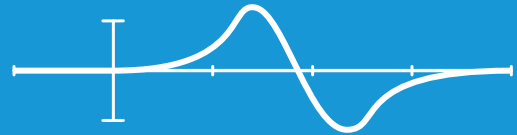


# Decision Analyst Economic Index

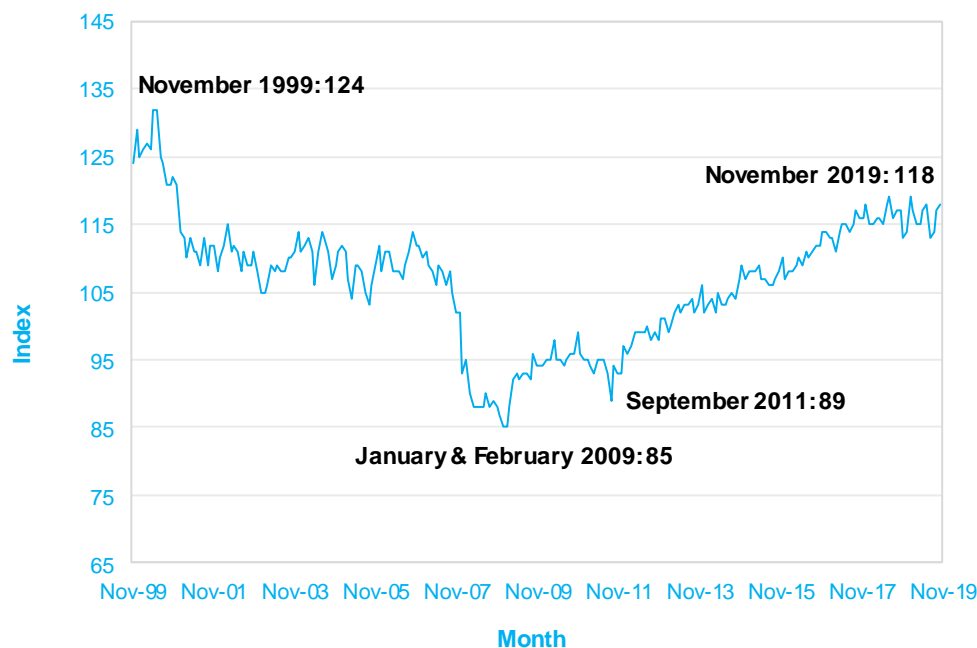
November 2019



## The Economic Index for the U.S. Predicts the Economy Will Start 2020 at a Slow Pace

Arlington, Texas—The Decision Analyst U.S. Economic Index stood at **118 in November 2019**, an increase of 1 point from the previous month, and also a one point increase from November 2018. Over the course of the past 12 months, the Index remained essentially flat. This suggests that the U.S. economy will continue to grow at a sluggish rate in coming months (i.e., at less than a 2% annual rate). The Economic Index tends to lead overall U.S. economic activity by 6 to 12 months. Below is the past-20-year history of the U.S. Economic Index.

### United States Economic Index November 1999–November 2019

















**Past-12-Month  
Change**  
(From Nov. 2018  
to Nov. 2019)

**+1  
Point(s)**

“A quick look at the Economic Index graph above reveals that the Index has been essentially flat for the past 2 years. U.S. consumers have done their part to keep the economy strong—they have continued to spend money. The government has massively stimulated the economy through low interest rates and deficit spending, a massive effort that cannot be sustained long term. Corporations, however, have not done their part. It was hoped that the corporate tax cuts at the beginning of 2018 would lead to a rising tide of business investment. Instead, major corporations have used most of the tax cuts to buy back their stock, a counterproductive waste of money. Trade disputes and tariffs are having a negative effect on the U.S. economy as well, as are labor shortages in some industries. Slow economic growth in Europe and China also poses risks to the U.S. economy. In summary, the U.S. economy is ending 2019 on a weak note and will start off in 2020 at a slow pace,” said Jerry W. Thomas, President/CEO of Decision Analyst.

## Global Indices

The following chart compares the U.S. Economic Index to Decision Analyst's Economic Indices for other countries. In North America, both Canada and Mexico saw declines in the past 12 months. Mexico decreased 2 points, while Canada decreased 4 points. In South America, Brazil increased by 11 points, while Chile dropped 15 points. In Europe, France and Italy each increased 4 points. The European economies are increasingly at risk of recession. Some of the major countries tracked by Decision Analyst are shown below.

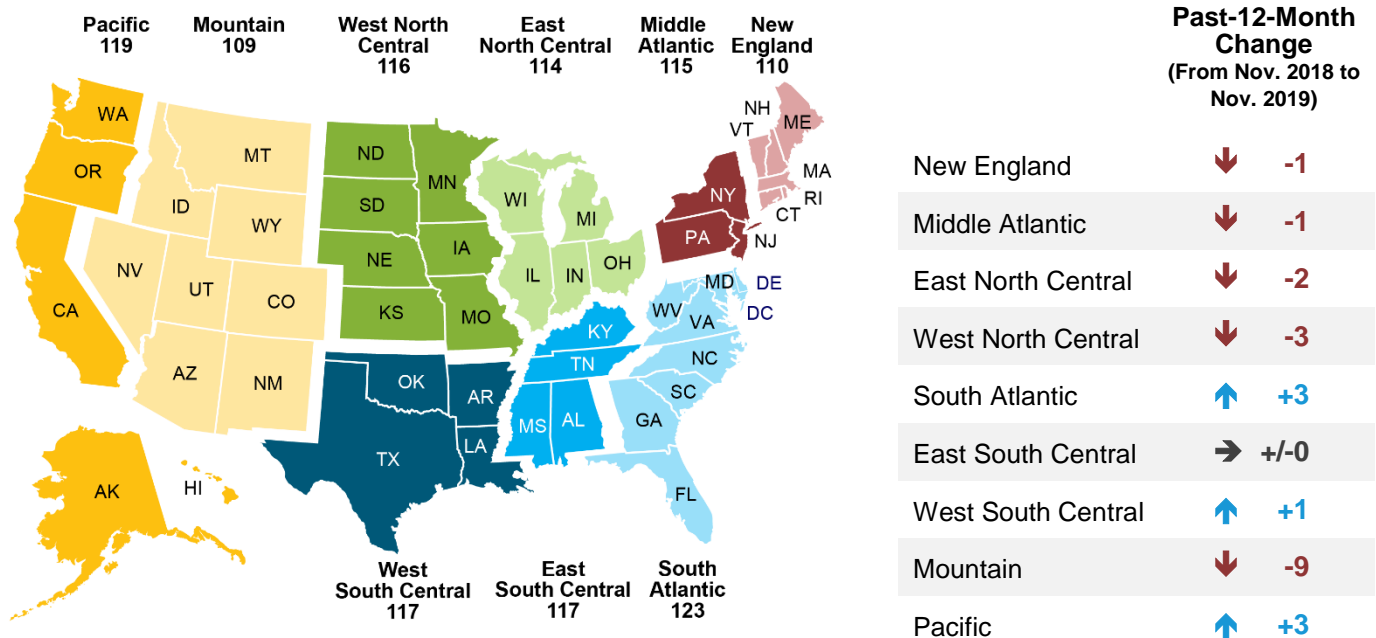
Global Economic Indices November 2019			Past-12-Month Change (From November 2018 to November 2019)	
North America		November 2019 Index		
	United States	118	↑	+1
	Canada	96	↓	-2
	Mexico*	100	↓	-4
South America				
	Argentina*	76	↑	+1
	Brazil*	113	↑	+11
	Chile*	82	↓	-15
	Colombia*	101	↑	+1
	Peru*	106	↑	+5
Europe				
	France	88	↑	+4
	Germany	107	↑	+2
	Italy	103	↑	+4
	Russian Federation*	100	→	+/-0
	Spain*	96	↓	-3
Asia				
	India*	120	↓	-10

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

## U.S. Census Divisions

Several of the U.S. Census Divisions saw declines in the past 12 months. The Mountain Census Division declined by 9 points, while the West North Central Census Division declined 3 points. The South Atlantic and the Pacific Census Divisions each increased by 3 points. The following charts are 3-month moving averages, so the numbers are lower than the overall Economic Index (that is, the time periods covered are slightly different). This aberration will correct itself over time.

### United States Census Divisions Economic Indices November 2019\*



\* The Index scores for the Census Divisions are 3-month moving averages to smooth out fluctuations due to smaller sample sizes. The reported Index score for each division 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, Brazil, Canada, Chile, Colombia, France, Germany, India, Italy, Mexico, Peru, the Russian Federation, Spain, 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 40 years the firm has delivered competitive advantage to clients throughout the world in consumer packaged goods, high technology, retail, medical, automotive, and other industries.