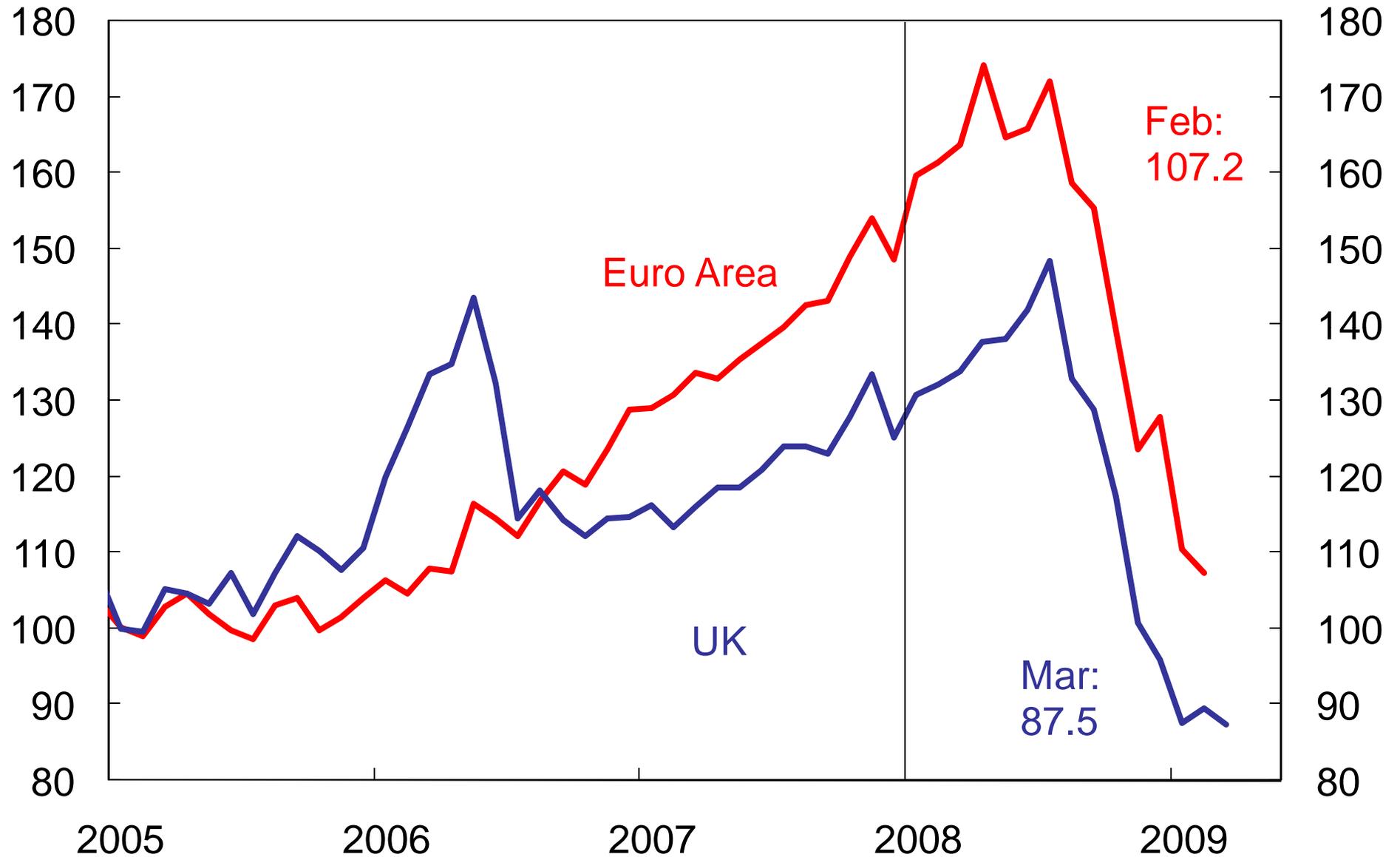


Source: Bloomberg

Exports

Jan 2005 = 100

Jan 2005 = 100

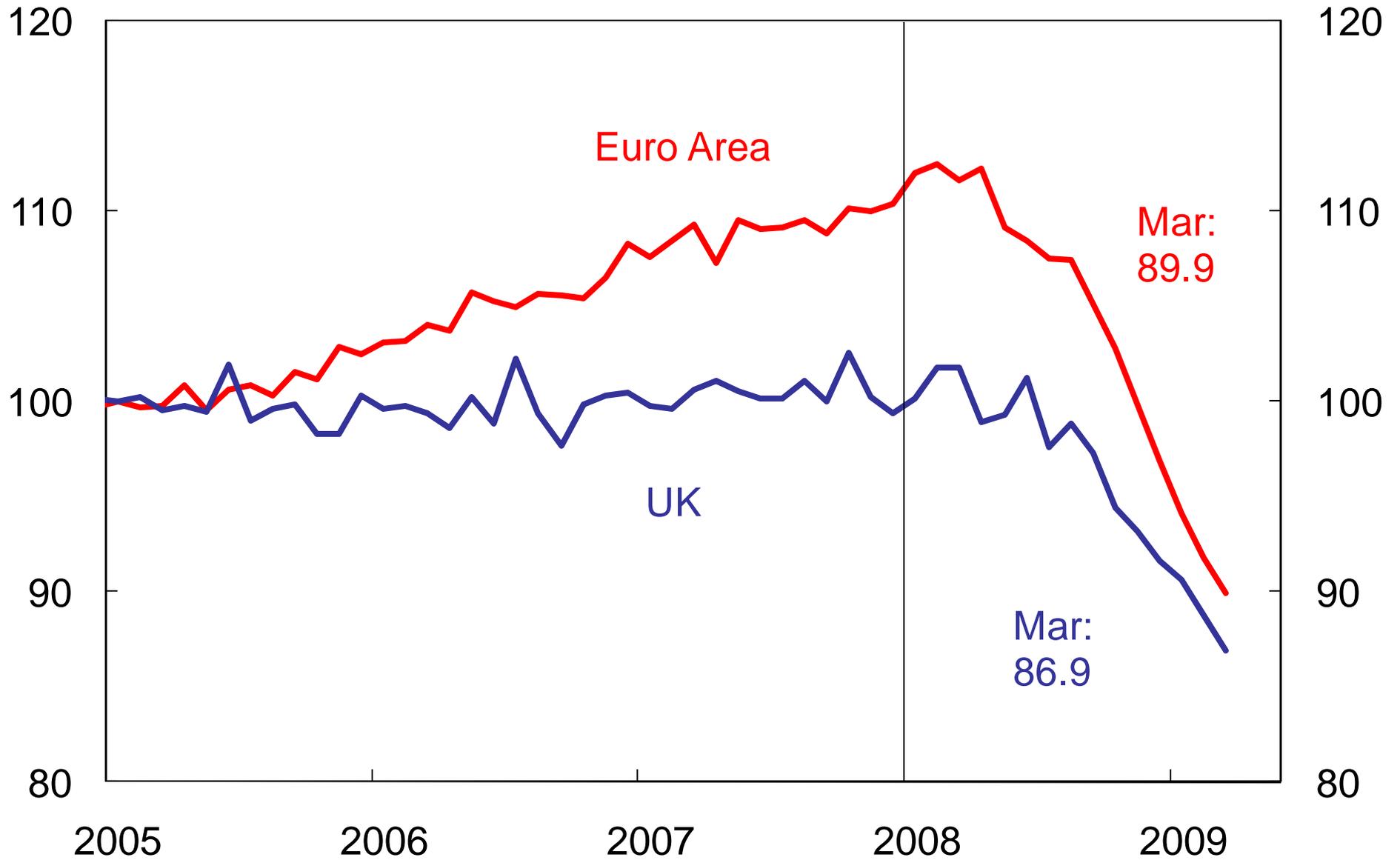


In Dollar Terms

Industrial Production

Jan 2005 = 100

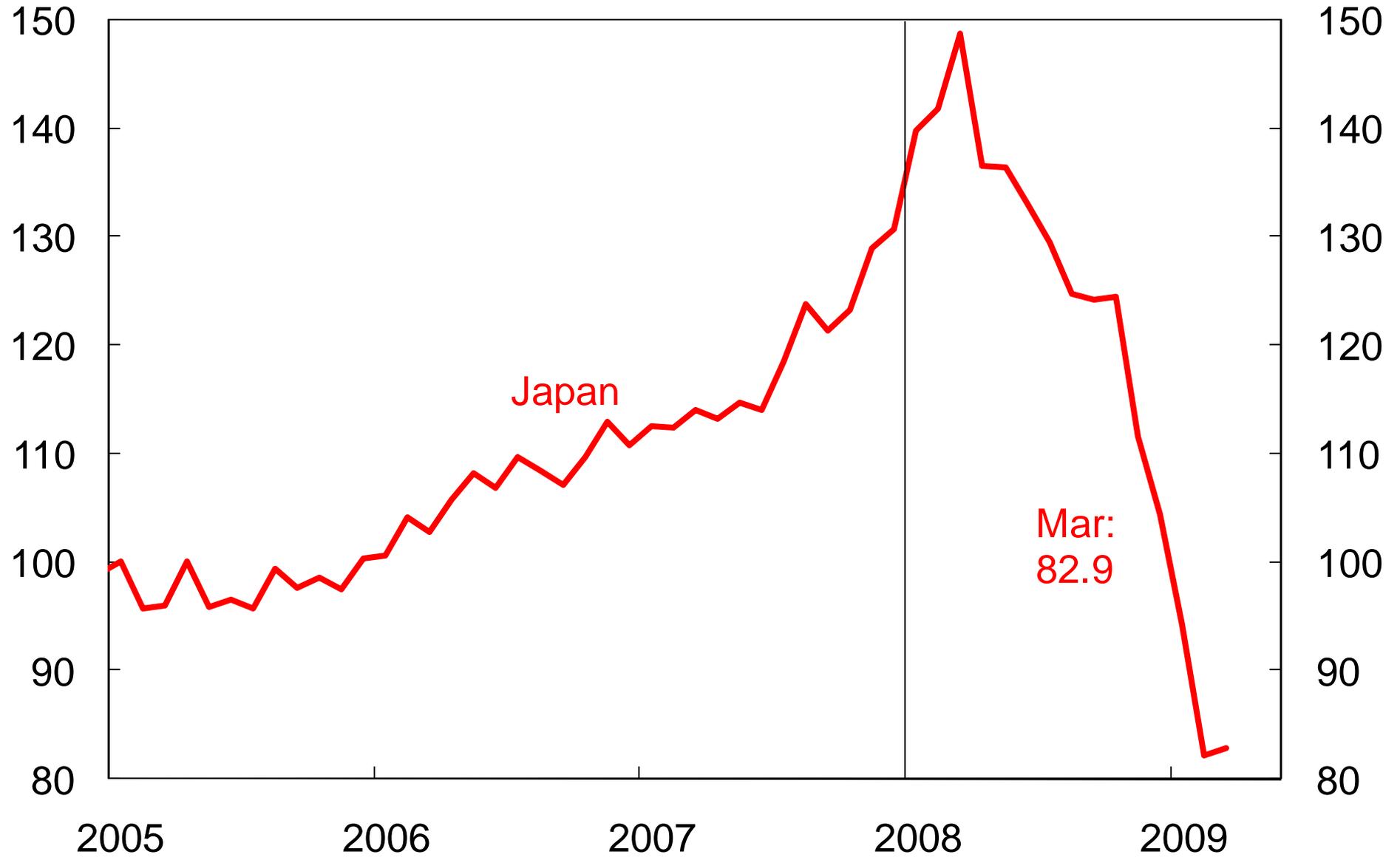
Jan 2005 = 100



Exports

Jan 2005 = 100

Jan 2005 = 100

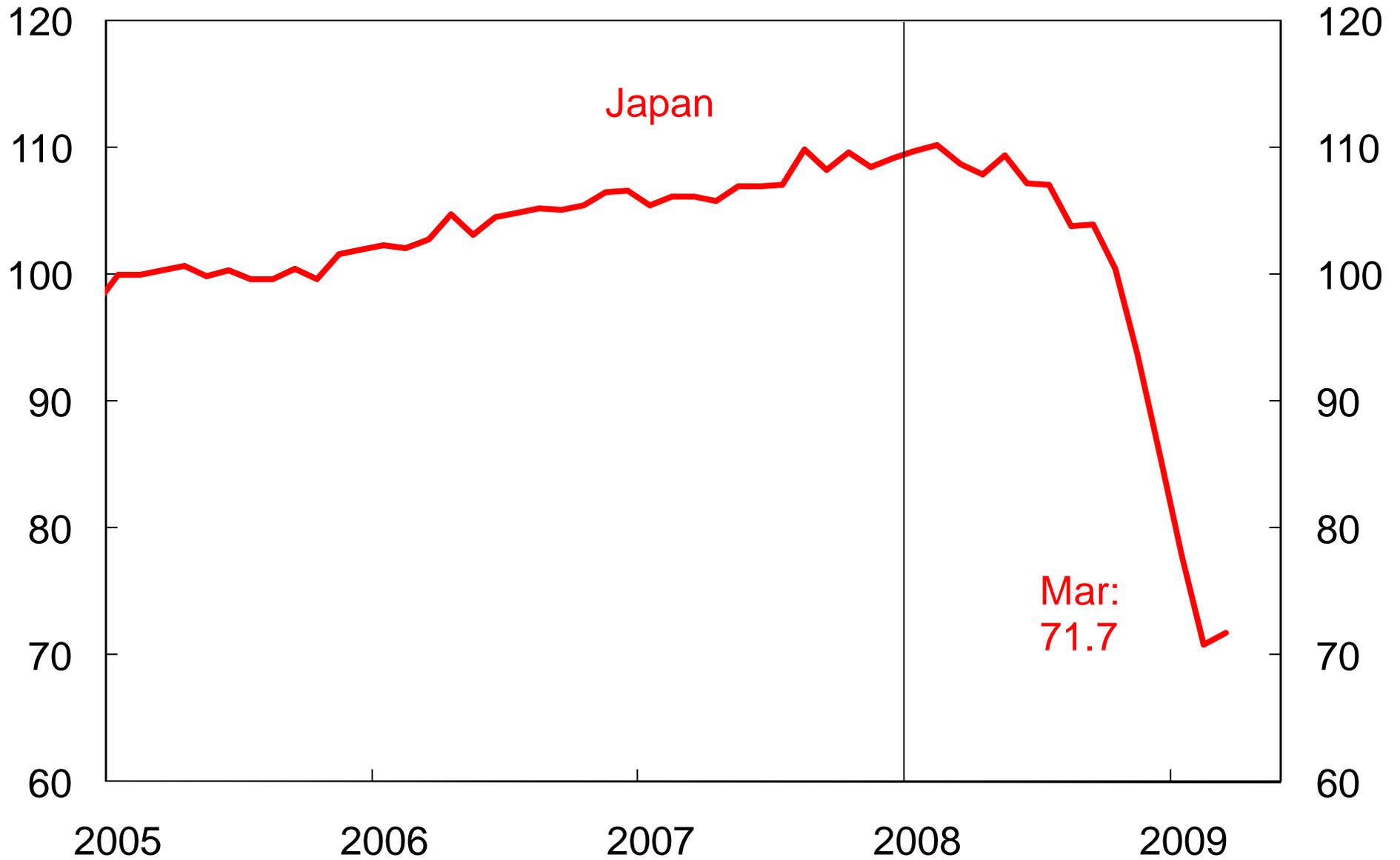


In Dollar Terms

Industrial Production

Jan 2005 = 100

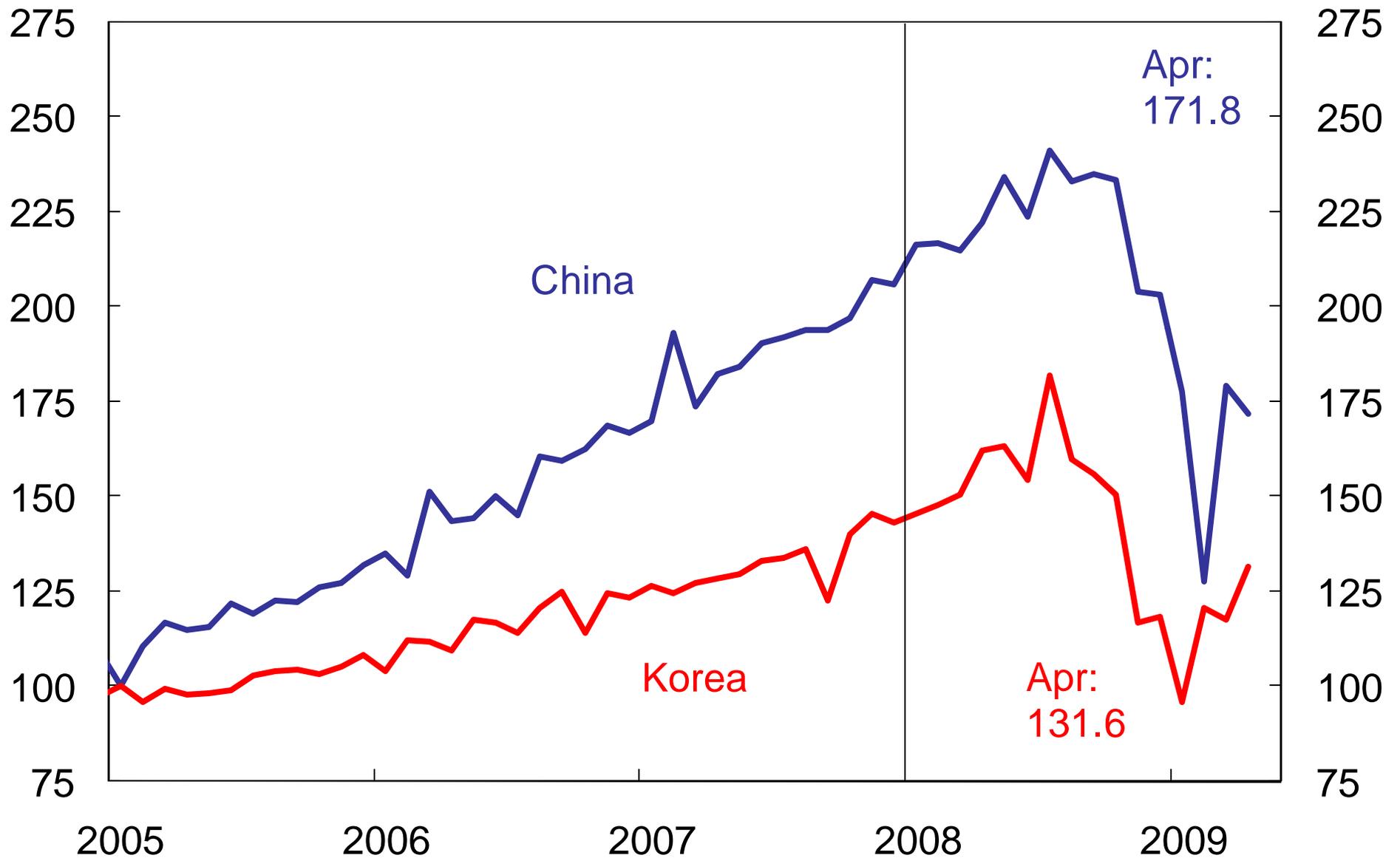
Jan 2005 = 100



Exports

Jan 2005 = 100

Jan 2005 = 100

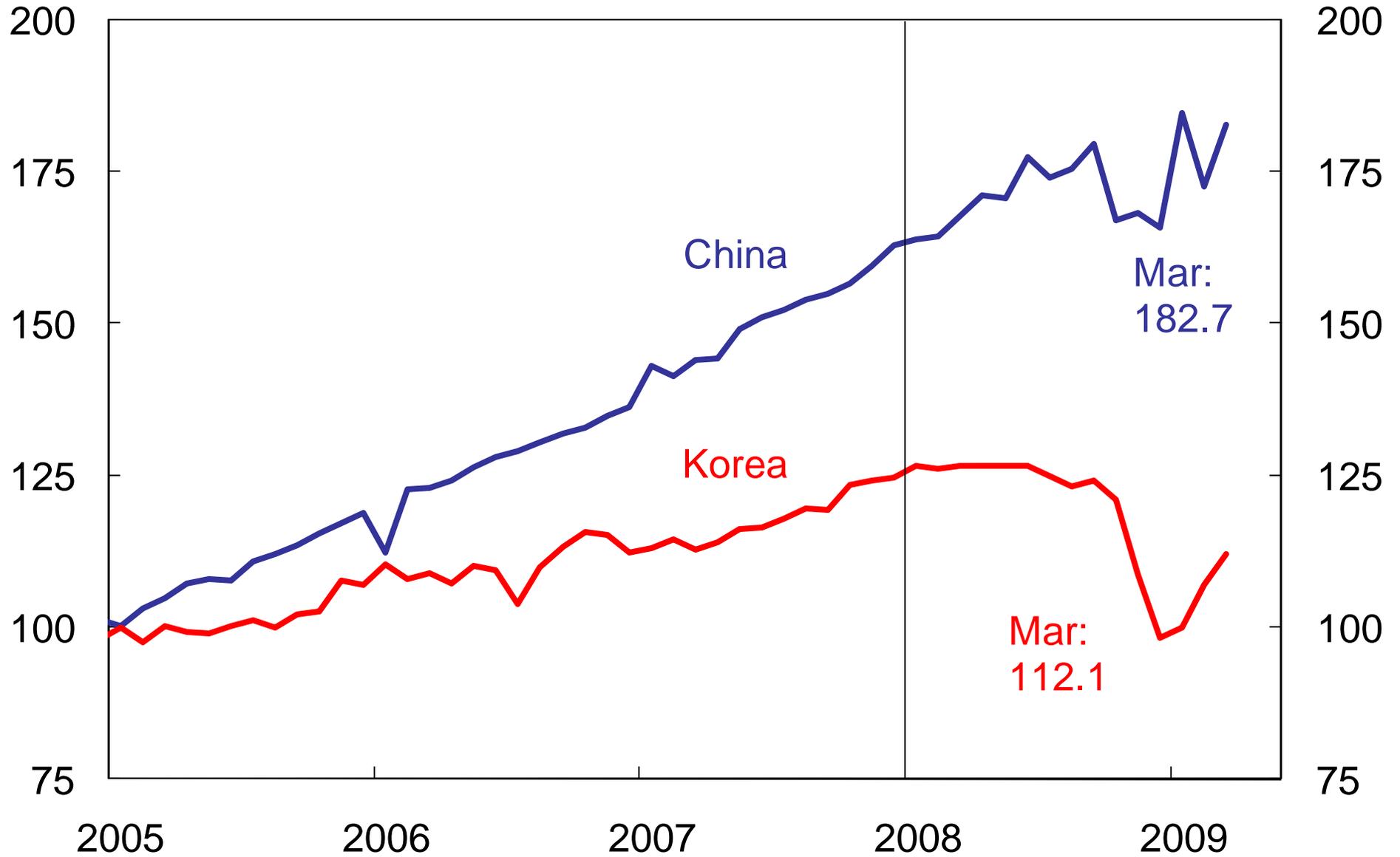


In Dollar Terms

Industrial Production

Jan 2005 = 100

Jan 2005 = 100



Global GDP Forecast—Major Trading Partners

Percentage Change from Previous Quarter

	2008	2009			
	Q4	Q1	Q2	Q3	Q4
United States	-6.3	-6.1	-1.8	0.4	1.1
Euro Area	-6.3	-7.0	-2.0	0.0	0.5
Japan	-12.1	-13.0	0.5	1.5	2.0
United Kingdom	-6.1	-7.4	-3.0	0.0	0.5
Canada	-3.4	-6.0	-3.0	-1.0	0.5
Major Foreign Industrials	-7.5	-8.5	-1.6	0.3	0.9
China	1.6	6.1	8.2	8.2	8.2
Korea	-18.8	0.2	0.6	1.0	2.0
Mexico	-10.3	-8.9	-4.3	1.6	2.0
Total Non-U.S.	-7.0	-6.7	-0.6	1.2	1.7

Percentage Change from Year Ago

	2008	2009			
	Q4	Q1	Q2	Q3	Q4
United States	-0.8	-2.6	-3.7	-3.5	-1.6
Euro Area	-1.5	-3.9	-4.1	-3.9	-2.2
Japan	-4.3	-7.9	-6.7	-6.0	-2.5
United Kingdom	-2.0	-4.1	-4.8	-4.2	-2.5
Canada	-0.7	-2.0	-2.9	-3.4	-2.4
Major Foreign Industrials	-2.2	-4.8	-4.8	-4.4	-2.3
China	6.8	6.1	5.3	6.0	7.7
Korea	-3.4	-4.4	-4.6	-4.6	1.0
Mexico	-2.1	-4.1	-5.4	-5.6	-2.5
Total Non-U.S.	-1.3	-3.6	-3.7	-3.4	-1.2

Q4/Q4 and Year/Year

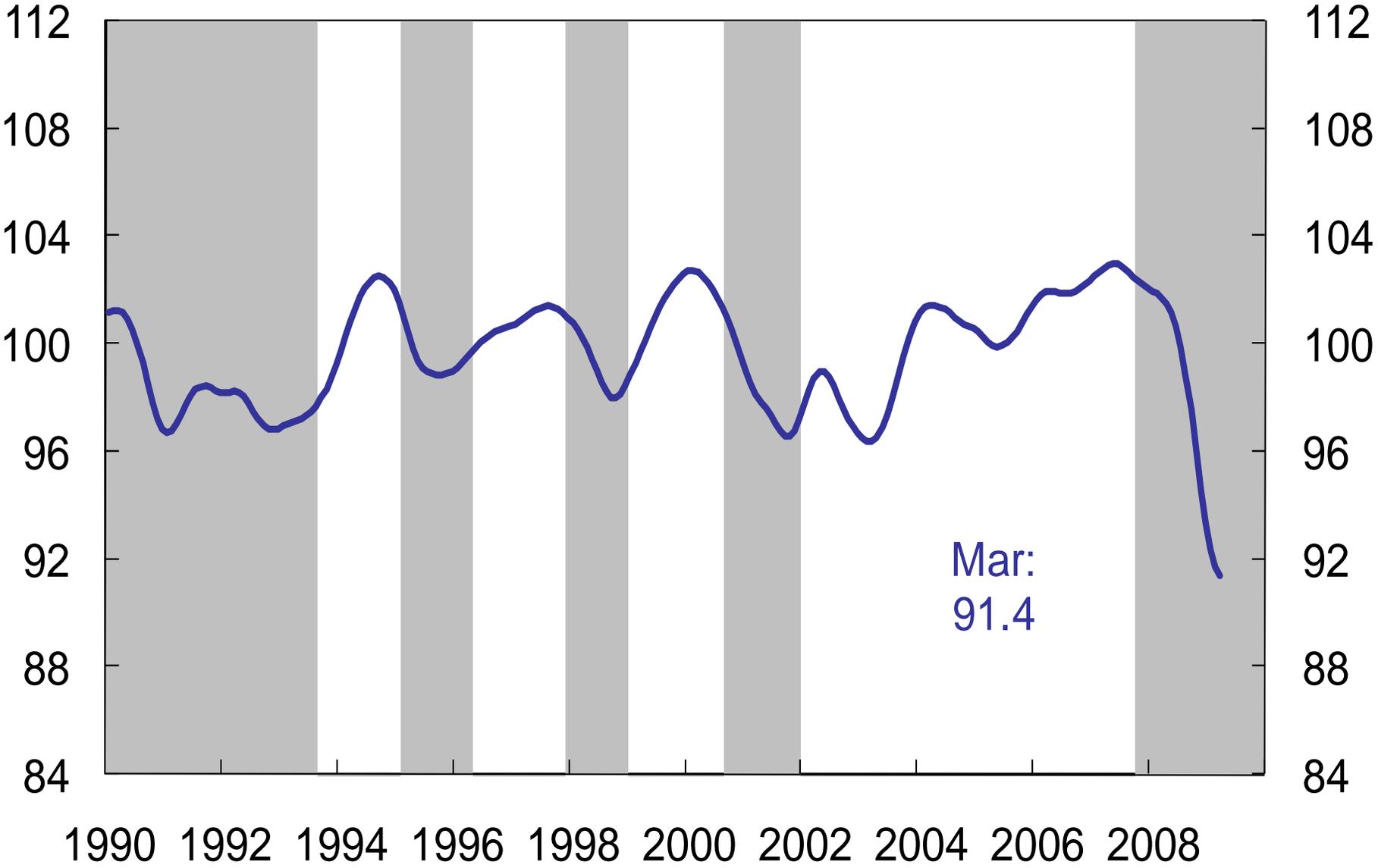
	2008		2009	
	Q4/Q4	Yr/Yr	Q4/Q4	Yr/Yr
United States	-0.8	1.1	-1.6	-2.9
Euro Area	-1.5	0.7	-2.2	-3.5
Japan	-4.3	-0.7	-2.5	-5.8
United Kingdom	-2.0	0.7	-2.5	-3.9
Canada	-0.7	0.5	-2.4	-2.7
Major Foreign Industrials	-2.2	0.3	-2.3	-4.1
China	6.8	8.9	7.7	6.4
Korea	-3.4	2.2	1.0	-3.2
Mexico	-1.6	1.3	-2.9	-4.5
Total Non-U.S.	-1.3	1.3	-1.2	-3.0

Major Foreign Industrials and Total Non-U.S. are GDP-Weighted

G7

Index

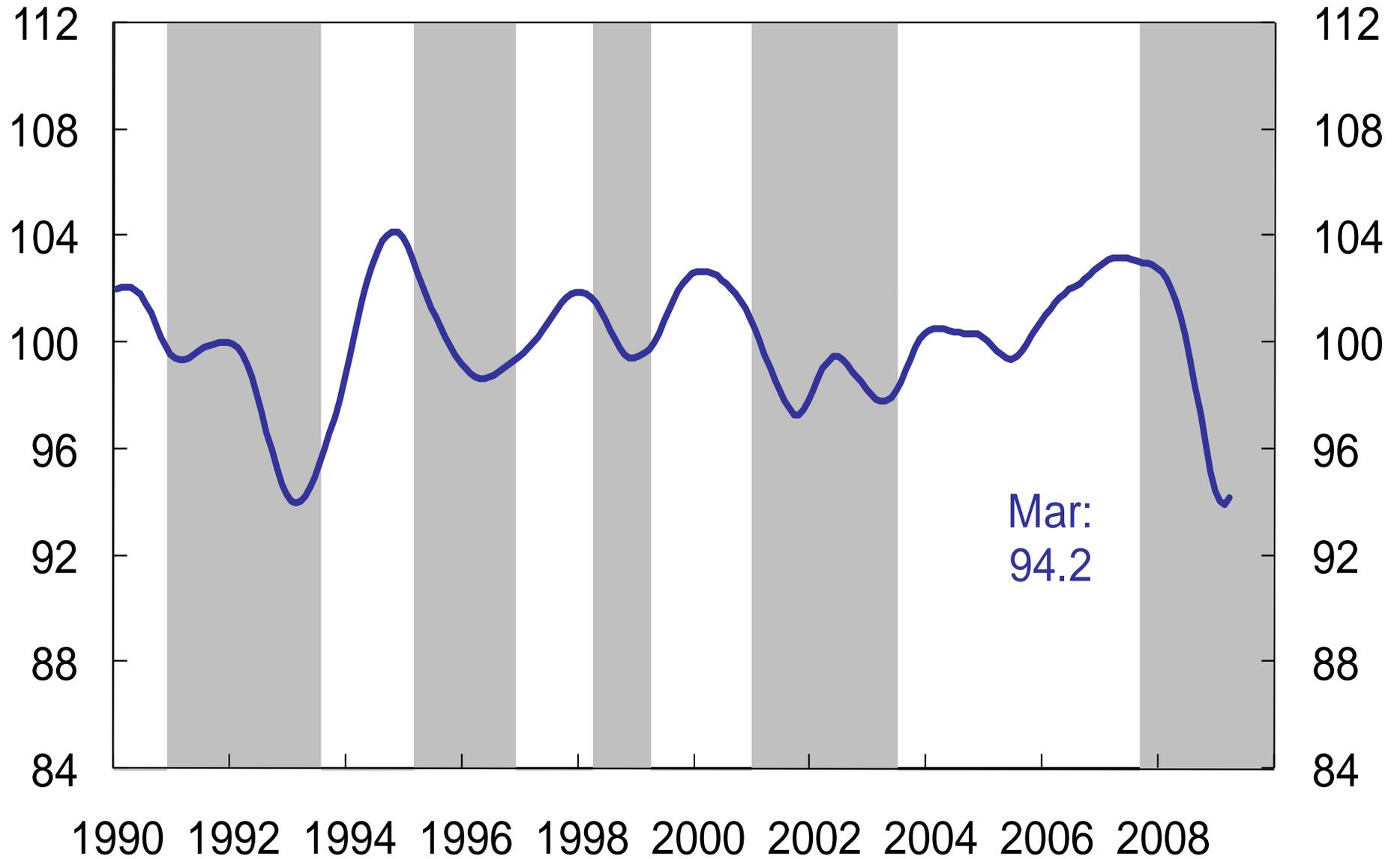
Index



Euro Area

Index

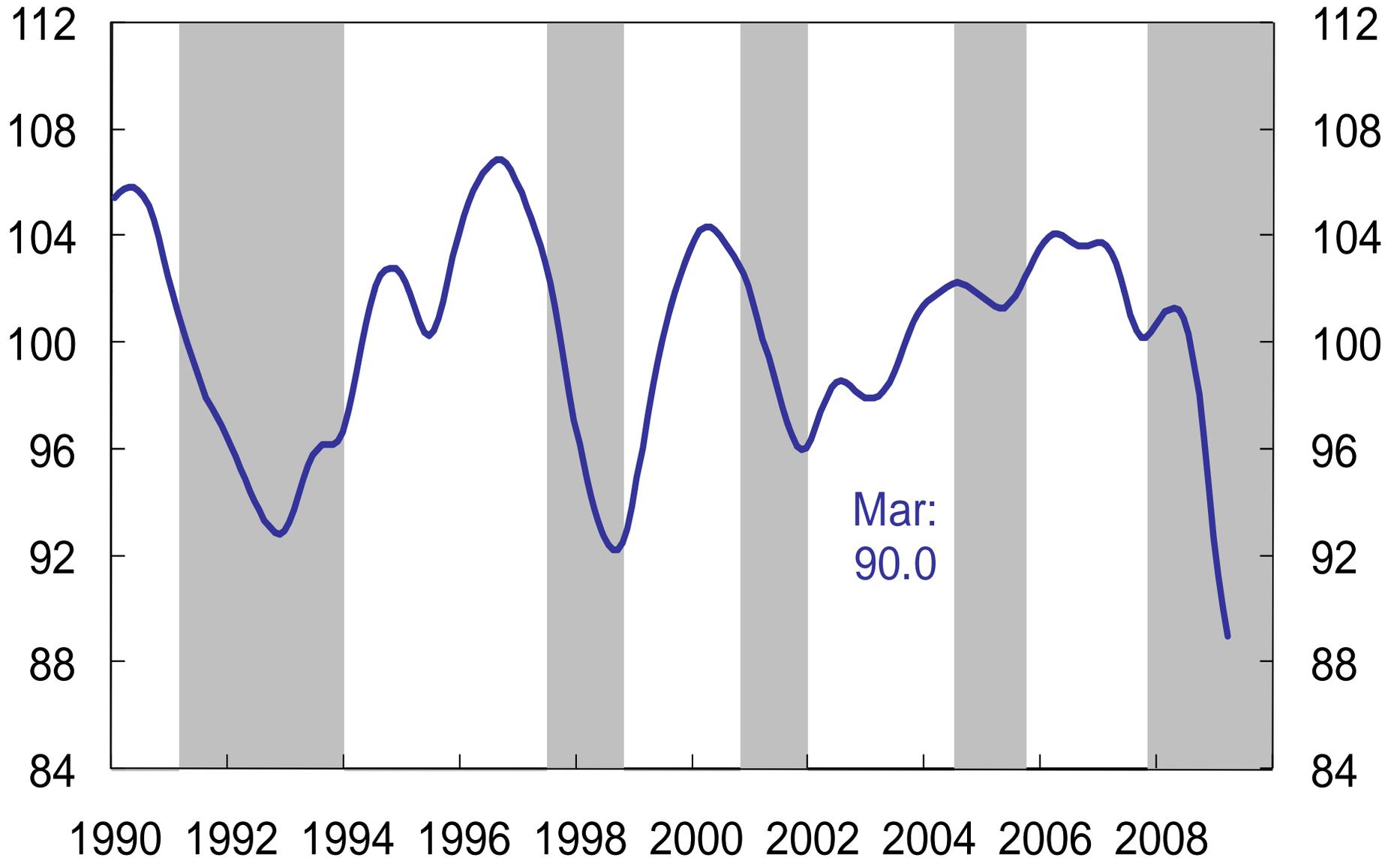
Index



Japan

Index

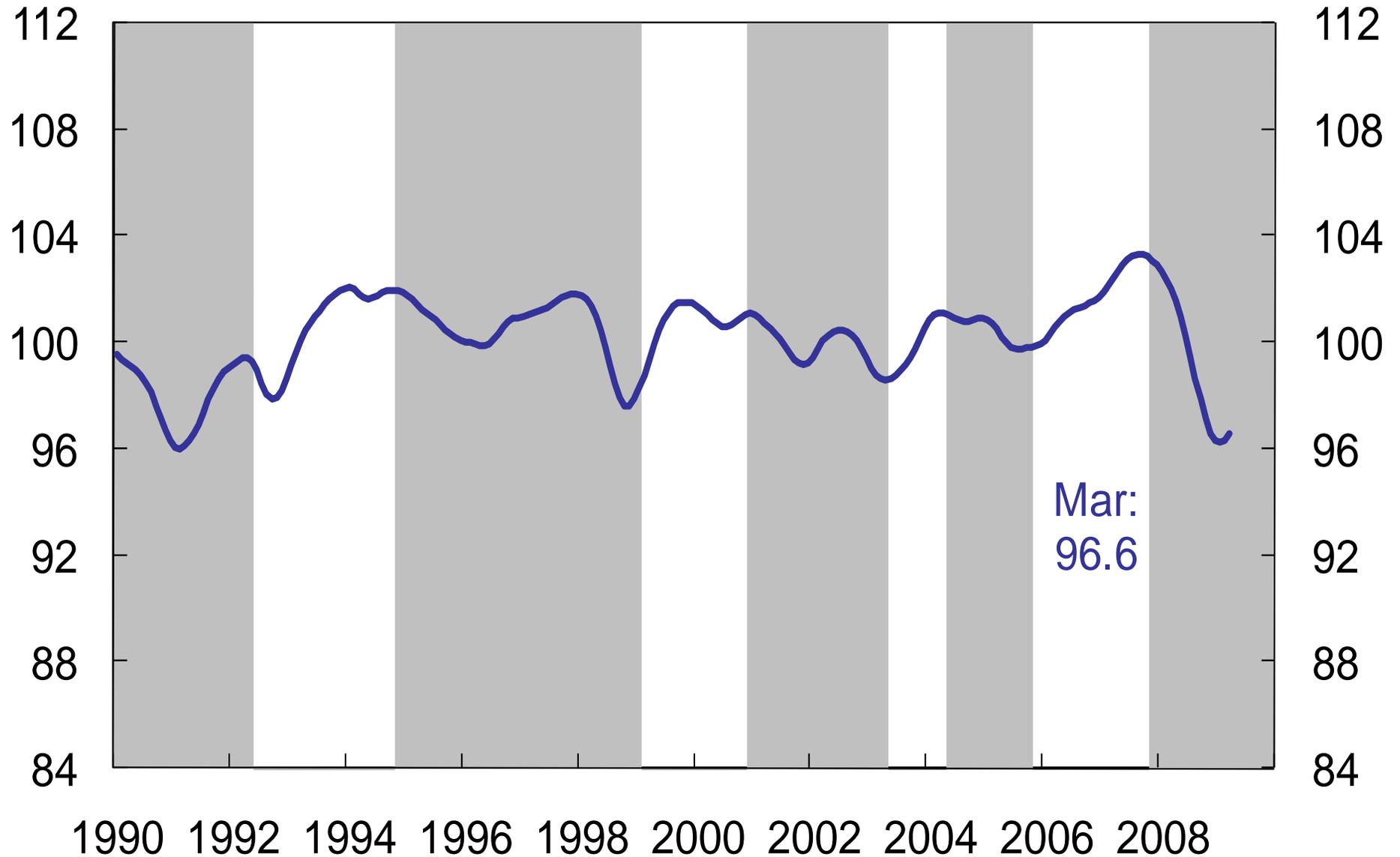
Index



United Kingdom

Index

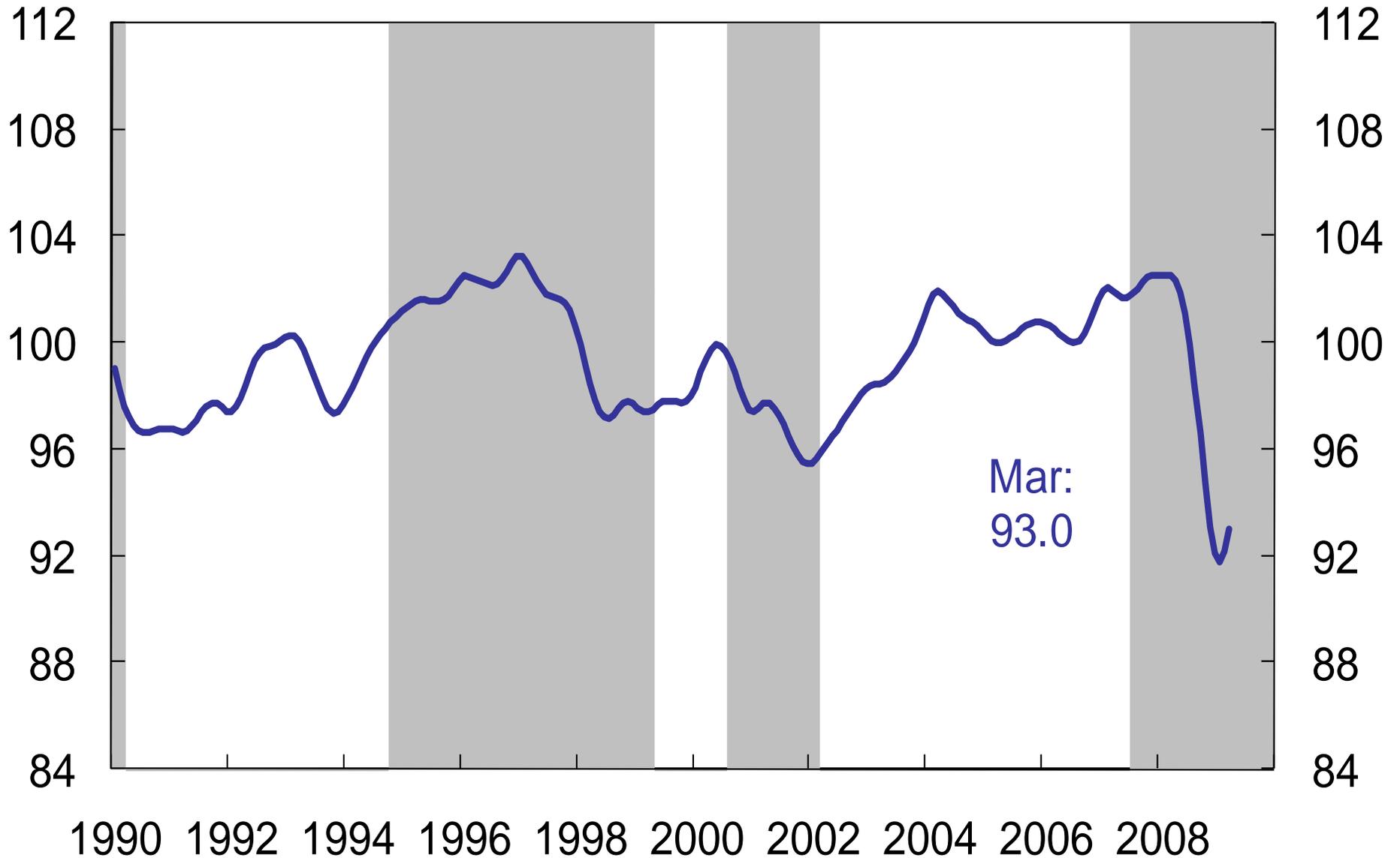
Index



China

Index

Index



Korea

Index

112

108

104

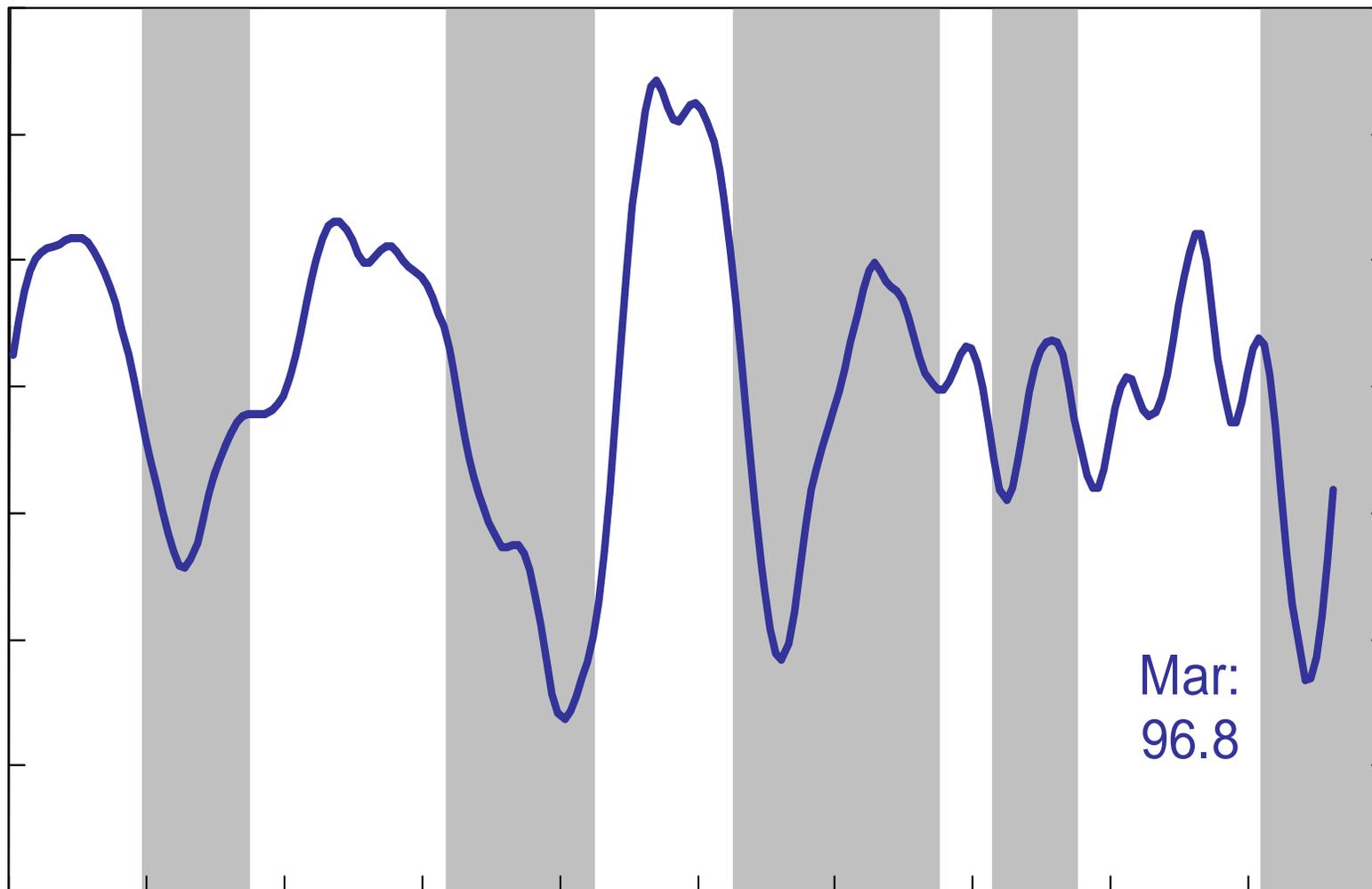
100

96

92

88

84



Index

112

108

104

100

96

92

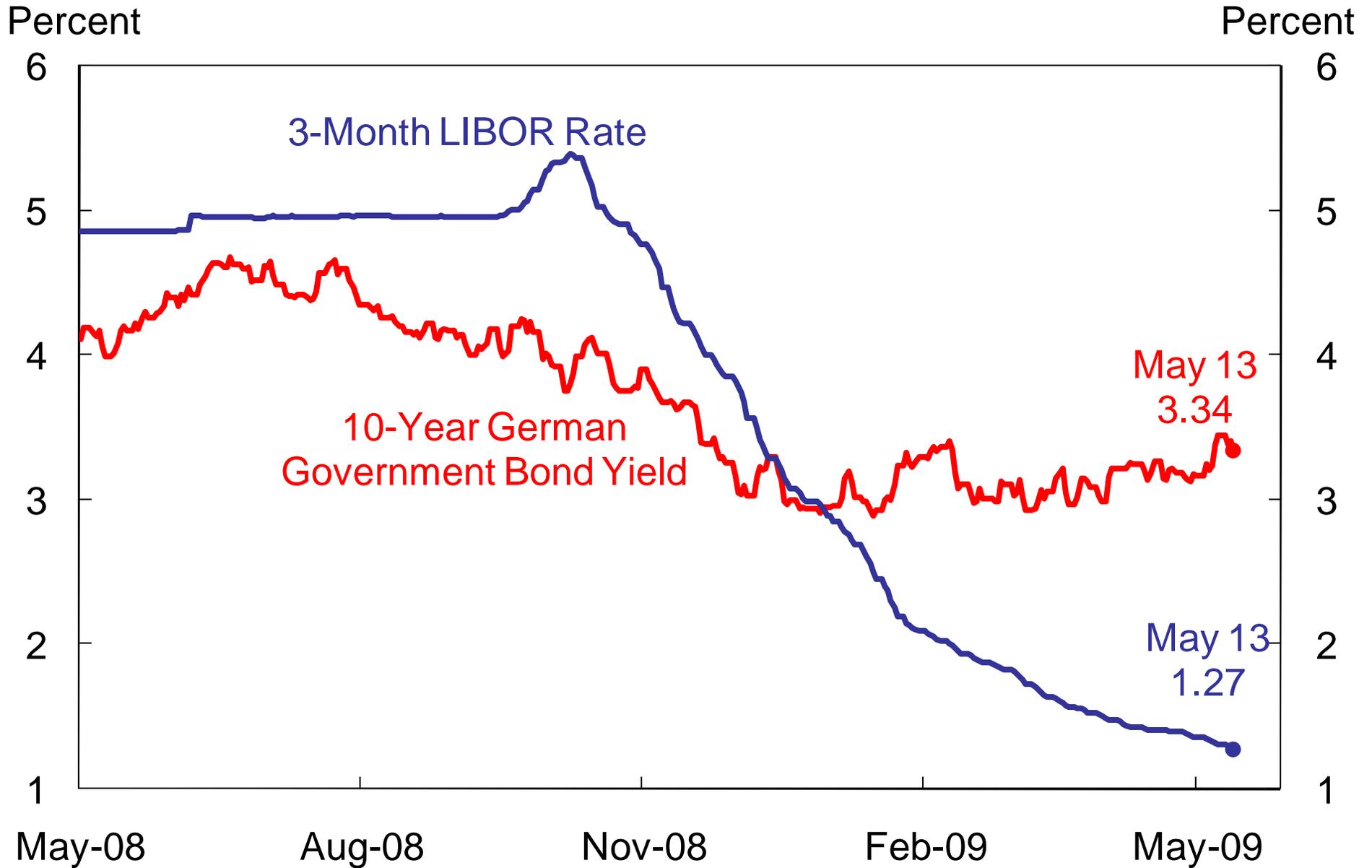
88

84

1990 1992 1994 1996 1998 2000 2002 2004 2006 2008

Mar:
96.8

Euro Area Short- and Long-Term Interest Rates



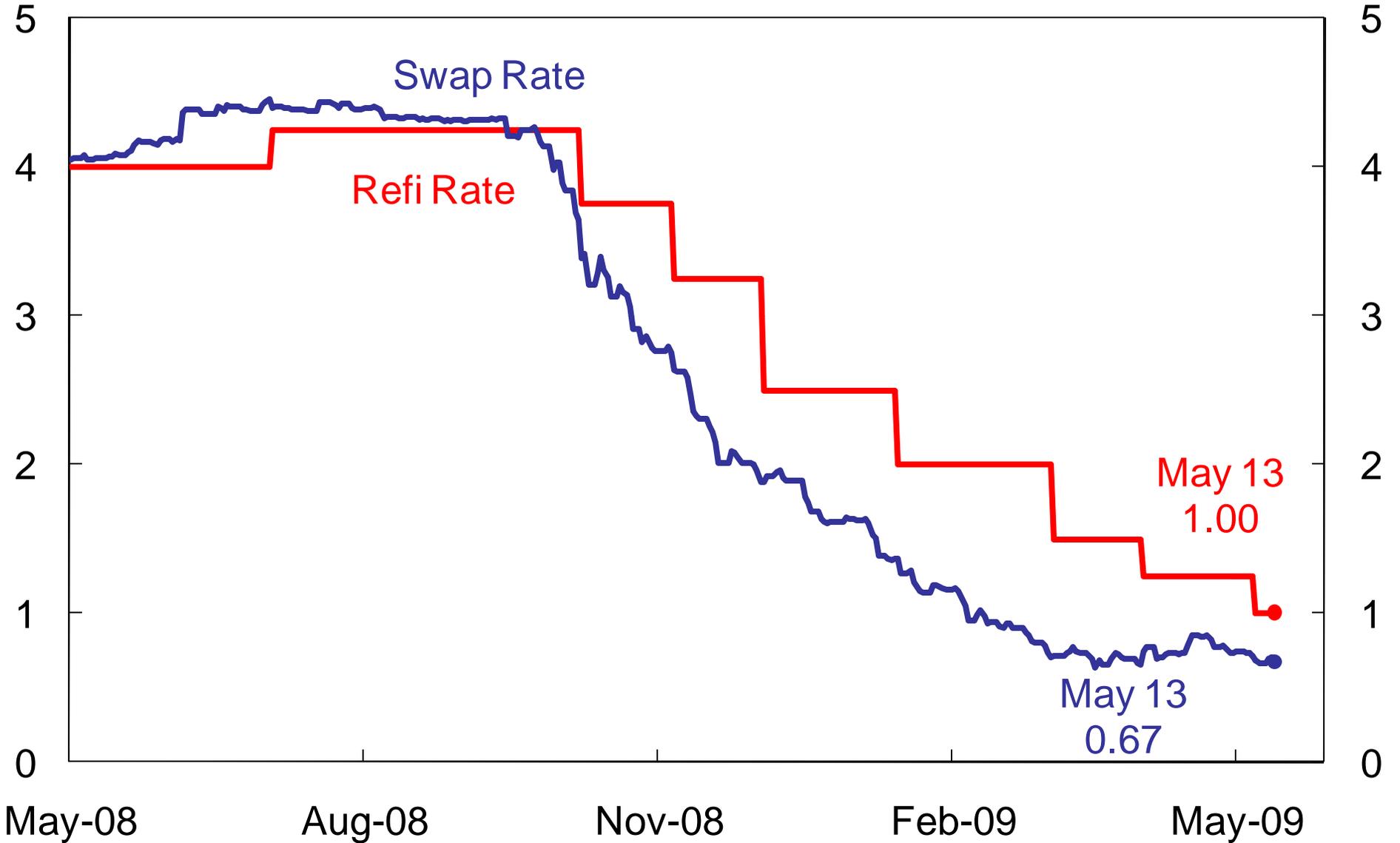
Source: Bloomberg

Euro Area: OIS Rate (Six Months)



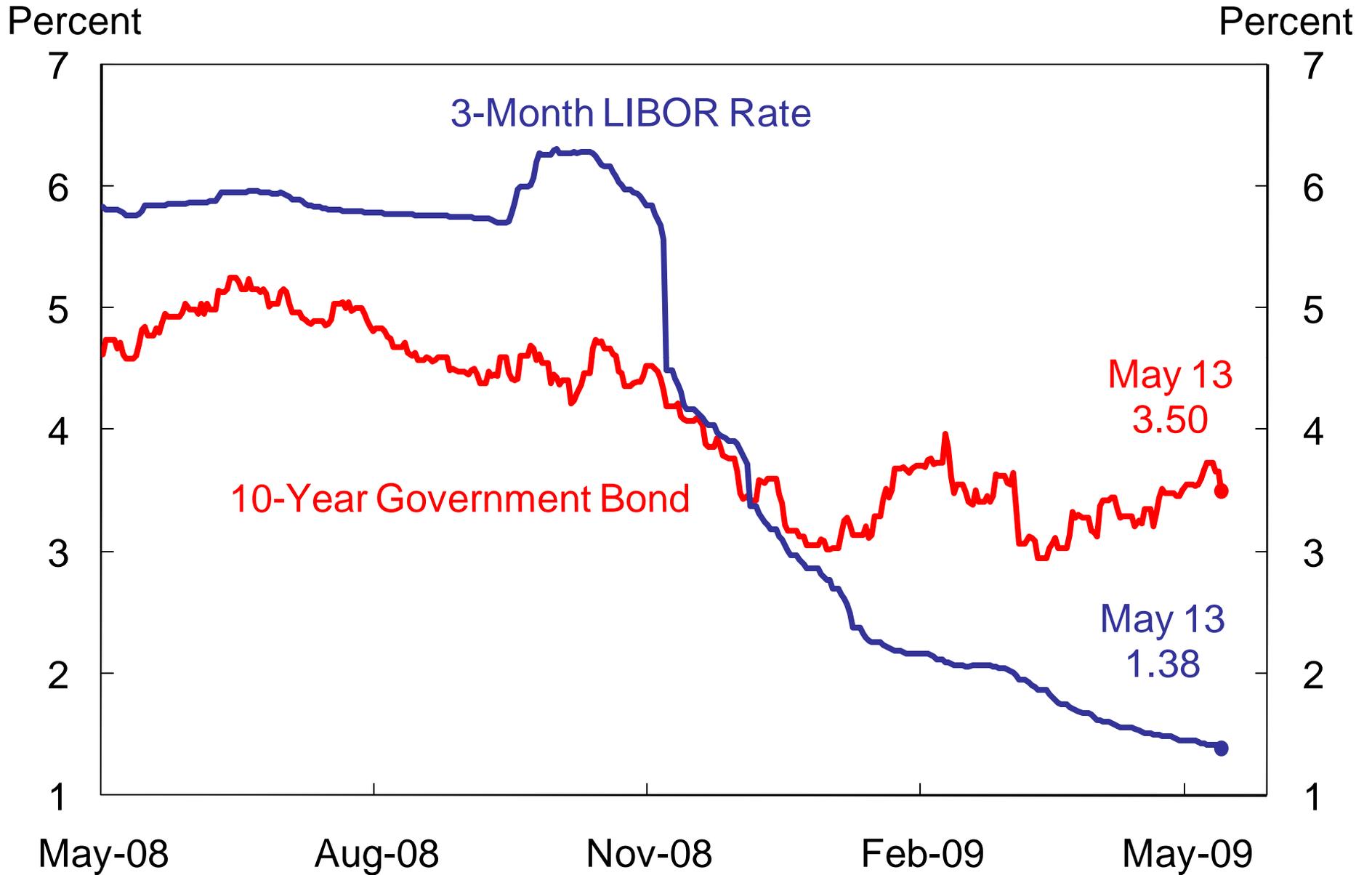
Percent

Percent



Source: Bloomberg

United Kingdom Short- and Long-Term Interest Rates

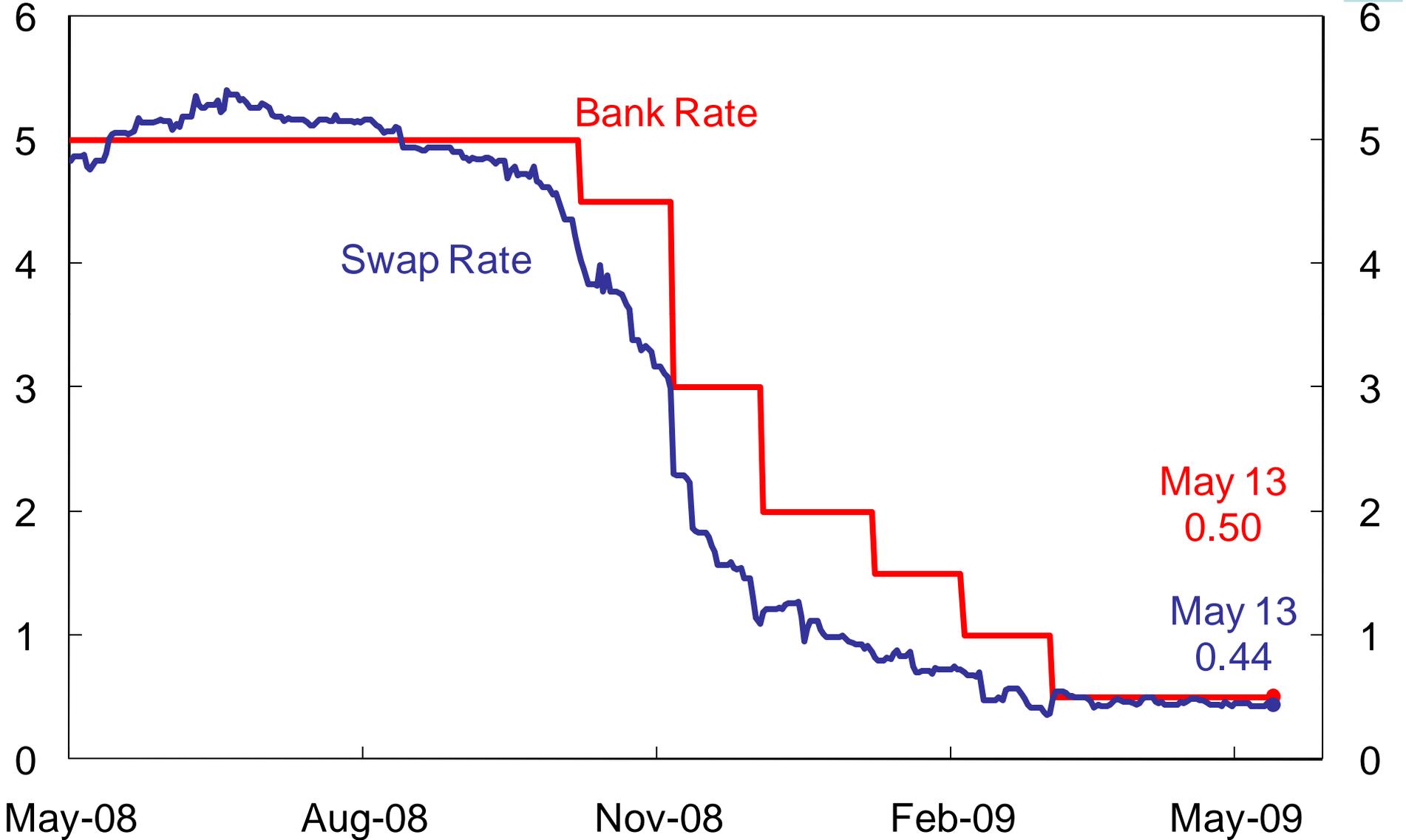


Source: Bloomberg

United Kingdom: OIS Rate (Six Months)

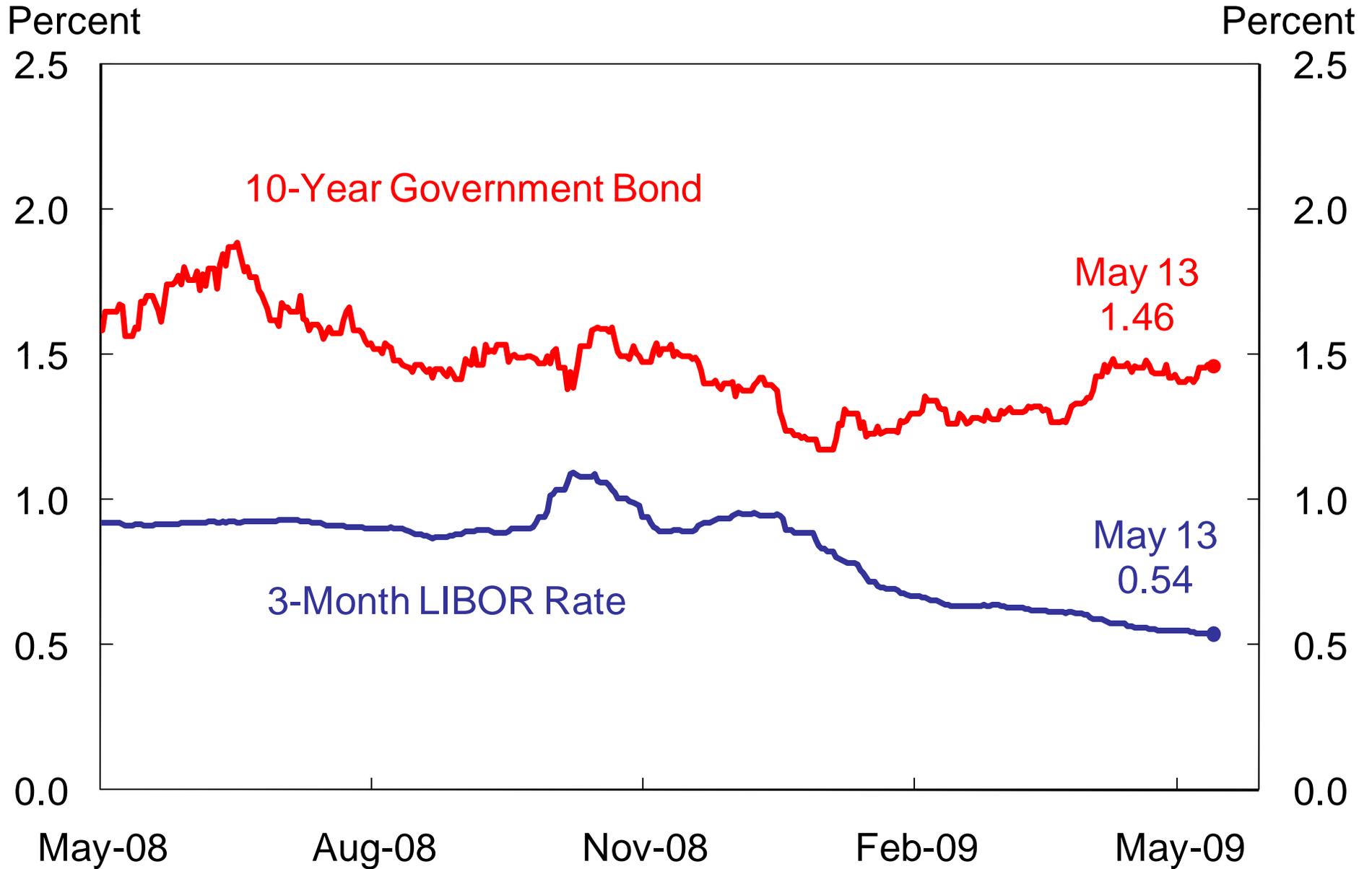
Percent

Percent



Source: Bloomberg

Japan Short- and Long-Term Interest Rates

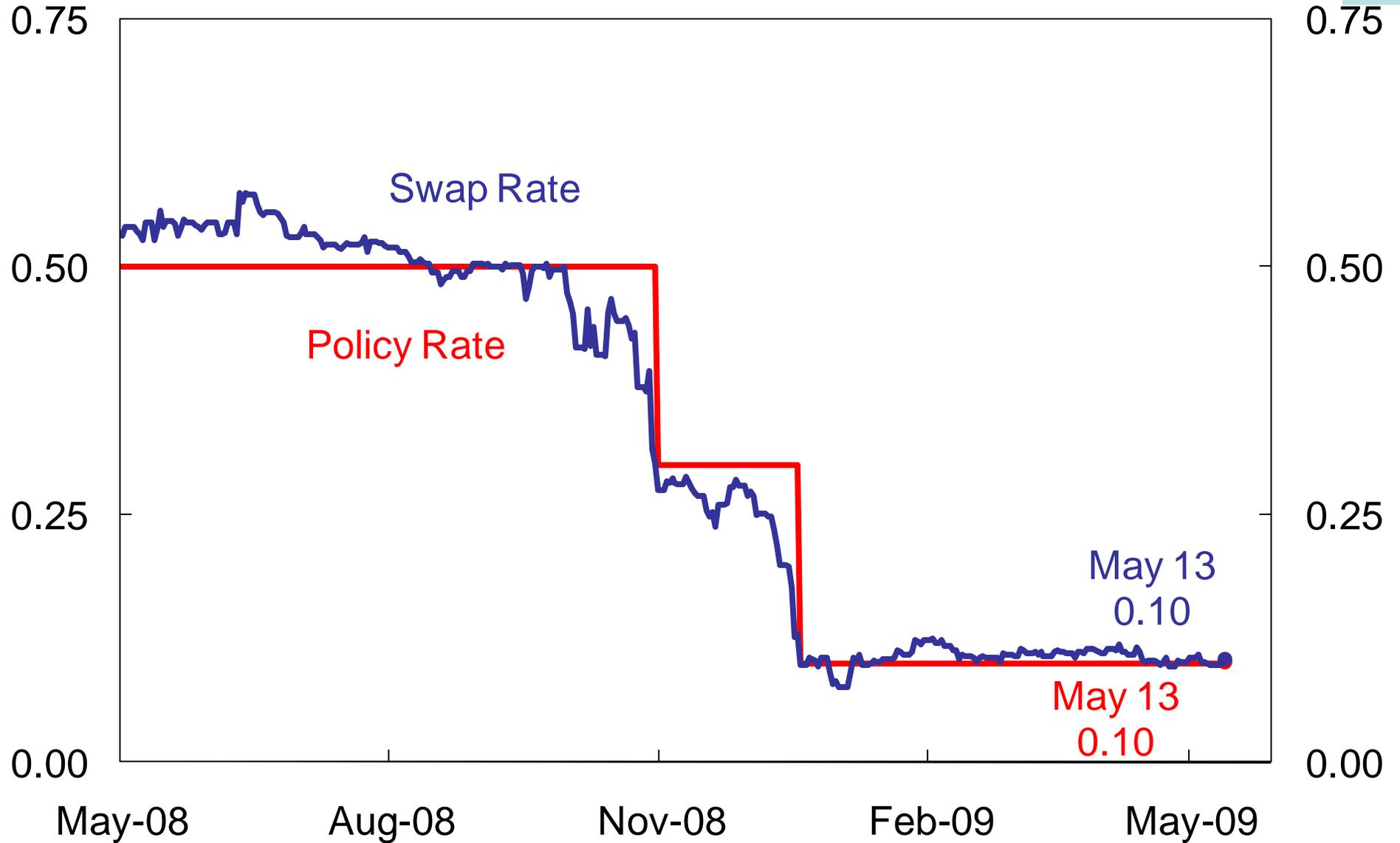


Source: Bloomberg

Japan: OIS Rate (Six Months)

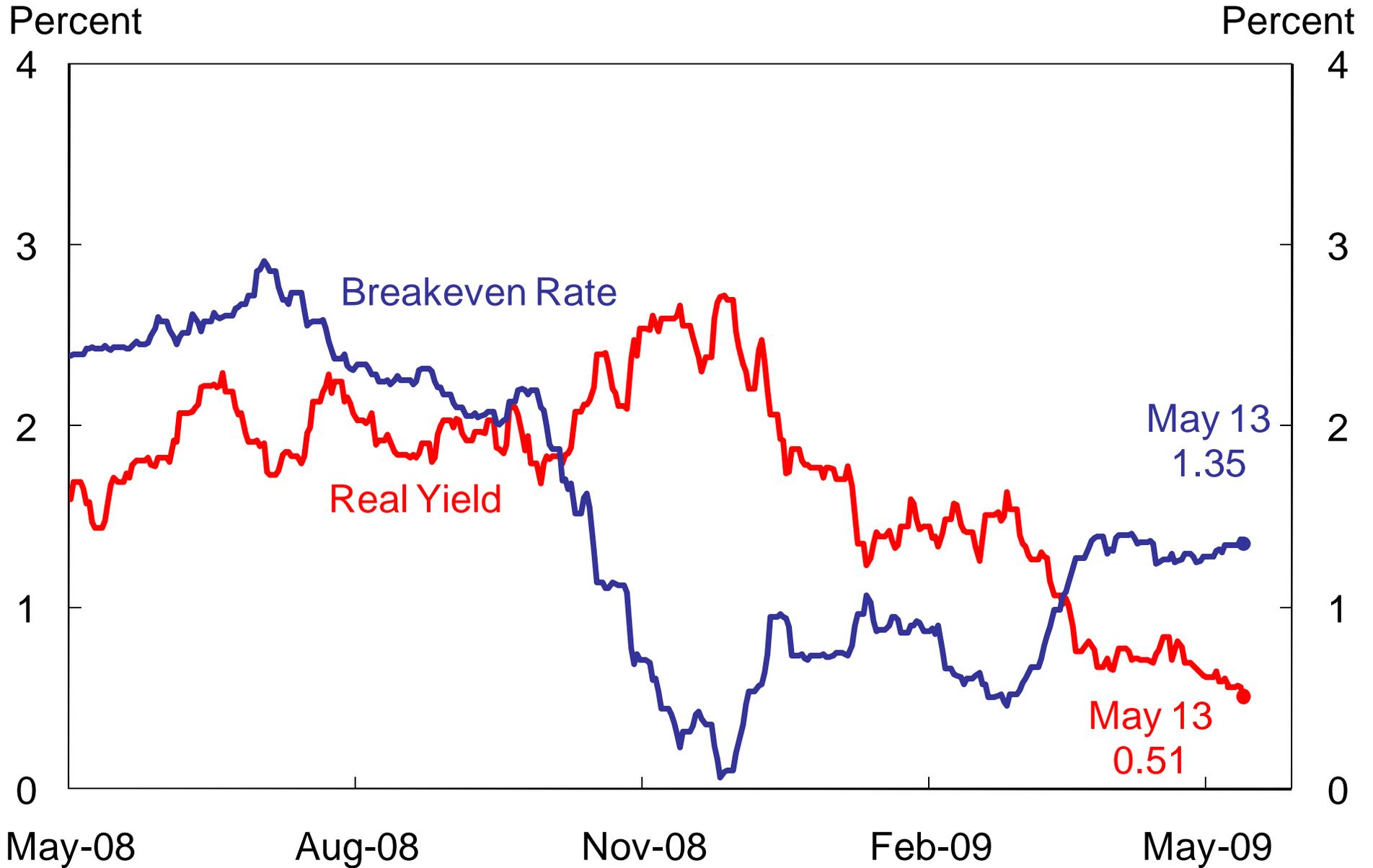
Percent

Percent



Source: Bloomberg

Euro Area Inflation-Linked Bonds



Source: Bloomberg

07/2012 OATi and 04/2012 OAT

Euro Area Equity Index

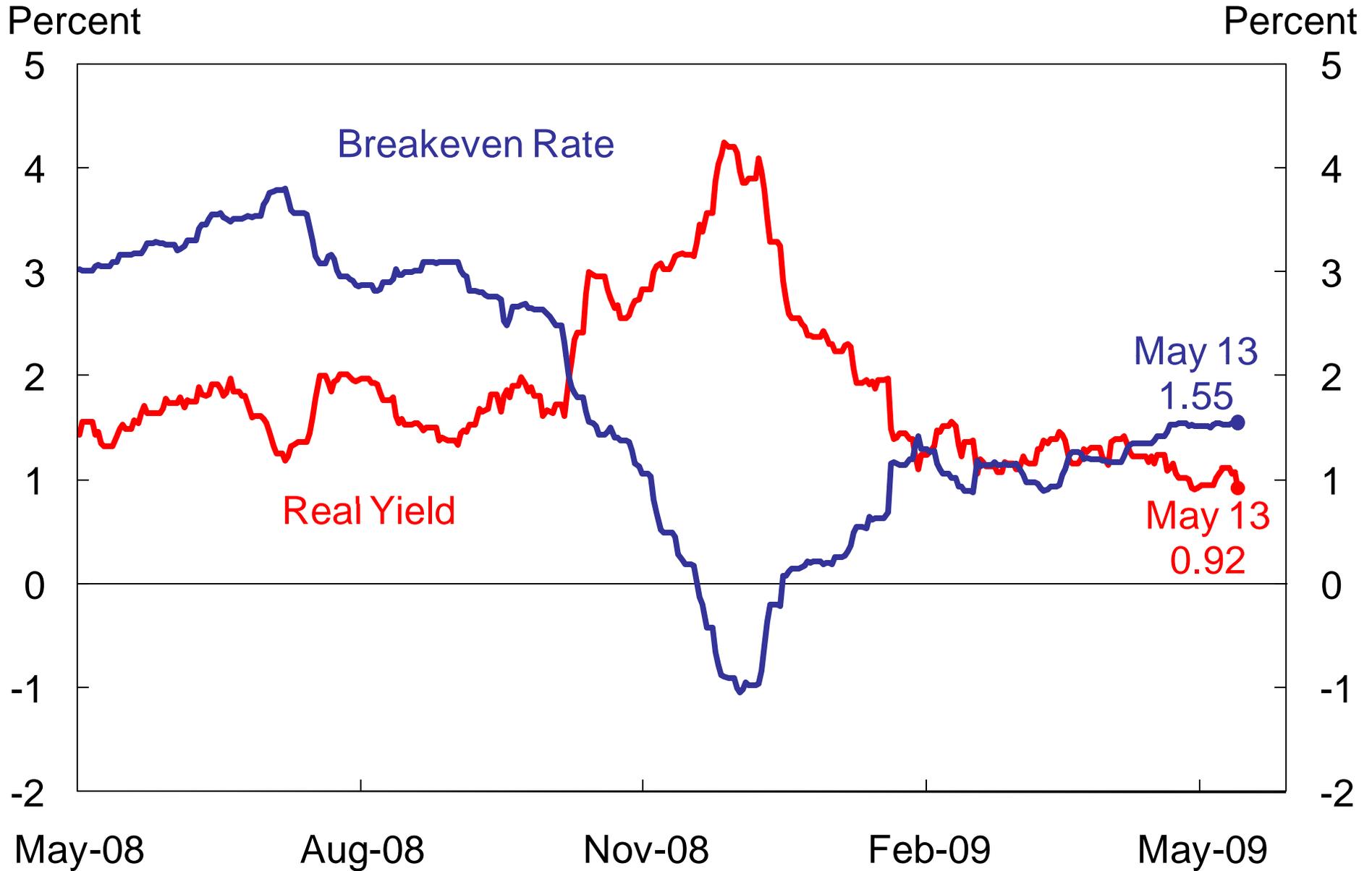
Index, Jan 2000 = 100

Index, Jan 2000 = 100



Source: Bloomberg

United Kingdom Inflation-Linked Bonds



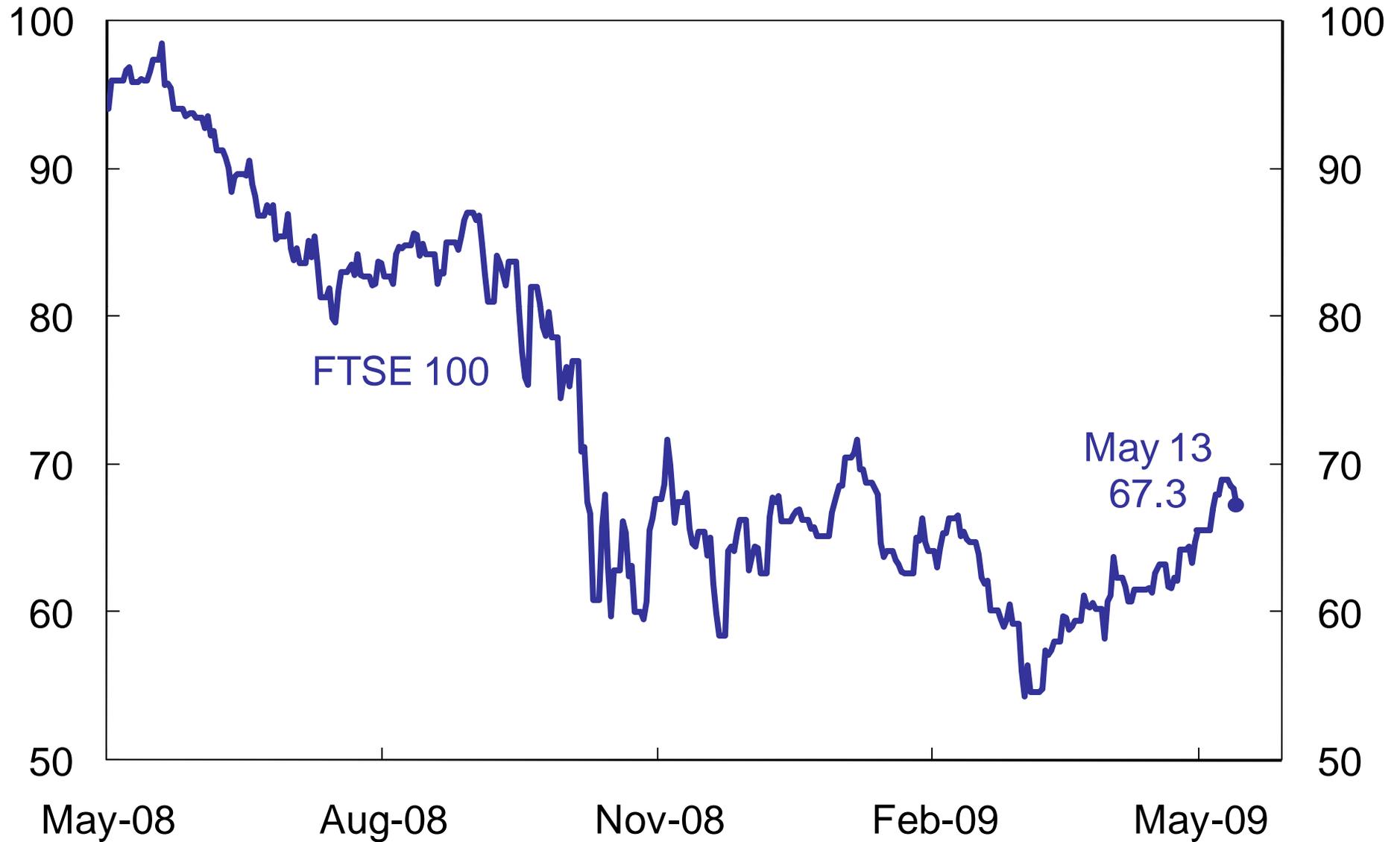
Source: Bloomberg

08/2013 Inflation-linked Gilt and 09/2013 Gilt

United Kingdom Equity Index

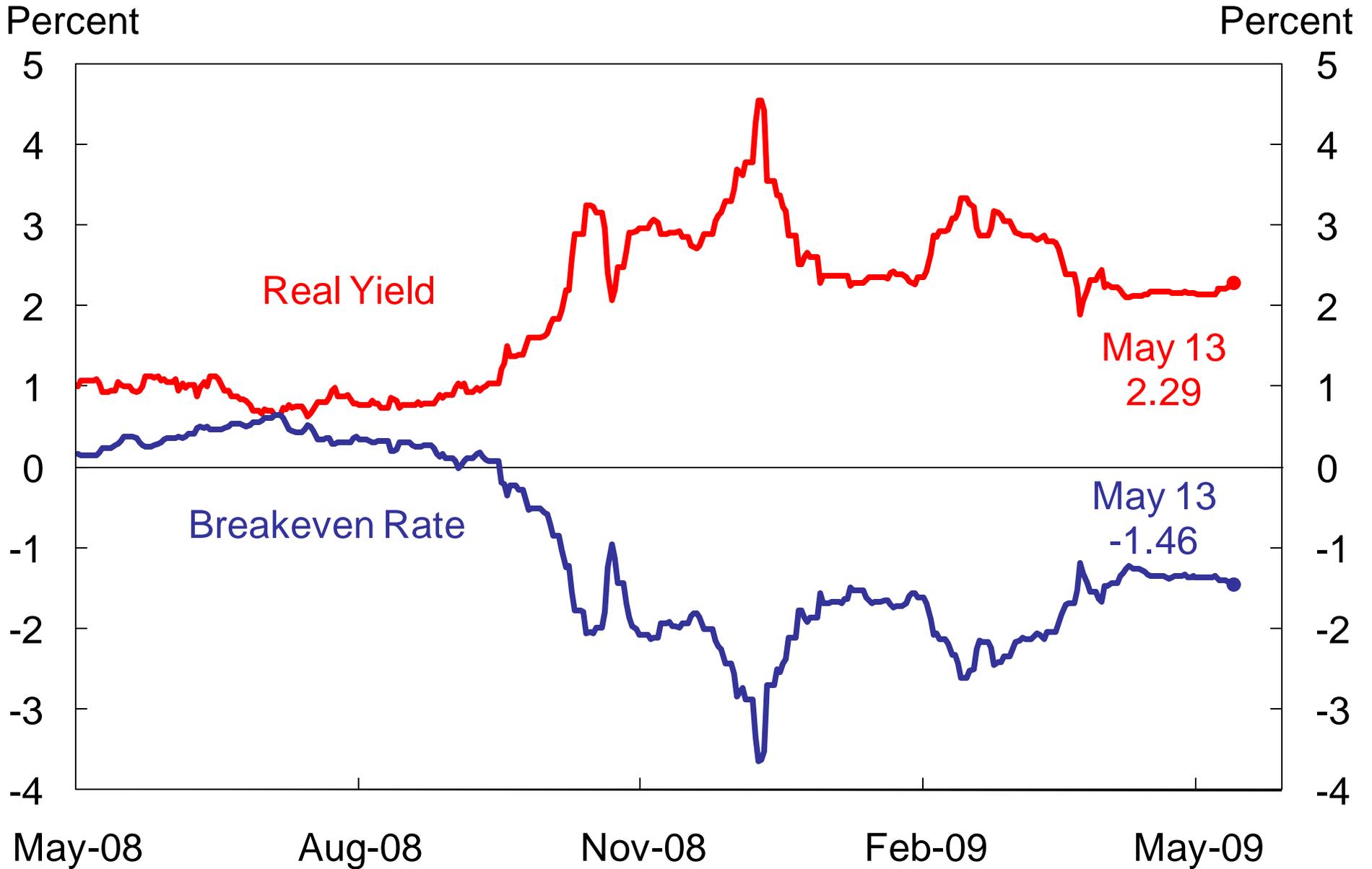
Index, Jan 2000 = 100

Index, Jan 2000 = 100



Source: Bloomberg

Japan Inflation-Linked Bonds



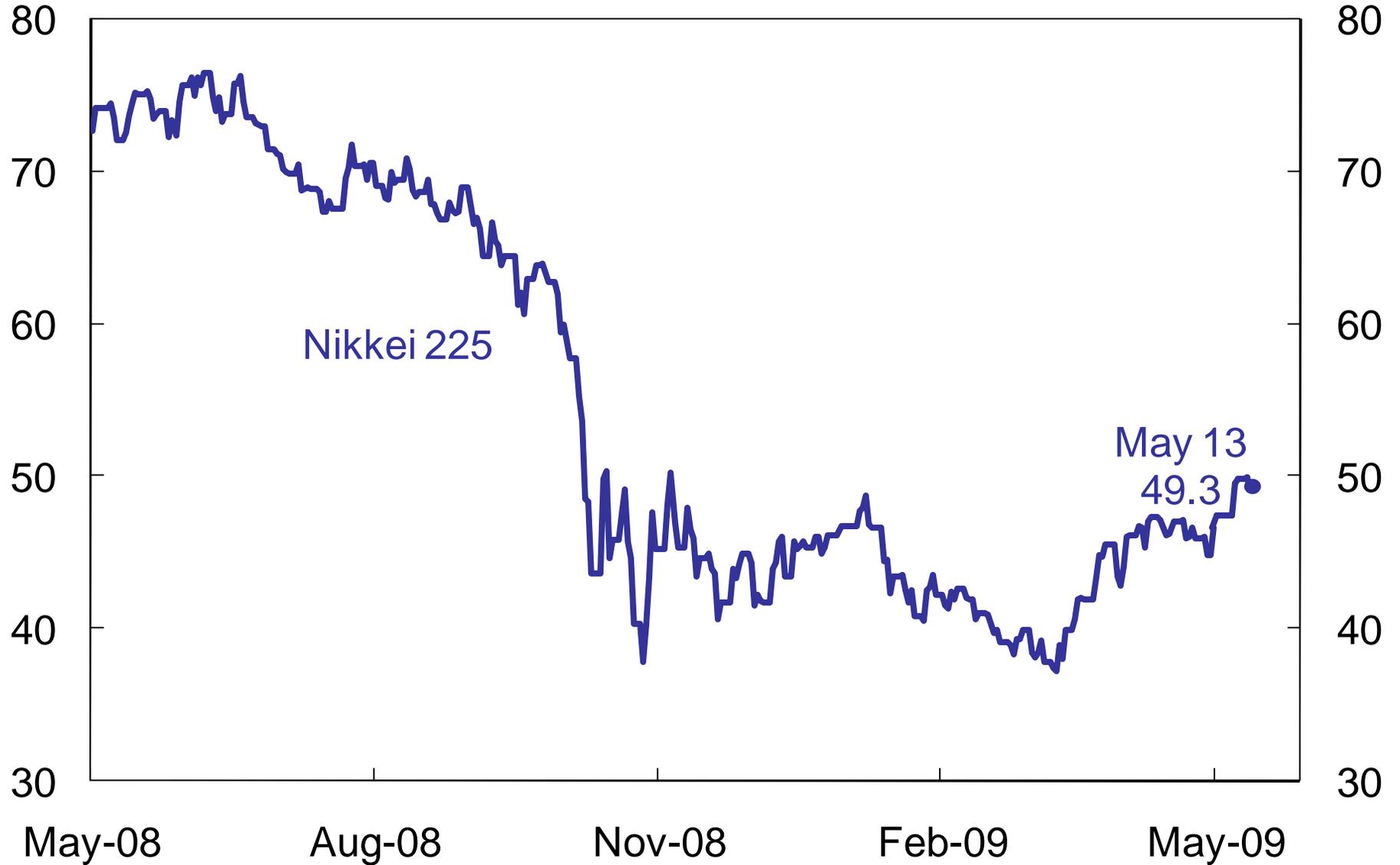
Source: Bloomberg

03/2014 JGBi and 03/2014 JGB

Japan Equity Index

Index, Jan 2000 = 100

Index, Jan 2000 = 100



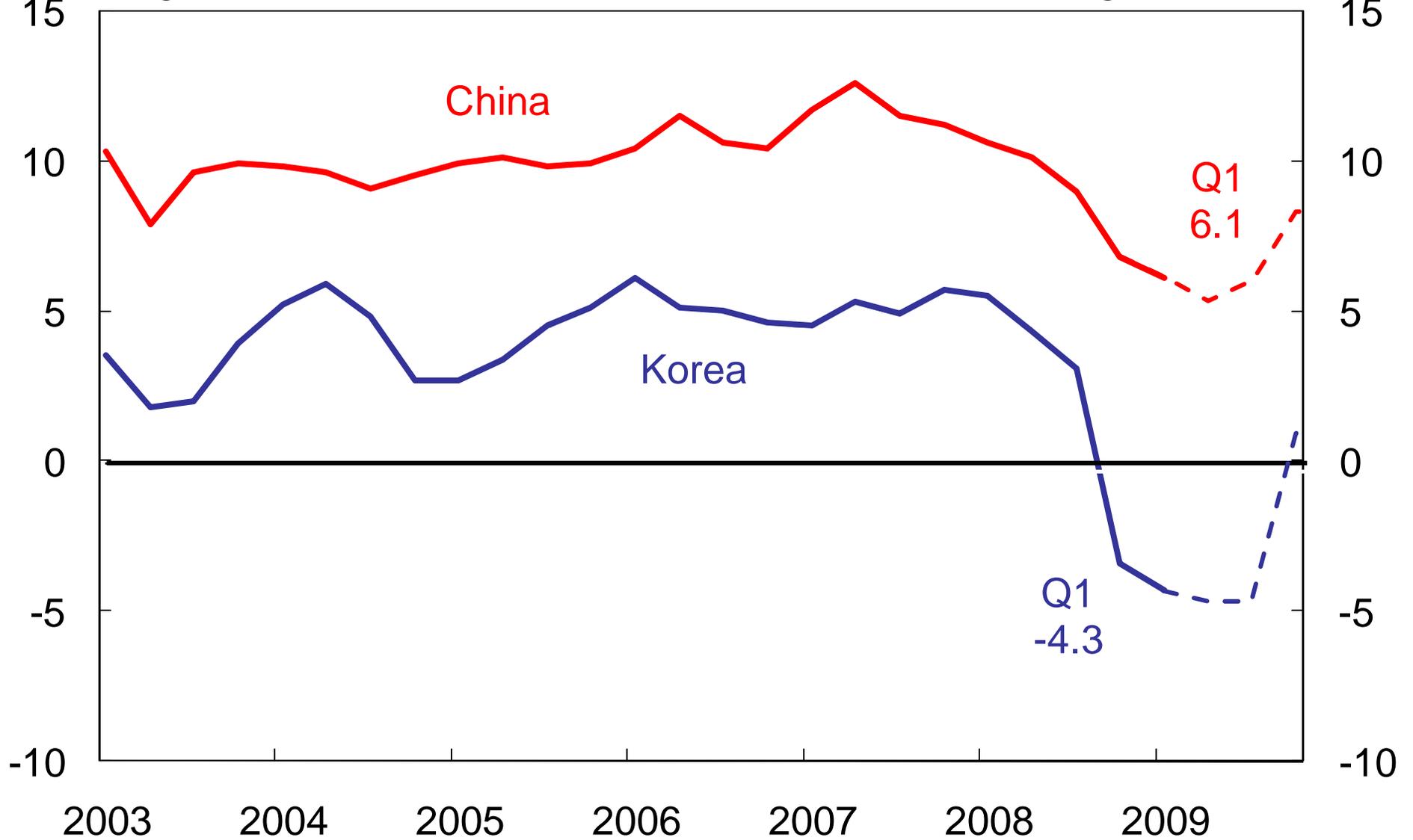
Source: Bloomberg

Real GDP Growth



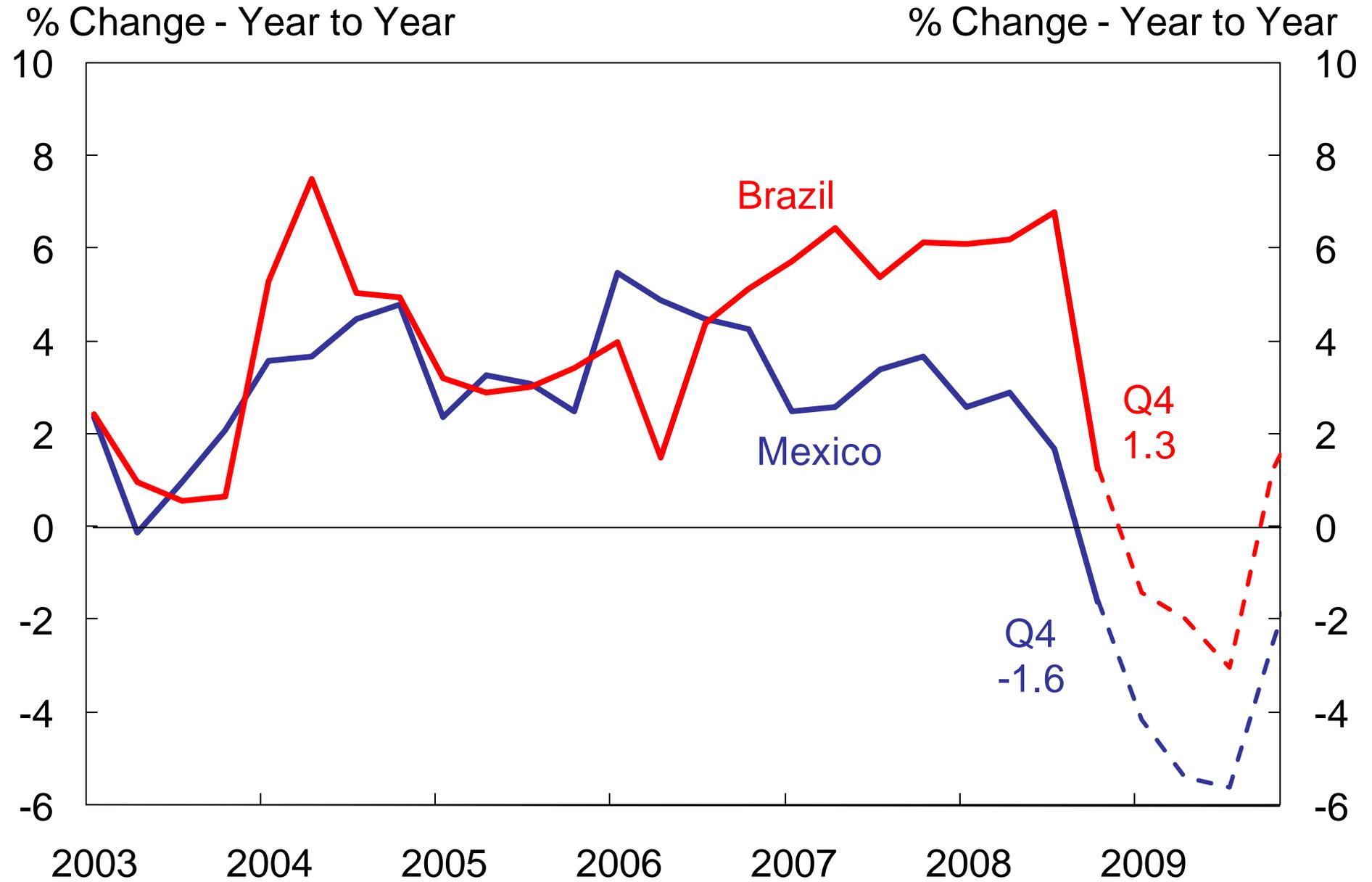
% Change - Year to Year

% Change - Year to Year



Source: Bloomberg

Real GDP Growth



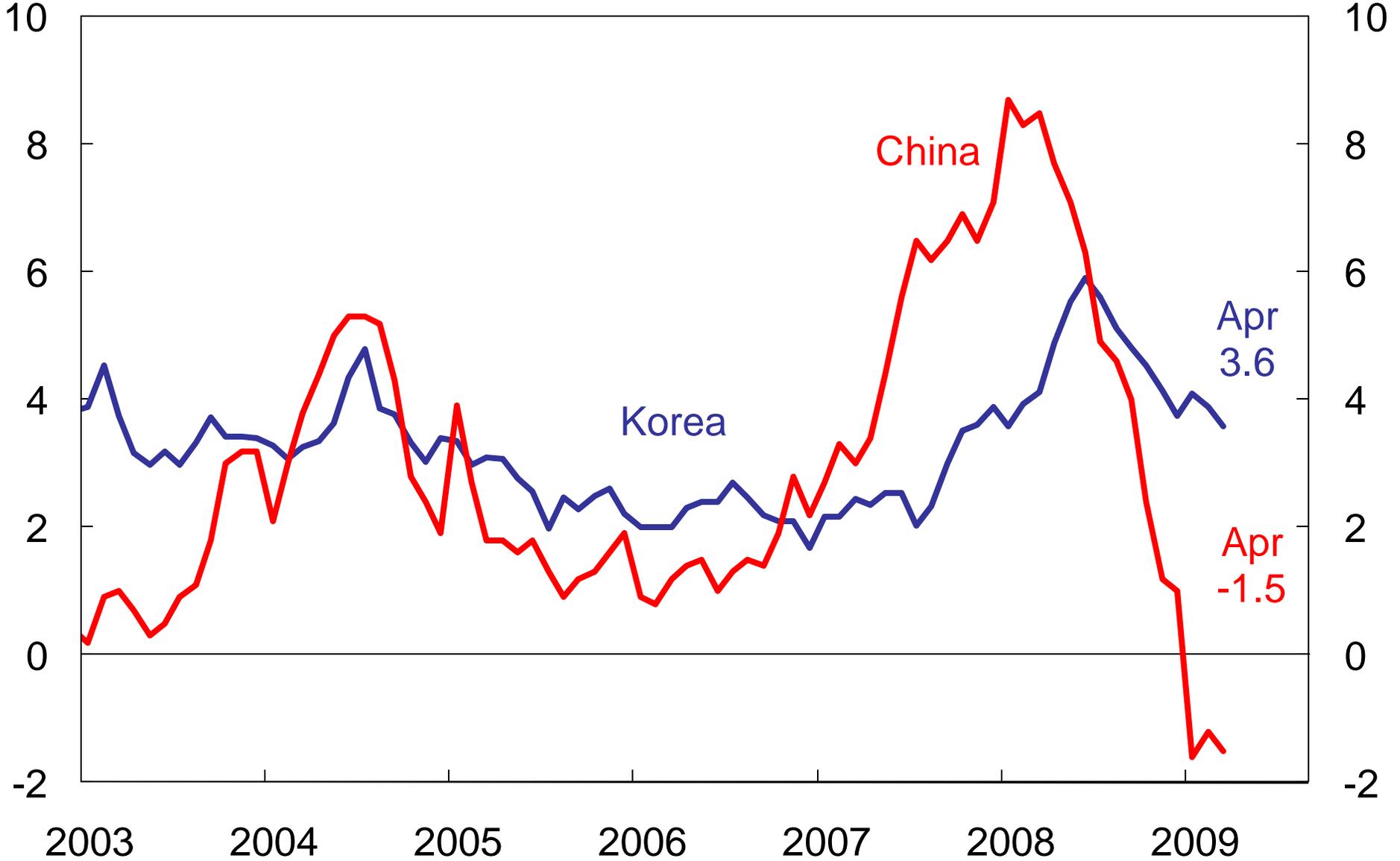
Source: Bloomberg

CPI Inflation



% Change - Year to Year

% Change - Year to Year



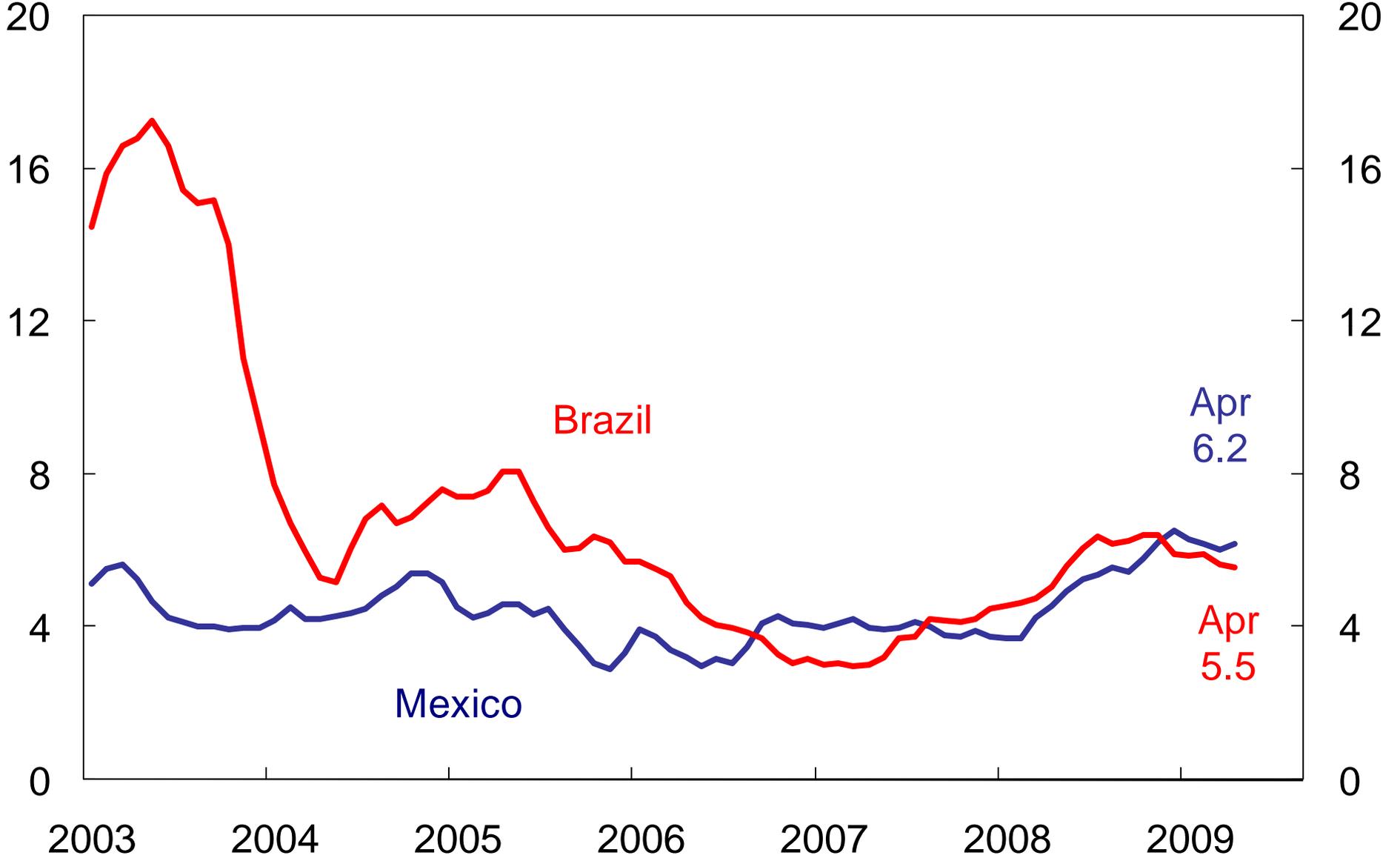
Source: Bloomberg

CPI Inflation



% Change - Year to Year

% Change - Year to Year



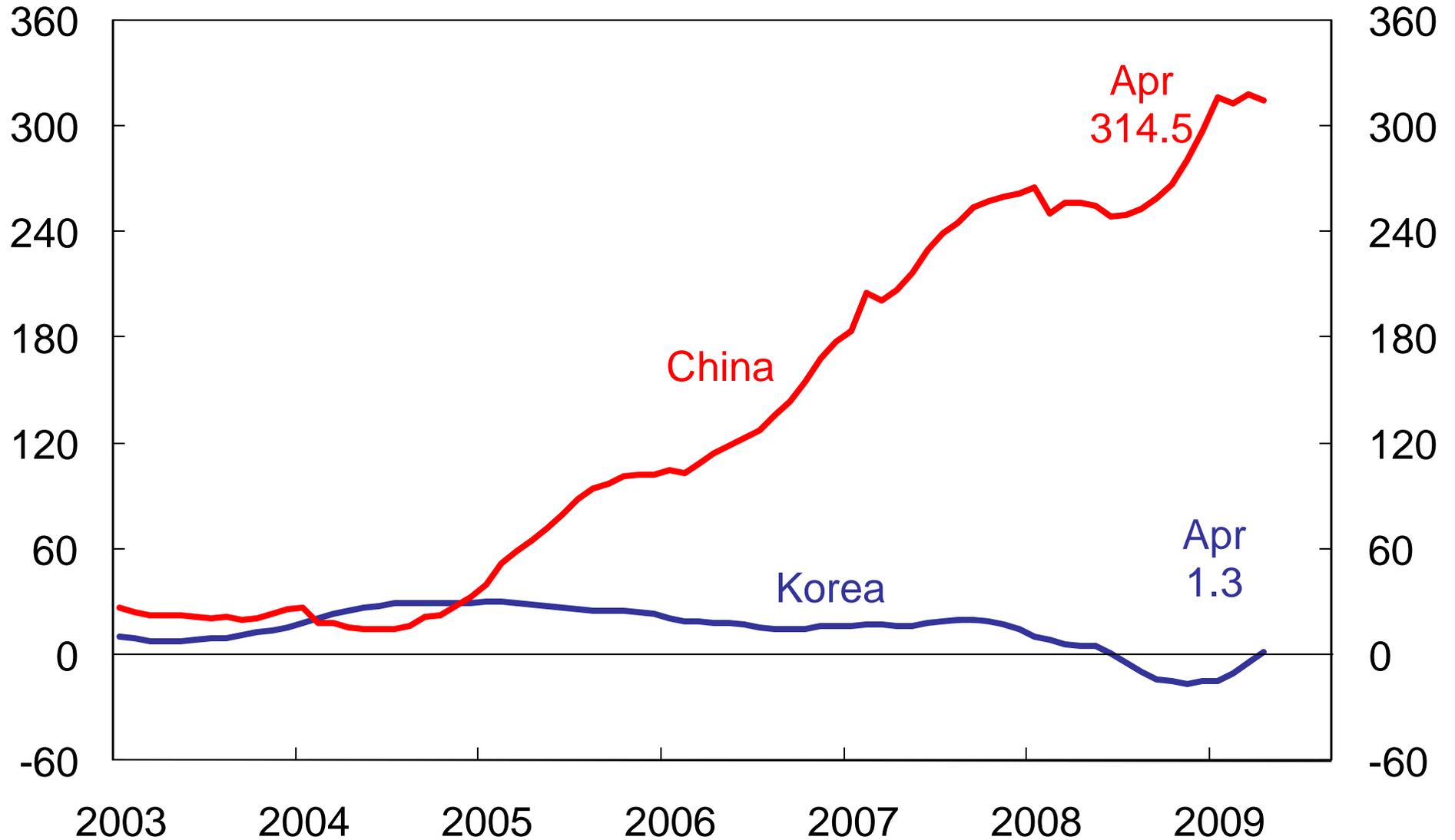
Source: Bloomberg

Merchandise Trade Balance

12-Month Moving Sum

Billions of Dollars

Billions of Dollars



Source: Bloomberg

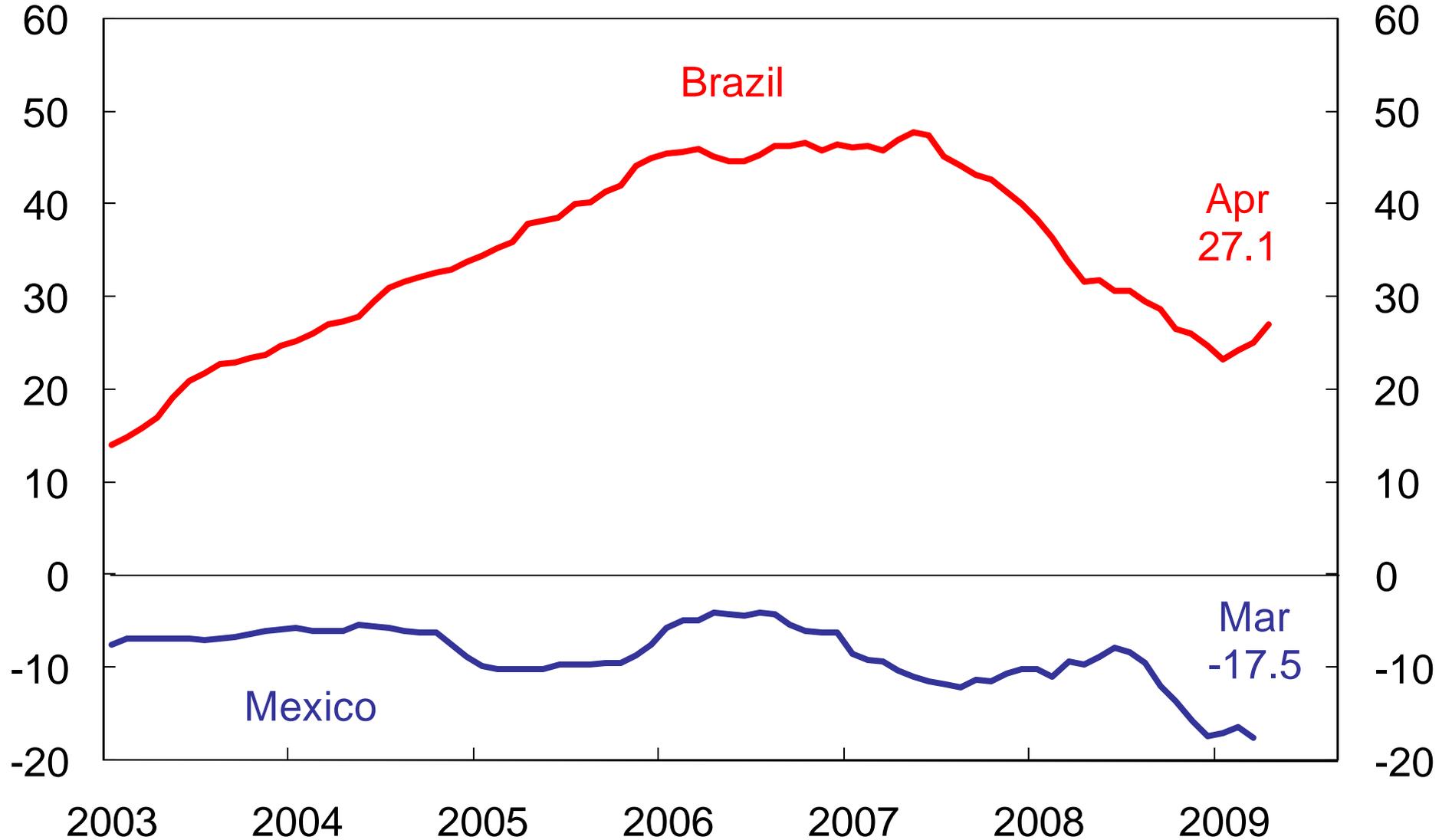


Merchandise Trade Balance

12-Month Moving Sum

Billions of Dollars

Billions of Dollars



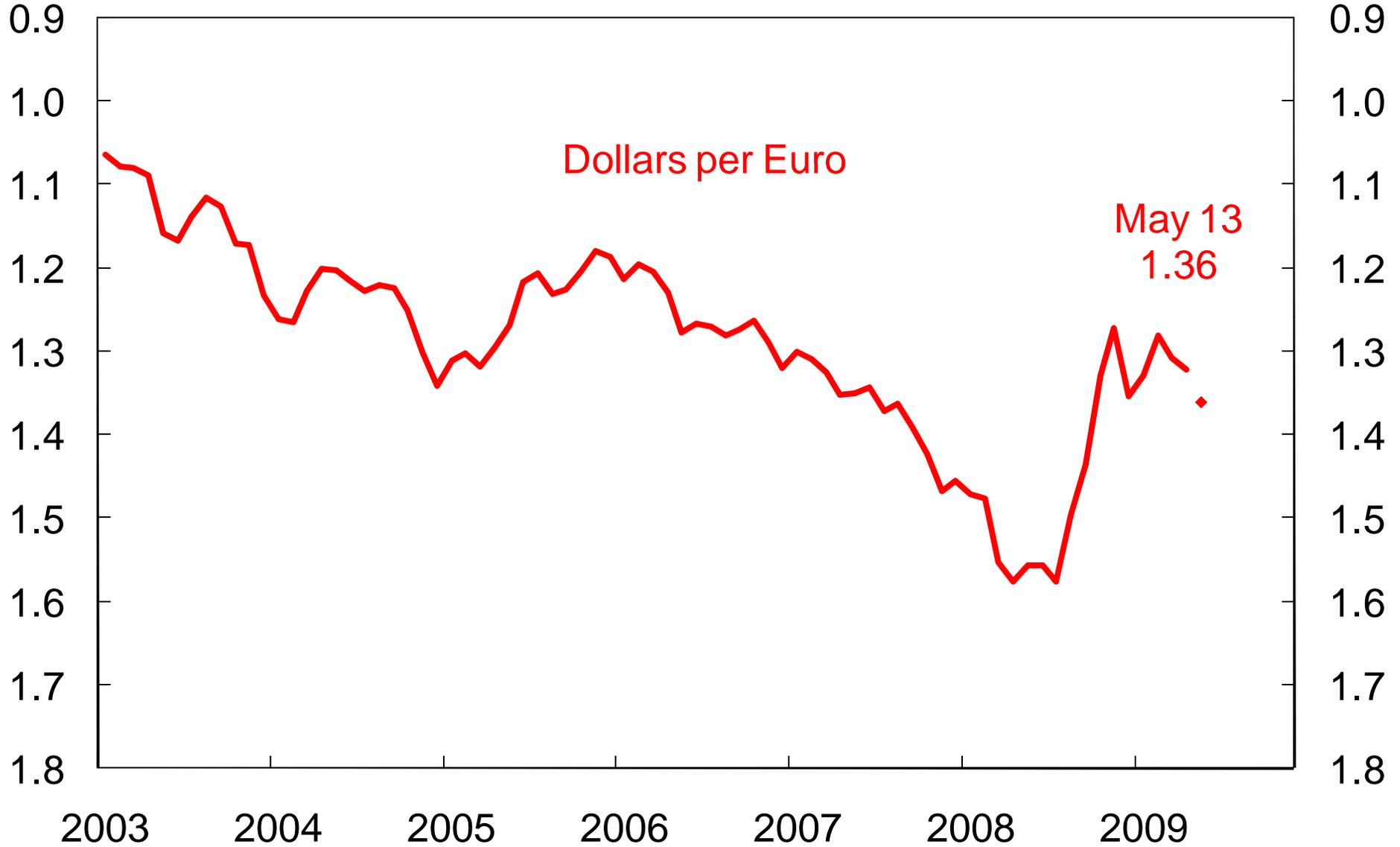
Source: Bloomberg

Dollar-Euro Exchange Rate



Dollar/Euro

Dollar/Euro



Source: Bloomberg

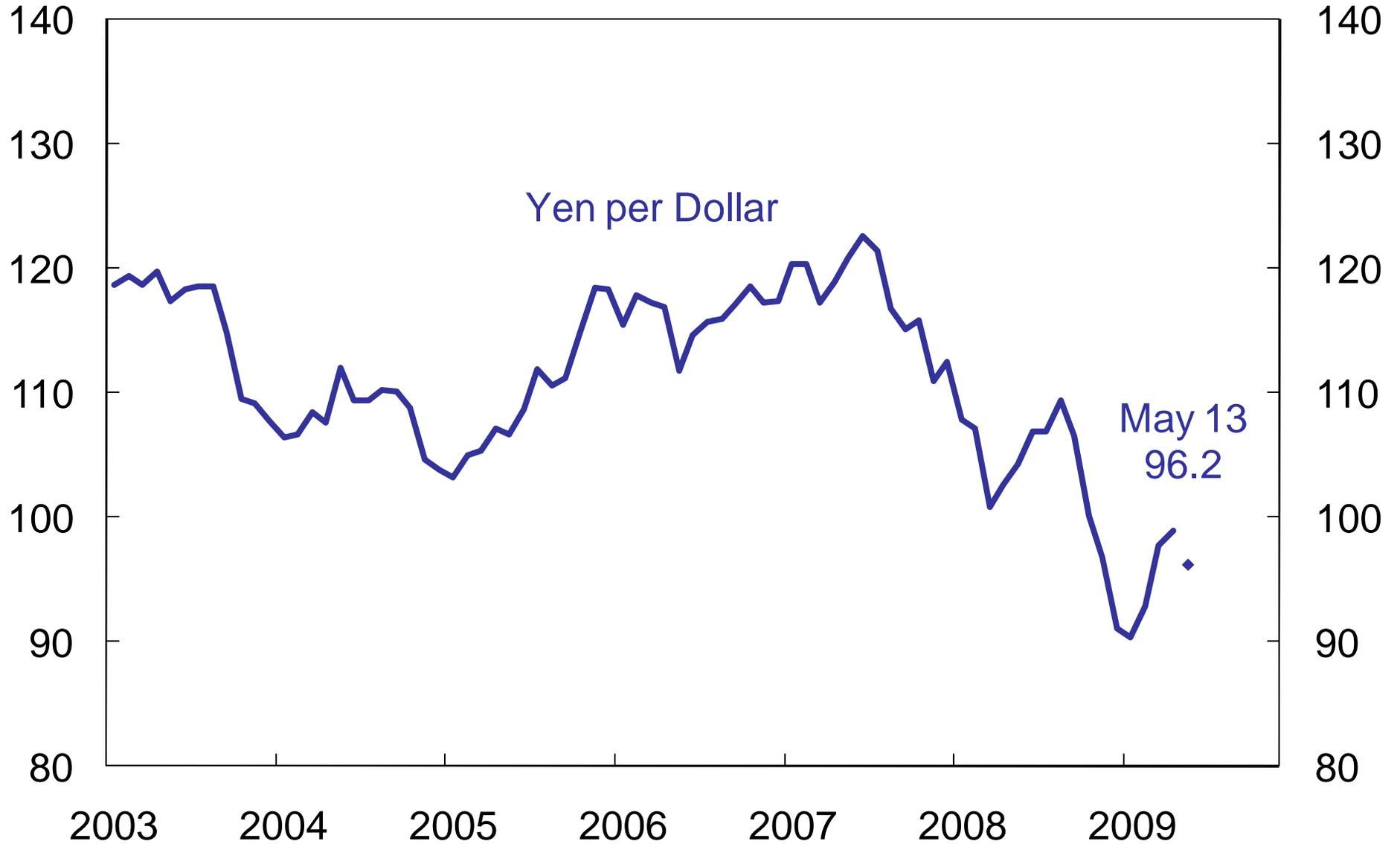
Note: Data are monthly averages.
Exchange rate scale is inverted.

Yen-Dollar Exchange Rate



Yen/Dollar

Yen/Dollar



Source: Bloomberg

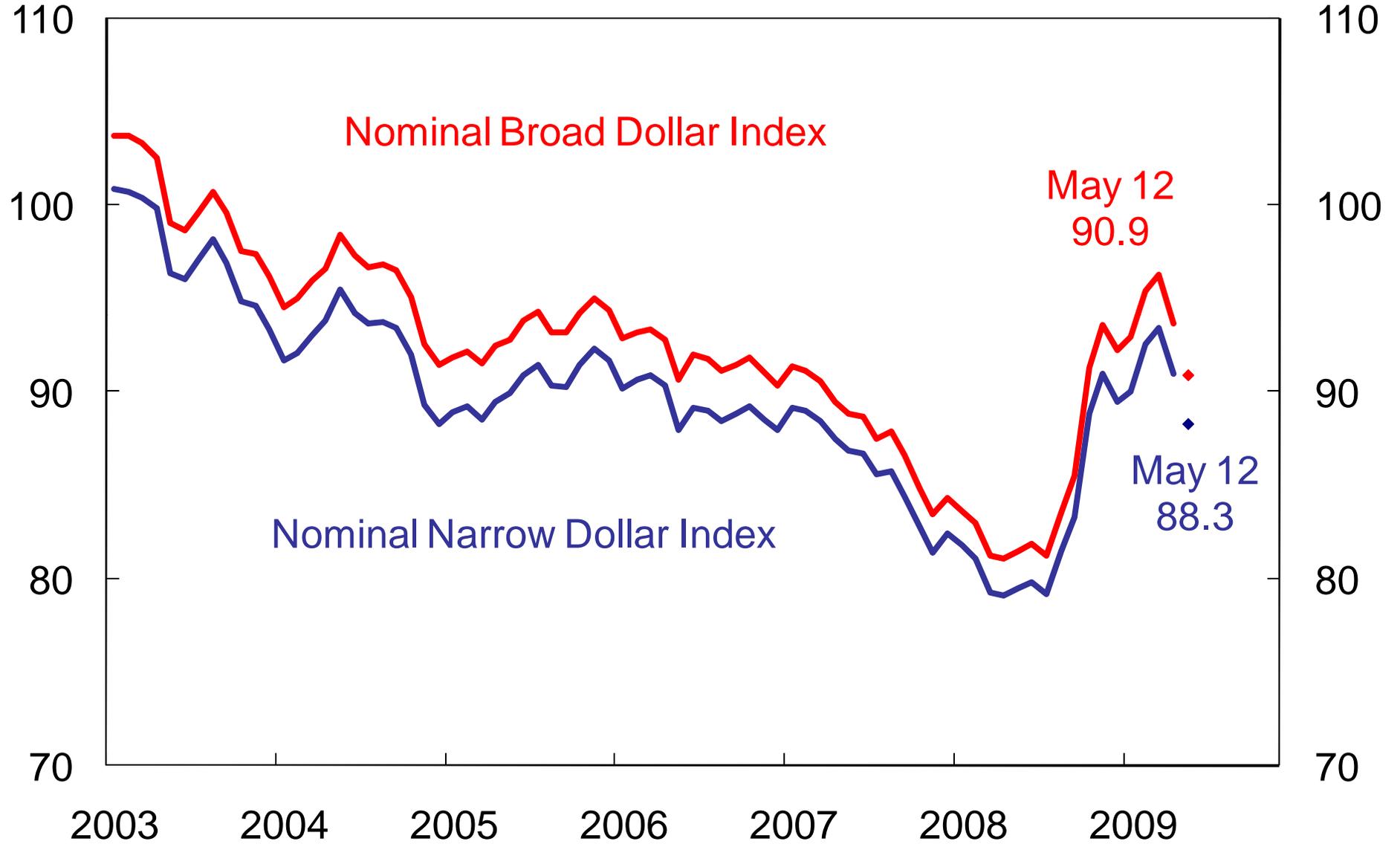
Note: Data are monthly averages.

Nominal Effective Exchange Rates



Index, 2000 = 100

Index, 2000 = 100



Source: Bloomberg and JPMorgan

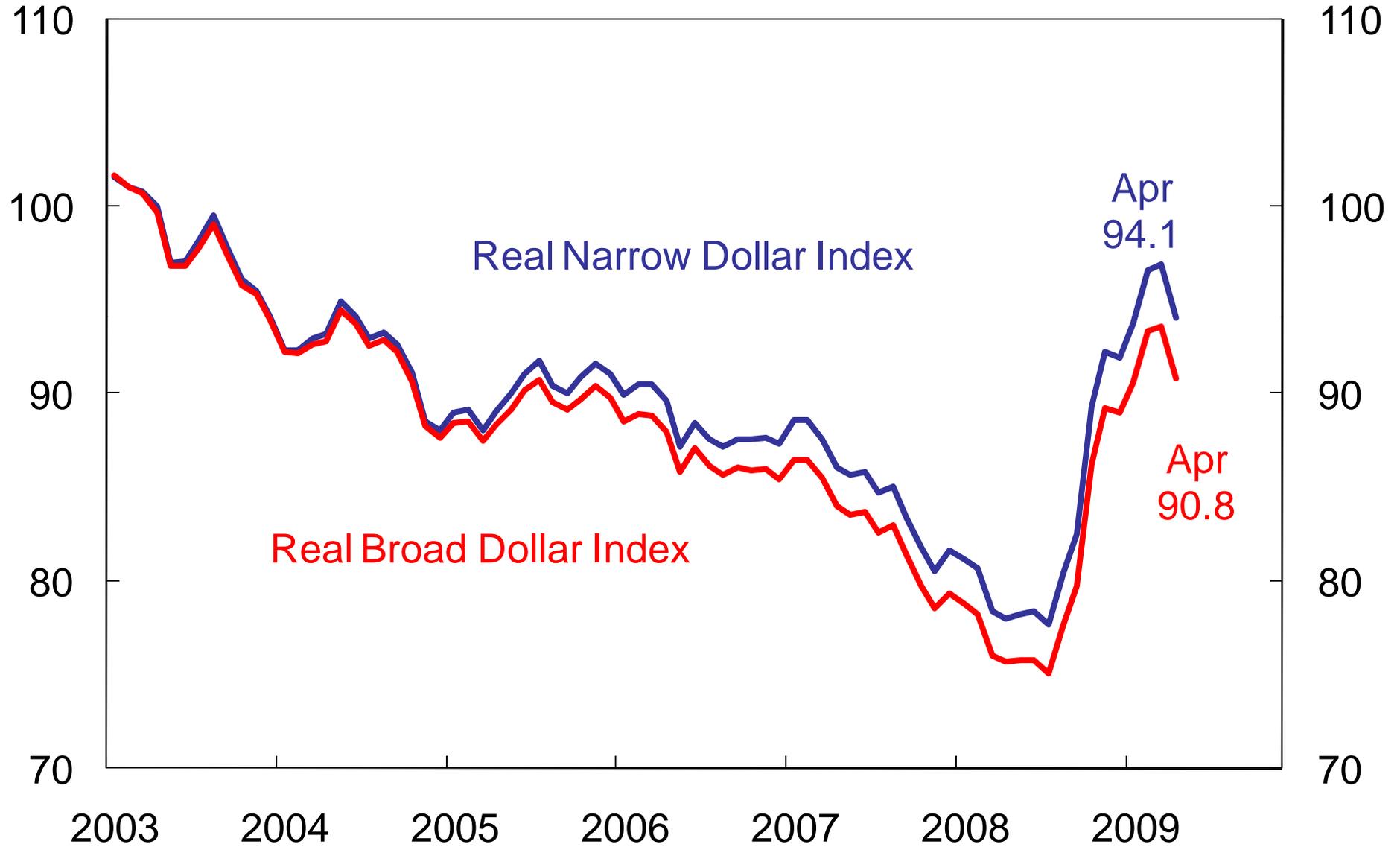
Note: Data are monthly averages.

Real Effective Exchange Rates



Index, 2000 = 100

Index, 2000 = 100

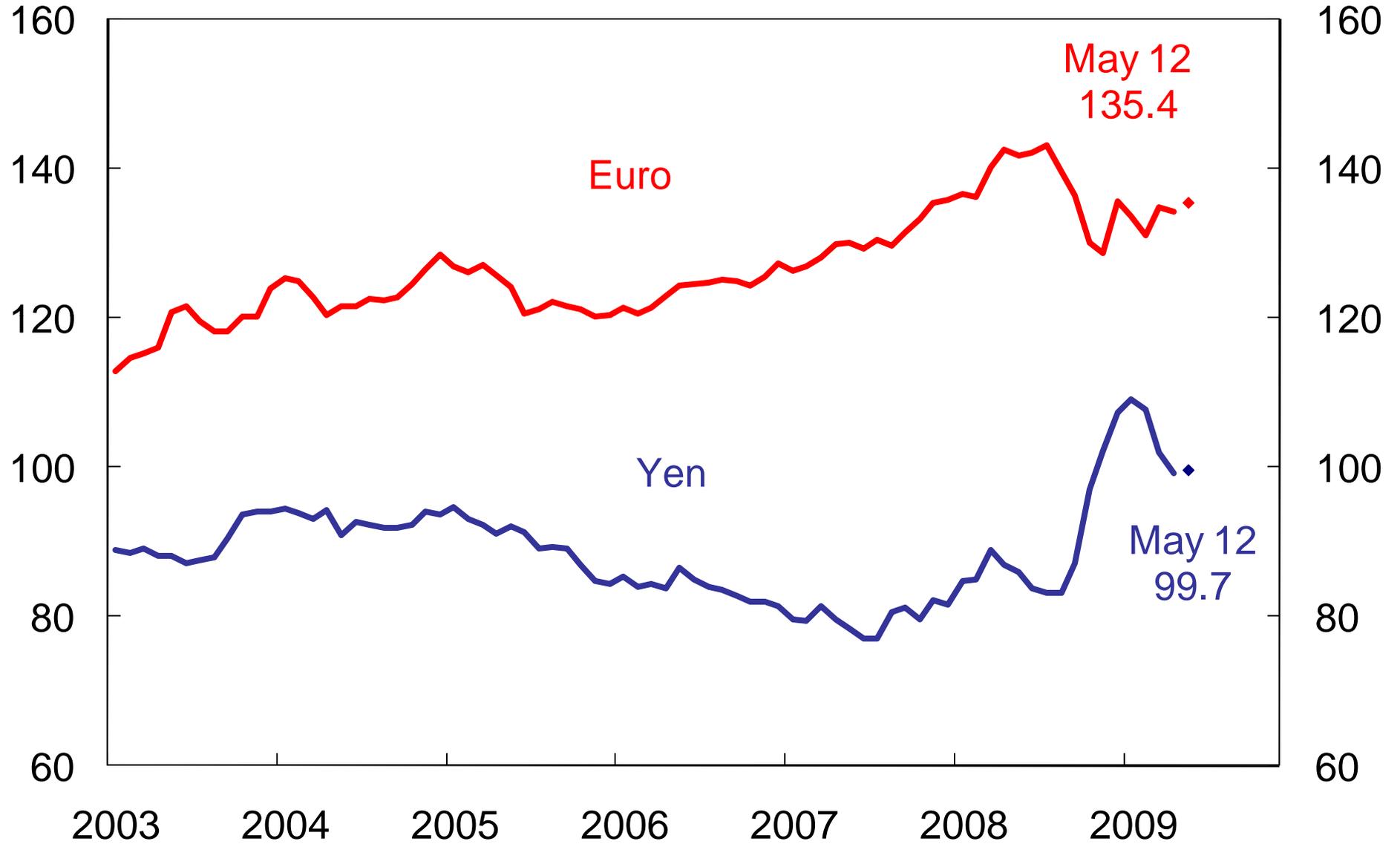


Source: Bloomberg and JPMorgan

Euro Area and Japan Effective Exchange Rates

Index, 2000 = 100

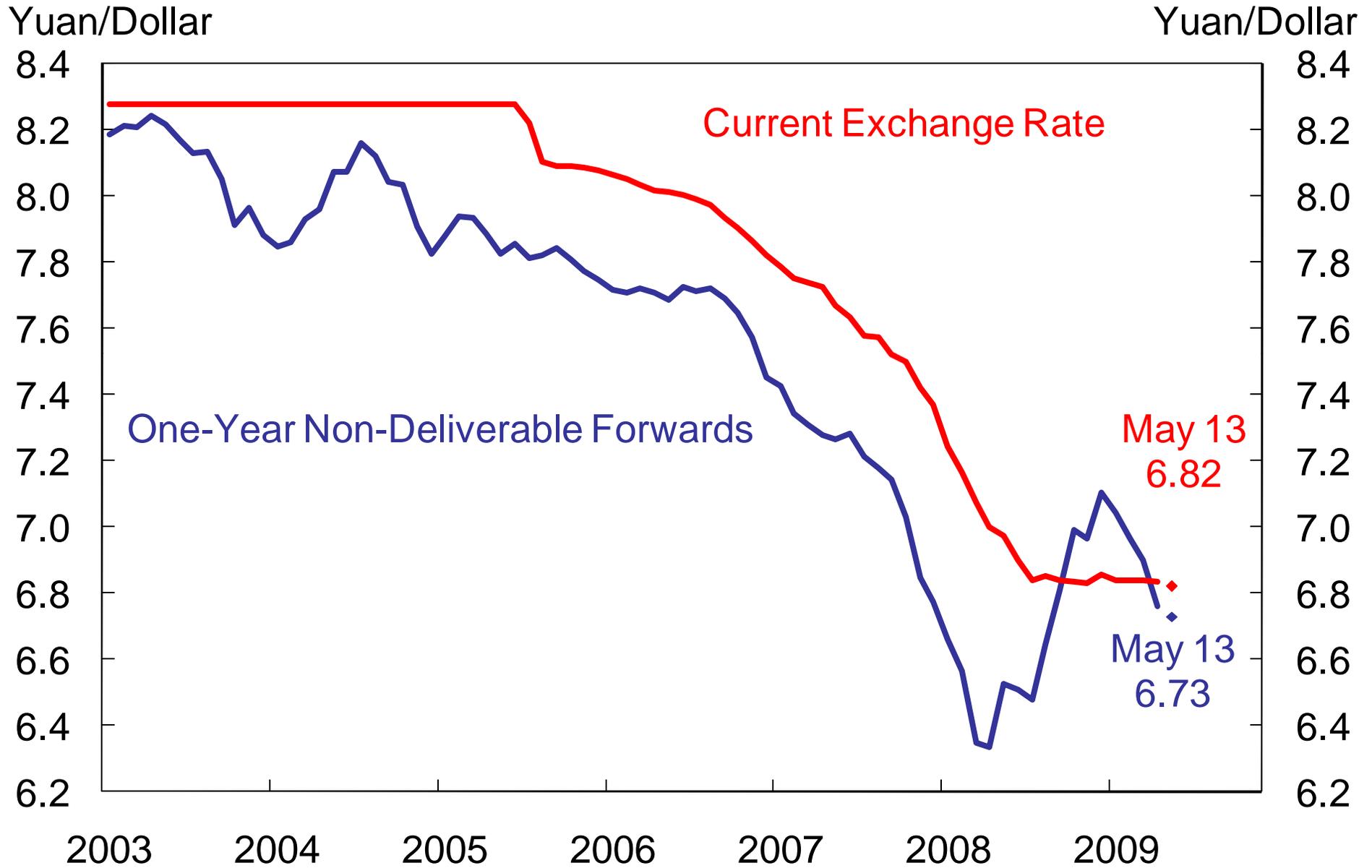
Index, 2000 = 100



Source: Bloomberg and JPMorgan

Note: Data are monthly averages.

China Exchange Rates



Source: Bloomberg

Note: Data are monthly averages.

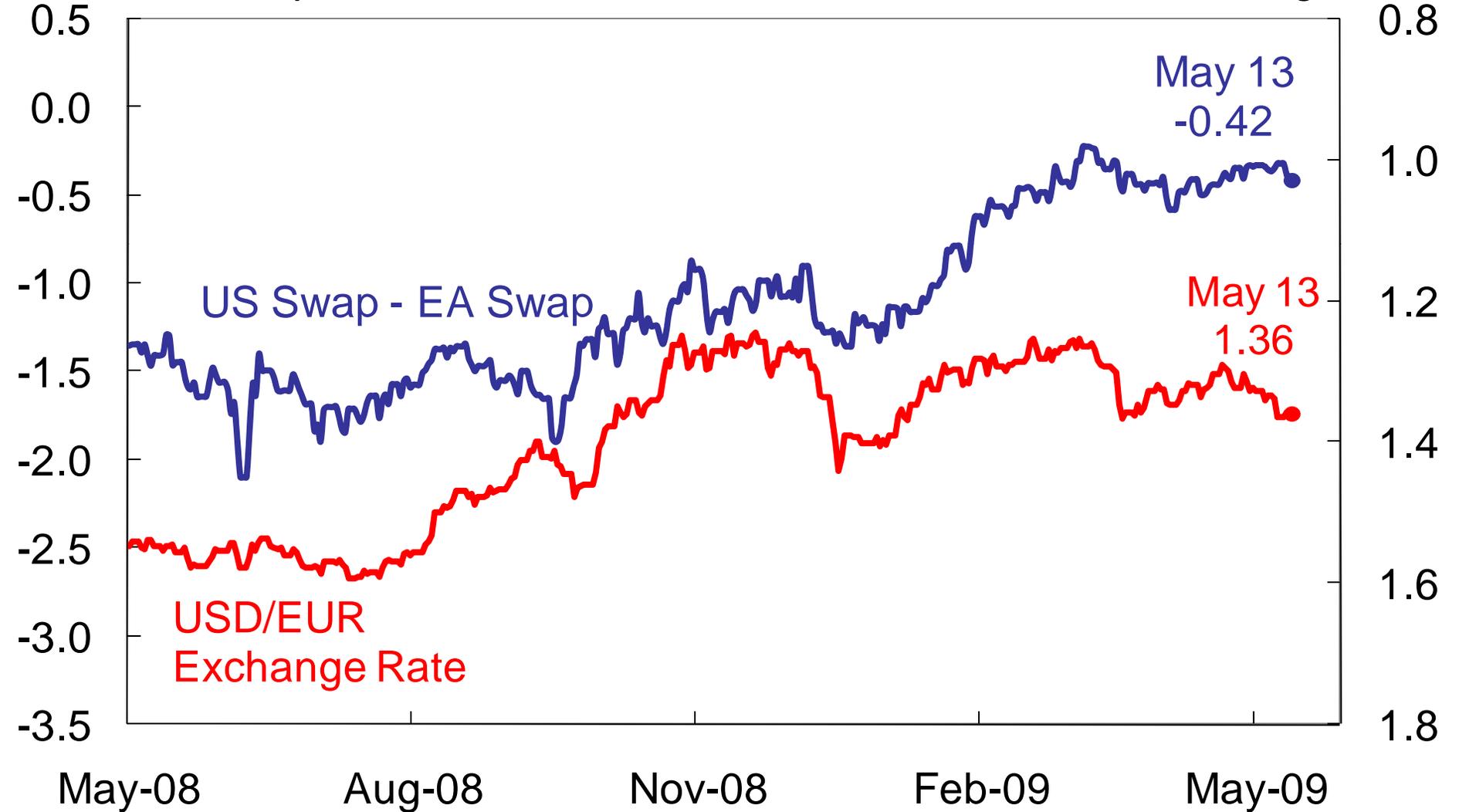
US vs. Euro Area

Interest Rate Swap (2Y) Differentials and Exchange Rates



Interest Rate Spread

Exchange Rate



Source: Bloomberg

ER scale inverted.

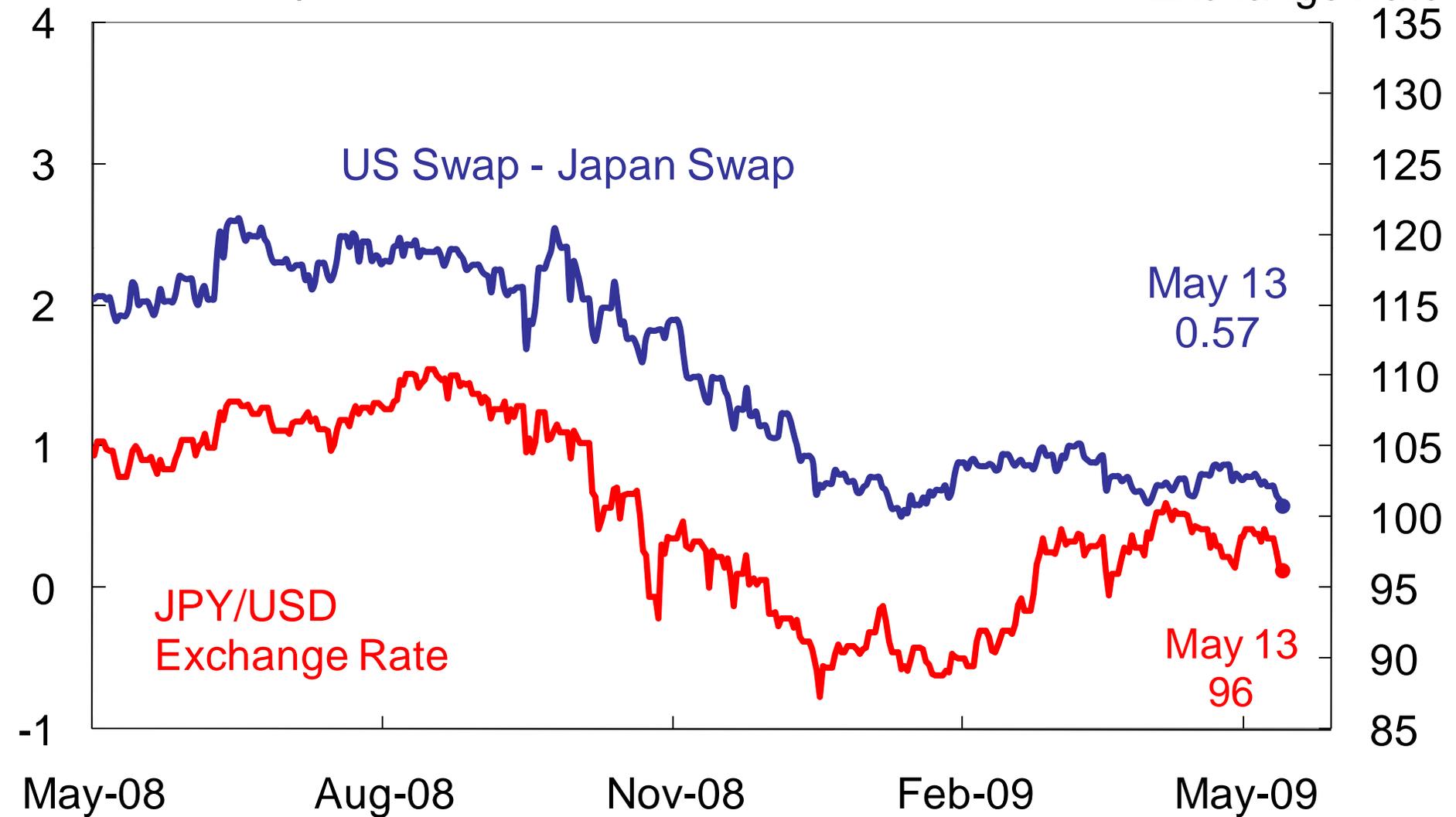
US vs. Japan

Interest Rate Swap (2Y) Differentials and Exchange Rates



Interest Rate Spread

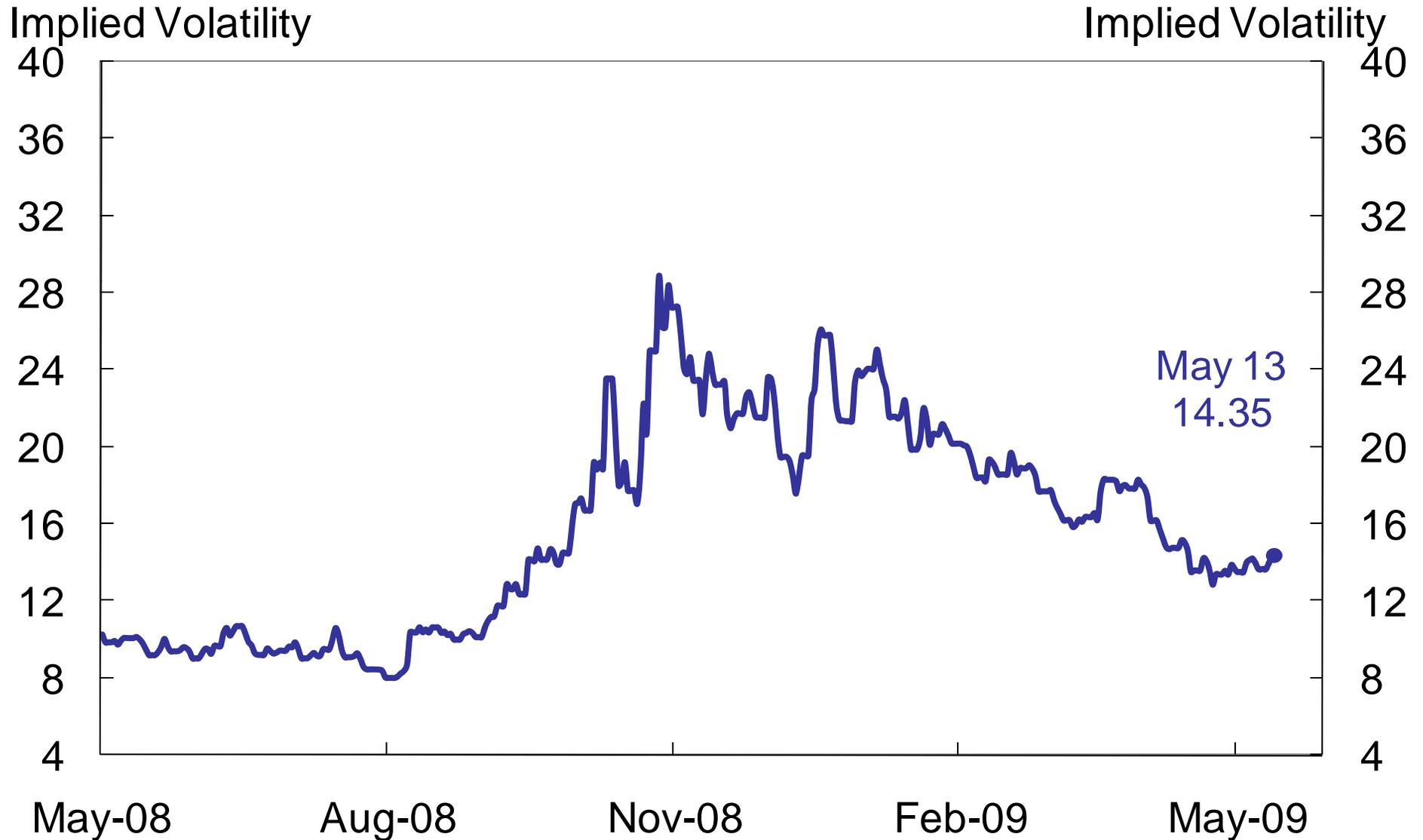
Exchange Rate



Source: Bloomberg

US vs. Euro Area

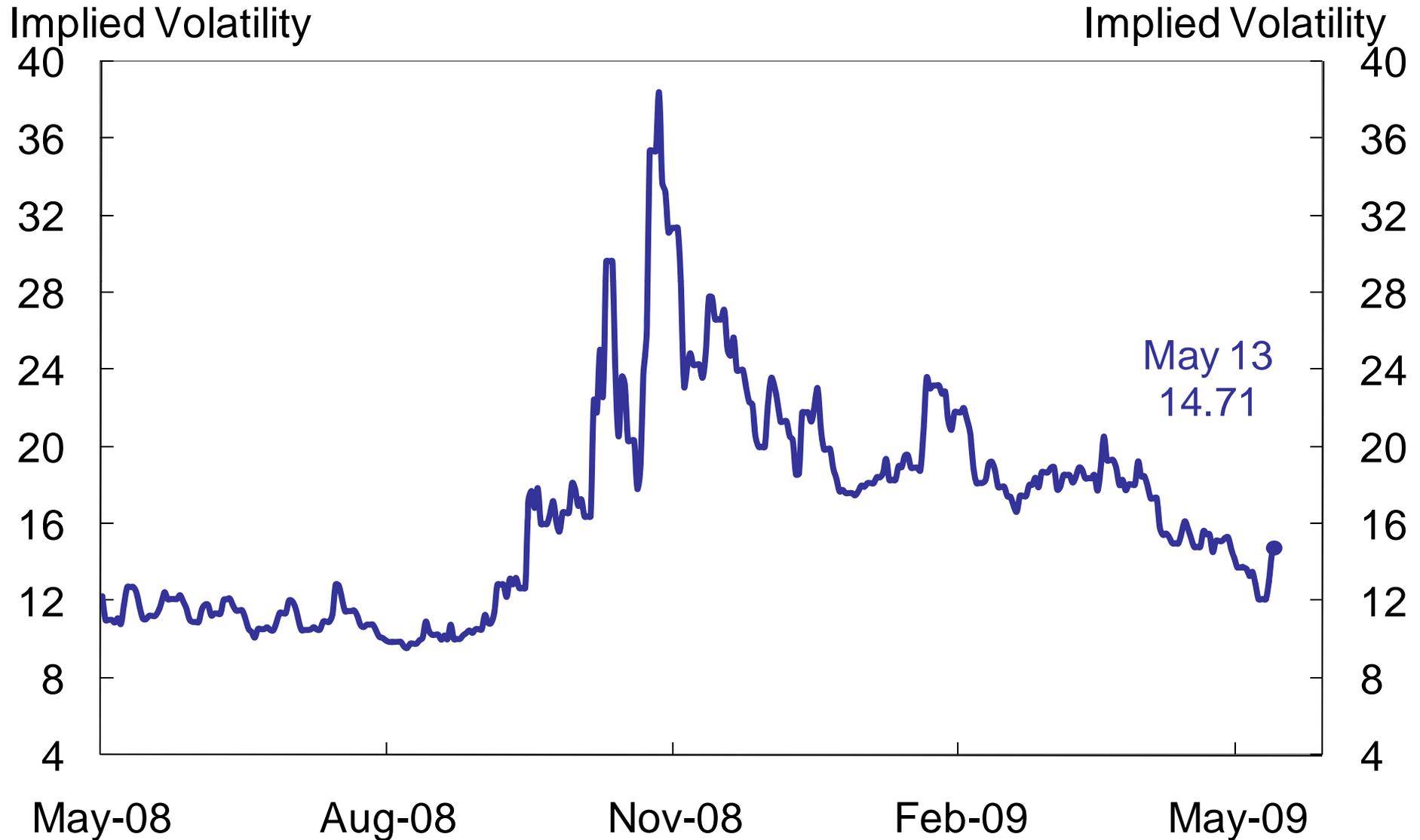
Implied Option Volatility (1-Month)



Source: Bloomberg

US vs. Japan

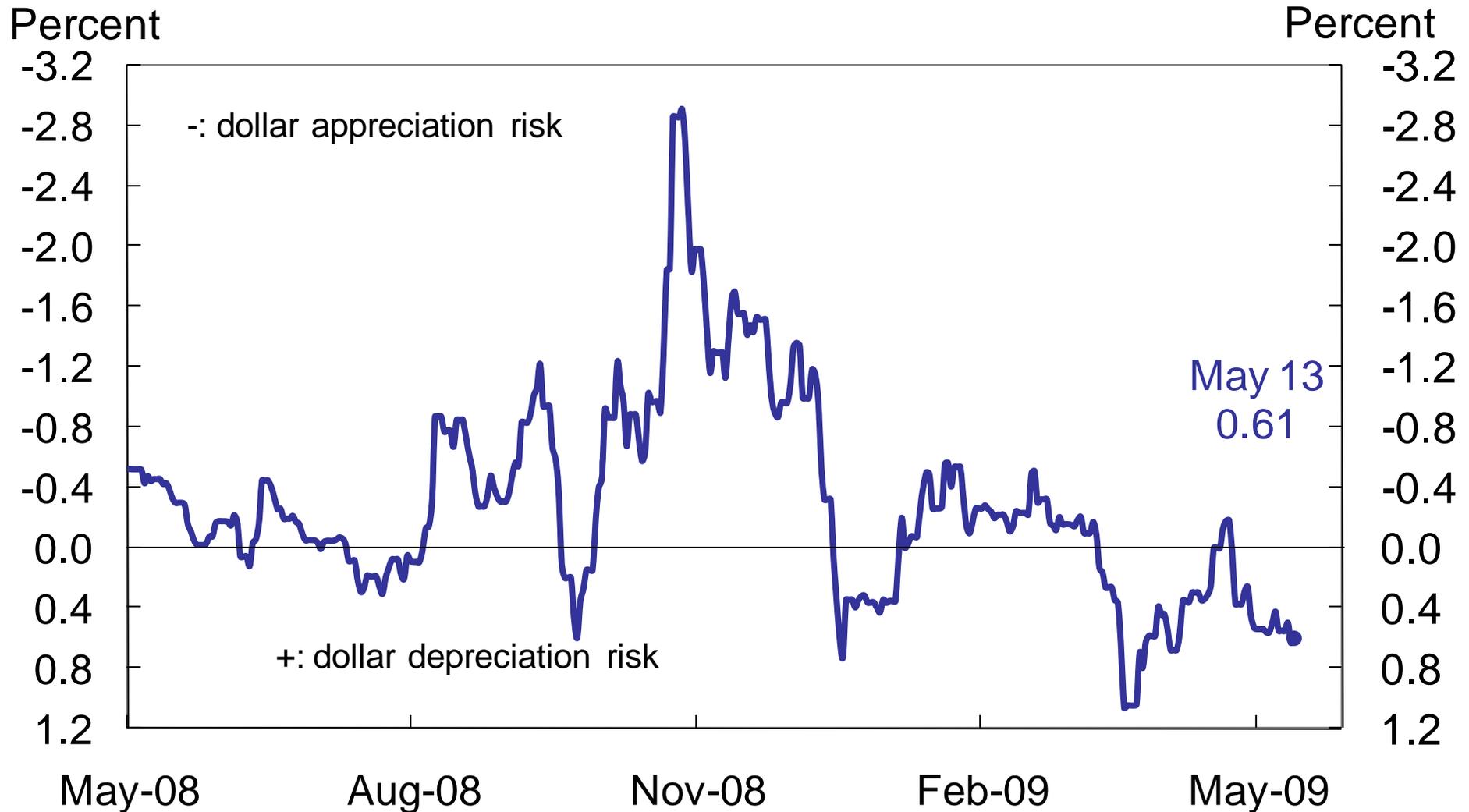
Implied Option Volatility (1-Month)



Source: Bloomberg

US vs. Euro Area

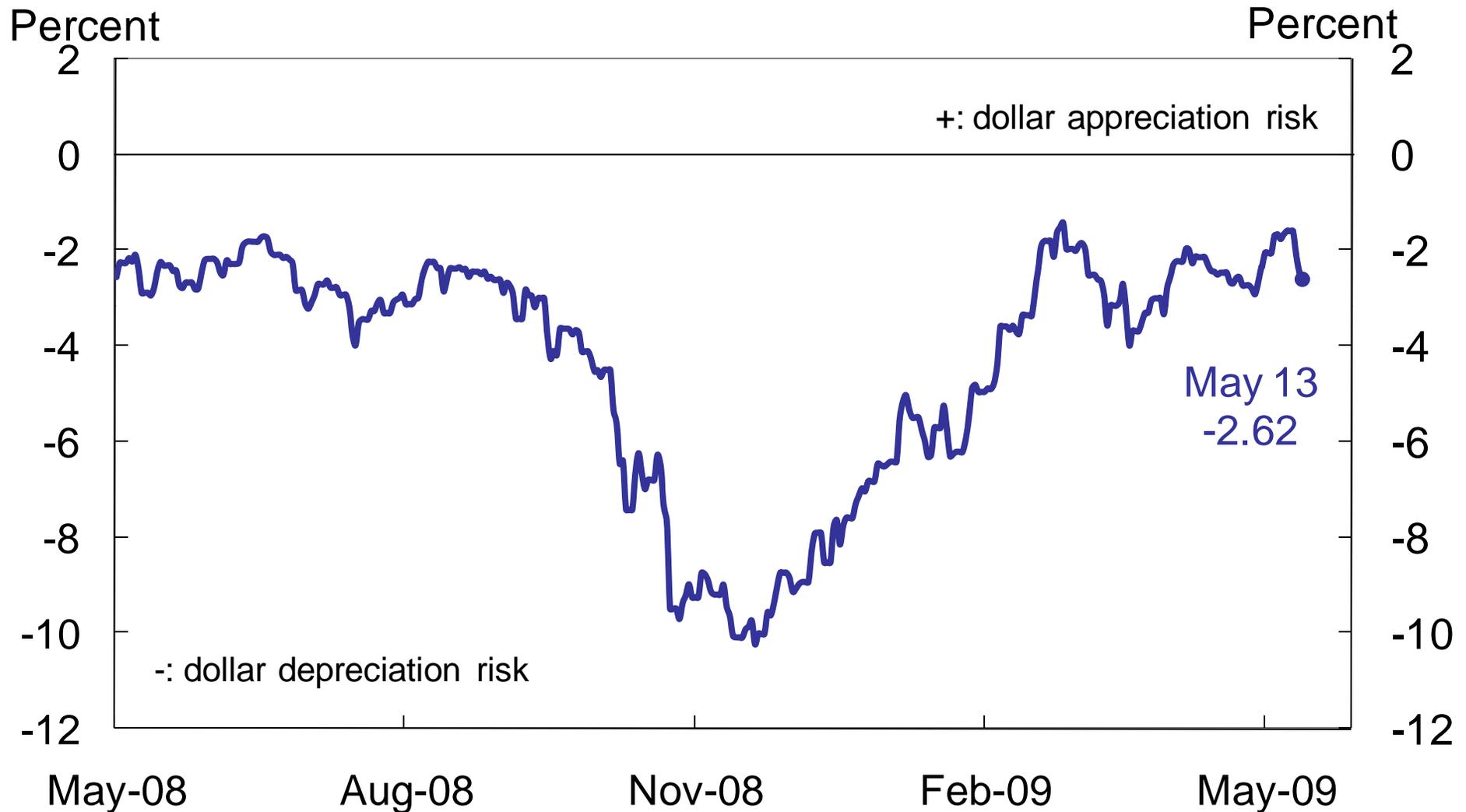
Risk Reversal (1-Month)



Source: Bloomberg. RR = Price of call option on euro minus price of put option. Scale is inverted
Positive (negative) risk reversal implies more risk that the dollar will depreciate (appreciate)

US vs. Japan

Risk Reversal (1-Month)



Source: Bloomberg. RR = Price of call option on dollar minus price of put option

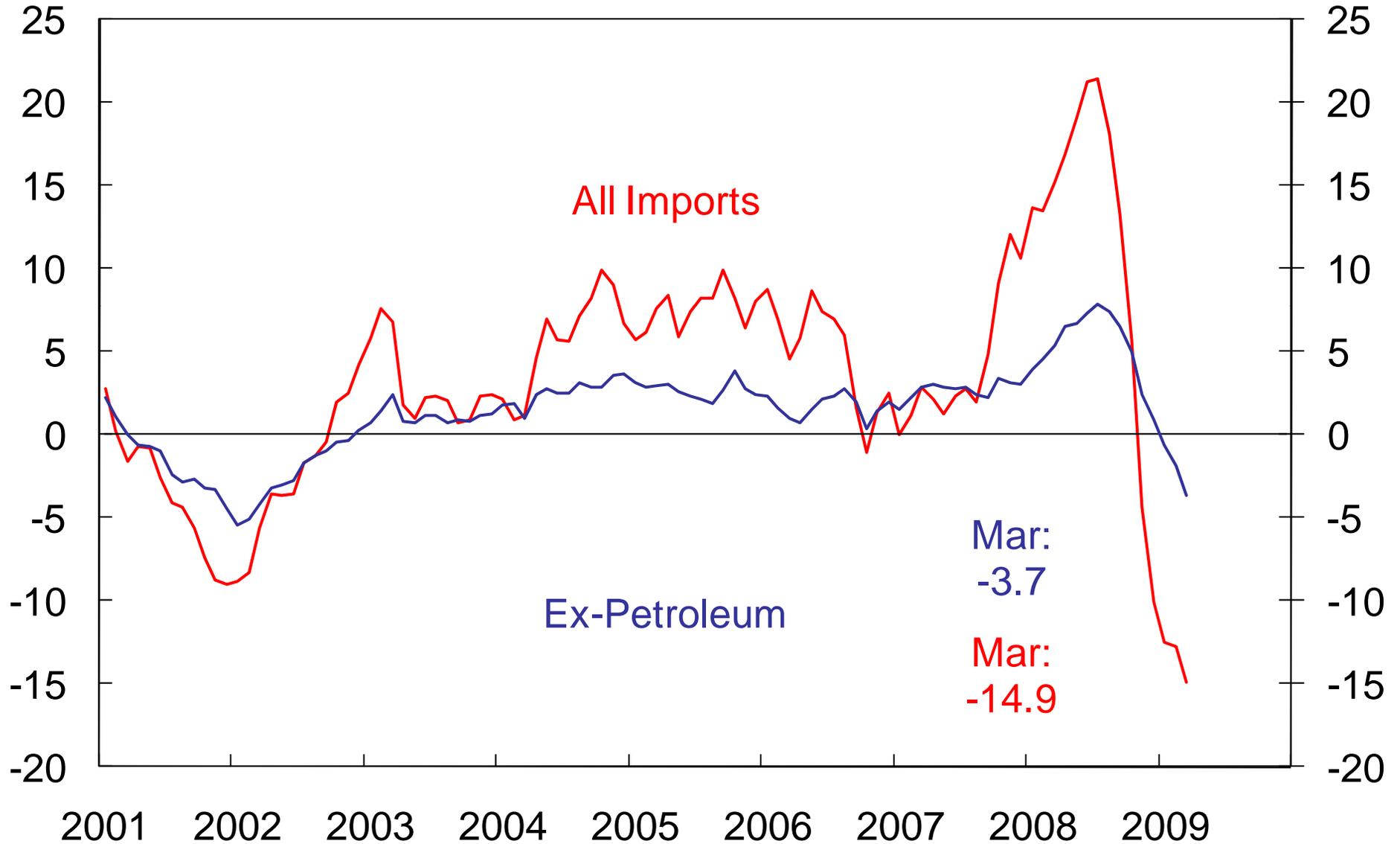
Positive (negative) risk reversal implies more risk that the dollar will appreciate (depreciate)



Import Prices: Aggregate Import Prices

% Change - Year to Year

% Change - Year to Year



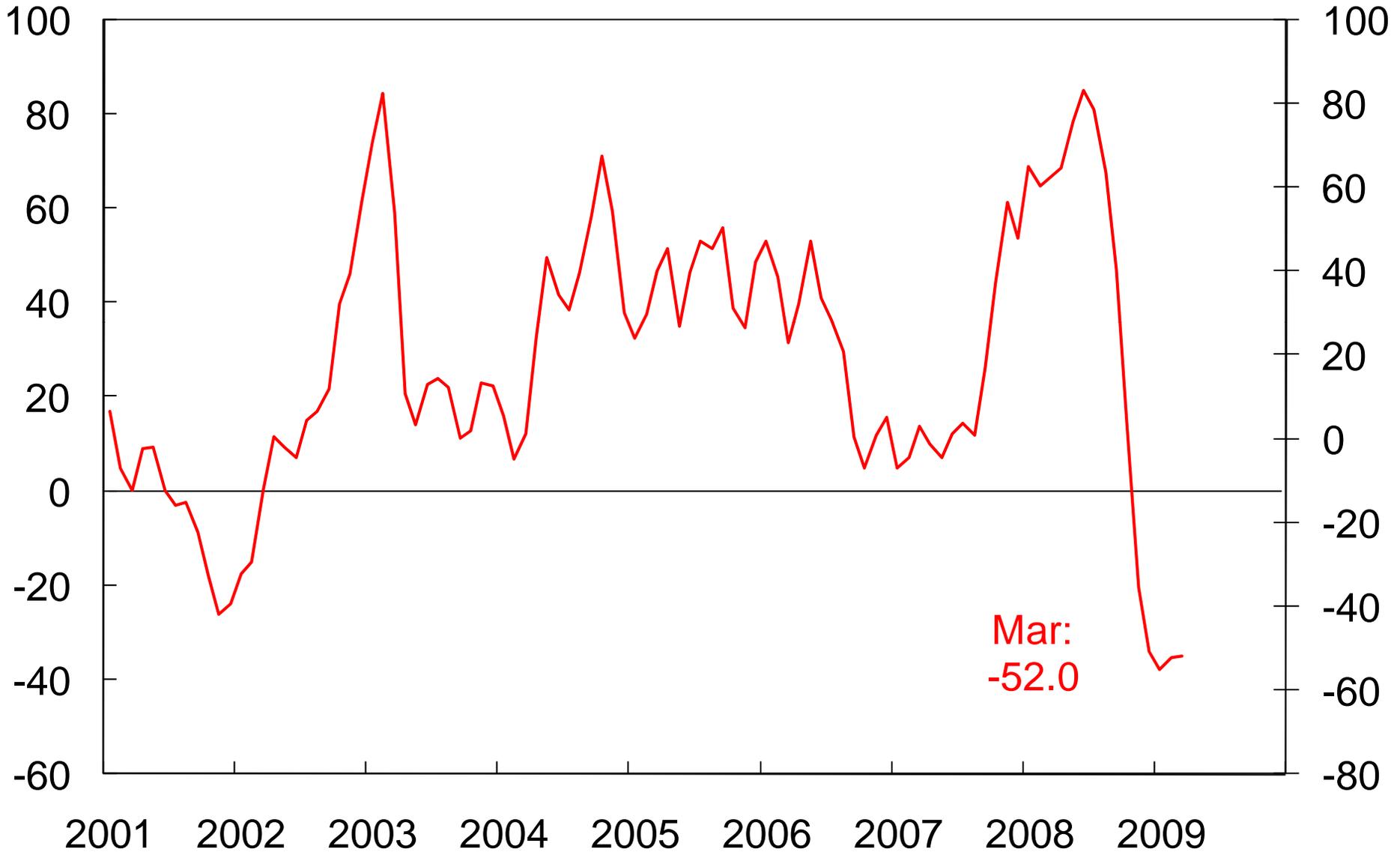
Source: Bureau of Labor Statistics

Import Prices: Petroleum and Petroleum Products



% Change - Year to Year

% Change - Year to Year



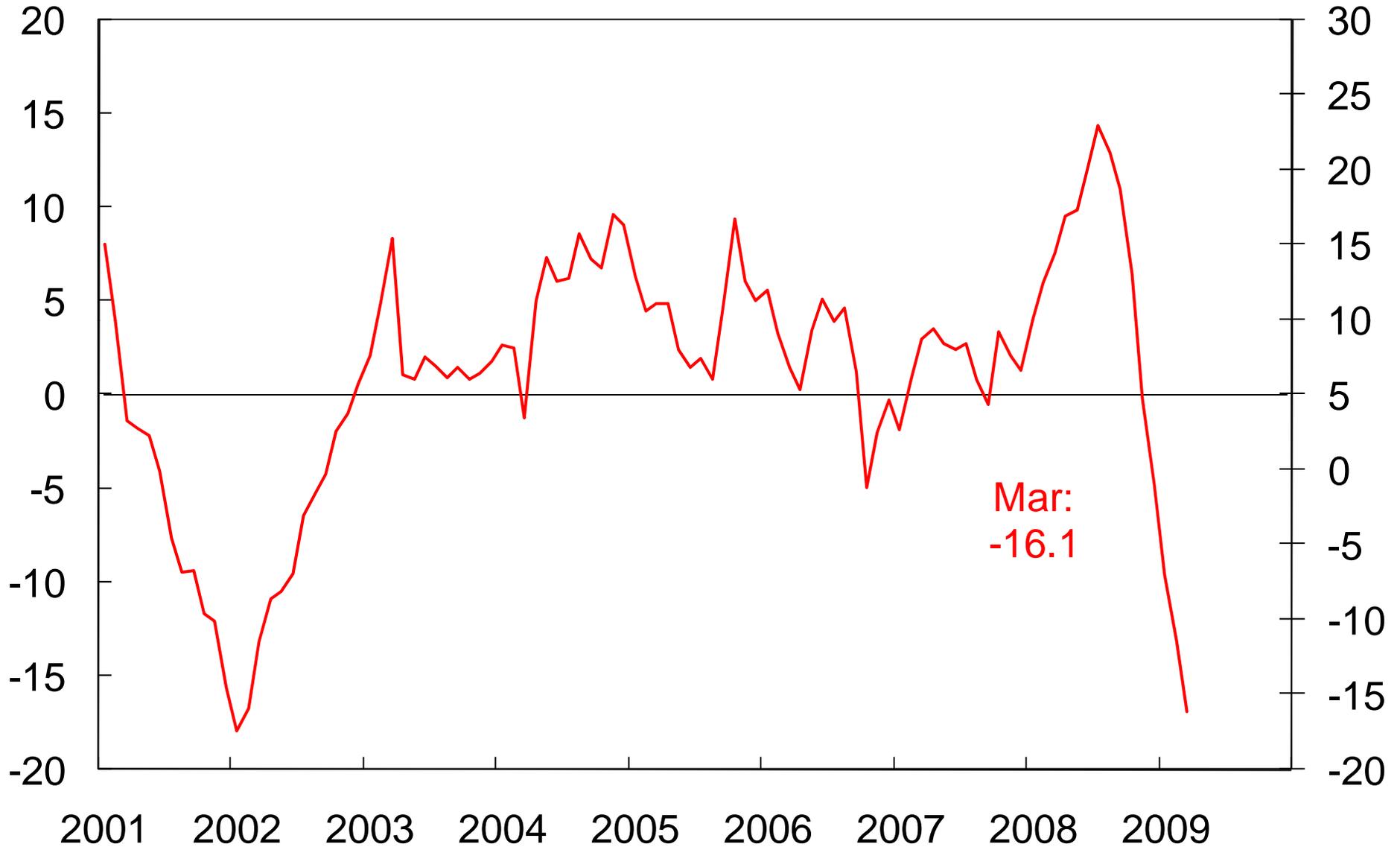
Source: Bureau of Labor Statistics

Import Prices: Industrial Supplies, Ex. Petroleum



% Change - Year to Year

% Change - Year to Year



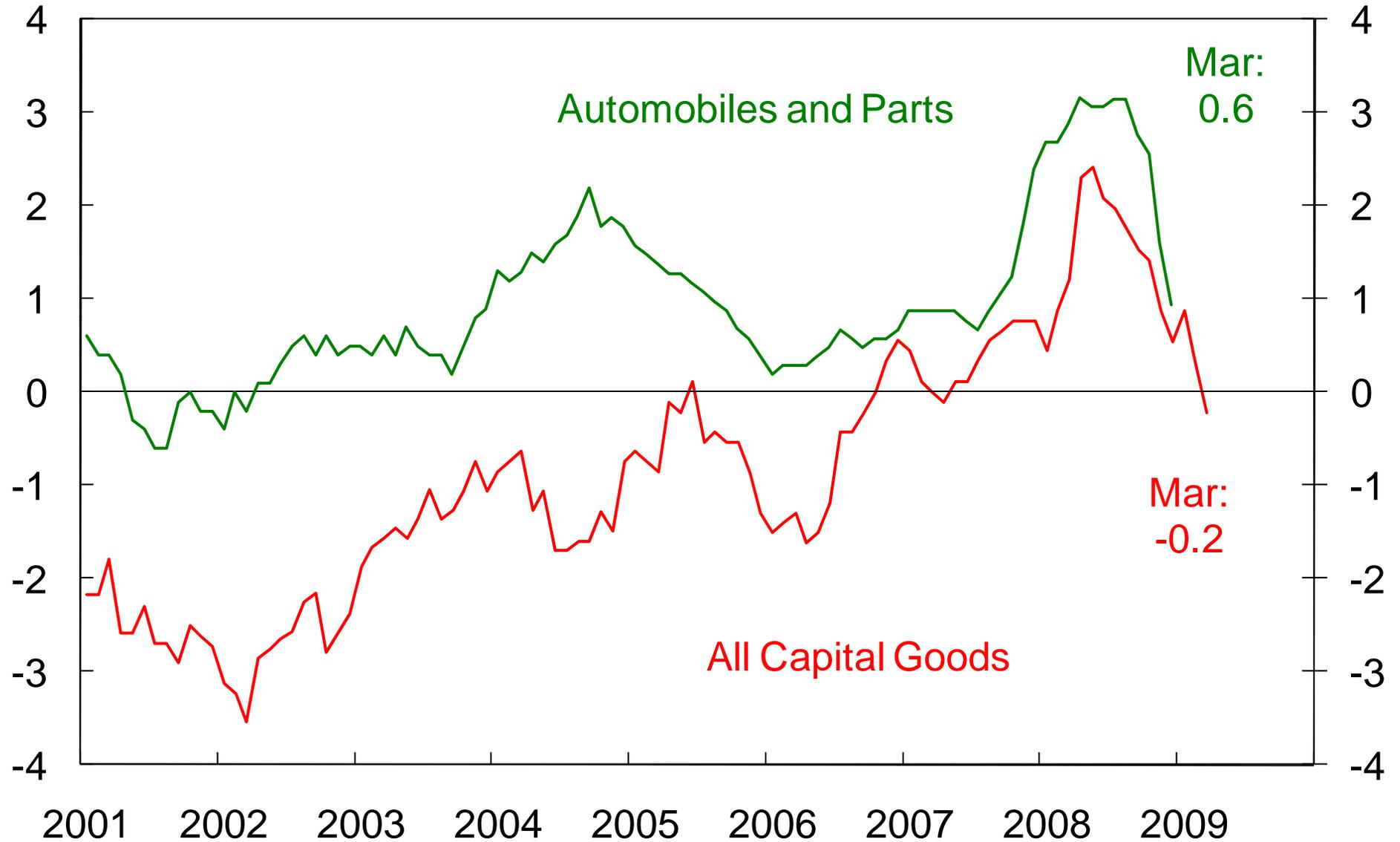
Source: Bureau of Labor Statistics

Import Prices: Capital Goods and Autos



% Change - Year to Year

% Change - Year to Year



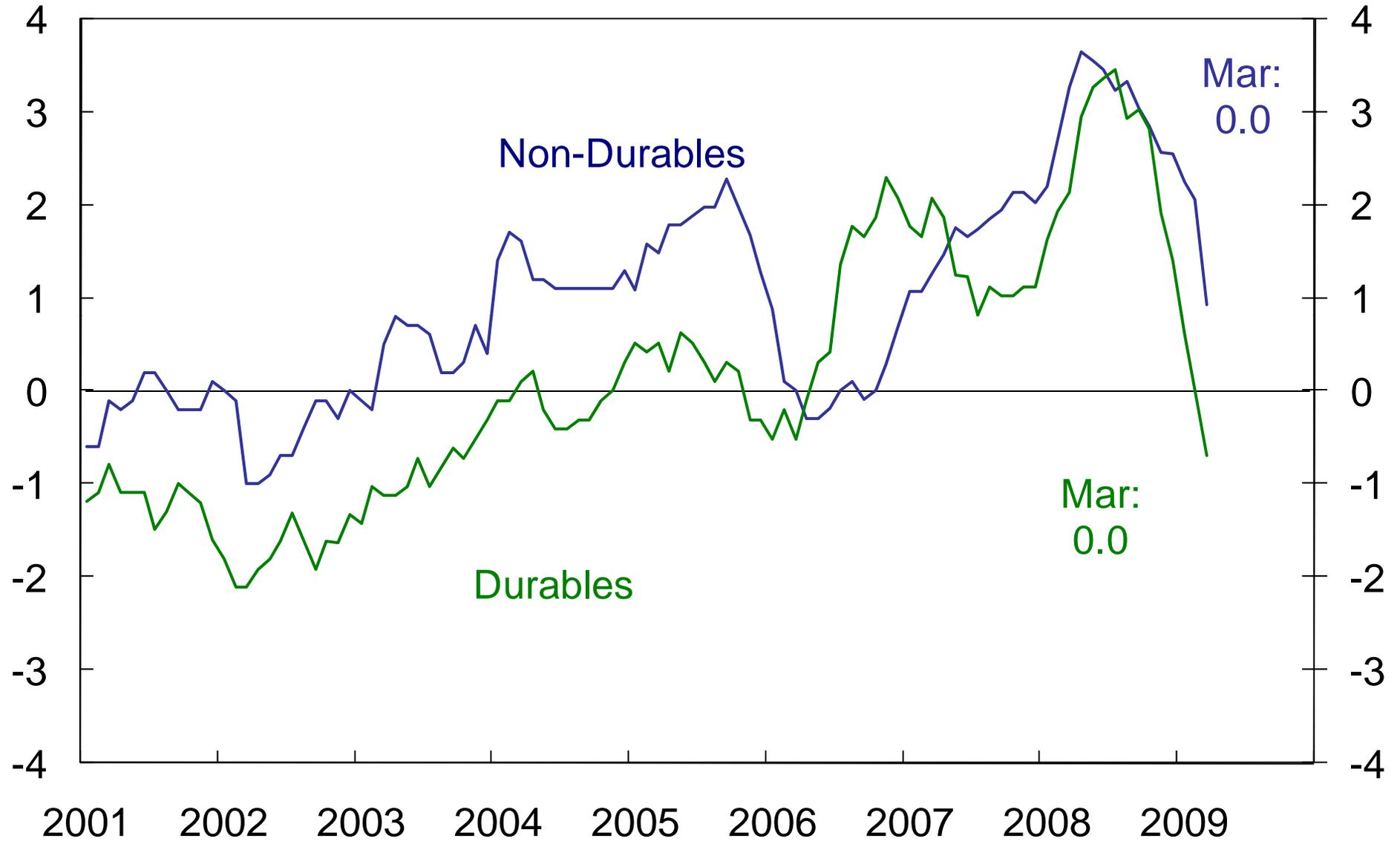
Source: Bureau of Labor Statistics

Import Prices: Consumer Goods



% Change - Year to Year

% Change - Year to Year



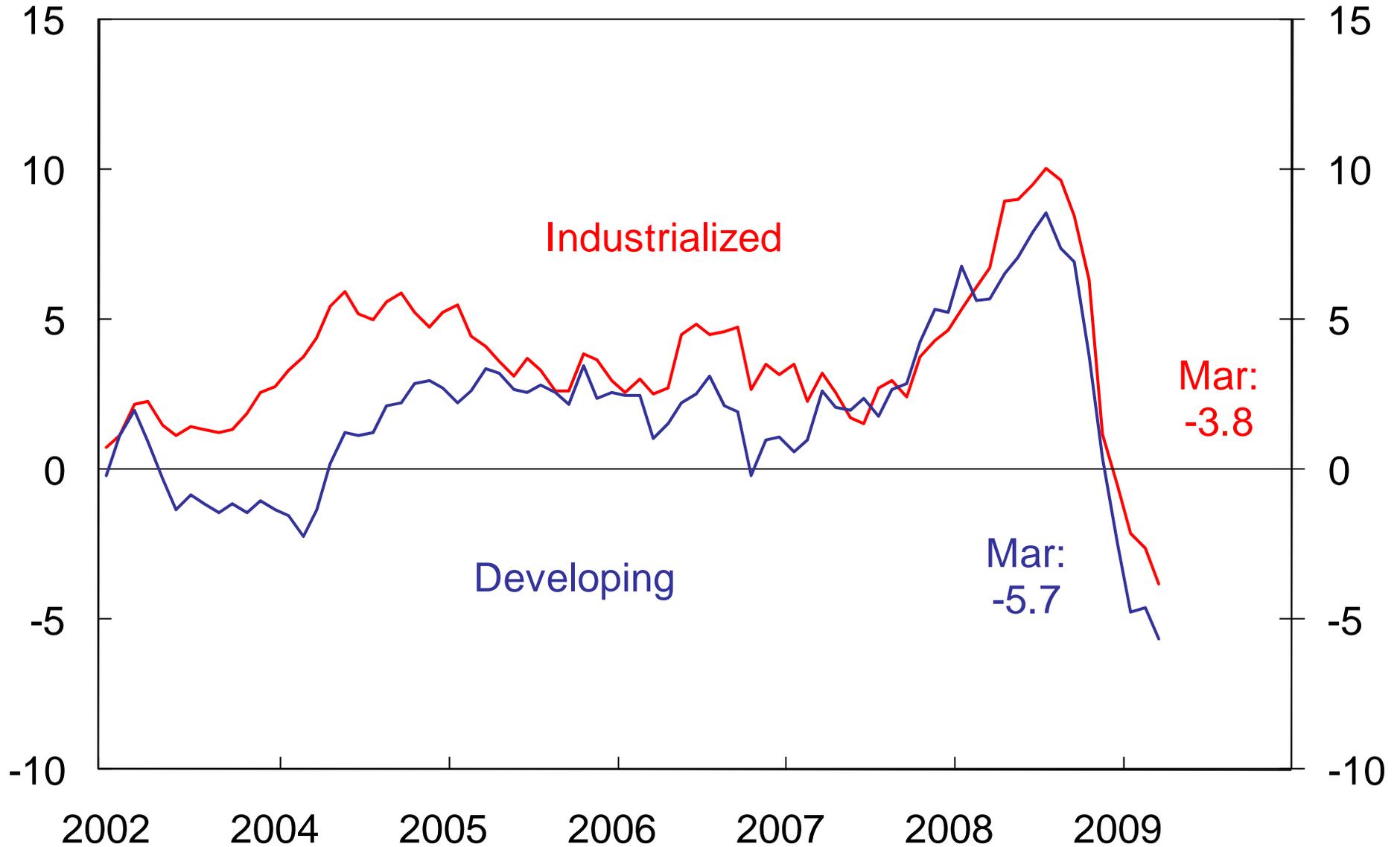
Source: Bureau of Labor Statistics

Import Prices: World Economies



% Change - Year to Year

% Change - Year to Year



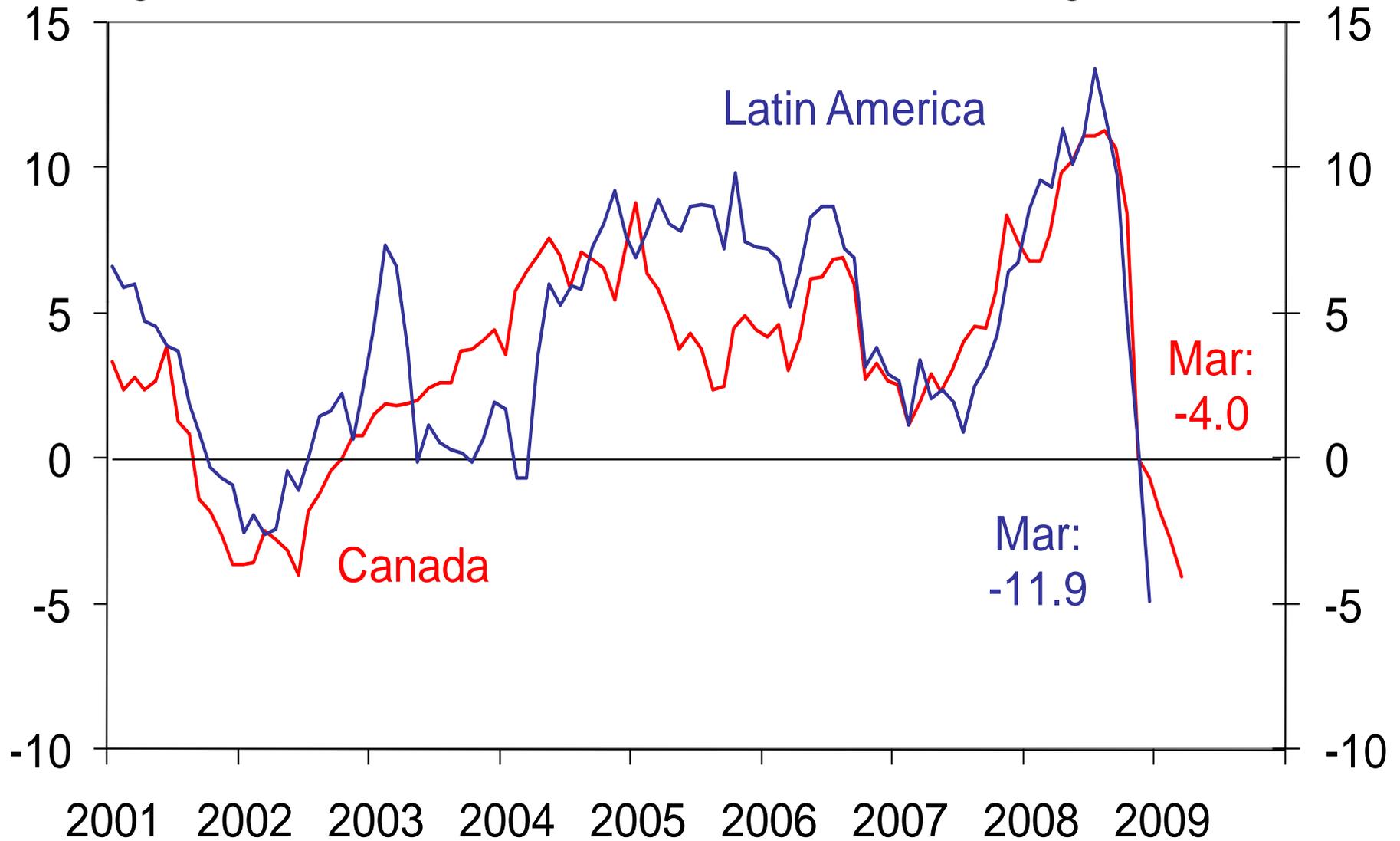
Source: Bureau of Labor Statistics



Import Prices: Canada and Latin America

% Change - Year to Year

% Change - Year to Year



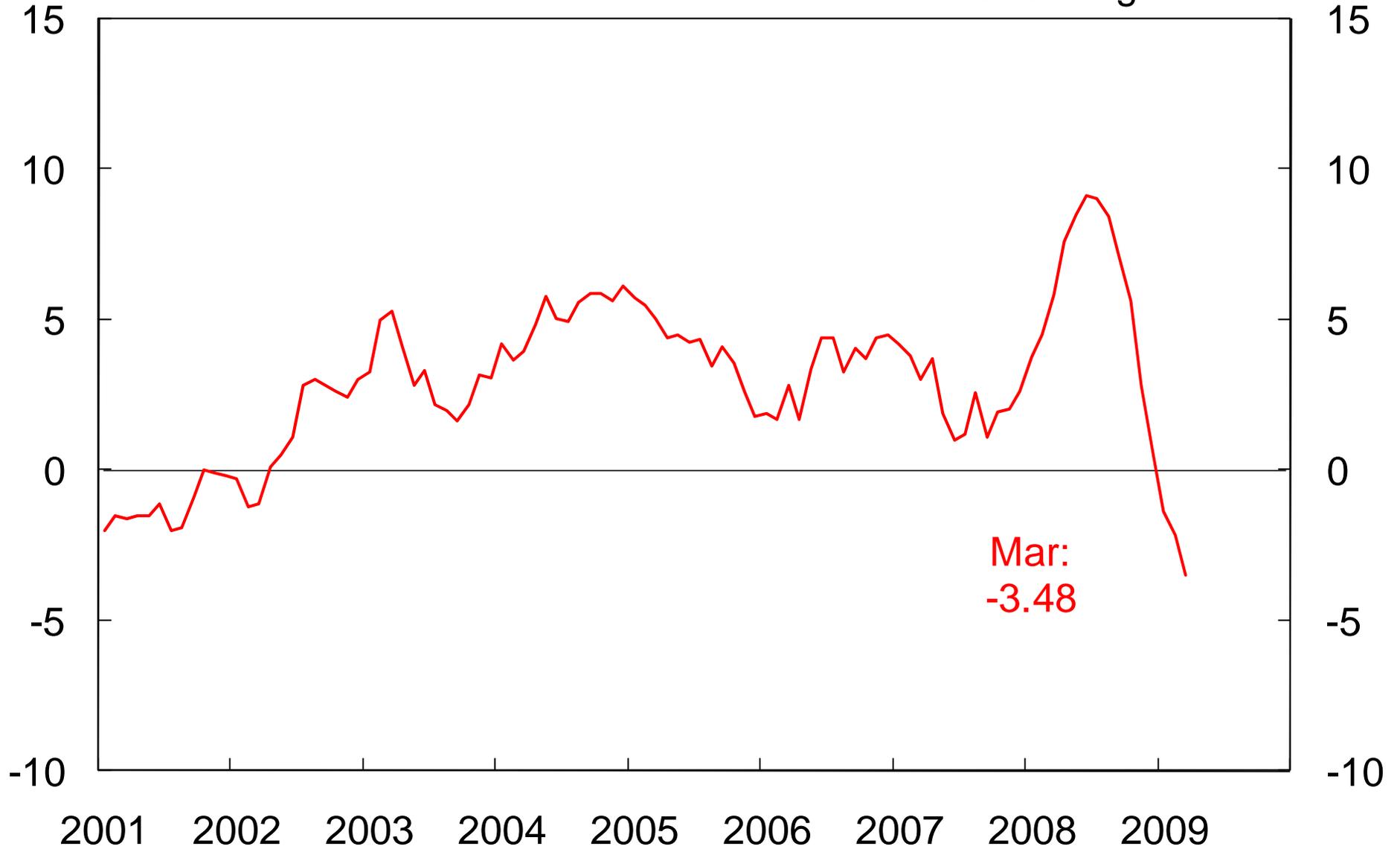
Source: Bureau of Labor Statistics

Import Prices: European Union 15



% Change Year to Year

% Change Year to Year



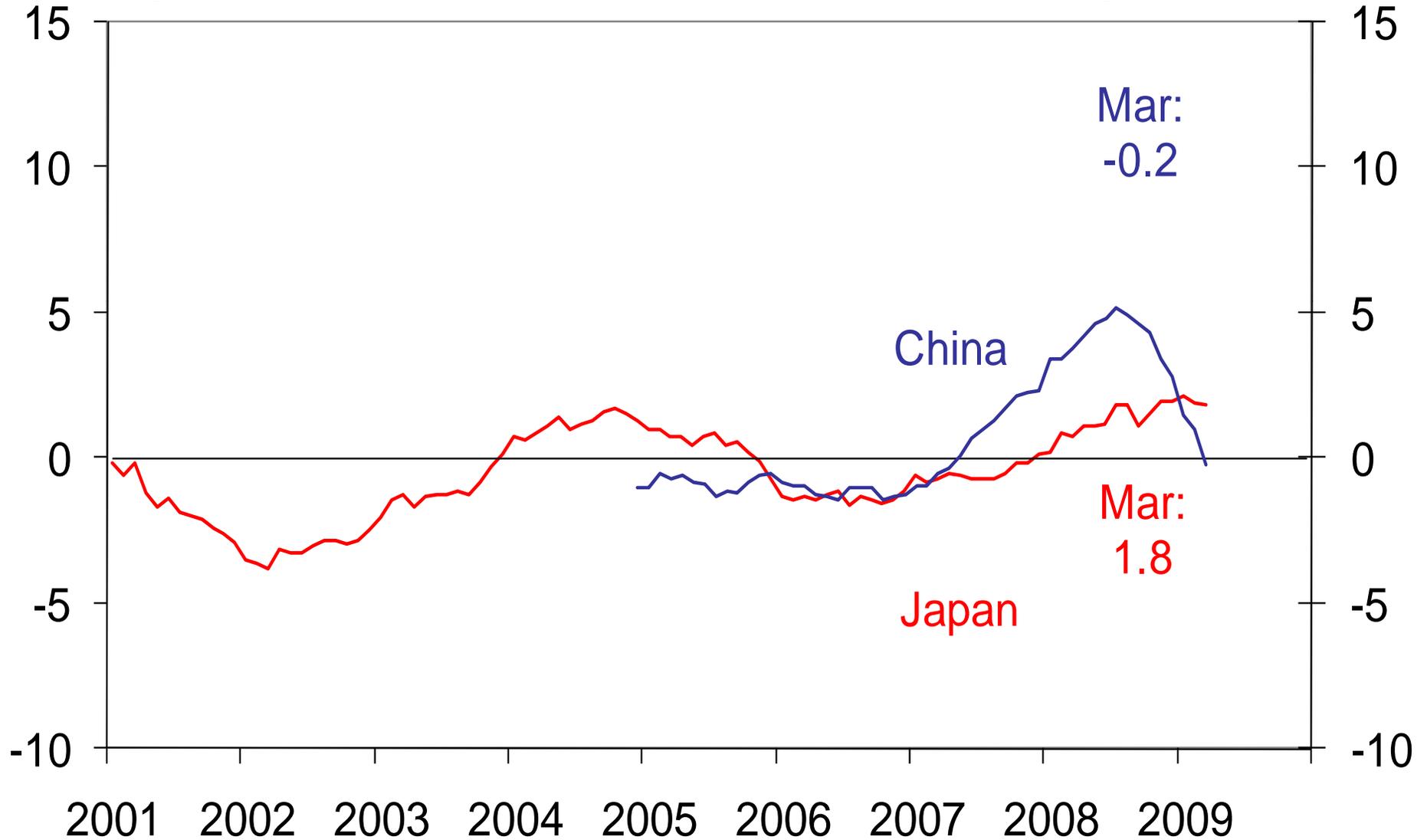
Source: Bureau of Labor Statistics



Import Prices: Japan and China

% Change - Year to Year

% Change - Year to Year



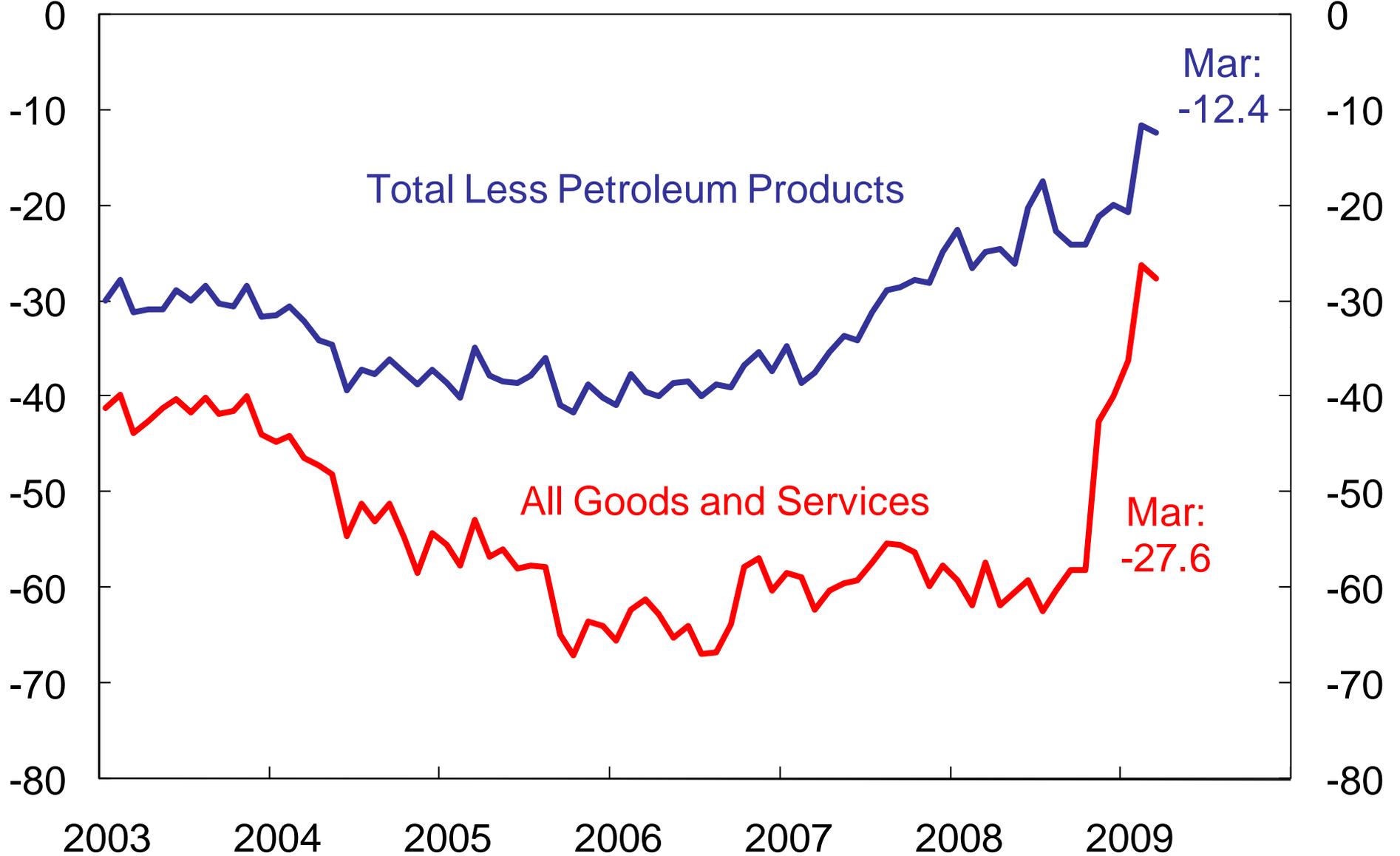
Source: Bureau of Labor Statistics

Total Balance in Goods and Services



Billions of Dollars

Billions of Dollars



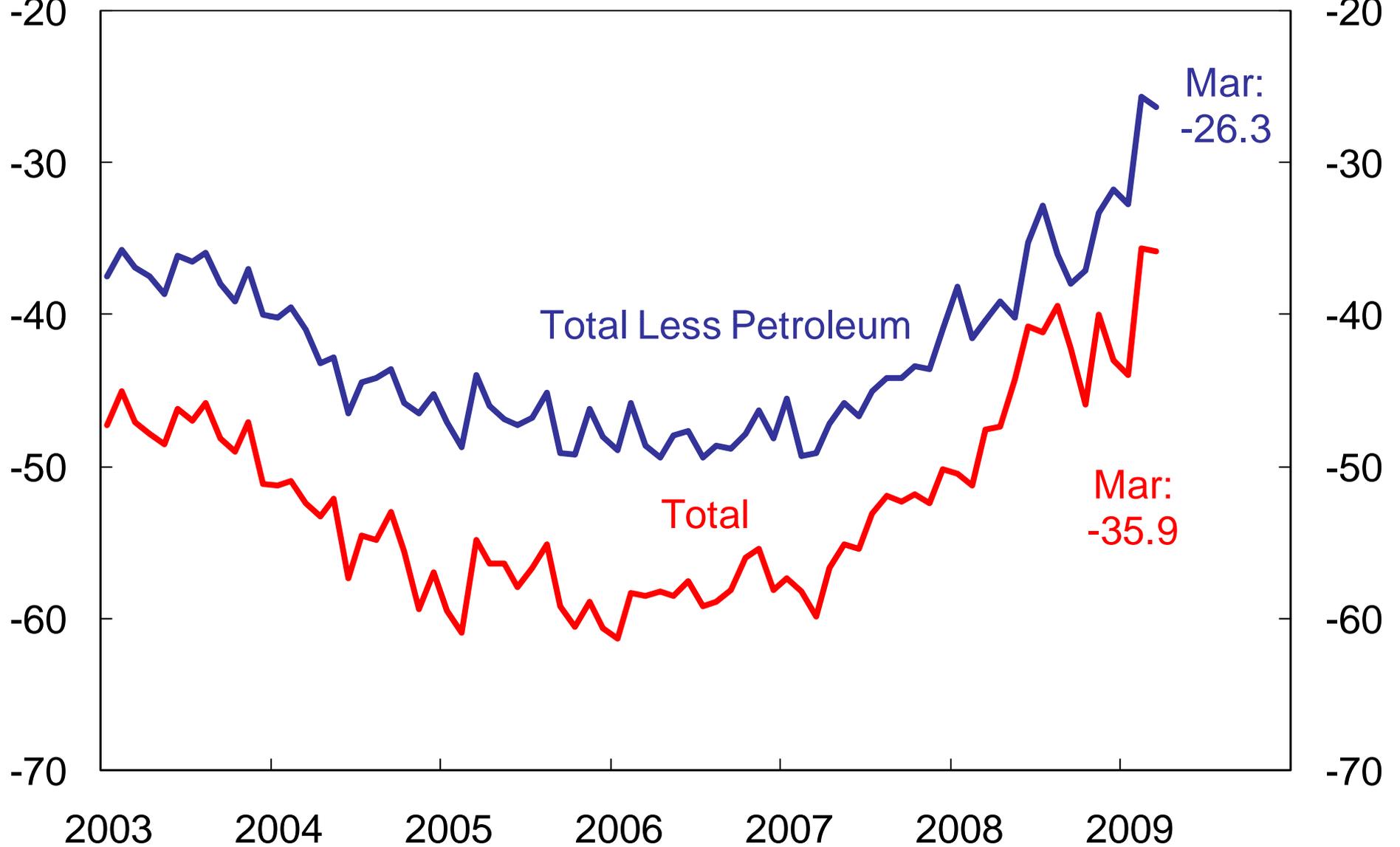
Source: Census Bureau

Real Total Balance of Goods



Billions of Chained 2000 Dollars

Billions of Chained 2000 Dollars



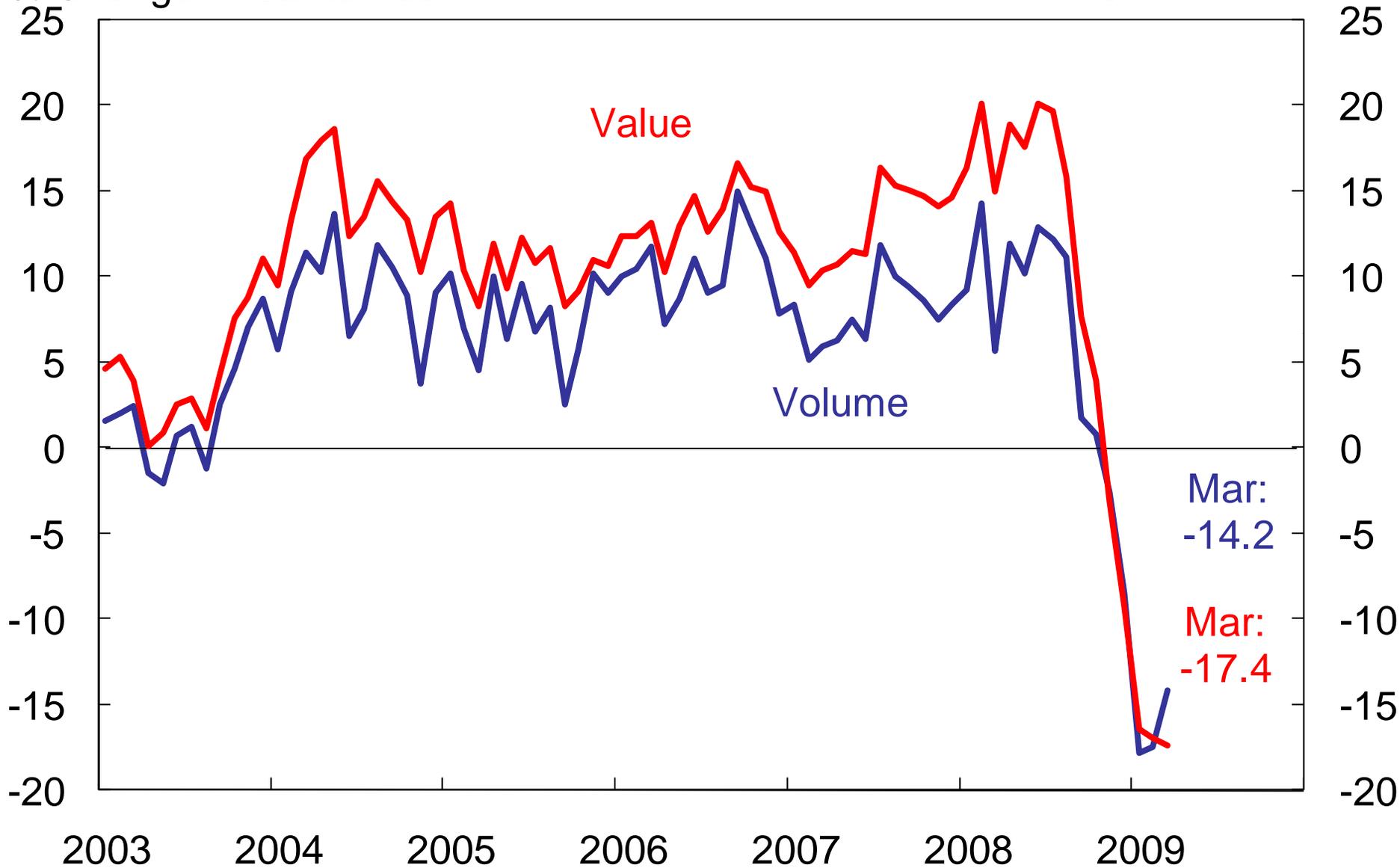
Source: Census Bureau

Exports of Goods



% Change - Year to Year

% Change - Year to Year



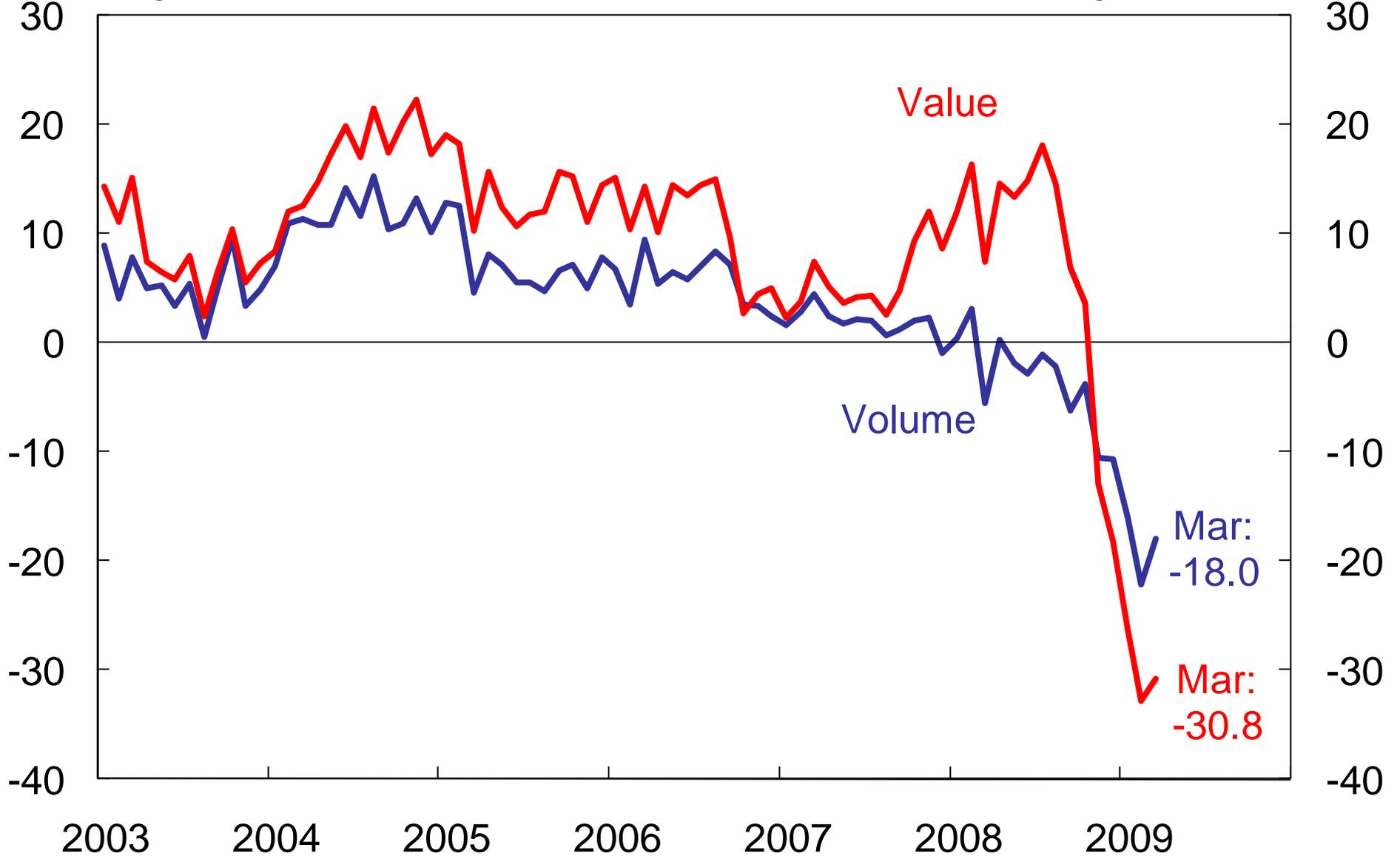
Source: Census Bureau



Imports of Goods

% Change - Year to Year

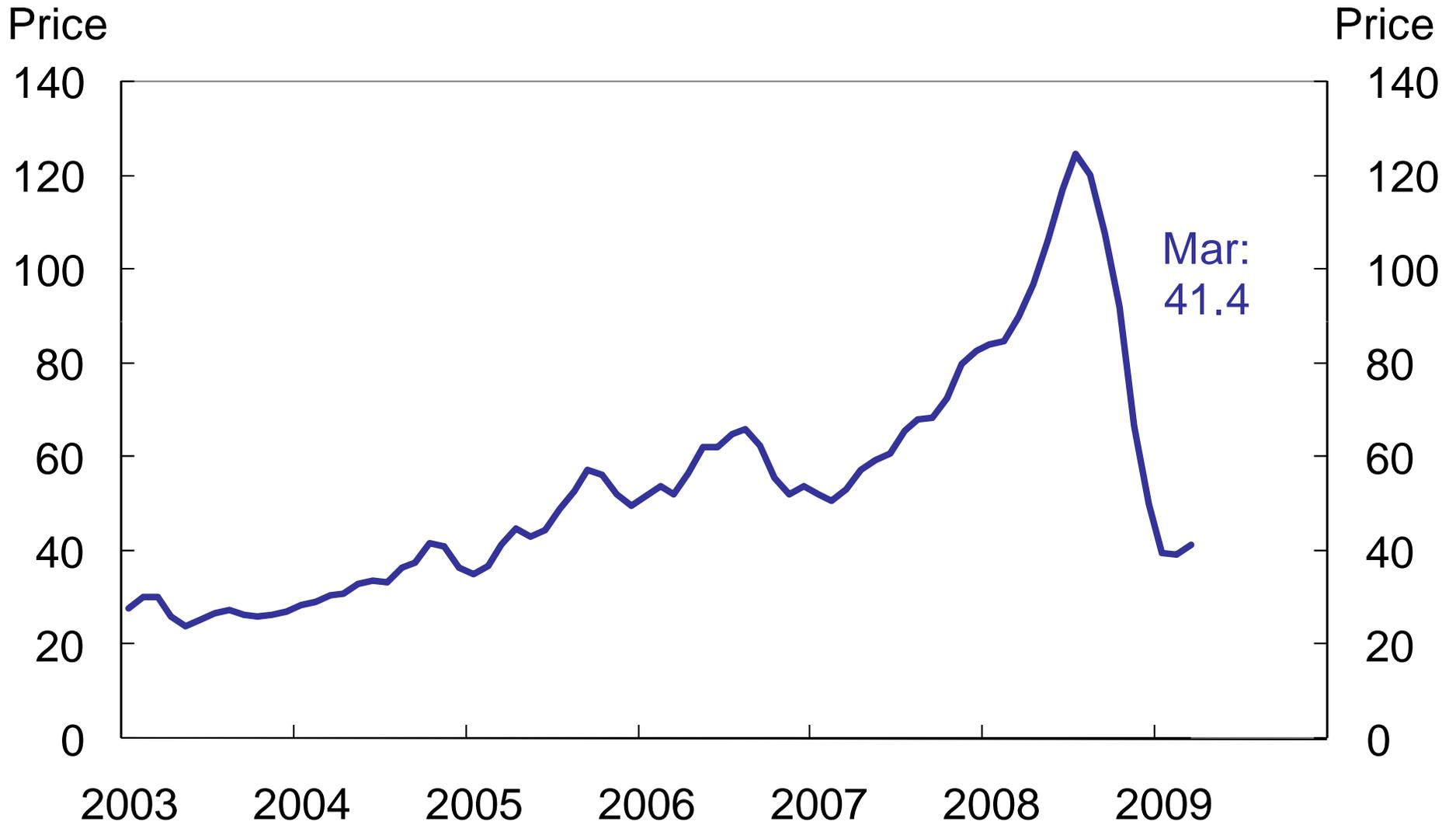
% Change - Year to Year



Source: Census Bureau



Crude Oil Price Per Barrel



Source: Census Bureau



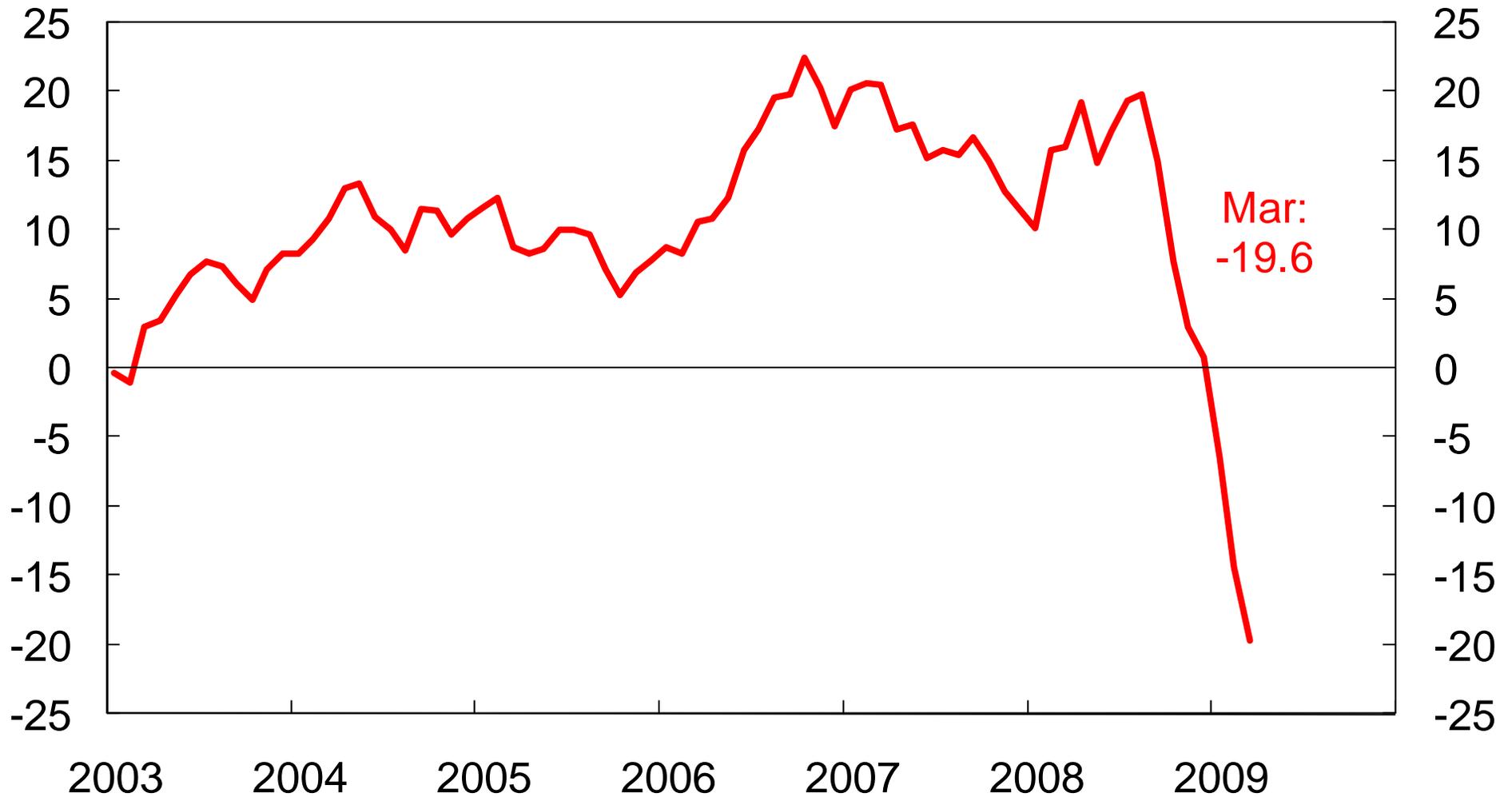
Europe

Share of US Goods Exports in 2006 - 21%

3-month moving average

% Change - Year to Year

% Change - Year to Year



Source: Census Bureau



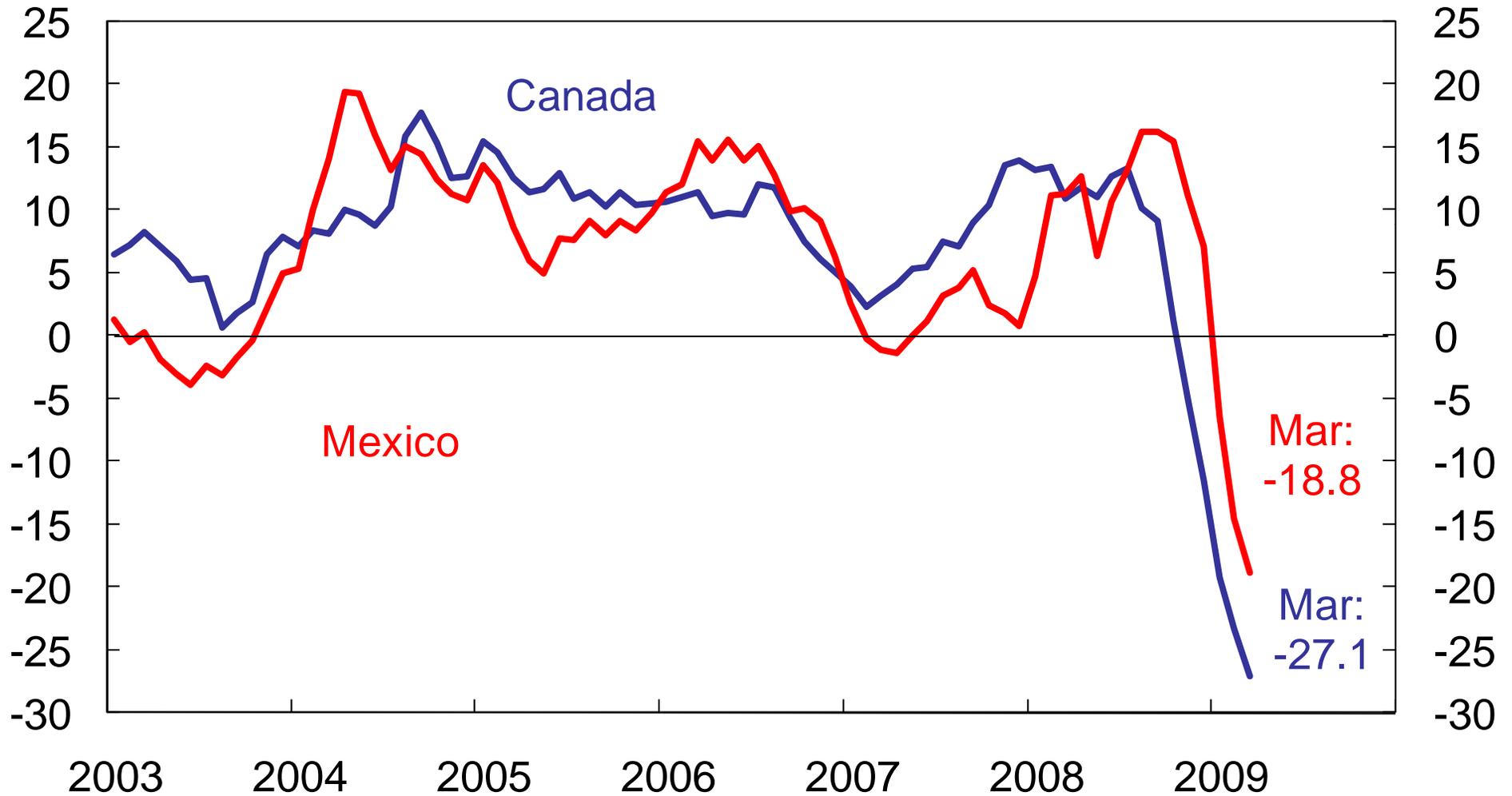
Canada and Mexico

Share of US Goods Exports in 2006 - Canada 22%, Mexico 13%

3-month moving average

% Change - Year to Year

% Change - Year to Year



Source: Census Bureau



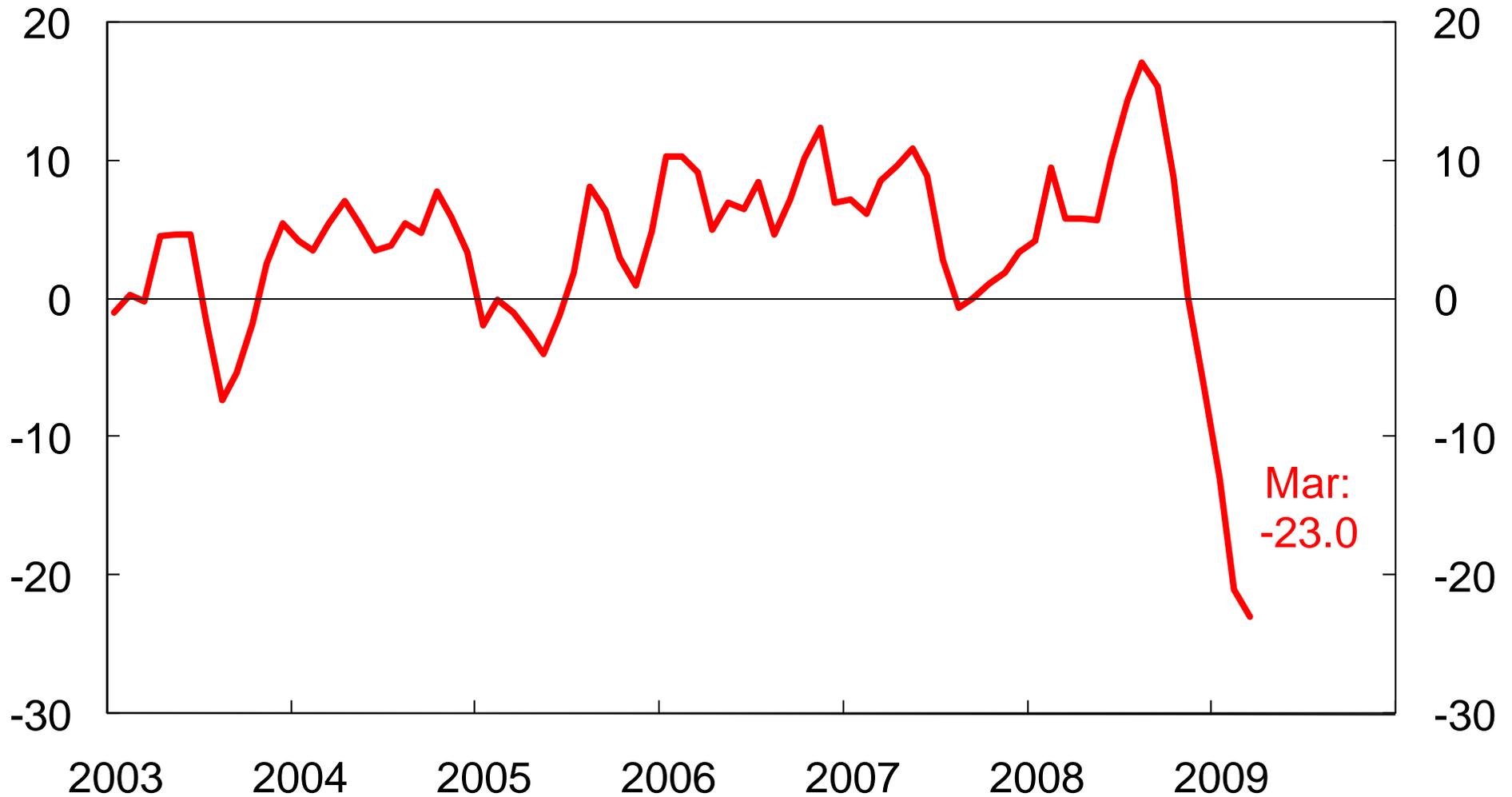
Japan

Share of US Goods Exports in 2006 - 6%

3-month moving average

% Change - Year to Year

% Change - Year to Year



Source: Census Bureau



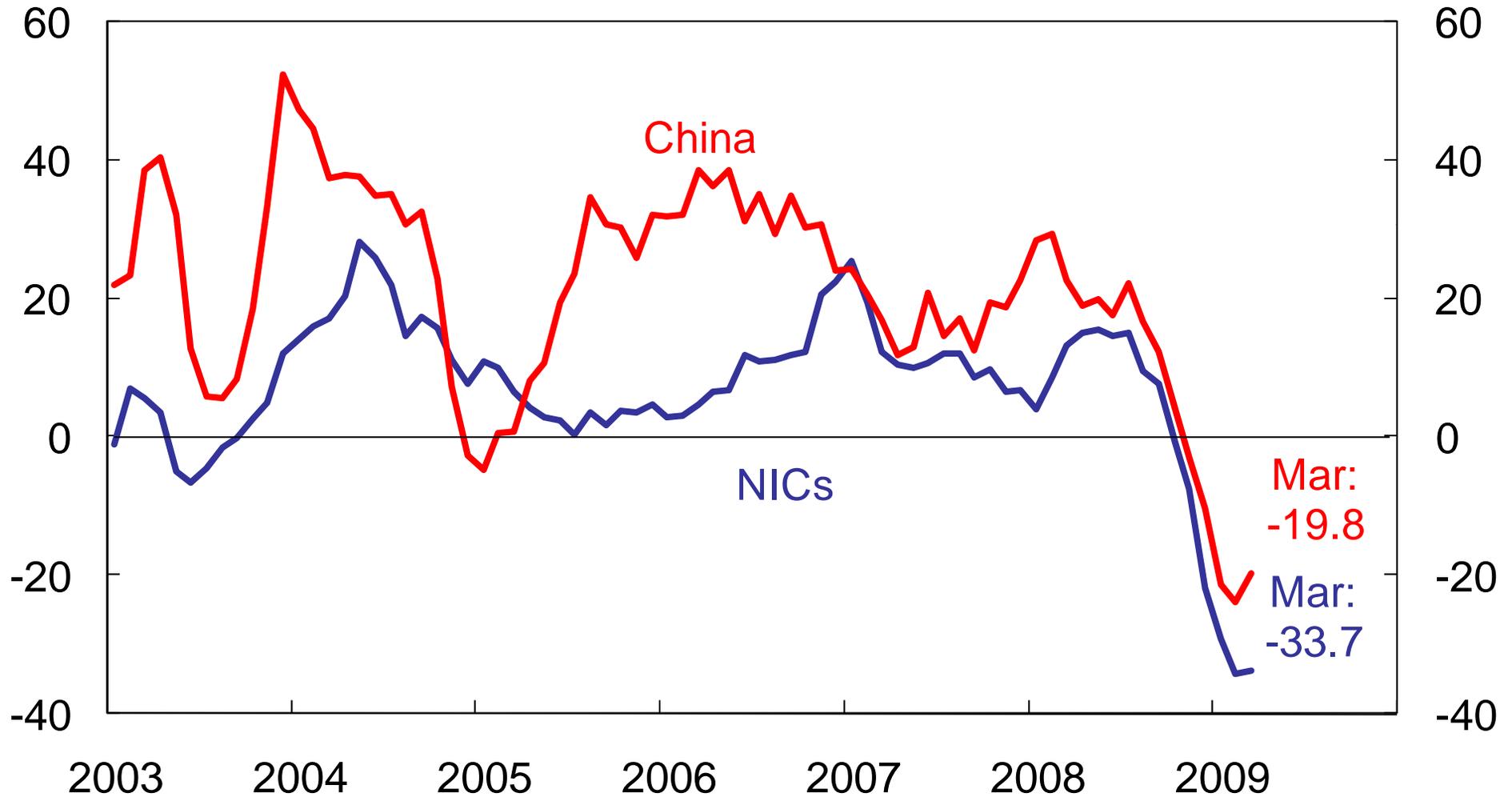
China and NICs

Share of US Goods Exports in 2006 - China 5%, NICs 9%

3-month moving average

% Change - Year to Year

% Change - Year to Year



Source: Census Bureau