

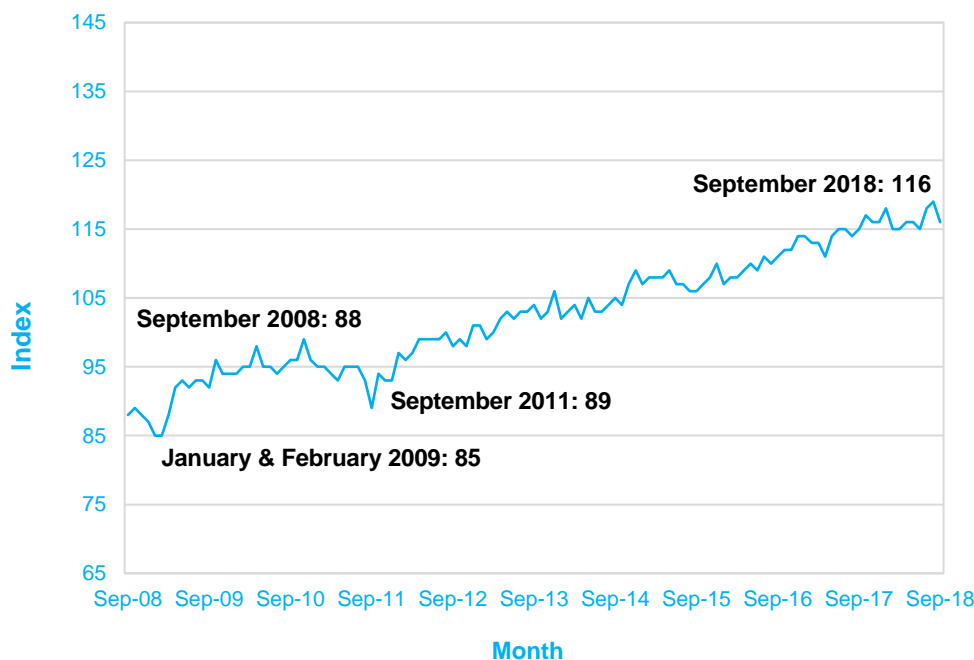
Decision Analyst Economic Index

September 2018

The U.S. Economic Index For September 2018 Suggests Slow Growth

Arlington, Texas—The Decision Analyst U.S. Economic Index stands at **116 for September 2018**, a 1-point increase over the past 12 months, but a 3-point decline from August 2018. The U.S. Economic Index has flattened out over the past year, suggesting that the U.S. economic expansion might be reaching its apex. The overall trend of the Economic Index suggests slowing growth, and raises the prospect that the current economic cycle may be reaching a turning point—a turn toward recession. The Economic Index tends to foreshadow overall 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 September 2018





Past-12-Month
Change
(From Sept. 2017
to Sept. 2018)



“The U.S. Economic Index is beginning to signal slower growth, or perhaps a coming downturn in the U.S. economy. Trade disputes, tariffs, and threats of tariffs are disrupting sectors of the U.S. economy, and the continuing rise in interest rates is beginning to take its toll on credit-sensitive industries, such as housing, construction, and automotive. The strengthening U.S. dollar is raising the risks of financial crises in emerging economies around the world. Once the flames of financial crises begin, they can quickly spread to developed economies. The growing mountains of corporate and governmental debts are major risk factors to the U.S. economy,” said Jerry W. Thomas, President/CEO of Decision Analyst. “The dangers of recession or ultraslow growth are lurking in the shadows.”

Global Indices

The following chart compares the U.S. Economic Index to Decision Analyst's Economic Indices for other countries. The Economic Indices for all European and South American countries are less than the U.S. Economic Index, and many countries are seeing declines in their Indices. Argentina has declined 16 points in the past 12 months, while Chile has declined 4 points. Meanwhile, Colombia has increased by 5 points in the past 12 months. In Europe, France has declined 8 points in the past 12 months, while Germany has increased by 4 points. The major countries tracked by Decision Analyst are shown below.

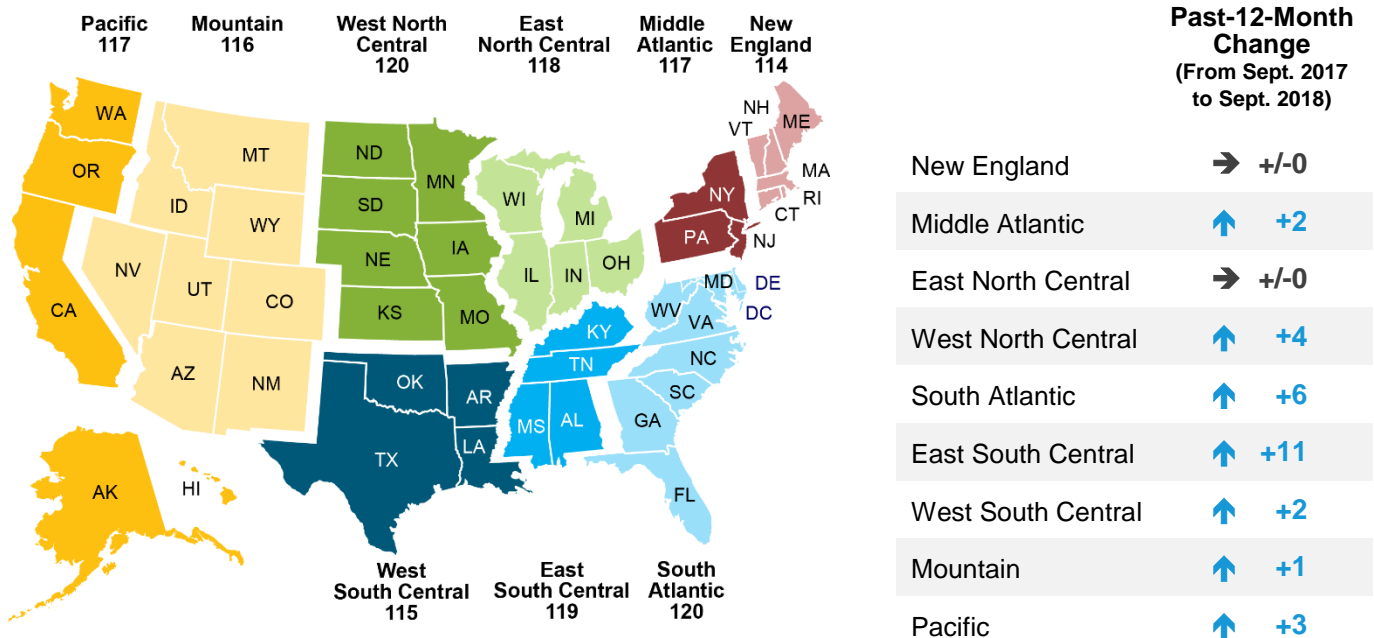
		Global Economic Indices September 2018	
		Sept. 2018 Index	Past-12-Month Change (From Sept. 2017 to Sept. 2018)
North America			
	United States	116	↑ +1
	Canada	98	↑ +3
	Mexico*	99	↓ -2
South America			
	Argentina*	74	↓ -16
	Brazil*	103	↑ +4
	Chile*	97	↓ -4
	Colombia*	101	↑ +5
	Peru*	102	↓ -3
Europe			
	France	85	↓ -8
	Germany	108	↑ +4
	Italy	98	↓ -1
	Russian Federation*	100	↑ +1
	Spain*	102	↓ -1
Australia/Asia			
	Australia*	94	→ +/-0
	India*	126	↑ +1

* 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 is an average of the current month with the previous 2 months.

U.S. Census Divisions

The West North Central and the South Atlantic tied for the highest Index score for September (120). (Hurricane Florence hit the Carolinas in mid-September, 2018; data for this survey was collected starting on September 20th.) The South Atlantic increased 6 points in the past 12 months, while the West North Central increased 4 points. The New England Census Region had the lowest Index with a score of 114; and it saw no change in the past 12 months. Additionally, the East North Central Region also saw no change in the past 12 months.

United States Census Divisions Economic Indices September 2018*



* 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, Australia, 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) 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.