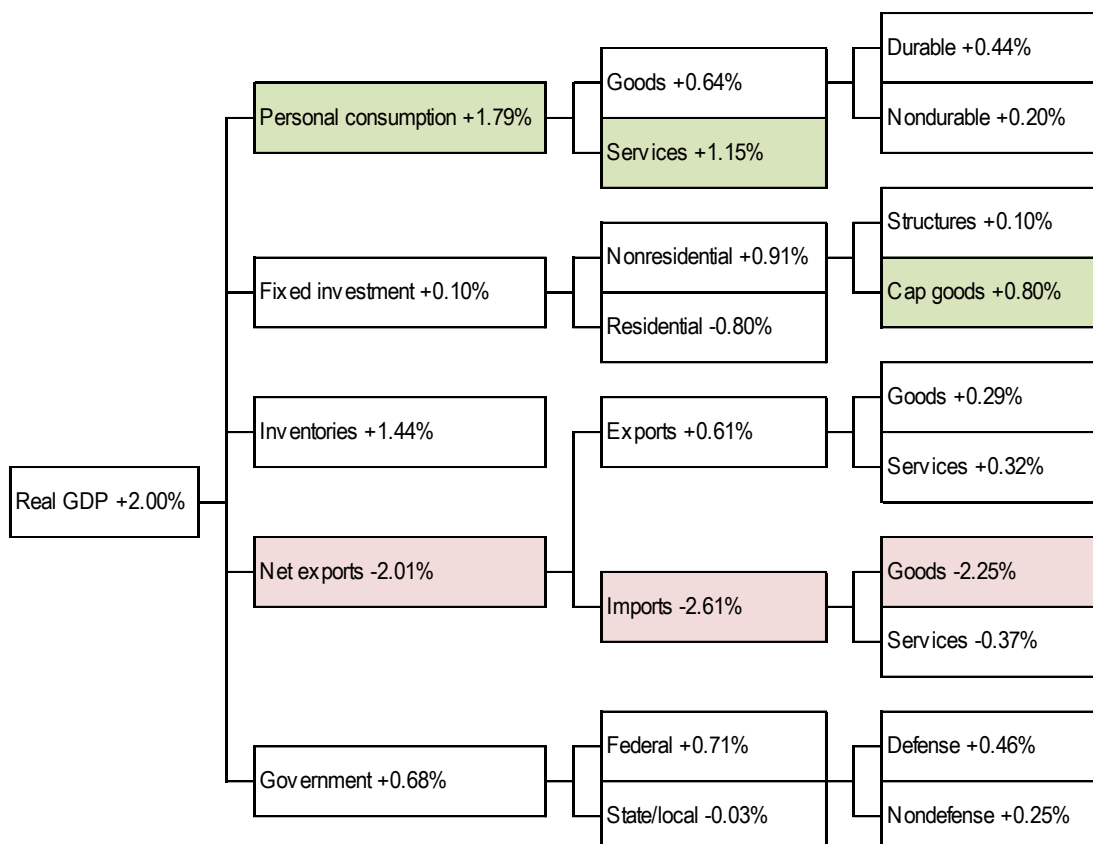


## Data Insights: GDP

Friday, October 29, 2010

### Today's GDP data: what you need to know -- where did the growth come from?

Real, sequential quarter change, SAAR    Biggest change per detail-level: ■ most positive ■ most negative



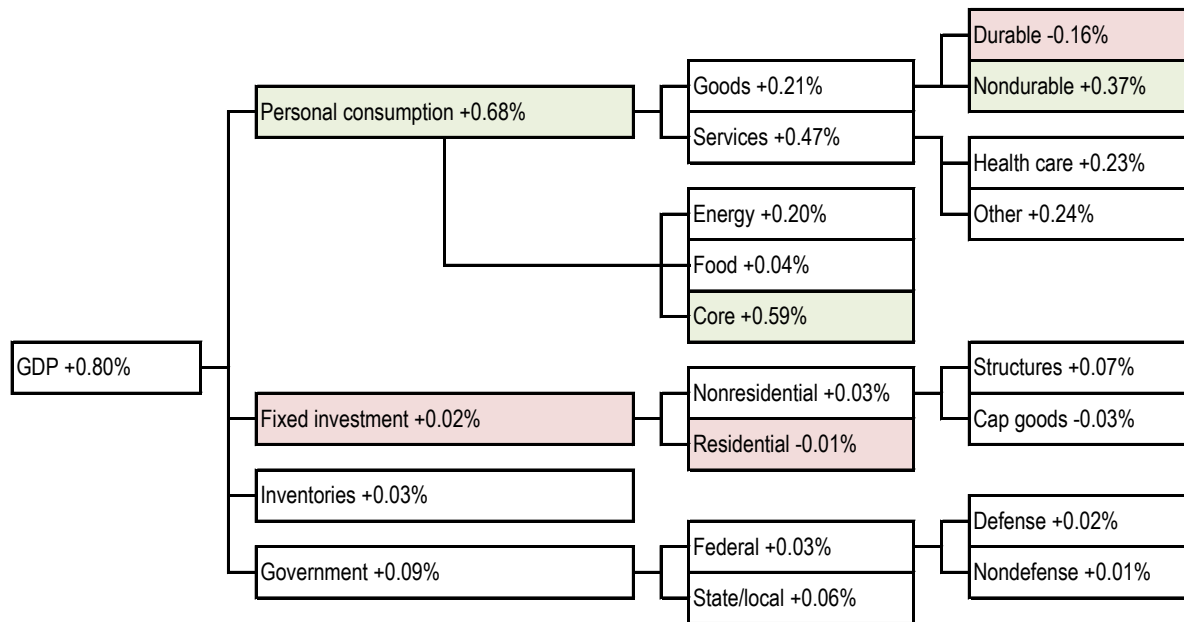
Source: Bureau of Economic Analysis

### For more information contact us:

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 Thomas Demas: 704 552 3625 [tdemas@trendmacro.com](mailto:tdemas@trendmacro.com)

# Price index data: what you need to know -- where did the inflation come from?

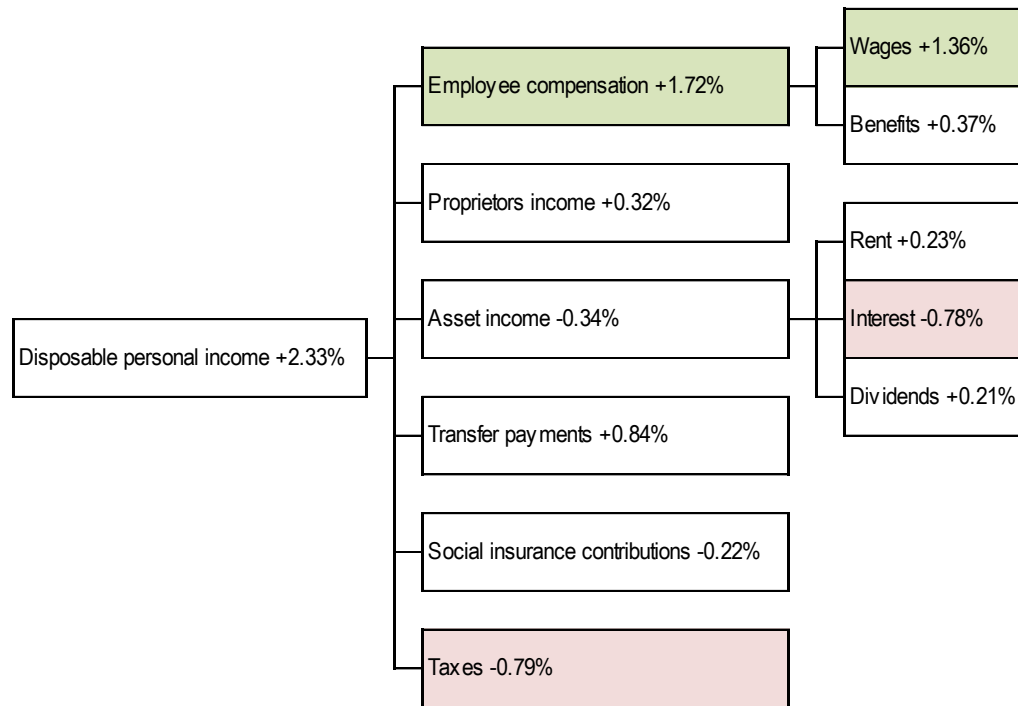
Sequential quarter change, SAAR    Biggest change per detail-level: ■ most positive ■ most negative



Source: Bureau of Economic Analysis, TrendMacro calculations

## Personal income data: what you need to know -- where did the growth come from?

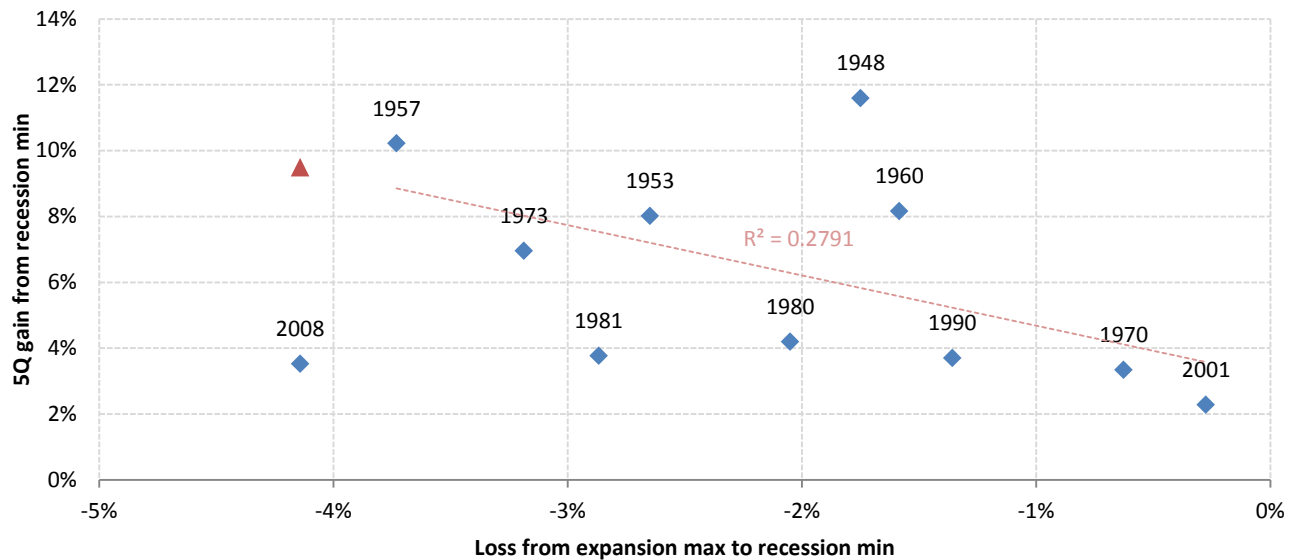
Nominal, sequential quarter change, SAAR Biggest change per detail-level: ■ most positive ■ most negative



Source: Bureau of Economic Analysis, TrendMacro calculations

## The Zarnowitz Law: severity of output loss in recession, versus vigor of recovery

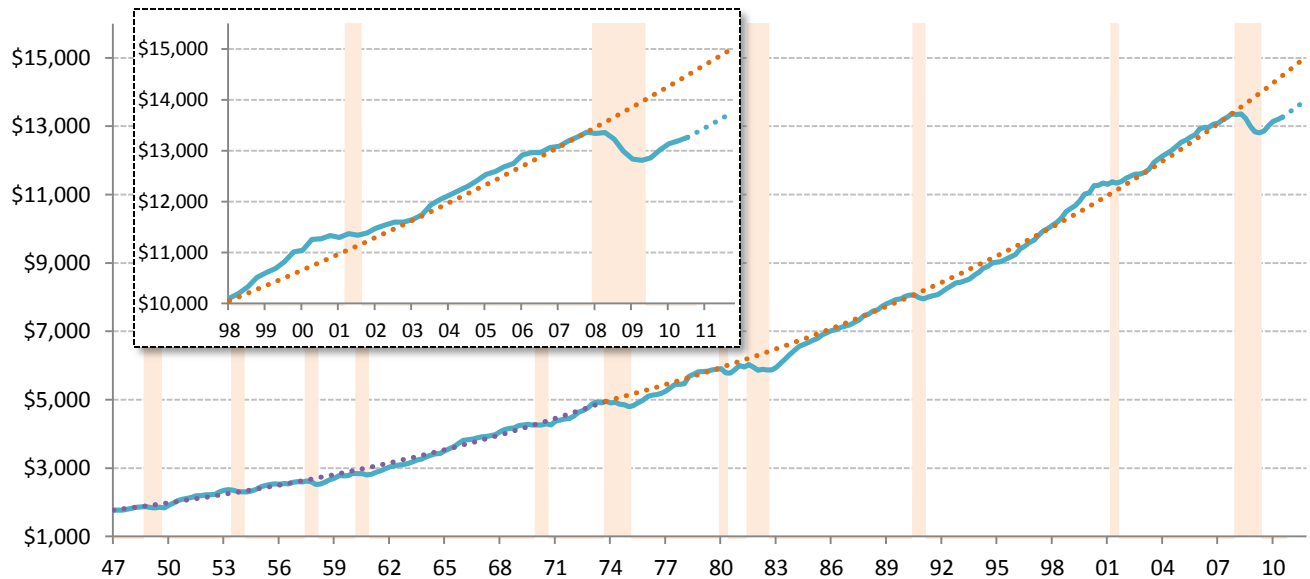
◆ Actual --- Regression for recessions 1948-2001 ▲ Theoretical for current recovery based on regression



Source: Bureau of Economic Analysis, National Bureau of Economic Research, TrendMacro calculations

## The plucked string theory: GDP reverts to trend after perturbation

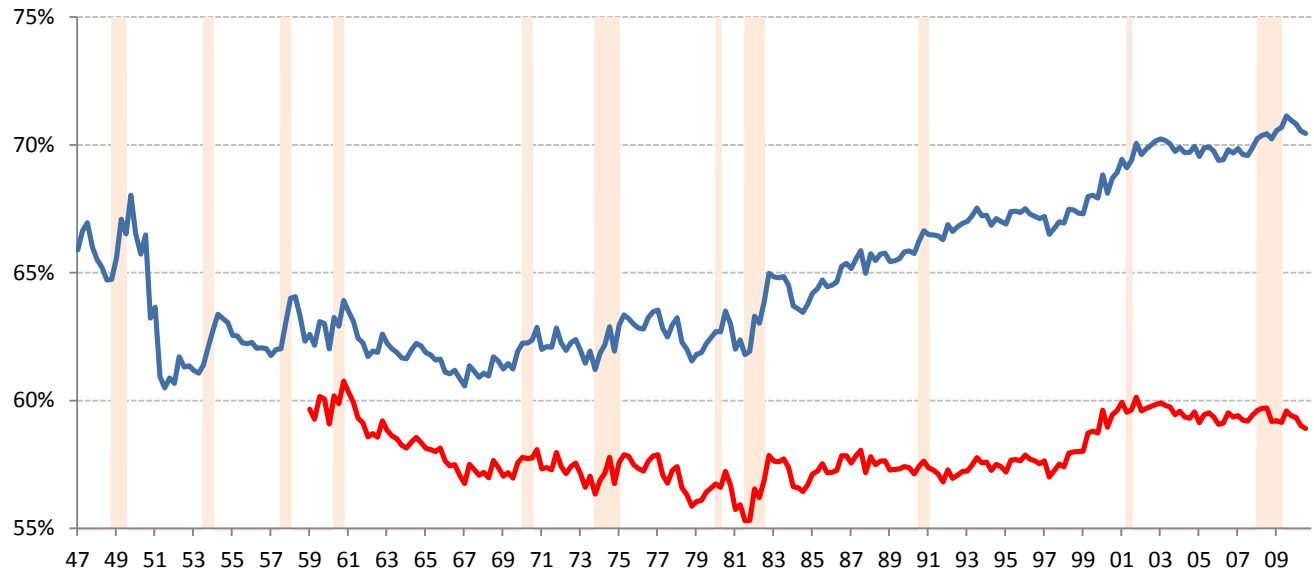
— Real GDP, USD billions — '47-'74 3.9% — '74-'07 trend 2.9% - - - Projected at last YOY growth ■ Recession



Source: Bureau of Economic Analysis, National Bureau of Economic Research, TrendMacro calculations

## "New normal" watch: personal consumption share of nominal GDP

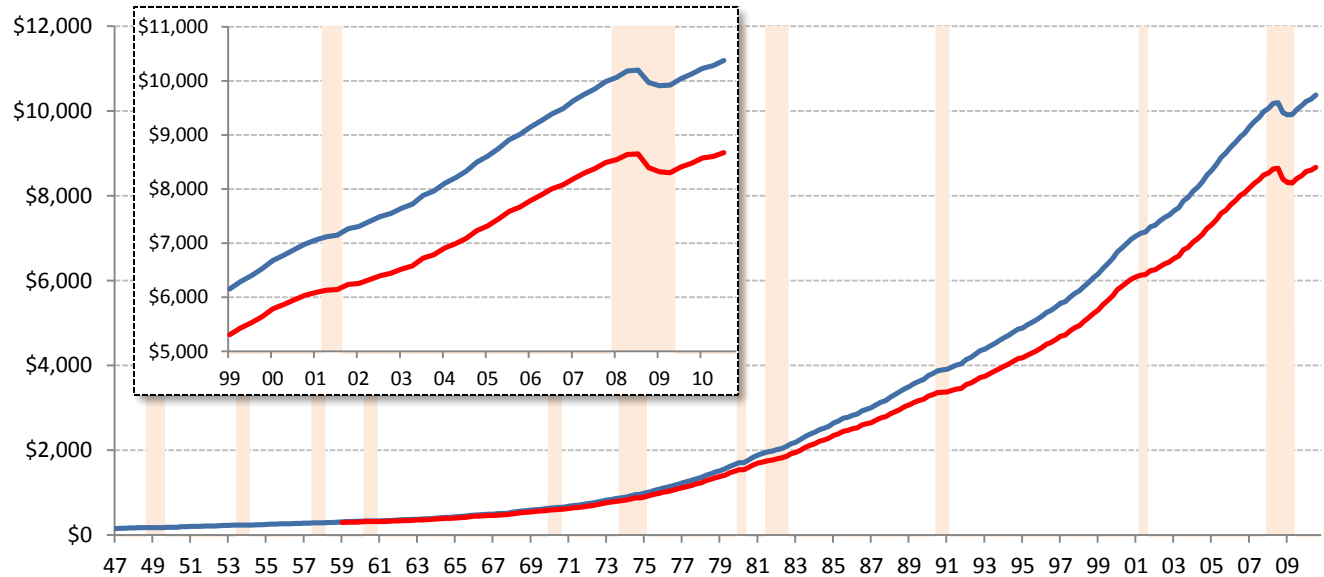
— Personal consumption expenditures — Ex-health care services — Recession



Source: Bureau of Economic Analysis, National Bureau of Economic Research, TrendMacro calculations

## "New normal" watch: nominal personal consumption expenditures

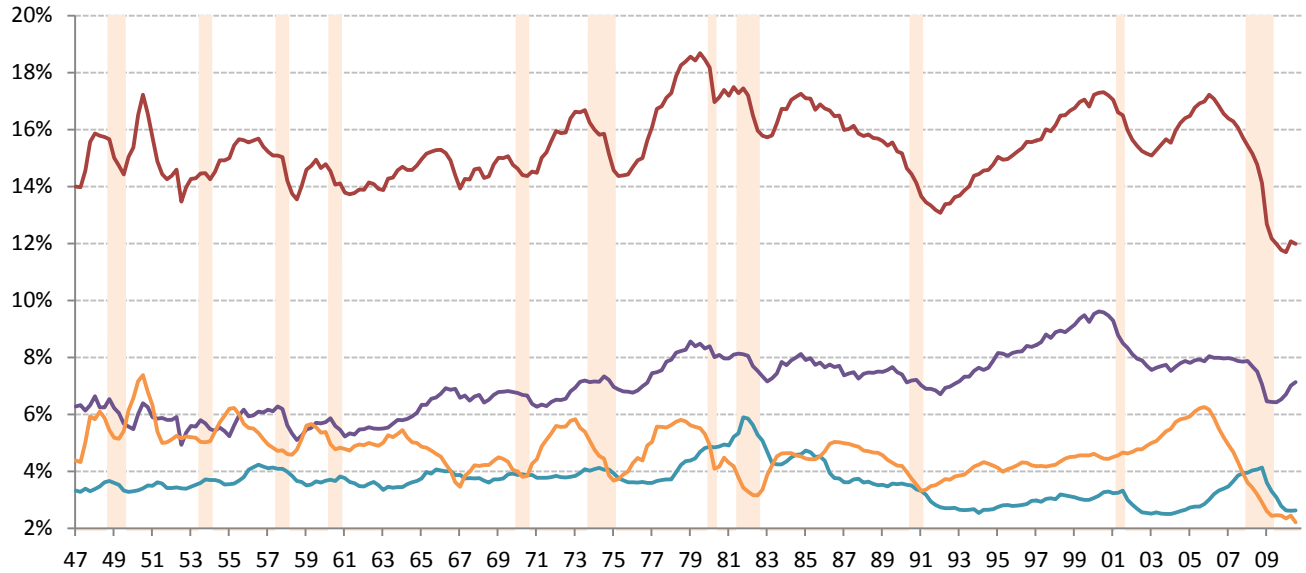
USD billions — Personal consumption expenditures — Ex-health care services — Recession



Source: Bureau of Economic Analysis, National Bureau of Economic Research, TrendMacro calculations

## Capital on strike: fixed investment share of nominal GDP

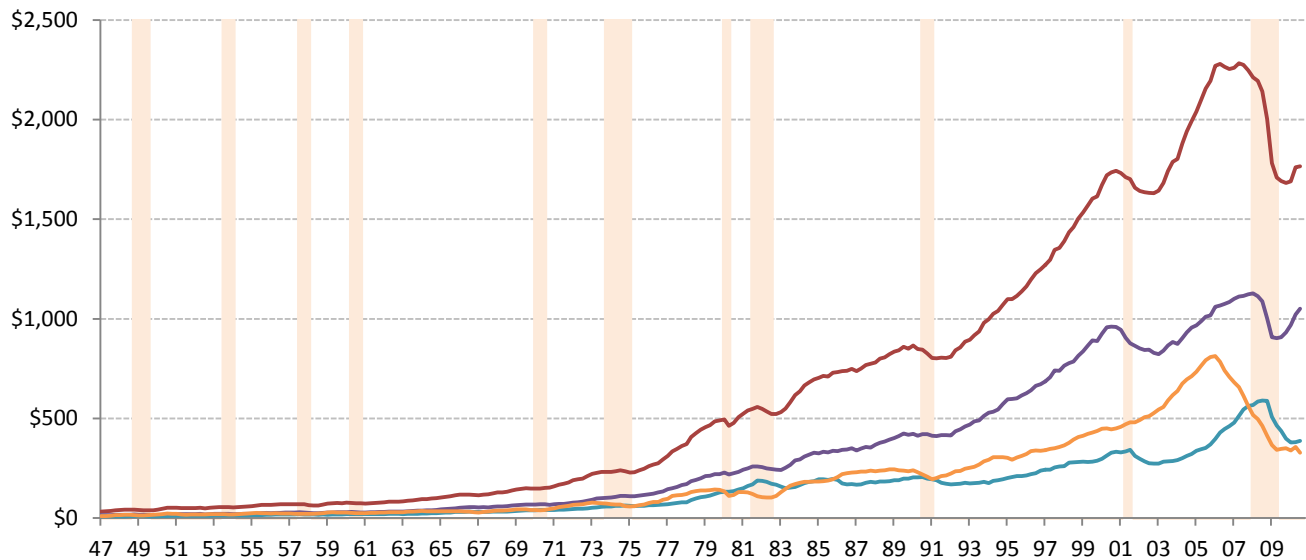
Fixed investment Equipment/software Nonresidential structures Housing Recession



Source: Bureau of Economic Analysis, National Bureau of Economic Research, TrendMacro calculations

## Capital on strike: nominal fixed investment

USD billions Fixed investment Equipment/software Nonresidential structures Housing Recession



Source: Bureau of Economic Analysis, National Bureau of Economic Research, TrendMacro calculations