

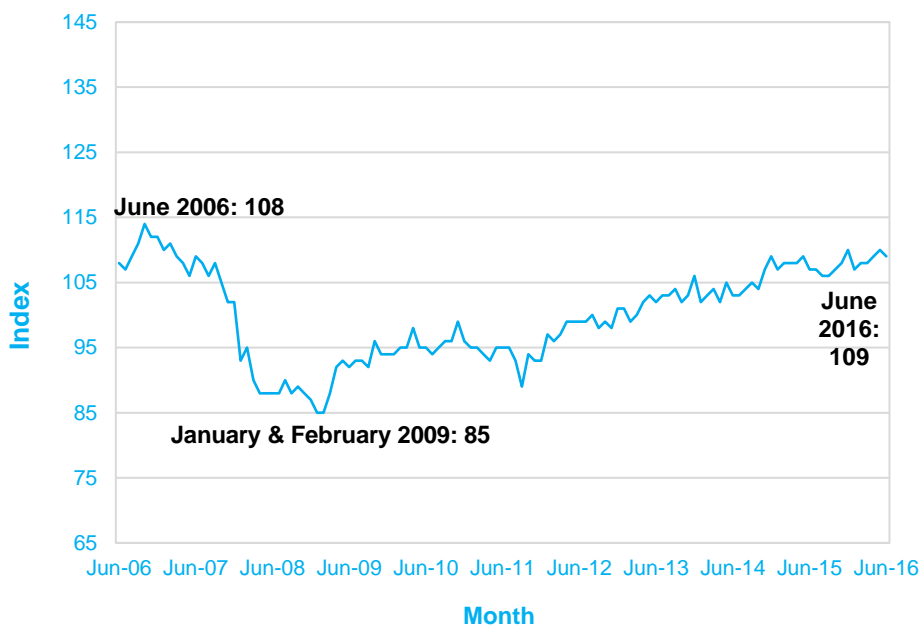
Decision Analyst Economic Index

June 2016

U.S. Economy Continues in Slow Growth Mode, According to Decision Analyst's Economic Index

Arlington, Texas—The Decision Analyst U.S. Economic Index registered **109 in June 2016**, a 1-point decrease from May 2016, but over the past 12 months, the Index increased 2 points from 107 in June 2015. These are minor fluctuations in what is essentially a flat trendline for the U.S. economy over the past two years. 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 June 2016



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



















“The overall trend of the U.S. Economic Index over the past year suggests that 2016 will be a year of slow economic growth.” said Jerry W. Thomas, President/CEO. “This slow growth is taking place despite record low interest rates and significant deficit spending by the U.S. government. The slow growth of the U.S. economy over the past five years provides strengthening evidence that low interest rates are not a solution to the problem of slow growth. In fact, low interest rates are now contributing to the economic malaise in the U.S. The U.S. government has not addressed the issue of slow economic growth in any meaningful way. Without significant structural reforms, the U.S. economy is locked into a pattern of slow growth for the foreseeable future. No one in Washington, D.C. is focused on, or working on, the issue of slow economic growth—the greatest problem facing our nation. Slow economic growth means a shrinking pie for almost everyone, including the government itself. The ultra low interest rates have created, and are creating, bubbles in the economy that will rupture at

some point—with catastrophic results. The risks of recession in the next 12 to 24 months are significant, especially if some of the bubbles start to pop.”

Global Indices

The following chart compares Decision Analyst’s U.S. Economic Index to the Economic Indices for other countries. Globally, more countries are showing declines in the past 12 months than are showing increases. In fact, outside the U.S., the only countries showing increases from a year ago are Mexico, Italy, and Spain.

Decision Analyst Global Economic Indices June 2016			Past-12-Month Change (From June 2015 to June 2016)
North America	June 2016 Index		
 United States	109	↑	+2
 Canada	89	↓	-5
 Mexico*	93	↑	+1
South America			
 Argentina*	78	↓	-10
 Brazil*	84	↓	-6
 Chile*	90	↓	-7
 Colombia*	102	→	+/-0
 Peru*	107	↓	-1
Europe			
 France	87	↓	-1
 Germany	103	↓	-3
 Italy	95	↑	+4
 Russian Federation*	88	↓	-9
 Spain*	98	↑	+4
 United Kingdom^	104	↓	-4
Australia/Asia			
 Australia*	95	→	+/-0
 India*	125	↓	-2

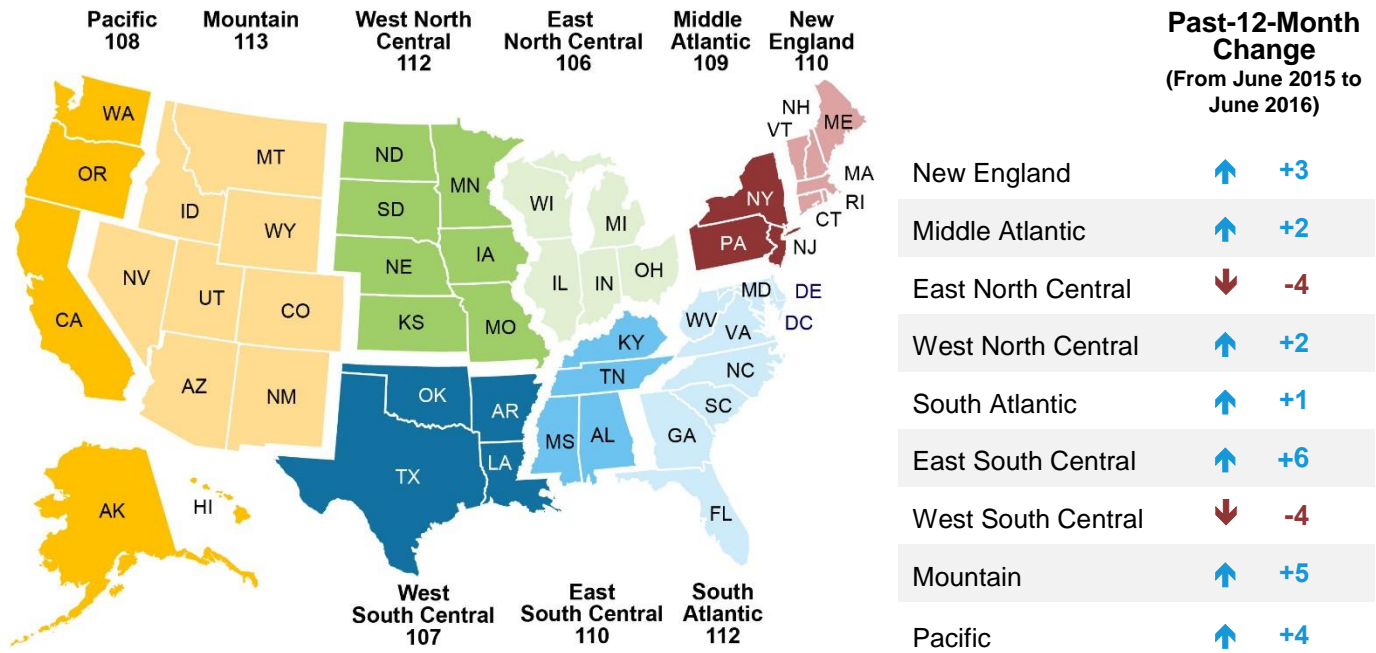
* The Index numbers for Argentina, Australia, Brazil, Chile, Colombia, India, Mexico, Peru, the Russian Federation, and Spain are 3-month moving averages to smooth out month-to-month fluctuations. The reported Index number averages the current month with the previous 2 months.

^ Data collection took place between June 19th and June 30th, 2016. The U.K. vote to leave the European Union took place on June 23rd, during the middle of data collection.

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 7 points, from 103 in June 2015 to **110 in June 2016**. The West South Central Census Division decreased from 111 in June 2015 to **107 in June 2016**, and the East North Central Census Division decreased from 110 in June 2015 to **106 in June 2016**.

United States Census Divisions Economic Indices June 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.