

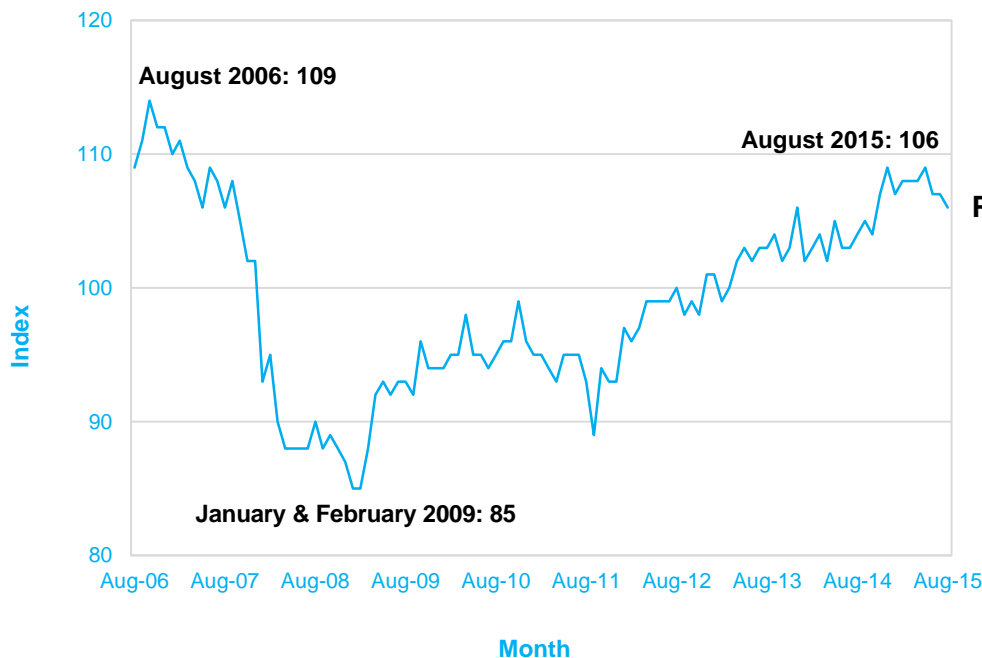
# Decision Analyst Economic Index

## August 2015

### U.S. Economy Might Stumble, According to Decision Analyst's Economic Index

Arlington, Texas—The Decision Analyst U.S. Economic Index registered **106 in August 2015**, a 1-point decrease from July 2015. The U.S. Economic Index has declined over the past 4 months and might be foreshadowing a flat to slightly declining U.S. economy in the fourth quarter of 2015 or first quarter of 2016. Another month or two of data will reveal whether the U.S. economy is likely to stumble in coming months. The U.S. Economic Index is still at a level (above 100) that signals future economic growth, but the recent downtrend is worrisome. The Economic Index tends to lead U.S. economic activity by 6 to 12 months. Below is the past-10-year history of the U.S. Economic Index.

#### United States Economic Index August 2015



“Weak consumer demand is one factor underlying the downtrend in the U.S. Economic Index. The median household income in the U.S. has not increased materially over the past 15 years—it is below the level recorded in 2000. The stronger U.S. dollar is negatively affecting U.S. exports, and a weakening Canadian



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economy can't absorb as many U.S. exports as before the collapse in oil prices. Economic weakness in Europe and China is also creating headwinds for the U.S. economy," said Jerry W. Thomas, President/CEO of Decision Analyst. "China's great real estate and construction bubble is coming to a close. An extended period of very slow economic growth looms ahead for the world economy, and the U.S."

## Global Indices

The following table compares Decision Analyst's U.S. Economic Index to its Economic Indices for other countries.

In South America, Argentina's Economic Index increased 6 points in the past 12 months, while Brazil's economy collapsed (with a decline of 18 points). Russia is in deep trouble with a decline of 12 points over the past year, closely followed by Canada with an 11-point decline. The Economic Index tends to lead economic activity in each country by 6 to 12 months.

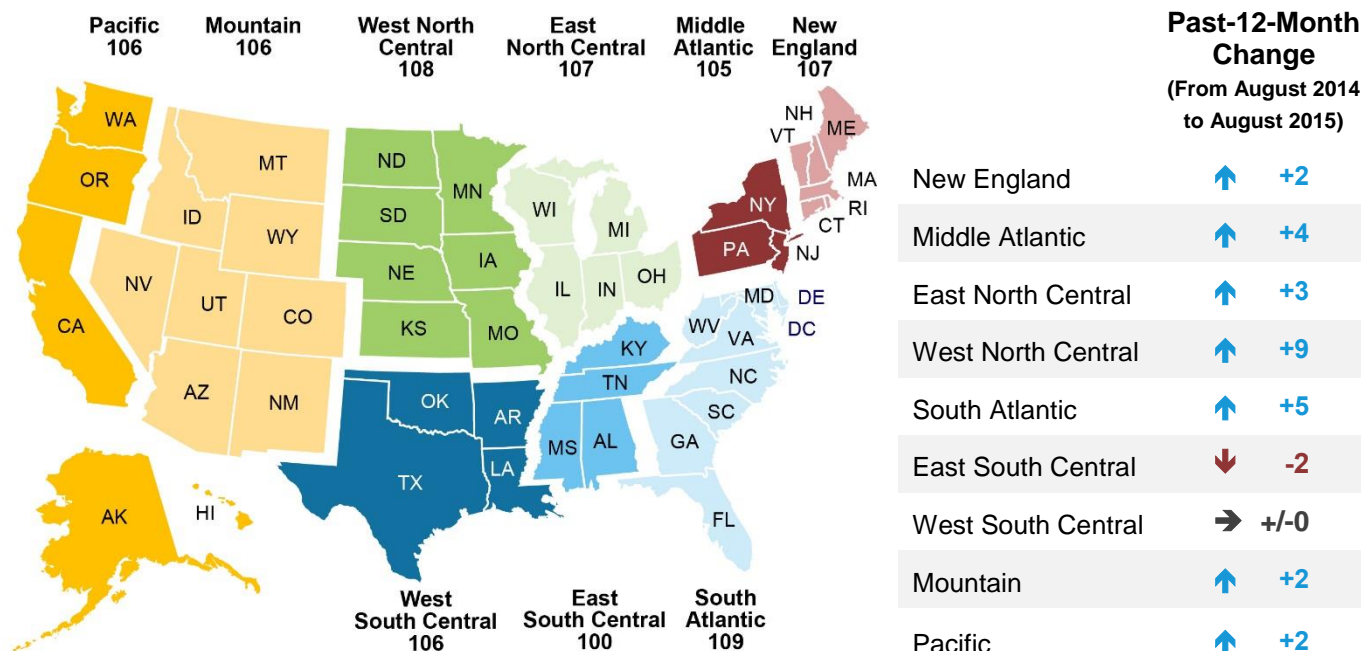
		Decision Analyst Global Economic Indices August 2015	
		August 2015 Index	Past-12-Month Change (From August 2014 to August 2015)
<b>North America</b>			
	United States	106	↑ +2
	Canada	90	↓ -11
	Mexico*	89	↓ -3
<b>South America</b>			
	Argentina*	88	↑ +6
	Brazil*	86	↓ -18
	Chile*	96	↓ -6
	Colombia*	104	↓ -1
	Peru*	109	↓ -1
<b>Europe</b>			
	France	87	↑ +1
	Germany	103	↓ -1
	Italy	97	↑ +7
	Russian Federation*	94	↓ -12
	Spain*	96	↑ +5
	United Kingdom	104	↓ -1
<b>Australia/Asia</b>			
	Australia*	92	↓ -2
	India*	123	↓ -2

\* The Index numbers for Argentina, Australia, Brazil, Chile, Colombia, India, Mexico, Peru, the Russian Federation, and Spain are 3-month moving averages to smooth out month-to-month fluctuations. The reported Index number averages the current month with the previous 2 months.

## Census Divisions

In the past 12 months the West North Central Division has gained the most of all the U.S. Census Divisions, increasing 9 points from 99 in August 2014 to **108 in August 2015**. The East South Central Census Division is the only division to decline in the past 12 months, decreasing from 102 in August 2014 to **100 in August 2015**.

### United States Census Divisions Economic Index August 2015\*



\* The Index numbers for the Census Divisions are 3-month moving averages to smooth out fluctuations due to smaller sample sizes. The reported Index number averages the current month with the previous 2 months.

## Methodology

The Decision Analyst Economic Index is based on a monthly online survey of several thousand households balanced by gender, age, and geography. The scientific survey is conducted in the last 10 days of each month. The Economic Index is calculated from 9 different economic measurements using a sophisticated econometric model. The result is a snapshot of coming economic activity in each country surveyed, as seen through the eyes of representative consumers living in the respective countries.

Decision Analyst conducts its concurrent economic surveys each month in Argentina, Australia, Brazil, Canada, Chile, Colombia, France, Germany, India, Italy, Mexico, Peru, the Russian Federation, Spain, United Kingdom, and the United States. Whenever the Decision Analyst Economic Index is greater than 110, it tends to signal an expanding economy. An Index value of 90 to 110 suggests a no-growth or slow-growth economy, and near or below 90 generally indicates economic contraction. These guidelines vary by country, however.

## About Decision Analyst

Decision Analyst ([www.decisionanalyst.com](http://www.decisionanalyst.com)) is a global research and analytical consulting firm specializing in strategy research, new product development, advertising testing, and advanced modeling for marketing decision optimization. For more than 35 years the firm has delivered competitive advantage to clients throughout the world in consumer packaged goods, high technology, retail, medical, automotive, and other industries.