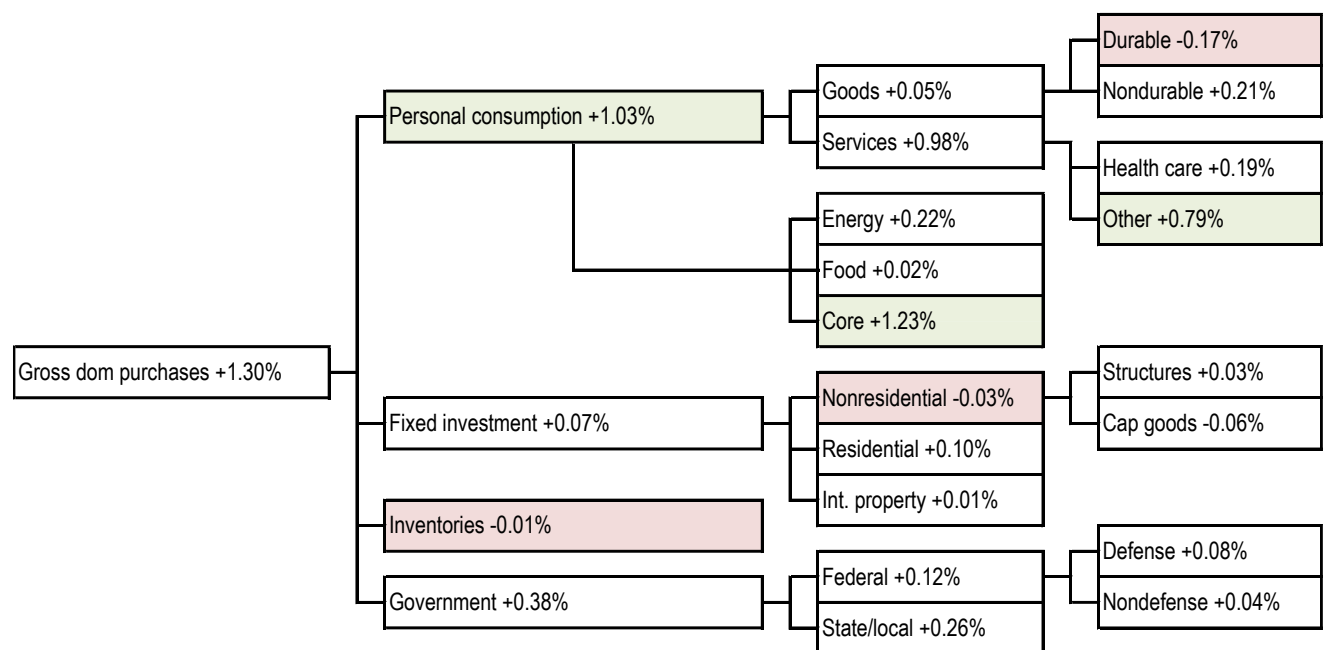


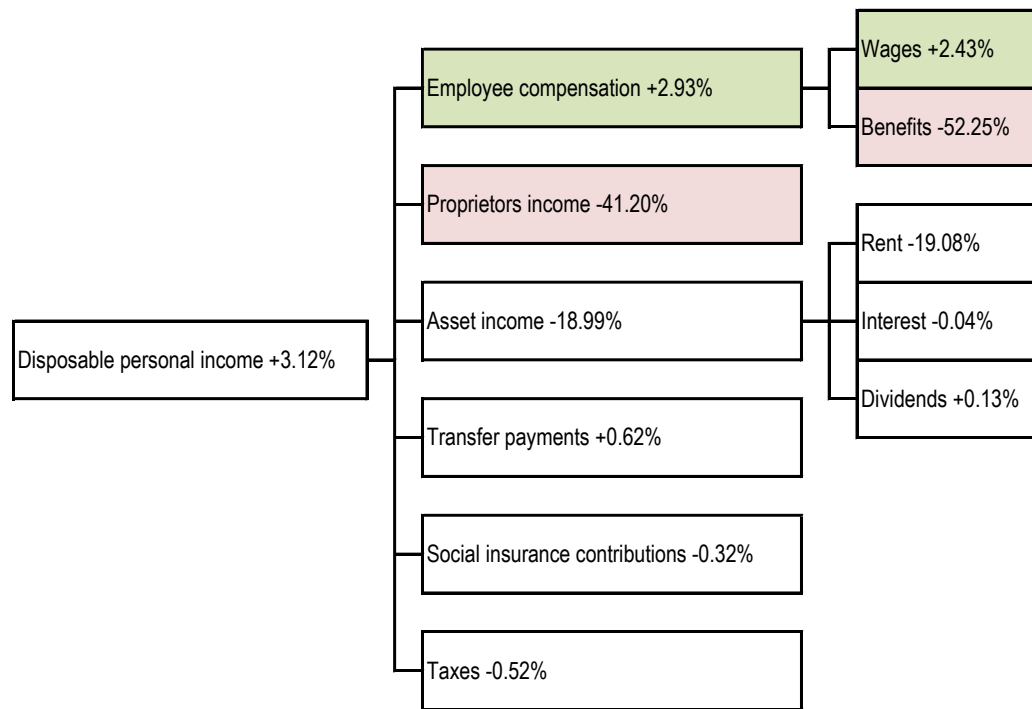
Price index data: what you need to know -- where did the inflation come from?

Contribution to sequential quarter change, SAAR Biggest change per detail-level: ■ positive ■ negative



Source: Bureau of Economic Analysis, TrendMacro calculations

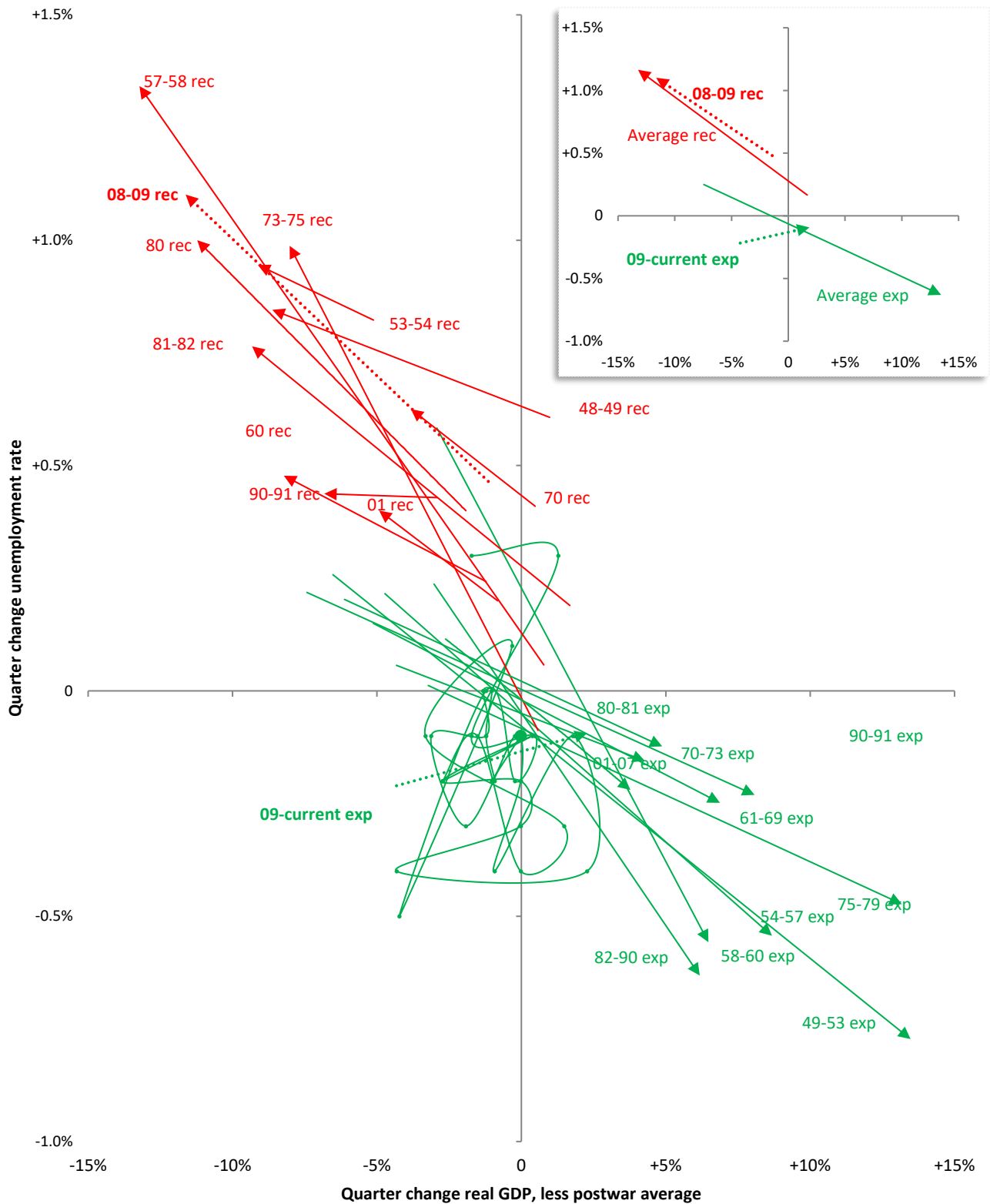
Personal income data: what you need to know -- where did the growth come from?
 Contribution to nominal, seq quarter change, SAAR Biggest change per detail-level: ■ positive ■ negative



Source: Bureau of Economic Analysis, TrendMacro calculations

Broken Okun's Law: real growth required to change unemployment

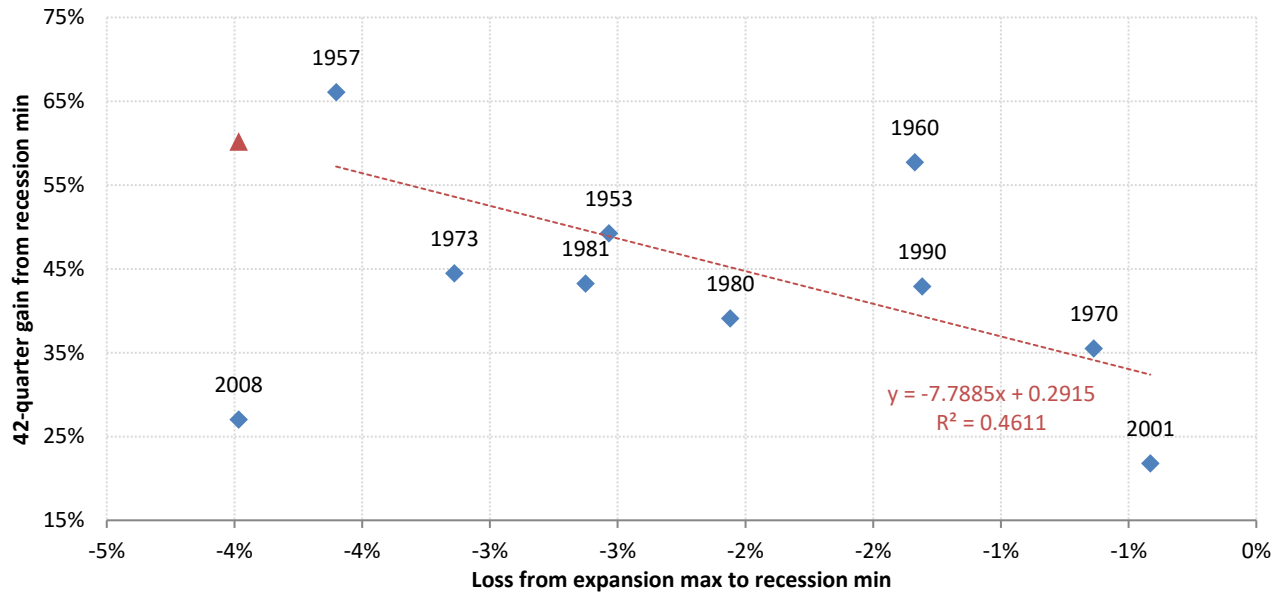
— Expansion — Recession Linear trend, plus monthly plots for 09-current expansion • Latest



Source: Bureau of Economic Analysis, BLS Current Population Survey, TrendMacro calculations

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

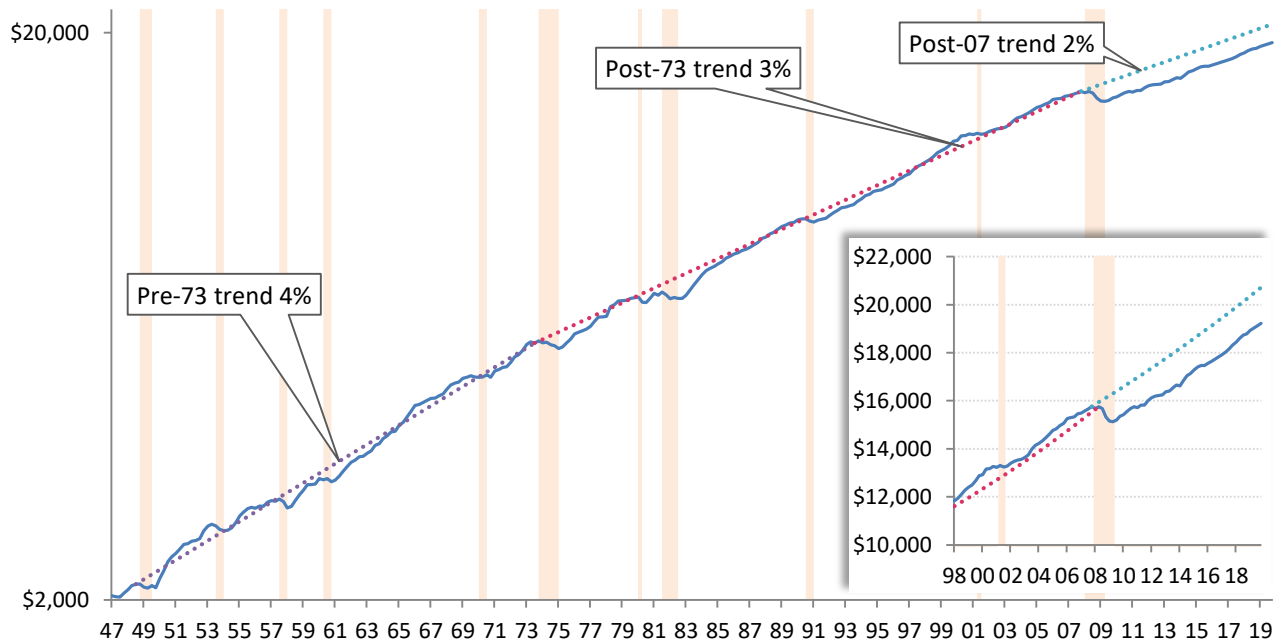
◆ Actual --- Regression for recessions 1948-2001 ▲ Theoretical for current recovery based on regression



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

The plucked string theory: GDP reverts to trend after perturbation

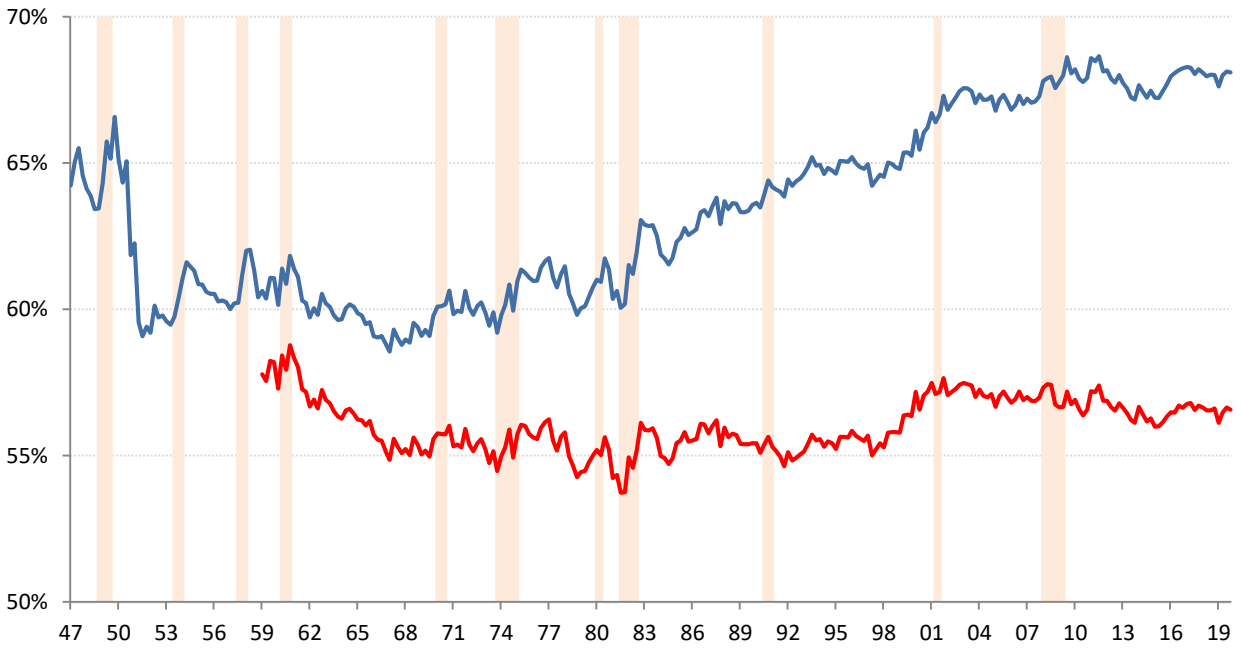
— Real GDP, USD billions, log scale --- '47-'74 3.99% --- '74-'07 trend 3.02% --- Post-'07 trend 2% ■ Recession



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

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

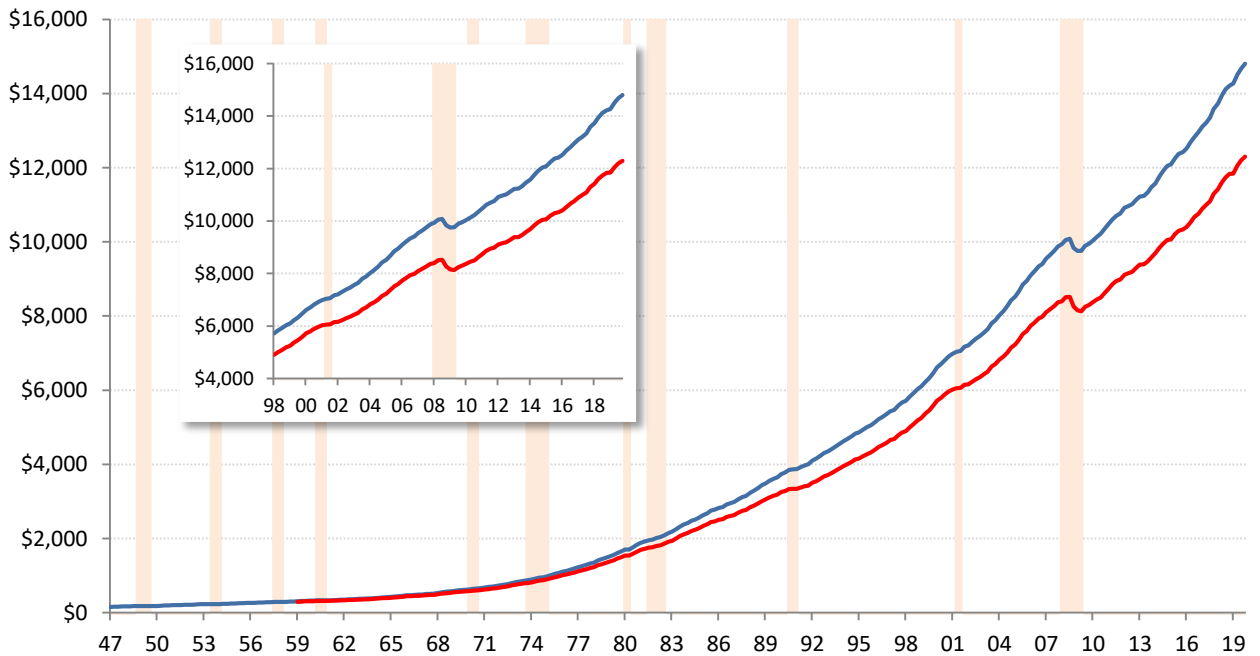
— Personal consumption expenditures — Ex-health care services — Recession



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

"New normal" watch: nominal personal consumption expenditures

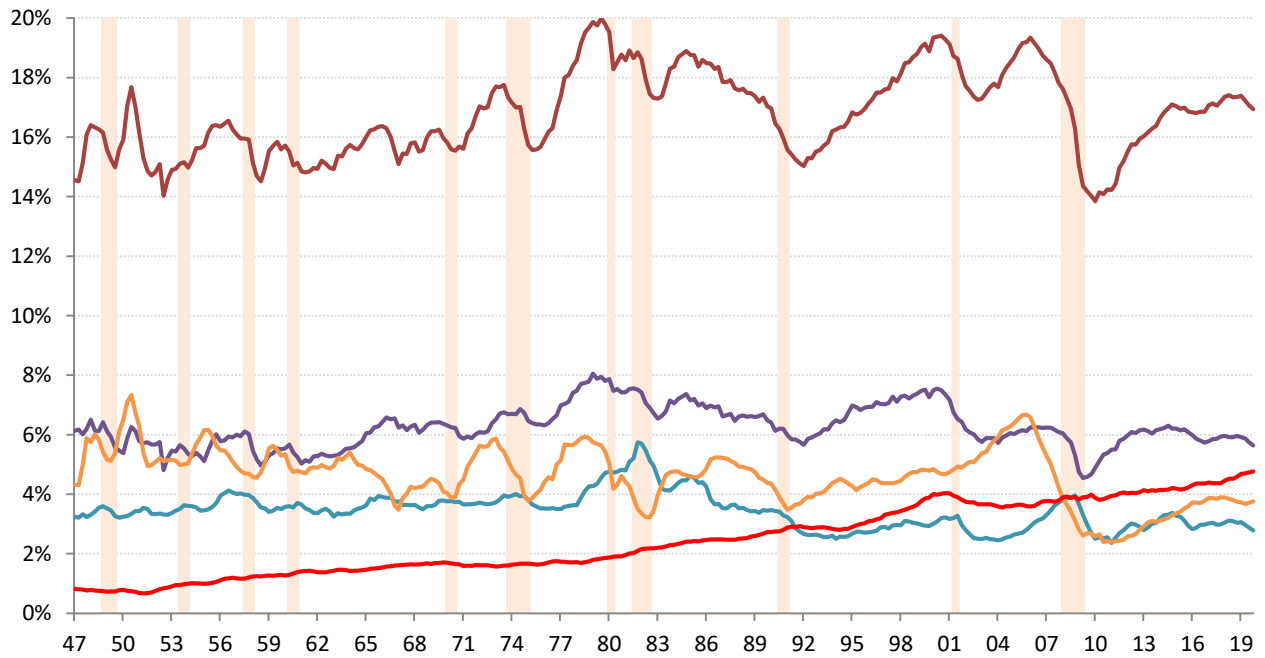
USD billions — Personal consumption expenditures — Ex-health care services — Recession



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

Capital on strike: fixed investment share of nominal GDP

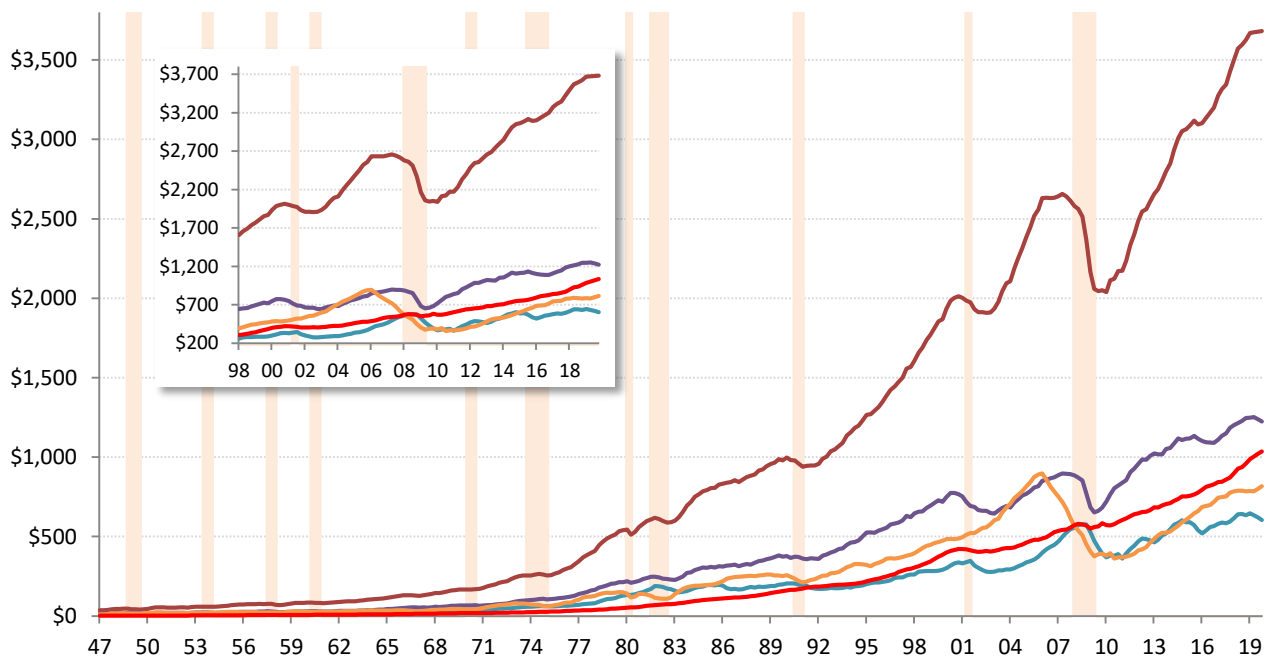
Fixed investment Equipment Int. property Nonresidential structures Housing Recession



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

Capital at work: nominal fixed investment

USD billions Fixed investment Equipment Int. property Nonresidential structures Housing



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