

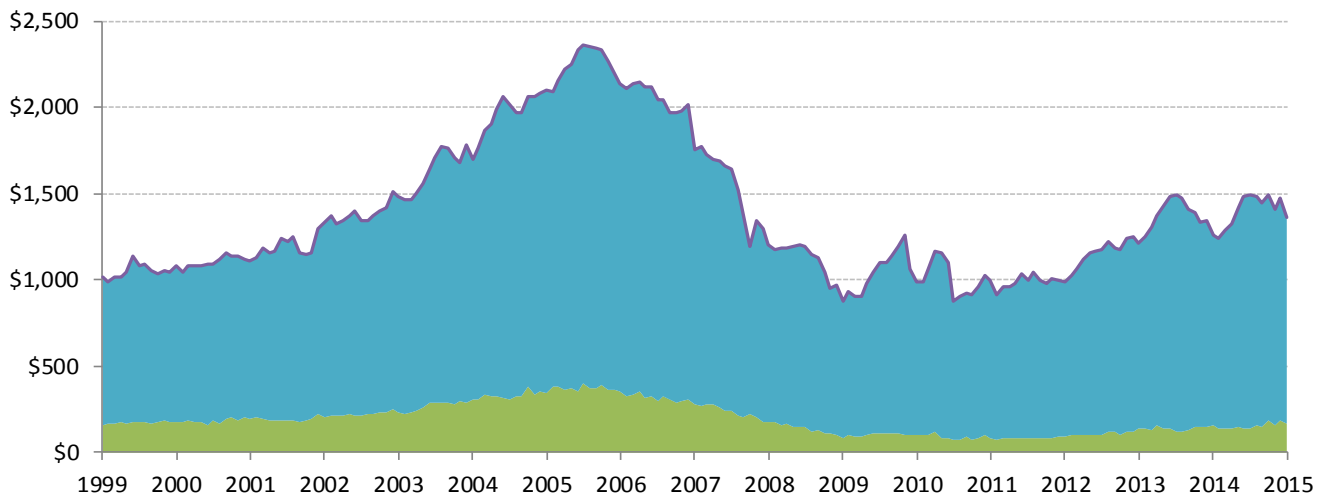
Data Insights: A Few of Our Favorite Things

Thursday, February 26, 2014

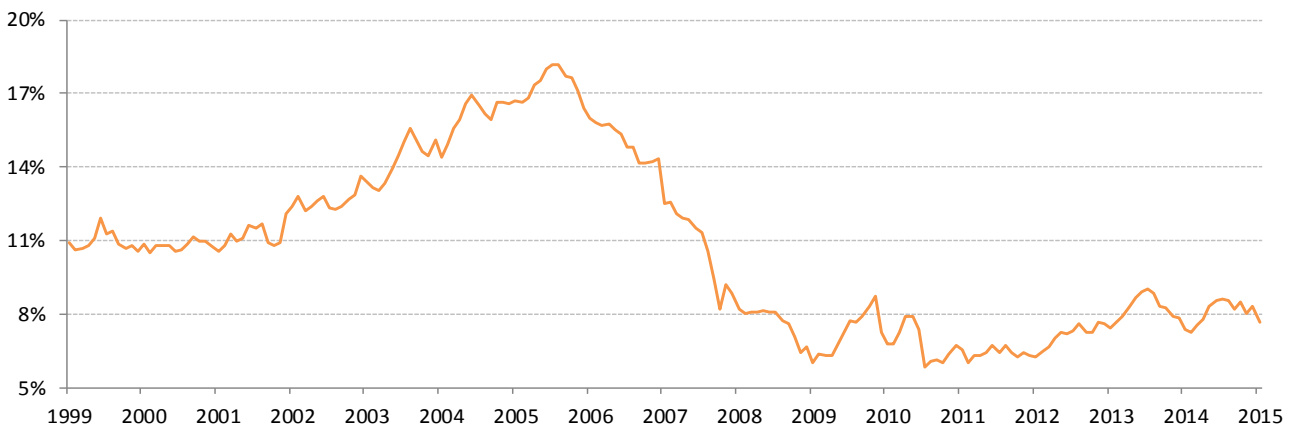
Mid-frequency growth indicators not already covered in other regular reports.

Valuing the housing recovery: TrendMacro Housing Transaction Value Aggregate

— Total Existing homes component New homes component USD billions, nominal, SAAR



Total as percentage of GDP



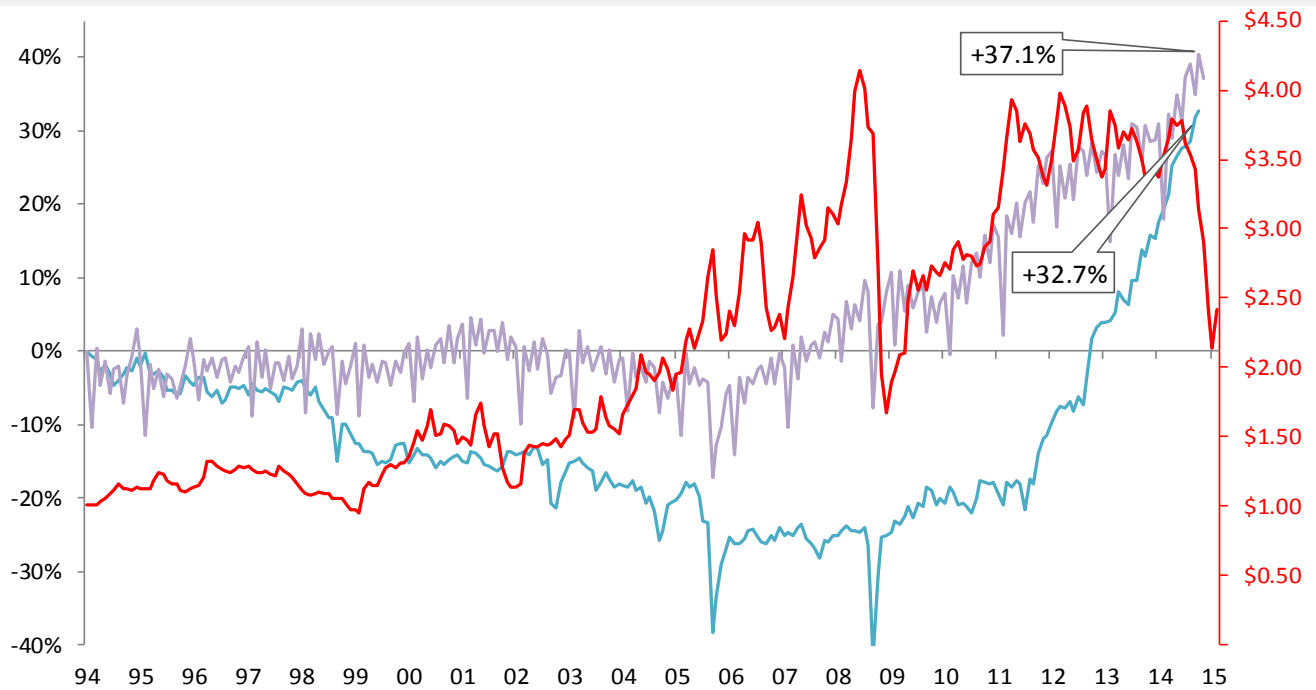
Source: Census Bureau, National Assoc. of Realtors, Bureau of Economic Analysis, TrendMacro calculations

For more information contact us:

Donald Luskin: 312 273 6766 don@trendmacro.com
 Thomas Demas: 704 552 3625 tdemas@trendmacro.com

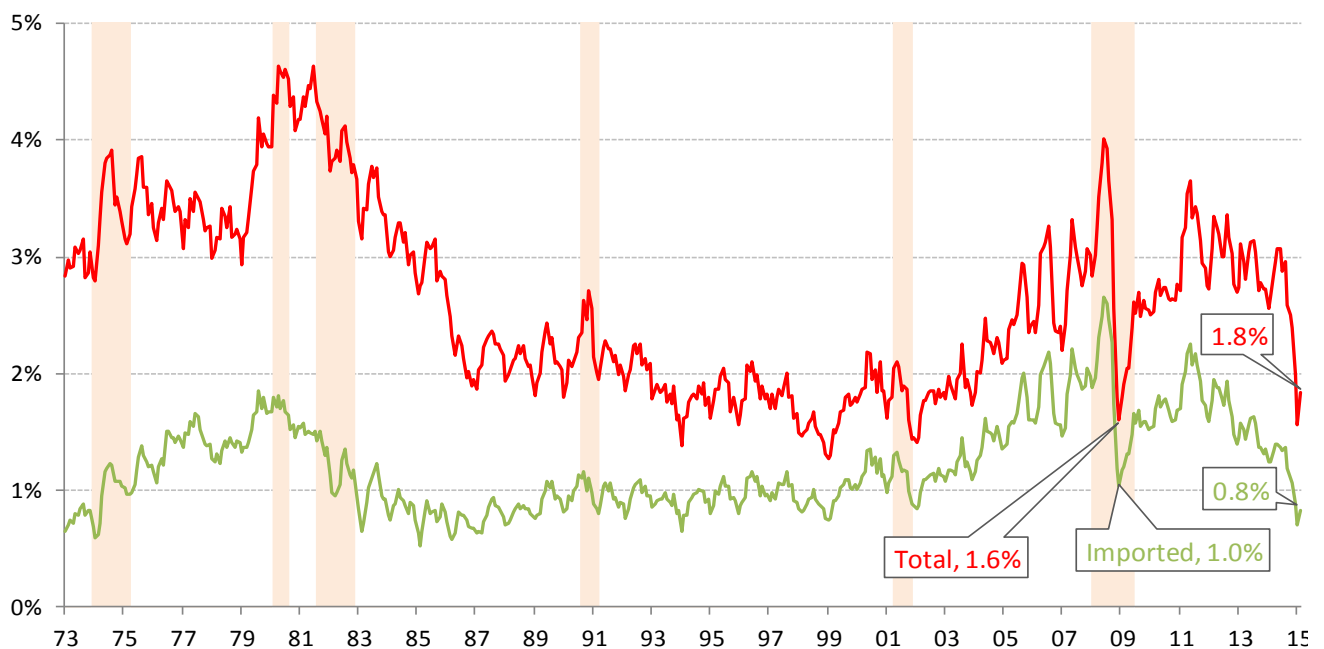
Tracking the technology revolution in domestic energy production

Domestic production, change from January 1993 — Crude oil — Natural gas — Gasoline, per gallon



Is the energy revolution moving the needle across the whole economy?

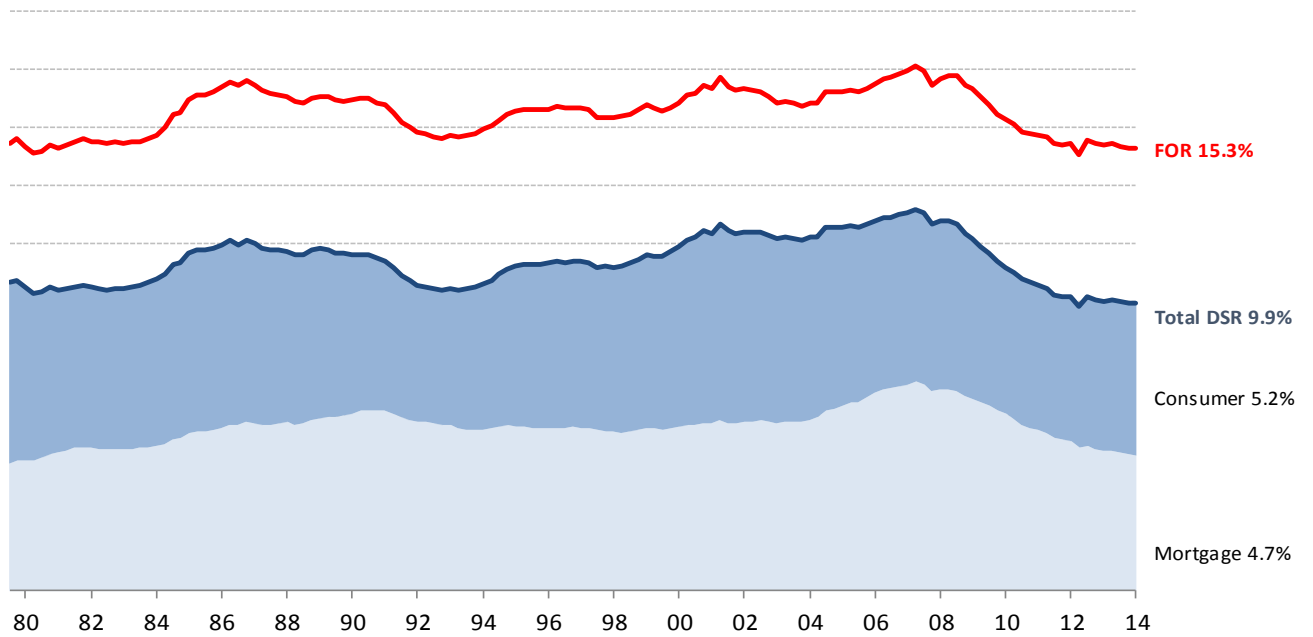
US spending on gasoline as a percentage of GDP — Total — From imported oil



Source: EIA, BEA, TrendMacro calculations

The deleveraging consumer: Financial obligation and debt service ratios

Payments of mortgage and consumer debt, automobile leases, home rental and insurance, and property taxes as percentage of after-tax income.

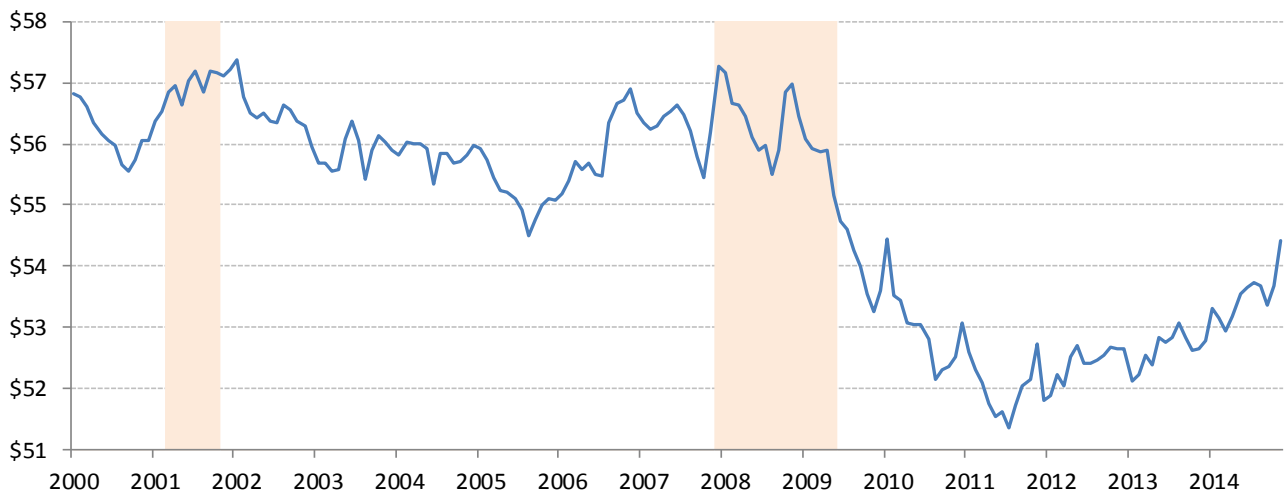


Source: BLS Current Population Survey, TrendMacro calculations

The human face of the output gap:

Real median annual household income

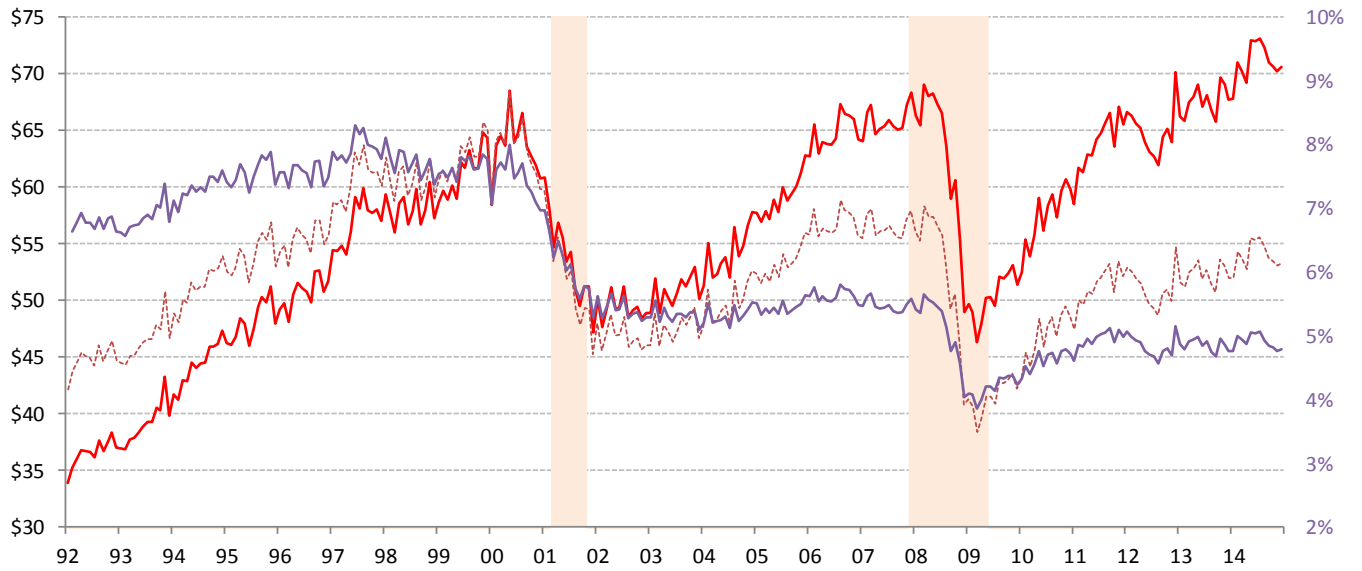
Recession



Source: Sentier Research, NBER, TrendMacro calculations

Precursor of the precursor of growth: orders for non-defense cap goods, ex-air

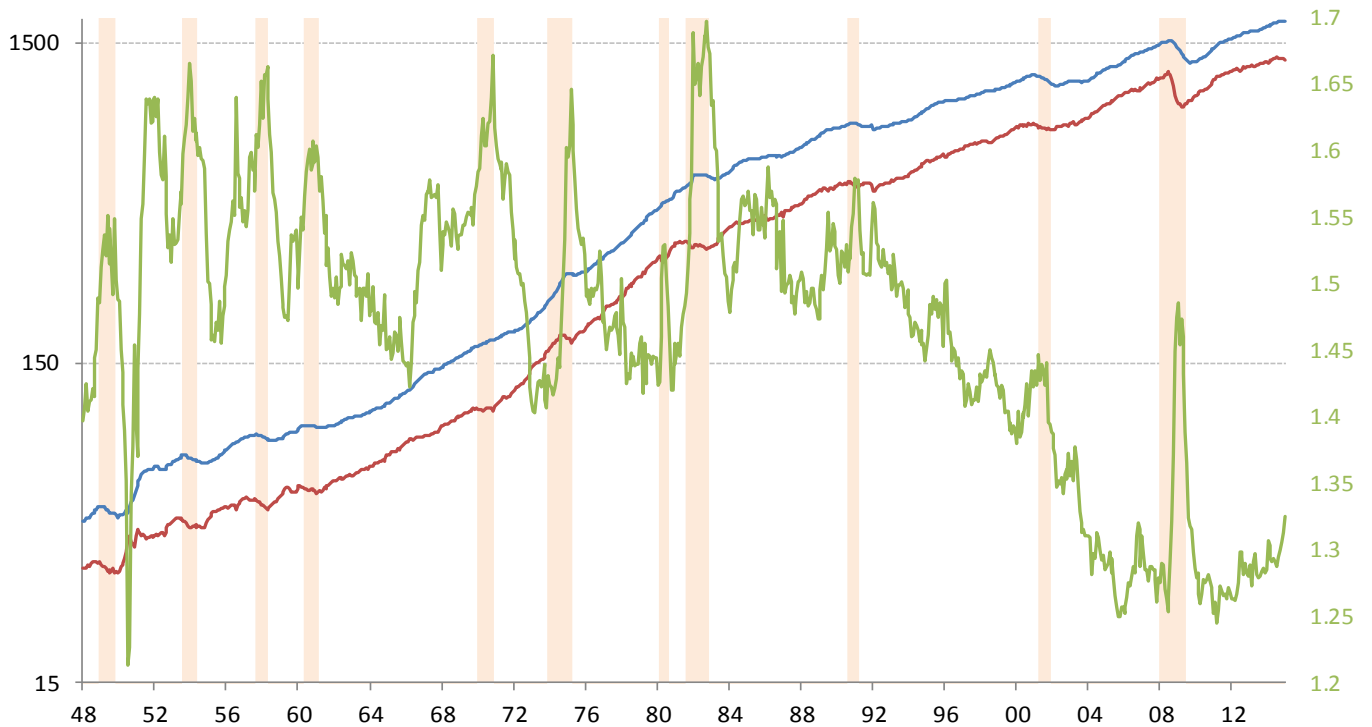
USD billions, SA — Nominal — Real — Percent GDP — Recession



Source: Census Bureau, Bureau of Labor Statistics, NBER, TrendMacro calculations

The Wal-Mart effect: US business inventories

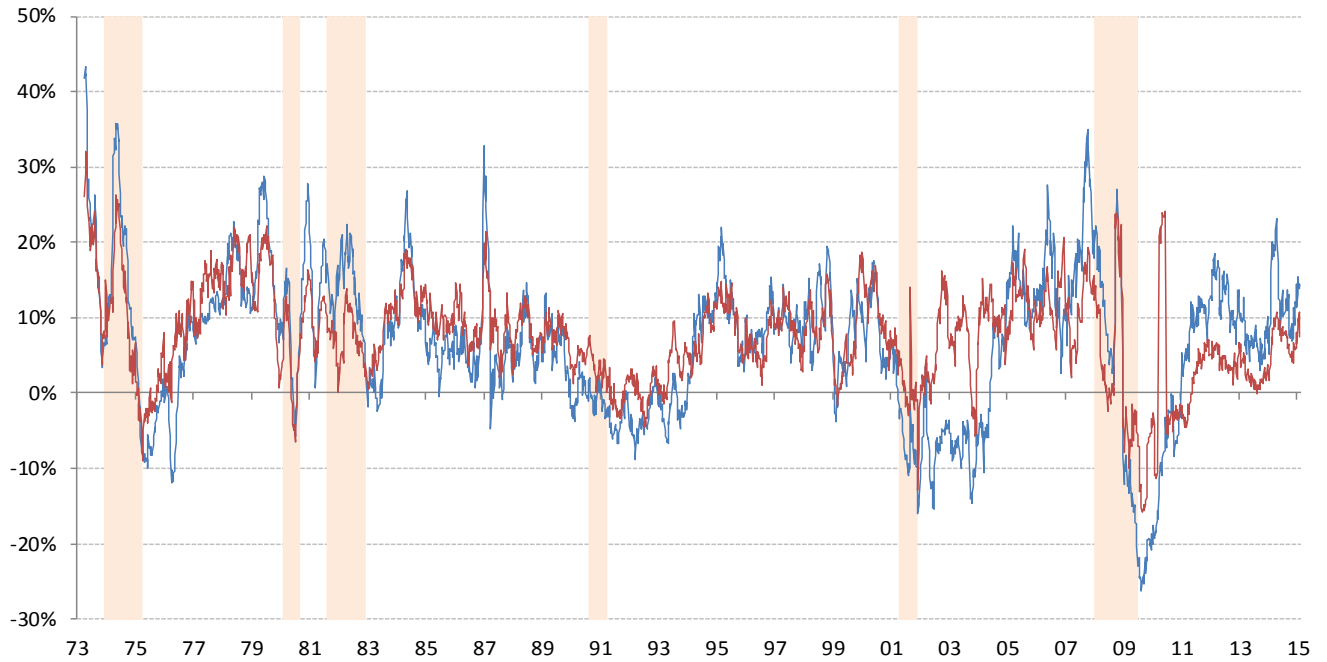
USD billions, log scale — Inventories — Sales — Ratio — Recession



Source: Census Bureau, NBER, TrendMacro calculations

Releveraging US business: lending by commercial banks

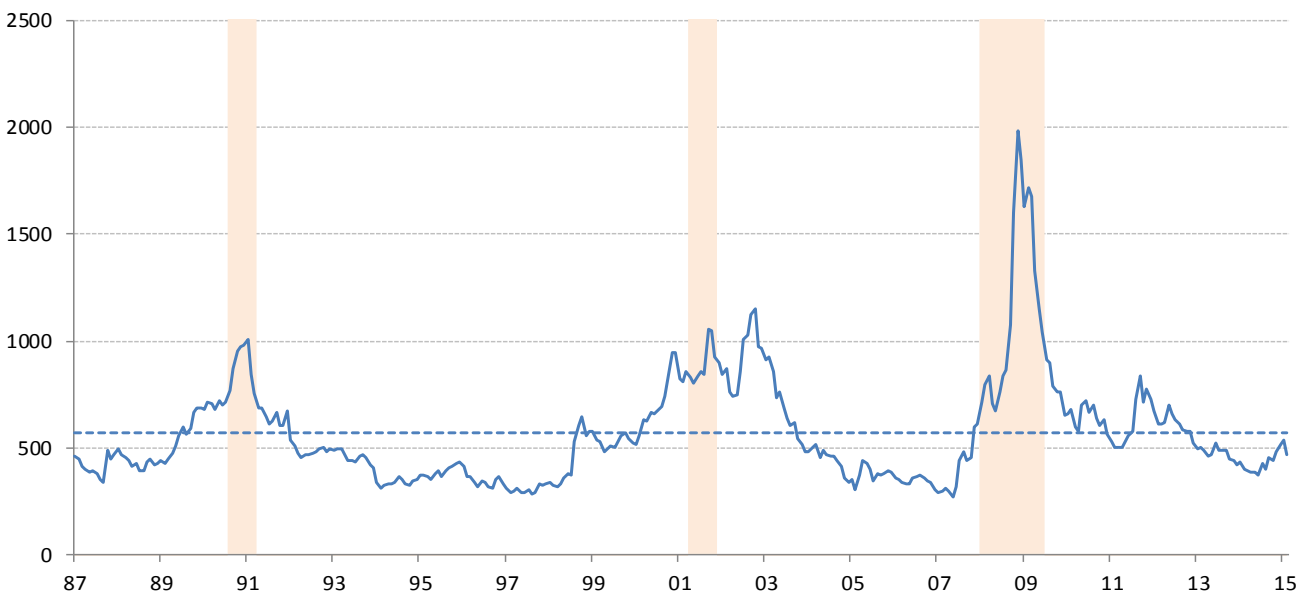
13-week annualized growth — Total credit in loans and leases — Commercial and industrial loans — Recession



Source: Federal Reserve, NBER, TrendMacro calculations

Risk-on for small growth companies: Merrill Lynch High-yield Master Index

— Spread to Treasuries, basis points — Average — Recession



Source: Merrill Lynch, NBER, TrendMacro calculations