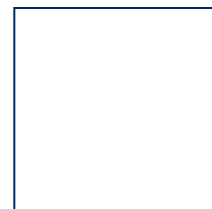
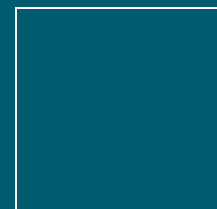
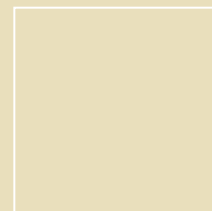


National Economic Conditions

Rick Kaglic

April 2011

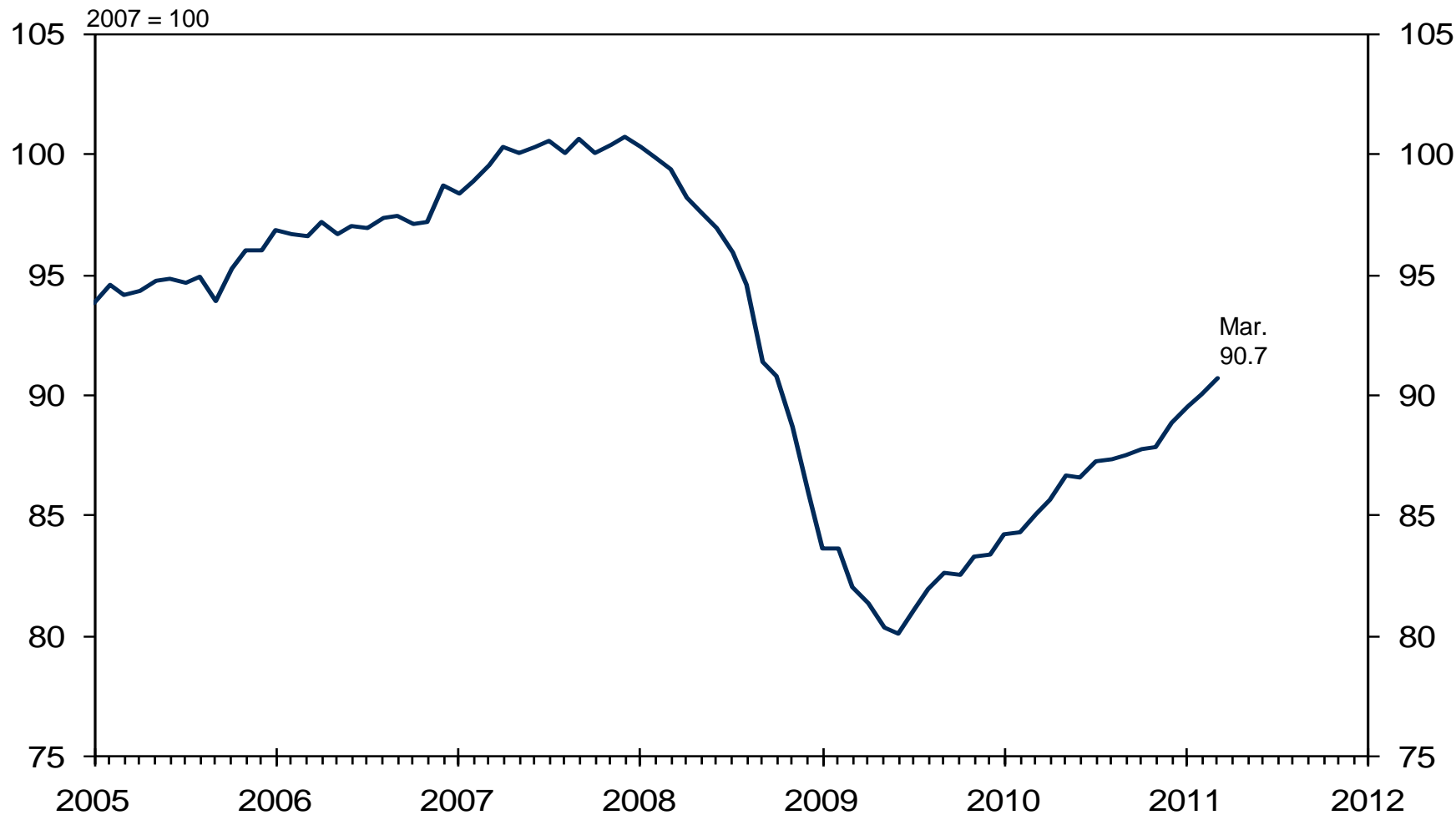


THE FEDERAL RESERVE BANK OF RICHMOND

RICHMOND ■ BALTIMORE ■ CHARLOTTE



Industrial Production Index: Manufacturing



ISM: Business Survey Indexes

MANUFACTURING BUSINESS:

	<u>Feb.</u>	<u>Mar.</u>
Purchasing Managers Index	61.4	61.2
Production	66.3	69.0
New Orders	68.0	63.3
Employment	64.5	63.0
Supplier Deliveries	59.4	63.1
Inventories	48.8	47.4
Prices	82.0	85.0
Backlog of Orders	59.0	52.5
New Export Orders	62.5	56.0
Imports	55.0	56.5

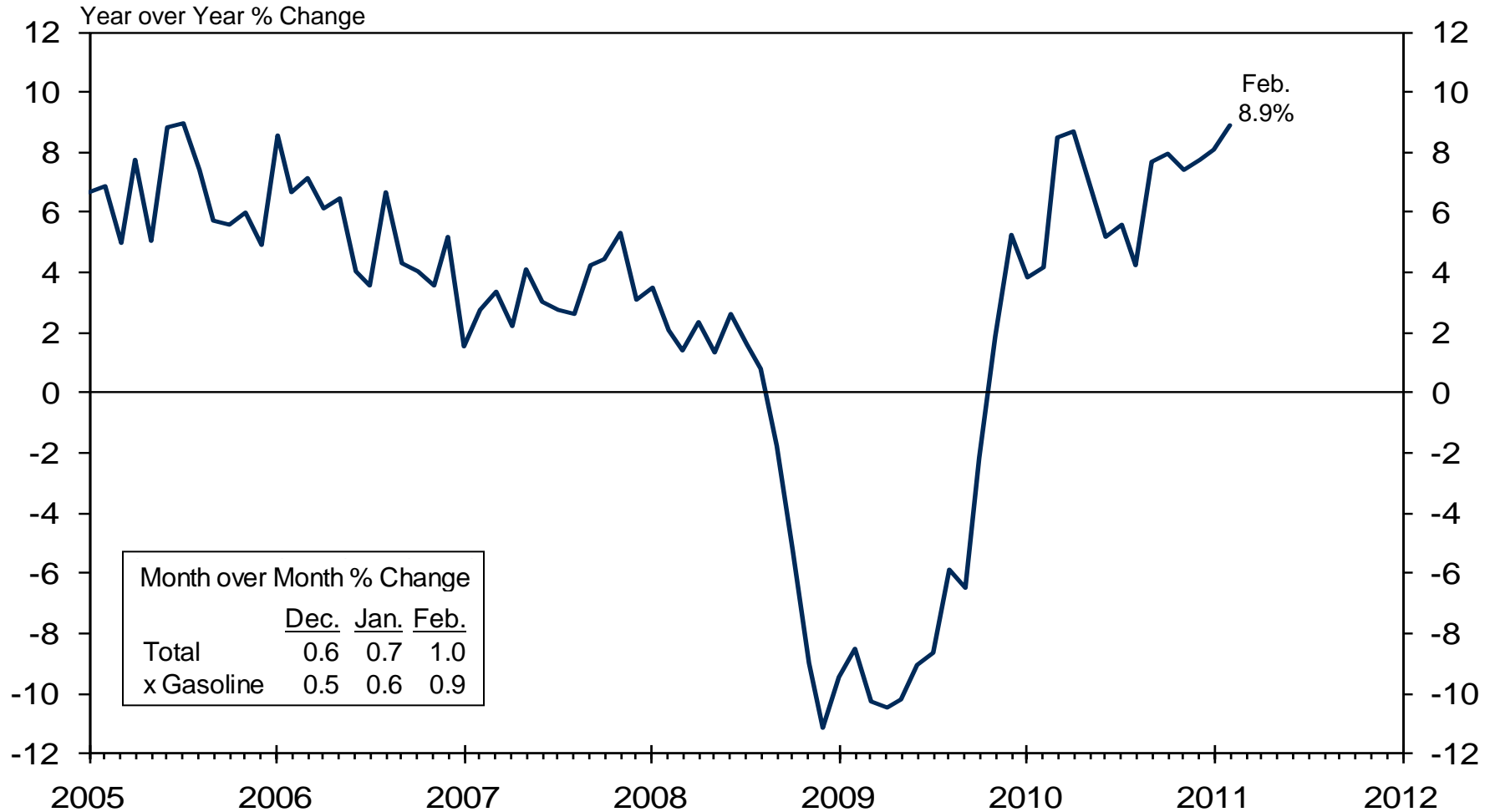
NONMANUFACTURING BUSINESS:

	<u>Feb.</u>	<u>Mar.</u>
NonManufacturing Index	59.7	57.3
Business Activity	66.9	59.7
New Orders	64.4	64.1
Employment	55.6	53.7
Supplier Deliveries	52.0	51.5
Inventories	55.5	55.5
Prices	73.3	72.1
Backlog of Orders	52.0	56.0
New Export Orders	56.5	59.0
Imports	53.5	50.0

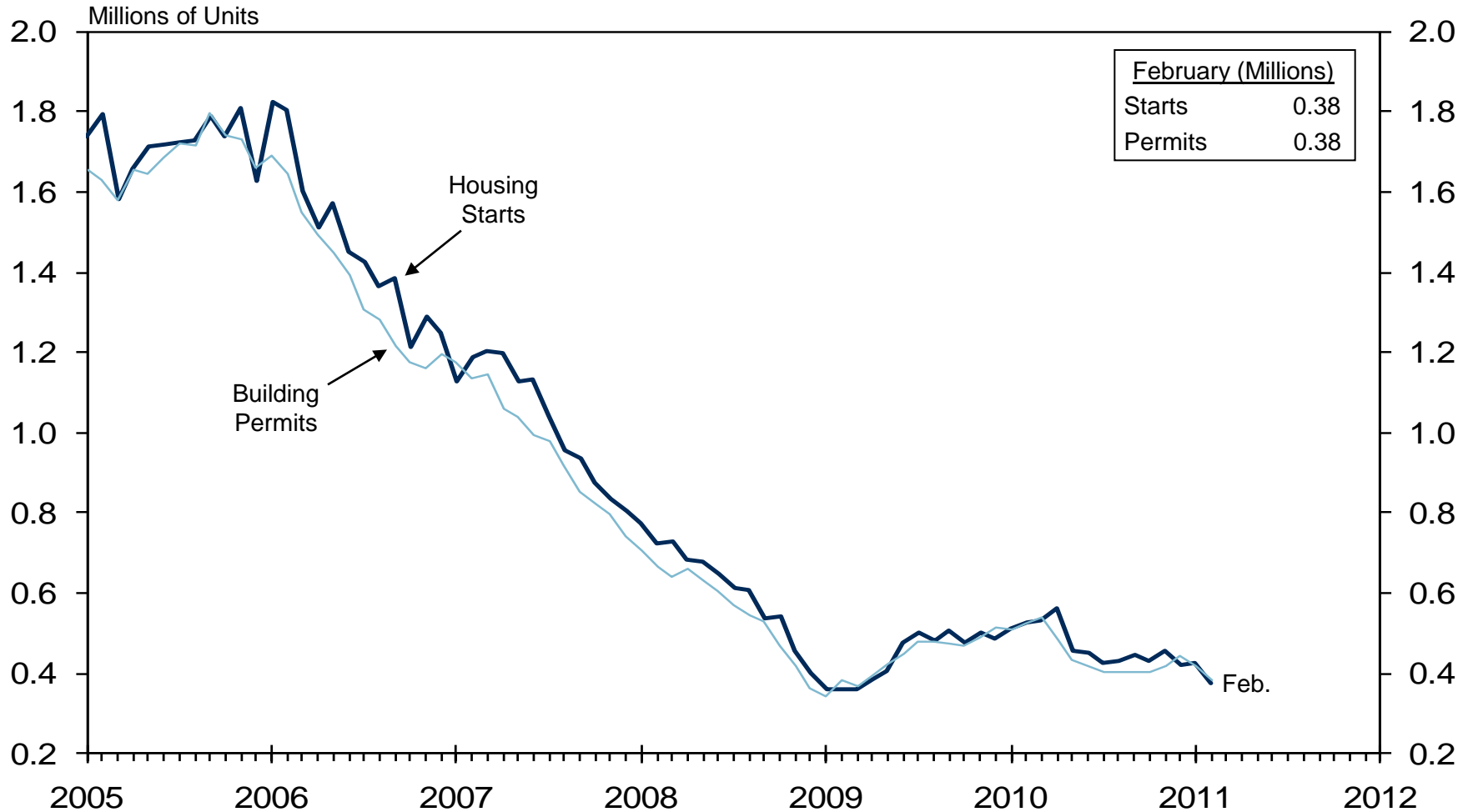
DIFFUSION INDEXES: Numbers above 50 percent indicate a preponderance of expanding firm activity.



Retail Sales



Single-Family Building Permits & Housing Starts

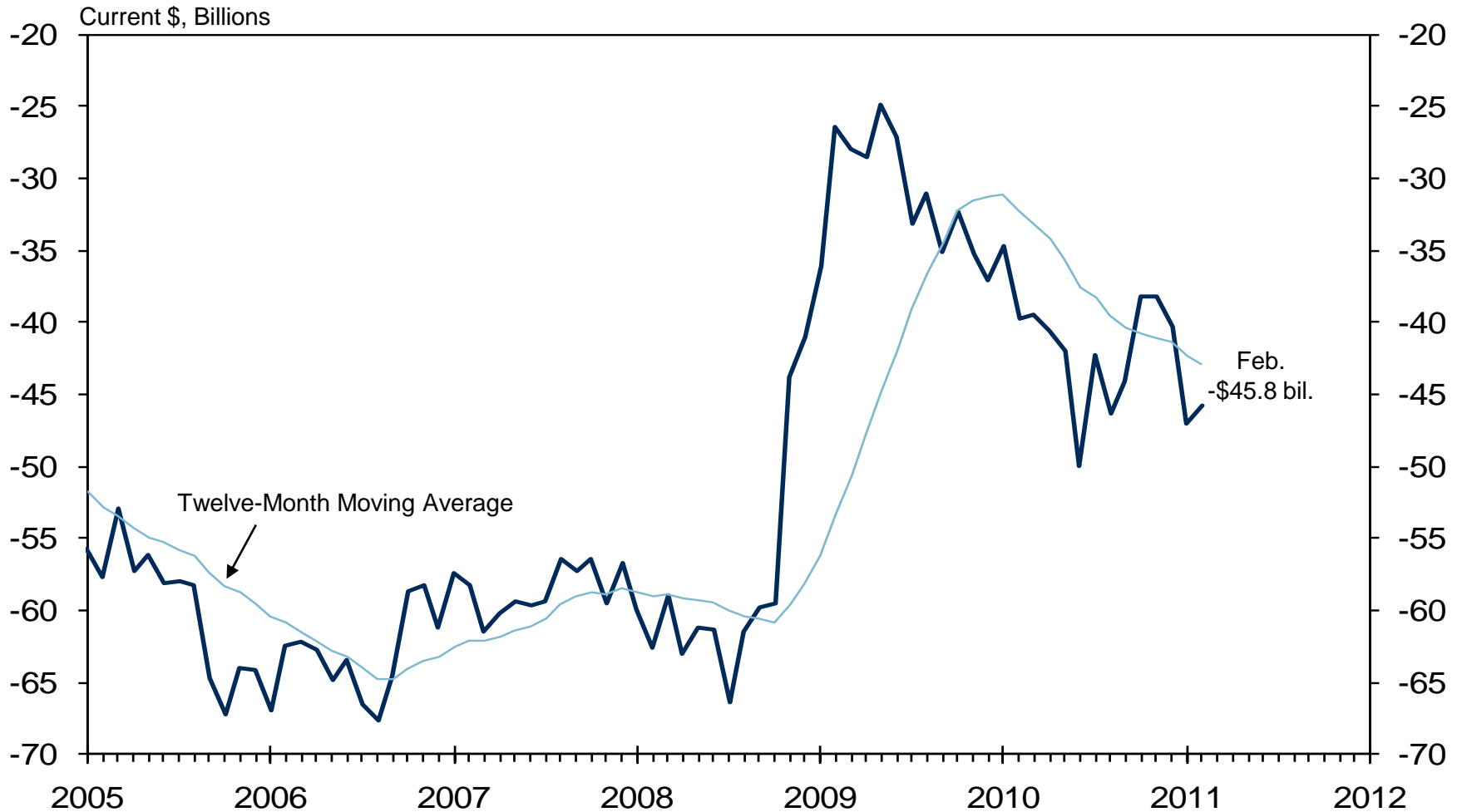




Housing Affordability Index

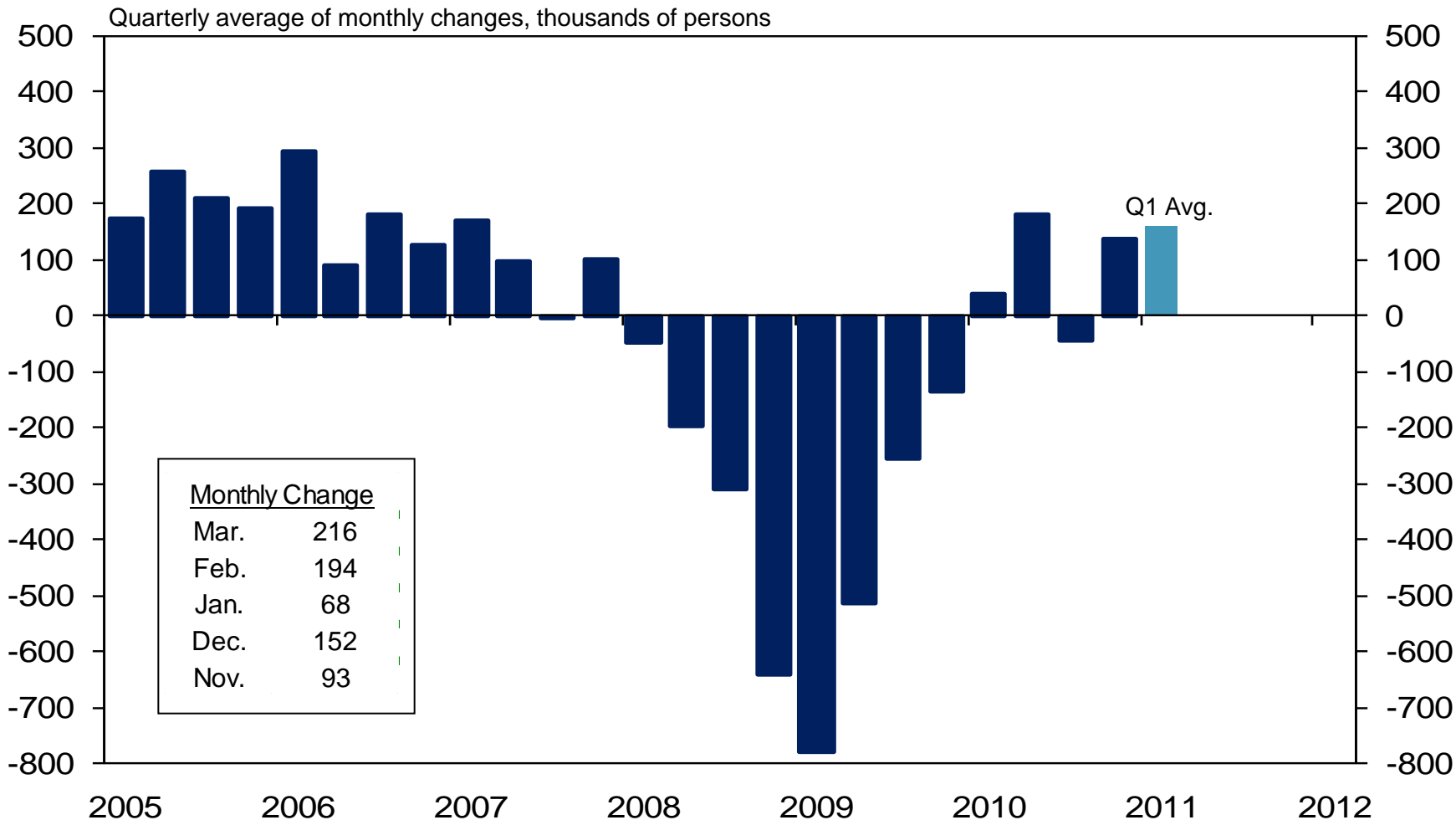


Balance of International Trade



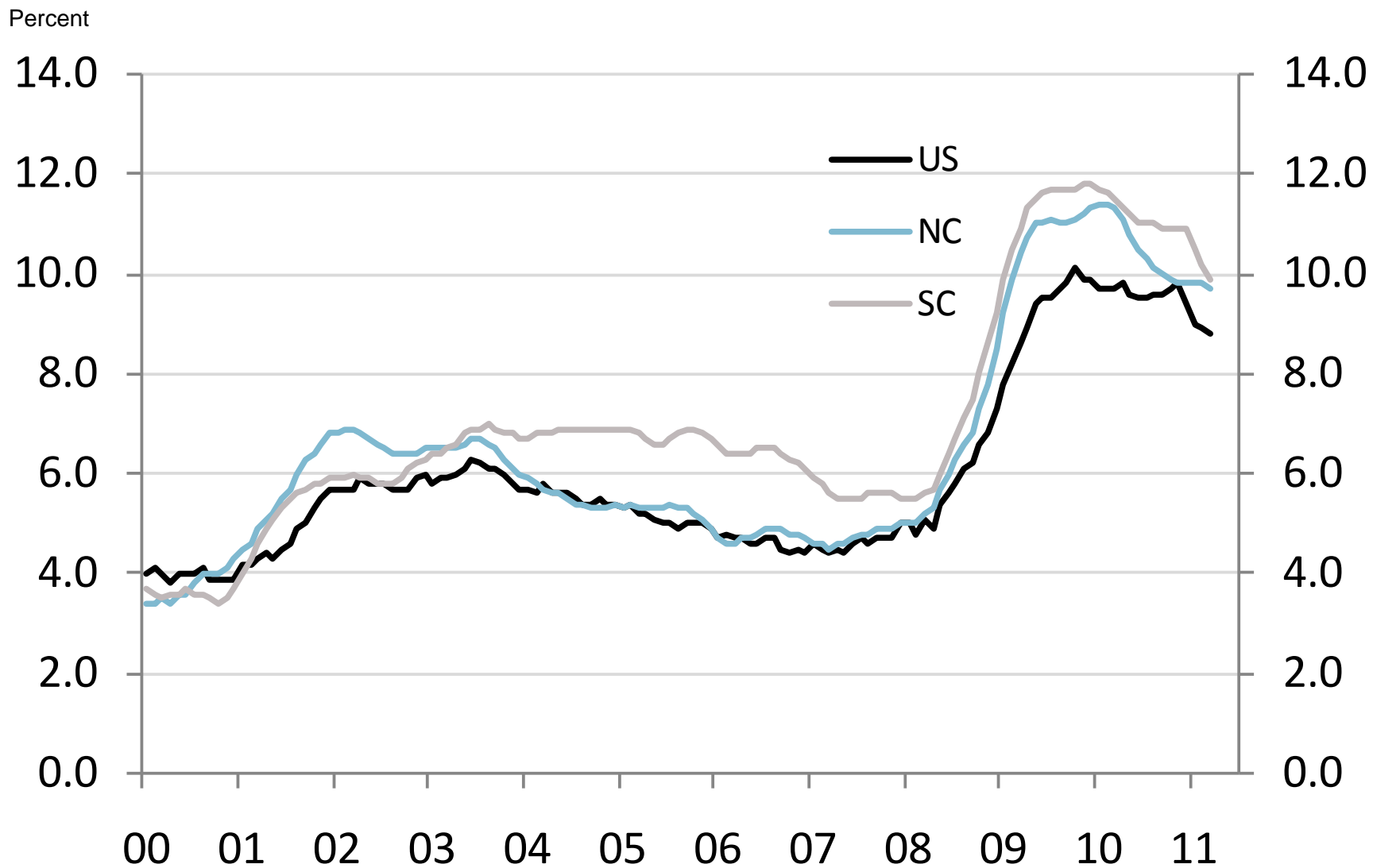


Nonfarm Payroll Employment





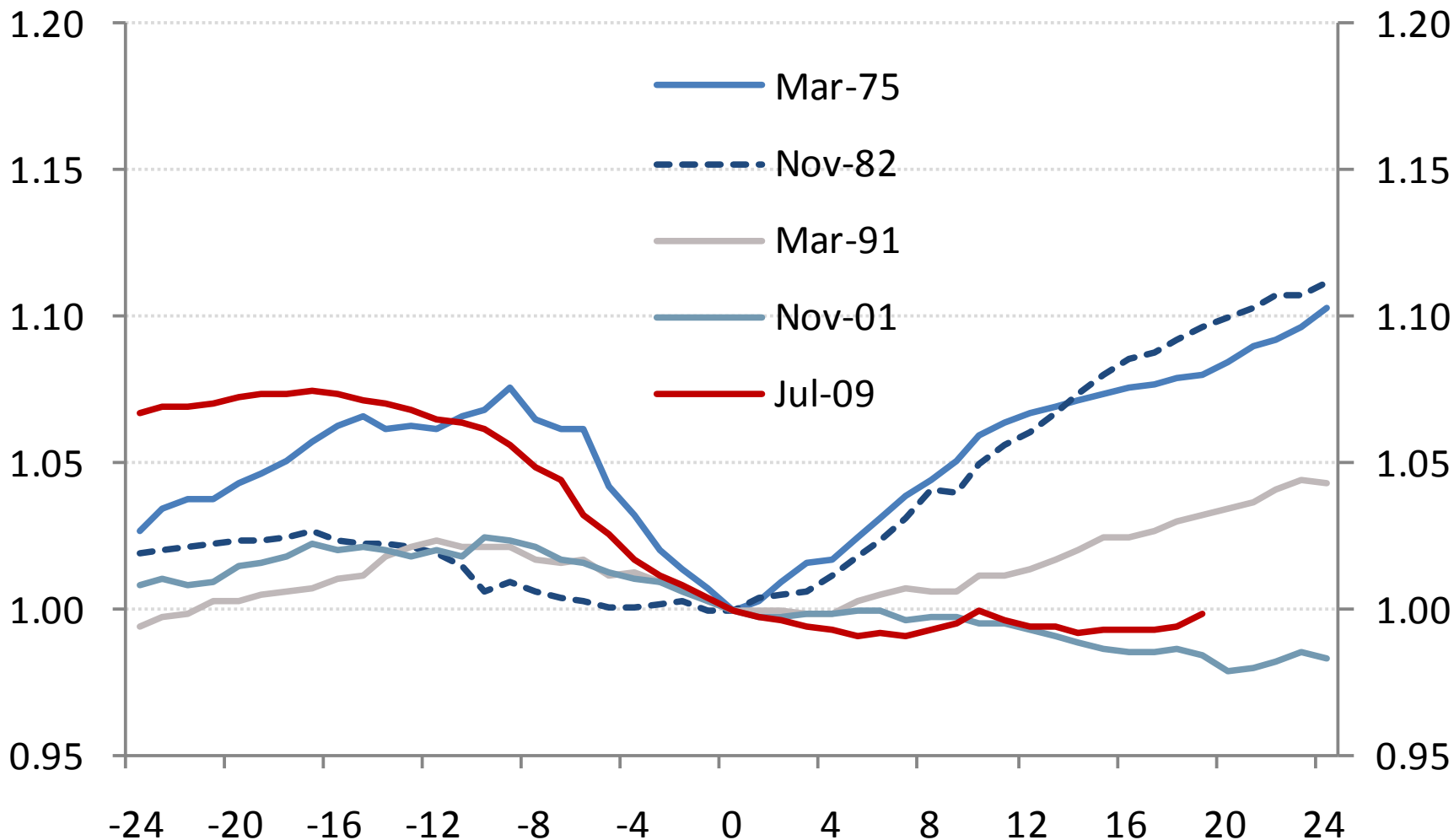
Unemployment

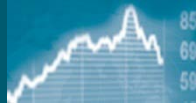




Nonfarm Payroll Employment

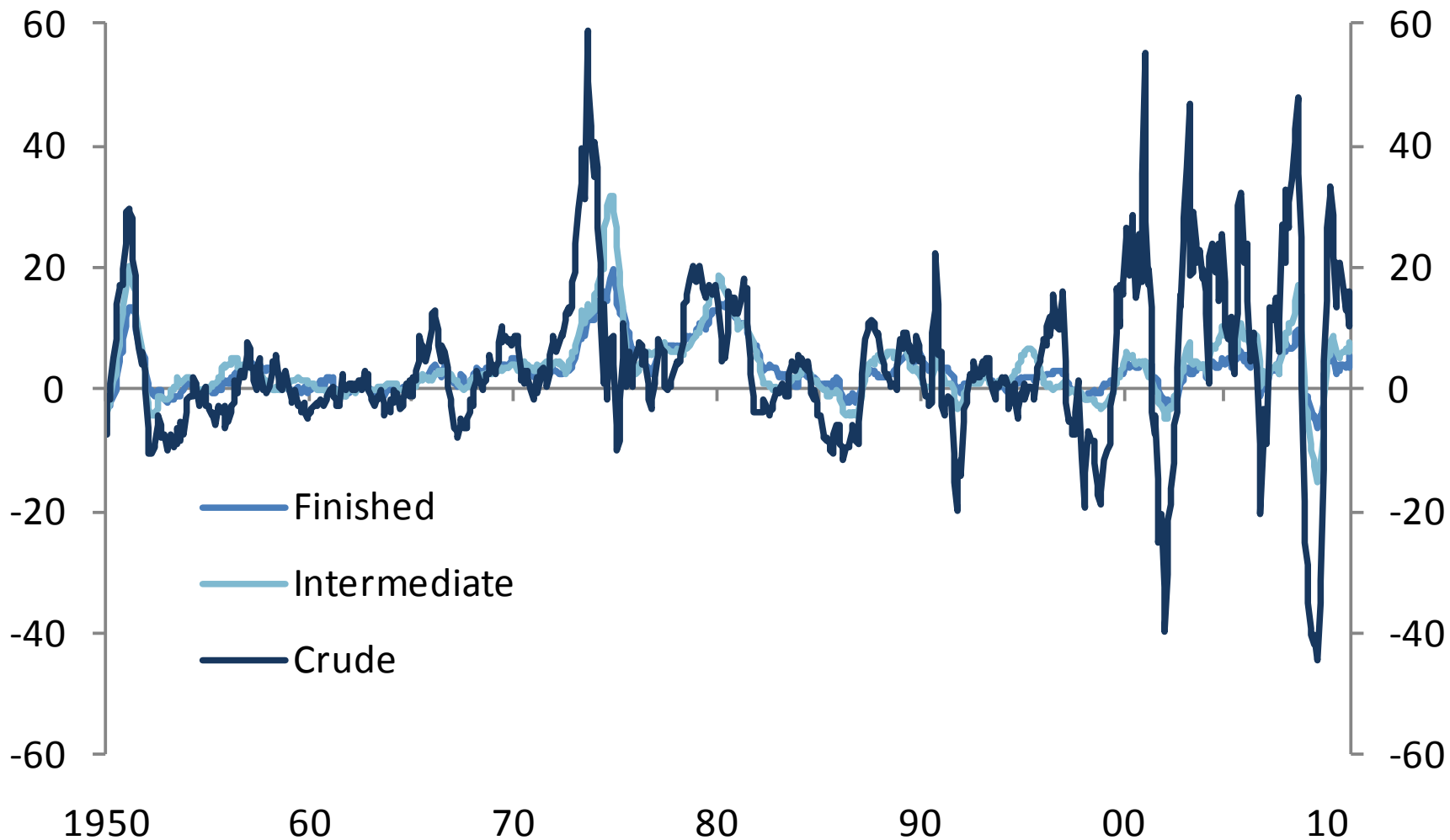
Index, Recession's Trough = 1.0





Wholesale Inflation

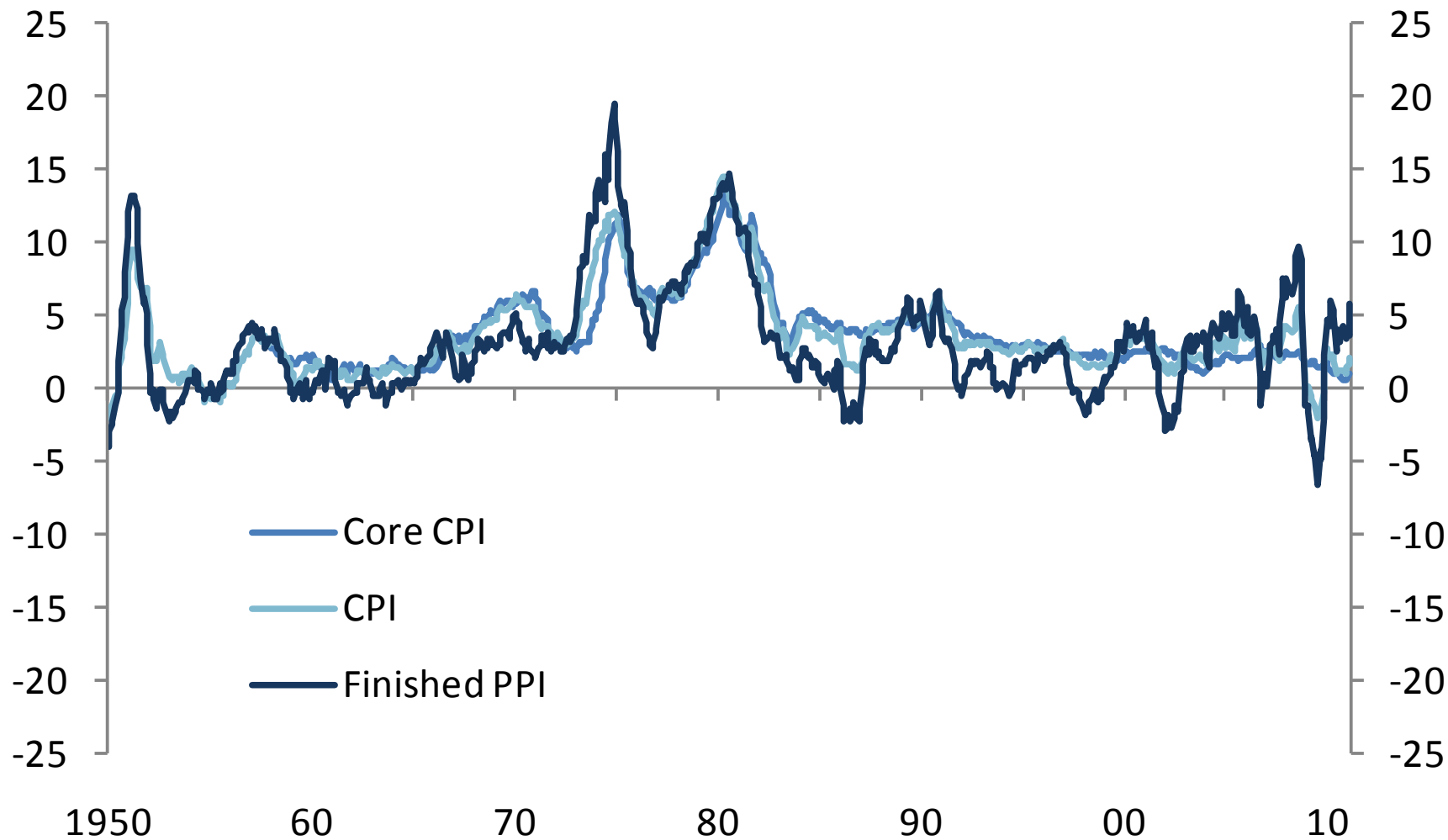
Percent change from prior year



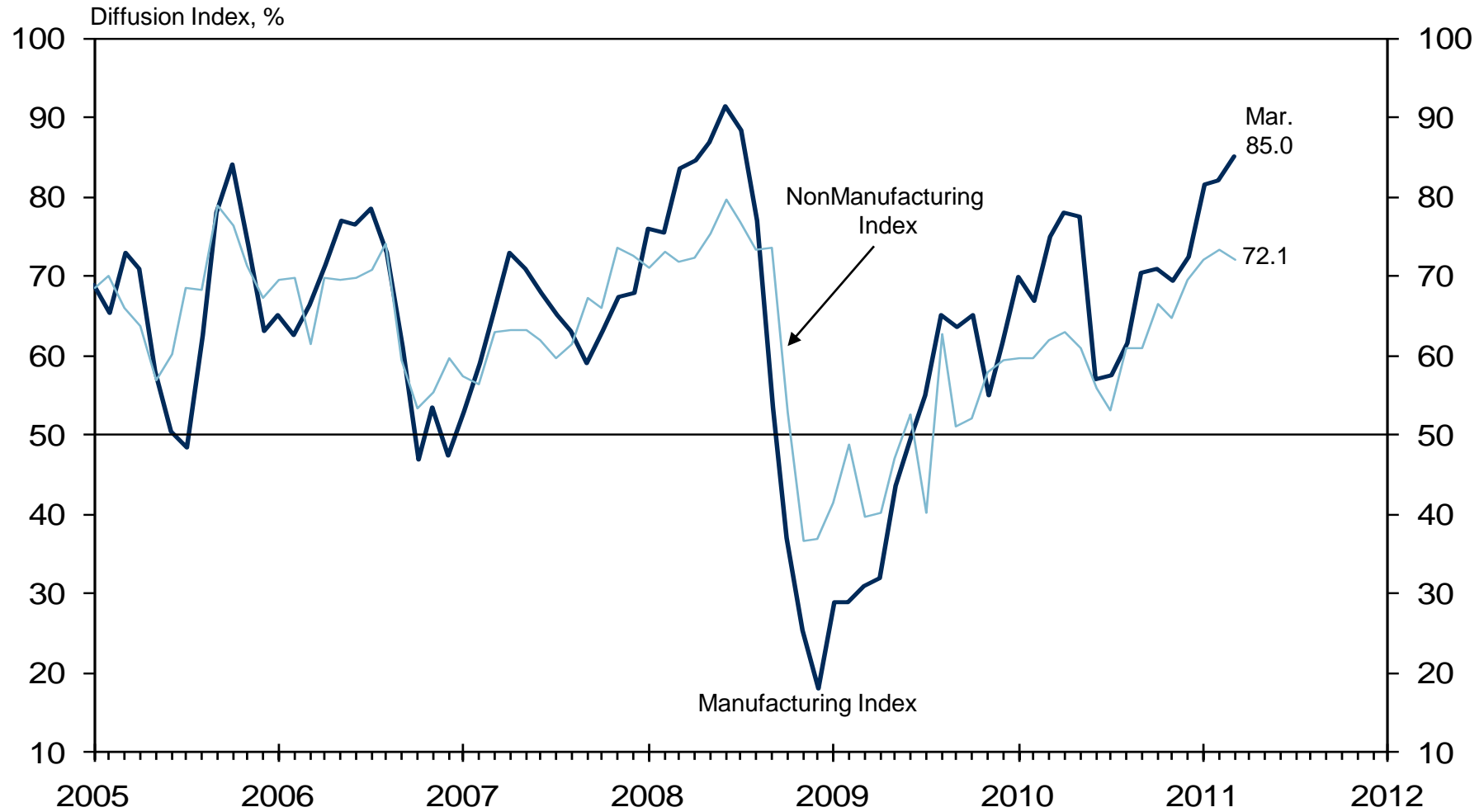


Consumer Price Inflation

Percent change from prior year

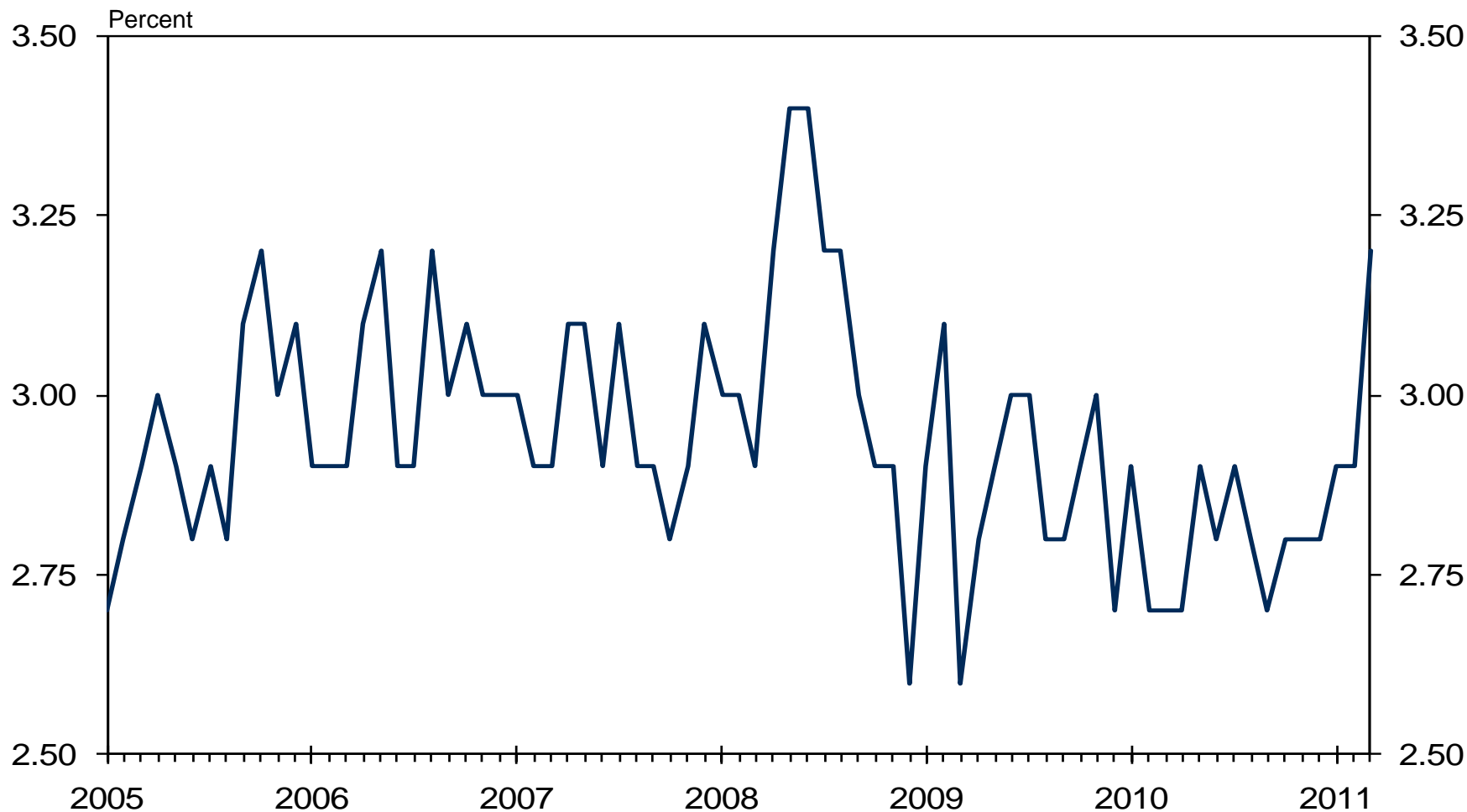


ISM Business Survey Indexes: Prices Paid



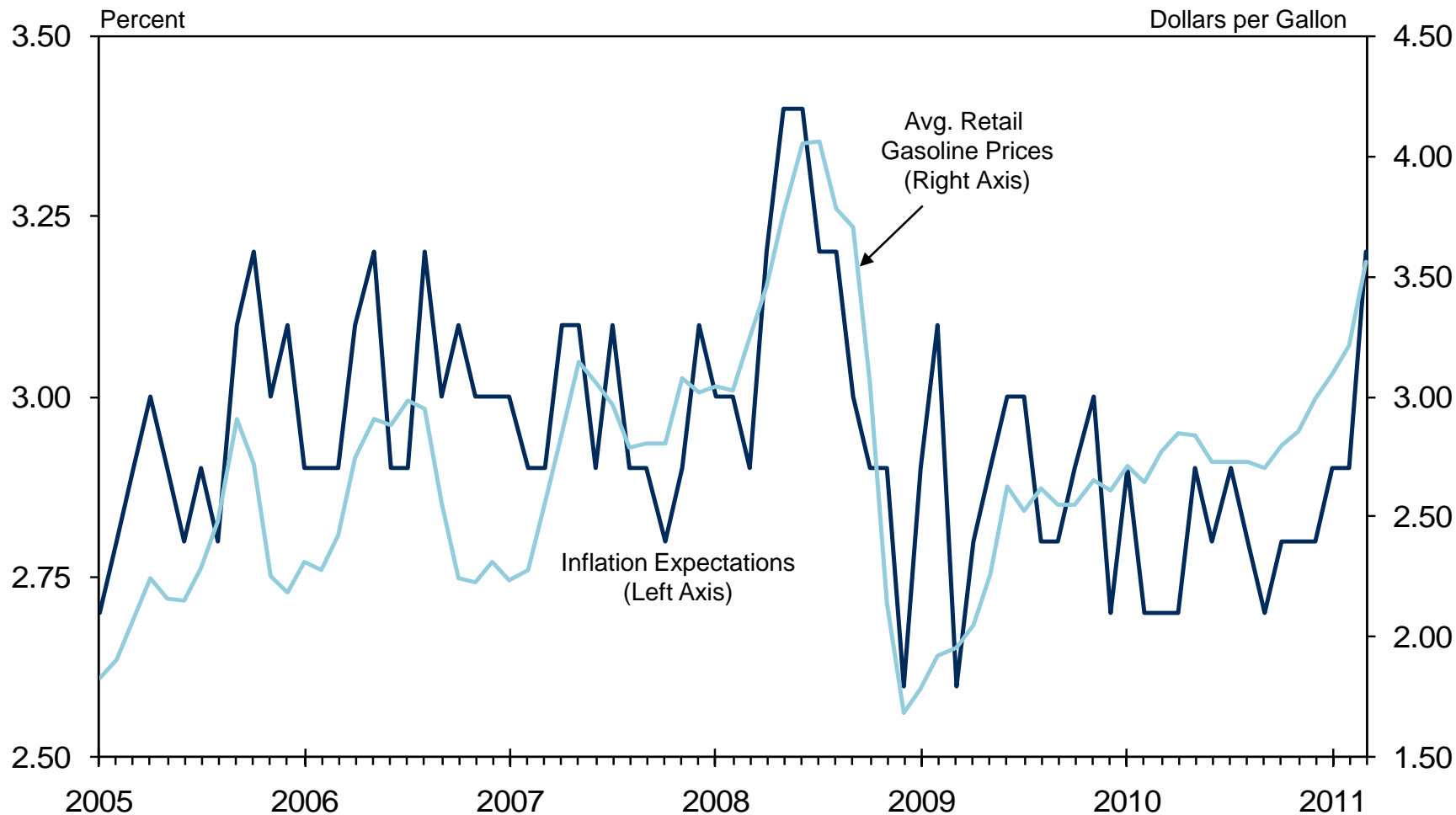


U of Mich 5 to 10 Year Ahead Inflation Expectations

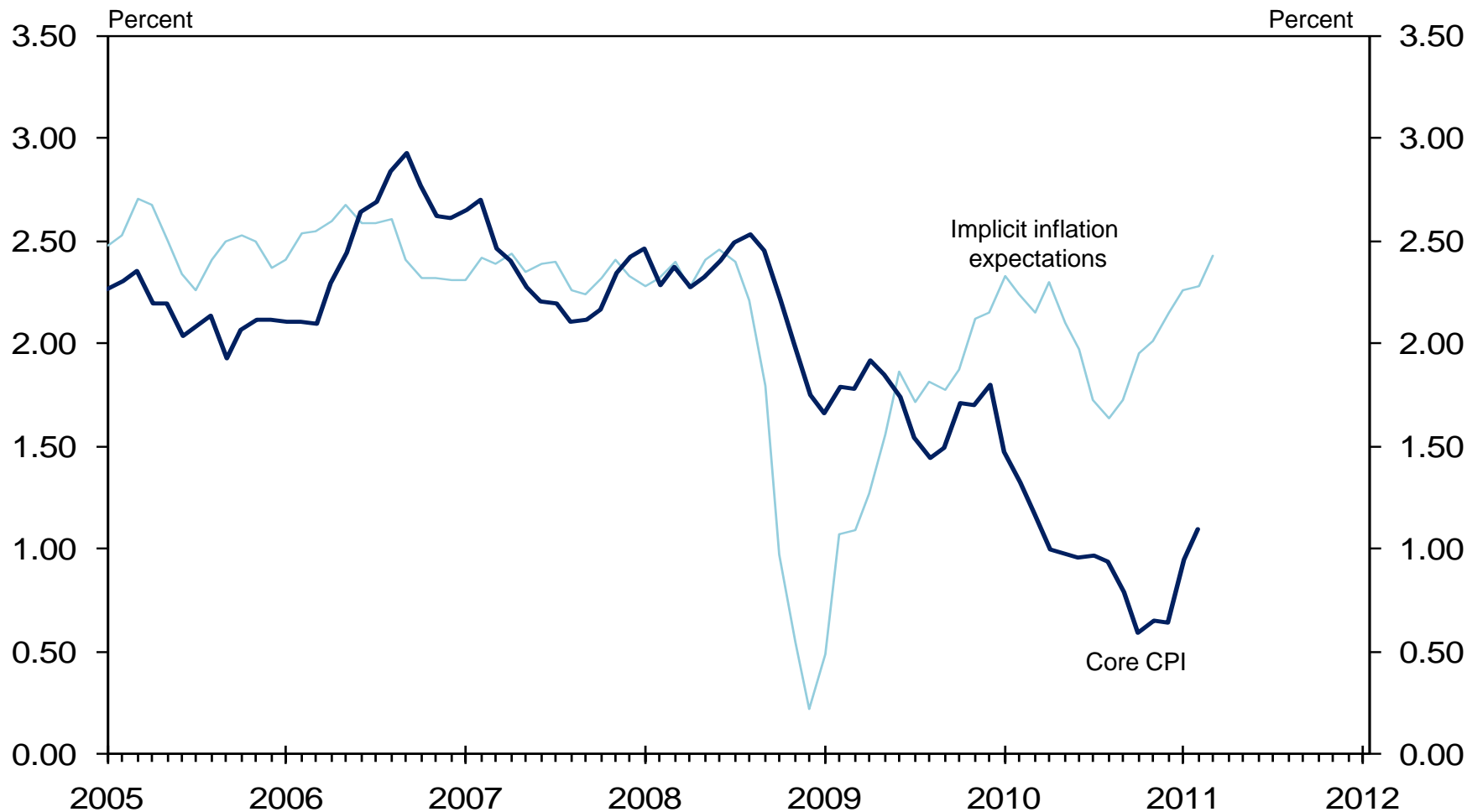




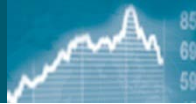
U of Mich 5 to 10 Year Ahead Inflation Expectations



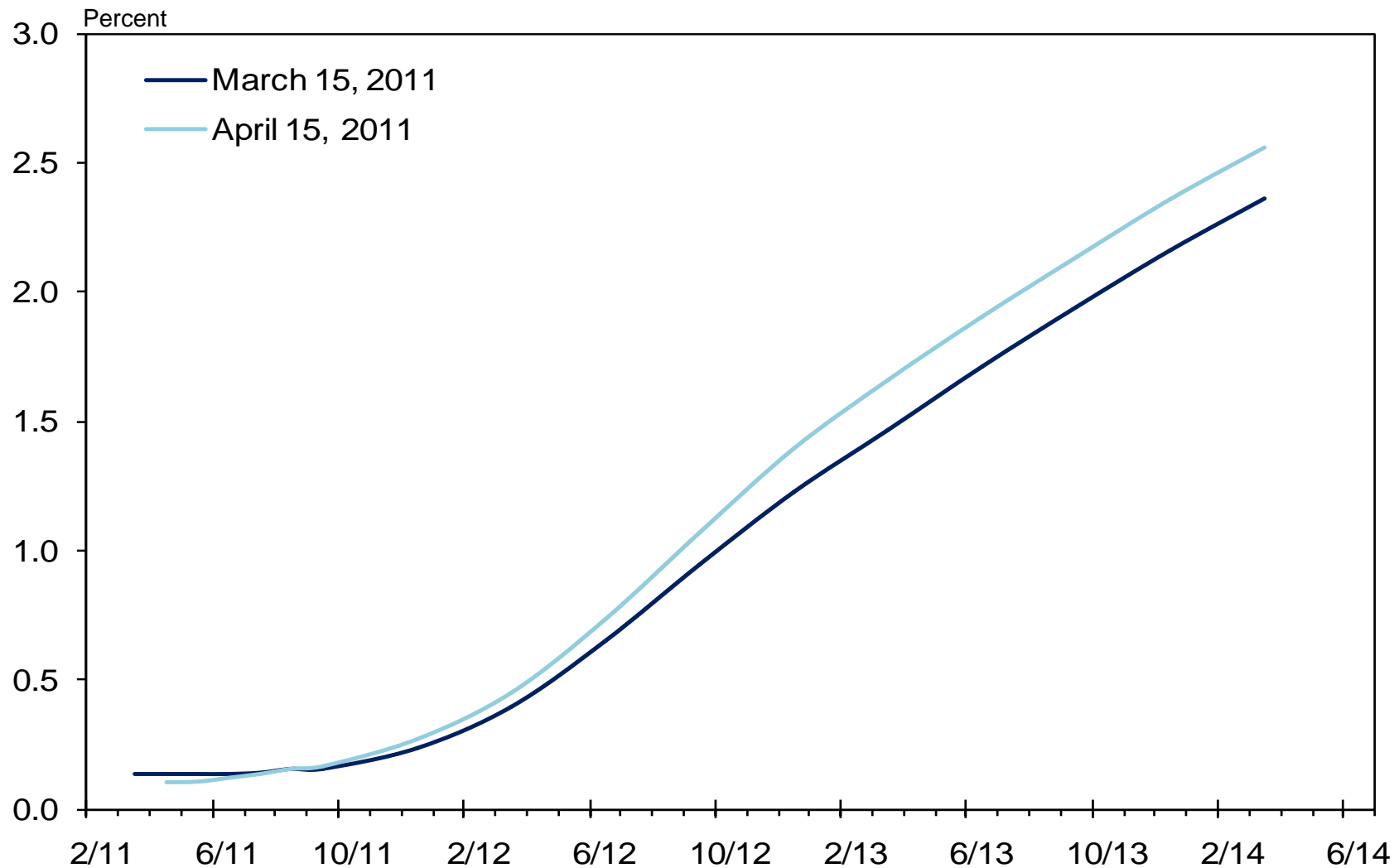
Implicit Inflation Expectations



Note: Implicit Inflation expectations equal ten-year TIPS less ten year government bond yield.



Implied Policy Rates



Note: Based from Fed Funds and Eurodollar Futures with an allowance for term premium and other adjustments

