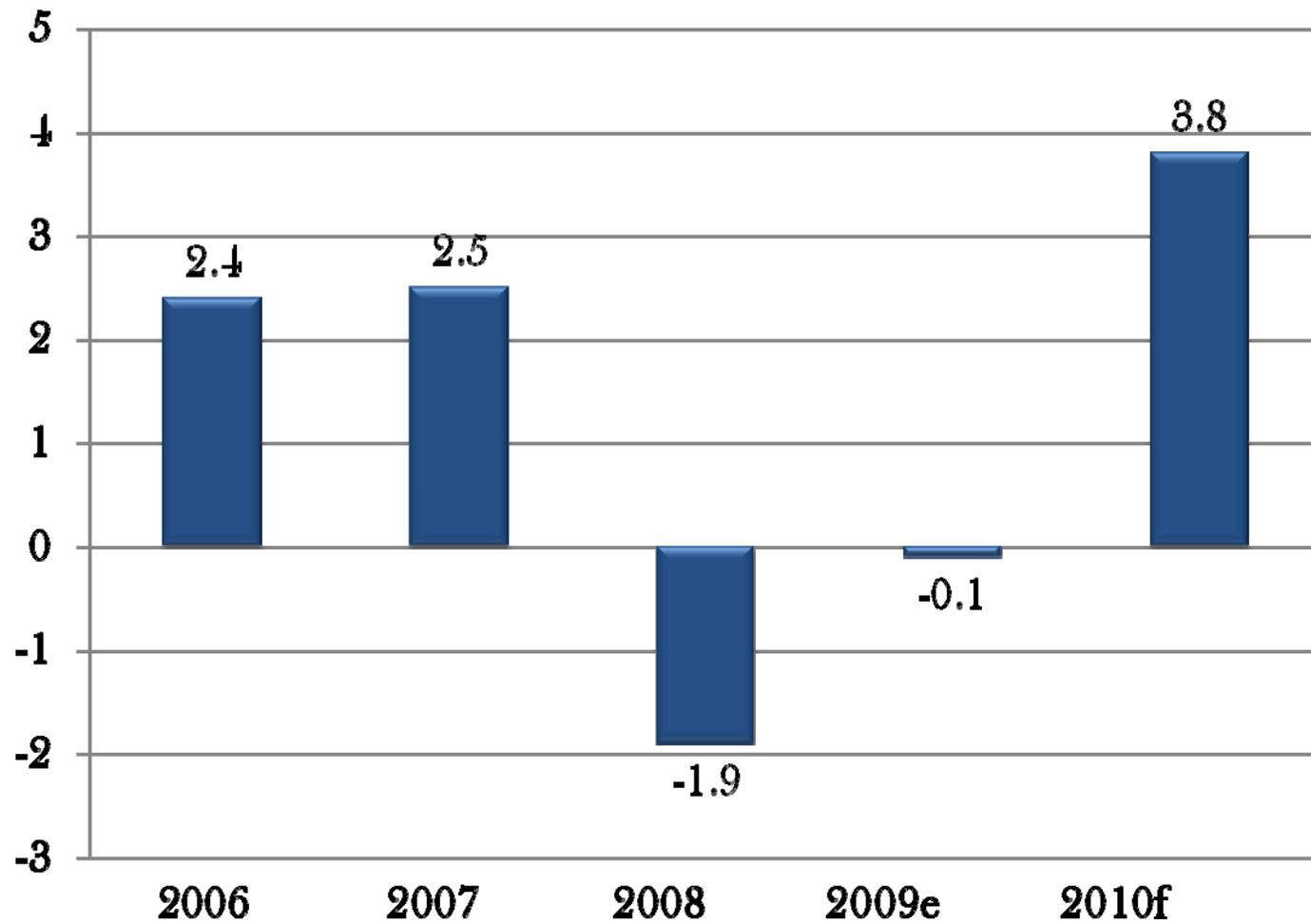


The National Perspective

Lynn Reaser, Ph.D.
Chief Economist, Point Loma Nazarene University

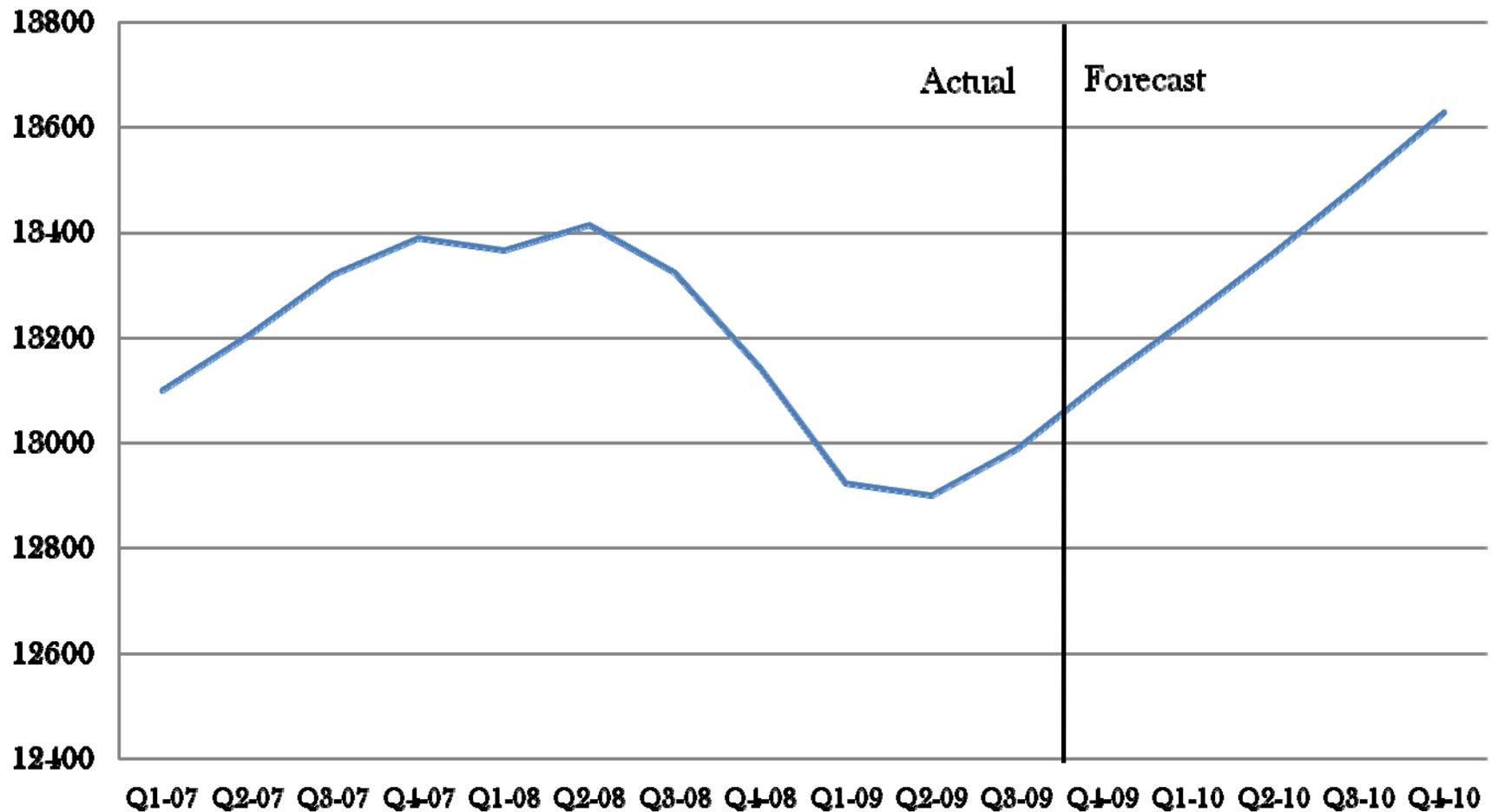
Real GDP Growth Forecast in 2010

Percent change, Q4/Q4



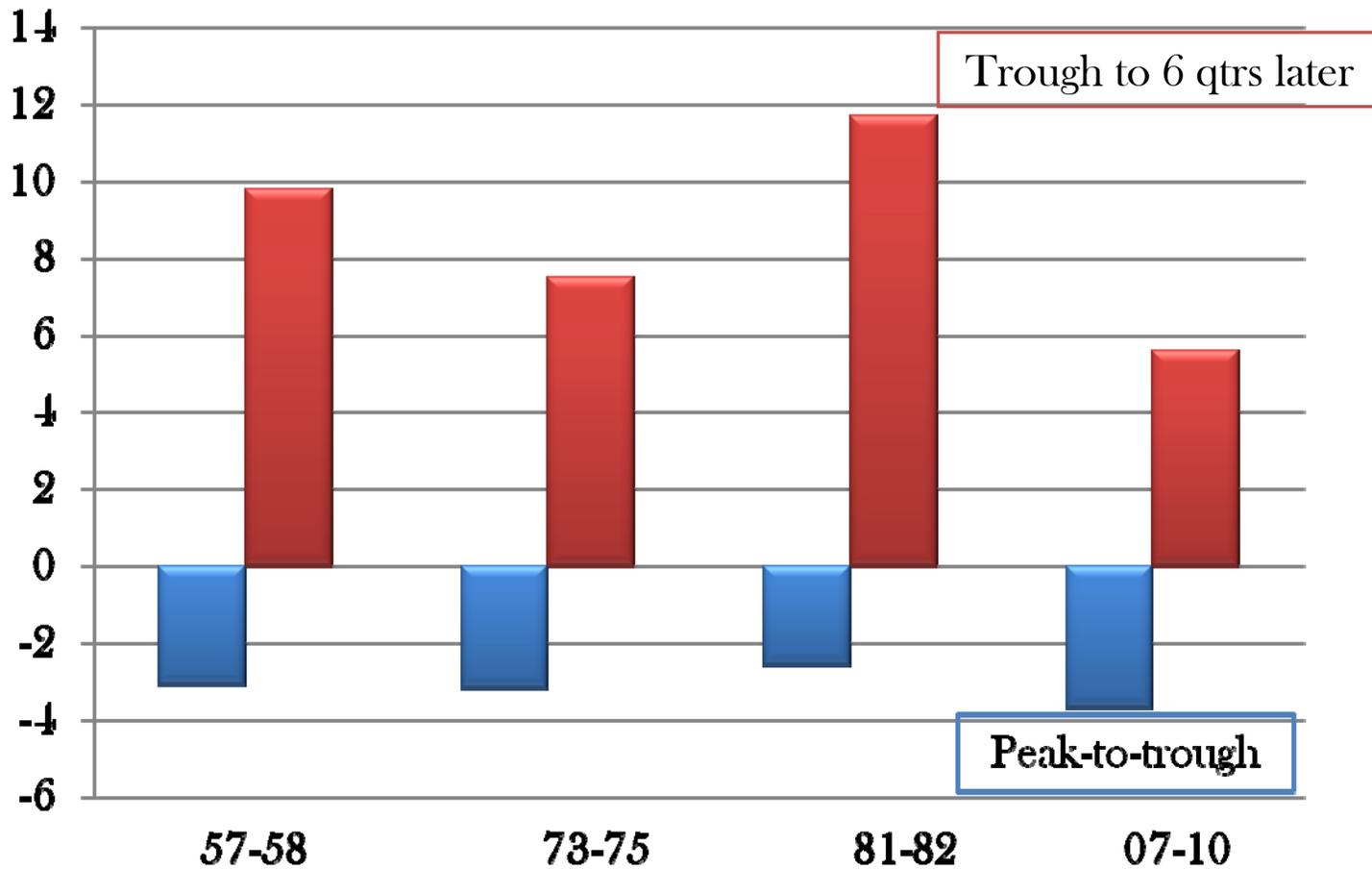
“V”-shaped Recovery

GDP, billions of chained 2005 dollars



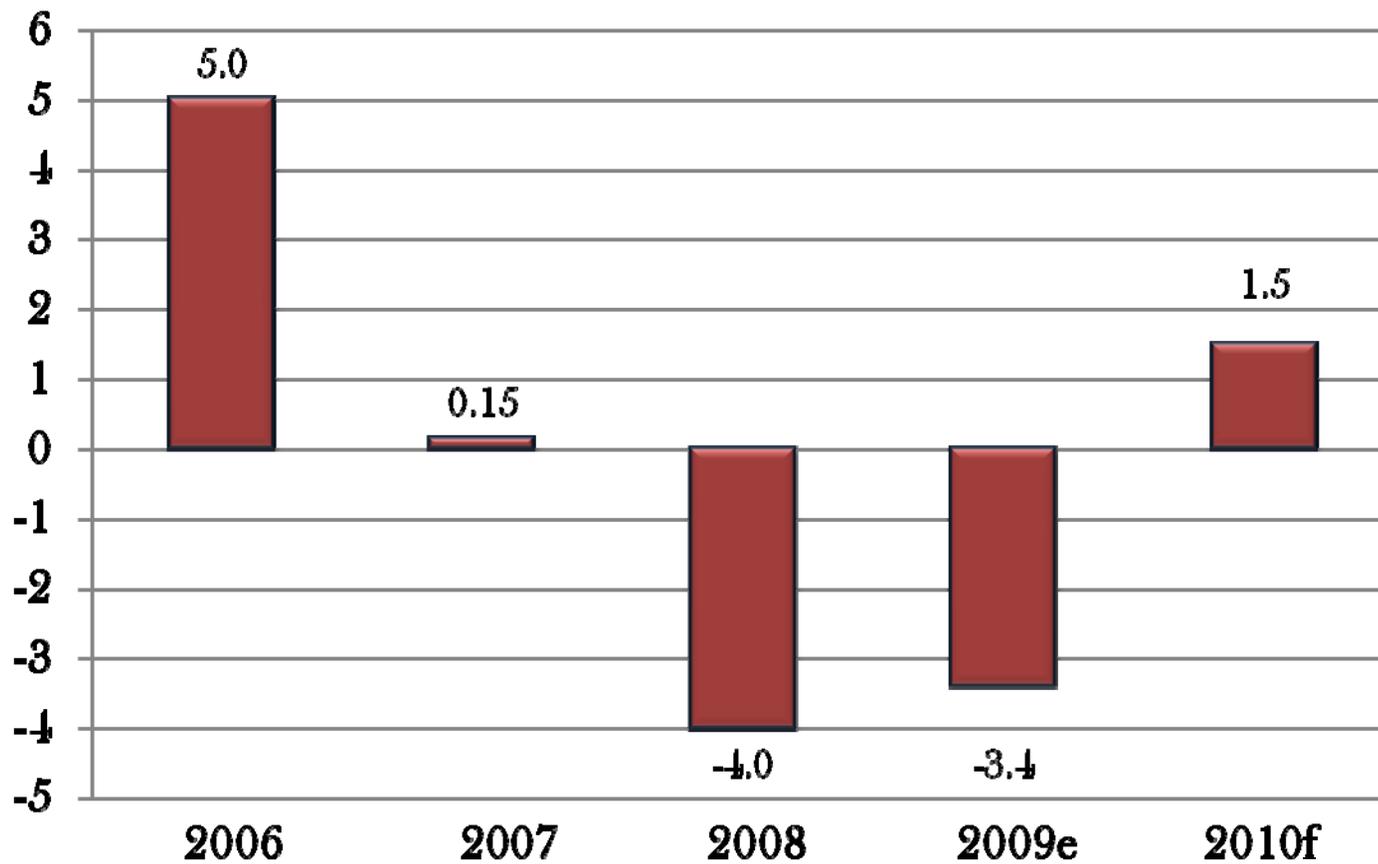
Weaker-than-normal Rebound

Real GDP, % change



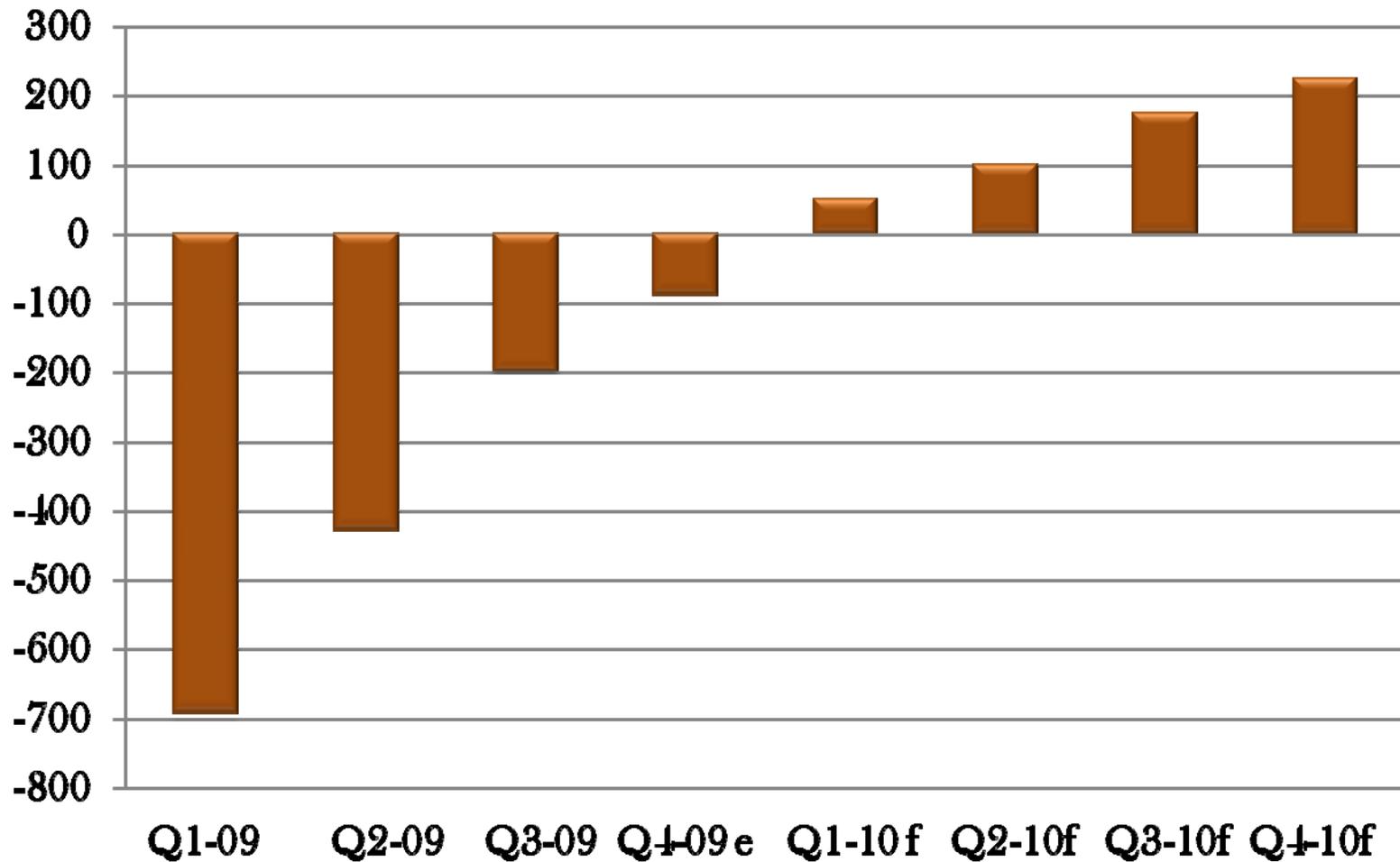
Home Prices Expected to Recover

4th qtr, percent change over year ago



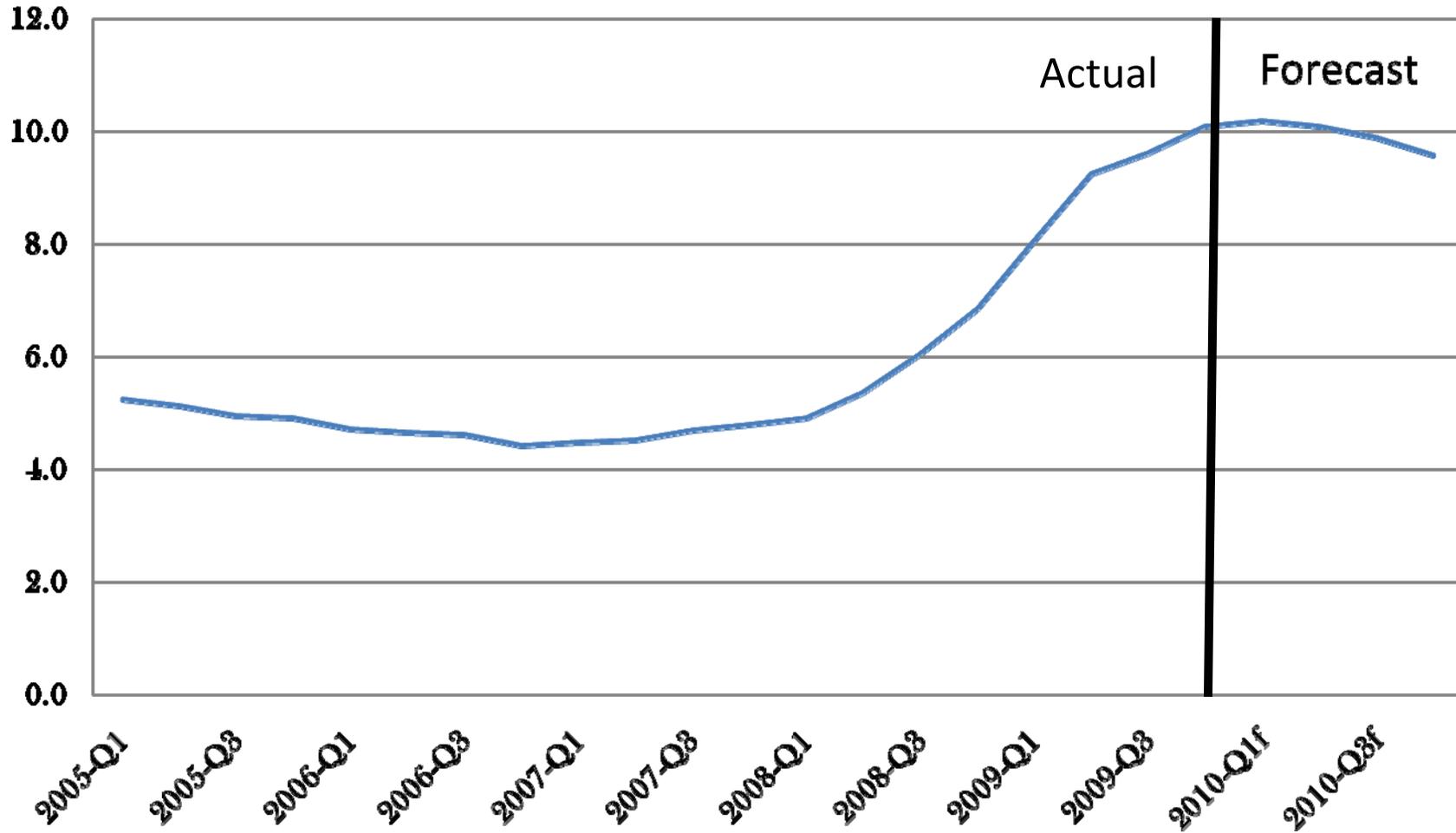
Job Growth Slowly Resumes

Change in nonfarm employment, in thousands



Jobless Rate to Edge Lower by Year-end 2010

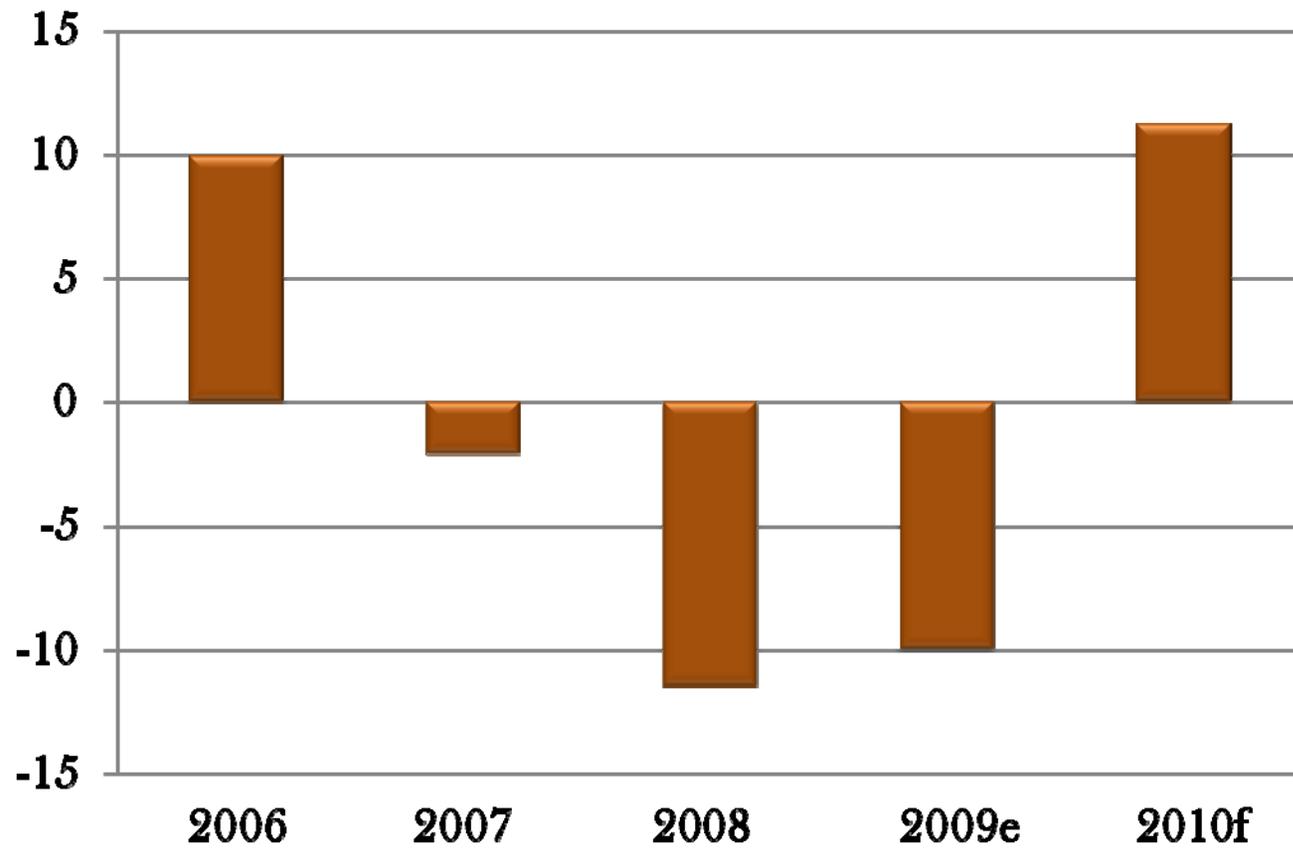
Percent



Profits to Rebound

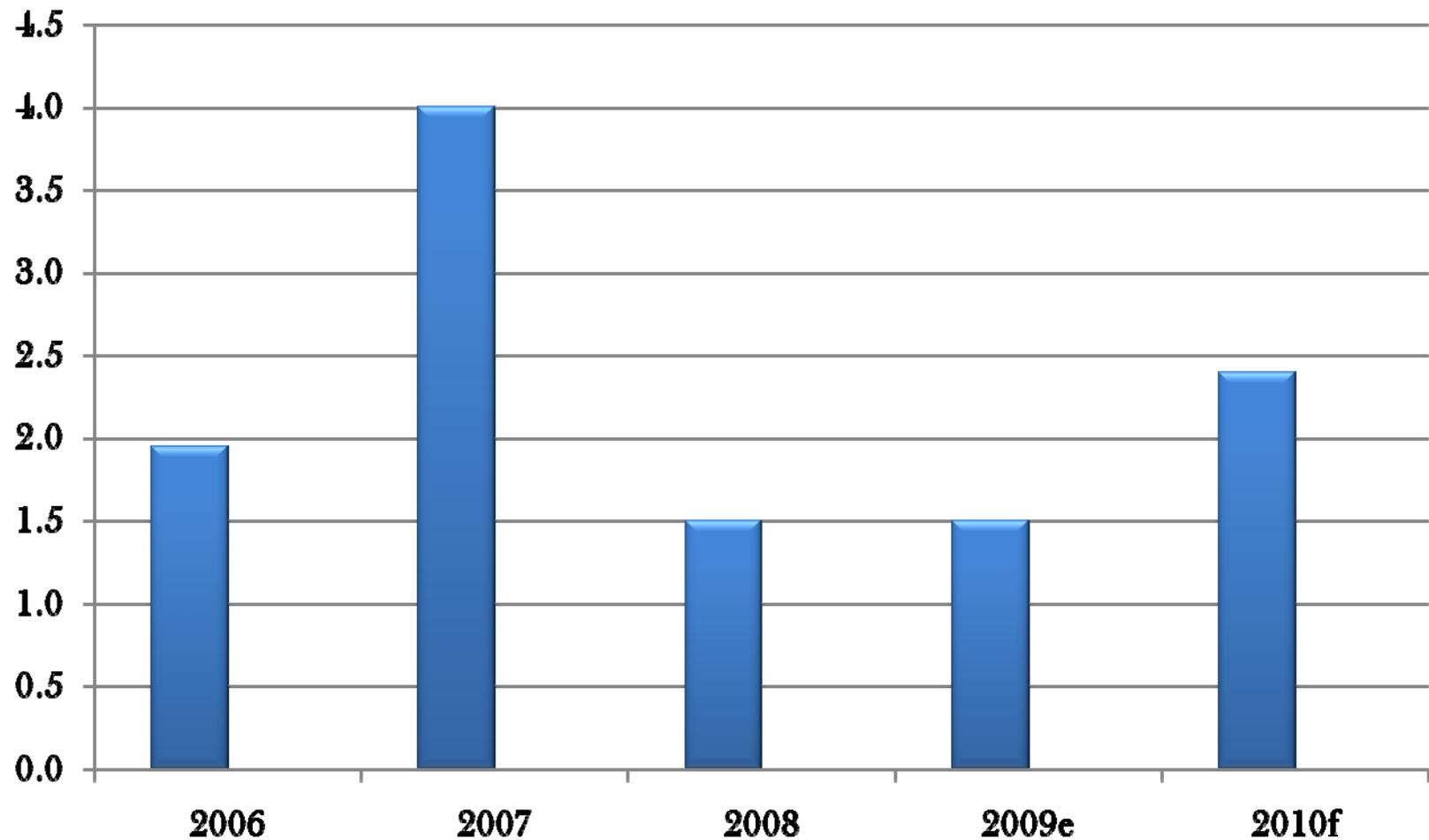


After-tax profits, percent annual changes



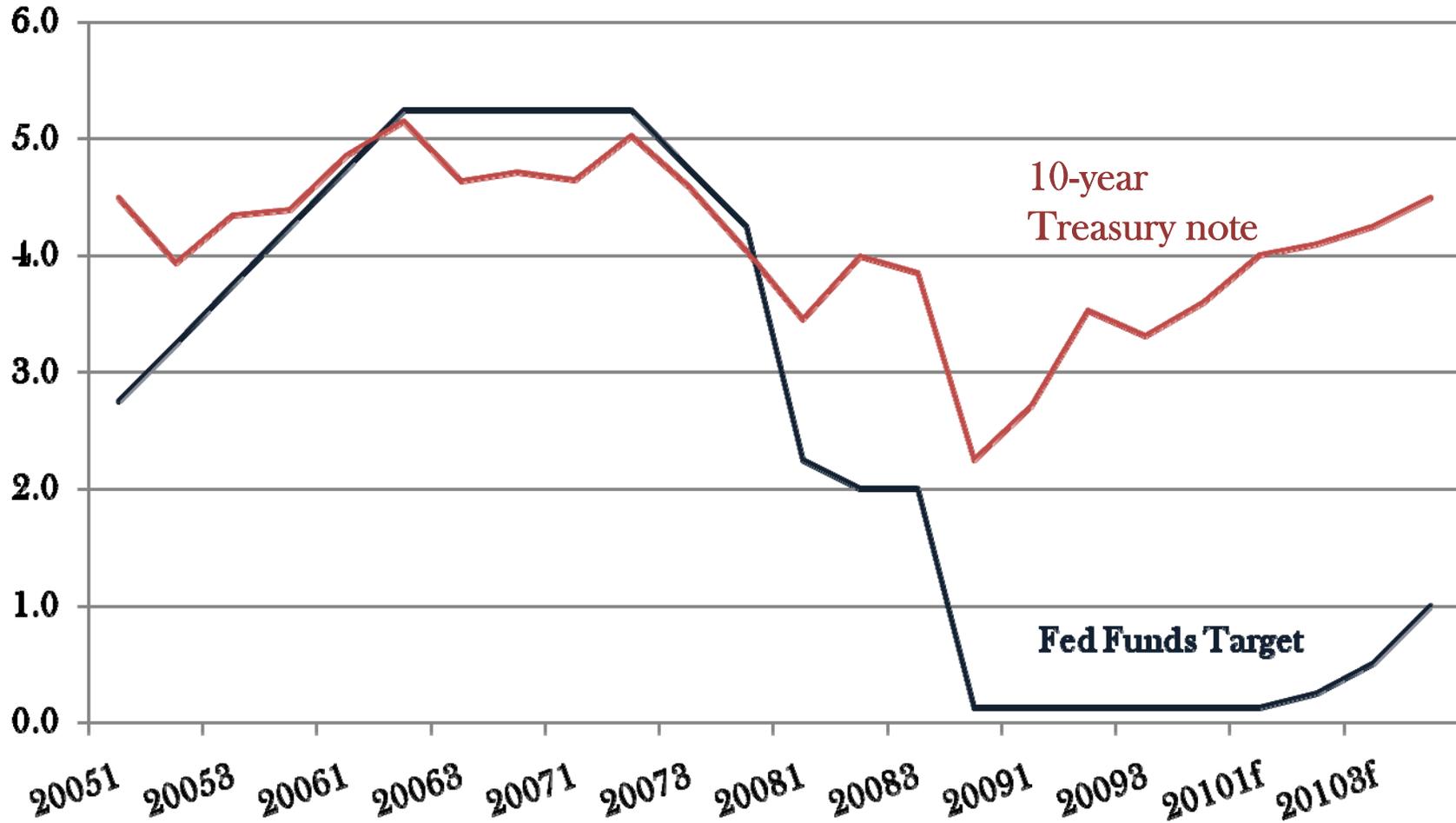
Inflation Subdued

Consumer prices, percent change, Q4/Q4



Interest Rates to Slowly Rise

Quarter-end, percent



U.S. Forecast Summary

- Recession over
- Financial markets settle
- “V” shaped recovery, but less robust than normal
- Moderate inflation
- Gradual rise in interest rates

ME WORRY?



Debt Shifts to the Public Sector

Q3 2009, % change from prior quarter, annualized

