

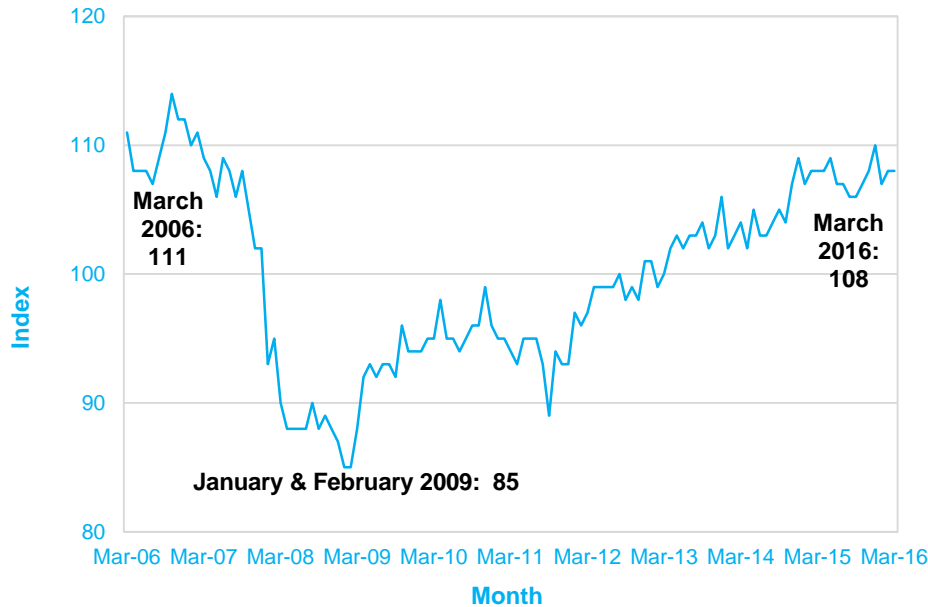
Decision Analyst Economic Index

March 2016

U.S. Economy Slow and Steady, According to Decision Analyst's Economic Index

Arlington, Texas—The Decision Analyst U.S. Economic Index registered **108 in March 2016**, the same score as February 2016. The U.S. Economic Index in March 2016 is the same as it was a year earlier in March 2015, indicating that 2016 will be another year of snail-paced economic expansion. 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 March 2016



Past-12-Month Change
(From March 2015 to
March 2016)

+/-0
Points

"The U.S. Economic Index bounced around over the past year but ended the year at 108, exactly where it started. This sideways movement of the Index over the past 12 months suggests that 2016 will be another year of slow economic activity. In fact, the U.S. seems locked into a pattern of slow economic growth. A number of structural factors are holding the U.S. economy in check: an aging population; a declining share of adults who work; rising debt levels in government and business; over investment in technology, entertainment, and analytics companies where returns are low; rising student debt; economic weakness in Canada, one of our largest trading partners; inadequate bank credit for smaller businesses; and the rising cost of healthcare. Also, the ultra-low interest rates of the Federal Reserve are creating bubbles (technology investments, rural land,



Decision Analyst

Strategic Research ■ Analytics ■ Modeling ■ Optimization

















Cristi Allen, Publicity, callen@decisionanalyst.com
604 Avenue H East, Arlington, Texas 76011-3100
Phone: 1-817-640-6166 ■ www.decisionanalyst.com

stocks and bonds, automobiles, etc.). A U.S. recession in 2016 is a possibility, but the odds continue to favor slow economic growth, based on the Index.”

Global Indices

The following tables compare Decision Analyst’s U.S. Economic Index to its Economic Indices for other countries.

Globally, more countries are showing declines in the past 12 months than are showing increases. In fact, the only countries showing any increases in the past 12 months are Italy and Spain. Italy increased from 89 in March 2015 to **96 in March 2016**, and Spain increased from 94 in March 2015 to **101 in March 2016**. In North America, Canada dropped from 93 in March 2015 to **85 in March 2016**. In South America, Brazil declined 16 points in the past 12 months—from 100 in March 2015 to **84 in March 2016**.

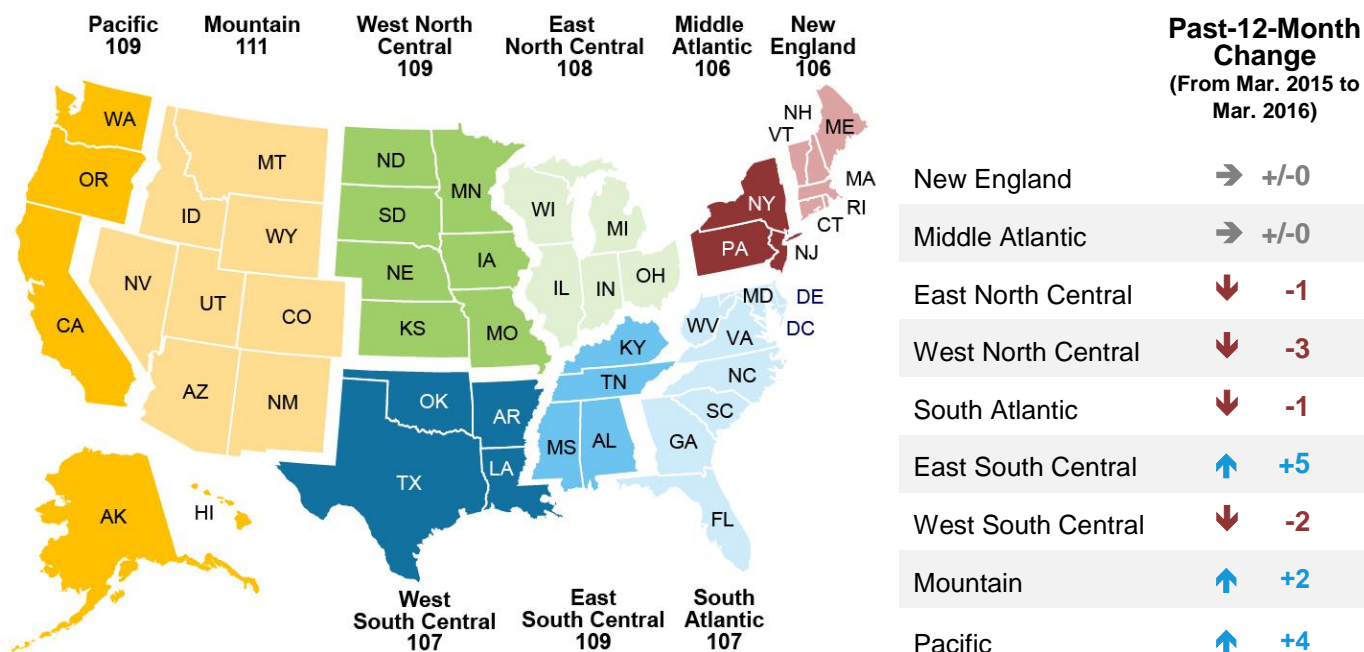
Decision Analyst Global Economic Indices March 2016			
		March 2016 Index	Past-12-Month Change (From March 2015 to March 2016)
North America			
	United States	108	→ +/-0
	Canada	85	↓ -8
	Mexico*	92	→ +/-0
South America			
	Argentina*	82	↓ -5
	Brazil*	84	↓ -16
	Chile*	90	↓ -7
	Colombia*	95	↓ -12
	Peru*	101	↓ -9
Europe			
	France	82	↓ -12
	Germany	104	↓ -3
	Italy	96	↑ +7
	Russian Federation*	89	→ +/-0
	Spain*	101	↑ +7
	United Kingdom	104	↓ -6
Australia/Asia			
	Australia*	92	↓ -2
	India*	124	↓ -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.

U.S. Census Divisions

The U.S. Census Divisions are not all moving in the same direction. In the past 12 months, the East South Central Census Division increased 5 points, from 104 in March 2015 to **109 in March 2016**. The Pacific Division increased from 105 in March 2015 to **109 in March 2016**. The West North Central Division decreased from 112 in March 2015 to **109 in March 2016**, while the West South Central Division decreased from 109 in March 2015 to **107 in March 2016**. The New England and Middle Atlantic Census Divisions had no change over the past 12 months.

United States Census Divisions Economic Indices March 2016*



* 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) 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.